

ITEM 8b



SCRUTINY MANAGEMENT COMMISSION 2 FEBRUARY 2010

Report of the Director of Corporate and Adult Social Services

Recommendations from the other Overview and Scrutiny Commissions on the draft Revenue and Capital Budgets 2010/11-2012/13

RECOMMENDATION

1. To note the recommendations.

SUPPORTING INFORMATION

- 2.1 The Revenue and Capital Budget proposals were considered by the five Overview and Scrutiny Commissions at their meetings in January 2010.
- 2.2 The recommendations of the Commissions and the reasons for those recommendations are as set out in the Appendices to this report.

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Background papers: Background Papers - None
List of appendices: Appendix 1 – Implications
Appendix 2 – Adult Services and Health Commission
Appendix 3 – Children and Young People Commission
Appendix 4 – Climate Change Commission
Appendix 5 – Community Commission
Appendix 6 – Planning and Transportation Commission
Appendix 7 – Capital Budgets

IMPLICATIONS

Financial

1. As set out in the Appendices.

Legal

2. None directly arise from this report. The Council is under a statutory duty to set a balanced revenue budget. It is a matter that cannot be delegated so must be agreed by full Council which meets on 1 March 2010.

Personnel

3. None directly arise from this report.

Equalities impact

4. The budget proposals that are the subject of the Commission's recommendations have the potential to impact on all Derby people.

Corporate Priorities

5. This report has the potential to link with all the Council's Corporate Priorities which themselves are to be aligned with the Sustainable Community Strategy – see agenda item 10.

Appendix 2 – Report of the Adult Services and Health Commission

The Commission discussed the Revenue Budget Proposals at length and **resolved to note** the proposals.

Although no recommendations were made the Commission raised a number of issues and concerns.

1. The Commission was informed that there 1000 people in the city known to have dementia whilst a further 2000 are thought to have dementia but are not registered with any organisation. This figure is based on extrapolation from national statistics. Members expressed concerns on the reliability of these figures as they are over-reliant on national statistics which could not be properly founded. Members questioned the basis of developing future spending plans without accurately knowing the current spend on dementia care.
2. Members were informed that the Adult Social Care budget is expected to have an underspend of £2.9m in the current financial year and that a similar high level of underspend occurred last year. Although it is important to spend the budget effectively and achieve best value for money some Members felt uncomfortable with the level of underspend. Members felt that resources have been allocated by the Council to provide services to some of the most vulnerable people in the city and that we should endeavour to meet those needs. Members suggested the Council operate the eligible criteria flexibly and provide the support to vulnerable people who have difficulty in maintaining hygiene standards in their homes.

Appendix 3 – Recommendations of the Children and Young People Commission

The CYP Commission considered the Revenue Budget Proposals 2010/11-2012/13 and makes the following **recommendations**:

1. The recently published Lamb Report considers that the current system for assessment of special educational needs to be inadequate and too variable between local authorities. To address the increase in numbers of children diagnosed with autism and recommendation by the report that local authority staff attends all assessments requires an appointment of an additional Inclusion and Assessment officer. The Commission also learned that our existing performance measures on SEN already need to improve. The Commission therefore supports the proposed costs of a post.
2. The Council should consider offering more support to staff who wish to foster children such as maternity and paternity leave similar to that which is available for normal parents. It was considered that this could encourage more staff to foster and adopt children which would not only provide decent homes for our looked after children but could also impact on the number of children being placed in external placements and thereby reduce pressure on children and young people services budget.
3. The Commission considered a proposal to save £35,000 per year from 2011/12 onwards for social development and inclusion to explore ways in which the service could be delivered more effectively. Although this is a non-statutory service, it was stated that without the services there is significant risk of failure to meet statutory indicators and including a widening of the attainment gap for Traveller, Gypsy and Roma communities. The Commission recommends this service should continue to be provided and that the savings of £35,000 are relatively small compared to the level of risk of exclusion.
4. Safeguarding needs to be kept very high up on the agenda following the publication of the Lord Laming report and the findings within it.
5. Raising attainment levels within all our schools need to be a priority and not budget driven.

Appendix 4 – Report of the Climate Change Commission

The Climate Change Commission considered the revenue budget and made no recommendations.

Appendix 5 – Recommendations of the Community Commission

The references relate to the entries in the main Budget Book provided to members on 15 December 2009.

1. Transfer of Building Services to Derby Homes: Pages 191, 203/204 and 205/206 - Trading Services (£513k) and Management, Finance and Administration (£187k) = £700k additional pressure from 2010/2011.

