

TRAFFORD COUNCIL

Report to: Scrutiny Committee & Executive
Date: 11 January 2017 & 23 January 2017
Report for: Consideration
Report of: Scrutiny Committee

Report Title

OVERVIEW AND SCRUTINY REVIEW OF THE EXECUTIVE'S DRAFT BUDGET PROPOSALS FOR 2017-18

Summary

The Executive's Draft Budget Proposals for 2017/18 were agreed at its meeting held on 15 November 2016. The Leader of the Council gave a presentation to the Scrutiny Committee on 16 November 2016 setting out the proposals.

Two Budget Scrutiny Working Group sessions were then held during December with relevant Executive Members and senior officers attending to give background to the proposals and answer questions.

This report reflects the outcome of those discussions and summarises issues for the Executive's further consideration in developing its final proposals and response.

The Budget Scrutiny report identifies that Scrutiny Members feel that there are three key, crosscutting areas where the Executive needs to satisfy itself of the robustness of the proposals. These are:

- **£2m budget gap**
- **Risk assessments**
- **Ensuring that forward projections for demand led services are robust**

The Scrutiny Committee have also identified a number of specific areas of the proposals where they felt more information was required on how these savings would be achieved and managed. These include:

- **Parking Fees**
- **School Crossing Patrols**
- **Waste Management**
- **Grounds Maintenance (Bowling Greens)**

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: Chris Gaffey, Democratic and Scrutiny Officer

Extension: 2019

Background Papers: None

BUDGET SCRUTINY REPORT - 2017/18

Foreword by the Chairman and Vice-Chairman of Scrutiny Committee

We welcome the Executive's decision to consult widely on its budget proposals, and the opportunity for Scrutiny Members to review and comment on them at an early stage.

Budget Scrutiny 2017/18 has once again been a challenge for, and made significant demands on, all those involved. On behalf of Scrutiny Members, we would like to thank the Executive, Corporate Leadership Team and Scrutiny Councillors for their patience and contribution to the process. We would particularly like to thank Councillor Joanne Harding for chairing one of the sessions.

Members acknowledged that the Council continues to work within an increasingly challenging financial climate and the focus of Scrutiny input has been on the robustness and deliverability of the current proposals in the light of experience of budget savings already made in previous years, and the potential impact on communities and service users.

We hope that our Budget Scrutiny will contribute to the decision making process and in ensuring that robust processes are in place to manage changes. We have identified areas where we feel that there are risks to delivery and to users and we look forward to receiving details of how the Executive will address these.

Councillors Michael Young and Mike Cordingley
Chairman and Vice-Chairman, Scrutiny Committee.
December 2016

1.0 Background

This year the approach to budget scrutiny was agreed by the Scrutiny Committee, with a programme designed to forward any recommendations / observations to the Executive at the earliest opportunity in response to its consultation.

Two Budget Scrutiny Working Group sessions were held to look at the proposals. The approach this year was to look at the proposals using the themes identified for budget consultation. Scrutiny Members noted that the approach to the budget shortfall for 2017/18 and later years has focused on a “One Council” approach by taking a cross directorate view to the savings that need to be achieved by applying the following themes:-

- **Make Trafford a destination of choice (Tourism, visitor attraction, economic growth)**
- **Accelerate housing and economic growth**
- **Supporting communities and businesses to work together to design services, help themselves and each other**
- **Working together for Trafford**
- **Creating a national beacon for sports, leisure and activity for all**
- **Optimising technology to improve lives and productivity**

Members raised a number of questions which were dealt with at the sessions or were clarified following the sessions.

Whilst Members welcome the opportunity to provide scrutiny of the budget process, there was a feeling that improvements need to be made for future years. Those Members attending the second session felt that they were limited in their ability to ask broader questions around Children, Families and Wellbeing issues as the focus was on the budget proposals for 2017/18. The Chairman felt that the process was too limited and that the draft budget proposals did not contain enough detail making it difficult to perform a comprehensive assessment of the Council’s budget. This is something that will be reviewed in determining the process for Budget Scrutiny next year.

The main findings from the two sessions are set out below.

2.0 Key Messages

Scrutiny Members identified the following issues that cut across all of the budget proposals.

- **£2m budget gap** – Although Scrutiny appreciates the significant pressures and challenges faced as part of a shrinking budget, Members are concerned at the perceived lack of plans to address the £2m budget gap at this late stage of the process. Members were not reassured by the answers they received to their questions on this matter, and await more detailed information on this in due course.
- **Risk assessments** – The budget proposals contain a number of workstreams to deliver savings. A recurring theme from discussion was to ensure that there is effective management of risk across key workstreams. Scrutiny found the risk assessments presented at the working group sessions to be superficial and did

not provide them with sufficient confidence as to their robustness. Members would like more information on the methodology used to complete these risk assessments, as it felt that the process had not been thorough. Scrutiny is eager to see clearer and more thorough risk assessments (including mitigation strategies) when they become available.

