



RESOURCES SCRUTINY & PERFORMANCE PANEL

16 DECEMBER 2004

Agenda Item

RESOURCES SCRUTINY BUDGET DECISION CONFERENCE

Ward(s) All

Portfolios: Cllr J O'Hare – Finance & Performance
Cllr M Pitt - Best Value

Summary of report:

This report summarises the decisions made by the panel at the budget decision conferencing events held on 6 and 9 December 2004 with a view to the panel making recommendations to Cabinet on the draft 2005/6+ budget proposals..

Background papers:

Summary of outcomes from the decision conference events.

Reason for scrutiny

Members are requested to make recommendations to Cabinet on the draft 2005/6+ corporate revenue budget, including the relative priority of investment proposals and savings options.

Signed

Executive Director: Carole Evans

Date: 13th December 2004

Resource and legal considerations

Citizen impact

Successful scrutiny will contribute to improving the Council's performance and service delivery to service users and other stakeholders.

Environment impact

Successful scrutiny can assist in shaping policy changes and budget

decisions which may impact on the environment.
Performance management Scrutiny is an important and integral part of the Council's performance management framework, and has a particular function in respect of the budget process and can challenge, review and advise on service delivery, council activity and policy and improve results.
Equality Implications Scrutiny members can engage with a wide range of service users, partners and other organisations to maximise the benefit of scrutiny.
Consultation Two sessions were held on 6 and 9 December to consider the draft budget investment and savings proposals.
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1. BUDGET DECISION CONFERENCING

1.1 On 6 and 9 December 2002, an evening budget decision conference was held, to which members of the resources scrutiny panel were invited. The Executive Director (Finance, Legal and Performance) and her finance management team were in attendance. The aims and objectives of the day were:

- To scrutinise and challenge the draft investment proposals to be considered by cabinet in determining the draft corporate budget requirement and council tax level for 2005/.
- To prioritise investment proposals with a view to making recommendations on investment which the panel which to support and those it recommends should not be supported in the 2005/6 budget setting round.
- To review proposed savings options and prioritise them, with a view to making recommendations to cabinet.
- To identify the level of use, if any, of the prudential framework and unsupported borrowing in setting the 2005/6 council tax level and make recommendations to cabinet as appropriate.

1.2 The conference was undertaken on a workshop basis. Investment bids for 2005/6 were scrutinised and the panel reviewed and re-prioritised them. Appendix A contains the re-prioritised bids. Category A reflects those bids which scrutiny panel deemed as of the highest priority, category D as of the lowest. The panel recommended that a further category be added, titled "Alternative Approach/Alternative Funding" and requested that officers report back to their meeting on 16 December as to the likelihood of alternative funding options/approaches being available to fund these bids. These are highlighted in Appendix A.

1.3 Appendix B details the savings proposals. The panel recommended that all the proposals be approved, however recommended that saving no 9 be reduced from £180k to £100k and that proposals be brought o the meeting on 16 December as to how this can be achieved and the impact on the service.

1.4 The impact of the decisions made above are contained in the table below.

	Budget £m	Council Tax Increase %	Cuts required to achieve following CT level (£m)			
			3%	4%	5%	7%
Draft Budget Requirement as presented to Cabinet DC	342.063	9.90	-5.839	-4.993	-4.147	-2.454
Budget requirement if Priority D's are removed	341.913	9.72	-5.689	-4.843	-3.997	-1.768
Budget requirement if Priority AA's/BA's are removed	341.377	9.09	-5.153	-4.307	-3.461	-1.768
Budget requirement if Priority D's & AA's/BA's are removed	341.147	8.82	-4.923	-4.077	-3.231	-1.538
Budget requirement if Priority D's, C's & AA/BA's are removed (Fund A + B)	340.937	8.57	-4.713	-3.867	-3.021	-1.328
Budget requirement if Priority D's, C's, B's and AA/BA's are removed (Fund A)	337.965	5.06	-1.741	-0.895	-0.049	1.644

1.5 In addition to the above, a number of requests for further information were made and officers were asked to report back to the next meeting on the following investment bids;

- No 3 - can schools contribute to this proposal
- No 7 – introduction of 12 place supernumerary disability scheme – is there an intention to create permanent posts
- No 14 – freedom of Information act post – can a fixed term/temporary post be recruited to
- No 15 - Shopmobility – is there an intention to roll out to other district centres?
- No 18 - can this be assessed after 12 months and a temporary/fixed term post be appointed to.
- No 19 - consideration of a park and ride facility.
- No 21 – Increased number of properties requiring a domestic refuse bin – do we charge for new bins.
- No 23 & 24 – Mainstreaming of programme management and fallout of ERDF/ESF grant - Is there an exit strategy so that the once the grants fall out, the posts are not funded unless alternative grant can be drawn down.
- No 42 - Decriminalisation of car parking – further information is required on the costs of this.

