



Doncaster Council

Report

7th February, 2019

To the Chair and Members of the
OVERVIEW AND SCRUTINY MANAGEMENT COMMITTEE

**OVERVIEW AND SCRUTINY CONSIDERATION OF THE MAYOR'S BUDGET
PROPOSALS 2019/20-2022/23**

Relevant Cabinet Member(s)	Wards Affected	Key Decision
The Mayor	All	None

EXECUTIVE SUMMARY

1. The purpose of this report is to receive the Mayor's draft budget proposals 2019/20 – 2022/23 and set out how OSMC will consider and respond to these proposals. OSMC's response will enable the Mayor to take account of these when presenting her proposals to Full Council on 4th March, 2019.

EXEMPT REPORT

2. The report is not exempt.

RECOMMENDATIONS

3. That OSMC:
 - i. Considers the Mayor's draft budget proposals;
 - ii. Adopts the key questions identified at Paragraph 7 as a focus for its review; and
 - iii. Adopts the guidance detailed at Paragraphs 10 -12 for effectively reviewing the Mayor's budget proposals;

WHAT DOES THIS MEAN FOR THE CITIZENS OF DONCASTER?

4. Consideration of the budget proposals enables elected Members to hold the Executive to account in relation to the impact on the quality of services that can be delivered, and through consideration provides openness and transparency. Elected Members are able to reflect the concerns of the citizens and communities they represent throughout the consultation process.

BACKGROUND

5. The Mayor's draft budget proposals were formally launched at Council on the 24th January 2019. The proposals will be considered by Cabinet on the 12th February 2019 and the Cabinet report will be available online from the 4th February 2019 for Members' consideration. In the meantime, the link to the information currently on the website is as follows <http://www.doncaster.gov.uk/services/the-council-democracy/revenue-and-capital-budget>
6. In accordance with the Budget and Policy Framework, Overview and Scrutiny is required to provide a response to the proposals that can be considered by the Mayor when the proposals are presented to Full Council for approval.
7. To ensure OSMC can add value to the Council's budget setting process and take a holistic view of the proposals as in previous years it has been agreed that the Committee will focus on the following four issues:
 - i. To what extent are the Mayor's proposals in line with central government policy, pressures and directives?
 - ii. To what extent will the Mayor's proposal ensure that the Council is able to contribute to the outcomes detailed within Doncaster Growing Together bearing in mind the constraints detailed at i. above?
 - iii. To what extent do the Mayor's proposals demonstrate that the results of any consultation, research or other evidence have been taken into account?
 - iv. To what extent are the challenges in delivering the savings within the timescales and the capacity to deliver services with reduced resources being addressed?
8. Beneath each of these broad themes there are a number of important issues that Members may wish to consider such as how the proposed changes to services will be delivered in practice, where are the key risks and challenges in delivering these savings?
9. It is recommended that as in previous years the Committee continues to follow these four lines of enquiry in relation to the Mayor's budget proposals.

Guidance for Overview and Scrutiny Members

10. Detailed below is some guidance that may assist Members in undertaking Overview and Scrutiny of the budget setting process.
 - a. **Adding Value to the Budget Setting Process**
11. The Centre for Public Scrutiny highlights *"four key roles and areas where scrutiny can add value to the Council's management of its finances"*.
 - i. **Scrutiny can challenge whether the processes are effective and accessible** - is there a level of integration between corporate and service planning and performance and financial management?

