

TRAFFORD COUNCIL

Report to: Executive
Date: 24th January 2022
Report for: Decision
Report of: Scrutiny Committee Chair
Report Title

OVERVIEW AND SCRUTINY REVIEW OF THE EXECUTIVE'S DRAFT BUDGET PROPOSALS FOR 2022-2023

Summary

The Executive's Draft Budget Proposals for 2022-2023 were agreed at its meeting held on 11th October 2021.

Two Budget Scrutiny Working Group sessions were then held on the 30th November and 2nd December 2021 with the relevant Executive Members and Senior Officers in attendance to address Members questions. Members were also provided with detailed background information on the budget proposals.

This report reflects the outcome of those discussions, summarises areas, and provides recommendations for the Executive to consider in developing its final budget proposals and response to the Scrutiny Committee.

Recommendation(s)

The Executive are asked to consider the following recommendations:

1. That the Scrutiny Committee receive an updated 2021/22 budget gap update, including suggested actions to address the gap and the impact on the Council's reserves at their March meeting.
2. That the Executive ensure the reserves relating to COVID are adequately explained within the budget consultation process to minimise confusion among the public.
3. That recruitment and retention of social workers and foster carers, particularly regarding support provided by the Council, be a key priority for the Council within the refreshed Corporate Plan.
4. That the Children and Young People's Scrutiny Committee be consulted on the reduction of external placements and receive updates on implementation.

5. That the economic risks identified by budget Scrutiny be reported by exception to the relevant Committee during the 2022/23 municipal year.

For information

As well as the recommendations outlined above, Members would like to be kept updated by any appropriate means from the Executive or Officers on:

- Funding application and development of the Early Help Offer and family hubs.
- Increase in Delayed discharges of care.
- Workforce challenges within adult social care.
- Information on the support offered to carers.
- Outcomes from the review of the adaptations service

Scrutiny 2022/2023 work programme suggestions

1. That the Health Scrutiny Committee considers work being done to address delayed discharges of care.
2. That the Health Scrutiny Committee considers a review of workforce challenges within adult social care.
3. That Scrutiny consider a review to increase the level of direct payments in Trafford.
4. That each Scrutiny Committee meet with the relevant Executive Members and Lead Officers at the start of the 2022/23 municipal year to schedule updates and work leading from the recommendations of the report.

Background Papers: None

Contact person for further information:

Name: Alexander Murray

BUDGET SCRUTINY REPORT – 2021/22

Foreword by the Chair of Scrutiny Committee

I welcome the opportunity for Scrutiny to review and comment on the draft proposals at an early stage. On behalf of Scrutiny Members, I would like to thank the Executive Members and Corporate Leadership Team for their commitment, help and contribution to our scrutiny of the draft budget proposals. I would also like to thank Scrutiny Members who played an important part in the process and whose contribution was invaluable.

The Pandemic has continued to have a huge impact on the residents and businesses in Trafford, as it has on the rest of the UK and beyond. The Council has been focused upon the wellbeing of our residents, communities, and businesses to ensure they have stayed as safe as possible and have been supported physically and financially throughout the pandemic. There is no doubt this period has been a huge challenge for the Council, and particularly so for the Council's budget situation. During the budget sessions Executive Members and Senior Officers spoke of the difficulties in identifying achievable savings for the 2022/23 budget. They often reflected that the impact of the pandemic on top of ten years of austerity has led to the most difficult budgetary position they had seen and that this is likely to continue over the next few years if additional government support is not provided.

It is recognised that the financial situation for the Council has been, and still is, extremely challenging. I would like to put on record my thanks to the Executive Members and Corporate Leadership Team for the work they have carried out during this very difficult period in managing the budget. I would also like to thank all the Council Staff, Partners, volunteers, and Council Members for the support and dedication they have all shown to Trafford residents and businesses throughout the Pandemic.

We hope that our Budget Scrutiny will contribute to the decision-making process in ensuring that robust measures are in place to manage the challenges Trafford faces. We have identified areas where we feel that there are risks and we look forward to receiving details of how the Executive will address these. We will be following up on a number of areas in our work programme for the next municipal year.

Councillor David Acton

Chair, Scrutiny Committee.

December 2021

1. Background

1.1 Following the presentation of the budget proposals to the Scrutiny Committee on the 10th November it was decided that Budget Scrutiny would focus upon the Place Directorate, the Council's reserves, Children's Services, Adults Services, and all savings proposals. The first session covered the Place directorate and the reserves with the second session focused upon Children's and Ault's Services.

1.2 A presentation was produced, covering information for both sessions, and circulated to Councillors on the 26th November 2021, which gave Scrutiny Members time to review the documents prior to the sessions and request additional information. Several questions were received in advance with answers provided both in writing and at the meeting.

1.3 A third session was held on the 14th December for Scrutiny Members to discuss the information received and to formulate recommendations for the Executive.

2. Key Messages

2.1 Over the course of Budget Scrutiny process a number of key themes, detailed below, emerged as being of particular interest to Scrutiny Members.

2.2 Budget Gap 2021/22

2.2.1 Scrutiny recognised the work that has been done during the year to reduce the projected in year deficit to an estimated £5.5M at the end of November. However, Scrutiny Members were concerned that there was still the possibility that the gap could increase due to external pressures, such as increase in the staff pay award and reduced social care precept, as well as underperformance of income or savings proposals, which would require the Council to use some of the limited reserves to plug the gap.

