

CENTRAL BEDFORDSHIRE COUNCIL

At a meeting of the **CUSTOMER AND CENTRAL SERVICES OVERVIEW & SCRUTINY COMMITTEE** held at Room 15, Priory House, Monks Walk, Shefford on Monday, 17 January 2011

PRESENT

Cllr J G Jamieson (Chairman)
Cllr D J Hopkin (Vice-Chairman)

Cllrs J A E Clarke
P A Duckett
A Fahn

Cllrs R W Johnstone
D Jones

Apologies for Absence: Cllrs M Gibson
Ms J Nunn

Substitutes: Cllrs A D Brown (In place of M Gibson)
P Snelling (In place of Ms J Nunn)

Members in Attendance: Cllrs D Bowater
Mrs R J Drinkwater
Mrs C Hegley
M R Jones
Mrs J G Lawrence
D J Lawrence
Mrs A M Lewis
S F Male
B J Spurr
R C Stay
J Street,
J N Young

Officers in Attendance:

Mr P Ball	– Finance Manager
Mr M Bowmer	– Assistant Director Financial Services/Chief Finance Officer
Mr I Brown	– Interim AD Assets
Mr B Carter	– Overview & Scrutiny Manager
Ms D Clark	– Interim Assistant Director People
Mr R Ellis	– Director of Customer and Shared Services
Mr B Fong	– Interim Senior Finance Manager (Sustainable Communities)
Mrs E Grant	– Deputy Chief Executive and Director of Children's Services
Mr C Jones	– Assistant Director Customer and Systems
Mr L Manning	– Democratic Services Officer

Mr I Melville	– Head of Service Development
Mr N Murley	– Assistant Director Business and Performance
Mr I Porter	– Assistant Director Strategy and Performance
Mr J Unsworth	– Interim Assistant Director of Finance
Ms S Wileman	– Service Development Officer

CCS/10/110 **Minutes**

RESOLVED

that the Minutes of the meeting of the Customer and Central Services Overview and Scrutiny Committee held on 13 December 2010 be confirmed and signed by the Chairman as a correct record.

CCS/10/111 **Members' Interests**

(a) **Personal Interests:-**

None.

(b) **Personal and Prejudicial Interests:-**

None.

(c) **Any political whip in relation to any agenda item:-**

None.

CCS/10/112 **Chairman's Announcements and Communications**

The Chairman suggested that the receipt of verbal updates from the Directorate's Portfolio Holders (Item 9) and consideration of the Committee's current work programme and the latest Executive Forward Plan (Item 12) be deferred in order to allow additional time for consideration of the financial items before Members.

The Chairman then advised that the additional item on the Capital Programme Review, which he had agreed to take as a matter of urgency, would be considered prior to the report on the statutory review of fees and charges and the business cases arising from the Revenue Income Optimisation (RIO) Project (Item 11).

RESOLVED

That the agenda items relating to the receipt of verbal updates from the Portfolio Holders for Customers, Systems and Assets, Finance,

Governance and People and Policy and Performance and consideration of the Committee's current work programme and the latest Executive Forward Plan be deferred until the next meeting of the Committee on 24 January 2011.

CCS/10/113 Petitions

No petitions were received from members of the public in accordance with the Public Participation Procedure as set out in Part D2 of the Constitution.

CCS/10/114 Questions, Statements or Deputations

No questions, statements or deputations were received from members of the public in accordance with the Public Participation Procedure as set out in Annex 1 of Part A4 of the Constitution.

CCS/10/115 Call-In

No decisions of the Executive were called-in to be reviewed in accordance with the Call-In Procedure as set out in Part D2 of the Constitution.

CCS/10/116 Requested Items

No items were referred to the Committee for consideration at the request of a Member under Procedure Rule 3.1 of Part D2 of the Constitution.

CCS/10/117 Portfolio Holders' Updates

The meeting was aware that this item had been deferred (minute 112 refers).

CCS/10/118 Capital Programme Review

The Committee was aware that the Chairman, by virtue of the authority vested in him in accordance with Section 100(b)(4)(b) of the Local Government Act 1972, had agreed to allow this item to be considered at the meeting as a matter of urgency. The revised Capital Programme for 2011/12 to 2014/15 had been considered by the Executive on 11 January 2011 and had been referred to the overview and scrutiny committees for consultation purposes.

