

Scrutiny Committee Comments on Budget Proposals

Adults Scrutiny Committee – 11 January 2017

The Adults Scrutiny Committee supported the Adult Care Budget proposals for 2017/18. The Committee also recorded its congratulations to the officers for all their hard work in achieving a balanced budget for the service area.

Children and Young People Scrutiny Committee – 20 January 2017

The Children and Young People Scrutiny Committee made the following comments in relation to each of the Commissioning Strategies:

Readiness for school

With regards to Children's Centres, it was queried whether some services that were underused could be delivered in alternative settings such as village halls. It was confirmed that there was provision in the service specification for services to be delivered elsewhere where footfall was low. In addition, there was a review ongoing to see how footfall could be improved in children's centres.

Concerns were also raised about maintaining the quality of services, such as PEEP, in children's centres. It was noted that the quality of PEEP would be closely monitored and officers were waiting for tenders for a new early year's contract, which included the delivery of PEEP groups, to come back in. It was highlighted that if there were no tenders within the financial envelope, then this would be a cost pressure for Children's Services with no suggestion to reduce services.

Learn and Achieve

Concerns were raised about the cost pressure arising from the additional school transport costs from the closure of the Mablethorpe site of Monks Dyke Tennyson College, as it had been previously reported that money had been assigned to cover this cost. It was noted that this was not a new cost pressure, but there was a need to formally agree the permanent cost pressure through the corporate budget process so that it was included within the Children's Services base budget for 2017/18.

Readiness for Adult Life

Concerns were raised about the decommissioning of the careers guidance service and the lack of support now available to young people. It was noted that NEETs would continue to be tracked and the impact of decommissioning the careers guidance service would be monitored.

Cost Pressures

The Committee recognised and supported the requests for additional funding to finance the cost pressures within the 'Learn and Achieve' and 'Children are Safe and Healthy' commissioning strategies for 2017/18.

Community and Public Safety Scrutiny Committee – 25 January 2017

The Community and Public Safety Scrutiny Committee made the following comments in relation to each of the Commissioning Strategies:

- A Councillor highlighted concerns regarding the County Council setting a one year budget, and how this limits the ability for effective future planning of services.
- The Committee highlighted the need to better aid the development of the voluntary sector in Lincolnshire, given the reduction in funding to core services. This was specifically emphasised in relation to the Citizens Advice Bureaux (CAB) services which were seeing a reduction in financial support.
- A Councillor highlighted disappointment in the reduction in support to Health Related Walks, as these often assist people with disabilities to access the countryside and also support walking to aid recovery from illness. It was suggested that consideration should be given to mitigate these reductions through the promotion of volunteer groups.
- The reduction in health improvement activities funding was identified as a concern due to the impact on other public services such as the NHS. A Councillor queried whether statistical information would be gathered to fully assess the impact the reduction in Prevention and Self-Management activities would have on the wider Health Service.
- The Committee emphasised the importance of the Joint Ambulance Conveyance Project (JACP) co-responding services and the need to secure continued funding for this vital service. Officers confirmed that the service was currently receiving funding from the Better Care Fund towards the costs of Co-Responding, however there would be a risk to the service if this funding could not be secured for future years.

Economic Scrutiny Committee – 10 January 2017

The Economic Scrutiny Committee made the following comments in relation to the proposed budget:

- The Committee supported the proposed budget for Economic Development.
- Concern was raised about the impact on investment in Lincolnshire if interest rates started to increase. It was noted that even though borrowing rates were low, Lincolnshire was not seeing the levels of investment expected. However, some businesses had built up cash reserves and were now spending these reserves. Interest rates were expected to increase but it was a question of timing and the impact of Brexit.

- In relation to skills and employability, there would be a need to look at this in relation to schools as well, as there could be implications for schools around providing the necessary skills for the economy. In addition funding cuts to schools and increasing class sizes could also have an impact on the number of young people attaining appropriate qualifications in schools.
- In relation to attracting funding, it was queried how much funding would be attracted with a budget of £0.501M. It was noted that the budget was to cover staffing costs and the operational costs of the Greater Lincolnshire Local Enterprise Partnership (GLLEP). The GLLEP had attracted £130M over the last three years which was directly attributable to Economic Development. The target for funding attracted next year was £35M.
- In relation to attracting investment, it was queried whether there were schemes ready to bid for. It was noted that there was the need to undertake pre-project work so that the Council was able to bid for funding when an opportunity arose. At the moment there were not enough projects that would be ready should bidding rounds be called.

Environmental Scrutiny Committee – 13 January 2017

During the course of consideration of the budget proposals, the following items were highlighted as a result of the discussions.

- The impact of the closure of the Leadenham and Whisby Household Waste Recycling Centres was highlighted, and concerns raised about the impact this has had on fly-tipping and additional costs to District Councils. Members were advised that districts had not noted any significant increase in fly-tipping since the closure of the sites.
- A Councillor queried why for the past three years the County Council had only set a one year budget. Consideration was requested to allow for a more medium term financial strategy to aid in improved planning and development of services. The ability for members to have greater input into shaping future, cost effective services was also highlighted.
- The rising costs of waste disposal was highlighted as an area of concern due to increased costs of contracts and the fluctuating value of recyclables. The biggest cost was identified as the haulage to transport the material to processing facilities.

