

Mayor And Cabinet			
Report Title	Matters referred by the Public Accounts Select Committee		
Key Decision	No	Item Number	
Ward	All		
Contributors	Public Accounts Select Committee		
Class	Part 1	Date	11 February 2009

1. Summary

- 1.1 This report informs the Mayor and Cabinet of the comments and views of the Public Accounts Select Committee arising from discussions on the 2009/10 Budget Report. These are set out in section three below.

2. Recommendation

- 2.1 The Mayor is recommended to:

- (i) note the views of the Public Accounts Select Committee as set out in section three; and
- (ii) ask the appropriate Executive Directors to comment and provide advice on the comments of the Select Committee.

3. Public Accounts Select Committee Views

- 3.1 On 10 February 2009, the Public Accounts Select Committee considered the 2009/10 Budget Report. The Select Committee made the following comments and observations:

Second round savings proposals

- 3.2 Day Care Block Contract (125.4k) [Appendix Y5, paragraph 2.9.2]

We note that this saving is being achieved through contractual negotiations and we recommend that consideration is given to tackling other long-term contracts to see if savings can be negotiated, in addition to making savings when contracts come up for renewal.

- 3.4 Further 5k reduction in the overview and scrutiny operational budget [Appendix Y5, paragraph 5.11.2 (b)]

We welcome the Mayor's assurance that should, in the future, scrutiny's capacity to carry out its legitimate business be limited by this budget reduction, additional resource will be considered.

- 3.5 The Select Committee noted the following comments made by the Select Committee Chairs on the savings proposals:

Cllr Fletcher (Children and Young People Select Committee)

- 3.6 A number of the savings proposals relating to the Children and Young People Directorate have been achieved by using grants to cover existing expenditure. Such grant substitution means that the grants may not be used for the purpose for which they were intended (for example, improving services for looked after children) and may not be used to provide additional resource. Instead they are being used to maintain current service levels. Using the Care Matters grant to fund two existing personal advisor posts is particularly worrying as outcomes for looked after children have not been improving and the grant, if used for its intended purpose, could help improve outcomes.
- 3.7 The savings proposal relating to the family support and intervention service is only a small saving and by not making this short term saving, the Council could be making a larger, long term saving as early intervention can prevent greater intervention at a later date.

Cllr Scott (Healthier Communities Select Committee)

- 3.8 Phasing out the Street Leader Scheme (Green Scene, 4k) does not accord with the views of residents as expressed via local assembly meetings. The scheme is welcomed by many residents and they would like to see it extended.

Cllr Luxton (Sustainable Development Select Committee)

- 3.9 The savings proposal relating to the deletion of one conservation project officer post is of concern, as is reducing the budget allocated for small scale traffic management and pedestrian facilities. The schemes are small scale but have a large impact. The deletion of the vacant cycle training officer post will limit the Council's ability to bid for external funding and have an impact on the amount and quality of cycle training provided.

Cllr Ibitson (Housing Select Committee)

- 3.10 Increases in rents, service charges and communal heating charges have been proposed. Whilst those in receipt of housing benefit will not be affected by the increase in rents and service charges, they will be affected by the increase in communal heating charges. In addition, the increase in communal heating charges is significantly above inflation – an increase of 119%. Consideration should therefore be given to capping or staggering the increase.

Other budget proposals

- 3.11 The Committee noted Cllr Luxton's comments that the waste strategy had been carefully costed so more detail could have been provided on the proposal to set aside £1m to support this strategy.

The budget process

- 3.12 The select committee feels that more information could be provided to the committee when it considers the annual budget to enable it to consider the budget as a whole. Whereas relatively detailed information is provided on savings proposals, the information provided on pressures/possible growth items is not as detailed. It is therefore difficult to make judgements about whether certain saving proposals are worthwhile, as the committee is unable, easily, to balance these against proposed growth items. The committee appreciates that at this stage in the budget process it is not possible to provide fully worked up proposals in relation to pressures, however, the committee does feel that there is a middle ground and more detailed information could be provided.
- 3.13 Although, in relation to the information provided on pressures, the information provided on savings is relatively detailed, the committee feels that the information provided could be clearer and more detailed in certain aspects. For example, where posts are to be deleted the committee needs to know the size of the team so that a judgement on the relative impact of the proposal can be made. Where a saving proposal requires public consultation before it can be implemented the committee needs to know the cost of the consultation so that it can be clear on what the actual saving will be once consultation costs have been taken into account. Occasionally, the information provided to the committee is misleading. For example, the papers provided indicated that the savings proposal relating to sports and leisure services (£2.6k) would be achieved via a 1% reduction in the events budget. In fact the 1% referred to the original classification of savings against Directorate target savings of 1%, 3% & 5% and, as the events budget was £13.5k, the proposal was actually a 19% cut in the budget.

4. Financial Implications

- 4.1 There are no financial implications arising from this report.

5. Legal Implications

- 5.1 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.

BACKGROUND PAPERS

2009/10 – Budget Report

If you have any queries on this report, please contact Charlotte Dale (ext. 49534), or Kevin Flaherty, Head of Committee Business (ext. 49327).