

AT A MEETING
- of the -
**CORPORATE SCRUTINY AND
PERFORMANCE PANEL –
BUDGET MEETING** held at the
Council House, Walsall on
29 January 2007 at 6.00pm

PRESENT

Councillor Griffiths (Chair)
Councillor Sarohi (Vice Chair)
Councillor Phillips
Councillor Rochelle
Councillor Shires
Councillor Towe
Councillor Turner

Councillor Longhi (Portfolio holder)

OFFICERS IN ATTENDANCE

Carole Evans (Executive Director for Corporate Services)
James Walsh (Assistant Director for Finance)
Vicky Buckley (Head of Corporate & Strategic Finance)
Melanie Harmitt (Interim Head of Finance for Children & Young
People)
Alison Jarrett (Head of Finance for Regeneration & Neighbourhood
Services)
Steph Simcox (Interim Head of Finance for Social Care & Inclusion)

SCRUTINY SUPPORT

Simon Evans (Performance and Scrutiny Officer)

ANNOUNCEMENTS

Councillor Griffiths informed the panel of two announcements before the meeting commenced:

- Congratulations to Vicky Buckley on her marriage.
- Congratulations of Councillor Towe – Business Personality of the Year.

36/06 APOLOGIES

There were no apologies received for this meeting.

37/06 SUBSTITUTIONS

There were no substitutions for this meeting.

38/06 DECLARATIONS OF INTEREST AND PARTY WHIP

There were no declarations of interest.

39/06 DRAFT BUDGET 2007/08 PROPOSALS – CORPORATE SERVICES

(Annexed)

Councillor Griffiths introduced the budget and stated that this was an opportunity to make recommendations.

Vicky Buckley introduced three presentations and invited questions on the Corporate Services budget proposal.

Councillor Shires questioned the situation regarding Print and Design.

Melanie Harmitt stated that a report was going to EMT regarding the future of Print and Design looking at ways to generate the type of income needed. She reminded the panel that Serco and Walsall Housing Group used to use the service previously. The service cannot generate sufficient income and have asked for formal approval for options appraisal.

Councillor Shires asked whether we have sufficient funds to pay for industrial problems.

Vicky Buckley stated that the council does a financial risk assessment to inform the level of reserves, including the level of contingencies and has sufficient provision for covering known liabilities.

Councillor Shires responded that the payout could have been used for improved services.

Councillor Griffiths asked whether the reserves have to fall back in to line year on year and if so where do the funds come from.

Vicky Buckley informed the panel that any net overspend comes out of general reserves and net underspends increase reserves. Reserves are replenished only if necessary at budget setting to at least the minimum level required by the medium term financial strategy.

Councillor Rochelle noted that electricity charges have gone up for traffic lights by 100%.

Vicky Buckley stated that a lot of energy efficiency work has gone on but a street lighting contractual issue has arisen identifying a deficit budget from a number of years. It was not just cost of lighting but additional street lights as well.

Councillor Rochelle noted that mayoral costs had risen and questioned this.

Melanie Harmitt stated this was the backdated impact arising from a change in treatment of tax by HM Revenues & Customs.

Councillor Griffiths introduced agenda item 5.

40/06 DRAFT BUDGET 2007/08 PROPOSALS – REVENUE BUDGET

(Annexed)

Vicky Buckley presented the agenda item and asked for questions.

Councillor Shires clarified whether the rise in parking proposals was 10% or 20%.

Vicky Buckley stated that two options were put forward and the 20% option was selected.

Councillor Shires commented that the report states general inflation is at 2% but this looks optimistic.

Vicky Buckley stated that this will be reviewed as it is a forecast based on annual inflation which is reviewed annually, and other aspects of the budget have a different inflationary increase applied.

Councillor Shires commented that sweeping and litter picking proposal has been accepted although it was not recommended by the panel.

Councillor Towe asked whether this applies to the Town Centre and whether there would be any cleaning after 5 p.m. on a Friday.

Alison Jarrett replied that the proposal related to all out of town district cleaning and the cycle of frequency.

Councillor Rochelle stated that this was a proposal that the cabinet have taken although it was not recommended by the panel.

Carole Evans reminded the panel that they still have the option to recommend to cabinet and this was the purpose of the meeting.

Councillor Turner commented that a proposal for cleaning every 7 weeks was unacceptable and asked the panel to strongly recommend to review the proposal and to not recommend the reduction of sweeping and litter picking frequencies.

Alison Jarrett commented that each area has a different cleaning cycle and the proposal was to move to 7 week cycles but this would not impact on the service covering general fly tipping.

Councillor Towe clarified that this applied to out of town areas not the town centre.

Councillor Turner confirmed that he wished cabinet to review the proposal to include this recommendation.

Councillor Rochelle commented that the figures presented made it unrealistic to include a proposal for a reduction in library hours.

