

Minutes

Overview and Scrutiny Committee

28th October 2009



Councillors	Present	Councillors	Present
J. Baugh	Yes	A. M. Meyer	No
G. Cohen	Yes	R. Ramage	Yes
M. Dunn	Yes	D. E. A. Rice	Yes
Dr. R. L. Evans	Yes	A. F. Shelton	Yes
M. Gage (Chairman)	Yes	Mrs. J. Smith	Yes
J. E. B. Gyford	Yes	F. Swallow	Yes

The following Members and Officers were also in attendance for item 5 of the Agenda concerning Budget Scrutiny.

Cllr. G. Butland, Leader of the Council

Cllr. M. Lager, Portfolio Holder for Efficiency and Resources

Cllr. N. Harley, Deputy Leader and Portfolio Holder for Enterprise and Culture

Mr. C. Fleetham, Corporate Director

Mr. T. Wilson, Head of Finance

Cllr. C. Siddall also attended for this item.

36. DECLARATIONS OF INTEREST

Councillor J. Gyford declared a personal and prejudicial interest in item 5 of the Agenda regarding Budget Scrutiny as he was Treasurer of the Witham Constituency Labour Party which runs a commuter car park at the Witham Labour Hall.

As there was no discussion concerning off street car parking charges he remained in the meeting.

37. MINUTES

DECISION: That the minutes of the meeting of the Overview and Scrutiny Committee held on 1st October 2009 be approved as a correct record and signed by the Chairman.

38. QUESTION TIME

INFORMATION: There were no questions asked or statements made.

39. BUDGET SCRUTINY

Cllr Gage the Chairman welcomed to the meeting Cllr. G. Butland the Leader of the

Council, Cllr. M. Lager the Portfolio Holder for Efficiency and Resources and Cllr. Harley the Deputy Leader and Portfolio Holder for Enterprise and Culture, and also Mr. C. Fleetham, Corporate Director and Mr. T. Wilson, Head of Finance for this initial scrutiny session of the Cabinet's proposed budget for 2010/11.

Cllr. Gage reminded the Committee of its 'critical friend' role in scrutinising the budget and in making constructive comments to assist the Cabinet in its decision making process.

This year the Committee was tackling budget scrutiny in a different way by focussing initially on the overall criteria at this meeting, and then having subsequent sessions with Groups of Portfolio Holders to focus on the proposed budgets for the services that come under their responsibility.

Cllr. Gage also drew attention to the fact that whilst it had been hoped that by this time the economy would be showing signs of recovery it was apparent that the recession would be more prolonged and that it was against this background that the Committee would be scrutinising the Cabinet's proposed budget.

The Committee had before it the following reports:-

- * An update of the Medium Term Financial Strategy (MTFS);
- * Staffing costs for 2009/10 contained in a spreadsheet (Item F (i));
- * Major areas of spend for 2009/10 compared against averages for Essex Districts and all English Districts contained in a spreadsheet (Item F (ii)).

This initial scrutiny of the Cabinet's proposed budget for 2010/11 was based on the following criteria - Assumptions; Shape and Size of the Budget; Priorities; Resources – with a series of questions under each heading.

Councillor Gage invited the Cabinet representatives to begin the session by answering the set questions. Members of the Committee would then follow up with any supplementary questions that they may wish to ask.

A. Assumptions

Question (1) – What do you expect the state of the British Economy to be in the year 2010/11?

Answer by Cllr. M. Lager

We do welcome the more structured approach that is being adopted by the Scrutiny Committee this year in respect of budget scrutiny.

The UK is not in a very good position to come out of the economic decline quickly or strongly, and the recovery is likely to be fragile with little pace in it before the second quarter of 2010. We do not see a great deal of growth in the economy – we see interest rates continuing at low levels. Inflationary pressures are likely to increase. There is likely to be ongoing high unemployment, but this may decrease as the economy improves. There is a lot of capacity in the economy, but there may be some destruction of capacity where, for example, owners demolish buildings to avoid paying business rates on empty properties. The public sector is likely to be significantly restrained. Consequently, the

overall picture is quite a sombre one and the Council needs to prepare itself for a difficult situation in 2010/11 and probably beyond.

