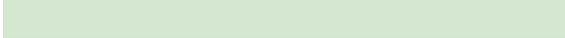


Democratic Services



Budget Scrutiny Committee 2018-19 Draft Budget Proposals Report January 2018

<https://www.milton-keynes.gov.uk/your-council-and-elections/councillors-and-committees/overview-and-scrutiny>



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Note on the Text

After the first reference, the Budget Scrutiny Committee will be referred to as “the Committee” and Milton Keynes Council will be referred to as “the Council” throughout this report.

Foreword and Committee Membership

The Budget Scrutiny Committee was established in 2015 following a review of Milton Keynes Council's Overview and Scrutiny arrangements in 2014-15. The Committee provides a dedicated, cross-party consideration of the Council's annual budget and finances. For the council year 2017-18, the Committee is composed of Councillors Robin Bradburn (Chair), Edith Bald, Margaret Burke (Vice-Chair), Peter Cannon, Sam Crooks, Hiten Ganatra, Maggie Geaney, Peter Geary (Vice-Chair), Mohammed Khan, Charlie Wilson and Kevin Wilson. Elizabeth Richardson serves as the Overview and Scrutiny Officer.

Budget Scrutiny Committee 2017/18

*Back Row l - r:
Councillors
K Wilson,
P Cannon,
M Geaney,
H Ganatra,
C Wilson,
S Crooks*



*Seated l – r:
Councillors M
Burke and R
Bradburn
(Chair), and E
Richardson
(Overview and
Scrutiny Officer)*

Committee Members not in the main photograph:



Councillor E Bald



*Councillor
P Geary (who
took the photo)*



*Councillor
M Khan*

The purpose of this report is:

- (i) to outline the work the Committee has carried out to date to scrutinise the draft proposals in the in the 2018/19 budget, the policy context, key changes and the strategies for dealing with the proposed reductions and income generation opportunities;
- (ii) to present the Committee's recommendations to Cabinet on 6 February 2018 so that they can be considered as part of the final development of the 2018/19 budget prior to discussion and decision by full Council on 21 February 2018.

During December 2017 and January 2018 the Committee held a series of focussed meetings where it met with and received presentations from Cabinet Members and the Council's senior budget holders to review, scrutinise, and form judgements on the financial environment as part of the development of the 2018/19 budget and the Financial Sustainability Plan 2018/19 – 2021/22.

Where the Committee required more information than was immediately available in the evidence sessions, additional data was requested from officers to assist further detailed discussion.

This report is the outcome of the Committee's deliberations following its winter budget challenge meetings and represents the second and final part of its work to scrutinise the 2018/19 draft budget proposals.

On behalf of the Committee, I commend it to Cabinet, the wider Council and the public.

A handwritten signature in black ink, appearing to read 'R Bradburn', written over a diagonal line that extends from the bottom left towards the top right.

Councillor Robin Bradburn
Chair
Budget Scrutiny Committee
January 2018

Committee Work Programme

In addition to its standard work programme, the Committee met five times during December 2017 and January 2018, considering budget pressures on service areas as follows:

Date	Service Area / Item
12 December 2017	<ul style="list-style-type: none">• Residual Waste Treatment Facility• Housing Revenue Account• Housing and Community General Fund
03 January 2018	<ul style="list-style-type: none">• Political Context• Public Realm• Capital Programme
09 January 2018	<ul style="list-style-type: none">• Health• Adult Social Care• Children & Families
16 January 2018	<ul style="list-style-type: none">• Growth, Economy & Culture• Resources• Corporate Core
23 January 2018	<ul style="list-style-type: none">• Review and Write-up

Where necessary, the Committee asked council officers and Cabinet Members to provide further information or clarification concerning various items which were discussed at the meetings. Details of the requests for additional information are included at Annex B.

The Committee's Planning Group (Chair and Vice-Chairs) also held an additional meeting with the Overview and Scrutiny Officer on 17 January 2018 to prepare a first draft of this report.

The agenda, reports, presentations and draft minutes for each of the above meetings are available on the Council's website at: http://milton-keynes.cmis.uk.com/milton-keynes/Committees/tabid/170/ctl/ViewCMIS_CommitteeDetails/mid/586/id/1167/Default.aspx

Acknowledgements

The Committee would like to thank all Cabinet Members and officer colleagues who assisted with preparing documents and presentations, giving up their time to speak at the meetings and their assistance in supplying supplementary information when requested to do so.

