

Resources and Governance Scrutiny Committee

Minutes of the meeting held on Monday, 1 March 2021

This Scrutiny meeting was conducted via Zoom, in accordance with the provisions of the The Local Authorities and Police and Crime Panels (Coronavirus) (Flexibility of Local Authority and Police and Crime Panel Meetings) (England and Wales) Regulations 2020.

Present:

Councillor Russell (Chair) – in the Chair
Councillors Ahmed Ali, Andrews, Clay, Davies, Lanchbury, B Priest, Rowles, A Simcock, Stanton, Wheeler and Wright

Also present:

Councillor Leese, Leader
Councillor N Murphy, Deputy Leader
Councillor Akbar, Executive Member for Neighbourhoods
Councillor Bridges, Executive Member for Children and Schools
Councillor Craig, Executive Member for Adult Health and Wellbeing
Councillor Rahman, Executive Member for Skills, Culture and Leisure
Councillor Richards, Executive Member for Housing and Regeneration
Councillor Stogia, Executive member for Environment, Planning and Transport
Councillor Leech, Leader of the Opposition
Councillor Kilpatrick, Deputy Leader of the Opposition
Councillor H Priest, Chair of Economy Scrutiny Committee
Councillor Stone, Chair of Children and Young People's Scrutiny Committee

RGSC/21/15 The Council's Budget 2021/22

Further to minute RGSC/21/11, the Committee considered a report of the Chief Executive and the Deputy Chief Executive and City Treasurer which provided an update on the Council's financial position following scrutiny of the draft budget proposals and Directorate budget plans by all Scrutiny Committees.

The Committee received a statement from the Leader on the Executive's budget proposals and the key issues underlying the budget process. In doing so, he outlined the context of the proposed budget, in particular, he referred to the continued challenges presented by the impact of the COVID19 pandemic had had on people and public finances and by the year on year funding reductions from national government, referencing the impact on health inequalities, the need to increase Council Tax due to a lack of government funding, the inability to plan for the long term due to a lack of a long term settlement, a lack of a long term solution to Adult Social Care funding and finally the backtracking from government to provide the necessary financial support the Council needed in addressing the COVID19 pandemic.

The Leader commented that the proposed budget aimed to balance the needs of communities with the resources available and the Council would be reliant on the use of reserves not only this year but also successive years however this was not a

sustainable course of action in the long term, and in fact the reserves would require replenishment in the next few years. The proposed budget would look to support the most vulnerable in the city, including adults and children through early intervention and a continuation of investment to prevent cycles of decline, not just in health but in the city's economy too.

The Chair then invited the Chair of Economy Scrutiny and the Chair of Children and Young People Scrutiny Committee to highlight issues arising from individual Directorate Budget Plans. In doing so the Chair of Economy Scrutiny highlighted the discussion held at Economy Scrutiny around the medium and long term economic recovery of the city and potential cuts to services that would result in a loss of income generation, noting however that these concerns had subsequently been addressed in the budget proposals before Committee and also the concerns in relation to work and skills inequalities arising from cuts to Council budgets. The Chair of Children and Young People's Scrutiny Committee commented that the Committee had opposed the proposed savings in relation to parenting commission budget which had been removed from the budget proposals now being put forward.

The Committee then received a statement from the Executive Member for Housing and Regeneration regarding the Housing Revenue Account calculations for 2021/22 to 2023/24 and its use. She advised of the challenges the Council faced in delivering its housing ambition that had arisen from the imposition of a 1% annual rent cut for four years from 1 April 2016 and the impact of this on the financial viability of the Housing Revenue Account and the amount of resources to invest in improving existing stock. She also referred to the financial implications of "Right to Buy" on the Council HRA Business Plan and the estimated costs in retrofitting the Council's existing housing stock as part of the Council's commitment to reduce its carbon emissions. The Executive Member also reported on the steps being taken to return the ALMO back in house and the savings to be realised, and the priority of delivering new affordable housing.