Question (2) – What level of income have you anticipated from all fees and charges, receipts from Council Tax, the base tax level for a schedule D band property, and inflation on costs?

Answer by Cllr. M. Lager

The answers to this question are set out in the report headed MTFS Update that was submitted to Cabinet on 12th October 2009 and which has been enclosed with the Overview and Scrutiny Committee's Agenda papers.

Question (3) – What have you anticipated the Government Settlement to be? Will previous advice on this percentage hold good?

Answer by Cllr. Lager

We are coming into the third year of the three year settlement with a 2.9% rise and we are working on the basis that this will be honoured. This settlement has been built into the updated MTFS.

Question (4) – What are the underlying policy assumptions for BDC for the year 2010/11 having regard to items 1 to 3 above?

Answer by Cllr. M. Lager

The main criteria are to:-

- * Focus on the vulnerable in our society to ensure that they enjoy a reasonable standard of living and well-being. Coupled with that we need to ensure that what we provide and what we spend money on represents the people's priorities;
- * There has to be a renewed drive for savings to reinvest in improving our services;
- * We need to continue to be cautious on treasury aspects. Income from investments and deposits remain under pressure so we need to be looking to develop, safely and securely, improved income from the capital that we have at our disposal;
- * We need to keep all of our options open so that as the situation develops we are in a position to bring projects forward or change the timings as necessary.

B. Budget

Question 1

What is the shape and size of the Budget in relation to:-

- (a) each Portfolio Holder;
- (b) quality of service provision;
- (c) capacity to meet the task in hand?

Answer by Cllr. M. Lager

(a) The budget is constructed on the basis of services as opposed to Portfolios. The spreadsheet in Item F (ii) lists all the services, and contains useful statistics about the cost per head and how that compares with other Districts. The Cabinet Portfolios tend to combine types of service in relation to the objectives. There is not a 'shape and size' of the budget in relation to each Portfolio Holder, but that information is implicit in the table in item F (ii).

(b) We have to understand that quality of service is not the same as standard of service. The standard of service is, say, emptying dustbins once a week. If we achieve the standard of service on time within budget that is a good quality service, and quality is taken very seriously. Whether a service is of the right standard is open to consideration, because standards in some cases are driven by the way the service is organised or required to be delivered by legislation rather than what the customers want. There is a requirement for us to look at our services more closely and ascertain what our customers require, and moving resources to match those requirements.

Our budget approach has always been to have a base budget which is carried forward from year to year. We also undertake market testing exercises where relevant to see if it is cheaper to buy in that service from a private contractor. We are in a situation where we cannot stand still and have to consider how we can transform ourselves and deliver services to customers. There are a number of different models for delivering services and we may need to look at these.

The move to new office accommodation whenever it happens may trigger the opportunity to look at new ways of working.

(c) We have enough in all the budgets to provide for the staffing levels and for the delivery of the changes that we need to make.

Supplementary Question by Councillor J. Baugh

As regards the balance of our expenditure and looking at the comparisons in the spreadsheet in item F (ii), we seem to be good in driving down our costs below those of other authorities apart from waste collection and community safety. There are some areas where we underspend in relation to other authorities. By spending more we could actually generate more income either in a primary or secondary way. A business looks to attracting income from outside as well as driving down its own costs. Areas where we underspend appear to be tourism, culture and heritage, and also public conveniences. These are all items that could make the District more attractive. Could you comment?

Answer by Cllr. M. Lager

If we are going to put more money into public conveniences or tourism etc. then either the Council Tax has to go up to pay for it or savings have to come from somewhere else.

Supplementary Question by Councillor F. Swallow

Are we looking at providing detailed costing statements for the future.

Answer by Cllr. M. Lager

When we talk about fees and charges and costs there are accounting standards laid down by CIPFA which all authorities are required to adhere to so there is that attempt to provide some comparability between the two. Trevor Wilson may be able to add more to that.

Answer by Trevor Wilson, Head of Finance

Yes, we are picking up on that. We accept that the budget book does not give sufficient analysis and we will be making changes in next year's budget book.

Supplementary Question by Councillor F. Swallow

There do not appear to be any health and safety charges in the budget book?

Answer by Trevor Wilson, Head of Finance

The definitions of the budget book headings are specified and we make returns based on them to Central Government. Health and safety expenditure is allocated across the main budget headings if there was any expenditure for that particular year.

