

Scrutiny Report

Performance Scrutiny Committee – People



Part 1

Date: 16th January 2024

Subject 2024-25 Budget and Medium Term Financial Projections

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The following people have been invited to attend for this item:

Role / Areas of responsibility	Lead Officer
Budget Overview and Process	Meirion Rushworth, Head of Finance
Service Specific Proposals:	
Education	Sarah Morgan, Head of Education
Children Services	Natalie Poyner, Head of Children Services
Adult Services	Mary Ryan, Head of Adult Services
Prevention and Inclusion	Caroline Ryan-Phillips, Head of Prevention and Inclusion

Section A – Committee Guidance and Recommendations

1 Recommendations to the Committee

The Committee is asked to:

- (i) Consider the budget proposals relevant to the People Service Areas;
- (ii) Determine if it wishes to make recommendations or comments to the Cabinet on the Proposals within the People Service Areas;
- (iii) Determine if it wishes to make any comments on the budget process or the public engagement (to be forwarded to the Overview and Scrutiny Management Committee for consideration).

2 Context

- 2.1 In accordance with the constitution, the Cabinet is required to consult on the proposals before recommending an overall budget and required council tax to the Council for approval in February. Scrutiny Committees must be consulted as part of this process. The timetable for the consultation on the budget is as follows:

Cabinet agrees draft budget proposals as a basis for consultation	10 January 2024
Consultation period	11 January 2024 to 9 February 2024
Cabinet considers feedback from consultation and agrees final budget recommendations to Council including Council Tax rate	14 February 2024
Final time / date for members / groups written amendments on budget proposals for Council consideration to be received by the 'proper officer' (Head of Law & Standards)	5.00pm, 21 st February 2024
Council approves the 2024/25 budget, service funding and Council Tax rate	29 February 2024

Structure of Scrutiny of the Budget Proposals

- 2.2 Each Committee will meet to discuss the budget proposals in detail and formulate comments relating to their portfolio:

Committee	Date	Role
Performance Scrutiny Committee - Place and Corporate	15 January 2024	Savings proposals within the Place and Corporate Service Areas
Performance Scrutiny Committee - People	16 January 2024	Savings proposal within the People Service Areas
Overview and Scrutiny Management Committee	30 January 2024	<ul style="list-style-type: none">• Coordination of comments from all Scrutiny Committees• Comments on the budget process• Comments on public engagement

- 2.3 Recommendations from the Committee meetings on 15 and 16 January will be reported to the Overview and Scrutiny Management Committee (OSMC) at its meeting on 30 January 2024 to confirm the list of comments that will be submitted from Scrutiny to the Cabinet. The Chair of this Committee will be invited to attend the meeting of the OSMC where the Committee's recommendations are discussed.
- 2.4 The role of the Overview and Scrutiny Committee is to coordinate the comments from Scrutiny to ensure that there are no overlaps in what is being recommended and ensure that scrutiny as a whole provides a cohesive and consistent response to Cabinet. It also has overall responsibility for comments on the budget process, and public engagement, which it will be focusing on at its meeting.
- 2.5 At its meeting on 10 January 2024, the Cabinet agreed draft proposals for consultation. The full Cabinet Report and Appendices are available on the website ([Link](#)).

Appendix 1	Budget investments
Appendix 2	New budget savings for consultation
Appendix 3	New budget savings implemented under delegated authority
Appendix 4	Demand models for social care
Appendix 5	Fees & charges for consultation
Appendix 6	Financial resilience 'snapshot'
Appendix 7	Medium term financial projections
Appendix 8	Projected earmarked reserves
Appendix 9	Corporate risk register summary - Quarter 2
Appendix 10	New budget savings for consultation – proposals
Appendix 11	New budget savings implemented under delegated authority - proposals

3 Information Submitted to the Committee

3.1 The following attachments are included for the Committee's consideration:

Appendix A – Cabinet Report 2024/25 Budget and Medium Term Financial Projections (MTFP)

Appendix 1 – Budget investment proposals (summary table).

Appendix 2 – New budget savings proposals (summary table) and Appendix 10 (detailed proposals).

Appendix 5 – Fees & charges for consultation

(Note – the numbering of attached Appendices has remained the same as the Cabinet Report for ease of reference)

4. Suggested Areas of Focus

4.1 Role of the Committee

The role of the Committee in considering the report is to:

- **Assess and make comment** on the proposals relevant to the Place and Corporate Service Areas in terms of:
 - How **reliable** the savings forecasts are;
 - How **achievable** the proposals are;
 - Have **risks** / impact on service users been appropriately mitigated;
 - Is there sufficient and consistent information within the Business cases to enable Cabinet to make an informed decision;
 - How does it fit into the **longer term strategic planning** and vision of the Council;
 - The extent to which the **Wellbeing of Future Generations Act** has been considered.

