

Minutes

EXAMINATION OF THE BUDGET AND MEDIUM TERM PLAN (MTP) TASK & FINISH GROUP

MINUTES OF THE EXAMINATION OF THE BUDGET AND MEDIUM TERM PLAN (MTP) TASK & FINISH GROUP HELD ON FRIDAY 22 JANUARY 2010, IN MEZZANINE ROOM 3, COUNTY HALL, AYLESBURY, COMMENCING AT 10.00 AM AND CONCLUDING AT 11.45 AM.

MEMBERS PRESENT

Mrs P Birchley, Mr M Brand, Mr A Busby, Mr T Butcher, Mr P Hardy (Chairman), Mr N Hussain, Mr D Polhill and Mr P Rogerson

IN ATTENDANCE

Mr M Chard, Policy officer - Overview and Scrutiny, Buckinghamshire County Council
Mrs C Gray, Senior Democratic Services Officer
Mrs J Yates, Head of Finance and Procurement

1 APOLOGIES FOR ABSENCE/CHANGES IN MEMBERSHIP

There were no apologies for absence.

2 DECLARATIONS OF INTEREST

Michael Brand declared a personal interest as his sister worked for Age Concern.

Adrian Busby declared a personal interest as his wife was Chairman of Rethink, a mental health charity.

3 SCRUTINY OF BUDGET AND MEDIUM TERM PLANNING (MTP) PROCESS - WASH UP SESSION

The Chairman summarised the main points in relation to the budget:-

- Economic downturn means things will get worse in the next three years
- Capital budget still very restricted due to lack of government support for borrowing, meaning BCC infrastructure will continue to deteriorate
- Resident expectations of service delivery are increasing



INVESTOR IN PEOPLE



- Demographic change means needs of elderly and vulnerable residents are increasing
- Effect of Baby P case
- Cabinet Members have huge challenge to deliver the services people expect with limited resources - they did a very good job in presenting the choices they have had to make in service delivery.

Members agreed with these points and made the following comments:-

- Should the level of Council tax be a 2% increase bearing in mind recent pressures?
- What plans could be put in place to help residents do things for themselves, particularly discretionary services e.g. rural areas – if it snows the community could clear pavements and drives. The Council could look to undertake such work through Local Area Forums (LAFs).
- Resident expectations – the best way to meet them is not to have a high council tax especially on a restricted budget and deliver on statutory services the Council is obliged to provide.
- Council can't manage an economic downturn.
- Pressure on Councils by external forces e.g. Government announcements on free personal care puts immediate pressure on social services and will residents expect an instant response? It is not properly funded.
- Highest Council tax levied £2,500 a year. £1250 to £1500 – average. Residents should know what they are getting for their money e.g. value of care packages. Communicate to residents the full scope of what the Council does and balance of expenditure.
- Capital budget is very restricted.
- Variance across the portfolio. Allocation of responsibilities in portfolios – make it difficult to challenge some areas.

The Chairman then made the following general comments:-

- Surpluses in years 2 and 3 undermine overall budget narrative of coping with austerity
- Public should be provided with more detail about figures “below the line” – transparency is important for effective communication of budget narrative
- Suggest more realistic medium-term plan is developed in mid-year when some of the macro-uncertainties are resolved
- Capital budget is largely unplanned – strategy needs to be developed on different funding assumptions.

Members agreed with these points and made the following comments:-

- There needs to be greater monitoring and planning by Members generally with a 3/6 month review on the overall budget to take account of unexpected pressures.
- The Council always manage to balance the budget. They were sympathetic towards Cabinet Members in managing the budget in this difficult economic environment.

- Performance plus (the Council's performance management software) – Members were looking at figures regularly on performance and risk. The statistics for these meetings were out of date but the Cabinet Member looks at this information weekly. There are performance meetings with the Chief Officer Management Team. OSC Commissioning have this in their terms of reference.
- Below the line budget information needs to be more transparent.
- Transformation was work in progress. Pathfinder (shared support services) was being re evaluated and Authorities would need to make savings in other areas.
- The Council should have built up capital reserves when it had the ability. There should be more of a strategic approach to capital to enable a long term strategy. There were variances across the portfolios on capital funding.
- What has been implemented from last year's report?
- Impact of the general election
- No key decision on borrowing £5million on prudential borrowing.

