

Committee: Cabinet

Date: 18 February 2019

Wards: All

Subject: Reference from the Overview and Scrutiny Commission – pre decision scrutiny of the Business Plan 2019-23

Lead officer: Julia Regan, Head of Democracy Services

Lead member: Councillor Peter Southgate, Chair, Overview and Scrutiny Commission

Contact officer: Julia Regan, Julia.regan@merton.gov.uk 0208 545 3864

Recommendations:

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1. That Cabinet, in taking decisions relating to the Business Plan 2019-23, takes into account the recommendations made by the Overview and Scrutiny Commission (set out in paragraph 2.4 below) and the outcomes of consideration by the Overview and Scrutiny Panels (set out in Appendix 1)
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1 PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1. To inform Cabinet of the recommendations and comments resulting from pre decision scrutiny of the Business Plan 2019-23 by the Overview and Scrutiny Commission and Overview and Scrutiny Panels at their meetings in January 2019.

2 DETAILS

- 2.1. Each of the Overview and Scrutiny Panels and the Overview and Scrutiny Commission has examined the budget and business plan proposals relating to the service areas within their remit. As well as scrutinising the draft service plans The Overview and Scrutiny Commission has also received the findings of the Panels.
- 2.2. The Commission RESOLVED to forward to Cabinet the comments and recommendations made by the overview and scrutiny panels. These are set out in Appendix 1.
- 2.3. The Overview and Scrutiny Commission has received and discussed the findings of the Panels and has discussed the savings proposals and the capital programme relating to its remit. The Commission has made recommendations to ask Cabinet to reconsider two of the proposed savings and to re-review the future capital programme. The Commission has scrutinised the medium term financial strategy in some detail and has made recommendation asking Cabinet to support the Local Government Association in lobbying government for a more sustainable basis for funding.
- 2.4. The Commission RESOLVED to forward the following comments and recommendations to Cabinet:

1. The Commission noted the Local Government Association's statement "*It is disappointing that the government has not used the budget to provide further desperately needed resources for councils next year ...It is vital that the government provides new funding for all councils in the final settlement , and uses the 2019 Spending Review to deliver truly sustainable funding for local government*";

2. The Commission recommended that Cabinet agree to support the Local Government Association in lobbying government for a more sustainable basis for the funding of local government;

3. The Commission invited Cabinet to reconsider savings proposal CS03 – remove contribution to E&R for funding premises occupied by VS grant recipients (MVSC and CAB). Members of the Commission asked whether there were alternative sources of funding that MVSC and CAB could access and expressed concern about the impact that this proposed saving might have on the rest of the voluntary sector.

4. The Commission invited Cabinet to reconsider savings proposal CS16 – closure of Morden Park House and relocation of statutory services to operate at the Civic Centre. Members of the Commission said that they greatly valued the building and asked questions about the business model and whether closure might be a false economy. The Director of Corporate Services undertook to provide information on the level of corporate overheads charged to the service;

5. The Commission would have liked to have received more information about the level and funding consequences of the capital programme. It therefore recommended that the Financial Monitoring Task Group should carry out a deep dive review of the capital programme and requested that, in the meantime, Cabinet re-review the future capital programme and associated financial implications for the revenue budget.

3 ALTERNATIVE OPTIONS

- 3.1. Cabinet is required under the terms of the constitution to receive, consider and respond to recommendations from Overview and Scrutiny.

4 CONSULTATION UNDERTAKEN OR PROPOSED

- 5 The Constitution contains the requirements for consulting scrutiny on the budget and business plan. There is an initial phase of scrutiny in November each year, with the second round in January/February representing the formal consultation of scrutiny on the proposed Business Plan, Budget and Capital Programme.

6 TIMETABLE

- 6.1. Round one of scrutiny of the 2019-23 Business Plan was undertaken as follows:-
- Sustainable Communities Overview & Scrutiny Panel: 1 November 2018

- Healthier Communities & Older People Scrutiny Panel: 6 November 2018
 - Children & Young People Overview & Scrutiny Panel: 7 November 2018
 - Overview and Scrutiny Commission: 14 November 2018
- 6.2. Round two of scrutiny of the Business Plan was undertaken as follows:-
- Sustainable Communities Overview & Scrutiny Panel: 9 January 2019
 - Children & Young People Overview & Scrutiny Panel: 16 January 2019
 - Healthier Communities & Older People Scrutiny Panel: 10 January 2019
 - Overview and Scrutiny Commission: 23 January 2019
- 6.3. The responses from round two will be presented to Cabinet on 18 February 2019. A meeting of full Council will then take place on 6 March 2019.

