

People Select Committee

Overview Meeting 2018

Monday 26th February 2018

Finance and Business Services

Context

Members are well aware that as a Council we have had to adapt to funding reductions of £68 million over the last seven years and that we are still confronted with having to find further savings.

Whilst we acknowledge that we have a strong track record of sound financial management and we have been dealing with these problems successfully for many years, it will not be easy to address the additional loss of government funding of over £6m million by 2019/20. Moving forward, expectations will need to be realistic as many more difficult decisions will need to be made.

The challenge for all Members is to ensure that decisions about the basis on which services will be delivered are within the resources available, taking account of a number of factors such as reduced budget allocation, changing demographics, increasing demand, new national legislation and policy direction. Members are reminded of the four policy principles that support our decision-making:

- **Protecting the vulnerable through targeted intervention**, particularly those people in our communities who are subject to, or at risk of harm, people who are homeless or at risk of becoming homeless and those who are financially excluded or whose circumstances make them vulnerable.
- **Promoting equality of opportunity through targeted intervention**, specifically in relation to tackling health inequalities, meeting the skills gap and improving access to job opportunities, tackling fuel poverty, improving education and training opportunities, access to affordable housing and financial and digital inclusion.
- **Developing strong and healthy communities** through the provision of mainstream and preventive services that are available to all those who choose to access them.
- **Creating economic prosperity** across the Borough

It is within this context that the Select Committee is invited to undertake their overview duties.

Performance Reporting

Performance across the Council Plan has been reported on a six-monthly basis. This was reported to Executive Scrutiny Committee on September 2017 and January 2018, and then forwarded to members of each Select Committee with key issues highlighted by the Chair at their next meeting.

Finance and Business Services – Director – Garry Cummings

Relevant services include:

- Finance, Governance and Assets
- Procurement and Governance
- Revenues and Benefits
- Information and Improvement Services

Council Plan 2017-18

The Council Plan sets out the aims and objectives for all services and is refreshed on an annual basis.

The 2017-18 objectives for the Our Council theme are attached at **Appendix 1**.

What has been achieved?

1. Savings included in Medium Term Financial Plan are on target to be achieved.
2. The Medium Term Financial Plan has been updated.
3. Work is underway to contribute to the Government review 'Fair Funding' which will influence the review of Local Government Finance including the retention of Business Rates.
4. A review has been completed in Revenues and Benefits and the service is now integrated.
5. A review has been completed in relation to commissioning and procurement which resulted in an enhanced role for the Procurement team.
6. A shared Internal Audit Service has been established delivered by Stockton.
7. The School Investment Strategy has been approved by Cabinet and is in the process of being delivered.
8. Numerous accommodation moves to support service reviews, including relocation of Member accommodation.
9. Revised Council Plan and performance reporting formal introduced which increases focus on achievements.

Overview Report

10. Financial support to a range of schemes including the establishment of a company to run the hotel, development of a crematorium, the globe etc.
11. The Annual Accounts and Governance Statement have been approved and audited by the external auditor.
12. Developing a programme for Smarter Working in Stockton, using technology and improved ways of working to change the way we work.
13. Council Tax and Business rate collection levels have been maintained through a period of change.
14. Supported the establishment of Tees Valley adoption agency.

Challenges

15. The financial position post 2020 is significantly uncertain due to Government funding reviews.
16. The Medium Term Financial Plan is being updated to take account of the number of emerging pressures.
17. The implementation of universal credit has been delayed which means that implications are still unclear.

Emerging Issues

18. Potential increased financial risks around localisation of business rates and the Fair Funding Review.
19. Review of the Finance and Assets Section is underway which will need to streamline arrangements to reflect reduced resources.
20. Opportunities to further improve the Council planning and performance management frameworks.
21. Opportunities for improving use of technology, accommodation and information through the SWIS programme.

Possible Areas for In Depth Review

22. None suggested

Appendix 1

Council Plan 2017-18 – Our Council

Our vision is of a Council that prides itself on being open, honest and fair. On leading by example. On having big plans and the determination to see them through. We're facing difficult financial challenges and we can't do all we used to do so we're facing some tough decisions. Throughout this we'll stay focused on delivering genuine value for money, on setting the highest standards of public service, on communicating clearly and regularly with the community we serve and on being challenging, innovative and well organized.

Key objectives and activities

Objective: **Deliver a balanced and sustainable medium term financial plan**

Objective: **Maximise and safeguard income for the Council**

Objective: **Ensure the Council uses its assets effectively**

Objective: **Develop and ensure delivery of a robust governance framework**