Supplementary Question by Councillor J. Gyford

The spreadsheet in item F (i) is based upon analysis by service units and I have been comparing those with the cost centres in the budget book. The one particular issue that I was trying to track through, simply because it is topical, is the question of Members Allowances which I can find quite easily on page 86 of the budget book, but I haven't yet tracked down one of the service units under the title of Members Allowances?

Answer by Trevor Wilson, Head of Finance

Item F (i) just gives the staffing costs and staffing numbers for 09/10, and not Members Allowances.

There is a service unit for Democratic Services which would include the staff providing support to Members.

Supplementary Question by Councillor G. Cohen

In Councillor Lager's report to Council on Monday he mentioned that in making savings that some of this would come from pooling services to achieve scale and resiliency gains. Could he clarify what is meant by resiliency gains?

Answer by Cllr. M. Lager

We are already securing these by pooling resources i.e. parking enforcement with Colchester Borough Council. In a situation where two authorities have, say, 5 Civil Enforcement Officers each then if one is absent that represents 20% of your work force. With pooled resources, one officer absent represents just 10% of your work force so you can move staff around more flexibly and cover for holidays and sickness etc, and so it is an improved resilience.

Supplementary Question by Councillor A. Shelton

With reference to Cllr. Gyford's question, are you suggesting that Members Allowances are included in the Democratic Services Service Unit Salary Estimates?

Answer by Trevor Wilson, Head of Finance

No. Members allowances are not included in the salary estimates 2009/10 set out in the spreadsheet in item F (i).

Supplementary Question by Councillor F. Swallow

As regards Salary Original Estimates for 2009/10 set out in the spreadsheet in item F (i), does that include all on-costs?

Answer by Trevor Wilson, Head of Finance

It includes salaries and employers on-costs such as National Insurance and Superannuation.

Supplementary Question by Councillor M. Gage

In relation to the question on capacity (1 (c)), are there areas in which we have over-capacity?

Answer by Cllr. M. Lager

I do not believe that to be the case. We will have a look at this issue in the context of the question under the Resources criteria section where we can pick up the point made by Cllr. Baugh about high cost services and low cost services. You need to look at the total costs of services, and the best way of providing them.

C. Assumptions

Question (1)

What are the priorities of the Cabinet?

Answer by Cllr. M. Lager

The principle has to be that it is the priorities that attract the funding. We have to start off with what matters to people and we have gone through a number of exercises in the past – Mori opinion polls, input from Members who talk to residents, citizens and customers – and that all provides input. We have got our own judgements and experience, and there is a lot of data that we have had in the past on which the Council's priorities relating to 'green and clean', and 'feeling safe and well' etc have been founded and which the Council as a whole signed up to.

We test those priorities each year to ensure that our understanding is and remains correct.

We have to have an ongoing shift from 'history' to 'need'. There is a lot of history about spending on different things and we are still burdened with spending on those services because it is something that we have always done. We still need to question those and

this may be a role for Overview and Scrutiny if your resources permit. We need to ask whether we have the right standard for those services and whether we need to provide those services at all if people say that they are not important to them.

In summary, therefore, we need to recap on the priorities that we have identified, to make sure that the funding follows the priorities, and to revalidate those priorities through the budget consultation process.

We will then have a menu of choices to help us determine which services we need to support, those we need to enhance and those we need to diminish.

Supplementary Question by Councillor J. Gyford

Does the budget consultation process now include the new People's Panel?

Answer by Cllr. G. Butland

Yes. We will also be conducting a Simalto consultation exercise where ideally we want to try and reach 3000 people to gauge their priorities on Council services. The consultation process this year will be the most extensive one that we have undertaken to date.

Supplementary Question by Councillor G. Cohen

I would imagine that there is quite a bit of difference in people's priorities across the District. How is that going to be taken into account in determining the budget?

Answer by Cllr. M. Lager

I think there is going to be a variation, but you adopt the sort of approach that an individual adopts when you list the things that are important to you. There will be some things that you have got to do and other things that it would be nice to do.

We have got to look after those that cannot look after themselves. We have to look at those services that people tell us improve the District and are important for their well-being – activities for teenagers is an issue high on the list.

