

**Overview and Scrutiny Management Committee**

**Meeting held 19 February 2014**

**PRESENT:** Councillors Chris Weldon (Chair), Ian Auckland, Penny Baker, Roger Davison, Gill Furniss, Cate McDonald, Mick Rooney and Andrew Sangar

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**1. APOLOGIES FOR ABSENCE**

1.1 There were no apologies for absence.

**2. EXCLUSION OF PUBLIC AND PRESS**

2.1 No items were identified where a resolution may be moved to exclude the public and press.

**3. DECLARATIONS OF INTEREST**

3.1 There were no declarations of interest.

**4. MINUTES OF PREVIOUS MEETING**

4.1 The minutes of the meeting of the Overview and Scrutiny Management Committee held on 11<sup>th</sup> November 2013, were approved as a correct record, subject to the amendment of paragraph 4.1 (Minutes of Previous Meetings – 13<sup>th</sup> February 2013) to read ‘The minutes of the meeting of the Committee held on 13<sup>th</sup> February 2013, were approved as a correct record and, arising therefrom, Councillor Mick Rooney, Chair of the Healthier Communities and Adult Social Care Scrutiny and Policy Development Committee, reported that it had not been financially feasible for the Council to continue to fund the provision and fitting of small items of daily living equipment costing less than £50 and consequently such funding had been withdrawn.’

4.2 Arising from consideration of the minutes, Matthew Borland, Policy and Improvement Officer, stated that he would check whether there was anything to report with regard to the Council’s submission to the Local Government Boundary Commission for England on Council size and, if so, would circulate details to Members of the Committee.

**5. PUBLIC QUESTIONS AND PETITIONS**

5.1 *Special Meeting of the Economic and Environmental Wellbeing Scrutiny and Policy Development Committee – The Future of Sheffield’s Library Services*

In response to a question relating to the above meeting, which had been held on the previous evening, the Chair, Councillor Chris Weldon, asked the Policy and Improvement Officer to clarify the Overview and Scrutiny Management

Committee's remit with regard to the Scrutiny and Policy Development Committees. He also requested that a report on the above meeting be submitted to the next meeting of the Economic and Environmental Wellbeing Scrutiny and Policy Development Committee.

5.2 Residential Care Home Fees

The Chair indicated that a written response would be provided to the questioner in relation to the Council's failure to include any reference to Care Home Fees in the budget proposals, when such fees had been shown to compare unfavourably with other local authorities, both locally and nationally.

5.3 Local Travel Concessions

The Chair indicated that a written response, containing the appropriate level of detail, would be provided to the questioner, in relation to the question of the Council considering using part of the £3.3m saving on the South Yorkshire Integrated Transport Authority (SYITA) levy to fund local travel concessions for mobility pass holders in Sheffield, thereby mitigating the highly negative impact on blind and partially sighted people in Sheffield, which was due to take effect on 1<sup>st</sup> April 2014, as a result of the decision by the SYITA to remove such concessions.

**6. CAPITAL PROGRAMME AND REVENUE BUDGET APPROVAL 2014/15**

6.1 The Committee considered the report of the Executive Director, Resources, on the Capital Programme Budget 2014/15 and the joint report of the Chief Executive and the Executive Director, Resources, on the Revenue Budget 2014/15, which were to be considered by Cabinet on the afternoon of 19<sup>th</sup> February 2014.

6.2 In attendance for this item were Councillor Ben Curran (Cabinet Member for Finance and Resources), Eugene Walker (Executive Director, Resources), Allan Rainford (Deputy Director of Finance), Paul Schofield (Assistant Director of Finance), Bev Coukham (Communities Portfolio), Mick Crofts (Place Portfolio) and John Doyle (Children, Young People and Families Portfolio). Councillor Jillian Creasy was also in attendance as an observer.

