

TRAFFORD COUNCIL

Report to: Executive
Date: 21 January 2013
Report for: Consideration
Report of: Scrutiny Committee and Health Scrutiny Committee

Report Title

OVERVIEW AND SCRUTINY REVIEW OF DRAFT BUDGET PROPOSALS FOR 2013-14

Summary

Following the presentation on 1 November, the Scrutiny pre-meetings held on 12 November and workshops on 20 and 22 November attended by the Executive and their Corporate Directors this report contains recommendations in relation to the affects of budget decisions on services and the organisation.

Recommendation(s)

That the Executive consider and respond to the report and recommendations made.

Contact person for access to background papers and further information:

Name: Helen Mitchell, Democratic Services Officer

Extension: 1229

Background Papers: None

Budget Scrutiny 2013/14

Foreword by the Chair & Vice-Chair of Overview & Scrutiny Core Committee

Budget Scrutiny 2013/14 has been a challenge for all those involved and Scrutiny would like to thank the Executive, Corporate Management team, Finance officers, Scrutiny Councillors and Co-opted Members for their patience throughout.

We welcome the Executive's decision to consult widely and in a very timely fashion. This has helped the Scrutiny Committees to give more focused consideration to the budget proposals.

Without doubt, the Council is working within a changed financial climate and with this Scrutiny Members understand that the Council is planning to save nearly £34m over the next two years.

All Scrutiny members have noted that the Authority is going through a period of significant organisational change and the need to implement a range of austerity measures such as maximising income, changing ways of working, better procurement, reducing back office staff and collaborating with AGMA authorities which support the Council to make the savings required.

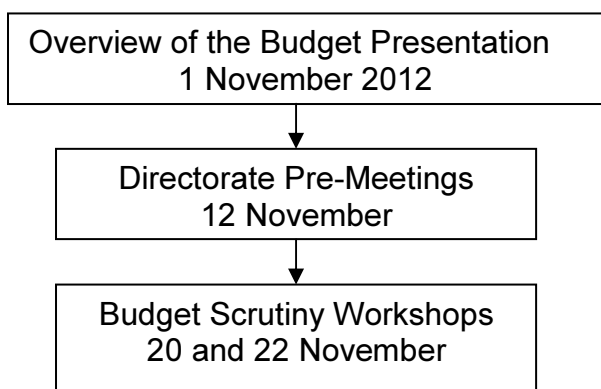
The following report details the observations and recommendations made by Scrutiny Members arising from its review of the budget proposals, and in particular, the workshops held on 20 and 22 November 2012.

**Councillors Brian Shaw, Judith Lloyd, Mike Cordingley and John Lamb
Chairmen and Vice Chairman, Scrutiny and Health Scrutiny Committees.
27 November 2012**

Background:

This year the approach to budget scrutiny was amended given the changes to the scrutiny function and the desire to produce tangible outcome focussed recommendations in time to feed into budget consultation timescales.

In previous years, budget scrutiny had been conducted in a way which delivered broad recommendations and requests for information which were not as outcome focussed as they could be. This year provided Scrutiny Members with an ideal opportunity to look at the approach to budget scrutiny afresh; to critically evaluate what had been done in the past and to develop a new approach which would enhance outcome focussed recommendations. Additionally, the revised process gave Scrutiny Members more opportunities to be involved and therefore enhance the Member led approach to budget scrutiny. The refreshed process is highlighted below.



The **overview of the budget presentation**, delivered by the Executive Member for Finance, equipped Members with a detailed understanding of the financial position and the emerging future challenges. The meeting also enabled Members to ask initial questions in order to seek clarification on the draft budget proposals. Additionally, the Topic Group membership was determined at this session as it was the responsibility of these groups to undertake budget scrutiny on a directorate basis.

The purpose of the **directorate pre-meetings** was to further examine the budget paperwork with the support of finance officers. This enabled Members to clarify understanding prior to the budget scrutiny workshops, and, following this clarification, to identify those aspects of the budget which Members wished to review in more detail. This formed the agenda to be taken forward to the workshops. This focused the scrutiny on specific areas of the budget, of particular interest to Members, in order to provide Member led challenge to the Executive's proposals and support the development of targeted and outcome focussed recommendations where appropriate.

