

CORPORATE OVERVIEW SELECT COMMITTEE

Item under consideration: REVENUE & CAPITAL BUDGET 2019/20 to 2023/24

Date Considered: 25 January 2019

- 1 At its meeting on 25 January 2019 the Corporate Overview Select Committee considered the Revenue & Capital Budget for 2019/20 to 2023/24. There were Select Committee Chairmen in attendance at the meeting to provide their input on specific service budgets and savings.
- 2 The Committee noted the challenge of delivering a sustainable budget and sought reassurances about the deliverability of the plans in 2019/20. The witnesses stressed that realism was required and that the budget has to support changes to how the Council delivers services and improve outcomes for Surrey residents.
- 3 The Committee focused on the challenges faced by the Council's demand led services – Children's Services and Adult Social Care – and questioned the witnesses on the impact of foster care placements and external placements on the Children's Services budget and how the Council planned to manage Adult Social Care's net expenditure over the coming years. The Committee supported plans to improve social care practice, bring placements back into the county and the drive to recruit more foster carers but warned that this would be difficult.
- 4 The Committee raised some concerns about how effectively the Council forecasts demand in these services. The Chief Executive acknowledged this but thought forecasting would improve through better partnership working with organisations such as the NHS and schools to identify children and families in need early.
- 5 The Cabinet Member for Finance stated that these services represented the biggest challenge to achieving a balanced budget. The Committee queried whether the £10m budget contingency fund was sufficient enough given the substantial risks the Council faced.
- 6 Members were supportive of the Cabinet Member of Finance's view that monitoring of budgets and service activity needs to happen on a weekly basis, not monthly in arrears, to ensure the Council's expenditure stays on track. The Committee agreed that there needed to be greater ownership of Council finances by Officers and Cabinet Members alike.
- 7 The Committee thanked the Chief Executive, members of the leadership team and the Cabinet Member for Finance for their attendance at the Committee to answer questions on the budget prior to the next meeting of the Cabinet.
- 8 The Committee agreed the following conclusions:
 - a) The Committee recognises the difficulty of formulating a new transformative budget for 2019/20 and the consequences of failing to implement this;
 - b) The Committee supports the proposal of the Cabinet Member for Finance that there is rigorous, weekly monitoring of service activity,

- performance and expenditure and that this data must be owned individually and collectively by the Cabinet Members;
- c) The Committee is conscious that the £10m contingency available to mitigate any savings shortfalls could be insufficient given the level of transformation required and the unknown factors or re-emerging risks; and
 - d) Recommends that the Cabinet Member for Finance is invited back to provide evidence on the progress towards achieving the targets set out in the Budget and Financial Strategy at the Committee's next meeting.

Ken Gulati
Chairman of the Corporate Overview Select Committee

Reply:

The Cabinet thanks the Chairman and his Committee for this report. We are in agreement with the Committee's recommendations, specifically recommendation (b) on the need to develop and focus on tracking the key elements of the savings plan contained within the budget and supporting transformation plans.

I look forward to working with the Chairman of the Budget Sub-Group going forward and reporting progress at the May meeting of the Committee.

Mr Mel Few
Cabinet Member for Finance
29 January 2019