In particular, the Committee is grateful for the continued commitment and service of Elizabeth Richardson in managing the Committee through an intense workload with diligence and patience, and to Steve Richardson (Service Director: Finance and Resources) alongside the Council's Strategic Finance Business Partners, Natasha Hutchin, Anna Rulton and Mark Smith, for producing relevant documentation for scrutiny both at the Challenge Meetings and regularly throughout the year.

It is also grateful to the officers who promptly provided further information requested during its meetings (detailed in Annex B) which has proved invaluable in writing this report.

The Committee would also like to thank Don McLure for his help and advice as Interim Corporate Director (Resources and Commercial Development) during 2017 and take this opportunity of welcoming Paul Simpson, the new Corporate Director to Milton Keynes Council. The Committee looks forward to working closely with him in the future.

Finally, the Chair would like to thank Councillors Burke and P Geary for their vital in-put and support as Vice-chairs, and all the Committee members for contributing so actively and knowledgeably to the scrutiny of the 2018/19 draft budget proposals.

Introduction

The current financial climate remains difficult and the Council needs to address a projected budget gap of circa £40m between 2018/19 through to 2021/22. The Council has already implemented, or is in the process of implementing, budget reductions and generating additional income worth £130m since 2011. The Council, therefore, continues to face significant financial risks over the medium term, including:

- Delivery of planned savings and income growth which has been approved as part of the existing budget plans;
- Identification and implementation of circa £40m of new budget reductions and income proposals against a backdrop of reducing capacity. The Council will also need to identify significant new funds to invest in service changes and assets to support the necessary changes;
- Uncertainty over government policy and the amount of funding beyond 2019/20, including the use of the New Homes Bonus from 2018/19;
- Business Rates reset which is due in 2020 and its potential impact on the amount of retained business rates income;
- Significant demand pressures in relation to homelessness, looked after children and adult social services as a result of demographic, economic and social pressures over which the Council has no real control; and
- Delivery of the planned savings and additional income from the new Residual Waste Treatment Facility which are still uncertain in terms of timing and quantum.

During December 2017 and January 2018 the Committee has undertaken an extensive and wide ranging review of the draft reductions and income generation proposals in the 2018/19 budget, as well as other matters which might have an impact on the 2018/19 budget such as the delays to the Residual Waste Treatment Facility, involving presentations and discussions at formal meetings with both relevant Cabinet Members and officer colleagues as well as requests for clarity or additional information in between.

This is building on the work done during September and October 2017 when the Committee scrutinised the identified pressures in the draft 2018/19 budget proposals. This work coincided with a peer review of the Council's Scrutiny Function; members of the peer review team attended one of the October Challenge meetings and were impressed with what they saw, as the positive work being done by the Budget Scrutiny Committee was commented on in the review team's final report.

Following the October meetings, the Committee presented its recommendations on the 2018/19 budget pressures to Cabinet on 7 November 2017. Following consideration of the report, Councillor Middleton (Resources and Innovation) replied to the Committee, setting out the Cabinet's response to each recommendation. The full response from Councillor Middleton is included at Annex A of this report.

In its autumn report the Committee made 18 recommendations to Cabinet, of these:

- 9 were accepted outright with no further comment (Recommendations 1, 2, 3, 5, 7, 8, 9 10, 16);
- 4 further recommendations were accepted but with additional comments (Recommendations 6, 12, 17, 18);
- 3 of the responses gave an update on the current situation which had moved on since the Committee first considered and commented on various items (Recommendations 11, 14, 15);
- 1 response queried the basic premise of one of the recommendations as not proven but promised a review to investigate the situation (Recommendation 13); and
- 1 was rejected due to the impracticality of including business cases at the draft budget stage for both pressures and savings (Recommendation 4).

During 2017/18 the Committee carried out two additional pieces of work which have also informed the development of the 2018/19 budget proposals.

The first was a complete review of the Council's financial and demand led reserves carried out by the Committee's Planning Group (Chair, Vice-Chairs and the Overview and Scrutiny Officer) together with the then Interim Corporate Director (Resources and Commercial Development), Don McLure and the Service Director (Finance and Resources), Steve Richardson. The Review Group looked at the whole rationale as to why the Council held reserves and whether there was any necessity to maintain them at the current level. £1.9m across a number of smaller reserves was identified as being no longer required. These reserves have now been closed as part of the review and budget planning for 2018/19 and the money returned to relevant base budgets.