As a result of developing a focussed agenda, which shared with the Executive and Corporate Directors in advance of the meetings, the **budget scrutiny workshops** were significantly enhanced as it allowed those present to effectively prepare for Scrutiny Members' questions. This further enhanced the effectiveness of the workshops and supported Members to make informed recommendations.

The remainder of this report covers the service specific recommendations that were made at these workshops on 20 and 22 November.

Service Specific Recommendations

Children and Young People's Service

Foreword by Topic Group Chairman – Councillor John Holden

"I would like to thank all the Members and officers who participated in this process. The subject is inevitably complex and wide ranging and this was reflected by the depth of questioning and the candid nature of the answers we received. It must be acknowledged that the process is by no means complete and that Scrutiny Members will continue their efforts into the future as the policies develop."

The agenda set by the Topic Group on 12 November included:

1. Strategy of CYPS In Relation to Early Intervention
2. Children's Centres
3. Youth Services
4. Connexions Service
5. Funding of services beyond the statutory minimum
6. Communities and Wellbeing and Children and Young People's Service merger (with Executive Members for Community Health and Wellbeing and Adult Social Care).

Members discussed the above items in detail with the relevant Executive Members and supporting officers, welcoming the opportunity to raise questions and areas for clarification. In the light of these discussions the Topic Group wished to make the following recommendations for the Executive to consider.

As a general issue Members noted the proposed savings across the directorate were very significant, and that, notwithstanding mitigation and targeting measures, the Executive had acknowledged that there would unavoidably be impacts on levels of service provision in some areas. Additionally, a number of the significant budget saving proposals were identified as being subject to consultation, and their detailed impact "on the ground" was therefore not yet known.

A full Scrutiny assessment in these areas was thus, at this stage, impossible, and Members might wish to review detailed impacts as part of ongoing programmed Scrutiny work.

Recommendation 1: That the Executive provide Scrutiny Committee with details of any long-term monitoring and evaluation work undertaken in respect of significant budget changes and policy choices in relation to services for children and young people.

Members recognised that provision of services to children and young people was necessarily at formative stages of their development, and the impact of these services, or changes to them, were therefore long-term in nature. In the light of the scale of currently proposed changes, Members would welcome assurance that the Executive has in place measures to monitor, assess and evaluate these longer-term impacts, and not solely the year-to-year effects on the revenue budget.

Recommendation 2: That the Executive closely monitor the impact and effectiveness of the proposed increase in the use of volunteers to deliver services such as those in Children's Centres and Youth Services.

Members noted that the identified mitigation for a range of savings proposals was the increased use of volunteers in place of paid staff input. They also noted that the Executive had acknowledged that, in some cases, the range and level of service provision would be dependent on the extent of the success of this strategy, which was at this stage uncertain. In view of this uncertain impact, Members felt it important that the outcomes of the proposals in this respect be subject to robust review.

Recommendation 3: That the financial effect of the proposed transition to a more outreach-based approach be rigorously monitored, given its potential to bring to light previously unforeseen need.

Whilst broadly welcoming an increased focus on outreach and the targeting of service provision towards people in particular need, Members noted the possibility that this approach, by its nature, had the potential to reveal an extent and level of needs which had not been previously apparent. In view of the potential budgetary consequences of meeting these unidentified needs, Members were clear that the financial impact, especially during the transitional period, would need to be kept under active monitoring.

NOTE: One key issue identified at Scrutiny Pre-Meetings for further enquiry was the proposed merger of the CYPS and CWB Directorates. In view of the explicitly cross-cutting nature of this proposal, the combined CYPS and CWB Topic Groups reviewed this item, and questioned Executive Members and officers representing both Directorates.

Recommendation 4: That the Executive provide the merger action plan, and whatever details of proposed structures are currently available for the merged CYPS and CWB Directorates, for consideration by the Scrutiny Committee.

