

**Decisions of the Budget & Performance
Overview & Scrutiny Committee**

20th December 2010

Members

- * Councillor Darrel Yawitch (Chairman)
- * Councillor Mark Shooter (Vice-Chairman)

Councillors:

- | | |
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| * John Marshall | Alison Moore |
| * Hugh Rayner | * Julie Johnson |
| * Brian Salinger | * Alan Schneiderman |
| * Brian Schama | |
| * Daniel Seal | |

(* denotes member present)

Also attending:

- | | |
|--------------------------|-------------------------------------------------------------------------|
| Councillor Andrew Harper | Deputy Leader, and Cabinet Member for Education, Children & Families |
| Councillor Daniel Thomas | Cabinet Member for Resources & Performance |

1. MINUTES OF THE PREVIOUS MEETING

RESOLVED – That the minutes of the meeting held on 25th November 2010 be approved.

2. ABSENCE OF MEMBERS

Apologies for absence were received from Councillor Alison Moore.

Apologies for absence were also received from the Leader of the Council, and from the Cabinet Member for Adults.

3. DECLARATION OF MEMBERS' INTERESTS (INCLUDING WHIPPING ARRANGEMENTS)

Councillors Yawitch, Shooter, Rayner, Brian Salinger, Marshall, Schama and Seal declared that they had been subject to a Conservative Group whip in respect of the support of recommendation 1.5 of the Cabinet report included as Appendix A to Item 6, Financial and Business Planning.

Councillor Brian Salinger declared a personal, non-prejudicial interest in item 6, Financial and Business Planning, through being Chairman of the management committee of the Pupil Referral Unit.

4. PUBLIC QUESTION TIME

The Committee were addressed by a member of the public, Mr John Dix, relating to the consideration of alternative scenarios should budget savings not be achieved, a review of contracts held by the Council and the drawing of rental payments from contingencies for the North London Business Park. Officers responded that they were confident that savings would be achieved, that a review of Adult Social Care contracts was ongoing, and that payment of rental of the North London Business Park was a specific item held within the authority's contingency funds.

5. MEMBER'S ITEMS

None.

6. FINANCIAL AND BUSINESS PLANNING: 2011/12 – 2013/14

The Committee received the Cabinet report on the Budget Headlines, and were pleased that comments and requests for further detail made at their meeting of 19th October 2010 had been incorporated.

The Committee noted the outcome of the recent Comprehensive Spending Review grant settlement, which was largely in line with the authority's expectations. Barnet would be slightly better off than expected in Year One (by an approximate figure of £1 million), and slightly worse off than expected in Year Two (also by approximately £1 million). The settlement was for the next two years, rather than the expected three; the Committee noted that the budget headlines compiled before the announcement of the settlement.

In quantifying the need for savings, the Committee was informed that a net figure of £43.1 million was required to balance the budget. Aside from the retention of the Dedicated Schools Grant, the removal of grant ring-fencing gave the authorities such as Barnet more flexibility in terms of spending, but an expected review of local government finance in due course would likely lead to further changes in the manner in which money was received and spent.

The Cabinet Member for Resources & Performance was pleased at the progress of consultation on the budget through mechanisms such as the Citizens' Panel and the Civic Network, and informed Members that further engagement work was ongoing.

It was noted that Adults and Childrens, although still having to make significant savings, had not been made to do so to the extent of other directorates owing to the large number of statutory services for which they were responsible. Work was ongoing on the renegotiation of Adult Social Services contracts, forming as they did approximately 80% of the spend by the service. Members suggested that work be undertaken to investigate the use of shared services and joint procurement with other authorities.

The Committee discussed the Council's use of the voluntary sector, and hoped that

the sector would continue to be valued and contracted to in the current financial climate. The advantages of information sharing to allow the voluntary sector to bid competitively were addressed, but Members noted that support needed to be balanced against the need to maintain a competitive marketplace and work within procurement rules. As the Council sought to become more of a service-enabler, structures were in place to work closely and strengthen existing relationships with the voluntary sector. The Committee reaffirmed their belief in the importance of the voluntary sector to the life of the borough and service delivery.

The Committee supported the investment of £1 million in early intervention services, on an 'invest to save' basis. The abolition of much grant ring-fencing allowed the authority an opportunity to refocus and target its resources on those families who required the greatest support. The Committee noted that those who required the highest levels of support were spread across the whole borough.

The Committee noted that the authority planned to continue to provide allowances for adoption and foster carers within the overall budget, with any changes taking place in consultation with foster carers and the families of children in care.

Savings resulting from increased usage of e-recruitment were reflected in the individual budget proposals of services. A pay freeze had been instituted for all staff on salaries of more than £21,000 per annum.

In discussing continuing spend on social media, Members were informed that social media provided a cost-effective tool in gaining higher levels of response to consultations and in engaging with residents.

The Committee were informed that weekly collections of residual waste would continue. The most recent change in recycling rules in November 2008 had resulted in an uplift in recycling in the borough, although it was acknowledged that the rate could be further increased.

Current CPZs were being reviewed to ensure that residents continued to receive benefits from them. Proposals relating to allotments were to be viewed as on an 'invest to save' basis, as local management of the plots by local people was likely to save the authority money in the long-run, whilst also being consistent with 'a new relationship with citizens'.

The Committee requested that officers investigate whether the skip service could continue, but with a charge attached to it. As part of their work in responding to the consultation, officers assured the Committee that this would be considered.

RESOLVED –

- 1. That the need for good value for money in procurement continue to be actively encouraged, with further possibilities of tender consolidation actively investigated by officers.**
- 2. That officers and Cabinet Members ensure that it is doing all it can to engage with and support the voluntary sector at the current time,**

- 3. That the Committee continue to conduct scrutiny on the budget throughout the budget setting process.**

7. MONITORING: 2010/11

The Committee received the Quarter 2 monitoring position, and focussed their discussion on the current financial position.

It was noted that the authority maintained unallocated reserves of approximately £15 million pound. Pressures relating to safeguarding and lower levels of income into the special parking account meant that the authority was still running an overspend, but officers were confident that this would reduce from the current level of approximately £3.4 million.

Funding had previously been set aside for the consolidation of Closed Circuit TV operations into the North London Business Park, but it was the view of officers and the Cabinet that use of this funding for other projects would be more relevant at the current time.

The Cabinet Member and officers were confident that the £7 million identified One Barnet savings would be achieved. The Committee noted the unprecedented current budget pressures and agreed that a high level of vigilance was required in the current climate to ensure that the necessary savings were achieved.

RESOLVED –

- 1. That the financial position as set out in the Monitoring Report 2010/11 be noted.**

8. CABINET FORWARD PLAN

The Committee noted the Cabinet Forward Plan.

RESOLVED-

- 1. That the Cabinet Forward Plan of Key Decisions be noted.**

9. BUDGET & PERFORMANCE OVERVIEW AND SCRUTINY COMMITTEE FORWARD WORK PROGRAMME

The Committee agreed their forward work programme.

RESOLVED-

- 1. That community representatives be invited to attend the next meeting of the Committee on 27th January 2011 as part of the Committee's role in budget consultation.**
- 2. That the current work programme be agreed.**

10. ANY ITEMS THAT THE CHAIRMAN DECIDES ARE URGENT

There were no such items.

The meeting concluded at 9:52pm.