This work was supplemented by a separate report setting out the level of reserves held by schools, how the system of school reserves worked and was administered and the difficulties and risks associated with any clawback by the Council of excessive school reserves.

The second piece of work was a Task and Finish Group to investigate a significant, unanticipated drop in parking income against the budget forecast. The Task and Finish Group consisted of three members of the Budget Scrutiny Committee (Councillors Bald, R Bradburn and K Wilson) together with three other backbench councillors (Councillors Bint, McPake and Wallis). Councillor K Wilson chaired the Task and Finish Group. The review identified deficiencies in the way that anticipated income was calculated as part of the draft budget setting process, highlighting a tendency for income forecasts to be over-ambitious despite the available evidence. Although poor forecasting was identified as a significant factor in the shortfall of income against budget, having heard from various witnesses and examined a range of reports and other evidence, the Task and Finish Group concluded that the reduction in parking income was also the result of a range of factors, over some of which the Council had no control, and which could not be solely contributed to an increase in parking charges. When compared with both statistical and geographic neighbours, the standard rate of 50p per hour for parking

in Central Milton Keynes remains one of the cheapest in the country. The Task and Finish Group presented its report to Cabinet on 2 January 2018. The Cabinet has requested that a report considering the Task and Finish Group's recommendations be brought to its March meeting.

The Committee commends Portfolio holders and officer colleagues for, in most cases, the clarity with which the 2018/19 budget proposals were presented. There were one or two notable exceptions, but on the whole, the clarity of presentation meant that the Committee needed to ask far fewer questions or request additional updates, leading to much brisker meetings. The number of items presented for challenge, both the pressures in October and the reductions in January, have been considerably less than in previous years. The Committee is hopeful that this is an indication of increasing expertise amongst the Council's senior budget holders in the budget drafting process.

Also of note was the Committee's concern about the continued use of the New Homes Bonus (NHB) to support the Capital Programme and the need to rebalance the use of the NHB in favour of the revenue account. This was further borne out by the information from the Corporate Director (Resources and Commercial Development) that a re-evaluation of Business Rates was scheduled for 2020 which might mean the Council losing up to £4m from revised Business Rates. He was of the view that this shortfall would have to be met from the NHB and that it would no longer be able to support the Capital Programme in the same way.

Finally, the Committee welcomes the news that since the draft budget proposals were first published at the end of November 2017, a further £3.9m has been identified as part of a debt financing review which has been returned to the revenue base. The Committee was, though, disappointed that it only learnt of the Administration's decision to take up the option of an extra 1% increase in council tax announced in the December local government funding settlement from an article in the local press. It would have appreciated being formally advised of this decision by the Administration and would have welcomed the opportunity to properly scrutinise this proposal together with the Administration's plans for spending the extra money; the Committee is aware, however, that time constraints meant that this was not possible.

Recommendations

All recommendations are offered to the Cabinet and Council in the hope that they will prove useful in developing the 2018-19 budget and that the wider issues raised may be properly considered, providing a greater understanding of the financial environment in which the Council has to operate, highlighting the impact and deliverability of the proposed reductions and plans for income generation.

The Committee would like to record the fact that this year there was much to commend in the budget proposals; a lot of innovative work had been done to identify opportunities for income generation, whilst a considered revision of contracts and management practices were on track to deliver significant savings without a noticeable loss of service provision.

The recommendations below have been listed by service group, rather than any order of priority.

Procedural:

1. That more thought be given to entries in the column headed "Service Delivery Impact". In line with the Administration's approach of 'Smarter, Sustainable, Different' to budget issues, the Committee would like to see, where appropriate "Service Improvement" included as a possible, positive impact of budget proposals.
2. That where a proposal is being brought forward from the previous year, care is given to the wording to ensure that it remains relevant and if necessary, amended so that it reflects the most up to date position in relation to that particular proposal.