Members acknowledged that the scale and implications of the proposed change could not be exhaustively examined in the context of the broader Budget Scrutiny exercise, and that Scrutiny might wish to revisit aspects of this initiative post-implementation. Noting the Executive's assurances that a robust action plan was in place to prepare for the full merger from the start of the 2013/14 Municipal Year, Members wished to have sight of the plan, and any further details of proposed structures and responsibilities under the new arrangements.

Communities and Wellbeing Directorate

Foreword by Topic Group Chairman – Councillor Dylan Butt

“The framework developed from the initial presentation and the subsequent pre-meeting helped our Topic Group to determine an agenda for further budget scrutiny at the CWB workshop on 22/11/12. The budget scrutiny process allowed for more focussed questions on the specific issues of concern raised by topic group members in order to gain a better understanding of the potential implications of the budget proposals from the executive and officers.”

The agenda set by the Topic Group on 12 November included:

1. Katherine Lowe House
2. Community Meals Service
3. Princess Centre
4. Supporting People
5. Advice and Information Service
6. Public Health Budget

Members discussed the above items in detail with the relevant Executive Members and supporting officers, welcoming the opportunity to raise questions and areas for clarification. In the light of these discussions the Topic Group wished to make the following recommendations for the Executive to consider.

NOTE: The proposed merger of the CYPS and CWB Directorates was considered jointly by the CYPS and CWB Topic Groups; Recommendation 4 above refers.

Recommendation 5: That, in relation to the proposed re-tendering exercises for services such as Supporting People and Public Health, the Executive provide Scrutiny with assurances that tendering models and contract monitoring are robustly designed to protect quality, standards and volume of services specified, and not specifically (DB 26/11) to reduce tender prices.

The Topic Group noted that a prominent theme within savings proposals across the Directorate was the securing of efficiencies through re-tendering exercises. Whilst acknowledging that it was possible to secure genuine efficiencies via this route, Members were aware that contract savings could also result from reduced quality, standards or service volumes, which would not represent genuine efficiency. Members wished to be assured that commissioning and procurement approaches, and ongoing monitoring, were sufficiently robust to ensure that quality, standards and volume would be preserved in those areas where savings were envisaged via efficiency, as opposed to via explicit policy choices.

Recommendation 6: That the Executive provide for Scrutiny further analysis of the proposed savings within Supporting People, Housing Services (Proposal CWB16), and in particular of the acknowledged “significant reduction in service provision”.

In a lengthy discussion, Members noted that this was a broad and complex area of service provision, with savings in excess of £1M proposed over the forthcoming two years. In order to enhance Scrutiny’s understanding of these proposals, the topic group requested a more detailed analysis of the breakdown of the savings figure, and in particular which services would be reduced or discontinued if the proposal were agreed.

Recommendation 7: That the Executive give further consideration to the potential impact of proposed savings in Information and Advice Services, particularly in view of the nature of the wider financial climate and envisaged demand increases arising from various aspects of welfare reform proposals.

The Topic Group noted that a significant saving was proposed in this area, and that the effect of this could be amplified by reductions in funding to organisations within the voluntary and community sectors. Whilst the Executive indicated that the proposals had resulted from a sector-wide review, it was not clear to Members whether this would have fully accounted for the potential increase in demand arising from the general economic position and the impact of proposed welfare reform. It would accordingly welcome assurances that the review had in fact included likely future demand within its scope, and that the current proposals had a robust basis.

Transformation and Resources Directorate

Foreword by Topic Group Chairman – Councillor Rob Chilton

“The Transformation & Resources Directorate deals with some of the most vital parts of the Council's function, but, like other directorates, is being challenged to find scope for more efficient and cost-effective ways of working. The Budget Scrutiny session for this Directorate was encouragingly broad in its scope, and I am pleased that the recommendations made reflected a cross-section of Members' concerns in relation to the budget proposals. I look forward to a positive response from the Executive.”

The agenda set by the Topic Group on 12 November included:

1. Transformation Team
2. Partnerships and Performance Team
3. HR Management Review
4. Access Trafford: Contact Centre and Libraries
5. Members' Allowances

Members discussed the above items in detail with the relevant Executive Members and supporting officers, welcoming the opportunity to raise questions and areas for clarification. In the light of these discussions the Topic Group wished to make the following recommendations for the Executive to consider.