Recommendation 1

That the Council negotiates with Derby Homes so as to secure a marked reduction in the transfer figure of £450k attributed to the profit element.

Reason for recommendation:

The profit from the trading activities of building services has hitherto contributed to the Council's General Fund. Those profits have effectively helped fund the Department's overheads. The transfer of building services to Derby Homes and its absorption into the ring-fenced Housing Revenue Account therefore creates a gap in the General Fund and will no longer be available to support Environmental Services central costs, including management salaries. Senior officers advised the Commission that the final figure is subject to negotiations and the key need is to obtain the outcome that best protects the interests of:

- the Council as regards the transferred sum
- the tenants in maximising the proportion spent on actual repairs and minimising the amount attributable to management

2. Markeaton Park: Pages 190 - £15k indicative saving from 2010/1011 through closure of the paddling pool. Also links to the Environmental Services Capital Programme

Recommendation 2

That a) this proposed saving not be confirmed, b) instead a capital bid be developed for a new fit-for-purpose pool and c) in the meantime the paddling pool remain open.

Reasons for recommendation

(1) The Commission understands why this proposal has been put forward. In addition to the need to offer up budget savings, the pool's age and condition cause safety problems and continuing expenditure to maintain it.

(2) However Markeaton Park is the most popular in the city, both for residents and visitors. On the Commission's same agenda were the proposals for the Council's Leisure Facilities, these envisage re-provision rather than simple closure. The Commission regarded that strategy as visionary and forward thinking. The same optimistic approach is also needed to parks facilities. The

Commission are not suggesting a like-for-like rebuild but, instead, the working up of a fit-for-purpose replacement.

(3) The working up of the capital bid should include identification of possible Section 106 contributions.

3. Ranger Service Review: Page 201 £20k savings from 2010/1011 to be achieved by transferring litter picking duties from park rangers to street cleansing staff.

Recommendation 3

That the rationalisation proceed but the £20k be retained by the department to be re-invested in park services.

Reason for recommendation

The answers to questions persuaded the Commission that the proposal would not affect the standards of litter picking and is instead a rationalisation. This will be achieved by transferring litter picking duties to street cleansing staff from park rangers, thus reducing the total of ranger hours required. Furthermore the saving would be achieved by employing less temporary parks staff rather than redundancy. However, the Commission would prefer to see the savings held within the parks service. Promotion of physical exercise is a key Council goal. The physical presence of park rangers provides a reassuring presence and so helps promote usage of the facilities.

4. Libraries/Museums: Pages 214, 216, 220 and 222 – Reductions of £129k (sub total) from libraries plus £50k from museums from April 2010 plus a further £100k from libraries and £45k from museums from April 2011.

Recommendation 4

That the proposed savings be removed if their achievement is dependent on any reduction on museum or library opening hours or resources.

Reasons for recommendations

Officers explained these had been put forward with reluctance and to comply with the Council's directive to identify savings. The Commission consider that reducing opening hours would be especially bad at a time of economic downturn when more residents need library resources to search for work, improve themselves (and so their employability) and/or have more spare time but less disposable income. As part of both the DCP's 'Cultural City' and the Council's own 'Priorities', Museum usage should be promoted whereas restricting the opening hours detracts from that goal.

Please note a meeting on 11 February will consider a) Community Centres and b) Mobile Library and a supplementary report will be provided to the Council Cabinet setting out any recommendations made on these issues.

Appendix 6 – Recommendations of the Planning and Transportation Commission

The references relate to the entries in the main Budget Book provided to members on 15 December 2009.

1. Highways and Footways Maintenance: Pages 214, 220 – Proposed increase of £400k for 2010/11 with second rise from 2011/12. This also links to the Capital Programme

Recommendation 1

That a) the planned increase of approximately £400k be augmented by £500k to take account of the additional damage caused by the extreme winter this winter and b) the resources available for highways and footways be raised to an annual plateau of £5m to enable:

- the network to be improved and maintained in a steady state
- the reinstatement of revenue funding for footway maintenance

Reasons for recommendation 1

1. Professional officers and the Cabinet Member acknowledge that the severe and prolonged weather will have further damaged the road network. The scale and cost is currently being extrapolated but is thought to be in the order of £1/2m. An amount of this scale is therefore needed in 2010/11 in addition to the planned £400k to repair the damage.

2. Members are concerned that it is again proposed to siphon the footway maintenance revenue funds to fund the necessary reactive highway maintenance, with just £290k capital allocated to improve footways. The Highway Asset Management Plan is expected to indicate that £5m is needed each year to properly maintain highways and footways.

