

## BRIDGEND COUNTY BOROUGH COUNCIL

### REPORT TO CHILDREN AND YOUNG PEOPLE OVERVIEW AND SCRUTINY COMMITTEE

17 DECEMBER 2014

#### REPORT OF THE ASSISTANT CHIEF EXECUTIVE – LEGAL & REGULATORY SERVICES

#### DRAFT BUDGET CONSULTATION PROCESS

#### 1. Purpose of Report

1.1 The purpose of the report is to:

- (i) Provide Members with a copy of the draft Cabinet Budget Proposals for 2015-16.
- (ii) Provide Committee Members with background information as to the consultative role of Overview and Scrutiny Committees and the work of the Standing Budget Research and Evaluation Panel in respect of the budget setting process.
- (iii) Inform Members of the results of the public consultation process in relation to the draft budget proposals.

#### 2. Connection to Corporate Improvement Objectives / Other Corporate Priorities.

2.1 The key improvement objectives identified in the Corporate Plan 2013–2017 have been embodied in the Overview & Scrutiny Forward Work Programmes. The amended Corporate Improvement Objectives adopted by Council on 19 February 2014 formally set out the improvement objectives that the Council will seek to implement between 2013 and 2017. The Overview and Scrutiny Committees engage in review and development of plans, policy or strategies that support the Corporate Themes.

#### 3. Background.

##### **The role of Overview & Scrutiny in the Budget Consultation Process**

3.1 With regard to the role of Scrutiny as consultees within the budget setting process, the Welsh Assembly Guidance document regarding the Local Government Act 2000 (Part II), states that:

*"In developing budget and formulating policy, the Executive will be responsible for any consultation which is required or necessary. The Executive should, at an early stage in the development of the budget and policies, consult the relevant Overview and Scrutiny Committees..."*

3.2 Rules 2 a and b of the Authority's Budget and Policy Framework

Procedure Rules contained in the Constitution detail the following process by which the Budget shall be approved, as follows:

- (a) *The Cabinet will publicise by including it in the forward work programme a timetable for making proposals to the Council for the approval of the Budget, and its arrangements for consultation upon its initial Budget proposals. The Chairpersons of Overview and Scrutiny Committees will also be notified of the initial Budget proposals. The consultation period shall be not less than 4 weeks. If an Overview and Scrutiny Committee wishes to respond to the Cabinet in that consultation process then it may do so.*
- (b) *At the end of the consultation period and in accordance with the published timetable, the Cabinet will draw up firm proposals having regard to the responses to that consultation. The Cabinet will take any response from an Overview and Scrutiny Committee and other consultees into account in drawing up firm Budget proposals for submission to the Council, and its report to the Council will reflect the comments made by consultees and the Cabinet's response;*

### **Standing Budget Research & Evaluation Panel**

3.3 In line with the process followed in previous years, it was agreed that each scrutiny committee would nominate two members to sit on the Standing Budget Research and Evaluation Panel (BREP). The nominations for the Children and Young People Overview and Scrutiny Committee were made at the meeting held on 10 June 2014.

3.4 The primary purpose of the BREP is to:

- achieve a detailed overview and assessment of the budget proposals where the expertise and knowledge pertaining to each Committee service area contributes to a Corporate understanding and appreciation of the draft budget proposals;
- To assist the Council to develop a budget that aims to meet the needs of the communities of Bridgend County Borough;
- To facilitate firmer understanding of the budget setting process and the draft proposals in order to assist the Committees in making informed comments, constructive challenge or recommendations to Cabinet as part of the budget consultation process.
- To achieve consensus on the direction of the budget over the life of the Medium Term Financial Strategy.