You have to prioritise which services are the most important – we cannot always do everything all of the time.

Supplementary Question by Councillor F. Swallow

Is the Simalto consultation exercise to be District wide?

Answer by Trevor Wilson

Essentially, the Simalto exercise is web based and will cover a cross section of the people in the District.

Supplementary Question by Councillor M. Gage

What we really want to know is what are the Cabinet's priorities? What are you going to cut out, what are you going to concentrate on, and what are you going to leave behind?

Answer by Cllr. G. Butland

That is clearly the key question. We do need to look more than one year ahead and the paper that you have before you on the MTFS Update shows that we have been looking at the three years past 2010/11. We will come to the end of the three year settlement of Government grant in 2010/11 and there are likely to be future serious and severe restrictions in public expenditure. Given that both major political parties have committed themselves to protecting certain elements of public expenditure relating to Education and the NHS then there are going to be reductions elsewhere. Local Government will therefore face severe restrictions. We are therefore looking at reductions over the next two years of £1m to £1.5m which is based on the middle option of an annual reduction in the grant settlement of 3.33% from 2011/12 to 2013/14.

As far as the Portfolio Holders are concerned, they are working to those figures and will be coming forward with proposals that match those amounts, but with every encouragement to look for further reductions in case we have a worst case scenario in respect of grant settlement.

It means we have to concentrate on our core services. Some services which might be considered to be nice to have may well have to go.

Tampering at the edges of some services is not likely to produce sufficient savings, and undoubtedly we will have to look at some services and decide whether they have to go completely in order to achieve the significant savings we are looking for.

Supplementary Question by Councillor M. Dunn

Can you tell us some of the services that you believe are nice to have, and whether we could have a discussion about that today?

Answer by Cllr. G. Butland

Not at this moment because they are subject to discussions, but they will be made public. I am very happy that we then come back to you at subsequent meetings to discuss these in detail. We have only at this stage made one potential area public and that is the issue regarding the proposed withdrawal of the Parish Support Grant, because there are other organisations that need to be able to think about this in terms of their own budget setting process.

Supplementary Question by Councillor J. Baugh

There are possibly three different areas we have to spend money in – things we have to do – things we do not have to do – things that are desirable to do. How are the priorities decided by Cabinet. For instance, how do we attract income into the District through encouraging businesses and tourism etc.?

Answer by Cllr. N. Harley

As an authority, economic development is a high priority. We have the immediate economic problems to face, but we are fortunate that in this District through Business Development Services (BDS) we have an organisation that has an excellent record in helping small businesses both in the early stages and most importantly seeing them through the first two years or so of their life. We feel that priority has to go to support an

organisation like BDS. We have promoted a number of initiatives to help businesses. We have given a break on business rates – we have given a commitment as an authority to pay our suppliers promptly. These all help small and medium sized businesses which are the backbone of the economic activity in this District.

Looking forward, there are difficult times ahead and clearly BDC is in competition with other Councils in attracting businesses to the area. Over the medium to longer term, our policy is to attract business into this area. We have a number of dynamics working in this District – one of them is that a large number of people commute to the bigger towns particularly London. Realistically, there is only so much that you can do to stem that. At the same time we are very enthusiastic about trying to attract business and make the District really attractive, so it is definitely one of the Cabinet's priorities.

D. Resources

Question (1)

Where are the main resources going to be applied to each Portfolio and for what reason?

Answer by Cllr. M. Lager

At this stage, all we have is the MTFS and we do not have the proposed budget in detail. This will be available following the December Cabinet meeting. The analysis is still by service rather than portfolio, but I do not feel it will be hugely different to what is contained in the spreadsheet in item F (ii).

I would point out that generally we are already a low spending authority. Spending more does not necessarily guarantee a better quality or standard of service – the important thing is how you spend it and what you spend it on and whether you buy wisely. The fact that we have some quite low costs in comparison to others means that we have already gone a long way in making the Council streamlined and effective. We need to continue that process and ensure that we take out waste and make the processes flow.

We recognise that we already have high net costs on Waste Collection and there are certain reasons for that. The Parking Services shows under-recovery of income, and decisions will have to be made on the extent in which we engage in enforcement and recovery and generating income.