1.6 In addition to the above, the panel requested consideration be given at a future meeting to:

- The collection fund and the extent to which the number of new properties and therefore new council tax payers impact on it
- Consideration to the possibility of the allocation of brown bins on a share basis to residents of flats
- Consideration to obtaining sponsorship for council vehicles from the private and other sectors.

<p>Members may wish to make recommendations to Cabinet on the level of and prioritisation of investment and saving proposals.</p>
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A	HIGH PRIORITY
B	MEDIUM PRIORITY
C	LOW PRIORITY
D	NOT A PRIORITY
AA	WOULD LIKE ALTERNATIVE FUNDING / ALTERNATIVE APPROACH HIGH PRIORITY
BA	WOULD LIKE ALTERNATIVE FUNDING / ALTERNATIVE APPROACH MEDIUM PRIORITY

INVESTMENT No.	STRATEGIC CHOICE / INVESTMENT BID	£ WANTED	category
92	Mainstreaming of 7 permanent APU staff currently funded via non-mainstream funds and engaged in welfare benefits take-up campaign	227	A
82	Asset management officer - SCSH	27	A
81	Additional costs of occupation of additional accommodation - SCSH	318	A
80	Costs of Tameway Tower - non controllable cost, ongoing cost to the council - LL&C	108	A
79	Costs of Norwich Union House - non controllable cost, ongoing cost to the council - LL&C	60	A
78	Corporate projects team - corporate finance	35	A
78	Savings in purchase of specialist finance support to deliver major projects - corporate finance	-40	A
77	Quality and performance manager (adults) and quality and performance management officer (adults)	0	A
76	Graduate trainee scheme - 2 accountants at scale 6/SO1	27	A
76	Vacancy management - additional 2% in finance	-44	A
75	Licensing lawyer	40	A
72	Supporting people admin grant (expected fall out 06/07) - supported housing	50	A
71	Homelessness prevention strategy - supported housing	60	A
69	Changing the balance of care 06/07 onwards	0	A
68	Improvement plan	205	A
67	Agency staff clearing house	30	A
66	Direct payments support	19	A
63	Implementation of contractual arrangements for joint working	9	A
62	Contract management of agency staff contract	20	A
61	Supporting people contractual and commissioning support	23	A
60	Mental health social worker posts (CMHT)	70	A
57	Home treatment services - mental health	40	A
54	Restructure in OP/PDSI services (aka IYA)	158	A
53	Expansion of assessment & care management function (LD)	25	A
51	Additional costs of agency staff within SW teams for LAC	170	A
50	Support payments for looked after children	229	A
48	Fall out of WHG income - homelessness	0	A
47	Parks / Greenspace Improvement Strategy	98	A
46	Wider Opportunities Programme	200	A
45	Youth service - fall out of budget delegated to partner organisations.	600	A
43	Implications of Highway Act	200	A
43	Lane rental charges arising from the implication of the highways act	0	A
43	Decriminalisation of Parking enforcement (in addition to 2004/5)	150	A
43	Decriminalised parking fees income	0	A
43	Urban designers	40	A
43	Urban design staff	0	A
43	Use of one off carry forwards to fund set up costs of the invest to save bids	-390	A

INVESTMENT No.	STRATEGIC CHOICE / INVESTMENT BID	£ WANTED	category
37	Additional staff for highway maintenance	40	A
36	Environmental action register	200	A
31	Arboricultural Officer (statutory in part)	30	A
27	Expansion of Gold Standard across other district centres	105	A
22	Expansion of garden waste collection scheme	100	A
21	Increase in number of properties requiring domestic refuse collections	10	A
12	Provision of corporate translation / interpretation service - equalities	40	A
4	Head of corporate support post	73	A
3	Connection to the West Midlands Regional Broadband Network.	28	A
2	New licensing laws for public houses - funding of licensing team	10	A
1	Mortuary accommodation - winter provision	8	A
		3,408	A Total
90	Increase Local Neighbourhood Partnership team	285	AA
40	Additional contribution to fund ITP PFI gap	50	AA
20	Maintenance/energy costs of new street furniture	25	AA
19	Loss of income from car parks	100	AA
18	High Hedges Legislation	50	AA
7	Introduction of a 12 place supernumerary disability scheme	156	AA
		666	AA Total
94	Schools Catering	371	B
93	Youth opinions unite - young people's participation project. Continuation of funding for the project following fall out of NRF grant.	113	B
89	Mainstreaming of posts within the WBSP	0	B
88	Net effect of the costs of implementing the new Safer Walsall Borough Partnership (SWBP) compared to the existing arrangements	50	B
87	Additional financial resources required over and above the current maintenance (revenue) budget , to fund a planned maintenance programme addressing to support an external repairs and redecoration programme to non educational buildings -RHBE	75	B
86	Additional financial resources required over and above the current maintenance budget (revenue), to fund a planned maintenance programme addressing issues identified through surveys in respect of legionella, fixed electrical installation testing, gas installation testing, fire risk assessments & asbestos control (non educational) - RHBE	0	B
85	Additional financial resources to commission specialist surveys of council owned non educational buildings to satisfy current government legislation in respect of legionella, fixed electrical installation testing, gas installation testing, fire risk assessments & asbestos management - RHBE	100	B
84	Additional financial resources required to supplement the present property maintenance budget (revenue). To address the current known backlog of essential repairs to council owned non educational premises which are driven by immediate demand, but can have serious health & safety or service delivery implications. - RHBE	247	B