3.5 Consulting with Overview & Scrutiny Committees in this way can potentially lead to the following positive outcomes:

- Increased understanding of the budget setting process amongst Non-Executive Members;
- Enhanced Member input into the annual budget setting process;

- Achievement of wider representation of Community needs in discussions relating to anticipated changes to services;
- 3.6 The Standing BREP has met on a number of occasions and explored by means of semi-structured interviews with Directors and Heads of Service, management options that may inform the development of the draft Cabinet proposals both in relation to proposals related to medium and longer term reviews linked specifically to the Bridgend Change Programme as well as budget reductions and budget pressures for 2015-16.
- 3.7 Each Overview & Scrutiny Chair and respective nominated member contributed their service and Committee specific knowledge to the process which led to the Standing BREP achieving a wider understanding of the likely implications associated with proposals put forward.
- 3.8 The Standing BREP met with Cabinet and CMB on 12 December 2014 and will produce a final report back to the Corporate Resources and Improvement Overview and Scrutiny Committee on 19 January 2015.
- 3.9 Cabinet considered its draft budget proposals on 9 December 2014. The draft proposals are contained within the following documents appended to this report:
- Appendix 1 Report of the Section 151 Officer on the Medium Term Financial Strategy 2015 – 16 to 2018 - 19
  - Appendix A Budget Pressures
  - Appendix B Savings Proposals
  - Appendix C Capital Programme

### **Public Consultation Process**

- 3.10 The “Budget Review 2015” consultation sought to obtain members of the public’s views in relation to how and where the local authority can make a reduction in its budget. The outcome of the consultation is summarised in the Cabinet report at Appendix 1. It is also the subject of a separate report, which is attached at Appendix D. Due to the size and format of the appendices to consultation report, these have not been printed but are available online. The consultation report and appendices were also presented to Cabinet at its meeting on 9 December 2014 for information purposes.

### **Members’ budget workshop summary.**

- 3.11 On Tuesday 21 October 2014, 37 members attended a workshop specifically for members on the budget simulator and consultation overall. The two and a half hour event included a presentation to members giving detail of the public consultation and the budget simulator before a group workshop on the budget simulator followed by an individual questionnaire was handed out regarding discretionary services.
- 3.12 The questionnaires were designed specifically for members and were segregated by service area, each service area had several potential savings put forward by the financial department. Each option had a tick box with ‘remove completely, partially reduce, do not touch and no choice made’ as response options. 34 members responses were received, the main finding of which are summarised below:

- Childrens
  - Family Support Services received a 71 per cent ‘do not touch’ response from members
  - 71 per cent supported removing Home to School Transport entirely.
- Communities
  - Rights of Way, Street Lighting and Ground Maintenance, Parks, Outdoor Facilities had the largest support for reduction throughout the survey with a 91 per cent acceptance rate.
  - Rights of Way (62 per cent), Street Lighting (52 per cent) and Bereavement Services (52 per cent) received over 50 per cent acceptance for removing some of the operations entirely.
- Legal and Regulatory
  - All areas of Legal and Regulatory services included in the questionnaire were reduced except for Animal Welfare – receiving 52 per cent support.
- Resources
  - Communications and Marketing and Asset Rationalisation received 71 per cent support for a budgetary reduction.
  - Customer care and Contact Centre (56 per cent), CCTV (56 per cent) and Markets (59 per cent) all received over 50 per cent support for not reducing the budgets.
- Wellbeing
  - Two areas: Catering Provision and Play and Other Services both received a split 50/50 response. All other areas received support for a reduction.
- Corporate
  - 88 per cent supported a reduction in the Council Tax Reduction Scheme budget.

3.13 All members were invited to share their individual views by visiting the budget simulator online and also asked to encourage members of the public to respond or attend one of the six community engagement workshops.

3.14 As part of the event a feedback form was made available - 96 per cent of members rated the event ‘excellent’ or ‘good’. Encouragingly all members (100 per cent) stated the event was relevant information for the future. Where relevant, feedback from the members’ event was used for the community engagement workshops.

## **4 Current Situation**

### **Role of the Committee**

4.1 The role of the Committee is to consider the draft budget proposals as they relate to the Children’s Directorate and offer any comments or recommendations to Cabinet.