2.3 Economic Risks

2.3.1 The sessions made Scrutiny aware of the following risks the Council faces in achieving a balanced budget for 2022/23.

- the ongoing risk of COVID 19,
- recovery of fees and charges,
- recycling of the Council's Investment Portfolio,
- leisure trading shortfall,
- potential increase in domestic waste,
- increases in inflation,
- increases in contracts and running costs,
- likely increases in needs led budgets.

2.4 Communication of Council use of reserves

2.4.1 Due to the amount of funds provided by the Government to address COVID 19 and the level of ear marked reserves, the Council holds an unusually large amount of money in reserve, which is much greater than in previous years. Scrutiny Members raised concerns as to how this might be perceived by members of the public who could look at the figures and believe the Council were in a better financial position due to COVID, which is clearly not the case.

2.5 Achievement of Savings

2.5.1 Scrutiny was informed that the Council was looking at £2.86M underachievement of savings within 2021/22. When explaining why this had occurred the Director of Finance spoke of the Council having made savings each year for over a decade and how it was getting harder to identify ways of reducing costs to meet targets. Scrutiny recognises the difficulty of continuing to achieve savings in the current financial climate.

2.6 Children's Services – Family Hubs

2.6.1 During the sessions Scrutiny Members enquired about the possible funding being provided by the government for family hubs. The Corporate Director for Children's Services confirmed that Trafford was applying for funding in December to bolster plans to further the development of family hubs within the borough, as part of improving the Council's Early Help Offer. Scrutiny recognises the importance of preventative support for children and young people and welcome the development of family hubs in the area.

2.7 Children's Services - workforce

2.7.1 The difficulties in filling Children's Social care vacancies continues to be a concern for Scrutiny due to the costs associated with filling position with agency staff. Scrutiny also recognises the need to recruit additional foster carers to achieve savings while maintaining or increasing capacity. Scrutiny Members have some experience in encouraging foster carers and feel they could assist in achieving this goal. Scrutiny urges the Executive to ensure robust support for foster carers is in place to encourage new applicants. The Corporate Director of Children's Services mentioned that the Corporate Parenting Board was focused on this issue and suggested close working between Scrutiny and the Board. Scrutiny welcomes the suggestion to work closer with the Corporate Parenting Board.

2.8 Children Services – External Placements

2.8.1 Some Scrutiny Members were surprised at the cost of some of the placements the Council had in place. The Executive Member for Children's Services and Corporate Director of Children's offered to provide regular updates on external placements to Scrutiny. Scrutiny would like for updates to be provided regularly to the

Children and Young People's Scrutiny Committee and for the Committee to be consulted on plans which will impact on this provision.

2.9 Adult Services – Delayed Discharges of Care

2.9.1 Delayed Discharges of Care have been an issue for many years within Trafford and great efforts have been made to tackle this. Scrutiny is concerned to see the numbers of delayed discharges have started to increase and would like to continue to monitor those levels and work with the Executive Member and Officers to assist in tackling this issue.

2.10 Adult Services – Workforce

2.10.1 Scrutiny welcomes the announcement that all care workers will receive the national living wage. However, Scrutiny is aware that this increase does not go far enough to address the workforce issues faced within adult social care and wish to support the Executive Member for Adult Social Care and Corporate Director of Adult Services in addressing those issues where possible. Scrutiny Members recognise that the Adult Care workforce goes beyond the professional workforce and would like to receive more information on the support offered to carers to consider ways additional support could be provided.

2.11 Adult Services – Direct Payments

2.11.1 The Executive Member for Adult Social Services informed Scrutiny that the Council planned to increase the level of service users utilising direct payments. Direct payments had been more popular but the difficulties surrounding the administration of payments had seen that popularity wain among service users. The Council were looking at new innovative ways to provide a reliable supply of options for service users and welcomed input from Scrutiny to develop the service. Scrutiny would like to accept the Executive Member for Adult Social Care's offer and support the work to increase the level of direct payments within Trafford.

2.12 Adult Services – Adaptations

2.12.1 Scrutiny Members raised concerns around the continued closure of the one stop resource centre. The Director of Adult Social Care assured the Committee that the one stop resource centre would re-open in December and funding had been put aside for to ensure there was adequate money available to address the backlog of works. A full review of the adaptations service is to be conducted to learn from what happened during the pandemic and ensure the service is better placed to avoid a shut down of service in the future. Scrutiny welcomed the re-opening if the service and would like to receive a report on the outcomes of the review.

2.13 Shrinking resources with increased need

2.13.1 It was made clear to Scrutiny that the current level of funding received was not adequate to meet the increasing level of need of residents within the borough. Scrutiny was informed in November that the Council were lobbying for a funding floor to be set for Local Authorities by government. Scrutiny Members wish to support the Executive lobbying for a funding floor and in any other areas to gain additional resources.

3. Next Steps

3.1 Many the recommendations within the report ask for information to be provided or for Scrutiny to be involved in pieces of work. The Council is currently undertaking a review of the Scrutiny function within the Council including the development of work programmes for Scrutiny Committees. To arrange times for information to come to Committees and for work between Executive Members, Officer, and Scrutiny to be scheduled it would be best for all parties to meet at the start of the Municipal Year as part of Scrutiny Committee's work programming.