

## Report to Cabinet

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<b>Title:</b>	<b>Budget Scrutiny Report</b>
<b>Date:</b>	Monday 11 February 2019
<b>Author:</b>	David Watson
<b>Contact officer:</b>	Kelly Sutherland, Committee & Governance Manager 01296 383602
<b>Local members affected:</b>	All
<b>Portfolio areas affected:</b>	All

*For press enquiries concerning this report, please contact the media office on 01296 382444*

### Summary

The Finance, Performance and Resources Select Committee scrutinises the County Council's draft budget proposals each year and makes recommendations to Cabinet, based on evidence gathered in Budget Scrutiny meetings, held with each individual Cabinet Member and the Leader of the Council.

Cabinet agreed the draft budget on 10th December 2018 and the Budget Scrutiny meetings were held on 8<sup>th</sup>-10th January 2019. These meetings were held in public and webcast live. In addition, members of the public were invited to submit questions, via email or twitter and the Chairman ensured that time was allocated during each session to pose any public questions to the relevant Cabinet Member.

The County Council has faced another challenging year and like many local authorities nationally, has seen increased demand leading to significant budget pressures in both Children's and Adult's Social Care.

The 2019/20 County Council budget will be the last, ahead of the new Unitary Authority being established in April 2020. On the whole, the Committee believe that resources are focused on the right priorities and recognise that it is vital that transformation and improvement programmes and associated budget savings are still delivered.

The attached report (Appendix 1) details the Committee's key findings and recommendations. The Committee has made a number of recommendations on specific areas of individual portfolio budgets, as well as corporate issues. In addition, the Committee have made some observations about opportunities for the new Unitary Council and suggestions for future Budget Scrutiny.

## **Recommendations**

### **The Committee recommends:**

- 1. That additional monies should be added to the 2019-20 contingency budget, to supplement the current Unitary reserve of £7.7m. The Committee suggests that this additional sum could be taken from the County Council's share of additional income anticipated from the Business Rates Retention pilot, which all five Local Authorities in Buckinghamshire will be participating in.**
- 2. That there should be improved level of visibility in individual budget lines across all portfolios for future Budget Scrutiny Inquiries. The financial data submitted should clearly identify the major costs of running the Council e.g. Home to School Transport, the EfW plant income and costs, parking revenues, Skills budget, number of Full Time Equivalent (FTEs) staff, costs of agency staff/interims, key drivers of demand in Social Care and associated unit costs. A high level Budget Book to enable more transparency for Members and the Public is proposed.**
- 3. That balance sheet and cash flow budgets should be prepared to support the capital, treasury investments, borrowing and revenue costs over the four year period.**
- 4. The Committee has concerns that the root cause societal issues driving the increase of Looked After Children may continue to grow over the coming years and therefore there is the possibility that the budgeted growth in demand may not be sufficient. It is recognised that assistance from Government may be required, in the meantime a significant contingency is recommended.**
- 5. That a realistic figure is included in the final Children's Services budget for legal fees.**
- 6. That the Health and Wellbeing contingency should be reviewed to ensure that it offsets the key risk areas identified by the Committee. A significant contingency is recommended.**
- 7. That a minimum 5% per annum uplift should be applied to the Strategic Highways Maintenance capital budget line to take into account inflation, growth of the asset and impact of increased traffic on the highways.**
- 8. That the additional funding for gully cleansing and weed management which had been added into the budget as a result of Budget Scrutiny recommendations over the past two years, should be maintained. This will prevent further decline of the asset and should be viewed as an 'invest to save'.**
- 9. That a Street Lighting Survey should be undertaken to establish the location, ownership and condition of all columns in the County, including an assessment of the current status of all lights. In addition, if a further £2m could be funded from within the Capital envelope, this should be added to fund an acceleration of**

**Column Replacement works. The use of smart technology should also be investigated.**

**10. That preparations for the new authority should include both the Unitary Opportunities and Future Budget Scrutiny recommendations detailed on slides 45 to 47. The opportunity that the creation of a new Council presents should not be missed.**

**A. Narrative setting out the reasons for the decision**

See Report attached as Appendix 1.

**B. Other options available, and their pros and cons**

See Report attached.

**C. Resource implications**

The resource implications of all recommendations are to be considered as part of Cabinet's response to the Inquiry Report.

**D. Value for Money (VfM) Self Assessment**

See above.

**E. Legal implications**

N/A

**F. Property implications**

N/A

**G. Unitary Council**

The Committee have shared some observations and suggestions for the new Unitary Council on Slides 45-46 in the Report headed 'Unitary Opportunities.'

**H. Other implications/issues**

N/A

**I. Feedback from consultation, Local Area Forums and Local Member views**

N/A

**J. Communication issues**

Cabinet's response to the recommendations will be published.

**K. Progress Monitoring**

Where recommendations are agreed by Cabinet, the lead officer for each recommendation will be asked to provide a written progress update to the lead Cabinet

Member. The Cabinet Member and relevant officers will be invited to the Select Committee to follow-up on the progress of the recommendations at 6 & 12 months.

**L. Review**

See above.

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**Background Papers**

Cabinet Agenda 10 December 2018

Budget Scrutiny Inquiry Agendas 8<sup>th</sup>-10<sup>th</sup> January 2019

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***Your questions and views***

*If you have any questions about the matters contained in this paper please get in touch with the Contact Officer whose telephone number is given at the head of the paper.*