

<b>Public Accounts Select Committee</b>			
<b>Report Title</b>	Strategic Financial Review update and Savings Proposals for 2014/15 and 2015/16 – Select Committee views		
<b>Key Decision</b>	No	<b>Item No.</b>	3
<b>Contributors</b>	All Select Committees		
<b>Class</b>	Part 1	<b>Date</b>	16 December 2013

**Reasons for lateness: The report is late as Committee meetings had not held their meetings before the agenda despatch date for the Public Accounts Select Committee meeting.**

## **1. Summary**

- 1.1. This report informs the Public Accounts Select Committee of the comments and views of the Select Committees (which met in November and December) on the Strategic Financial Review update and Savings Proposals for 2014/15 and 2015/16.

## **2. Recommendation**

- 2.1. The Public Accounts Select Committee is recommended to note the views of the Select Committees as set out in this report.

## **3. Safer Stronger Communities Select Committee Views**

- 3.1. On 29 November, the Safer Stronger Communities Select Committee was due to consider the Strategic Financial Review update and the Savings Proposals for 2014/15 and 2015/16 within its terms of reference, but the meeting was withdrawn.

## **4. Children and Young People Select Committee Views**

- 4.1. On 3 December 2013, the Children and Young People Select Committee considered the Strategic Financial Review update and the Savings Proposals for 2014/15 and 2015/16 within its terms of reference. The Committee resolved to advise the Public Accounts Select Committee of the following:
- 4.2. On proposal **CYP12** (Attendance and Welfare Service), the Committee recognised the rationale for making the Attendance and Welfare Service a partially traded service but noted that not enough information was currently available about the proposals. Therefore the Children and Young People Select Committee should have the opportunity to scrutinise, in January, the full report on the savings proposal going to the Mayor and Cabinet on 18 December to review:

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- The response from schools to the consultation currently in progress;
- The plans to ensure that staff are fully consulted on proposals.
- Whether there will be a disproportionate impact on disadvantaged children.
- Whether there will be a disproportionate impact on schools that have high numbers of disadvantaged children.

4.3. On proposal **CYP13** (Youth Service) the Committee expressed concern that a reduction to the funding available for commissioned youth work during the first re-designed commissioning process would be confusing and unhelpful. They noted that the fuller reshaping of the youth service has not yet been fully implemented and further reductions at this stage could represent a significant risk to the successful implementation of these changes

### 5. Housing Select Committee Views

5.1. On 4 December 2013, the Housing Select Committee considered the Strategic Financial Review update and the Savings Proposals for 2014/15 and 2015/16 within its terms of reference. The Committee resolved to advise the Public Accounts Select Committee of the following:

5.2. The Committee would like to endorse the three savings proposals which were within its terms of reference to consider:

**CUS01** - Restructure of the entire Housing Strategy and Programme team

**CUS04** - Transfer of the hostels from the HRA to the General Fund.

**CUS05** – Absorption of an element of the management costs of the Milford Towers project within the Council.

5.3. The Committee also considered **CUS07** (the outsourcing of the Call Point out of hours emergency telephone service) and would like to recommend that this proposal be rejected because (a) it believes that there is no evidence that outsourcing saves money as outsourced contracts often cost more in the long run; and (b) outsourcing this service may result in a poorer quality service for residents.

### 6. Sustainable Development Select Committee Views

6.1. On 10 December 2013, the Sustainable Development Select Committee considered the Strategic Financial Review update and the Savings Proposals for 2014/15 and 2015/16 within its terms of reference. The Committee resolved to advise the Public Accounts Select Committee of the following:

6.2. The Committee recommends that, given the rolling programme of savings to be identified as part of the Lewisham Future programme, scrutiny committees are given as early notice as possible of identified savings.

6.3. The Committee has resolved to add a standing item to its work programme in order to consider regular updates and information about savings proposals.

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- 6.4. On proposal **CUS03** the Committee believes that the Council should develop a communications plan which targets registered social landlords in the borough in order to ensure that refuse and recycling bins on housing estates are not used for trade waste.
- 6.5. The Committee asks that before any decision on proposal **RNR02** is taken more information should be provided about the level of charges being proposed. These proposals should be compared with other London boroughs to ensure that they are proportionate.

### **7. Healthier Communities Select Committee Views**

- 7.1. On 11 December 2013, the Strategic Financial Review update and the Savings Proposals for 2014/15 and 2015/16 within its terms of reference. The Committee did not refer any issues to the Public Accounts Select Committee but wished to submit the following:
- 7.2. The Healthier Communities Select Committee commends the Interim Head of Adult Social Care, and her team, on managing savings affecting adult social care services in response to the Government's austerity regime, and in meeting the challenges associated with the integration of health and adult social care.

### **8. Financial Implications**

- 8.1. Should the Committees' referrals result in the budget being changed, this may affect the amount of savings achieved, potentially resulting in a savings shortfall that would mean that alternative proposals would have to be identified and built into the budget planning process. However, as these decisions are ultimately for the Mayor (in recommending his budget), and then the Council, there are no direct or immediate financial implications arising from this report.

### **9. Legal Implications**

- 9.1. The Constitution provides for Select Committees to make recommendations to the Executive or appropriate committee and/or Council arising from the outcome of the scrutiny process.

## **BACKGROUND PAPERS**

Strategic Financial Review update and Savings Proposals for 2014/15 and 2015/16 – Officer Report to the Select Committees (November and December 2013)

If you have any queries on this report, please contact Andrew Hagger, Scrutiny Manager (ext. 49446).