

BRIDGEND COUNTY BOROUGH COUNCIL

REPORT TO CABINET

11 JANUARY 2017

REPORT OF THE SECTION 151 OFFICER

RESPONSE TO THE RECOMMENDATIONS OF THE CORPORATE RESOURCES AND IMPROVEMENT OVERVIEW AND SCRUTINY COMMITTEE IN RELATION TO BUDGET MONITORING 2016-17 Q1

1. Purpose of Report.

- 1.1 To present Cabinet with information to agree a response to the recommendations of the Corporate Resources Overview and Scrutiny Committee (CRI) in relation to the monitoring of the Budget 2016-17, Quarter 1.

2. Connection to Corporate Improvement Objectives/Other Corporate Priorities

- 2.1 The improvement priorities identified in the Corporate Plan 2016-2020 have been embodied in the Overview & Scrutiny Forward Work Programmes. The amended Corporate Plan adopted by Council on 10 March 2016 formally set out the improvement priorities that the Council will seek to implement between 2016 and 2020. The Overview and Scrutiny Committees engage in review and development of plans, policy or strategies that support the Corporate Themes.

3. Background.

- 3.1 At its meeting on 21 September 2016, the CRI Committee received a Budget Monitoring report based on the Budget for 2016-17, Quarter 1.
- 3.2 On 1 November 2016, a report was presented to Cabinet by a representative of the CRI committee which asked Cabinet to consider its recommendations in relation to the Authority's budget and respond by the next Cabinet Meeting.
- 3.3 The Leader welcomed the CRI Committee's report, but felt it would require more time to respond to the recommendations in light of the recent provisional local government settlement.

4. Current situation / proposal.

- 4.1 The CRI Committee noted that:-

Within this report were details of the Budget reduction proposals not achieved for 2015-16 which indicated an ongoing shortfall of £1,172 million.

Cabinet should note that the monitoring of prior year reduction proposals is an innovation for 2016-17. It has been implemented to enhance the level of budgetary control within the council and as a mitigating action in recognition of the challenge to deliver budget reductions which can be increasingly challenging. As such there is

no comparator available. However it is clear that positive progress has been made against these as evidenced when comparing the £1.172 million against the 2015-16 outturn of a shortfall of £1.909 million.

Furthermore, 2016-17 also included the creation of a MTF budget reduction mitigation reserve, specifically to provide some discretionary support to directorates where reductions implementation had been outside their direct control. At the end of Quarter 1, £333,000 of specific funding had been allocated. This is however time limited and therefore the imperative must be for directorates to either deliver the budget reduction in full or bring forward an alternative, which may itself require separate approval.

- 4.2 The CRI Committee expressed a specific concern over the budget reduction not achieved from 2015-16 in relation to the implementation of charging Blue Badge Holders for parking and recommended that a decision be made as soon as possible as to whether this proposal will be progressed or not.

A full public consultation exercise was carried out to provide options to Cabinet with regard to the potential to introduce charges for off road parking for Blue Badge Holders. However, following further consideration it was determined that rather than introduce charges in isolation for Blue Badge parking, it would be more sensible to defer this and to include any changes to Blue Badge Parking as part of a wider and comprehensive car parking charging review proposed to be implemented in the 2017/18 financial year. The disruption caused to town centre parking in Bridgend by the construction of the new Rhiw multi story car park was a factor in this. A number of additional factors will potentially also influence the full parking review proposed; the council has written to Welsh Government seeking to be part of any pilot the Welsh Government may introduce to provide free town centre car parking and the Bridgend Business Improvement District [CF31] has recently been established and they have indicated a willingness to prioritise further car parking concessions as part of their BID document.

- 4.3 The CRI Committee expressed a specific concern over the budget reduction not achieved from 2015-16 in relation to the implementation of staff car parking charges.

In relation to staff car parking, the Committee have commented on this at numerous meetings, stating the following at their meeting on 22 September 2015:

Members expressed concern over the Red Status for the Budget Reduction COM8 in relation to the Review of car parking charges for staff, given the fact that the Committee raised this in their meeting in June 2015 and had requested that this be dealt with as soon as possible to resolve the current situation. The Committee reiterated this request and asked for an update on this proposal.

At their most recent meeting, in September this year, the Corporate Director – Communities advised the Committee that there would be a full car-parking charging review undertaken in the next financial year, however Members expressed strong concerns over the continuing delays and lack of action.

As above, the proposed comprehensive car parking review to be implemented in 2017/18 will pick up the issue of elected members and staff permit parking. The disruption caused to town centre parking referred to above and additionally the

various staff moves that have resulted from the closure and demolition of the Sunnyside building, together with other changes impacting on staff as result of Job Evaluation, meant that this matter was deferred.

- 4.4 The CRI Committee made a recommendation that if budget pressures are outside of the control of the individual Directorate, consideration be given, on a case by case basis, as to whether the budget should be dealt with Corporately across the Authority in order to share the burden. Due to the fact that the budget pressures in relation to MREC are causing significant difficulties for the Communities Directorate in continuing to achieve their overall savings, and that these pressures are outside of the Directorates control, the Committee recommended that the budget for MREC be dealt with Corporately.

Cabinet will be aware that a contingency in respect the MREC budget pressure has already been agreed by the Section 151 Officer, to a value of £150,000. In isolation this leaves a shortfall of £150,000 against an overall Communities directorate budget of c. £25 million (0.6%). The one year allowance at 50% is in line with the principles of the policy and seeks to strike a balance between providing an appropriate level of support versus both corporate affordability and maintaining strong incentives for the directorate concerned. However, Cabinet should further note that there is no facility for any non-delivery of a specific proposal to be “dealt with Corporately”. Where a proposal is either delayed or determined to be undeliverable, it is expected that the directorate must respectively identify temporary mitigation or bring forward a permanent alternative.

5. Effect upon Policy Framework& Procedure Rules.

- 5.1 The work of the Corporate Resources and Improvement Overview and Scrutiny Committee relates to the review and development of plans, policy or strategy that form part of the Policy Framework and the power to promote or improve economic, social or environmental wellbeing in the County Borough of Bridgend. This item specifically relates to the role of Overview & Scrutiny Committee in monitoring the Authority’s Budget throughout the year.

6. Equality Impact Assessment

- 6.1 There are no Equality Impact Assessment that have been carried out in relation to this report, however, any potential changes made to the Authority’s transport or Waste policies would require an EIA.

7. Financial Implications.

- 7.1 The budget reduction proposals which the CRI committee have highlighted total £375,000 as shown in the table below.

Reference	Description	Shortfall £000s
COM1	MREC retendering	150 (based on 50% funding)
COM8	Review Car parking charges	60
COM11	Implement charging for blue badges	165
TOTAL		375

The Corporate Director – Communities has identified the following mitigations for 2016-17 and 2017-18 only:

Description	Value £000s
Street Lighting – energy savings	100
Bereavement services	50
Engineers income	200
TOTAL	350

Cabinet should note that these mitigations are estimates and temporary in nature due to a combination of reductions already including in future years of the MTFS and the ability of the service to achieve full cost recovery on some charged services. The residual shortfall of £25,000 and any variations from these estimates will be targeted from opportunistic underspends across the directorate's c. £25 million net budget.

8. Recommendation.

8.1 Cabinet is asked to agree the response as set out in section four of the report.

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Background documents

Budget Monitoring Quarter 1 2016-17 Report to Cabinet
Budget Monitoring 2016-17 Quarter 1 – Recommendations of the Corporate Resources & Improvement Overview and Scrutiny Committee