

Mayor And Cabinet			
Report Title	Comments of the Public Accounts Select Committee on the Revenue Budget Savings Proposals 2009/10		
Key Decision	No	Item No.	
Ward	All		
Contributors	Public Accounts Select Committee		
Class	Part 1	Date	19 November 2008

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 held on the Revenue Budget Savings Proposals 2009/10 at the Committee's meeting on 4 November 2008.

2. Recommendation

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

3. Public Accounts Select Committee Views

- 3.1 On 4 November, the Public Accounts Select Committee considered the Revenue Budget Savings Proposals 2009/10. The Committee considered the main written report; the written supplementary evidence; and verbal evidence from the Mayor, Cabinet Member for Resources, Executive Directors and other officers at the meeting.
- 3.2 The Committee endorsed the comments of the five other Select Committees, outlined in Section 14 of the Revenue Budget Savings Proposals 2009/10 report and made the following comments:
- 3.3 The savings proposals relating to changing the Fair Access to Care Services criterion are not acceptable.
- 3.4 It is unfair to service users and carers to continually re-submit savings proposals relating to changing the Fair Access to Care Services criterion. This does not help co-operative and constructive communication between the Council and service users – a political decision should be taken on the matter and adhered to. (It was also felt that the Council had room to improve in terms of commissioning care services strategically).
- 3.5 Funding for the Blackheath Fireworks display should not be withdrawn. Withdrawing the funding could also be a false economy as having a large public fireworks display reduces the number of private displays held and thus reduces the costs associated with a large number of private displays being held (e.g. healthcare and policing costs). Spreading the cost of the fireworks display to some of the

beneficiaries of the event should be explored (e.g. the PCT could contribute to the cost of the display as it undoubtedly reduces the number of fireworks related accidents in the borough). Business sponsorship should also be further explored.

- 3.6 The savings proposal relating to the loss of a post in the private sector housing team is not tenable at the current time as the work of the team is likely to increase due to the downturn in the housing market (the proportion of people living in rented accommodation will increase and the circumstances will become more challenging).
- 3.7 The savings proposal relating to the increase in leasehold and tenant service charges should be reconsidered. Whilst the principle of full cost recovery is accepted, the sudden increase in charges might be unmanageable for some residents and a phased approach, or capping, might be preferable.
- 3.8 A media strategy around informing the public of the cost per head of delivering certain services (e.g. fly-tipping, graffiti removal etc.) should be developed.

The process

- 3.9 The process around the setting of the budget needs to be modernised. For example, it is difficult to look at savings proposals in isolation from decisions on the level of council tax increase; and the current process results in one service being pitched against another.
- 3.10 The allocation of savings proposals to particular corporate priorities tends to be skewed towards Corporate Priority J (Inspiring Efficiency, Effectiveness and Equity) meaning that the link between savings proposals and corporate priorities is not always clear.
- 3.11 It would be helpful if the Mayor set out his priorities at the start of the budget process, ensured that these priorities were funded as far as possible from within the projected available funding and sought savings from non-priority areas. The committee would like to see a clear statement of what the Mayor's priority areas are and how this is reflected in the revenue budget savings proposals.
- 3.12 It would also be helpful if the Committee could see a breakdown of the council's budget making clear where there is the discretion to propose savings, and where there is not, as this would provide useful context to the consideration of the annual revenue budget savings proposals. (The Mayor mentioned that the council did not have the discretion to make cuts from every element of the budget, meaning that 3% efficiency savings had to be found from within a restricted area of the budget.)

4. Financial Implications

- 4.1 There are no direct 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

Revenue Budget Savings Proposals 2009/10 report – Officer Report to PAC (04.11.08)

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