

MTFP & Budget Scrutiny T & F Group Report to Resources Scrutiny Commission for 10th & 14th January 2019
Full Executive Summary written by the Chair Cllr Clive Stevens

Back in September 2018 and faced with the usual problem, “how do we make a difference?” So we decided to influence the consultation, understand better areas not looked at in 2017/18 and deep dive those areas that look high risk (financial variability). Looking back I think we actually did quite well..

1. Budget question 4 is open ended and asking the public for their input – true engagement. The latest news is that returns are running at 5 x the level of last year. But in January we shall see what has been said.
2. We inputted into the MTFP, but only one suggestion was included, so undaunted, the chair made a statement at Cabinet and Cllr Cheney said he would look at the other five issues. (See page 10)
3. We looked at HRA and Capital strategy, but missed out on Local Government Settlement, Public Health, Reserves and Risk. I think officers were preoccupied with emerging pressures, we were pretty busy concentrating on the key high risk areas. Resource Scrutiny will need to look at the areas we didn't cover:
4. Those pre-identified High Risk Areas we did cover were the Dedicated Schools Grant and specifically Special Educational Needs, Adult Social Care (both 64+ and Working Age which is 18 to 64). All three areas have proved to be worthy of study. Two I would say are not operating within “financial parameters” (I'll explain what I mean by that in a minute), but one (ASC 64+) appears to be within. My term “financial parameters” means if BCC sets a budget in February 2019 then there is a reasonable chance that the actual costs will be within £2 or £3m of that budget by the following year.

There are other areas of the budget that might not be operating within “financial parameters” but we didn't look at them.

Report highlights:

DSG – when we first saw this the pressures were £1.5m (based on early planning assumptions), a month or so later, (following more detailed review) these have risen to £4.9m, by the end of 19/20 (which includes £1.8m c/fwd). If these pressures stay at this level or rise further there will be a decision that needs taken about how to fund this deficit. Additional deep dive scrutiny talking to Special Needs Coordinators in schools reveals all sorts of issues between them, Heads and the Council trying to keep a financial lid on this. It concerns us that the needs of some children might not be being met and yet SEN Scrutiny isn't due until 2019. See pages 3, 7 and top of 8 for more detail.

ASC (64+) – 2018/19 is looking like it might come in £1m lower than 17/18 (figures before one-offs). Although this is well over budget, it is commendable and the underlying graphs show that demand is moving from Res/Nursing Care to Homecare and ECH. There is still a lot to do and ultimately the aging population will force these costs up again. See pages 8 and 9.

ASC (Working Age 18-64) – also includes preparing for adulthood. This is an amazingly complex area and our first look into it. It is quite clear that the costs are increasing and that it is not clear what to do to control them. This year will be £4m (in total) more than last year. The factors that are driving this are not fully understood (perhaps nationally). It is almost certainly going to be a major cost increase in 2019/20 too (unless extra funding comes in). See pages 8 and 9.

Future

We plan to hold a one off Budget T&F meeting in February 2019 to understand how the latest pressures impact on the Budget that councillors will be voting on. Probably based on P8 forecast; This shouldn't need much if any officer resource.

A big thank you to all those on the Budget T&F and to officers too. They have been thanked by me.