4.2 Members may wish to consider the following points which relate to previous discussions and concerns of the Committee, and may assist them in formulating their questions to the invitees:

Comments made by the Committee during last year's budget consultation process:

1. CH5/CH8/CH11 – the Committee noted the developments as outlined in the report to Cabinet dated the 10<sup>th</sup> December 2013 and following discussion, the Committee wished to reiterate the comments and recommendations made by the Committee when it considered the Learner Transport Policy as a whole at its previous meeting on the 30<sup>th</sup> September 2013.
2. The Committee were supportive of Proposal (a) in relation to Rationalisation of SEN (Special Education Needs) transport and commented that strong management would be the key in terms of implementation and monitoring.
3. Further to this, the Committee requested that as part of the rationalisation of SEN transport that Officers explore whether the Authority was double funding for SEN pupils who also received a Disability Living Allowance at the highest rate for mobility, as that allowance included and allowance/car for transport for their child.

The Committee made the following recommendations:

- A. That the Home to School Transport provision for Voluntary Aided Schools remained in line with the proposals for Welsh Medium Schools, whereby transport would be provided irrespective of whether there were alternative non-faith or non-Welsh schools being closer.
- B. That should any reductions be made to Home to College Transport, the Committee would strongly support mitigation measure 3 in the report, "...to provide free transport for those students in receipt of an Education Maintenance Allowance (EMA) and who live outside the qualifying distance criterion of 3 miles".
- C. The Committee expressed concern regarding the proposal for charging for post-16 transport, as it would not treat all learners equally, given that the proposal was to partially subsidise transport for school learners with no similar proposal for college learners. The Committee therefore recommended that should this proposal be taken forward, in order to treat all learners equally there should be similar provision in place for post-16 college learners, such as a comparable contribution towards bus passes.
- D. That any proposals for changes to school transport should be regarded as a phased approach, whereby the changes are introduced incrementally. The Committee therefore recommended that a phased approach was particularly important in relation to proposal (c): to remove provision for Voluntary Aided schools where the school was not the nearest available school, and beyond the statutory distance.
- E. That termly payments for 'paying places' (as opposed to annual payments) be more widely promoted to parents in order to assist and encourage parents to take up those places.
- F. That further discussions be held with Further Education providers to determine whether they could assist in contributing towards transport for their learners.

The Committee further highlighted the following as areas that still needed to be considered for any proposed changes to Learner Transport:

- Road Safety Issues;
- All routes need to be risk assessed;
- Impact of increases in cars outside schools as a result of proposed changes to Learner Transport;
- Impact on attendance as a result of proposed changes to Learner Transport;
- Potential risks to children as there is no legal requirement for parents to accompany children to school, which could lead to an increase in children of a young age walking to school unaccompanied;
- Impact of proposed changes on the Authority's NEETs figures;
- Impact on the 14-19 Collaboration Agenda – Members highlighted this as a risk given the uncertainty of future grant funding for pupils' transport under this project. If grant funding were to be removed, those pupils would fall under the same transport policy as other learners and could therefore be greatly affected by the proposed changes to Learner Transport.

The Committee concluded by requesting the Learner Transport Policy be presented as a pre-decision scrutiny item following consultation, prior to any final decision being made by Cabinet.

**CH13** – The Committee was concerned at the proposal to cease the complex needs play scheme and whether an Equality Impact Assessment had been undertaken. The Committee requested that those proposals be reconsidered, due to the impact it may have on a vulnerable section of society. The Committee would welcome that different avenues are explored to ensure that the complex needs play scheme continued.

**CH12/15** – The Committee noted the budget savings proposals and the intention to bring them in line both within Western Bay and Welsh Government guidelines. Although the Committee were reassured that those proposals had been shared with Foster Carers, the Committee would monitor the proposal and requested regular updates on any adverse impacts.