Members were further aware that consideration of this item could not be delayed until the next scheduled meeting of the Customer and Central Services Overview and Scrutiny Committee as the Committee was considering all other budget related items at its current meeting. Further, the closing date for the receipt of responses by the Executive was 25 January.

On this basis the Committee was asked to consider the relevant report by the Portfolio Holder for Finance, Governance and People.

a) Block/Rolling Budgets

Members referred to an item included within the capital programme for Customer and Shared Services entitled “CBC Corporate Property Block Budget”, which had a budget of £4M in 2011/12. In response to queries Members were informed that the sum was made up of a number of individual projects, some of which were substantial in cost terms (i.e. over £100k).

Members also referred to an item entitled “ICT Infrastructure” which had a budget of £1M over the same period and expressed concern over the absence of any detail on the constituent projects for this item.

Following further comment Members were advised that there was no financial threshold within the capital programme above which items were required to be identified separately (rather than contained within block and/or rolling programmes).

It was Members’ opinion that this arrangement was unsatisfactory and that in future the capital programme should list all individual projects above £100k rather than, as was the case now, being contained within block and/or rolling programmes.

RECOMMENDED to the Executive

that consideration be given to amending the presentation of the capital programme to ensure that all projects above £100k are listed individually.

b) Affordability and Sustainability

The issue at (a) above led Members to discuss whether the review of the capital programme had been sufficiently robust and whether there was further opportunity to remove items not deemed a priority. Whilst acknowledging that many of the Council’s intended savings were dependent on investment to enable changes to processes the Committee felt that, in some cases, the amounts stated appeared substantially larger than had been anticipated. Members therefore felt the capital programme should be revisited to ensure its affordability and sustainability.

RECOMMENDED to the Executive

that consideration be given to revisiting the capital programme to ensure that all items contained within it are essential, affordable and sustainable.

c) Optionality: Schools Capital Funding

Members briefly discussed the recently received capital grant of £18M from the Department for Education for schools capital funding and requested that this item be included in the Council's capital programme, together with details of the optionality that existed regarding this grant, such that Members were able to review education spending in light of the Council's full budget.

RECOMMENDED to the Executive

that consideration be given to including the schools capital funding grant of £18M in the Capital Programme, together with details of the optionality that exists regarding this grant.

CCS/10/119 **Statutory Review of Fees and Charges and Revenue Income Optimisation Business Cases**

The Committee received a report by the Portfolio Holder for Finance, Governance and People which asked Members to consider and comment on a report, originally submitted to the meeting of the Executive 11 January 2011, which had set out the proposed fees and charges rates to be effective from 1 April. The Executive had agreed that the rates be approved as the basis for consultation with overview and scrutiny committees. In addition the Committee was asked to consider the related business cases arising from the Revenue Income Optimisation (RIO) Project.

The meeting noted that any recommendations were required by 25 January so that they could be considered by the Executive at its next meeting on 15 February.

The meeting further noted that Members' comments were only being sought on those fees and charges for which the Committee was responsible. Accordingly, car parking charges were specifically excluded as these were being examined by a dedicated task force which was to submit its findings to the Sustainable Communities Overview and Scrutiny Committee.

Following discussion Members endorsed the fees and charges relating to the Customer and Shared Services Directorate mindful that the Executive had approved a minimum increase of 5%, in line with the Retail Price Index, for the majority of fees and charges.

Members asked that appropriate rounding up or down be applied to all fees and charges contained within the Executive report. In addition, Members wished to ensure that all directorates were confident that they were recovering in full the service costs associated with these fees and charges. If such confidence was missing, it was the Committee's opinion that further investigative work be undertaken to ensure full cost recovery in future years.

RECOMMENDED to the Executive

- 1 that all fees and charges are appropriately rounded up or down;**
- 2 that assurance be sought from officers that the service costs associated with fees and charges are being recovered in full and that, if this is not the case, the officers be requested to undertake further investigatory work with the aim of ensuring full cost recovery in the future.**

NOTED

the business cases arising from the Revenue Income Optimisation (RIO) Project.