- **Conclusions:**
 - Feedback the Committee's assessments of the proposals and highlight what the Cabinet need to be mindful of when taking the decision on the proposals.
 - Feedback to Overview and Scrutiny Management Committee on the budget process and public engagement.

Suggested lines of Enquiry

- 4.2 Councillors have a fundamental democratic right to commission financial information and provide challenge to executives and officers about finances. Scrutiny councillors are not expected to be financial experts, but they have a key role in ensuring **accountability** and **value for money** are demonstrated to the public.
- 4.3 The following has been adapted from Section 3.1-3.4: Source: Grant Thornton – Local Government Financial Resilience Review 2012 (“Towards a tipping point?”) to provide examples of the questioning and lines of enquiry that the Committee may wish to consider:

Individual Proposals	<ul style="list-style-type: none"> • How reliable are the proposed savings? • Is there sufficient evidence within the business cases to have confidence that the proposals are achievable? • Is it clear how this proposal will be delivered and how the savings will be achieved? • Timing of the implementation – will this achieve a full year’s savings? Will anything delay implementation (such as the consultation process for any redundancies)
Links to Strategic Planning	How does the proposal contribute to the achieving corporate priorities included in the Corporate Plan 2022-27?
	How do these proposals fit into an overall budget strategy / what is the long-term approach to budget at the Council?
Assessing Impact	What is the anticipated impact of the budget proposal on: <ul style="list-style-type: none"> ○ Services ○ Performance (including performance indicators and standards) ○ Clients / services users
	If there is a risk identified, has this been appropriately mitigated? Is this clear within the business case, and is it achievable?
	How will we measure the success / impact of this proposal?
Fairness and Equalities Impact Assessments	Have these been completed?
	Have any impact identified within the FEIA been considered within the business case?
Legal and Regulatory	Are there any legal / regulatory requirements of the budget proposal?

Wellbeing of Future Generation (Wales) Act

- 4.4 The Committee's consideration of the Draft budget proposals should consider how services are maximising their contribution to the five ways of working. Below are examples of the types of questions to consider:

5 Ways of Working	Types of Questions to consider:
<p>Long-term</p> <p>The importance of balancing short-term needs with the need to safeguard the ability to also meet long-term needs.</p>	<p>What consideration have you given to the long term trends that could affect your proposal or; how could your proposal impact these trends?</p>
	<p>How will the needs of your service users potentially change in the future?</p>
<p>Prevention</p> <p>Prevent problems occurring or getting worse.</p>	<p>What is the objective (or the desired outcome) of this proposal?</p>
	<p>How are you addressing these issues to prevent a future problem?</p>
	<p>How have the decisions, so far, come about? What alternatives were considered?</p>
<p>Integration</p> <p>Considering how public bodies' wellbeing objectives may impact upon each of the well-being goals, on their other objectives, or on the objectives of other public bodies.</p>	<p>Are there any other organisations providing similar / complementary services?</p>
	<p>Have you consulted with the health board, third sector, emergency services, businesses and anyone else you think might be impacted?</p>
	<p>What practical steps will you take to integrate your project with existing plans and strategies of other public organisations to help us all contribute fully to the seven national well-being goals?</p>
<p>Collaboration</p> <p>Acting in collaboration with any other person (or different parts of the organisation itself).</p>	<p>Who have you been working with? Why? Who have you collaborated with in finding out more about this problem and potential solutions?</p>
	<p>How are you co-working with other sectors?</p>
	<p>How are you using the knowledge / information / good practice of others to inform / influence the Council's work?</p>
<p>Involvement</p> <p>The importance of involving people with an interest in achieving the well-being goals, and ensuring that those people reflect the diversity of the area which the body serves.</p>	<p>How have you involved the people who are being impacted by this decision?</p>
	<p>How have you taken into account the diverse communities in your decision making?</p>
	<p>How have you used different / alternative methods to reach people and involve them?</p>
	<p>How will you communicate the outcome of your decision?</p>

Section B – Supporting Information

5 Links to Council Policies and Priorities

Well-being Objective	1 – Economy, Education and Skills	2 – Newport’s Environment and Infrastructure	3 – Preventative and Equitable Community and Social Care	4 – An Inclusive, Fair and Sustainable Council
Aims:	Newport is a thriving and growing city that offers excellent education and aspires to provide opportunities for all.	A city that seeks to protect and enhance our environment whilst reducing our carbon footprint and preparing for a sustainable and digital future.	Newport is a supportive city where communities and care are at the heart of what we do.	Newport City Council is an inclusive organisation that places social value, fairness and sustainability at its core.

6 Background Papers

- [The Essentials – Well-being of Future Generation \(Wales\) Act](#)
- [Corporate Plan 2022-2027](#)
- [Newport City Council FEIAs 2023-24](#)

Report Completed: 16 January 2024