Recommendation 8: That the Executive assure itself about the deliverability of savings associated with the HR staffing review.

Members were not assured that there was enough mitigating work undertaken nor was there any planned, as far as they were aware, to reduce the risks associated with reducing support for operational managers, particularly during a time of significant organisational change. These risks might include, for example, a potential increase in the number of employment tribunals as a result of a reduction in support/insufficient training.

Recommendation 9: That the Executive ensure that it has the capacity to identify and deliver transformational change programmes including ensuring that the benefits associated with cross authority working are realised.

Members felt that the reduction in Transformation Team capacity might potentially result in opportunities being missed to achieve savings. Members also felt that there was the potential to achieve more savings through joint authority working and innovative approaches to service delivery, and that this area, should be kept under active review.

Recommendation 10: That whatever the response to the consultation on the future of library provision, the Executive undertake to maximise, wherever possible, availability of IT access in libraries for the Borough's residents.

Members acknowledged that libraries are about more than the provision of books and are places where people, and particularly in vulnerable groups, have ready access to IT facilities in order to apply for jobs and other activities. To this end, it is essential that access to such facilities is maximised.

Environment, Transport and Operations Directorate

Foreword by Topic Group Chairman – Councillor John Reilly

“It is without doubt that these are challenging times. It is equally without doubt that decisions proposed now are scrutinised thoroughly to ensure that our residents continue to receive the highest level of services and value for money that we can provide. I believe my colleagues and I have challenged the Executive in both an objective and apolitical manner, fitting to the role of Scrutiny Members. The new Scrutiny arrangements have afforded Scrutiny Members a far more inclusive and transparent approach to this process, and my thanks go to the Members of Topic Group B, relevant officers and Executive Members for ETO & EGP for their considerable efforts.”

The agenda set by the Topic Group on 12 November included:

1. Parks Maintenance
2. Mersey Valley Partnership
3. Public Protection: Reduction in samples taken and inspections
4. Highways: Review of contracts
5. Maintenance of grass verges
6. Food waste collection
7. Grants to TCLT and Trafford Watersports Centre
8. Street Based Enforcement Team

Members discussed the above items in detail with the relevant Executive Members and supporting officers, welcoming the opportunity to raise questions and areas for clarification. In the light of these discussions the Topic Group wished to make the following recommendations for the Executive to consider.

Recommendation 11: That the Executive ensure that impact of the savings associated with the dissolution of the Mersey Valley Partnership are fully identified and review whether the proposals are manageable given the time constraints.

Members were not assured that there was enough ‘lead in’ time to dissolve and re-establish a body with responsibility to preserve and promote the Mersey Valley and would welcome further assurance regarding transition arrangements in this area.

Recommendation 12: That the Executive should ensure that its approach to the collection of food waste and the level of savings expected from the change in approach to its collection is realistic and achievable.

In view of the diverse characteristics of parts of the Borough, and experience elsewhere, Members expressed concerns about the perceived standardised approach to food waste collection and were not assured that the level of savings would be achieved in some areas.

Members were also concerned about the realism of the proposals as recent DEFRA research had highlighted that recycling in general may have reached its maturity level. However, the projected savings proposals are based around continually increasing recycling levels. Members would like assurance that these projections are realistic and will result in the projected savings.

Recommendation 13: That the Executive provide further details on the impact of the new initiative in respect of parks maintenance, in particular, whether differential standards would apply to different parks, or within different areas of parks.

Members noted that the long lead in time in respect of delivering this saving was linked to further exploratory work but their queries regarding the aesthetic aspects of parks and consequent impact on park users were not answered to the full satisfaction of Members.

Recommendation 14: That Executive provide assurance that the streetscene in Trafford Park will be maintained to ensure that it remains an attractive area to all businesses in the area. They should also ensure that their approach to ensuring this should involve the use of all available methods including, where possible planning and enforcement functions.

Members identified the importance of ensuring that businesses continue to feel welcome in Trafford Park and drew attention to area's strategic economic importance. Members requested that extra consideration be given to maintaining verges and road networks as part of the 'partnering' approaches to grounds maintenance.