



City of Doncaster Council

Report

9th February 2023

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

Overview and Scrutiny consideration of the Mayor's budget proposals 2023/24 – 2025/26

| Relevant Cabinet Member(s) | Wards Affected | Key Decision |
|----------------------------|----------------|--------------|
| The Mayor | All | No |

EXECUTIVE SUMMARY

1. The purpose of this report is to consider and respond to the Mayor's draft budget proposals 2023/24 to 2025/26 and enable the Mayor to take account of this response when presenting her proposals to Full Council on 27th February, 2023.

EXEMPT REPORT

2. The report is not exempt.

RECOMMENDATIONS

3. That OSMC:
 - i. Consider and respond to 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 12 and 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 and delivery 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 27th February 2023. The formal proposals will be made available to Members prior to the OSMC meeting.
6. In advance of the final budget papers, Members may wish to review the 'Updates to Medium-Term Financial Strategy (MTFS) 2023/24 – 2025/26', approved by Cabinet on 5th October 2022. This can be viewed by following the attached link:

<https://doncasterintranet.moderngov.co.uk/ieListDocuments.aspx?CId=131&MIId=3897>

7. The MTFS provides a context for the Council's financial strategy including future pressures, assumptions, challenges and financial projections set out in paragraphs 11 to 37. 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 Delivering Together (DDT) and the Corporate Plan 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, how are some of the financial and performance issues raised in the quarterly reports to OSMC being addressed?

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 Governance and Scrutiny (CfGS) 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. This enables views to be taken into account in policy development and expressed through the budget. Councillors are then able to feed back to the public where informed choices 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 Delivering Together.

Next Steps

- 14. Once the Committee has agreed its response this will be communicated to the Mayor and provide an opportunity for any comments 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. 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”.

| Great 8 Priority | Positive Overall | Mix of Positive & Negative | Trade-offs to consider – Negative overall | Neutral or No implications |
|--|------------------|----------------------------|---|----------------------------|
|  Tackling Climate Change | | | | ✓ |

| | | | | |
|---|---|--|--|---|
|  Developing the skills to thrive in life and in work | | | | ✓ |
|  Making Doncaster the best place to do business and create good jobs | | | | ✓ |
|  Building opportunities for healthier, happier and longer lives for all | ✓ | | | |
|  Creating safer, stronger, greener and cleaner communities where everyone belongs | ✓ | | | |
|  Nurturing a child and family-friendly borough | ✓ | | | |
|  Building Transport and digital connections fit for the future | | | | ✓ |
|  Promoting the borough and its cultural, sporting, and heritage opportunities | | | | ✓ |
| Fair & Inclusive | ✓ | | | |

Legal Implications (Officer Initials: NC, Date:26/1/23).

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.
19. 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

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

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

Technology Implications

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

RISKS AND ASSUMPTIONS

24. 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.

CONSULTATION

25. Prior to the Mayor's draft budget proposals being made available to this meeting, the Committee met with the Director for Corporate Resources and Assistant Director of Finance to discuss proposals set out in the report. In accordance with the Councils Constitution this provides a 4 week consultation period for the Council's Scrutiny function.

BACKGROUND PAPERS

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

GLOSSARY OF ACRONYMS AND ABBREVIATIONS

MTFS - Medium Term Financial Strategy
CfGS - Centre for Governance and Scrutiny
DDT – Doncaster Delivering Together

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