

Minutes



Overview and Scrutiny Management Committee

Date: 1 February 2018

Time: 10.00 am

Present: Councillors J Guy (Chair), M Al-Nuaimi, C Evans, M Evans, C Ferris, P Hourahine, J Hughes, L Lacey, and M Spencer

In Attendance: Cllr Chris Evans (Chair of Performance Scrutiny Committee – Place and Corporate), Cllr David Williams (Chair of Performance Scrutiny Committee – People), Meirion Rushworth (Head of Finance) and Rhys Cornwall (Head of People and Business Change) and Daniel Cooke (Overview and Scrutiny Officer)

Apologies: None

1 **Declarations of Interest**

None

2 **Minutes of the Meeting held 14 December 2017 and 8 January 2018**

The minutes of the meetings were approved as a true and accurate record subject to the following amendment for **14 December 2017**:

“A Committee Member moved that the Committee vote ~~on whether or not~~ to make the recommendation for Council to adopt Civil Parking Enforcement.”

Regarding the minutes of the meeting on 8 January 2018, Members noted that the following information had not yet been received by the Committee:

‘The Inspector then advised the Committee that success of the Order is the people fearing being dealt with in court. They will try to get views of his Police counterparts in other areas to bring back to the Committee.’

3 **Revenue Budget and Medium Term Financial Plan 2018-19: Draft proposals**

Invitees:

- Meirion Rushworth – Head of Finance
- Rhys Cornwall – Head of People and Business Change
- Cllr David Williams – Chair of Performance Scrutiny Committee – People
- Cllr Chris Evans – Chair of Performance Scrutiny Committee – Place

Public Engagement

The Head of People and Business Change presented the overview to the Committee. It was explained that the consultation closed on 31 January 2018, and that comments from the

public were being compiled to be reported to the Cabinet. It was advised that the budget consultation was an event with tight timescales, and it was important that the large amounts of information was suitably analysed and presented to Cabinet for consideration. Various methods of engagement were used, such as Newport Matters, ONE Public Services Board, social media and the Engage Project Voluntary Group. An engagement pilot, that had been discussed in a previous Scrutiny Committee (Overview and Scrutiny Management Committee, 28/9/17), which directed citizens to the public consultation when they utilised the city's free WiFi, was deemed to be a success by the Officers.

The Officers informed the Committee that for the next consultation, questions being asked would need to be more sophisticated, with the questions being less binary such as "Why do you feel like this" or "Why do you agree". Members were instructed that all letters and petitions were collated, as well as Union responses via the Employee Partnership Forum. Improvements had been made this year by running events where people might be affected by a particular proposal and Members were advised of the event ran last week in the Market to collate the views of residents.

Members asked how the public could be reassured that the Council were listening to their view and how the Council would provide feedback on how it had responded, such as an explanation for why suggestions had not been taken forward.. Members were advised that in previous years some feedback was given in Newport Matters, and during the process this year the department had tried to respond to some specific questions as and when they were received.

Members were directed that when the proposals have gone through the political process, feedback and follow ups would be undertaken where possible. Officers indicated that the Council were open to suggestions about how this could be improved.

Members concerns were voiced that some people who might be affected by particular proposals had not been informed that the budget consultation had started, and as a result may have missed ward meetings to discuss the proposals.

It was recommended that there should be a more widespread article in Newport Matters about the budget consultation to make residents aware of what is going on. Difficulty finding the comments section on the Council website was also a concern for Members. Officers explained that feedback on the difficulty of finding the comments section on the Council website had been taken on board and would be looked at for next year. The department would also check with Newport Matters to ensure the budget consultation was better advertised.

The Committee stated that no real progress had been made through the 7 stages of public involvement and the Council had not moved towards higher levels in any meaningful way. Members asked how the Council is going to improve this. Concern was also raised about other authorities starting consultations at earlier stages than the Council. Members were told that there had been slight progress generally around consultation and engagement. Officers explained that there are resource constraints in the department, with less than 3 people in the team whose vast majority of time was spent on the implementation of the Future Generations Act. The Officer indicated that the service area was supportive of the development of the process and was working towards this within its resources. The Officer agreed that improvements needed to be made with earlier consultations and would it be looked into for next year.

The Committee queried whether the 5000 people responding to the consultation were those who had previously responded in earlier years, and if there had been any growth with engagement as 3% of the population seemed a low proportion. Members were advised that in previous consultations the Council have gained a bank of information and intelligence from

the public. The 5000 responses from the Wellbeing assessment increased the Council's knowledge of what services were most important to the public.