We are extremely good on benefits administration and compare extremely well with other Districts.

You will get the detail of where resources are going to be applied at your meeting in December following the Cabinet meeting, but the principles remain as discussed earlier in the meeting.

Supplementary Question by Councillor M. Gage

Do you feel that we are holding this first budget scrutiny session a little too early in the budget cycle?

Answer by Cllr. M. Lager

No. We do welcome the more structured approach where we take this meeting to look at principles, shape, process, timing etc, and we get the detail, once this has been worked out, to a later meeting. The capital programme is not available at present. All we can indicate is what level of resources we expect to have available and that is in the MTFS. Some of the commitments and aspirations that we have are also in the MTFS.

Answer by Cllr. G. Butland

Page 3 of the MTFS sets out the issues the Cabinet considered and I do not feel it is too early for the Overview and Scrutiny Committee to give a view as to:-

- * whether the assumptions in the report and on which the budget will be based are realistic;
- * the consequential impact of the revised assumptions on the MTFS;
- * the increase in savings of between £1.2m to £1.5m to address the funding gap;
- * the specific issue relating to the Parish Support Grant.

We will come back to you a second time as regards the details of how we are going to make the £1.2m to £1.5m savings.

Supplementary Question by Councillor M. Gage

On page 1 of the MTFS, reference is made to the loss of income received from Service Level Agreements with Greenfields CH, why did we lose those service level agreements?

Answer by Cllr. M. Lager

As regards the loss of the Grounds Maintenance contract, our information is that BDC's bid was twice the size of that of the successful bidder. I cannot offer any explanation as to why the successful bid came in so low. BDC made a very realistic bid based on what it cost us to provide that particular area of activity.

The bigger picture with Greenfields CH is that with them moving out of Causeway House they want to be "Greenfields" with their own identity, and not part of BDC.

Supplementary Question by Councillor M. Gage

On page 5 of the MTFS relating to expenditure budgets and the issue with Essex County Council occupying the space vacated by Greenfields CH, why are ECC requesting a rent free period of four months?

Answer by Cllr. M. Lager

This is what the market requires at the present time.

The commercial property market has been in a decline for some considerable time with capital values collapsing across the industry, and rents in all sectors very much under pressure. There is a lot of accommodation that is empty and I do not foresee a change in the near future.

Supplementary Question by Councillor M. Gage

On page 9 of the MTFS, paragraph 2.3 Housing Revenue Account Balance, we do need to be able to explain to the public in simple terms why the predicted losses on the Icelandic banks cannot also be charged to the Housing Revenue Account as well as the General Fund. Would you comment?

Answer by Cllr. M. Lager

We could close the Housing Revenue Account immediately and transfer the balance to the General Fund, but we would lose £2m to £3m of government subsidy and it clearly makes no sense to do that.

I would look to the Council's PR Section to put this across to the public in an understandable manner.

Supplementary Question by Councillor Mrs. J. Smith

How many people are employed under the Service Level Agreement with Greenfields in respect of the Grounds Maintenance Contract that the Council currently carries out, but where we were unsuccessful in the recent bidding process?

Answer by Chris Fleetham, Corporate Director

I believe there are nine posts although two are vacant, so there will be seven employees who will transfer across to the new contractor.

Supplementary Question by Councillor Mrs. J. Smith

Looking at the costs associated with Horticultural, Plant Shop and Landscape Services which appear quite substantial, I noticed the other day that there was a separate contractor employed by the Council for maintaining hanging baskets. Where would that cost show and is it necessary to employ outside contractors when we could employ our own staff?

Is it necessary to have £21,000 costs for vending machines?

Answer by Cllr. G. Butland

When you have a funding gap of £1.2m to £1.5m, you have to focus on the big picture. Vending machines are £21,000 and hanging baskets are about £7000 – some of those items may well go, but in the scheme of things they are quite small amounts. We need to be looking at those services that cost us £0.25m and ask 'is that service worth doing?' There are at least 5 or 6 of those services that we are currently looking at in terms of meeting the funding gap. We need to be looking at those big services. The bulk of our costs are staffing costs and to make savings we have to reduce staff and staff costs. Inevitably, we are going to be reducing staffing levels by a factor that this Council has not seen for many years.

