



Doncaster Council

3rd October 2019

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

MEDIUM-TERM FINANCIAL STRATEGY (MTFS) 2020/21 – 2022/23

Relevant Cabinet Member(s)	Wards Affected	Key Decision
The Mayor	All	Yes

EXECUTIVE SUMMARY

1. Overview & Scrutiny Management Committee (OSMC) is asked to receive the Medium-term Financial Strategy (MTFS) for 2020/21 to 2022/23 and provide any initial comments and feedback. The MTFS includes saving proposals for consideration in preparation for the Council's budget report on 5th March 2020. Consideration of the MTFS at this stage will enable the Mayor to take account of OSMC's comments when further developing her budget proposals which will be announced in January 2020.

EXEMPT REPORT

2. The report is not exempt.

RECOMMENDATIONS

3. That OSMC:
 - i. Considers the Cabinet report detailing the Medium-term Financial Strategy (MTFS) for 2020/21 to 2022/23 attached at Appendix A;
 - ii. Comment on the Savings Proposals and Budget Framework detailed at paragraphs 28 to 34 of the Cabinet Report setting out the Medium term Financial Strategy (attached at Appendix A), in accordance with the lines of enquiry identified at paragraph 9 below.
 - iii. Note there will be further opportunities to consider and provide comments on the budget proposals, when these are formally announced by the Mayor in January 2020.

WHAT DOES THIS MEAN FOR THE CITIZENS OF DONCASTER?

4. Elected Members are able to reflect the concerns of the citizens and communities they represent throughout this process.

BACKGROUND

5. The Medium-term Financial Strategy (MTFS) for 2020/21 to 2022/23 attached at Appendix A is scheduled to be considered by Cabinet on 1st October 2019. The report is available through the following link <https://doncaster.moderngov.co.uk/ieListDocuments.aspx?CId=131&MId=2890>
6. The MTFS sets out how the Council intends to make savings to meet its financial challenges over the next 3 years. This is an interim stage of the budget setting process and a further opportunity will be given to OSMC to comment on the proposals in more detail when the Mayor formally announces her proposals in January 2020. In accordance with Budget & Policy Procedure Rules OSMC will be provided with the required 4 weeks minimum notice to formally respond to the Mayor's budget proposals prior to Council on 5th March 2020.
7. Paragraphs 28 to 34 of the Cabinet Report includes a number of budget proposals which will be considered by Cabinet on 1st October 2019 including proposals detailed in Appendix D (savings approved by Council on 4th March 2019) and Appendix E (new saving proposals). If approved these proposals will necessitate further work over the next few months, which may include equality impact assessments and consultations with staff, trade unions and service users, development of delivery plans, before they are considered by Full Council on 5 March 2020. OSMC will receive a verbal update on the outcome of the Cabinet meeting and may wish to comment on these proposals.
8. Prior to the formal budget proposals in January 2020 work will take place to, progress any relevant proposals detailed in the strategy and take account of any other relevant issues such as the local government finance settlement (anticipated December 2019), outcome of the Doncaster Talks exercise, potential impact of European Union exit arrangements, specific staff and union consultations etc.

Overview & Scrutiny's Role

9. To ensure OSMC can add value to the Council's budget setting process the Committee is asked to focus on the following 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 and the Corporate Report bearing in mind the constraints detailed at i. above?

- iii. To what extent do the Mayor's proposals take account of consultation or proposed consultation, research or other evidence? (Members are reminded at this early stage of the proposals not all the information is currently available. This can be revisited when the Mayor's proposals are formally announced in January 2020 to take account of the outcome of Doncaster Talks and any other specific consultations or information).
- iv. To consider the challenges and risks to the delivery of these proposals.

Guidance for Overview and Scrutiny Members

10. OSMC can assist the overall budget process by providing comments for the Mayor to take account of when developing her proposals. Overview and Scrutiny may wish to make recommendations (but not alternative proposals) for the inclusion of additional considerations within the budget. To 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. By following the lines of enquiry detailed at paragraph 8 OSMC will help strengthen an understanding of the basis upon which the proposals have been made and their potential outcomes.
 - ii. **Remain Strategic and Link to Stated Priorities** – OSMC should examine how the proposals align with those priorities already agreed within Doncaster Working Together. Detailed line-by-line analysis will make it difficult for OSMC to see the full picture and impact on the wider outcomes.

Next Steps

11. Any initial comments will be submitted to the Mayor for consideration in developing these proposals. The Committee may also wish to identify further opportunities to consider the Mayor's proposals when these are announced in January 2020.

OPTIONS CONSIDERED

- 12 No other options have been considered.

REASONS FOR RECOMMENDED OPTION

13. The process of reviewing the budget proposals in the manner prescribed will ensure there is a clear understanding of Overview and Scrutiny's role in this process.

IMPACT ON THE COUNCIL'S KEY OUTCOMES

14. The Council's budget will ultimately support and impact on all of the priority outcomes.

RISKS AND ASSUMPTIONS

15. 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

16. No specific legal implications have been sought for this report. The legal implications relating to the MTFS are included with in the report attached at Appendix A.

.FINANCIAL IMPLICATIONS

17. No specific financial implications have been sought for this report. The financial implications relating to the MTFS are included with in the report attached at Appendix A.

HUMAN RESOURCES IMPLICATIONS

18. No specific Human Resource Implications have been sought for this report. Any Human Resource implications relating to the MTFS are included within the report attached at Appendix A.

TECHNOLOGY IMPLICATIONS

19. No specific technology implications have been sought for this report. The technology implications relating to the MTFS are included with in the report attached at Appendix A.

HEALTH IMPLICATIONS

20. No specific health implications have been sought for this report. The health implications relating to the MTFS are included within the report attached at Appendix A.

EQUALITY IMPLICATIONS (AS 24.09.19)

21. There are no significant equality implications associated with this report. Throughout the course of its consideration, 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

22. No specific consultation has been undertaken in respect of this report.

BACKGROUND PAPERS

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

GLOSSARY OF ACRONYMS AND ABBREVIATIONS

- OSMC – OVERVIEW & SCRUTINY MANAGEMENT COMMITTEE
- MTFS – MEDIUM TERM FINANCIAL STRATEGY

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