

Minutes

Overview and Scrutiny Committee

5th January 2011



Councillors	Present	Councillors	Present
J. Baugh	Yes	A. M. Meyer	Yes
G. Cohen	Yes	R. Ramage	Yes
M. Dunn	Yes	D. E. A. Rice	Apologies
Dr. R. L. Evans	Yes	A. F. Shelton	Yes
M. Gage (Chairman)	Yes	Mrs. J. Smith	Apologies
J. E. B. Gyford	Yes	F. Swallow	Yes

The following Members were also in attendance for item 5 regarding budget scrutiny.

Cllr. G. Butland, Leader of the Council

Cllr. Mrs. J. Beavis, Portfolio Holder for Customers and Community Support

Cllr. D. Bebb, Deputy Cabinet Member for Customers and Community Support

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

Cllr. Mrs. W. Schmitt, Portfolio Holder for Clean, Green and Safe (Apologies were received from Cllr. C. Sidall the Deputy Cabinet Member)

Officers in attendance: Mr. T. Wilson, Head of Finance

Mr. L. Crabb, Head of Environment

41. DECLARATIONS OF INTEREST

Cllr. M. Lager declared a personal interest in relation to item 5 of the Agenda as he was a member of the Essex Local Government Pension Scheme Board. He remained in the meeting and took part in the discussion.

42. QUESTION TIME

There were no questions asked or statements made.

43. MINUTES

DECISION: That the minutes of the meeting held on 21st and 27th October 2010 be approved as a correct record and signed by the Chairman.

44. BUDGET SCRUTINY

Part 1

The Committee had before them a copy of the update of the Medium Term Financial Strategy that was considered at the Cabinet meeting on 7/12/10. The financial position

presented in that report had been provisional pending notification of the grants receivable from the Government.

Cllr. Butland advised the Committee that the grant notification had not been received until 13/12/10. Prior to the notification, the Council had been planning for a 33% reduction in Government grant over 4 years spread evenly over that period.

The grant notification now received indicated that the anticipated grant reductions had been substantially front loaded. Formula grant would be reduced by 15.8% in year 1 – 2011/12 (our reduction assumption was 9.6%). This equates to a reduction of £1.429m which is £447,000 more than profiled. In year 2 – 2012/13, the formula grant has been reduced by a further 12.7% (our reduction assumption was 9.6%). This equates to a reduction of £0.963m which is £80,000 more than profiled.

There is also the impact of changes to concessionary fares which over the two years will cost the Council a further £193,000 per annum.

Over the two years, the Council's grant funding will be reduced by £2.4m.

As regards the amount of Government grant that the Council is likely to receive in years 3 and 4, Cllr. Butland felt that this would probably be dependent on how the economy performed, but hoped that there would be less pain in these years given that the reductions had been front loaded.

There was some good news in that Housing Benefit Admin. Grant had been reduced by £140,000 less than anticipated, and the homelessness grant had increased by £21,000.

The net result is that there is a shortfall against profile of around £300,000 in year 1 and £250,000 in year 2.

Cllr. Butland advised that since receiving the grant notification all members of the Cabinet had been working on potential for other areas to achieve the savings required including bringing forward a number of proposals. The results of the budget public consultation process were also awaited.

The County Council had put back its Cabinet and Council meetings to allow more time to determine its budget. Similarly, the District Council's Cabinet meeting to consider its final budget proposals had been put back to 14/2/11, and the full Council meeting which will make the final decision on the budget had been put back to 23/2/11.

Cllr. Butland indicated that overall there was more work to be done as a result of the front loading of the government grant reductions before the budget proposals could be finalised, and this work was currently ongoing.

The papers for the Cabinet meeting on 14/2/11 will be published on 3/2/11.

Cllr. Gage the Chairman then invited Members to ask any questions of the Leader.

Question by Cllr. J. Gyford

I wanted to express concern about the information that is made available to the Committee in respect of the work that has been done and will continue to be done on customer impact.

The MTFS report to the December Cabinet (Appendix B – Draft Summary of budget saving proposals) includes brief details of customer impact. I appreciate that this is work in progress, but it would have been helpful for the Committee to have had access to the detailed analysis which underlay those assessments. However, I understand from the Chief Executive that we are not to have that information at this stage which I feel is unfortunate in terms of the Committee doing its job properly.

Would the Leader please comment?

Answer by Cllr. G. Butland

In each of the budget saving proposals that we decide to pursue there will be an implementation plan and also a report on the outcome of the consultation. If there are any specific examples that Cllr. Gyford would like to give then I am happy to take them forward. This has been a very difficult budget process quite unlike anything we have had previously.

Question by Cllr. R. Ramage

What is the timescale for the completion of the further work by Cabinet Members in identifying potential areas for further savings?

Answer by Cllr. G. Butland

Work has been continuing for a number of months. I together with Cllr. McCrea and Siddall have been acting as a 'Star Chamber' and have had meetings with all the Portfolio Holders on two occasions to go through their portfolios, and there is likely to be a further round of meetings to go through their portfolios again with a view to making further changes to the figures.