Cross-cutting Themes:

3. That where the Budget Scrutiny Committee has identified instances of best practice in mitigating and minimising the impact of budget pressures and reductions on service users, the Cabinet be requested to ensure details are shared across the Council so that other service groups can learn from the experience of colleagues.
4. That the Committee remains concerned at the level of two-way communication concerning budgetary matters between some of the Council's Service Groups and service users. There were instances when the Committee was not convinced that service users had been adequately advised of changes to funding they received from the Council or given a chance to comment on the changes. Evidence of notification was not clear in the budget papers presented to the Committee nor were Portfolio holders or officer colleagues able to readily supply confirmation when challenged to do so in meetings.

The Committee therefore seeks reassurance that measures will be put in place to facilitate a two way communication between the Council and groups and organisations affected by reductions in Council funding, enabling them to find ways of maintaining their viability in the future.

5. That the possibility be explored of other bodies, such as parish councils and other appropriate partners, undertaking services tailored to local needs on behalf of the Council.

Service Groups:

Resources

6. That although the Committee welcomes the news that the level of the funds in the Council's Welfare Discretionary Scheme could be reduced to meet a lower than anticipated demand, it would like to see the use of the fund monitored regularly to ensure that the reserve, if it is used, does not fall below a prudent level **(R16)**.
7. That the Committee welcomes the information that a further £3.9m has been found following a re-examination of the Council's debt financing position. However, it regrets that this money had not been identified in time to be included in the publication of the original budget papers in November 2017.
8. That the Committee is concerned at the continued poor performance of the Benefits Section and recommends that the necessary measures such as local market supplements on salaries, a proper training programme and clear career progression opportunities are put in place to ensure that the Council can attract the right calibre of staff to the current vacancies in this section **(R79)**.

Adult Social Care and Health & Children and Families

9. That the Committee commends the approach taken by the relevant Cabinet Members and staff of the People Directorate in using innovative thinking and the development of new ways of working in order to minimise the effect of budget reductions on their service users.
10. That the Committee welcomes the information that there are no plans to close Children's Centres and applauds the innovative work being done by the Centres. However, it would like to see proposals for the re-investment in the service of some of the savings being made so that the Centres are in a position to increase their offer to local families and other users.
11. That the mutually agreed approach between the Council and MIND to develop a new model for the provision of a community counselling service be monitored during its first year of operation and a progress report be presented to the Committee as part of next year's budget challenge process so that the model can be further refined at this point if necessary **(R34)**.

Growth, Economy and Culture

12. That the Committee commends the collaborative working between the Council, Bletchley Park and Milton Keynes Council to secure Heritage Lottery Funding to enable the local management of museum collections

and the relocation of relevant items from the Buckinghamshire County Museum **(R53)**.

- 13a. That whilst the Committee recognises the need to make significant savings across all service groups, it would remind the Cabinet and Council that care needed to be taken when making such decisions and that, on occasion, investment may be required to adequately resource the modern needs of service users. The Committee felt that this was particularly pertinent in respect of libraries which needed to keep pace with the 21st century needs of a rapidly growing local population **(R54, R92, R93)**.
- 13b. That the Committee welcomes the information that there are no plans to close any libraries in Milton Keynes and applauds the work being done by the libraries to expand their offer. However, again it would like to see proposals for the re-investment in the service of some of the savings being made so that libraries are in a position to further increase the range of activities and services available **(R54, R92, R93)**.
14. That the Committee is concerned as to whether those meeting places and community facilities which have been identified as being in receipt of deficit funding have received adequate notice of the withdrawal by the Council of this funding or been given an opportunity to respond and discuss the matter with the Council. This was not evidenced in the papers presented to the Committee for scrutiny nor was it adequately addressed by officer colleagues when challenged at the evidence meetings **(R55)**.
15. That although the Committee welcomes the news that the Planning Department is now entirely self-funding and commends the range of innovative ideas being brought forward to maintain this position, it is concerned about the proposal within the enhanced “Fast Track” service for applicants to be able to request the services of a specific planning officer.

Whilst the Committee acknowledges that the risk of corruption amongst the Council’s planning staff is low, it is particularly concerned with external perceptions of the possibility of corruption/being able to ‘buy’ a planning officer causing reputational damage to the Council and therefore seeks reassurance that all the necessary checks and balances will be put in place to ensure that even the suggestion of the possibility of corruption does not become a reality **(R97, R101)**.