Members spoke of binary questions not being the best way to illicit information and views from the public, and highlighted the importance the views of the public being available to the decision makers prior to making the decision. Members were advised that the bank of information held was available to the service areas, so when the services go through the proposal planning process they were able to access it readily.

Budget Process

The Head of Finance then presented the overview of the budget process to the Committee. It was advised that the plan seeks to deal with local and national issues as well as the Corporate Plan, and spoke of the need to look at commitments in the Corporate Plan. There were still a lot of uncertainties even though grants had been confirmed. The key issue was working through the commitments in the Corporate Plan over the next year.

Members asked if there are any contingency plans for unforeseen financial obligations, and spoke of the importance of having robust plans in place in case of changes in government legislation. Members were informed of the difficulty of medium term planning however there was a £1 million allowance in the budget for emergencies.

(Note: following the meeting the Head of Finance advised that this amount was actually £1.5 million.)

Members queried if lessons had been learnt from previous years as charges were still not being reviewed annually. It was explained that the issue with fees and charges had now been resolved and would be accurate in future years.

Members expressed concerns that the business cases did not appear to contain the necessary information, and noted that in the case business case for the Remodelling of the Pupil Referral Unit (PRU), that the £485,000 saving was misleading as it moved into another budget not saved. Members were also advised that the £485,000 transfer was outlined as a way of showing Scrutiny and the public that there was a change to the finances and services.

Member felt that many of savings were being made from preventative services, and made comments that in some cases it may be better to spend money in the short term in order to save in the long term. Members were advised of current changes and how there is now a more strategic approach to the savings, an example given was for out of area placements within Children's Services. The Officer explained that in the future money would be spent on facilities in Newport, as it would be better for the children and more cost effective for the Council.

Members spoke of the importance of preserving as many services as possible and investing to save. Members enquired about how the Council had involved stakeholders in the budget setting process, as it is important to get them involved. Members were advised that the medium term plan was being developed; the plans and strategies would go out to communities and partners of the Council as it would impact everyone. It was advised that there would be a clearer idea in the next 6 months of the plans and strategies.

The Committee asked what the rationale was behind the blanket 4% fees and charges increase. The 4% fees and charges increases came from financial planning assumptions and modelling.

Members asked if the Council were doing enough to capitalise on collaborating with other local authorities. Officers explained that was collaboration work taking place, improving resilience and this would be the way forward for the future. An example was given regarding the social care pooled budgets. Members were instructed about how collaborative working

would need to be cost efficient and not cost the Council more money that it currently spends on services.

The Chairs of Performance Scrutiny Committee – People and Performance Scrutiny Committee – Place and Corporate, and outlined the recommendation that the Committees had made on the proposals relevant to their remits. Specific mention was made to the comments referred to the Overview and Scrutiny Management Committee relating to public engagement and budget process.

The Strategic Director – Place commented on the note in the Performance Scrutiny Committee – Place and Corporate regarding the absence of Senior Officers at that meeting. She gave assurances that this was due to unforeseen circumstances, and that there was usually senior officer presence at these meetings.

The Members accepted the fact that the Council must look to make savings year on year and provide a balanced budget to be compliant with the law.

The Chair thanked the Officers for their time and they were excused from the meeting.

The Committee considered the evidence gathered through the discussion with the officers, and considered its conclusions on each of the areas discussed. The Committee agreed to make the following recommendations to the Cabinet:

Budget Process Recommendations

Long Term Strategic Planning

The Committee recommends that the Council puts in place a long term strategic approach to budgeting, and highlights the importance of the bringing the medium and long term financial planning in line with the Corporate Plan and demands from government legislation.

Within this strategic approach, it is **recommended** that the Council should set out:

- How the strategic budget plan would support the Council in meeting the statutory obligations under the Wellbeing of Future Generations (Wales) Act;
- How the strategic budget plan will accomplish the aims and objectives set out in the Corporate Plan;
- The financial planning should take into account new and existing partnerships and how the Council will work collaboratively;
- How the stakeholders, communities and citizens in Newport are engaged throughout the process.

Reviewing what information is presented to the public

In considering the specific proposals, both of the Performance Scrutiny Committees raised the issue of insufficient information within the business cases that were published for public consultation.

The Overview and Scrutiny Management Committee **recommends** that in future years, a robust process be put in place to ensure that the business cases contain more consistent information to reflect how the savings would be made, and contain all of the information that a member of the public would need to fully understand the impact of the proposal.

Contingency planning

The Committee discussed contingency planning with the Officers and were informed of a £1 million pound contingency within the budget, to account for any unforeseen budget pressures during the year. Members commented that it was difficult to assess whether this

amount was sufficient, as it was not clear how this this million pound each year is calculated.

