



Doncaster Council

6th February, 2019

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

**OVERVIEW AND SCRUTINY CONSIDERATION OF THE MAYOR'S BUDGET
PROPOSALS 2020/21 - 2022/23**

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

EXECUTIVE SUMMARY

1. The purpose of this report is to consider and respond to the Mayor's draft budget proposals 2020/21 to 2022/23 and enable the Mayor to take account of this response when presenting her proposals to Full Council on 5th March, 2020.

EXEMPT REPORT

2. The report is not exempt.

RECOMMENDATIONS

3. That OSMC:
 - i. Consider the Mayor's draft budget proposals;
 - ii. Adopts the key questions identified at Paragraph 8 as a focus for its review; and
 - iii. Adopts the guidance detailed at paragraphs 11 - 13 for effectively reviewing the Mayor's budget proposals;

WHAT DOES THIS MEAN FOR THE CITIZENS OF DONCASTER?

4. Consideration of the budget proposals improves openness and transparency and enables elected Members to publicly hold the Executive to account in relation to the impact on the quality of services. Elected Members are able to reflect the concerns of the citizens and communities they represent throughout this process.

BACKGROUND

5. In accordance with the Budget and Policy Framework, Overview and Scrutiny is required to consider and provide a response to the Mayor in respect of the budget proposals prior to consideration at Full Council on 5th March. The Revenue, Capital and Housing Revenue Account proposals will be made available to Members prior to the OSMC meeting.
6. In advance of the budget papers, Members may wish to review the Medium Term Financial Strategy (MTFS) for 2020/21 to 2022/23 approved by Cabinet on 1st October 2019. This can be viewed by following the attached link
<https://doncaster.moderngov.co.uk/ieListDocuments.aspx?CId=131&MId=2890>
7. The MTFS provides a context for the Council's financial strategy including future pressures, assumptions, challenges and financial projections. The MTFS report includes savings proposals for consideration in preparation for the Council budget report on 5th March 2020 (paragraphs 28 to 34 of the Cabinet Report). This provides a plan for 2020/21 and future years to enable further work to progress on the options, enabling more informed decisions and quicker delivery of savings that may be approved in the March budget. Members should review the progress made against the proposals contained within the MTFS as part of their review.
8. 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?
9. 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?
10. 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

11. 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

12. 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

13. 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

- 14. 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

- 15. No other options have been considered.

REASONS FOR RECOMMENDED OPTION

- 16. 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

- 17.

	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 	

	<ul style="list-style-type: none"> • 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 better • 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

18. 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 28/1/20]

19. 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.
20. 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 [MS Date 7/1/2020]

21. 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 [KG Date 8/01/20]

22. There are no HR implications to this report

TECHNOLOGY IMPLICATIONS [PW Date 07/01/20]

23. There are no specific technology implications in relation to Overview and Scrutiny consideration of the Mayor's budget proposals 2020/21-2022/23.

HEALTH IMPLICATIONS [RS Date 06/01/2020]

24. The choices the Council makes in both raising and allocating revenue 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 revenue 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 habits and 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

sustained long-term cuts in funding, there is likely to be implication on potentially increasing 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 23.12.19)

25. 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

26. The Mayor's draft budget proposals were made available on the Council's website on 23rd January, 2020 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.

BACKGROUND PAPERS

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

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