Supplementary Question by Councillor D. Rice

What would be the position if the Audit Commission suddenly carried out an audit of our accounts and our performance. If that was the case, have you any areas of concern in respect of services that would require bolstering or resources switched, or where we needed to do so to meet our statutory obligations?

Answer by Cllr. G. Butland

That is exactly what has happened as part of the Comprehensive Area Assessment. The Audit Commission has inspected us and we have a copy of their draft report. It is embargoed until 10/12/09, but I think you will be pleased with the Audit Commission's report about this authority.

There is one area that the Overview and Scrutiny Committee might want to look at, but I cannot comment further due to the report being embargoed.

Supplementary Question by Councillor A. Meyer

In relation to the salary costs and staffing levels set out in the spreadsheet in Item F (i), can you clarify the items relating to Customer Services Duty Officers (£167,900 – 4 FTE); Project Management Office (£160,400 – 4 FTE); Housing advisory (£278,590 – 8.18 FTE); Housing Advisory – ODPM (£51,660 – 2 FTE); Planning Policy Unit (£359,470 – 8.81 FTE). Can you comment on those particular staffing levels as they seem quite high. Are these the sorts of things that will be looked at?

Answer by Cllr. G. Butland

One of the difficulties we have is that we are already quite a lean organisation, and it does make reductions that more difficult.

I can assure you that when we come back to you as to how we are going to bridge the funding gap of £1.5m you will see the impact upon these staffing numbers and staffing costs.

We are in discussions with the Trades Union, because we have to handle this as a good employer as well as in terms of how we treat our staff. There will be a significant reduction in staffing if Council agrees that certain services should go.

Supplementary Question by Councillor R. Ramage

Have you made provision in the budget for the cost of redundancies?

Answer by Cllr. G. Butland

We originally put in £1/2m contingency for redundancies, but that has now been increased to £1m.

Supplementary Question by Councillor R. Ramage

On page 6 of the MTFS (Other pressures/risks), there is reference to the 2009/10 budget anticipating a reduction in energy costs of £51,980 when the contract is renewed in October 2009. As we are now in October was there in fact a reduction?

Answer by Trevor Wilson, Head of Finance

Unfortunately, we do not know at this present time, but we should know shortly.

Supplementary Question by Councillor F. Swallow

In respect of the HRA, is there anything to stop the Council transferring a small portion to the General Fund this year to help out the Council's finances?

Answer by Cllr. M. Lager

We do not need to because the reserves and other balances we have access to are sufficient to cover what we are going to be faced with.

Secondly, there are strict rules and regulations about what you can transfer between the two accounts.

Supplementary Question by Councillor A. Shelton

I understand that the salary figures that are shown in the spreadsheet in Item F (i) include on-costs. Can you tell me what the % is in relation to on-costs?

Answer by Trevor Wilson, Head of Finance

Approximately 20%.

Supplementary Question by Councillor A. Shelton

Are these levels of salary in line with what is generally earned within the District?

Answer by Cllr. G. Butland

The Council is probably as good a representation as any employer in the District in that we have a number of staff who are not highly paid and who earn less than the average medium wage, as well as senior managers who are earning more than the medium wage. In terms of our senior managers, I know our salaries bear favourable comparison with other local authorities.

Overall, I believe the Council is a fair payer of its staff.

In terms of the District as a whole, we have some very high earners who live in our area.

Supplementary Question by Councillor M. Dunn

As regards the annual pay award, is it practical for us to go to a local bargaining situation as opposed to being part of the national local government pay negotiations, and is it feasible to approach staff to take pay cuts in order to preserve their jobs?

Answer by Cllr. G. Butland

Any local authority can decide to determine its own pay and conditions for staff, and indeed some do. The vast majority of authorities work as part of the Local Government Employers Association. The advantage of that is that we do not have to employ a large HR staff to deal with pay negotiations and all the ramifications that come from that. There

was a difficulty this year in that there was a difference of opinion between the Conservative Members of the Employers Association and the Labour and Liberal Democrat Members, and the Conservative Members were outvoted.

We could change to a local bargaining position, but it would mean changing the terms of conditions of all of our employees. There are also other implications relating to pensions and other staffing issues, and I suspect we would need to double the number of HR staff that we currently employ.