The Committee **suggests** that the Cabinet ensure that a robust contingency plan is in place for the medium to long term, to review regularly whether this amount is sufficient in the short to medium term.

Achievability

The Committee commented on the need to ensure that savings are achievable at this stage of the process, to ensure that it does not have a negative impact on the Councils ability to deliver within its budget next year. The achievability of annual savings needs to be better evidenced in the proposals and the impact outlined if the savings are not made. The Officers assured the Committee that the savings had been delivered at 90% within this year's budget, and that this was not an area of concern.

Whilst acknowledging these assurances, the Committee comments that there is a risk for the Council if these proposals are not achieved. The Performance Scrutiny Committees have commented that the information within the business cases were often insufficient to fully understand how some of the proposals were to be achieved.

The Committee **recommends** that this risk should be closely monitored if these decisions are taken and implemented, to mitigate this risk of unachieved savings impacting on next years budget.

Public Engagement

Public Engagement Process

The Committee discussed how the public consultation should be an all year round process rather than limited to the statutory consultation in the December / January period on proposals that have already been fully developed. By allowing the consultation to be held all year, citizens would be able to contribute to all stages of the development and implementation of the savings.

Performance Scrutiny Committee's recommendations highlight for that several of the business cases, the people who would be directly affected by the proposed savings were not consistently and adequately consulted upon prior to the proposals being developed.

The Committee **recommends** that in future years, the Council;

- Ensures that in depth consultations are held with those most affected by the proposals are completed prior to the proposals being fully developed and published in December / January. Work to identify effected groups should be done at the earliest possible opportunity to ensure those effected can be included in the development when a proposal is being considered.
- Develops the plan for public engagement on savings part of a wider strategic budget plan, to think more long term and strategically about how the public can be involved.
- Works towards making consultation on the budget proposals more meaningful through making it an ongoing, yearlong process rather than consulting at the end of the process when the proposals have been developed.

The Committee **recommends** that more is done to consult with the employees working in the areas that the savings are made. Utilising their knowledge and expertise in these areas could assist with identifying and potentially minimising any impact / risk within the proposals.

Feedback to consultees

The Committee **recommends** that mechanisms to provide feedback to the participants in the consultation be developed and implemented.

The Members felt that it was important that the information was provided in a number of different mediums to ensure it was available and accessible to all. The information should inform the consultees how the proposals had been informed by the information gathered during the consultation.

It is suggested that this could be achieved through holding a public forum at the end of the consultation period, and invite stakeholders and consultees to attend. A detailed press release could also be used as a feedback tool, providing it summarised how the results of the consultation had been used.

The Committee were advised that the results of the consultation would be reported to the Cabinet. It is **recommended** that this report is made public, and provided enough information for the Cabinet to analyse and inform the decision on the proposals.

Public Accessibility

The proposals were not easily accessible to members of the public in this year's budget consultation. The Committee commented that the information was not presented in the most effective way to encourage public participation:

- The online presence of the consultation - The Committee stated that it was difficult to find the proposals, and the form was onerous to use. The form could be simplified and better signposting to the consultation on the website.
- Newport Matters advertisement for the consultation was small and easily missed. Members felt that this could have been more effectively utilised and was important element in encouraging participation as it went to every household in Newport.

The Committee **recommends** that this is looked at for next year's budget round and that this made easier for the public to access the information and comment on the proposals.

Strategic Planning of Public Engagement

The Committee felt that the Council is not moving up '*the hierarchy of engagement methods*' of citizen involvement and this year's budget consultation process was still at the inform / consult stage. (*Discussed by the Overview and Scrutiny Management Committee at its meeting on 28 September 2017 report ['Budget Consultation and Engagement'](#).*)

The Committee **recommends** that as part of the medium and long term planning, the Council should outline how it plans to develop citizen engagement and move from the inform/ consult stages, more towards involvement and collaboration models.

Developing How the Council Engages

Different ways of presenting the consultation was discussed and how a '*budget simulator*' had been used in another Local Authority, and explored as an option within Newport. This involved asking the public to effectively look at options for balancing a budget – to prioritise and select one area / proposal over another.

The Committee **recommends** that alternative methods of engaging with the public are explored for next year and whether more could be done to increase the range of

demographics who respond to the consultation.

4 **Forward Work Programme**

The Committee discussed the forward work programme, in particular the items on the next two Committee meetings.

The Committee were advised that there may need to be an additional meeting held to discuss the City Centre Public Spaces Protection Order, possibly during May. The Members suggested that this meeting could be held in the Council Chambers and that it be broadcasted in light of the potential public interest in this item.

Actions

The Committee **agreed** to confirm the items scheduled for the next two meetings, including the invitees and the information requested.

The meeting terminated at 12:40