

Resources Scrutiny Commission

Comments on 2022/23 Budget Proposals

Introduction

The Budget and Medium-Term Financial Plan Scrutiny Working Group has met on 9 occasions to receive briefings on the budget and prepare questions for Officers. Subsequently the members convened as the Resources Scrutiny Commission (RSC) to question officers and Cabinet Members on the budget.

All Members welcomed the openness from Cabinet and officers. We wish to specifically thank Mike Jackson and Denise Murray and all the officers who supported our meetings and also Councillor Craig Cheney and his Cabinet colleagues who responded to our questions.

The comments that follow have been agreed by all parties that serve on and attended the RSC budget meeting. They are intended to inform Members when considering the budget but are not intended as any form of criticism of all who have put so much effort into the budget papers. The detailed notes of our meetings are attached if you wish to read more of the background.

Presentation of Information

We recognise the budget is a complex process dealt with in a highly professional way, but backbench Members repeatedly found it difficult to follow figures and a request was made for more detailed cross referencing. Members noted that the requirement for budget amendments require more detail than is sometimes available in the budget document. Members also noted that the provision of headline amalgamated figures means that there is often insufficient detail of the line-by-line budget.

Linked in with this were issues of accessibility and presentation.

The Working Group would be pleased to work with officers and working through how presentation could be improved without creating unrealistic pressures, for example by adopting a more web-based approach.

Staff Pressures

Members recognise there have been many years of savings including staff reductions. There was concern that the partial deletion of vacant posts may contribute to staff pressure. There was serious concern expressed about the capacity of the organisation to cope with new challenges, with further management reductions planned in this budget. This could lead to a significant loss of expertise within the organisation.

Savings

We recognise that the budget gap was quantified later than usual and that the savings have not been prepared as rigorously as in past years. This could lead to significant risks on the delivery of the

budget. Members noted that many of the savings proposals are subject to consultation and in reality are unlikely to make much contribution until 2023/24.

As a specific example of this, Members felt uncomfortable with the saving on Trade Union time, which appeared to be a cut from the corporate budget and departments will be deciding whether to make savings elsewhere to fund trade union time or not. Members recognised the positive role Trade Unions play in the authority. [Appendix B p8 of minutes below]

Members also raised a number of concerns about the 'Review of usage and provision of disabled people's parking spaces and introducing a charge for the service'. Although it was understood this proposal was subject to consultation and a full equalities impact assessment there were questions around what the charges may be, how these would be calculated and impacts this could have on those affected. [Appendix A p6&7 of minutes below]

There was Member support to retain the current 30-minute free parking. Whilst budget pressures were appreciated, it was felt this savings proposal could undermine economic recovery at this time. [Appendix A p7 of minutes below]

Adult Care

Members recognise the massive progress made within this department both in terms of understanding the supply and demand issues and monitoring cost. They also recognise that demand is growing and that current staffing issues are unlikely to ease and therefore fear that there will continue to be spending pressures which may not have been fully reflected in the budget. [Appendix B p2 of minutes below]

Dedicated Schools Grant

Members understand the pressures created by the Higher Needs Block and recognise that it is not sustainable. The continuing growth of the overspend being carried forward is a significant financial risk and the projected amount of the overspend at March 2023 is a serious financial threat, particularly when the Council is still not delivering all the special needs assessments. We feel this area needs serious and immediate attention. [Appendix B p5 of minutes below]

Reserves

There was concern that uncertainty from Government regarding the future of the DSG deficit has led to uncertainty over the reserves policy, and in particular the increase in general reserves to effectively cover the Special Educational Needs and Disability (SEND) deficit. At the current time it is unclear whether the Council is liable, in which case the deficit should be written off, or whether it was not in which case carrying sufficient reserves may be seen as an "offer to pay". [Appendix A p9 of minutes below]

Capital Strategy

Members welcome the capital strategy and the renewed commitment to spend the capital programme in-year. However, Members needed reassuring that we would not have the same level of shortfall in future years. There were also serious concerns expressed about the impact of inflation on the capital programme and whether sufficient allowance had been made. [Appendix A p2 of minutes below]

Housing Revenue Account

The detailed consultation on the HRA was welcomed by Members, as was the proposed investment in New Homes. Members were concerned that the Companies business plans were not being approved before budget Full Council, and Members have not seen those plans so are unable to comment on the viability of Goram Homes involvement in this process. [Appendix A p5 of minutes below]

One City

Members raised concerns about the funding of the One City project and in particular funding of the One City governance review. Members asked what involvement scrutiny would have in reviewing the governance review which the Council appeared to be paying for and having input into the One City plan. [Appendix B p7 of minutes below]

Thematic Budget

We felt there was potentially a missed opportunity to bring clearer themes into the budget and highlight the spending in respect of, Pandemic recovery, Social recovery, and Climate emergency and to link these themes into the Councils Strategic Plan.

Documents Appended:

- Appendix A: Minutes of the Resources Scrutiny Commission - Budget Scrutiny Meeting Part 1, 25th January 2022
- Appendix B: Minutes of the Resources Scrutiny Commission - Budget Scrutiny Meeting Part 2, 1st February 2022
- Appendix C: Further Information Requested by Members