- ii. **Overview and Scrutiny can test out and make explicit whether the Council is directing its resources effectively to meet its priorities and demonstrate whether it is achieving value for money.** The Committee may want to satisfy itself that any proposals are aligned to corporate priorities and seek to deliver value for money services.
- iii. **Scrutiny can challenge how resources are allocated, monitor how they are used, and examine their impact.** Overview and Scrutiny may wish to challenge the assumptions behind the budget strategy and the key strategic considerations that have gone in to building up the budget e.g. what issues (such as consultation) informed decisions around the budget? How will service changes be delivered and how will they be monitored?
- iv. **Overview and Scrutiny provides an additional and transparent challenge to the Executive's management of the Council's finances.** Overview and scrutiny is a key mechanism enabling Councillors to represent the views of their constituents and other organisations to the Executive and Local Authority and hence to ensure that these views are taken into account in policy development and expressed through the budget. Councillors are then able to feed back to the public where choices can/have been made and the reasons for doing this.

b. Avoiding Common Pitfalls

- 12. To respond effectively to the Mayor's proposals and avoid some common pitfalls OSMC may wish to take account of the following issues that have been identified through best practice Scrutiny research:
 - i. **Understanding the purpose of Overview and Scrutiny.** Scrutiny's role is not a political process or a means of putting forward an alternative budget. Instead OSMC may wish to explore the extent to which the proposals; align with the key priorities of the Borough, are based on sound reasoning, take account of the views of the public and will deliver effective value for money services particularly during a time of reduced resources.
 - ii. **Remain Strategic** – Overview and Scrutiny should focus on the strategic budget assumptions and impact they will have on services. Detailed line-by-line analysis will obscure the scrutiny process and make it difficult to see the full picture and focus on the wider outcomes. Overview and Scrutiny may wish to make recommendations for changes (but not alternative proposals) or for the inclusion of additional considerations within the budget.
 - iii. **Link to Stated Priorities** – Overview and Scrutiny should examine how the proposals align with those priorities already agreed within Doncaster Working Together.

Next Steps

- 13. Once the Committee has agreed its response it will present this to the Mayor and provide an opportunity for these to be considered prior to the proposals being presented to Full Council.

OPTIONS CONSIDERED

14. No other options have been considered.

REASONS FOR RECOMMENDED OPTION

15. The process identified for reviewing the budget will ensure there is a clear understanding of Overview and Scrutiny's role and how the review will be undertaken.

IMPACT ON THE COUNCIL'S KEY OUTCOMES

16.

	Outcomes	Implications
	<p>Doncaster Working: Our vision is for more people to be able to pursue their ambitions through work that gives them and Doncaster a brighter and prosperous future;</p> <ul style="list-style-type: none"> • Better access to good fulfilling work • Doncaster businesses are supported to flourish • Inward Investment 	<p>The Council's budget will ultimately support and impact on all of the priority outcomes. In terms of its role in reviewing the budget proposals this will support the outcome of "Working with our partners we will provide strong leadership and governance".</p>
	<p>Doncaster Living: Our vision is for Doncaster's people to live in a borough that is vibrant and full of opportunity, where people enjoy spending time;</p> <ul style="list-style-type: none"> • The town centres are the beating heart of Doncaster • More people can live in a good quality, affordable home • Healthy and Vibrant Communities through Physical Activity and Sport • Everyone takes responsibility for keeping Doncaster Clean • Building on our cultural, artistic and sporting heritage 	
	<p>Doncaster Learning: Our vision is for learning that prepares all children, young people and adults for a life that is fulfilling;</p> <ul style="list-style-type: none"> • Every child has life-changing learning experiences within and beyond school • Many more great teachers work in Doncaster Schools that are good or 	

	<p>better</p> <ul style="list-style-type: none"> • Learning in Doncaster prepares young people for the world of work 	
	<p>Doncaster Caring: Our vision is for a borough that cares together for its most vulnerable residents;</p> <ul style="list-style-type: none"> • Children have the best start in life • Vulnerable families and individuals have support from someone they trust • Older people can live well and independently in their own homes 	
	<p>Connected Council:</p> <ul style="list-style-type: none"> • A modern, efficient and flexible workforce • Modern, accessible customer interactions • Operating within our resources and delivering value for money • A co-ordinated, whole person, whole life focus on the needs and aspirations of residents • Building community resilience and self-reliance by connecting community assets and strengths • Working with our partners and residents to provide effective leadership and governance 	

RISKS AND ASSUMPTIONS

17. There is a risk that responding to the Mayor's draft budget proposals may be driven by party politics or result in the development of alternative budget proposals both of which are incompatible with the role of Overview and Scrutiny. The development of specific questions based around reviewing how the Mayor's proposals take account of national policy context, are evidence based and link to wider priorities will seek to ensure the process remains focused and appropriate.