- **Ensure that forward projections for demand led services are robust –** Scrutiny feels there is little scope to absorb overspends given the position on reserves, and are particularly concerned with the position the Council finds itself on an annual basis with an overspend in demand led Services. Members acknowledge that the rise in demand for services is a national issue; however, we must ensure that our projections are based on accurate and robust data and previous and current trends.

3.0 Specific Comments by theme

Supporting communities and businesses to work together to design services, help themselves and each other

- **Parking Fees –** Members are concerned about how the significant percentage rise in parking fees might impact town centre footfall, forcing consumers and workers to either shop elsewhere or park at irregular sites (e.g. residential roads). They are also concerned about the realism of financial projections that have been drawn up based on the demand for parking when the new charges are introduced and would like clarity on the methodology used to arrive at these projections. Scrutiny believes that the rise of the 30 minute parking fee is too large, and would suggest that this is reduced from 70p to 50p.

Working together for Trafford

- **School Crossing Patrols –** Members remain concerned about the proposals on School Crossing Patrols and eagerly await the results of the Council's investigation into alternative funding streams. Scrutiny would also like the Executive to acknowledge the reputational risk associated with this proposal.
- **Waste Management –** Members felt that there was more work to be done around the changes to green waste collection, and recommends that a management plan be developed before this is implemented.
- **Grounds Maintenance (Bowling Greens) –** Scrutiny would like more information on the bowling green costs which officers agreed to share with Members after the sessions. Scrutiny would like to suggest that other sports (as opposed to just bowling greens in isolation) are considered under the policy to ensure that all community assets are treated equally. The Council will also need to consider who pays / shares the costs when a club is associated with a community asset. A Scrutiny Topic Group review of the Community Asset Framework led by Councillor John Reilly was conducted in 2013 and Scrutiny would like for this to be revisited.

BUDGET SCRUTINY ACTION PLAN

Issue	Scrutiny Recommendation	Executive Response
<p>Budget Scrutiny Process – Scrutiny Members felt that they were too limited in their ability to ask questions around Children, Families and Wellbeing issues and that the draft budget proposals did not contain enough detail about the whole budget.</p>	<p>Scrutiny will be reviewing the Budget Scrutiny process ahead of next year and will provide the Executive with their recommendations once the review has been undertaken.</p>	
<p>£2m budget gap - Members are concerned at the perceived lack of plans in place to address the £2m budget gap.</p>	<p>Scrutiny would like more detailed information on how the Executive intends to address the £2m budget gap.</p>	
<p>Risk assessments - Members felt that the risk assessments presented at the working group sessions lacked detail and did not fill them with confidence.</p>	<p>Members would like more information about the methodology used to complete these risk assessments and are eager to see clearer and more thorough risk assessments (including mitigation strategies) when they become available.</p>	
<p>Ensure that forward projections for demand led services are robust - Scrutiny feels there is little scope to absorb overspends given the position on reserves, and are particularly concerned with the position the Council finds itself on an annual basis with an overspend in Children’s Services.</p>	<p>Scrutiny would like assurances that the upward trajectory in the demand for child placements (as well as other services) is factored in to any future budget projections made for demand led services.</p>	
<p>Parking Fees - Members are concerned about how the significant percentage rise in parking fees might impact town centre footfall.</p>	<p>Scrutiny would like further information on the methodology used to arrive at these projections, and recommend that the 30 minute parking fee be reduced from 70p to 50p.</p>	
<p>School Crossing Patrols - Members remain concerned about risk associated with</p>	<p>Scrutiny would like to be kept apprised of any progress made in the</p>	

<p>the proposals on School Crossing Patrols.</p>	<p>search for new funding streams to cover school crossing patrols. Scrutiny also recommends that the Executive recognise the reputational risk associated with this proposal.</p>	
<p>Waste Management - Members felt that there was more work to be done around the changes to green waste collection.</p>	<p>Scrutiny recommends that a management plan be developed before the proposal is implemented.</p>	
<p>Grounds Maintenance (Bowling Greens) - Scrutiny feels that they need more clarity on these proposals.</p>	<p>Scrutiny has requested that further information on the bowling green fees, and recommends that other sports are considered as part of the review. Scrutiny would also like for the community asset framework review conducted in 2013 be revisited.</p>	