Councillor Towe agreed with this point and supported the proposal to remove the item.

Councillor Rochelle asked the panel to review the recommendation for reduction in hours for the Central Library.

Councillor Longhi asked whether officers were able to clarify this proposal.

Carole Evans stated a report would be prepared to provide the views of the scrutiny panels.

Councillor Towe asked the panel to consider proposals for reduction in grants for non-council run museums.

Alison Jarrett said the museums in question were the Willenhall Lock Museum and the Jerome K Jerome Museum.

Councillor Towe asked Councillor Shires whether she knew how much the Lock museum was used.

Councillor Shires was not sure how much it was used now but stated that it had been used for educating school children in the past.

Councillor Towe asked for the panel to review discontinuing grants to non council run museums, specifically the Lock Making Museum as the figure in question was only £2,000.

Councillor Longhi said that he saw one of the roles of scrutiny was to put suggestions forward and to look at savings as well. He invited the scrutiny panel to come forward with savings to fund their recommendations.

Councillor Griffiths commented that the panel had put forward some suggestions following the previous budget meeting.

Councillor Longhi replied that this would result in a higher council tax.

Councillor Turner stated that the recommendations from the panel in November came up with a council tax less than 4%.

Carole Evans informed the panel that the difference was because cabinet chose not to adopt other scrutiny suggestions – for example a proposed reduction in the number of external placements.

Vicky Buckley stated that there were five proposals put forward that cabinet did not pick up. The panel could look at options to substitute these to generate savings to meet their recommendations to cabinet.

Councillor Rochelle asked which of the 2 figures for museums should be recommended as there was a second figure of £13,650.

Councillor Phillips stated that an amendment to the proposal could be made now the panel knew the figure was much larger.

Councillor Towe wanted to know the usage before any resolution could be made.

Alison Jarrett informed the panel there are no visitor figures for the Lock Museum. Joint funding was also in place for the Jerome K Jerome museum which meant that the funding the council supplied could impact on other funding received.

Councillor Rochelle asked whether further information could be presented to cabinet.

Councillor Towe stated that he would not like to see them close but felt it was an option to withdraw funding if they were not used.

Councillor Griffiths asked if additional figures could be made available for cabinet.

Alison Jarrett confirmed she would look to see if any figures could be made available to cabinet.

Councillor Towe commented that if the museums were used we should endeavour to fund it this year with a view that the Jerome k Jerome museum is maintained by other funding for future years. This decision should be made by cabinet once visitor and other funding information had been passed to them

Alison Jarrett agreed to provide the information to cabinet.

Councillor Turner stated that he felt the panel were strongly against the proposal to reduce funding the Right to Read project but the report states to the contrary. He stated that this proposal hits the hardest most.

Councillor Rochelle stated that this mostly affects the children in care and would strongly argue against it.

Councillor Sarohi informed the panel that the project is mostly supporting children in deprived areas.

Councillor Griffiths asked whether this funding could be found elsewhere. Vicky Buckley stated that the project is partially funded up until 2009.

Melanie Harmitt stated that in order to fund this project there would have to be savings from other areas of the Children's budget.

Councillor Phillips noted that the panel are currently making a decision to recommend reducing the service and questioned whether this is what the panel want to recommend if savings could be made elsewhere.

Vicky Buckley reiterated that this is based on draft budget proposals so the panel has a chance to make recommendations.

Carole Evans stated that the budget process was ongoing. Scrutiny panels are being asked to look at the latest proposals and present views and recommendations to cabinet, so the position evolves and changes. There is still an opportunity for full Council to consider all of the proposals

Councillor Phillips commented that scrutiny and council are very different, and the panel should seek to make recommendations at scrutiny rather than at Council.

Councillor Longhi stated that there comes a point when a decision has to be made as the money has to come from somewhere.

Councillor Turner replied that the panel were signalling to cabinet their priorities. The package recommended at the last meeting identified savings.

Councillor Longhi asked whether the original recommendations still stood, including the reduction in external placements.

James Walsh stated that if the panel were looking to find areas to put back they also needed to look for areas where this could be funded.

Councillor Griffiths commented that it was not a case of putting back as cabinet have taken items that were not put forward.

Carole Evans informed the panel that they can recommend what they like but at the moment the impact will be £250k fewer savings. The panel could, for example, either accept a higher council tax or identify what savings could be included in their place.

Councillor Phillips suggested a third option that would leave it to cabinet to decide.

Carole Evans confirmed that the panel could ask cabinet to consider this as an option to put proposals forward.

Councillor Turner reminded the panel that the recommendations were still there.

Carole Evans replied that the panel should look at the current budget proposal as the situation has now moved on from last time the panel considered the issue.

Councillor Rochelle suggested the panel recommend the 5 from last time and get the cabinet to decide.