INVESTMENT No.	STRATEGIC CHOICE / INVESTMENT BID	£ WANTED	category
83	Additional staff resources to support establishment section undertaking 5 year stock condition surveys of all council owned educational & non educational premises to supplement & support the councils asset management plan - RHBE	75	B
74	Additional leasing requirement	356	B
74	Additional income from DEFRA - fleet	-61	B
73	PDSI senior accountant - social care and supported housing	0	B
70	Additional housing support workers - supported housing	60	B
65	Commissioning support - PDSI	19	B
64	Home care contract monitoring	20	B
59	Fall out of mental health grant	44	B
58	Joint management arrangements - mental health	80	B
56	Service user and carer consultation across client groups	70	B
55	PDSI developmental budget	50	B
52	Realignment of salaries of children's service managers	50	B
49	Fall out of asylum seekers grant income	336	B
39	Traffic Signal Revenue Costs	75	B
38	Highways officer to support development control	35	B
35	Transport Strategy	30	B
34	Establishment of Town Centre Management and BIDs	60	B
33	Corporate Environment Advisor	40	B
29	Mainstreaming of wardens service & enhanced enforcement activity (with possible income generation)	0	B
28	Increased highways inspections (as per Highways Strategy)	50	B
26	Cemeteries - Safety of memorials	35	B
17	Cemeteries - Shortfall in income	100	B
16	Highways maintenance and street cleansing - fall out of NRF	160	B
13	Citizens Panel (full size 1500) - policy services	35	B
11	Events and consultancy support - equalities	20	B
8	Introduction of a 20 place national modern apprenticeship programme	87	B
6	Service awards	20	B
5	Management development programme	170	B
		2,972	B Total
30	Mainstreaming of posts currently funded via Building Safer Communities fund (BSC) & Basic Command Unit (BCU)	65	BA
14	Freedom of information act - permanent post - policy services	35	BA
		100	BA Total
91	Black Country Study - RHBE	120	C
15	Shopmobility - policy services	50	C
9	Sponsorship for 2 national graduate trainees	40	C
		210	C Total
95	Community arts post and regrade	35	D
32	Strategic Nature conservation Biodiversity	30	D
25	Energy Efficiency officer	40	D
24	Fall-out of ERDF/ESF for urban regeneration	45	D
23	Mainstreaming of programme management	50	D
10	Annual recruitment fayre	30	D
		230	D Total
		7,586	Grand Total

SAVINGS No	STRATEGIC CHOICE / INVESTMENT BID	ANNUAL NET COST			category	of no. stickers
		2005/6	£000	% WANTED	£ WANTED	
1	Income generation from new public houses licensing laws	-202	100		-202	
2	Savings generated through centralised i-procurement process	-90	100		-90	
3	Restructure of planning & transportation	-70	100		-70	
4	Review of IT budgets	-45	100		-45	
5	Highways PFI	-70	100		-70	
6	Waste disposal savings	-75	100		-75	
7	Vacancy management - Increase to 5%	-350	100		-350	
8	Community regeneration - management restructure	-30	100		-30	
9	Public conveniences closure	-180	56		-100	
10	Supported workshop	0	100		0	
11	Reduction in supplies & services etc budgets	-300	100		-300	
12	Increase in planning fees budget	-50	100		-50	
13	Review of lease concessions	-20	100		-20	
14	Increase in car parking budget	-70	100		-70	
15	Disinfestations income	-20	100		-20	
16	Works in default income	-10	100		-10	
17	Bereavement services Income	-60	100		-60	
18	Catering - savings due to anticipated increased take up in school meals	-10	100		-10	
19	Music support grant - balance now not required.	-607	100		-607	
20	Savings resulting from reduction in number of looked after children	-690	100		-690	
21	Workforce management	-650	100		-650	
22	Reduction in use of agency staff	-100	100		-100	
23	Children's residential restructuring	-300	100		-300	
24	Ongoing savings in residential care placements	-827	100		-827	
25	Additional savings on reducing numbers of LAC	-550	100		-550	
26	Increased levels of vacancy management	-418	100		-418	
27	Option - vacancy management risk performance targets	-757	100		-757	
28	Additional DWP funding in respect of verification framework	-398	100		-398	
29	Efficiency savings arising from proactive treasury management	-210	100		-210	
		-7,159			-7,079	0