7 FINANCIAL, RESOURCE AND PROPERTY IMPLICATIONS

- 7.1. These are detailed in the substantive reports elsewhere on this agenda.

8 LEGAL AND STATUTORY IMPLICATIONS

- 8.1. The process for developing the budget and business plan is set out in Part 4C of the Council's Constitution. The role of the Overview and Scrutiny Commission and panels with regard to the development of the budget and business plan is set out in Part 4E of the Constitution.
- 8.2. The legal and statutory implications relating to the budget and business plan are contained in the reports elsewhere on this agenda.

9 HUMAN RIGHTS, EQUALITIES AND COMMUNITY COHESION IMPLICATIONS

- 9.1. It is a fundamental aim of the scrutiny process to ensure that there is full and equal access to the democratic process through public involvement and engagement.

10 CRIME AND DISORDER IMPLICATIONS

- 10.1. None for the purposes of this report.

11 RISK MANAGEMENT AND HEALTH AND SAFETY IMPLICATIONS

- 11.1. None for the purposes of this report.

12 APPENDICES – THE FOLLOWING DOCUMENTS ARE TO BE PUBLISHED WITH THIS REPORT AND FORM PART OF THE REPORT

- Appendix 1 – Comments and recommendations made by the Overview and Scrutiny Panels at meetings in January 2019

13 BACKGROUND PAPERS

- 13.1. None

References/Comments from Scrutiny Panels to the Cabinet, 23 January 2019

Scrutiny of the Business Plan 2019-2023

Sustainable Communities Overview and Scrutiny Panel: 9 January 2019

The Panel discussed each of the new savings proposals and asked questions of clarification on these and on items in the capital programme and the draft service plans. A motion was put forward and lost on one of the proposed savings.

The Panel noted that there was not a savings item in relation to Christmas parking and RESOLVED that “once the Christmas parking analysis is concluded, the results be brought to the Sustainable Communities Overview & Scrutiny Panel for comment.”

The Panel was disappointed, but accepted Cabinet’s response to its budget round one recommendation asking Cabinet to “consider increasing the capital spend on street trees and other associated landscaping by 10% to help improve the Borough’s air quality offset by reducing equivalent spend on fleet vehicles”. Cabinet was broadly in support but said that the proposal to use the money saved to increase capital spending on trees would need further work to assess whether that would be an appropriate use of the money as this may generate additional ongoing maintenance costs. The Director of Environment and Regeneration informed the Panel that there may be other ways of delivering additional trees through the planning process by placing an emphasis on landscaping in new applications.

Healthier Communities and Older People O&S Panel: 10 January 2019

The budget discussion at the Healthier Communities and Older People Overview and Scrutiny Panel recognised the need to make savings.

It was acknowledged that saving CH90, Out of Borough Placements, would enable some vulnerable people to move from outside the borough and live in local placements and be closer to friends and family.

In discussion on CH89, Older People Day Activities, some members wanted to recommend that at least one day centre remain open. This was not supported by the majority of panel members who did not wish to pre-empt the outcome of a review of what provision will be required to meet the needs of this group.

Children and Young People Overview and Scrutiny Panel: 16 January 2019

The Panel noted that the budget for the Children, Schools and Families Department was balanced for 2019-20 but that there was a large budget gap of £1.8 million of savings still to find for 20-21. The Director of Children, Schools and Families explained that work was ongoing to consider savings in all areas of the department but she did not believe that any easy savings would be found.

The Panel noted that three (CSF 2018-11, CSF 2018-12 and CSF 2018-07) of the savings had an equality impact assessment of 3, (meaning that they would have a high

impact but mitigation may be possible). Regarding CSF 2018-07 the Panel noted that work with young people who were not in education or training (NEET) would continue and there would be a focus on the most vulnerable young people.

The Panel noted the work already done regarding saving costs on School Transport and that ideas will be shared with neighbouring boroughs. Officers were asked if they could bring forward any savings, but replied that they would rather carry out cost cutting in a careful and planned way and not make cuts before they were needed.

Two motions were proposed but both were lost. However the Panel did agree that at the appropriate time a further Task Group on Revenue Generation by Schools could be considered for inclusion in the work programme.

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