16. That although the income forecast to be raised from the Pre-planning Advice Service and Planning Performance Agreements is welcome as a positive proposal for income generation, the Committee urges caution around its achievability which is dependent on the current market position. The Committee would like to see this monitored during the coming year, and, if necessary, included in the list of unachievable targets if this level of income cannot be reached **(R102)**.
- 17a. The Committee remains concerned about the Council’s plans to gradually reduce the value of what used to be known as the “Wider Use Grant” and

how the whole process is being dealt with. In the Committee's opinion, this particular proposal is poorly set out and the wording, copied from last year's budget proposals, confusing **(R115)**.

- 17b. That given the reported level of obesity in Milton Keynes and the low level of physical activity amongst residents, the Committee is disappointed to see a proposal which would cut funding support to groups which provided programmes to encourage physical activity across all age groups **(R115)**.

Housing and Community

18. That the Cabinet be advised the Budget Scrutiny Committee endorses the report on the 2018/19 Draft Budget Proposals for the Housing Revenue Account (HRA) and the Housing and Community General Fund.
19. That the possible reduction in rental income due to the roll-out of Universal Credit and changes in the Welfare Reform and Work Act, reducing the ability of the HRA to finance investment in the Council's housing stock, is closely monitored by the Housing Service in order to minimise the risk to the HRA from a higher than anticipated level of rent arrears.
20. That the Housing and Community Committee endorses the report on the 2018/19 Draft Budget Proposals for the Housing Revenue Account and the Housing and Community General Fund.

Public Realm

21. That the proposal for the revision of the response time for non-urgent (category 2) highway repairs scheduled for 2019/20 be flagged for future detailed scrutiny by the Committee during 2018/19 **(R64)**.
22. That the Committee is concerned at the potential impact on the local built environment if the graffiti removal budget is reduced and requests that in advance of its winter 2018/19 Challenge Meetings, it receives the results of monitoring of instances of graffiti across the Borough to enable it to assess the impact **(R71)**.
23. That the wording in the savings proposal in respect of the filling of Grit Bins be amended to clarify that the bins would remain in place, but would not be restocked with grit by the Council **(R72)**.
- 24a. That the Committee would like to see firm proposals on how the Council plans to mitigate the proposed savings on the misuse of pink sacks against the increased costs of the revised distribution methods and whether there is a break-even point beyond which the new system is unlikely to deliver savings **(R74)**.
- 24b. That the Committee further recommends the balance between recyclable waste and black sack residual waste is monitored and reviewed regularly to ensure local recycling rates are, at a minimum, maintained and at best further improved **(R74)**.

Capital Programme

25. That the budget for the Disabled Facilities Grants needs to be set at a realistic level, reflecting the level of work being carried out, rather than being underspent each year.
26. That in light of the advice of the Corporate Director (Resources and Commercial Development) that a restructure of Business Rates in 2020 is likely to create a shortfall of £4m in the Council's Revenue Account, plans are developed to transfer a proportion of the financial support provided by the New Homes Bonus from the Capital Programme to the Revenue Account.
27. That given the Council's current poor performance on road safety initiatives and the current low level of funding to support these, the Committee recommends that the allocation within the Capital Programme for road safety measures be increased to enable effective improvements to be made.

Commentary

This section details comments from the Committee which apply to the budget as a whole or to service groups. The Committee feels that these additional points will aid readers of the report to understand why the Committee has made the recommendations it has.

However, not all the proposed reductions scrutinised by the Committee, nor all the recommendations listed in the previous section, have been commented upon.

Procedural

- The Committee considers that the phrase “No impact on service delivery” is not always meaningful, having spotted at least one instance where the proposed changes could lead to a service improvement for users and feels any anticipated positive results from the budget setting process should be highlighted as such.

Cross Cutting

- The Committee is disappointed to note that, despite assurances from the Leader that no items removed from the 2017/18 budget by Council at the February 2017 meeting would re-appear in the 2018/19 proposals, several items, such as grit bins, have once again made an appearance.
- The Committee notes a marked difference in the capacity and approach of various service groups to deal with the problems posed by long term austerity measures and the need to reduce council spending. Some service groups, by taking an innovative approach, have been able to make the necessary savings whilst minimising the impact on service users and continuing to provide value for money.

Service Groups

Resources

- The Committee believes that given that an additional £3.9m has only just been identified as part of a review of the Council’s debt financing position, it is not in its remit at this stage to comment on how this money should be allocated as it has not had an opportunity to review any relevant business cases.

