

APPENDIX 2

OUTCOME OF DISCUSSION AT SCRUTINY COMMITTEES

A. CHILDREN AND YOUNG PEOPLE'S SERVICE (16 October)

The Committee considered a joint report of the Directors of Resources and Children and Young People's Service about the process of developing the Medium Term Corporate Strategy and the implications for the Children and Young People's Service. Copies of the report, marked D and a supplementary report, marked D1, are filed with these minutes.

The following general comments arose from discussion:

- The opportunity to review the budget position at an earlier stage was welcomed;
- It was essential that priority services were delivered efficiently and where possible by re-focussing existing resources thereby reducing the need for growth;
- It was noted that the services identified for further investigation as lower priority savings were non-statutory services that the Council was not required to provide but it was important that the value and effectiveness of these services should be properly evaluated against their cost – some services had a value which could not be measured entirely in financial terms;
- It was confirmed that other non-statutory services, not identified as lower priority services included the Education Arts Service, School Partnerships, Homestart and the Healthy Schools Initiative
- The Director of Children and Young People's Service confirmed that he had contacted neighbouring local authorities about their budgeting strategy and they appeared to be adopting a similar approach to Leicestershire; he also confirmed that service charges and fees were being reviewed
- There were issues relating to both the funding available to support Adult and Community Learning and the appropriate location within the organisation of a service providing Lifelong Learning;
- The Director of Children and Young People's Service confirmed that the issue of charging appropriately for services was also being considered.

RESOLVED:

That the report be noted.

B. COMMUNITY SERVICES (30 October)

The Committee considered a joint report of the Director of Community Services and Director of Resources informing members of the development of the Medium Term Financial Strategy (MTFS) and to set out the broad implications for the Community Services Department and request comments thereon. A copy of the report, marked 'C', is filed with these minutes.

The Chairman thanked Mr White CC, Cabinet Lead Member for Community Services, for attending the meeting for this item.

Arising from comments, the following points were raised:

- The financial planning process this year was different from previous years as scrutiny committees would now have the opportunity to review the financial strategy at an earlier stage. In addition, public consultation would take place during November/December. In January, scrutiny committees would have the opportunity to scrutinise detailed budget proposals in the usual way.
- Concern was expressed about the lack of detailed information particularly on lower priority savings and members view that by the time of the next meeting scheduled for January decisions would have in effect been made.
- Concern was expressed regarding the proposals to rationalise land holdings managed by the Country Parks Service. The Director of Community Services advised that at this point he was unable to provide any further detail. All possible options would be explored. It was, however, anticipated that this would involve the disposal, not necessarily sale, of some small areas of land. The aim was not to generate substantial capital receipts but to reduce revenue costs.
- The Authority's capital programme had been reviewed with the aim of reducing expenditure by £8 million over the current three year programme. For the Community Services Department this meant a reduction of £250,000 which was being dealt with by deferment. The two projects affected were the Melton Museum's bid and the Snibston Discovery Park bid for the restoration of the colliery building.
- With regard to Library Services for Education, Leicester City Council had given notice last year to withdraw their £50,000 subsidy. Despite this the Community Services Department was continuing to work with City schools.

- The proposal to cease checks on overloaded vehicles was supported on the basis that this function was principally the responsibility of the Police and Department for Transport.
- Members welcomed the continued commitment in relation to the Ashby Canal project.

RESOLVED

- (a) That the opportunity for early consideration of the Medium Term Financial Strategy be welcomed;
- (b) That it is the view of the Committee that the information now provided is insufficient to enable members to make any meaningful comments;
- (c) That an additional meeting be convened on 11 December at 2.30pm to enable the Committee to give further consideration to any additional information on the implications of pursuing the proposed savings in the lower priority service areas as set out in paragraph 15 of the report.

C. ENVIRONMENT (2 November)

The Committee considered a joint report of the Directors of Resources and Highways, Transportation and Waste Management about the process of developing the Medium Term Corporate Strategy 2007/8 to 2009/10 and the implications for the Highways, Transportation and Waste Management Department. A copy of the report, marked H, is filed with these minutes.