The Chairman summarised the following points on each portfolio:-

Transportation

- Concerned at halving of patch/ plane budget (£675k)
- Concerned at losses in civil parking areas (Civil Enforcement Areas)
- Concerned at reduction in number of gritters
- Concerned at backlog in capital spend on road network

Overall the feel is that this budget is under too much pressure, particularly as it is a high priority for residents (ref council tax consultation)

Members made the following points:-

- Concerned about services – need more resources. Civil Parking areas had a financial risk arising from them. With a restricted budget the Cabinet Member was just managing decline.
- Reduction in gritters – having a gritter that could hold more material so that they could go further without going back to the depot was more economic. However, it was higher risk – they may be unable to get out of the depot to respond to other areas. This could be discussed at the winter maintenance task and finish group.
- Corporate Plan objectives – it was difficult to achieve targets with a restricted budget and unexpected pressures e.g. snow – local roads could not cope and village communities felt isolated, they should be able to respond in their own way. (Policy issue).
- 2 large contracts. Ringway Jacobs and Amey. Management of these contracts could be put on the Scrutiny Forward Plan of work.
- Quality of roads – good around Aylesbury centre but not rural roads. Grass greener perception – north/south.

Safeguarding

- Concerned at 30% rise in child protection cases, with consequent overspending on 09/10 budget
- Concerned at risk in this portfolio
- Fully supported decision to protect level of spending in this portfolio. The projected £2.265m overspend will be mitigated down to approximately £1.9m in 2009/10. This projected overspend will be removed from the budget using below the line finance and therefore will not be carried forward to the 2010/11 budget.
- This is a demand led budget and is therefore high risk.

Adult Social Care

- Most significant budget (c. £100m)
- Concerned at demographic pressures increasing need for services
- Impressed with innovative approach to achieve more cost-effective service delivery but concerned at lack of detail on how this will be achieved
- No issue with level of this budget, based on maintaining commitment to the elderly and vulnerable

There was a lot of innovative work imbedded in the budget. Same service/better service for less cost.

Culture and Learning

- Lack of strategy raises concerns about value for money
- High level of discretionary spend
- This budget is a 'work in progress' due to the Cabinet Member having recently adopted this service area to his responsibility.

Urgent need to develop strategy for years 2 and 3 which improves service and/or releases funding for other portfolios. Discretionary services needed to be reviewed e.g. museum

Planning and Waste

- Budget under pressure from landfill tax rises
- Projected underspend of c. £300k in 09/10 not carried forward
- Believe underspend should be carried forward releasing resources for other portfolios.

Members made the following points:-

- Not clear how big the pressure was on landfill – good work on recycling.
- Pressure further ahead – LATS are repurchased every 3 years and the building of the waste plant.

- Dependent on partnership with DC's
- Transfer stations – how many will be required?
- It is a portfolio that impacts directly on residents

Resources

- Concerned about risks in delivery of transformation programme
- Concerned about strategy of capital programme

Members made the following points:-

- Scope and scale of transformation is a risky issue. The importance of change management was key including retention of good staff.
- Resources covers a wide area – critical to Council. Strategies on properties and assets – risk to the Council. The property strategy was going to Cabinet on 8 February 2010.
- Inflation – gas and electricity figures need further clarification.

Deputy Leader

- “Soft” budget with significant element of discretionary spend

Budget could be pruned to release resources for other areas

Achievement and Learning

- There was some concern about this budget. Capital funding was all grant based. There was a large backlog of £56mill on schools maintenance. Who had overall responsibility for home to school transport? The reduction in youth service is worrying including the gap in educational achievement. There is a higher risk if the school improvement service was cut.
- Schools control the way in which their delegated budget is spent, including delegated capital, which is intended to provide for the aspects of maintenance that are the schools' responsibility. The Council can work with them to make sure that best value is obtained from capital expenditure.
- Lack of capital programme and therefore no capital strategy.
- Reduction of County Advisor in fostering and adoption but there is a need to increase number of children in foster care.

CHAIRMAN