Adult Social Care and Health & Children and Families

- The Committee considers that the Council has been pragmatic in its approach to social care provision and has been able to maintain an in-house service provision. This means that Milton Keynes does not have to deal with the current crisis in social care provision being faced by many other local authorities.

Growth, Economy and Culture

- The Committee considers the collaborative work done by the Council, Bletchley Park, Milton Keynes Museum and the Buckinghamshire County Museum to secure Heritage Lottery funding for the management and display of relevant collections locally to be an excellent example of partnership working and that when successful such joint projects provide benefits to all parties which are more than just financial.
- The Committee feels that the Council is losing sight of the aim of what used to be known as the “Wider Use Fund” which was to provide help and support for smaller local, generally voluntary groups which are not in a position to be self-funding, but which are valued by their local communities. It remains concerned at what appears to be a lack of two-way communication with such groups enabling them to find alternative ways of maintaining their viability in the future.
- The Committee made a recommendation last year for a full review of the Wider Use Fund with appropriate consultation which was endorsed by Council on 15 February 2017. Council therefore requested that the Cabinet carried out a review of the future of the Wider Use Fund with full consultation and cross-party input, before any further decisions are brought forward as part of the 2018/19 budget process. The Committee is disappointed to note that after an initial meeting in June 2017, no further work has been done to carry out the said review.
- The Committee commends the Cabinet Member for Place and officer colleagues in Growth, Economy and Culture for developing and managing the Milton Keynes Library Service, making it more commercially viable and ensuring that there has been no need to close any local libraries.
- The Committee discussed at some length the option under the Fast Track Service for applicants for planning permission to request a particular planning officer to handle their application. The Committee welcomes any innovative proposals for income generation from the Council’s Service Groups provided their viability is backed up by credible evidence. The Committee remains concerned that an erroneous external perception of what this offer means could cause reputational damage to the Council and will therefore be making a separate referral to the Audit Committee requesting that it seeks re-assurance that all the necessary procedures are in place to ensure that this scheme operates successfully.

Housing and Community

- In addition to scrutiny of the draft 2018/19 budget proposals for the Housing Revenue Account and the Housing and Community General Fund by the Committee, the proposals were also scrutinised and discussed on 19 December 2017 by the Housing and Community Committee.

Public Realm

- Plans to reduce the misuse of pink recycling sacks and thus reduce the cost to the Council of providing the sacks, need to be balanced against any unintentional consequences, such as a resultant increase in the use of black sacks to dispose of readily recyclable materials, with a knock-on effect on the volume of residual waste having to be treated. The Committee does not consider that it has received sufficient evidence to allay its fears on this matter.
- Charging Milton Keynes Hospital for the collection of its waste appears to be an instance of just passing a pressure onto another public service with the end result that the costs will still be met from the public purse.

Annex A: Cabinet Response to Budget Scrutiny Committee 2018-19 Budget Pressures Report (October 2017)

I would like to thank the Budget Scrutiny Committee for the hours they have put into this review and I assure you the Cabinet will take some time to reflect more fully on the comments made before the draft Budget is published, or between the draft and final Budget, as appropriate.

I have set out the Cabinet's initial comments.

Procedural:

1. That the identifier numbers allocated to pressures (P), one-off pressures (OP), savings (S) and one-off savings (OS), remain the same throughout the budget drafting process.

Response: Accepted

2. That "Service Improvement" be added as an additional reason for a pressure in the "Category" column.

Response: Accepted

3. That where a percentage figure increase is used as a reason for a demographic pressure, clarification of the relevance of that figure is provided in the notes.

Response: Accepted

4. That the business cases supporting both proposed pressures and savings are made available to the Budget Scrutiny Committee as a matter of course with the draft budget proposals so that they can be taken into consideration as part of the scrutiny process.

Response: It would be impractical to include business cases at draft budget stage for both pressures and savings.

5. That senior council officers and budget holders be reminded that Cabinet Members should be briefed on all aspects the budgetary implications for their portfolios, including medium term pressures and savings, one-off pressures and savings and undeliverable savings forecast from previous years.