3. The Commission endorsed the Council resolution of 20 January:

“Council recognises that many pavements across the City are in an increasingly poor state of repair and notes with concern that the revenue footway renewal programme has again been removed and reallocated by the current administration.

This and other reallocations of funding will further reduce the amount of footway renewal schemes undertaken, add to the ever increasing preparation pool and result in considerably more LTP capital provision being spent on maintenance, thereby threatening this councils “excellent” status in relation to the LTP.

Council therefore calls for the cabinet to evaluate the extent of urgent works required and re-instate a suitable programme of renewal and planned maintenance.”

2. Reduction in support in Council supported bus services page 220 -

Proposed total reduction of £130k. The total includes cessation of several supported bus services.

Recommendation 2

That the assumed saving of £26k from 2010/11 be deferred or removed.

Reasons for recommendation 2

1. The assumed saving could be considered premature and can only be achieved by the prompt removal of financial support to routes 17, 17A, 19 and 35 services or, if not, cause a predictable overspend.
2. Deferral or removal will allow a more considered decision to be made and the opportunity for public consultation.

3. Reduction in support in Council supported bus services page 220, 229-230 - Proposed total reduction of £130k. The total includes a planned saving of £90k from the Community Transport budget commencing in 2012/13 bus services.

Recommendation 3

That the proposed joint review of provision to deliver efficiencies and savings include early and detailed consultation with current and potential service users.

Reason for recommendation 3

So that the resultant service proposals are based on the best fit of customer needs and wishes to the resources available. Such an evidence base will also help make any potentially unpopular proposals defensible.

4. Reduction in support in Council supported bus services page 220 –

Section 106-funded city centre shopper hopper.

Recommendation 4

To note that if the current review of the free city centre Shopper Hopper finds it has not achieved its aims and does not represent value-for-money the Commission would endorse the cessation of the service.

Reason for recommendation 4

The indications are that the free service has not attracted much patronage and is not achieving the aim of increasing footfall in the Cathedral Quarter which was dented following the opening of the Westfield Centre. If so the

S106 monies that fund the service would be better applied to some other eligible activity or project.

5. Ring road bus service – not in the budget book. On 20 January 2010 Council resolved: “Council calls on the Council Cabinet to implement as soon as possible, in negotiation with the bus companies and the Royal Hospital Trust, a ‘ring road’ bus service that would serve both the hospital employees, patients and visitors.”

Recommendation 5

That a) Cabinet note that on 28 January the Commission endorsed the Council resolution of 20 January:

“Council calls on the Council Cabinet to implement as soon as possible, in negotiation with the bus companies and the Royal Hospital Trust, a ‘ring road’ bus service that would serve both the hospital employees, patients and visitors”

and b)i) Cabinet ensure staff time be allocated for the planning and analysis needed to take the resolution forward and ii) if current resource levels would be an obstacle to doing that, Cabinet allocate an additional amount to the Integrated Passenger Transport Group salary/support budget.

Reasons for recommendation 5

1. The view of Council and the Commission is that a ring road bus service is desirable to improve public transport access to the new hospital and the University and reduce congestion in the city centre. The reported view of the bus companies is that such a service would not be viable. The best way to test out those respective views and possibly change the operators’ minds is by building an evidence base.

2. It was not suggested to the Commission by the Cabinet Member or Director that resources would be an issue to undertaking the planning at part b)i) but the Commission included b)ii) to stress this is a priority that needs time devoted to it.

Appendix 7 – Capital Budgets

a) Adult Services and Health Commission

The Commission fully supported the Capital Budget proposals

b) Children and Young People Commission

The Commission queried the progress on Building Schools for the Future programme and was reassured that our funding is fully secure. The Commission noted the Capital Budget Proposals.

c) Climate Change Commission

The Commission noted the Capital Budget Proposals.

d) Community Commission

The Commission endorsed the proposed Regeneration and Community Department Capital Programme for 2010/11 – 2012/13

The Commission endorsed the proposed Environmental Services Capital Programme for 2010/11 – 2012/13 except:

i) that consideration of capital spending proposals for Markeaton Crematorium was deferred until the next meeting of the Community Commission on 11 February 2010*.

ii) a recommendation was made about Markeaton Park. This is explained at recommendation 2 and associated reasons under the Revenue Budget (at Appendix 5)

Regarding the Housing Capital Programme it was resolved to defer consideration of this item until the next meeting of the Community Commission on 11 February 2010*.

* A supplementary report will be provided to the Council Cabinet setting out any recommendations made on these items.

e) Planning and Transportation Commission

See recommendation 1 and associated reasons under the Revenue Budget (at Appendix 6)