

OVERVIEW AND SCRUTINY BOARD

A meeting of the Overview and Scrutiny Board was held on 13 November 2018.

PRESENT: Councillors J Sharrocks (Chair), M Storey (Vice Chair), T Higgins, T Mawston, J McGee, L McGloin, M Saunders and J A Walker

PRESENT BY INVITATION: Councillor Nicky Walker (Executive Member for Finance and Governance)

OFFICERS: S. Bonner, J. Bromiley, G. Cooper, A. Humble, E. Kunonga, E. Scollay.

APOLOGIES FOR ABSENCE Councillor D P Coupe, Councillor E Dryden, Councillor A Hellaoui, Councillor L Lewis.

DECLARATIONS OF INTERESTS

None were declared.

18/31 MINUTES - OVERVIEW AND SCRUTINY BOARD - 30 OCTOBER

The minutes were accepted as a true record.

18/32 BUDGET SETTING - PROPOSALS

The Strategic Director of Finance, Governance and Support presented the Council's budget proposals that were scheduled to be considered by Executive on 20 November 2018 and then Council on 5 December 2018. OSB heard the proposals were being presented to facilitate Scrutiny's early engagement with the budget setting process.

If the proposals were agreed they would be consulted on and the final budget set on the 13th March.

It was noted the proposals were the result of extensive work and constituted part of the Council's Strategic and Medium Term Financial Plans.

The proposals also included initiatives that were designed to grow income for the Council which were linked to the Investment Strategy.

The Medium Term Financial Plan (MTFP) demonstrated that the Council was living within its means for the next three years, despite uncertainty around Local Government funding. It was commented that this was a substantial achievement and that other Councils were not in a similar position.

While it was acknowledged circumstances could change to affect the Council's finances there was a robust strategy in place to deal with potential changes.

A question was posed as to why Middlesbrough was in a relatively better financial position than other Councils. It was commented the Council's current financial position was likely to be the result of robust work to ensure savings were managed appropriately.

It was confirmed there were still substantial savings to be made (£12.8m in 2019/20, £8.7m in 2020/21, and £4m in 2021/22). A large proportion of the savings identified were planned and agreed as part of the previous budget. If all of the proposed savings, as presented, were realised the Council's budget would be balanced in 2019/20 and would potentially have a small surplus in future years.

The refreshed MTFP identified total savings of £22.9m between the financial years 2019/20 and 2021/22 and that a small amount of the Council's reserves would be used to smooth the path. Agreed savings would account for £10.9m which had been achieved via the Change Programme 3.0 with a further £12m identified via the Change Programme 3.1.

As in previous years, the budget report would contain three appendices that would categorise the proposals in the following way:

Appendix 1 - Proposals and initiatives where no consultation was necessary as they would have minimal or no effect on front line service delivery. There would be 59 initiatives that fell within this Appendix. These would largely be Service Reviews removing under-utilised budgets. Any impact on staff would result in consultation and be undertaken by management as appropriate.

Appendix 2 - Initiatives that may affect front line service delivery. Consultation would take place either prior to consideration by Full Council as part of the 2019/20 revenue budget, or during 2019/20 for implementation in that year or future years.

Appendix 3 - Further development of initiatives for future years for which consultation will take place in 2019/20 or in future years.

The Executive Member for Finance and Governance, and the Officers present, were asked questions by the Board about specific proposals on an exception basis. In instances the Officers did not have the answer to hand, it was agreed that responses would be sent to individual Members.

The following actions were agreed as a result of questions posed by Members:

- It was agreed the Service Area would re-examine the wording of proposal ASC 01 (contained within Appendix 1), "Reduce asylum seekers budget due to over-provision in budget, based on asylum seekers with additional care needs who have had claims rejected". It was explained that this proposal related to funds for Asylum seekers who had been unsuccessful in their asylum claim but who had certain health conditions that required a duty of care. Applying to a small number of individuals, demand forecasting did not foresee an increase in the number of users for going forward and as such there was an over provision in that budget.
- It was agreed the Service Area would re-examine the wording of proposal PHPP 01 (contained within Appendix 2), "Reduction in wrap-around support services for substance misuse across prevention and early intervention." It was noted that front line services would not be affected, but it was recognised that those services needed to change.

ORDERED:

1. That the information presented to OSB be noted.
2. That the Service Area would re-examine the wording of proposal ASC 01 to provide greater clarity.
3. The Service Area would re-examine the wording of proposal PHPP 01 to provide greater clarity.

18/33 ADULT SOCIAL CARE - SERVICE UPDATE

The Board agreed that this agenda item would be deferred to a future meeting of OSB.

18/34 EXECUTIVE FORWARD WORK PROGRAMME

The Board agreed that this agenda item would be considered at the next meeting of OSB on the 4th December 2018.

18/35

SCRUTINY PANEL PROGRESS UPDATES

The Board agreed that this agenda item would be considered at the next meeting of OSB on the 4th December 2018.