

OVERVIEW AND SCRUTINY COMMITTEE (PERFORMANCE AND CORPORATE SERVICES)

MEETING HELD AT THE TOWN HALL, BOOTLE
ON TUESDAY 19TH FEBRUARY, 2013

Overview
& Scrutiny



32. TRANSFORMATION PROGRAMME AND REVENUE BUDGET - 2013 - 2015

The Committee considered the report and presentation of the Head of Corporate Finance and ICT detailing progress made in the identification of savings for the period 2013 to 2015 that would bring the Council closer to agreeing the 2013/14 budget and a two year financial plan.

The report of the Head of Corporate Finance and ICT also attached reports on the Transformation Programme and Revenue Budget 2013-2015 which had been considered by the Cabinet at its meetings held on 31 January and 14 February 2013. In addition to detailing the budget options, the report set out the consultations which had been undertaken on the savings proposals which had been considered by the Cabinet and indicated that regular and ongoing consultation had taken place with the public, service users, key stakeholders and Directors, employees and trade unions.

The presentation recapped the work programme and approach associated with the budget plan process; set out the delivery of the agreed process of developing the budget plan; and invited the Committee to approve comments for consideration by the Cabinet and the Council.

The presentation also outlined the following:-

- The methods used to ensure adequate opportunities for the public and service users to be consulted and to contribute their views
- Progress so far in achieving the required savings
- The detailed consultation and engagement process
- The role of the Overview and Scrutiny Committee

Members raised a series of issues to which officers responded as follows:-

ISSUE

Some of the consultation processes did not involve consultees receiving letters

RESPONSE

Each savings option had been referred to the Public Engagement and Consultation Panel and the method of consultation had been tailored to the particular issue, which would not always involve letters being sent. Consultations also build upon the extensive work undertaken last year.

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The robustness of some of the proposals was queried inasmuch as some of the larger proposals did not appear to have been subject to the same level of debate/consultation as some of the smaller ones.

The risks relating to each option had been assessed by Officers to apply their professional judgement to develop proposals, assess risks, examine whether savings are achievable and take into account possible knock-on effects. Significant challenge has taken place before any option was presented for consideration.

The size of the proposed £3 million saving in respect of re-assessing the needs of the elderly population.

This proposal related to the 2012/13 budget and was not covered directly by the report. However officers explained that the budget was affected by a judicial review case which had implications nationally. Previous savings targets in respect of residential nursing homes had been partially achieved and built into the budget process.

Although consultation appeared to have become more finely tuned and focused with the consultation on savings affecting libraries being a good example, consultation on other areas appeared to be less effective. The proposed saving arising from a proposal to charge for the green bin recycling service was in the latter category.

The charging for green waste is an option related to 2014/15 and would first require structural changes to be agreed by all of the Merseyside local authorities. Subject to those changes and receiving approval as a savings option, the proposal would then be referred to the Public Engagement and Consultation Panel.

The cost and effectiveness of the recent telephone survey of residents was raised. This involved asking residents if they would be prepared to pay more Council Tax if proposed service cuts were thereby mitigated.

The telephone survey was considered to be very effective in gaining the view of the general public on the overall budget. Members would be supplied with details of the company undertaking the survey and its cost.

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<p>The meaning of “Integration” proposals was queried and whether this constituted shared services and/or merged departments.</p>	<p>It was explained that integration was not principally about shared services. Rather, it referred to the identification of teams of employees or functions within the Council who used similar processes or whose desired outcomes were similar, with a view to effecting economies. However, some shared services have been implemented and discussions with neighbouring Authorities continued.</p>
<p>The initial option in relation to staff terms and conditions was estimated to produce savings of £6 million, but this had now shrunk to £3 million.</p>	<p>Significant savings had already been achieved from staff terms and conditions changes over the last 4 years. A “menu” of further changes had been discussed with employee representatives and the current option had been recommended following those negotiations after taking into consideration risk.</p>
<p>The consultation on the proposed option affecting the Borough’s public conveniences was queried and, in particular, whether bus and coach operators had been consulted.</p>	<p>Consultation had taken place on an initial proposal which had since been amended to increase income rather than seek closure. This will be referred to Cabinet and the full Council at the meetings on 28 February. The papers for these meetings would be made available later this week. Members would be supplied with details of whether bus and coach operators had been consulted.</p>
<p>The actual consultation process in relation to the level of the Council Tax.</p>	<p>This would be included in the papers to be made available later this week.</p>
<p>Whether the papers would show details of the phasing of savings in the two year budget and any recurrent savings.</p>	<p>Cabinet and full Council had agreed a 2 year budget plan process. Figures would be provided for 2013/14 and 2014/15 and where there would be no recurrent implications for any particular option, this would be made clear in</p>

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the papers.

What was the difference between “consultation” and “a conversation with schools” regarding the School Crossing Service?

Charges for School Crossing Patrols could not be enforced but the idea could be discussed and encouraged. Similarly, possible contributions to savings targets were discussed with the Council’s main partners two years ago and this resulted in an annual contribution of £860,000 from Arvato.

What contingencies were in place if projected savings for year 2 were not met?

Although a two year budget plan was being set, the Council would only be determining the Council Tax for the first of those two years. Alternative savings would have to be identified if any of the options did not realise sufficient savings.

The question of whether the consultation undertaken on a possible Council Tax rise was meaningful as defined in law was raised.

Legal test cases had given rise to a number of different definitions of “consultation.”

RESOLVED:

That the presentation and report be noted and received.