6.3 Allan Rainford introduced the Revenue Budget 2014/15 report, making particular reference to the reductions in funding from Government, which amounted to £30.7m and additional budget provisions such as Portfolio costs/demand pressures, Pension and Redundancy costs, the Council's Pay Strategy and the Streets Ahead contract. The net effect of this was that £58.4m needed to be saved in 2014/15. He went on to refer to the Savings Proposals for 2014/15, details of which were contained in the Budget Implementation Plans which were appended to the report. In conclusion, he referred to the position for 2015/16, which showed a more significant revenue support grant reduction than 2014/15, which amounted to approximately £45m.

6.4 In response to Members' questions, the following points were made:-

- The Council's financial officers would have made the actuary dealing with

the South Yorkshire Pensions Authority aware of the Council's financial position. It was hoped that one of the constituent authorities would take the lead on pensions issues and that this would lead to closer liaison between all parties.

- It appeared that the Sheffield Revenue Support Grant reduction compared unfavourably with that of some of the authorities in the wealthier areas in the South of the country. The Government's argument was that the Revenue Support Grant was based on need and ability to pay, with the ultimate aim being for Councils to be self-sufficient by using the income from Council Tax and Business Rates.
- There was little scope for the Council raising further income by increasing Council Tax, due to the requirement for Councils to hold a referendum if any increases were considered to be excessive. The principles on which such an increase would be considered to be excessive were determined by the Secretary of State.
- An analysis has not been conducted as to whether a percentage of the savings made had been met by an increase in Council income rather than a decrease in Council spending.
- All Council contracts, such as those with Amey and Veolia, had been examined and significant savings had been made by means of a range of interventions and doing things differently.
- It was hoped that the impact of longer term savings in 2014/15 and one off actions to promote stability, would assist in the delivery of savings, particularly in relation to Adult Social Care. It was important that early monitoring was undertaken to assess the delivery of such savings.
- Recent management changes and robust monitoring would assist in the provision of evidence as to how savings were being delivered.
- It was Government policy for Council spending to ultimately be funded from Council Tax and Business Rates, but it was felt that this was unsustainable. It may be necessary to consider how social care was funded, with one option being to make it the responsibility of the National Health Service.

6.5 Paul Schofield introduced the report on the Capital Programme Budget 2014/15 and referred the Committee to the Executive Summary. He went on to provide further detail, with the key issues being the Housing Capital Programme, which was a well-resourced programme, mainly funded by the Housing Revenue Account, the Education policy which mandated that all new schools should be academies and the devolvement of capital funding to the City Region authorities. He also indicated that 75% of the Programme supported the Great Place to Live strategic outcome objective. Members were also referred to Appendix 4 of the report relating to the Corporate Resource Pool (CRP) and were informed that officers had recommended that Members approve capital expenditure commitments for no more than one year in advance from this pool. Notwithstanding this, the

replacement of sports facilities in the North and South of the City would be funded from the CRP.

6.6 In response to Members' questions, the following points were made:-

- Even though there had been a major change in presentation, the approval process for the Capital Programme was the same. There had been much effort in delivering the programme with less slippage. The level of the Programme had reduced, with the Decent Homes and Building Schools for the Future projects having finished, but schemes such as the Lower Don Valley and the Bus Rapid Transit Scheme North would be added. It should be noted that much attention had been devoted to delivering the Programme on time.
- In relation to the Don Valley Flood Defence Scheme, the advice from the Environment Agency was that a one in 100 year flooding event could become more frequent due to climate change. The planned work would offer protection for the next 20 years for a one in 100 year event and the Environment Agency felt this represented good value for the capital investment.

6.7 RESOLVED: That the Committee:-

- (a) notes the contents of the report of the Executive Director, Resources, on the Capital Programme Budget 2014/15, and the joint report of the Chief Executive and the Executive Director, Resources, on the Revenue Budget 2014/15, together with the comments made and the responses provided; and
- (b) recommends that the report of the Executive Director, Resources, on the Capital Programme Budget 2014/15 and the joint report of the Chief Executive and the Executive Director, Resources, on the Revenue Budget 2014/15, be submitted to Cabinet without amendment.