Highways and Transport Scrutiny Committee – 23 January 2017

During the course of consideration of the budget proposals, the following items were highlighted as a result of the discussions.

- Councillors highlighted continued concern regarding the reduction in the provision of street lighting due to the introduction of part night lighting. Specific concerns regarding a possible increase in crime, impact on shift workers and vulnerable communities were highlighted as the key areas of concern. Officers confirmed that there would be a substantial cost implication of re-visiting the Street Lighting

Transformation Project changes. A Councillor's request that the Executive reconsider the introduction of part night lighting was not supported by the Committee.

- The removal of amenity grass cutting was highlighted as an area of concern due to the potential impact unkempt verges could have on the economy and tourism. Councillors welcomed the offer of 20% funding to Parish and Town Councils to continue with the amenity cuts on a self-service basis.
- A councillor highlighted the need for Highways to better communicate with local communities to ensure that the potential impact of changes were fully understood by local Parish and Town Councils. It was also highlighted that there was a need to understand how areas without Parish or Town Councils could be engaged with effectively.
- The reduction in gully emptying and drainage cleansing to less than one cycle per annum and emergencies was highlighted as an area of concern. There was concern about the impact on the public and the increased risk of localised flooding and complaints. Officers highlighted the impact would be minimal as the cleansing would be targeted to those areas that needed it more.

Overview and Scrutiny Management Committee – 26 January 2017

The Overview and Scrutiny Management Committee made the following comments in relation to the overall budget proposals:

- The Committee supported the recommendations contained in the report.
- With regards to the loss of £1M from the New Homes Bonus Grant for 2017/18 due to a reduction in the number of payment years from six years to five, concerns were raised about how this would affect future plans and budgets as these would have been based on the original figures. It was noted that the New Homes Grant was top sliced from the Revenue Support Grant and the amount received would be based on the number of houses built.
- Clarification was sought as to why it was proposed to increase council tax by 3.95% rather than 3.99%. It was confirmed that it was proposed to increase the council tax by 3.95% rather than 3.99% as the Environment Agency and Eastern Inshore Fisheries and Conservation Authority precept the Council so there was a need to allow for a safety net for these precepts to ensure that the council tax rate was not pushed over 4%, thus triggering a referendum inadvertently.
- In relation to the reserves, it was clarified that there was around £15M in the general reserves which were used as an emergency fund, and around £50M in the Financial Volatility Reserve which was used to balance the Council's budget. It was proposed to use around £26M of the Financial Volatility Reserve to balance the budget in 2017/18. The remaining balance in the Financial Volatility Reserve would assist in balancing future budgets. It was noted that if the council tax was not increased by 3.95% each year, then there would be a loss of around £9.8M from the reserves each year, leading to a cumulative loss of over £27M by the end of year three.
- Concerns were raised about the impact of reducing grass cutting and whether there was a risk that road traffic accidents could increase. It was also queried how many parish councils were picking up the costs of grass cutting. It was confirmed that the

grass safety cut was still continuing twice a year but that it was the amenity grass cutting which was being stopped. It was noted that a letter was sent to parish councils on 18 January 2017 which set out the County Council's offer to pay 20% of the costs if parish councils took on the amenity cuts and the two safety cuts.

- Concerns were raised about the rising costs of adult care and whether the approximate £2.6M increase in the budget to address cost pressures would be adequate given that other councils were overspending on adult care. It was noted that Lincolnshire was one of the most cost effective adult care authorities in the country which meant that the Council was currently managing the increasing pressures. However, it was highlighted that meeting the costs of adult care would become increasingly difficult in a few years and other services would need to be reduced to help cover the costs.
- With regards to the National Infrastructure Delivery Plan, it was confirmed that any bids for funding would need to be through the Midlands Engine and would need to be for a large scale infrastructure project for a bid to be successful. One potential project that was being looked into was the Newark rail/road interchange.
- Concerns were raised about the impact on the Council's finances if power stations and NHS organisations received charitable status and were exempt from paying business rates. It was confirmed that national legal advice was being sought on this issue.

Value for Money Scrutiny Committee – 17 January 2017

During the course of consideration of the budget proposals, the following items were highlighted as a result of the discussions.

- A Councillor highlighted concern about a one year budget and how the County Council would manage the continued reduction in reserves given the ever increasing pressure on services.
- The need to continue to review how the County Council can evaluate the feasibility for income generation from council services was highlighted as an area of priority.
- The performance of the Serco contract was highlighted as an area of continued concern, due to the impact the less than expected performance has had on other savings due to be made by the Council.
- The proposed savings to Business Support were highlighted as an area of concern, due to this being predominately a staffing budget. Councillors stressed the need to manage the proposed savings whilst continuing to consider the welfare of staff affected.
- The proposed budget decisions to end the two year graduate programme was identified as being an area of risk due to the gap this could leave in effective succession planning. It was noted that the average age of the employee base was increasing, and this warranted the need to continue to train to develop future talent. In addition the reduction in overall learning and development was highlighted as a potential risk.

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