Councillor Griffiths asked for clarification of the five items.

Councillor Longhi also asked for the service impact of the savings.

Vicky Buckley said there were five recommendations and a proposal for an increase in fees making six in total. They were:

1. Increase in staff and member parking by 20% (in line with the increase in public car parking already included in the draft budget).
2. Reduction in use of external placements for children.

Melanie Harmitt stated the costs associated were for more difficult to place children. This saving equates to 3 children.

3. Reduction of in-house homecare services.

Steph Simcox stated this covered enhancement payment for evening and out-of-hours call-out. The impact is possible standardised service.

Councillor Towe asked whether we should look at how we manage the business and not pay out-of-hours and overtime payments this could be achieved by looking at how the job is managed.

Steph Simcox stated that there is a massive re-design of services underway currently and this is part of the phasing of the remodelling of residential care. The basic wage does not currently cover night work.

4. Closure of a leisure and swimming facility.

Alison Jarrett confirmed that no specific facility had been identified.

5. Introduction of on street car parking.

Vicky Buckley confirmed this related to Walsall Town Centre.

6. Reduction in staffing mental health team.

Councillor Phillips asked whether this was referring to not filling vacant posts.

Steph Simcox replied that this was a Specialist Social Care Team that worked with extreme mental health needs.

Councillor Rochelle suggested that the post had been vacant for a long period of time anyway.

Councillor Phillips suggested that the panel were not getting consistency of advice and may want to change their minds after all.

Councillor Turner stated that at the last meeting the panel was looking at the worst case scenario but now the choices were narrowed down and so the panel don't have the same options.

Councillor Towe suggested the panel would have debated the proposals and not come to the decision lightly, whatever the information.

Councillor Griffiths asked the panel to consider whether the recommendations still stood.

Councillor Turner stated that the panel don't have to make recommendations.

Councillor Phillips stated he felt he had been given different information and would find it difficult to make a decision and to abstain.

Steph Simcox said that she didn't remember mentioning the post was vacant last time; she referred to savings that were going to be made due to the re-structure.

Councillor Rochelle suggested the panel put forward the proposals that have been mentioned and ask cabinet to re-consider the six proposals made at November's panel.

Councillor Shires suggested the panel vote on the proposal.

Results of vote

Yes = 5

Abstentions = 2

Councillor Phillips and Councillor Shires abstained from the vote.

Councillor Griffiths introduced agenda item 6.

41/06 Draft Capital Programme 2007/08

(Annexed)

Vicky Buckley presented the agenda item and asked for questions.

Councillor Rochelle asked about the funding for the filling of Daw End Mine, and whether the council was committed to this.

Vicky Buckley suggested that it was unlikely this year and it was not currently in the programme for 2007/08. There are discussion ongoing around the value of

the grant and the match-funding requirement by the council which had not yet been finalised.

Councillor Towe asked for clarification on the ICT must do items of £5.2m and whether this was all programmed for 2007/08.

Vicky Buckley confirmed this and stated it should be self funded by borrowing from year 2 onwards, it will be funded from revenue budget and pay for itself.

Councillor Phillips asked about the predicted capital receipts which have a huge difference from 2006/07 to 2007/08.

Vicky Buckley agreed that this figure should now be split into useable and non-useable, as whilst the target had been achieved, some of this was ringfenced for specific purposes and therefore could not be used to support the capital programme generally. She agreed to amend the report.

RESOLVED

Following the Budget Panel on 29 January the following recommendations are made from the Corporate Services Scrutiny and Performance Panel

The panel recommended that the following savings, currently in cabinet's draft revenue budget are removed from the final budget:

- Reduction in litter picking/sweeping frequency £0.172m
- Discontinuation of the 'right to read' project £0.025m
- Reduction in central library hours £0.039m
- Discontinue grant to non council run museums £0.002m

That the above options, totalling £0.239m, be removed from the draft budget and be substituted or replaced by all or a proportion of those listed below which are not currently in the draft revenue budget and were previously recommended by this scrutiny panel to include:

- Increase staff car parking charges in line with public increases of 20% £0.074m
- Introduction of on street car parking charges £0.050m
- Reduction in use of external placements £0.357m
- Reduction of in house home care service £0.100m
- Closure of a leisure and swimming facility £0.090m
- Reduction in mental health team by one staff post £0.035m

Councillor Griffiths thanked Vicky Buckley for her support and suggested the panel receive more regular updates from finance.

Councillor Rochelle added that he thought the information was confusing and asked for it to be presented in a different format next year, in A3 format if possible.

42/06 DATE OF NEXT MEETING

The date of the next meeting was confirmed as 8 February 2007.

TERMINATION OF MEETING

There being no further business, the meeting terminated at 8.00 pm.

Chair.....

Date.....

DRAFT