

Council Overview Board
28 January 2016

Scrutiny Board Budget Review

Background

In May 2015, full Council approved amendments to the Council's Scrutiny Function. Each Scrutiny Board set up a Performance & Finance Sub Group to undertake scrutiny of budgets and corporate performance measures.

During the period November 2015 – January 2016, the Scrutiny Boards have met with finance officers, Cabinet Members and senior officers with a view to understanding the financial prospects for the Council for the next Medium Term Financial Plan (2016-21). One of the key elements discussed at the Sub Group meetings, was the challenge all services had to analyse their systems and processes in order to find 1.5% savings per year.

Particular areas of focus for Scrutiny included:

- Challenging savings proposals
- The impact of budget proposals on front line services
- Investigating income generation targets

The budget is due to be reported to Cabinet on 2 February 2016. A summary of the comments and recommendations made by Scrutiny Boards to date is outlined in this report. However, it should be noted that this piece of work is ongoing and the Boards will continue to have a role in scrutinising budgets as and when more specific detail regarding the Local Government Settlement is released in the Spring of this year.

Summary of Scrutiny Board findings

Economic Prosperity, Environment & Highways (EPEH) Scrutiny Board:
The Performance & Finance Sub Group of EPEH met with Assistant Directors and the Finance Manager responsible for the Environment & Infrastructure Directorate over a number of meetings. Members scrutinised the service strategies and discussed the expected pressures and potential savings for future years. The Sub Group would continue to meet quarterly and would report back to the Council Overview Board, via EPEH, with any specific recommendations once further information regarding the Council's budget situation was available.

Education & Skills and Social Care Services Scrutiny Board:

The budget for Children, Schools & Families has been considered by the Education & Skills Scrutiny Board, with input from Members of the Social Care Services Board. There was a particular focus on SEND (special educational needs and disabilities) transport review due to the forecast overspends. In addition, Members were keen to understand how social investment was being explored as an option within the directorate to help achieve savings. The Board therefore agreed to commission its Performance & Finance Sub Group to work with Cabinet Members and Senior Officers to scrutinise the development of social investment opportunities and other sources of income generation.

Resident Experience Scrutiny Board:

The Board met with services including Surrey Fire & Rescue, Trading Standards and Cultural Services (including Libraries). The following comments were agreed at their meeting on 13 January 2016, regarding the Surrey Fire & Rescue Service (SFRS) Budget:

The Resident Experience Board are:

- Satisfied that SFRS are able to maintain the level of performance and achieve their budget for 2016/17 and;
- will continue to scrutinise proposals for future savings in the SFRS, with an understanding that the service must rationalise the way that it works to meet future efficiency targets.
 - The Board would schedule items on emergency services collaboration, additional work of the SFRS (outside of the traditional remit of a fire service) and income generation.

The Board will be focussing their March 2016 meeting on the future of the Library Service, and therefore will continue to scrutinise savings once further information is available following the Local Government Settlement and the Cabinet's decision regarding the budget on 2 February.

Social Care Services Scrutiny Board:

In December, the Social Care Services Performance & Finance Sub Group considered comments from the Council Overview Board regarding the Comprehensive Spending Review. The following recommendations were agreed on 3 December 2015:

The Social Care Service Board's Performance & Finance sub-group recommends that:

- Surrey County Council accepts the option of raising council tax by 2%, as outlined by the Comprehensive Spending Review, and that this additional funding should be ring-fenced for the use of the Adult Social Care Directorate, and not used to reduce the current ASC budget.
- The Leader of the Council lobby's government for the option of raising council tax being extended to our partners in District and Borough Councils as these authorities provide non-statutory adult social care services.

Further comments were made by the Sub-Group, whereby they recognised the potential impact of these options on Surrey residents in terms of the

increased tax burden, and also on the forthcoming Local Government Settlement in terms of proportionately reduced grant. The Sub-Group also noted the need for the Council to maintain a sustainable market, at a time where there are considerable financial pressures across the system.

The Sub Group are due to meet again on 25 January 2016, and any further comments will be reported to the Council Overview Board on 28 January.

Wellbeing & Health Scrutiny Board

The Performance & Finance Sub Group are due to meet on 28 January 2016, and will report any recommendations to the Council Overview Board for inclusion in the recommendations to Cabinet.

Recommendations

That the Council Overview Board consider the report and any further information provided by Scrutiny Board Chairmen, and agree whether they wish to make any formal recommendations or comments to the Cabinet.

Next steps

Any findings or comments will be reported to Cabinet on 2 February 2016. Following the Local Government Settlement, the Scrutiny Boards will continue to scrutinise the implications on their service areas and make recommendations where appropriate.

Report contact: *Helen Rankin, Scrutiny Manager*

Contact details: *020 8541 9126*

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