LEGAL IMPLICATIONS [Officer Initials SRF Date 28/1/19]

18. The role of Overview and Scrutiny in the Council's budget setting process is detailed within the Council's Budget and Policy Framework Procedure Rules. The Executive is required to provide its budget proposals (including details of any consultations it has undertaken) to the relevant Overview and Scrutiny Panel or Management Committee, which will be given at least 4 weeks to respond to those proposals.
19. Not less than 4 weeks later, the Executive will report its budget proposal to the Full Council showing how any response from the Overview and Scrutiny Committee and the outcome of consultation, research or investigations were

taken into account.

FINANCIAL IMPLICATIONS [Officer Initials...RI... Date...24.01.19]

20. There are no specific financial implications contained in this report. The specific financial implications relating to the budget are contained in the Mayor's draft budget proposals.

HUMAN RESOURCES IMPLICATIONS [Officer Initials RH Date 18.01.19]

21. There are no specific HR implications related to the contents of this report. There may be HR implications relating to the budget proposals but these will be highlighted in the relevant reports at the appropriate time.

TECHNOLOGY IMPLICATIONS [Officer Initials...PW Date...24/01/19]

22. There are no specific technology implications in relation to this report.

HEALTH IMPLICATIONS [Officer Initials.....RS.. Date17/01/2019...]

23. The choices the council makes in both raising and allocating budgets will impact on the health of the population. In general, 20% of what contributes to health is due to clinical care, 30% due to behavioural factors, 40% due to socio-economic factors and 10% due to the built environment. The State of the Borough assessment and Doncaster Growing Together plan are both informed by health outcomes and use health outcomes to monitor impact. The impact on a set of health outcomes are also incorporated in the council's corporate plan. Within the financial resources available, this paper sets out clearly the broad areas of investment in both universal and targeted services and how within a reduced financial envelope there are plans to maintain and even improve the quality of local services. The investments in Doncaster Learning will support children to be ready for school, whilst the investments in Doncaster Caring and Living should support reducing social isolation, increasing physical activity and improving mental health. However, investment alone in commissioned or provided services may be insufficient to change wider societal conditions that contribute to these challenges. Wherever possible commissioners and providers of services should seek to maximise social value consider long-term social, environmental and economic sustainability and resilience. With a sustained long-term reduction in funding, there is likely to be a potential to widen inequalities and health inequalities. This needs to be considered during the implementation phase so that inequalities and health inequalities are addressed, and monitored. The lack of national guidance on the future of the public health grant from April 2020 places a risk on future public health activity. Where further cabinet reports are required report authors should consider the need for formal health impact assessments or early involvement of the public health team to minimise unintended impacts on health. Health impacts should also be addressed in the due regard statements that are developed alongside these further reports.

EQUALITY IMPLICATIONS (CR 09.01.18)

24. There are no significant equality implications associated with this report. Throughout the course of its review, the Committee may wish to seek further

information on the extent to which the proposals will have an impact on individual's and other groups who share protected characteristics.

CONSULTATION

25. The Mayors Draft Budget Proposals 2019-20 were made available on the Council's website on 24th January 2019 following the Full Council meeting the same day. In accordance with the Council's Constitution, this provides a 4-week consultation period for the Council's Scrutiny function. The proposals will be considered by Cabinet on the 12th February 2019.

BACKGROUND PAPERS

26. The Centre for Public Scrutiny/Local Government Information Unit/the Chartered Institute of Finance and Accountancy Guidance, "On the Money"

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