

OVERVIEW & BUDGET SCRUTINY COMMITTEE

Item under consideration: BUDGET SCRUTINY

Date Considered: 22 March 2018

- 1 At its meeting on 22 March 2018 the Overview & Budget Scrutiny Committee considered a report detailing the conclusions and recommendations of the Council's Select Committees in relation to service plans and fees and charges produced as part of the 2018/19 budget planning process.
- 2 The Select Committees did not make significant recommendations to alter fees and charging schedules. There was broad agreement with the direction of the service plans with emphasis put on taking advantage of opportunities to generate income and ensuring the Council compared favourably with other authorities.
- 3 The Budget Sub-Group reiterated the need for an increased pace of change at the Council to ensure a sustainable budget and it would follow up on transformation plans as they emerge as these would play a key part in meeting savings targets
- 4 The Committee reflected on a positive scrutiny process for the setting of the 2018/19 budget with more detailed information released to Select Committee at a timely juncture. However, the process for 2019/20 budget scrutiny needs to be agreed early with the Cabinet and Strategic Directors to give Members the earliest opportunity to contribute to the budget planning and service priorities from July 2018 onwards.

The Committee agreed the following recommendations:

1. The **Adults and Health Select Committee** recommended that:
 - a) Officers benchmark income from charging for adult social care services with neighbouring local authorities to identify opportunities for Surrey County Council to maximise income from charging for adult social care; and
 - b) The Adult Social Care & Public Health Directorate embeds a process for reviewing the potential financial implications to the Council arising from reduced spending on Public Health programmes or non-statutory adult social care services.
2. The **Children and Education Services Select Committee** noted:
 - a) The service plans and recognised that there were significant challenges to the Directorate regarding securing external funding; and

- b) That the Committee reviewed and approved the current scheme of charges as proposed by the Children, Schools and Families Directorate.
3. The **Communities Select Committee** recommended that:
- a) An assumption is made that inflation is taken into account when annual increases in fees and charges are being considered by Cultural Services;
 - b) Officers adopt a more commercial approach to operating the Library Service in order to optimise income generation, this includes improved marketing of the stock and services that the Library Service has to offer;
 - c) Officers benchmark fees and charges within Cultural Services against those levied by neighbouring authorities;
 - d) Surrey Fire and Rescue Services' plans to achieve savings as outlined within the Medium Term Financial Plan are shown to the Cabinet in order to progress these plans or explore alternative opportunities to deliver these savings where appropriate; and
 - e) Encourages the Buckinghamshire County Council and Surrey County Council Joint Trading Standards Service to continue its work establishing Primary Authority Partnerships (PAP) and recommends that the Service seeks to expand the number of PAPs by actively marketing them through district and borough councils and chambers of commerce
4. The **Corporate Services Select Committee** recommended that
- a) The Cabinet Member for Communities considers the introduction of an administration fee for health and safety planning and support provided by the Emergency Management Team to event organisers.
 - b) The Chief of Staff reviews the budget allocated to the Healthwatch contract so that total expenditure does not exceed the amount of the national government grant
 - c) The Council explore income generation opportunities within Audit and Pension Administration Services.
 - d) The Head of Communications explore income generation through online advertising on the Surrey County Council website and promoting in-house communication services to Local Authorities and Government bodies.
 - e) The Head of Legal Services explore income generation opportunities within employment law and special projects as part of Orbis Public Law integration.
5. The **Environment & Infrastructure Select Committee** recommended that:
- a) Future reviews of fees and charges assume an increase at least by the level of inflation and ensure that it presents justifications for any variation on this; and

- b) Further work is undertaken regarding cost recovery: where it is focussed and what can effectively be recovered, as part of a review of fees and charges and that this is reviewed by the Select Committee in late 2018.
 - c) The Council considers the implementation of new technologies such as LED lighting and charging points on lamp posts; and
 - d) The service presents a business case for use of such new technologies as outlined in the IoT (Internet of Things) UK research report^[1] for use in Surrey in 2018/19 as this presents an income opportunity.
6. The **Overview and Budget Scrutiny Committee** recommended that:
- That scrutiny on next year's budget and business planning begins in July to allow sufficient time for Member input at the earliest stage possible

Kay Hammond
Chairman of the Overview & Budget Scrutiny Committee

RESPONSE:

The cabinet thanks the select committees for the detailed work on budget scrutiny this year. The 2018/19 budget has been challenging to set with the continuing pressures on social care and special educational needs budgets in particular, and further reductions in government grants. The greater involvement of select committees this year in the budget setting process has considerably aided the cabinet in determining how to make the necessary savings.

Given these continuing and increasing pressures, the cabinet agrees with the need for an increased pace of change to ensure a sustainable budget, and has asked the Chief Executive and Director Finance to recognise this in developing the budget and business setting process for the next MTFP.

The cabinet also thanks the committees for their recommendations, especially on fees and charges. In developing the budget for 2019/20, the cabinet will carefully consider these recommendations.

David Hodge CBE
Leader of the Council

^[1] Hannah Griffiths, *The Future of Street Lighting: The Potential for New Service Development*, IoTUK, April 2017, (available at: <https://iotuk.org.uk/wp-content/uploads/2017/04/The-Future-of-Street-Lighting.pdf>, as accessed 13/03/2018).

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