Part 2

Cllr. Gage reminded the Committee that this part of the budget scrutiny session was to ask supplementary questions of the following Cabinet Portfolio Holders:-

Cllr. Mrs. J. Beavis, Portfolio Holder for Customers and Community Support
Cllr. M. Lager, Portfolio Holder for Efficiency and Resources
Cllr. Mrs. W. Schmitt, Portfolio holder for Clean, Green and Safe

The Committee had before it the written responses provided by the Portfolio Holders to the following set questions:-

- (1) Can you explain how you developed your budget for 2011/12 taking into account corporate priorities and the Medium Term Financial Strategy 2008/09 to 2011/12?
- (2) With the current climate, what efficiency savings have you put in place and what effect will they have on services etc.?
- (3) How have you taken decisions about which services are considered priorities and which are not?
- (4) Are there any proposed changes to the budget for service areas and, if so, what are their implications for service users, with particular emphasis on potential areas for budgetary cuts?

Cllr. Gage also drew the Committee's attention to the fact that the written responses had been compiled prior to receipt of the notification of the Government's grant, and that Members would need to bear this in mind when asking supplementary questions.

Cllr. Mrs. J. Beavis, Portfolio Holder for Customers and Community Support, and Cllr. D. Bebb, Deputy Cabinet Member

Supplementary questions asked by members of the Committee covered the following issues:

- Withdrawal of travel tokens – availability of other options for customers;
- The new locality model for engaging with rural communities;
- The impact on customers of reducing the opening times of Causeway House, and the amount of savings;
- The impact of ceasing the payment of £20k to the Rural Community Council of Essex;
- The possibility of the public registering by e-mail for the Contact Magazine;
- Assessing the level of customer satisfaction;
- Implications of reducing the activity of the Marketing and Communications Team;
- Sustaining the service level agreements with the Citizens Advice Bureau and the Braintree District Voluntary Services Agency;
- Continuing the Community Transport Scheme.

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

Supplementary questions asked by members of the Committee covered the following issues:

- The public consultation process for the budget and associated timetable;
- The concept of strategic commissioning of frontline services, and associated availability of effective market places for going out to tender on major contracts of this nature;
- The Local Government Pension Scheme and the Council's contributions, and associated issues;
- Implications of early repayment of £6m of loans;
- Alternative arrangements for customers as a result of stopping benefit surgeries at the Area Offices;
- Alternative arrangements for customers as a result of closing the Cashiering Facility, and internal arrangements for customer payments.

Cllr. Mrs. W. Schmitt, Portfolio Holder for Clean, Green and Safe

Cllr. Schmitt advised the Committee that in her written answer to set question 2, answers 2.1 to 2.7 related to Environment Services savings that had already been made in the 2010/11 financial year and had been inadvertently included as proposals for 2011/12. The only proposed new saving under Environment Services for 2011/12 was a frozen Building Control post of £23,000.

Supplementary questions asked by Members of the Committee covered the following issues:

- Witham Public Hall – possible charitable trust to manage this and other community facilities;
- Proposed closure of chapels and toilets in cemeteries;

- Increasing capacity in Street Scene Services.
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At the end of the budget scrutiny session, Cllr. Gage thanked the Leader and the Portfolio Holders and officers for their contributions and for attending tonight's meeting.

This was the first pilot session in which the Portfolio Holders had submitted written answers to the set questions and there was a general consensus amongst the Committee that this arrangement worked well and facilitated a better structured scrutiny of the Cabinet's budget proposals.

45. SECTION 106 AGREEMENTS – MANAGEMENT OF CONTRIBUTIONS

The Committee received the Cabinet's formal response to the Committee's recommendations in connection with this study as contained in the report to the meeting of the Cabinet on 22/11/10 and accompanying minute extract.

DECISION: That the Cabinet's formal response be noted.

46. TASK AND FINISH GROUPS

Cllr. Ramage the Chairman of the Public Service Provision for Older People Task and Finish Group advised the Committee that the Group's final report and recommendations had been submitted to full Council at its meeting on 6/12/10. He had been very pleased at the information and the presentations that had been made by a number of organisations connected with the elderly that had helped to inform the Group's study. The report had been well received by the Council and would now be considered by Cabinet at its meeting on 14/2/11.

Cllr. Ramage expressed his thanks to those Members who had served on the Group and to the support Officers who helped facilitate the Group's study.

Cllr. Gage referred to his plea at full Council that more members should serve on Task and Finish Groups as those members who had participated had found them to be a beneficial and rewarding experience. This view was supported by Cllr. Shelton who had served on 3 Task and Finish Groups and had found them both interesting and rewarding, and enabled frontline members to examine issues in depth and formulate meaningful recommendations.

DECISION: That Cllr. Ramage's verbal report be noted.

47. SCRUTINY HEARING – RE: THE COUNCIL'S HANDLING OF ISSUES CONCERNING THE FUTURE OF SILVER END VILLAGE HALL

DECISION: It was noted that the Scrutiny Hearing will take place at the meeting of the Overview and Scrutiny Committee on 26/1/11.

48. RESCHEDULING OF 20/12/10 CANCELLED OVERVIEW AND SCRUTINY COMMITTEE (BUDGET SCRUTINY)

DECISION: It was noted that this meeting had been rescheduled for 6/1/11.

49. DECISION PLANNER - 17/12/10 to 30/4/11

Members received the four month Decision Planner for the above period.

DECISION: That the contents of the Decision Planner be received and noted.

The meeting closed at 8.55pm.

M. Gage
Chairman