Response: Accepted

Cross-cutting Themes:

6. That the Committee has noted the number of new posts identified as pressures in the draft 2018/19 budget and recommends that in some service areas there is a need to re-equip the Council with appropriate staff in order to improve both efficiency and service delivery.

Response: Accepted- any decisions to change staffing will take full account of current and future projected impacts on services and customers.

7. That the Council does not see the removal of existing posts as a “quick win” when looking to make savings. Whenever this might be an option, proper consideration is given to the corporate memory so that what has gone on before can be used to inform the future, longer term consequences of not maintaining a particular post.

Response: Accepted

8. That the Council regularly reviews the frequency of office cleaning schedules to see if further savings can be made, ensure that they keep pace with the changes occasioned by the Future Working Programme and that they meet the needs of new office layouts.

Response: Accepted

9. That where new proposals come forward for income generation, projected savings should not be relied upon unless a proper business case has been made, providing evidence that such income is achievable and a risk matrix has been applied to assess the viability of the proposal.

Response: Accepted

10. That the Council remains aware of the gravity of the current financial situation where just three, main statutory services, namely Children’s Services, Adult Social Care and Housing/Homelessness, take up a significantly higher proportion of the Council’s budget each year and that it continues to seek innovative ways to reduce costs in these areas but without a significant reduction in the level of service provided to local residents.

Response: Accepted

11. That whilst the Committee commends the prudence of the Council in not widely advertising the availability of financial assistance to vulnerable residents via the various discretionary welfare funds available, due to the danger of too many applications leading to an overspend, it is concerned that the reported underspend indicates that some residents may not be receiving all the financial help to which they are entitled. It therefore recommends that front line staff are reminded of the availability of the discretionary funds and the qualifying criteria, so that they can advise those they are trying to assist appropriately.

Response: Anticipated that budget will be fully spent in 2017/18

Service Areas:

Public Realm

12. That the Council continues to explore the possibility of a shared service with neighbouring local authorities for the provision of a Medical Examiner to assist the Coroner.

Response: Accepted. This will need to be in light of the final legislation once made.

13. That given the evidence presented to the Committee on the decreasing number of bulky waste collections over the last few years leading to a consequent loss of income, it is clear that charges are too high as residents are not using the service. The Committee recommends that a review be carried out to ascertain the optimum level of charge at which take up of the service would maximise income.

Response: A report will be prepared investigating this issue as suggested however it may be in line with wider objectives to manage demand in this service so until the report is prepared it cannot be concluded that fewer users is a problem.

Housing

14. That the Committee acknowledges that the level of homelessness and the requirement for temporary accommodation is a huge unknown. It welcomes the work done so far to try and resolve the issues and urges the Council to continue to explore cost-effective and innovative solutions to these problems.

Response: The service has a clear approach and has secured the necessary resources to implement measures to increase its work on preventing homelessness, support vulnerable residents and where necessary securing and sustain affordable temporary housing solutions.

15. That the Committee seeks to be reassured that the Cabinet Member for Housing and relevant council officers are planning effectively to meet the new obligations which will be placed on it with the introduction of the Homelessness Reduction Act on 1 April 2018 and that a proper assessment of the likely costs of this new legislation has been made.

Response: Cabinet have recently approved a significant investment in the service to address both current demand pressures and prepare for the anticipated increase in demand from April when the new duties will come into effect from the Homelessness Reduction Act. This will be carefully monitored to ensure that the service meets existing and new requirements and supports some of the most vulnerable people in our borough.

Place-making

16. That the Committee welcomes the foresight and prudence in seeking funding for an additional officer to supervise the Council's leisure contracts, but recommends that the details of the forthcoming Audit report be fully understood before a final decision on the necessity for this post is made.

Response: Accepted

17. That the Committee notes with interest the proposal to bring the parking income budget in line with current forecasts and recommends that the Cabinet takes into consideration any recommendations made by the forthcoming Parking Income Task and Finish Group when it reports later in the year.

Response: The outcome of the work by the Parking Income Task and Finish Group will be fully considered and Cabinet will respond formally to this including any recommendations that are made.

18. That consideration be given to funding the renewal of the Real Time Bus Information service as a one-off pressure from the Value for Money reserve for 2018/19 to allow for the proposed review to take place and that once the results are known funding is put into the base budget in subsequent years.

Response: The draft budget report reflects this approach and following a review by the Highways Team a view will be taken on what if any future budget provision may be required from 2019/20 onwards.

