



Minutes

Name of meeting	OVERVIEW AND SCRUTINY COMMITTEE
Date and time	MONDAY, 1 FEBRUARY 2010 COMMENCING AT 6.00 PM
Venue	COMMITTEE ROOM ONE, COUNTY HALL, NEWPORT, ISLE OF WIGHT
Present	Cllrs Jonathan Bacon (Chair), Reg Barry, George Cameron, Vanessa Churchman, John Hobart, Heather Humby, Julie Jones-Evans, Colin Richards, Ian Ward, David Williams
Officers Present	Steve Beynon, Dave Burbage, Stuart Love, Julie Martin, Paul Thistlewood
Also Present (non voting)	Cllrs Peter Bingham, David Pugh
Other members present (non-voting)	Cllrs Paul Fuller, John Howe, Geoff Lumley, Ian Stephens
Apologies	Margaret Webster

22. **Minutes**

RESOLVED :

THAT the Minutes of the meeting held on [10 December 2009](#) be confirmed.

23. **Declarations of Interest**

Councillor Jonathan Bacon declared a personal interest in Minute 24 – Budget Strategy 2010-2011, as he was a trustee of the Law Centre.

24. **Budget Strategy 2010-2011**

The report that was to be considered by the Cabinet on 9 February 2010 had been circulated earlier that afternoon and enabled the Committee to seek clarification on proposals and comment where appropriate.

The Cabinet Member for Resources advised Members that this was to be the last year of the Government's three year settlement of the rate support grant and area based grant. However, it was not known at the present time what, if any, future grants would be, but there was an assumption of a 0% increase.

Plans for expenditure were based on the Corporate Plan as adopted by Full Council in November 2009. Key priorities were schools re-organisation, the roads PFI scheme, transforming social care, economic development, fire service modernisation, local housing and delivering effective services. A number of those would require significant investment and providing for that was a major priority within setting the budget. There was an assumption of a maximum council tax rise of 2.5% for 2010-2011. It was noted that the Council only had control of 40% of the overall gross budget of £340 million.

There were a number of areas where the costs had risen significantly or income had reduced over the previous year. The income from balances had been greatly reduced.

There were possible overspends this year, although steps had been taken to keep them to an absolute minimum. The estimated current overspend was approximately £2.5 million this year but steps were being taken to significantly reduce this. The Cabinet Member indicated that it was not unusual to have a significant gap between the income and the desired expenditure.

A comprehensive consultation process had been undertaken with a range of stakeholders and a number of good suggestions for the budget had arisen from this. In addition there had been the residents survey and an on-line budget simulator. All the results had assisted in identifying a range of key priorities for expenditure levels and service provision.

The Committee was informed of the Star Chamber process whereby Directors and Heads of Service had to outline spending requirements for 2010-2011 against service delivery.

The Committee then sought clarification on aspects of the report that was being submitted to Cabinet particularly the savings proposals. Some issues and concerns were highlighted by members :-

- Implement kerbside collection – arrangements for those unable to place bags out due to disability, age or location plus those with second homes.
- Residents parking charges – removal of reduced charge for pensioners, arrangements for phased payment of increased charge to assist payment, same charge to apply to all vehicles despite engine size. Designed to help meet Council's overall transport policy.
- Public realm – impact of reduced expenditure on tourism.
- Haylands Farm – need for clients to have better understanding of how personalised budget will work.
- Supporting People Programme – ability of partners to meet any shortfall and impact on other council services. Additional information required on the impact of this on vulnerable groups, especially the homeless and the overall cost to the community.
- Theatres – maintenance costs may still be required.
- Student Rider scheme – increase still less than 50% of minimum fare and more cost effective Freedom Pass available.
- Support to Unions – review required on effective use of budget.
- Vulnerable people – eg Women's Refuge – ability of other organisations to resource demands on their services.

- Planning and Building Control - Council not responsible for setting planning fees therefore question should not have been included in consultation exercise.
- Fire Service Modernisation – still sufficient budget required to commence implementation of modernisation scheme.
- Dog bin bags – papers should reflect that the scrutiny panel recommended withdraw of bags not bins.
- Review of street based inspection functions – to include Environment and Neighbourhood Officers but not dog wardens and aimed at preventing duplication in a range of functions so service more efficient and effective.
- Music Service subsidy – alternative provision available and will not affect the music centre activities held on a Saturday
- Transformation savings – More detailed information required on savings for Children and Young People Directorate.
- Tourist Parking permits – being withdrawn due to limited number being issued.
- Cease exhibitions abroad – to be replaced by change in marketing strategy through the internet.
- Reduction in Rural Community Council grant – other organisations to share costs and resource requirements to reduce impact.
- Controllable base – details of the controllable base budget for each Directorate to be circulated. Overall figure of £134.9m out of £340m expenditure.
- Fall in income – unprecedented fall in income experienced in 2009-10.
- Fees and charges – Those set nationally will not be increased by the Government. Although no increase implemented for locally determined fees and charges in 2009-10 a number will be increased where appropriate. Details of these to be circulated to all members before the Council budget meeting.

The Chairman indicated that the Committee had a view on a number of process issues which it would pass onto the Cabinet. Due to the short time available since the publication of the report members were still assimilating the details. The supply of additional information where requested would be of assistance in identifying any further areas of concern.

RESOLVED TO RECOMMEND TO CABINET :

- (i) THAT there needs to be a consistent reporting format for the budget at full council to enable comparisons to be clearly made on a year to year basis with a commentary on the reasons for any differences.
- (ii) THAT those areas included within the long list of savings choices that are not implemented for 2010-2011, but may need to be considered for future years, could be looked at in further detail by the Committee or relevant scrutiny panel.
- (iii) THAT when reporting the quarterly performance figures in the future those services where budgets have been reduced should be clearly identified in order to assess any adverse impact upon service delivery.

- (iv) THAT the formal views of key partners on the implications of the council's budget on their services should be contained within the council budget papers particularly if they relate to the delivery of the Local Area Agreement. Similarly the effects of any of their budget proposals on the council and service delivery should be reported to ensure the safeguarding of services to vulnerable people or areas of the community.
- (v) THAT a reporting mechanism should be implemented whereby a cabinet member is obliged to report formally to the Overview and Scrutiny Committee, or relevant Scrutiny Panel where it is anticipated that there is likely to be an overspend, or a saving not achieved, where this exceeds £100,000 and indicate the reasons for this and the actions being undertaken to redress the matter.
- (vi) THAT a regular capital programme monitoring report should be submitted to the Overview and Scrutiny Committee on the delivery of the capital programme.

25. **Members Question Time**

Councillor Ian Stephens asked a question on the monitoring arrangements in place for personalised budgets to ensure the service provided was appropriate and effective. The Chief Executive indicated that it was the responsibility of care managers to ensure that the needs of clients were being met. For a range of services there was an inspection framework in place because these were delivered by an authorised agency.

CHAIRMAN