

Decisions of the Budget and Performance Overview and Scrutiny Committee

20 February 2013

Members Present:-

Councillor Anthony Finn (Chairman)
Councillor Joan Scannell (Vice-Chairman)

Councillor Geof Cooke
Councillor Brian Gordon
Councillor John Marshall
Councillor Arjun Mittra
Councillor Alison Moore
Councillor Hugh Rayner
Councillor Alan Schneiderman

Also in attendance

Councillor Dean Cohen – Cabinet Member for Environment
Councillor Andrew Harper – Cabinet Member for Education, Children and Families
Councillor Sachin Rajput – Cabinet Member for Adults
Councillor Daniel Thomas – Deputy Leader / Cabinet Member for Resources and Performance

Apologies for Absence

Councillor Reuben Thompstone

1. MINUTES OF THE PREVIOUS MEETING

RESOLVED that the minutes of the meeting held on the 24 January 2013 be approved as a correct record.

2. ABSENCE OF MEMBERS

An apology for absence had been received from Councillor Reuben Thompstone.

3. DECLARATION OF MEMBERS' INTERESTS

| Member | Subject | Interest declared |
|-------------------------|---|--|
| Councillor Alison Moore | Agenda Item 6 (Budget Scrutiny – Business Planning 2013/14 – 2015/16) | Non-pecuniary interest as the Chairman of the Advisory Board of Newstead Children's Centre |

4. PUBLIC QUESTION TIME

None.

5. MEMBERS' ITEMS

None.

6. BUDGET SCRUTINY - BUSINESS PLANNING 2013/14 – 2015/16

Resources and Performance

The Committee questioned what impact the judicial review of the One Barnet Programme would have on the Council's Budget and Medium Term Financial Strategy (MTFS). The Cabinet Member for Resources and Performance informed the Committee that the impact had been addressed in the 'Risk Management' section of the report, adding that the financial impact would be dependent on the time taken to complete the review proceedings. Officers reported that in year one, the financial impact would be in the region of £500,000 per month, a figure that would increase in future years with cumulative savings. Members further questioned whether there was a contingency plan should the review be successful. The Cabinet Member for Resources and Performance advised the Committee that the Council had a £15 million risk reserve. He added that if the review were to be successful, the Council would need to find additional in year savings to balance the budget.

A Member raised concern that the Council's bank, the Cooperative Bank, did not currently meet the minimum specified investment criteria (paragraph 5.13). Officers reported that the Council did not place long-term deposits with the Cooperative and undertook to report back to the Committee Bank with details of the contract with the Bank.

The Committee questioned whether there was scope to repay the council's borrowings. The Cabinet Member for Resources and Performance advised Members that borrowing was required to fund the Capital Strategy (Appendix 5). He acknowledged that there had been significant slippage in the Capital Strategy and that a review was required. Officers added that early repayment of loans would carry some financial penalties and advised the Committee that the Council had not entered into any new loans since 2009.

The Cabinet Member for Resources and Performance clarified that the predicated increase in the Council Tax Non-Collection Rate (from 1.5% in 2012/13 to 1.85% in 2013/14) was attributable to the impact of the Council Tax Support Scheme. Members were advised that Capita had a 98.5% target collection rate for Council Tax when they took over providing that service and there would be financial penalties for not achieving the target.

The Committee expressed concern regarding the impact on vulnerable groups of the budget reductions in Children's Services and Adult Social Care & Health. In noting these concerns, the Cabinet Member for Resources and Performance highlighted that savings were being achieved through efficiencies such as the roll-out of personalised budgets.

In response to a question, the Cabinet Member for Resources and Performance reported that Council Tax comprised approximately 25% of the Council's income, with the remaining 75% being received via a Central Government grant. He advised the

Committee that it was in the Council's interest to grow Business Rates (which are retained by the local authority) because of future funding uncertainty.

The Committee noted the low response rate to the Finance and Business Planning consultation process and suggested that the findings from the Sense of Place Survey should be used to a greater extent when defining the Council's strategic and spending priorities.

Adult Social Care and Health

The Cabinet Member for Adults advised the Committee of an amendment to the Adult Social Service section of the Business Planning report. He reported that on page 123 the 'Income' 'Transport' budget line which stated "Charge higher rate Disability Living Allowance (mobility element) recipients for transport we provide to them" should be moved into the 'Revenue Income Optimisation' budget line. The Committee noted that at the time of drafting the report, this savings line was consistent with national guidance. However, subsequently a Department of Health Transport Circular provided additional guidance on the use of the DLA mobility component which assisted the change.

In presenting the Adult Social Care & Health budget proposals, the Cabinet Member for Adults highlighted that achieving the proposed savings would be challenging and was expected to be achieved primarily through procurement savings and the promotion of self-help.

Members noted the increased cost of providing Telecare services. Officers advised the Committee that the increased cost would be offset savings realised from enabling residents to remain independent in their own homes as this reduced the significant costs of providing residential care and improved quality of life.

Responding to question regarding a £315,000 saving in 2014/15 in relation to delayed admission to residential care placements, the Cabinet Member for Adults advised the Committee that this related to work with the NHS to improve community rehabilitation services which would reduce the number of patients being discharged from hospital straight into care homes.

In relation to the £1 million savings which would be achieved through working with the New Support and Customer Services Organisations (NSCSO) provider, Officers report that these savings were expected to be achieved through information, advice and signposting at the first point of contact with service users. It was noted that this saving had been modelled on 300 calls to Adult Social Care being diverted per annum.