**Rob Middleton
Cabinet Member
Resources and Innovation
November 2017**

Annex B:

Requests for Additional Information

12 December 2017 (Residual Waste Treatment Facility, Housing Revenue Account, Housing and Community General Fund)

- Clarification of who is the Council's Regeneration Partner and what their role is (**Saving R47**).

03 January 2018 (Public Realm, Capital Programme)

- That the Committee be provided with details of the authorisation levels for virements between budgets.
- That the Committee be advised of the current position with regard to converting estate lighting to LED (**Savings R58 & R60**).
- That the Committee be advised of the impact on the Revenue Budget of the potential slippage in the Capital Programme.
- That the Committee, at its meeting on 16 January 2018, receive details of the use of S106 monies, including details of monies not yet allocated to a specific project / scheme.
- That the Committee be advised of the current backlog of highway white-line painting and the potential outstanding works which may remain after completion of the planned programme for 2018/19.

09 January 2018 (Adult Social Care & Health, Children & Families)

- That the Committee be provided with the list of criteria for ring fencing of the Public Health budget (**Saving R44**).
- That the Committee be provided with details of grant maintained schools which have an above average reserve balance.
- That the Committee be provided with a detailed explanation of the figures quoted in slide 3 of the presentation as these appear to differ from the figures quoted elsewhere in the budget papers.
- That the Committee be provided with the figures for the funding for MIND during the transitional period to self-sufficiency by MIND (**Saving R34**)

16 January 2018 (Resources, Corporate Core, Growth, Economy & Culture)

- That in relation to **R55**, the Head of Placemaking provides confirmation of when the management committees of the relevant community centres / meeting places were advised that the Council would be withdrawing deficit funding.

Scrutiny – An Explanation

All local authorities operating a Cabinet and Scrutiny model have a Cabinet consisting of the Leader of the Council and up to nine other members. All executive decisions (i.e. those needed to implement the Policy Framework and Budget approved by the Council) are taken by the Cabinet.

Each local authority is required by law to establish a Scrutiny function to support and scrutinise its executive arrangements.

Scrutiny committees are not “decision making” bodies but are bodies which monitor and influence those that are. The Scrutiny role, carried out by non-Cabinet members, is designed to support the work of the Council in the following ways:

- Reviewing and scrutinising decisions taken by the Cabinet, also known as acting as a “critical friend”, challenging policy makers and decision makers;
- Considering aspects of the Council’s performance;
- Assisting in research, policy review and development and thus driving improvement in public services.
- Involving itself with external organisations operating in the Borough to ensure that the interests of local people are enhanced by collaborative working;
- Enabling the voice and concerns of the public to be heard and listened to.

Each scrutiny committee or task and finish group has its own remit as set out in its terms of reference. The scrutiny committees / task and finish groups consider issues by receiving information from, and the questioning of, both council officers and external witnesses or partners to develop an understanding of proposals or practices. As scrutiny committees have no executive powers they often present their conclusions in the form of recommendations to the Cabinet, full Council, council officers, or external partners that they believe will improve performance, or as a response to public consultations. The committee will often request a formal response and progress report on the implementation of recommendations that they have provided to various parties.

Attending Meetings of Scrutiny Committees / Task and Finish Groups

Meetings of scrutiny committees and task and finish groups are held in public and are open for everyone to attend. If you would like to attend then please just turn up. However, if you would like to make a representation to councillors on behalf of yourself or others, then let us know you are attending before the meeting so that the Chair can be advised in advance: scrutiny@milton-keynes.gov.uk

If there are specific issues that the meeting must consider in private then they will be asked to agree this at the meeting.

After the meeting the recommendations and Minutes of the meeting, as well as agendas and reports for the majority of the Council’s public meetings are available via the Council’s website at: <http://milton-keynes.cmis.uk.com/milton-keynes/Committees.aspx>



Democratic Services

Overview and Scrutiny

Milton Keynes Council
Civic Offices
1 Saxon Gate East
Central Milton Keynes
MK9 3EJ

Elizabeth Richardson
Overview & Scrutiny Officer

T 01908 252629

E scrutiny@milton-keynes.gov.uk

<https://www.milton-keynes.gov.uk/your-council-and-elections/councillors-and-committees/overview-and-scrutiny>