The Chairman welcomed Mr N. J. Rushton CC, Cabinet Lead Member for Highways and Transportation and Professor M. E. Preston CC, Cabinet Lead Member for Waste Management who had kindly agreed to attend the meeting to answer questions on this item.

The following general comments arose from discussion:

- i) The opportunity to comment on the budget position at an early stage was welcomed.
- ii) It was noted that the anticipated shortfall in the budget over the next three years was approximately £20 million, the majority of which could be met through efficiency savings. Service Reductions would be required in addition to this but these would be met from 'lower priority service' savings.
- iii) The Director reported that an ongoing problem beyond the control of the Department was inflationary pressure in the

construction industry and rising oil prices, both of which put pressure on the budget.

- iv) An additional service pressure affecting the Minerals and Waste Local Planning Service (from within the Community Services Department) of approximately £200,000 was likely to be included in the detailed budget breakdown to be presented to Committee in January 2007.
- v) The consideration of a reduction in the provision of non-essential traffic signs, provided for at the discretion of the Department was welcomed as it was felt that there had been a proliferation of signage in Leicestershire over recent years.
- vi) A reduction in reactive maintenance would be detrimental to the service provided by the Department and should be avoided if at all possible. The Director advised the Committee that such a reduction was not expected to affect the Department's ability to respond to emergencies and the provision of an appropriate inspection service.
- vii) A review of charges for commercial services provided by the Department should be undertaken to see if there was any scope for developing those income streams. The Director reported that a good example of this was the recent agreement with marketing agents to introduce sponsorship of roundabouts. This had provided the County Council with a guaranteed significant income for the first 3 years of the sponsorship deal.
- viii) The issue of the most effective approach to implementing the revised Municipal Waste Management Strategy through working with the District Councils was kept under ongoing review, including how best to dispose of kitchen waste which accounted for thirty percent of household waste. Significant financial investment was to be required for this service.
- ix) It was not appropriate for the removal of the County Council subsidy for the Leicester to Loughborough Ivanhoe Line to be regarded as a service reduction; this was a result of the Department for Transport including this service in the East Midlands rail franchise to be re-let in November 2007, at which point County Council funding would cease.

Following the discussion, the Lead Members for Highways and Transportation, and Waste Management undertook to take the comments of the Committee back to Cabinet for consideration.

RESOLVED:

That the development of the Medium Term Financial Strategy 2007/8 to 2009/10 and the broad implications for the Highways, Transportation and Waste Management Department be noted.

D. ADULT SOCIAL CARE AND HEALTH (6 November)

The Committee considered a joint report of the Director of Resources and the Director of Adult Social Care and Health concerning the development of the Medium Term Financial Strategy and setting out the broad implications for the Adult Social Care Service.

In response to questions the Committee was advised as follows:

- i) The service pressures, as a result of demographic changes, also took account of increased service user expectations;
- ii) The review of the Supporting People programme was nearing completion and the early indications were that the County Council would be required to absorb a part of the shortfall of the Government funding through the budget for community care;
- iii) The efficiency savings outlined in paragraph 22 would not result in any diminution of service to users or carers. It was anticipated that efficiency savings in relation to learning disability residential care would be achieved through a more cost effective approach to commissioning services;
- iv) A review of the laundry service was being undertaken and the results would inform the final decision. The review would also consider the use of the Homecare service in delivering this service and as such it was hoped those assessed as eligible for a service would continue to receive one;
- v) The proposals regarding establishing a maximum contribution towards major adaptations were still being developed. As part of this, consideration would be given to establishing review processes in relation to those with high levels of need as a result of severe disabilities;
- vi) With regard to assessment beds, the proposals envisaged a review and greater use of the block contracting arrangements with a view to reducing the use of spot purchasing.

RESOLVED

- a) That the early sight of the Medium Term Financial Strategy and pressures facing the Adult Social Care Service be welcomed;
- b) That the responses now provided to the concerns raised be noted and drawn to the attention of the Cabinet
- c) That the proposed investment for priority services contained within the capital programme and revenue budget be welcomed.