**CH19** – The Committee expressed concern regarding the impact this proposal would have on those families who may struggle to fully meet the costs. The Committee therefore recommended that consideration and protection be given to those pupils entitled to Free School Meals, to ensure that those groups would continue to benefit from having music lessons.

The Committee noted that the Authority may not be recouping payments from other local authorities in respect of education provision it provided to out of county children within the Special Needs Unit at the Princess of Wales Hospital, Bridgend, and therefore recommended that this be followed up, and that the Committee be provided with a progress report on the matter.

- 4.3 Through the Standing BREP process a series of comments have been developed on the budget proposals which are included as the first four suggested areas for discussion. The Committee may wish to include these to assist its overall consideration of the draft budget proposals as they relate to the Communities Directorate.

## **Points for Discussion**

- a) *What monitoring measures will be taken to ensure that budget reduction measures are on track at the beginning of the financial year, and where slippage is identified or proposals are unachievable, at what point will the Directorate be asked to identify alternatives?*
- b) *Are contingency budget reduction proposals being progressed with, should some of the current budget reduction proposals be unachievable?*
- c) *What are the risks associated with collaboration/ partnership working and the pooling of resources and is it clear whether collaborative activity undertaken so far has resulted in greater efficiencies for the Directorate and the Authority as a whole?*
- d) *Should a corporate approach be adopted in the authority of moving towards applying minimum standards to those statutory services where it is able to and only consideration being given to improving these minimum standards once budgets allow?*
- e) *Is the Committee confident that the explanations provided within the report in relation to the impact of each saving proposal are sufficiently detailed?*
- f) *At 4.26, the report requests that Cabinet 'reverse the decision they made on 1 April 2014 to top-slice £750,000 from delegated schools' budgets. If this decision is reversed, where will this shortfall in savings be found?*
- g) *The proposal to remodel Children's Residential Care (CH22) suggests a cut of 73% to their total budget, what is the rationale behind this proposal given that the service has already undergone a restructure in 2012?*
- h) *How have the savings put forward in relation to the reduction of LAC numbers (CH25) been calculated? How is this to be achieved and how realistic is the target?*
- i) *How can Members be confident that the 'one off' budget pressure of £350,000 for LAC put forward will not be repeated next year and therefore the savings proposal for LAC will not be achieved?*
- j) *Savings proposal CH12 proposes a reduction to the catering budget. Is this based on the current underspend being experienced in this service and has the potential impact of the remodelling of the Meals at Home service been taken into account for this proposal?*

## **Role of the Corporate Resources & Improvement Overview & Scrutiny Committee (CRI)**

- 4.4 Members are reminded of the CRI Committee's co-ordinating role in the annual budget consultation process on behalf of the other Overview & Scrutiny Committees. The CRI Committee is also required to provide a strategic overview of Cabinet's draft budget proposals.

4.5 This will take place at the CRI's Committee meeting scheduled for 19 January 2015 where Members will consider the discussions and recommendations offered by other Scrutiny Committees, and be presented with the final report of the Budget Research & Evaluation Panel.

## **5. Effect upon Policy Framework and Procedure Rules.**

5.1 The work of the Children and Young People Overview and Scrutiny Committee relates to the review and development of plans, policy or strategy that form part of the Policy Framework and consideration of plans, policy or strategy relating to the power to promote or improve economic, social or environmental well being in the County Borough of Bridgend.

## **6. Equality Impact Assessment**

6.1 The Equalities implications are outlined in the Officer's report which is attached as Appendix 1.

## **7. Financial Implications**

7.1 This item relates to the role of Overview & Scrutiny Committees as consultees in respect of the budget setting process. No financial implications arise directly from the Committee's consideration of the proposals as this is ultimately a matter for decision by Cabinet and Council.

## **8. Recommendation**

Committee Members are asked to:

- (i) Consider the information contained in the report and attached appendices;
- (ii) Determine whether it wishes to make any comments or recommendations relating to Cabinet's draft budget proposals as part of the budget consultation process.

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