

Internal Scrutiny Committee

Meeting to be held on Friday, 15 March 2019

Electoral Division affected: None;

Report of the Budget Scrutiny Review Panel

Contact for further information:

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Executive Summary

Overview of matters presented and considered by the Budget Scrutiny Review Panel at its meetings held on 3 and 29 January 2019.

Recommendation

The Internal Scrutiny Committee is asked to receive the report of its Budget Scrutiny Review Panel.

Background and Advice

The Budget Scrutiny Review Panel comprises 9 County Councillors (5 Conservative, 2 Labour, 1 Lib Dem and 1 Independent).

The role of the Review Panel is to:

- Provide further support to the overall budget monitoring process
- Consider and formulate recommendations on Cabinet budget proposals
- Monitor progress of agreed budget savings

The Review Panel's role is not to lead on the management of the budget or to set a budget, but to provide support as a 'critical friend'. The Review Panel will report its activities and any aspect of its work to the Internal Scrutiny Committee for information.

Meeting held on 3 January 2019

❖ Service Challenge Process 2019/20

An overview of the service challenge process for 2019/20 was presented to the Review Panel. It was reported that the process covered all service areas across the council, putting service users at the heart of the process and empowering delivery staff to design an optimum operating solution.

The following discussions were noted:

It was confirmed that Phase 2 of the process may pick up those service challenge items/ideas that required further work to identify the savings that could be realised.

In relation to the commercialisation element, it was reported that traded services were being considered with a view to extend into new markets, widening remits and maximising current services. Members felt there was potential for the Review Panel to look at this in greater detail at a future meeting.

Members were advised that detailed work had been undertaken around service costs. In addition, a cost comparison analysis alongside other councils had been completed.

In relation to the monitoring of savings through the service challenge process, it was reported that five Finance and Monitoring Boards (FMB) had been established across the council to oversee progress.

Resolved: That the information presented be noted.

❖ **Money Matters 2018/19 position – Quarter 2**

The Review Panel received an update on the financial position since the Money Matters report was presented to Cabinet on 3 December 2018. A summary of the update included:

- Improved performance on employer pension contributions
- Capital receipts would be used to support investment to save
- Since December, the provisional settlement had been received and some assumptions were confirmed. There was no change to the adult social care precept.
- A Surplus of £2.8m on business rates had been identified
- No change to new homes bonus
- Lancashire was one of 15 areas undertaking the business rate pilot

The council tax collection rates contained in the report was highlighted by members. It indicated that from the performance analysis completed, there was a 3.5% variance between the districts. An improvement of just 1% overall would increase funding to the council by approximately £5m. It was reported that the county council was working with some district councils to look at how collection rates could be improved. Members felt this was a key issue that should be included on a future Lancashire Leaders meeting agenda.

Members were invited to raise questions in relation to the service challenge savings as set out in Appendices C and D of the Money Matters report. Questions raised would be issued to the relevant Cabinet Members for response with an invite for them to attend the next meeting of the Budget Scrutiny Review Panel which would be held prior to Cabinet meeting in February.

Questions were raised in relation to the following service challenge proposals:

SC001 – HWRC service provision
SC002 – Reduction non-recyclable waste disposal at HWRCs
SC012 – Integrated Transport Services
SC013 – Bus Shelter advertising
SC035 – Highways Network Regulation (parking on street pay and display)
SC048 – Highways Regulation – Street Works Permit Fees
SC104 – Youth Offending Team
SC113 – Education/Children's Services Business Support
SC119 – SEND Lancashire Breaktime
SC400 – Estates – Traveller sites
SC505 – Home care for older adults and people with physical difficulties – promoting single handed care
SC608 – Welfare Rights Service
SC610 – Lancashire Wellbeing Service

Resolved: That;

- i. A further meeting be held at the end of January.
- ii. Questions raised by the Panel as part of this item be collated and circulated to the relevant Cabinet Members for responses.
- iii. The relevant Cabinet Members be invited to attend the next meeting of the Panel to discuss the responses.

❖ **Position Statement on Savings Proposals agreed for 2018/19**

The Review Panel received a presentation on the tracking and delivery of savings for 2018/19, which were agreed at Full Council on 8 February 2018.

Members were advised that a piece of work was being undertaken in relation to the Apprenticeship Levy as the bulk of the saving had not been delivered this year. This matter required further consideration by Cabinet and Management Team.

It was acknowledged that the scope of work for the panel could include monitoring additional funding to the budget as well as savings.

It was noted that seven out of the 67 options were part at risk from delivery which equated to £1.872m. It was suggested that a further report on this be presented at the next meeting of the Panel.

Resolved: That a further breakdown on the current £1.8m savings at risk be provided at the next meeting of the Panel.

Meeting held on 29 January 2019

❖ **Minutes of the 3 January 2019 meeting**

A verbal update on the current £1.8m savings at risk from the savings proposals agreed for 2018/19 was provided. It was reported that of the £7.275m of savings agreed but not forecast to be delivered in 2018/19, £5.402m had been offset by other

service savings / underspends and £1.873m remained as a monitoring pressure in-year

Resolved: That the minutes be agreed as an accurate record.

❖ **Service Challenge Savings - responses**

Members of the Cabinet and officers were welcomed to the meeting.

Members debated the responses provided and a number of questions were raised. From these discussions, the following additional requests for information was noted:

- Household Waste Recycling Centres (HWRC) service provision - staffing levels request on those HWRC sites highlighted for reduced hours.
- Clarification on the Traffic Regulation Order (TRO) consultation process in relation to the on street parking pay and display proposal.
- Additional data to be provided on the numbers of families accessing, eligible, or would be affected by the removal of Lancashire Breaktime (LBT). Also, more detail on how this would impact on those services who provide the activities and what the criteria around what qualified families for eligibility.
- Wellbeing Service - further detail on the Better Care Fund and how the saving could be achieved.
- Welfare Rights – how much LCC paid for Citizens Advice support.

Further to this, the following were agreed to come to a future meeting of the Panel:

- HWRC – report to be presented to the Panel on impact to service provision and fly tipping activity.
- Lancashire Breaktime – further update report to be presented to the Panel in April.

The Review Panel then discussed the additional information provided on the proposal for the Traveller Sites in Lancashire.

The following recommendation was arrived at by consensus:

'The Budget Scrutiny Review Panel does not believe that the service challenge saving on traveller sites should be included as a saving unless Cabinet are confident that a purchaser can be found and that it is included in the conditions of sale that they are retained as traveller sites'

The recommendation would be presented to the 7 February Cabinet meeting.

Resolved: That;

- i. The information provided be noted.
- ii. Further information requested be circulated to members.
- iii. HWRC update be presented to a future meeting of the Panel.
- iv. Lancashire Breaktime update be presented to the April meeting of the Panel.

- v. The following recommendation agreed by the Panel be presented to the 7 February Cabinet meeting 'The Budget Scrutiny Review Panel does not believe that the service challenge saving on traveller sites should be included as a saving unless Cabinet are confident that a purchaser can be found and that it is included in the conditions of sale that they are retained as traveller sites'.

The next meeting of the Review Panel has been scheduled for 11 April 2019.

Consultations

N/A

Implications:

This item has the following implications, as indicated:

Risk management

This report has no significant risk implications.

Local Government (Access to Information) Act 1985

List of Background Papers

Paper	Date	Contact/Tel
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None

Reason for inclusion in Part II, if appropriate

N/A