

MAYOR AND CABINET		
Report Title	Matters Referred by the Public Accounts Select Committee – Strand 1 Budget Savings 2008/09	
Key Decision	No	
Ward	All	
Contributors	Public Accounts Select Committee	
Class	Part 1	Date: 13 September 2007

1. Summary

This report informs the Mayor and Cabinet of the comments/views of the Public Accounts Select Committee arising from its consideration of the Strand 1 Budget Savings at its meeting on 4 September 2007. These are set out in section 3 below.

2. Recommendation

The Mayor is recommended to:

- (i) note the views of Public Accounts Select Committee as set out in section 3; and
- (ii) agree that the Executive Director for Resources provides advice on the implications of the recommendation from the select committee at the Mayor and Cabinet meeting which the decision is to be taken; and
- (iii) agree that the relevant Executive Directors provide advice on the other comments made by the select committee on the Revenue Budget Savings Proposals.

3. Public Accounts Select Committees Views

On 4 September 2007, the Public Accounts Select Committee received a report on the Strand 1 Revenue Budget Savings Proposals. The select committee recommended that:

- (i) that the efficiency savings of £75.5k affecting Youth Services (CYP14) detailed in the Revenue Budget Savings Proposals are re-directed to provide additional funding for Detached Youth Workers.

The select committee made the following additional comments and observations:

CYP 4 – Looked After Children Savings £163.6k

The Chair of the Children and Young People Select Committee sought further details and clarity with regards to how this saving would be achieved and whether the Executive Director for Children and Young People was confident about monitoring standards.

Members were informed that savings in this area are efficiency savings from a preferred provider and the result of good housekeeping. With regards to monitoring standards, the council has recently been accredited as having a “good” level of performance.

Councillor Morris requested that further information is sought on the breakdown of this saving proposal

CYP 6 – Referral and Assessment Savings £86.9k

The Chair of the Public Accounts Select Committee raised concerns over the impact of this proposal on BME communities.

The Executive Director for Children and Young People clarified that this saving would not concern residents but people who have sought asylum in the UK, have been refused asylum and choose to remain in the country. These families have exhausted all appeals and are refusing to return to their home countries. However, it was also stressed the Council would still provide social care needs to these families.

Councillor Morris suggested that these individuals may possibly qualify for support through the National Assistance Act?

It was requested that further information is sought on this issue

CYP 8 – Children’s Social Care: Division Wide Activities Savings £268k

The Chair of the Children and Young People Select Committee enquired whether the proposed savings can be achieved. The committee were reassured that the savings can realistically be achieved as a result of the previous years underspend.

CYP 11 – Early Years Savings £72k

It was expressed by Councillor Morris that considering the publicised problems with claimant levels of the Working Families Tax Credit (WFTC), whether this proposal can realistically be met.

Executive Director for Children and Young People recognised the concern but assured members that:

- Lewisham has highest levels of uptake in London (although this still needs improvement)
- If the council did not do this, it would be massively over-subsidising parents and the charge levels are relatively low
- A key aspect of the proposals is also to increase parents knowledge of how to claim for tax credits.

CYP 12 & 13 Special Educational Needs Savings £101k

Councillor Griesenbeck raised over the savings on transport for SEN children.

Members were assured that the savings are based on efficiencies from previous years underspend and there will not be a reduction in the service as a result of the saving.

CYP 19 – Estates Management Savings £22k

Concern was raised about the proposals with regards to the Building Schools for the Future (BSF) programme and the commitment made by the Executive Director for Regeneration representatives to provide regular reports to the Select Committee on the clienting and contract management capacity of the council in light of all the Private Finance Initiatives.

COM 7 – Sage Education Trust Savings 91k

Councillor Michel expressed concerns over the complete withdrawal of funding for Sage Educational Trust.

The Executive Director Children and Young People reported that the Council has found little evidence of the Trust providing added value.

COM 9 – Arts & Entertainment Savings £73.2k

The Chair of the Public Accounts Select Committee asked whether any effort been put into finding a benefactor to take on the Council's current commitment to support the Broadway Theatre.

It was further expressed by Councillor Michel that the proposals in this area were cuts rather than efficiency savings.

COM 10 – Library and Information Service Savings £115k

Councillor Morris asked whether any thought had been given to opening Libraries outside normal hours with a single member of staff.

It was explained that this proposal has not been considered and is unlikely to be implemented due to health and safety considerations.

CUS 1 – Revenues and Benefits Savings £125k

Councillor Michel enquired over how many posts the proposal would affect.

Executive Director Customer Services representatives replied that four posts would be affected by the proposal.

CUS 2 – Cashiers

Councillor Morris asked whether the Town Hall was the only cashier service available in the borough.

The committee were informed that there are a number of cashier services and that the only service the proposals would affect are the Town Hall's, which provide considerably less value for money than the Council's other outlets.

CUS 3 – Environmental Enforcement Savings £10k

Executive Director for Customer Services representatives agreed to provide further information on the financial impact of vermin infestations in private properties on environmental enforcement services.

CUS 4 – Fleet Services Savings £55k

Concerns were raised over the plans not to recruit to the Fleet Services Maintenance Engineer post.

REG 2 – Planning Savings £100k

The Chair of the Public Accounts Select Committee expressed that the saving proposals detailed are not really efficiency savings and enquired whether Planning could achieve 3% savings in addition to this extra income.

In response officers expressed that:

- Planning has a very good reputation of being able to come in on budget and will meet their requirements.
- Longer term savings are being proposed but will not affect this year's budget necessarily
- As they would be using less staff & improved IT systems, it was incorrect to suggest that efficiencies are not being proposed.

REG 5 – Contract Manager, Highways Maintenance Savings £150k

Councillor Luxton and Michel raised concerns and requested more information on the thinking behind the move from annual to bi-annual Gully clearing.

Executive Director Regeneration representatives responded by explaining that major work has been carried out on gully clearing which means that it is no longer necessary to do this work annually. It had been required because the previous lack of gully clearing had caused a significant problems.

Members responded to this comment, re-iterating that the concern is that the Council might end up back in the same situation and then be faced with further costs in the future because gullies have not received the due attention they need now.

RES 7 – Committee & Business Services Savings £30k

Councillor Michel enquired whether, with increased number of committee meetings already taking place, staff will be doing more work with less people and, if so, did this suggest that the service was not working as effectively as it could have in the past?

Executive Director Resources representatives expressed that this is related to supply and services costs, not personnel and best value for money has been achieved.

4. Financial Implications

There are no financial implications arising from this report. However, subsequent financial implications arising from the recommendations of the select committee will be reported in the response of the relevant Executive Director(s) to Mayor and Cabinet.

5. Legal Implications

The Constitution provides for the Select Committees to report to the Mayor and Cabinet and for the Executive to consider the report within one month of receiving it.

If you have any queries on this report, please contact Fola Beckley, 020 8314 9976 or Kevin Flaherty, Head Business and Committee, 020 8314 9327.