It is interesting to note that those authorities who opted for a local bargaining situation ended up making a pay award of between 2% and 2.5% whilst the Employers Association made a pay award of 1%.

At the conclusion of the session, Cllr. Gage thanked Cllrs. Butland, Lager and Harley and also Chris Fleetham and Trevor Wilson, for attending to answer the Committee's questions

As this was the first budget scrutiny session using the new format, the Committee went on to discuss how beneficial the session had been.

Some Members felt that the session had been a little premature as regards timing although it was accepted that more detail would be provided as the budget making process progressed. It was noted that there would be opportunities for Members to question individual Portfolio Holders at subsequent budget scrutiny sessions, and to drill down deeper on specific issues even though the budget is constructed on the basis of services as opposed to Portfolio groupings.

It was generally felt that the session had been useful, and that using a question plan based on the criteria of 'Assumptions', 'Shape and Size of the Budget', 'Priorities' and 'Resources' for this opening session had worked well.

There was a consensus that the framework that was being proposed by the Cabinet for compiling the budget was a sensible one. Members were, however, keen to see the detailed budget proposals that would come to the Committee's next meeting in December.

Cllr. Gage reminded the Committee that as in previous years if any members wished for clarification or detailed information concerning specific items regarding the Council's finances they could contact Chris Fleetham and Trevor Wilson who would be pleased to answer any query.

A review of this year's budget scrutiny process will be undertaken at the last meeting of the Committee in the current civic year to take on board any lessons or improvements.

40. SCRUTINISING LAA IMPROVEMENT TARGETS – LOCAL AUTHORITIES (OVERVIEW AND SCRUTINY COMMITTEES)

The Scrutiny Manager presented a report concerning new regulations introduced by the Government to widen the role of District Council's Overview and Scrutiny Committees in scrutinising Local Area Agreement improvement targets.

The new powers (which came into force on 12th August 2009) are as follows:-

- * The District Council's Overview and Scrutiny Committee may make reports and recommendations to the County Council on matters relating to a local improvement target;
- * The County Council will be required to respond to the District Council's Overview and Scrutiny Committee report or recommendations within two months;
- * Partner authorities to which the target relates will be required to have regard to reports and recommendations from the District Council's Overview and Scrutiny Committee.

It was noted that the scrutiny of LAA targets is not mandatory, and that the Committee has discretion to decide locally, within the parameters of the regulations, what it wants to do in the way of scrutiny. This would also be dependent on the resources that the Committee has available.

In discussing this item, the Committee felt that given the increase in new scrutiny powers this year it would need to keep capacity issues under review both in terms of the workload of the Committee and that of the Scrutiny Manager.

DECISION

It is **RECOMMENDED** to Cabinet that:-

- (1) the Overview and Scrutiny Committee develops a protocol on working practices with the Braintree District Local Strategic Partnership to ensure that the scrutiny process for the scrutiny of LAA improvement targets is effective and efficient;
- (2) the functions and terms of reference of the Overview and Scrutiny Committee in relation to the scrutiny of LAAs improvement targets be incorporated in the Council's constitution.

41. TASK AND FINISH GROUPS

The Committee considered the recommendations of the Scrutiny Steering Board regarding the Chairman and composition of the Public Services Provision for Older People Task and Finish Group.

DECISION

- (i) that Cllr. R. Ramage should be appointed Chairman of the Group;
- (ii) that the Group should comprise the following Members: Cllrs. J. Baugh; J. Elliott; Mrs. S. Howell; R. Ramage (Chairman); D. E. A. Rice; A. F. Shelton; C. Siddall.

The Scrutiny Manager advised the Committee that the principal Support Officer for this Group, Joanne Albini the Head of Housing, was currently under some considerable work pressure due to the sickness absence of a key member of her staff, and would not be able to support the Group until January.

It was agreed that the Scrutiny Manager should have discussions with the Chairman of the Group with a view to arranging an informal first meeting of the Group before Christmas. The first formal meeting of the Group would then take place in January when Joanne Albini would be available to support the Group.

42. FORWARD PLAN – 1ST November 2009 to 28th February 2010

Members received the four month Forward Plan for the above period.

DECISION

That the contents of the Forward Plan be received and noted.

The meeting closed at 9.30pm

M. Gage
Chairman