Responding to a question regarding invest to save initiatives, Officers reported that they were working with the Clinical Commissioning Group (CCG) via Section 256 agreements (such as the development of community based support services for frail elderly) to improve community services and move away from high cost residential care settings.

A Member questioned how £241,000 of efficiency savings would be achieved in relation to concessionary travel savings. Officers reported joint procurement and commissioning of services through the West London Alliance and the provision of individual travel training for service users would deliver these savings.

In response to a question, the Cabinet Member for Adults confirmed that the projected deficit for the Barnet CCG would not impact on the Council's Budget and MTFs.

Children's Services

The Cabinet Member for Education, Children and Families outlined budget proposals for Children's Services. He emphasised that the Council were making significant capital investment in school expansions to meet demand and this was being funded from Section 106 contributions and borrowing. The Committee noted that a number of free schools were opening in the borough including the Archer Academy, the St Andrew the Apostle Greek School and Avanti House which would assist in demand management.

Responding to a question from the Committee, the Cabinet Member for Education, Children and Families advised the Committee that a review of children's homes would be taking place over the next 12 – 18 months and this was expected to deliver savings of £100,000 in 2015/16.

A Member questioned how efficiencies in libraries maintenance costs as a result of capital investment of £90,000 would be achieved. The Director for People undertook to provide a response outside of the meeting.

The Committee welcomed the introduction of RFID in libraries and suggested that this would lead to savings in staff costs.

In relation to libraries efficiency savings, the Committee sought clarification on:

- savings of £25,000 in 2014/15 and £75,000 in 2015/16 relating to the creation of a new landmark library as the Artsdepot proposal would not now be progressing; and
- the position in relation to the Grahame Park and Childs Hill Link libraries.

The Director for People undertook to provide a response outside of the meeting.

Responding to a question regarding a saving of £526,000 in relation to the children's Social Care Learning and Development budget, the Director for People advised the Committee that this had been proposed because the Council had not experienced any issues with recruiting entry level social workers. It was noted that issues were being experienced in recruiting experienced and qualified staff. To address this, training and development for entry level staff was being reduced and there would be an increased focus on paying market supplements for experienced and qualified staff.

The Committee noted that a managed vacancy factor was being introduced in Children's Services to deliver workforce flexibility. For example, the increase in staff working in the Family Focus team would lead to a reduction in the number of social workers in the Local After Children team.

The Cabinet Member for Education, Children and Families advised the Committee that savings of £666,000 and £160,000 in relation to joint working with other authorities (including fostering and placement costs) would be achieved by collaborative working with authorities such as Brent and Harrow in relation to fostering and the youth offending service.

A Member questioned how savings totalling £1.5 million would be achieved in relation to Transport. Officers reported that these whilst these were estimates, the NSCSO contractor had guaranteed procurement savings via third party spend in Adults and Children's Services.

The Cabinet Member for Education, Children and Families informed the Committee that in the forthcoming year a review would be taking place of Early Years provision.

Environment

The Committee congratulated the Cabinet Member for Environment on improvements in the Special Parking Account (SPA) position. The Cabinet Member for Environment advised the Committee that parking reviews were taking place across the borough which had improved the SPA budget position. Members noted that the Finance and Business Planning consultation had highlighted that parking was the biggest issue for Barnet businesses and it was suggested that this could be improved by changing parking restrictions or providing more parking.

Members noted that the position on Moving Traffic Violations had not changed, but was currently under review. It was highlighted that any changes needed to be linked to congestion management rather than increased revenue.

A Member questioned the why alternative parking service provision would £349,000 in 2013/14 and cost £108,000 in 2014/15. The Director for Place advised the Committee that savings from alternative parking service provision had been aggregated over two years and would achieve an overall saving of £241,000.

In relation to savings in Street Scene arising from alternative service provision, Members were advised that these savings would be achieved by bringing the recycling service back in-house.

RESOLVED that:-

- 1. Officers be requested to provide the Committee with details of the contract with the Cooperative Bank and when this is due for renewal.**
- 2. the Committee recommend that the Sense of Place Survey be commissioned annually to ensure a representative sample is used in the Finance and Business Planning consultation process.**
- 3. Officers be requested to provide the Committee with details of the Corporate Subscriptions within Central Expenses.**
- 4. the Committee note the amendment to the Adult Social Services 2013/14 Budget Summary and Forward Plan as set out above.**
- 5. Officers be requested to provide details of how efficiencies in libraries maintenance costs as a result of capital investment would deliver savings of £90,000.**
- 6. Officers be requested to provide an update on the position in relation to Landmark Libraries as set out in the preamble above.**
- 7. Officers provide the Committee with figures relating to the CCTV enforcement of bus lane violations.**

8. **Officers be requested to provide details of how savings of £200,000 will be achieved in relation to street lighting.**
9. **the Cabinet Member for Environment be requested to provide the Committee with a written update on parking related initiatives across the borough.**
10. **the Committee unanimously resolved to endorse the Business Planning 2013/14 – 2015/16 report to the Cabinet and Council.**

7. ADVANCE NOTIFICATION OF EXECUTIVE DECISIONS

The Committee noted the Advanced Notice of Executive Decisions as set out in the report.

8. BUDGET AND PERFORMANCE OVERVIEW AND SCRUTINY COMMITTEE FORWARD WORK PROGRAMME

The Committee noted the Forward Work Programme.

9. ANY OTHER ITEMS THE CHAIRMAN DECIDES ARE URGENT

None.

The meeting finished at 9.56 pm