CCS/10/120 Draft Budget 2011/12

The Committee considered a report by the Portfolio Holder for Finance, Governance and People which set out the draft budget proposals for 2011/12 to 2013/14 based on the most up to date information on the Council's future resources. The meeting was aware that the report had originally been considered by the Executive on 11 January 2011 when it had been agreed that the report should be used as the basis for consultation with the Council's overview and scrutiny committees and other interested parties. It had also been agreed that, in order that the Executive could finalise its budget proposals at its meeting on 15 February 2011, the closing date for representations would be 25 January 2011.

In addition Members considered a revised Appendix A2 to the report which set out amended projections.

The Chairman stressed that the Committee should focus on examining the robustness of the financial information before it and how the base budget had been constructed. He also expressed the view that more detailed information should be made available in the future to ensure that the Committee could give fuller consideration to this matter.

The meeting then turned to consider the draft budget proposals for each of the Council's Directorates and the Office of the Chief Executive in turn. Members raised a number of queries and sought additional background information from relevant Portfolio Holders, Members and officers where possible.

a) Clarity, Transparency and Detail

Members expressed concern over the budget process to date and the level of transparency and relevant detail provided to the Committee regarding both the base and draft budgets. It was some Members' opinion that whilst there had been a considerable quantum of numbers provided, these lacked clarity and missed key details and explanation, and hence had been insufficient to allow thorough scrutiny of the budget

and in terms of its presentation had also lacked clarity. These factors had conspired to reduce transparency overall and it was Members' wish that the process, presentation, detail and explanation of numbers be improved in the future.

RECOMMENDED to the Executive

that consideration be given to improving the level of detail and transparency of the budget and budget process in future years.

b) Grants

With regard to Item (a) above, Members were particularly concerned about the lack of clarity and detail provided regarding grant income. The treatment of grants and how they were presented in both the base and draft budget was, in Members' opinion, ambiguous. It was therefore Members' wish that a comprehensive list of grants received in the current financial year, together with those expected in 2011/12, be presented to the Executive and full Council when each considered the final budget for 2011/12.

RECOMMENDED to the Executive

that the Executive and full Council receive a comprehensive list of grants received in 2010/11 and expected in 2011/12 when considering the final budget for 2011/12.

c) Previous OSC Recommendations regarding Savings Proposals

Members noted that the Executive had yet to consider or respond to the Overview and Scrutiny Committees' comments and recommendations regarding the savings proposals and supplementary savings proposals scrutinised in the November and December cycle of meetings. Members were informed by the Portfolio Holder for Finance, Governance & People that all comments and recommendations received (including those received as a result of public consultation) would be considered in detail by the Executive at its meeting on 15 February 2011 and responses to each would also be provided. It was the Committee's wish however that the Executive should also assess and make available the financial impact of each comment and recommendation.

RECOMMENDED to the Executive

that the Executive considers and responds in full to each comment and recommendation received from the Overview and Scrutiny Committees (and other consultees) regarding savings proposals, such consideration to include an assessment of the financial impact of each.

(Note: The Committee adjourned at 11.10 a.m. for a short break and reconvened at 11.20 a.m.)

d) Draft Budget: Sustainable Communities

During consideration of the draft budget for the organisation, Members asked a number of questions relating to the base budget of the Sustainable Communities Directorate, and specifically wished to understand why the base budget for 2011/12 was some £1.4M greater than the forecast actual for 2010/11. The officers attending were unable to provide sufficient explanation on this issue and so, mindful that the Sustainable Communities Overview and Scrutiny Committee was scheduled to meet the following day, it was felt that this matter could be pursued further at that time.

RECOMMENDED to the Executive

that the Executive notes that further examination of this matter will be undertaken by the Sustainable Communities Overview and Scrutiny Committee at its meeting on 18 January 2011

RESOLVED

that consideration of this matter be referred to the Sustainable Communities Overview and Scrutiny Committee for consideration at its next meeting.

CCS/10/121 **Work Programme 2010-2011 and Executive Forward Plan**

The meeting was aware that this item had been deferred (minute 112 refers).

(Note: The meeting commenced at 10.00 a.m. and concluded at 1.26 p.m.)