The Chair next invited Councillor Kilpatrick to present the budget amendments that had been submitted by the Opposition Group. In doing so he proposed the following:-

- To allocate a budget of £1.5m to enable the Council to deliver road safety and traffic calming schemes in areas of need; to be funded through the transfer from the Bus Lane Enforcement Reserve;
- To allocate £500,000 additional funds to Neighbourhoods to address the additional pressures on the ground maintenance, parks, and waste removal teams due to behavioural changes as a result of restrictions brought about by the COVID-19 pandemic; to be funded from the Contain Outbreak Management Fund;
- To defer the proposed £160,000 cut to the revenue and benefits team by one year in anticipation of further demand on the service in the administration of grants and benefit requests due to the impact of the COVID-19 pandemic; to be funded from the Contain Outbreak Management Fund; and
- To allocate a budget of £960,000 to enable the Council to make available a Green Neighbourhood Investment Fund in each of the 32 wards, enabling our

communities to fund projects in line with ward climate change action plans; to be funded out of the On-street Parking Reserve.

It was stated that all proposals in this amendment were one off spending commitments for 2021/2022.

The Chair then invited the Leader to comment on the proposed amendment. He commented that the proposed amendment came to a total of an additional £3million further investment which would require an extra £3million in savings in next year's budget. He added that if the Council had an additional £3million in its budget it was likely that there would be other priority areas that the Committee would want to invest additional spend on. The Leader then outlined the planned and anticipated spend in relation to the areas that the amendment referred to contained within the budget proposals.

The Chair commented that she was concerned that the costs associated with the pandemic, would outlast the government's commitment to providing addition money for them, and that using even more of the reserves than was already proposed would lead to even greater future difficulties. Committee Members were then invited to ask questions on the proposed amendment. There were no questions asked.

The Chair then invited the Committee to ask questions in relation to the reports covering the budget equalities considerations and public consultation of the budget. The following questions and salient points were asked/made:-

- Whilst recognising the difficulties Officers have had to work under in so far as the pandemic, it was disappointing that some of the Equality Impact Assessments had not been completed and that in future years it was hoped that these would be completed in advance of the budget Scrutiny meeting to enable braider assurance about the budget proposals;
- An assurance was sought that the publication of the Public Sector Equalities Duties (PSED) would be achieved by the deadline of 31 March 2021;
- What did the Leader think of the consultation response from Stagecoach;
- It was queried as to whether there were any specific reasons as to why there was a low response rate to the consultation from Black, Asian and Minority Ethnic communities

The City Solicitor gave an assurance that all Equality Impact Assessments would be completed in time for next year's budget scrutiny. It was also reported that the publication of PSED would be made as required and Officers were looking at how the Equality Impact Assessments could be improved and how improvements to services in relation to equalities could be made.

The Leader commented that if the Council was to fuel the city's economic recovery, mass transit would be essential, which implied continued investment in infrastructure and improved management of this infrastructure resulting in a wholly integrate public transport system, which only franchising if the bus network would bring about.

The Leader advised that Council officers tried to find new ways of reaching people in Black, Asian and Minority Ethnic communities in a proactive way.

In relation to the consultation outcome around councillor salaries and number of posts, the Leader commented that within the proposals, the Labour Group would leave vacant five posts carrying a Special Responsibility Allowance and remove the payment to the Deputy Lord Mayor for a period of three years. He added that a request had been made to the Opposition Group Leader to consent in the reduction in opposition Special Responsibility Allowances but had not received a response. The Opposition Group Leader commented that the Council had a long-standing position that any issues to do with Members allowances were to be determined by an Independent Remuneration Panel and he felt that this was the most appropriate course of action to follow. The Leader pointed out that it was an available course of action for the Opposition Group Leader to do this voluntarily.

Decisions

The Committee:-

- (1) Does not support the amendment submitted by the Opposition Group in relation the 2021/22 budget proposals.
- (2) Endorses the budget proposals as presented for approval by Full Council at its meeting on 5 March 2021.