

Minutes of a meeting of the Scrutiny Commission held at County Hall, Glenfield on Monday, 9 February 2004.

PRESENT

Mr. N. J. Brown CC (in the Chair)

Mr. B. Chapman AE, CC
Mr. P. A. Hyde CC
Mr. P. C. Osborne CC
Prof. M. E. Preston CC
Mrs. M. L. Sherwin CC

Mr. S. J. Galton CC
Mr. Mike Jones CC
Mr. M. B. Page CC
Mr. N. J. Rushton CC
Mr. R. M. Wilson CC

By Invitation

Mr. D.R. Parsons CC – Leader of the Council.
Mr. R. Miller CC – Deputy Leader of the Council.
Dr. R.K.A. Feltham CC – Cabinet Lead Member for Better Access to Services.
Mr I. D. Ould CC – Cabinet Lead Member for Education
Mr.J.B. Rhodes – Cabinet Lead Member for Community Safety.

54. Minutes of the meeting held on 7 January 2004.

The minutes of the meeting held on 7 January, 2004 having been previously circulated were taken as read, confirmed and signed subject to the inclusion of the names of Mrs. M.L. Sherwin CC and Mr. M.B. Page CC in the list of members present.

55. Question Time.

The Chief Executive reported that no questions had been received under Standing Order 35.

56. Questions asked by members under Standing Order 7(3) and 7(5).

The Chief Executive reported that no questions had been received under Standing Order 7(3) and 7(5).

57. Any other items the Chairman has decided to take as urgent elsewhere on the agenda.

There were no urgent items for consideration.

58. Declarations of interest.

The following declarations of interests were made by members:-

Mr Hyde CC – personal and prejudicial as a member of the Co-operative Society in relation to the savings proposals affecting the Leicestershire County

Co-operative Development Agency;

Mr M. L. Sherwin CC – personal and non prejudicial as a member of the Leicestershire Police Authority in relation to any discussions relating to the contribution by that Authority to the activities of Youth Offending Service Management Board.

59. Declarations of the Party Whip in accordance with Overview and Scrutiny Procedure Rule 16.

There were no declarations of the Party Whip.

60. Presentation of Petitions under Standing Order 36.

The Chief Executive reported that there were no petitions to be presented.

61. Revenue Budget 2004/05 and Capital Programme 2004/07

The Commission considered a joint report of the Director of Resources and Chief Executive concerning the Revenue Budget for 2004/05 and Capital Programme 2004/07 in relation to the Chief Executive's Department. A copy of the report marked 'B' and 'B1' is filed with these minutes.

The Commission also considered the following reports, copies of which are also filed with these minutes:

- Report of the Director of Resources to the Cabinet on 28 January, setting out the overall position on the Revenue Budget 2004/05 and Capital Programme 2004/07 (marked 'BB').
- Comments of the Scrutiny Committees on the proposed Revenue Budget and Capital Programme relating to their respective service areas (marked 'B2').

The Chairman welcomed to the meeting the following members who had kindly agreed to attend the meeting to answer questions:

Mr. D.R. Parsons CC	-	Leader of the Council
Mr. R. Miller CC	-	Deputy Leader of the Council
Dr. R.K.A.Feltham CC	-	Cabinet Lead Member for Better Access to Services
Mr I. D. Ould CC	-	Cabinet Lead Member for Education
Mr. J.B. Rhodes CC	-	Cabinet Lead Member of Community Safety

Messrs. Ould and Rhodes advised the Commission of their personal interests in relation to the Youth Offending Service as members of the Probation Board and Police Authority respectively.

a) Chief Executive's Department Budget

In reply to questions the Commission was advised as follows:-

- i) That the efficiency savings would be achieved by a range of measures including:-

- £130,000 in a full year from the review of the Training Function previously carried out by the Department;
- increased income primarily from increased charges for orders and agreements relating to development and environmental issues;
- closer and more careful management of operational and staffing budgets including managing vacancies.

With regard to implementation, the normal procedures would apply regarding reporting to the Cabinet and, if appropriate, the Employment Committee. Scrutiny would be able to comment on the decisions of the Cabinet before implementation.

- ii) the increased budget provision for Youth Justice and Safer Communities was made up two elements, firstly to meet the cost of strengthening the management and financial monitoring arrangements which were necessary following the merger of three different teams and secondly, to meet the demands from increased referrals and the shortfall in contributions from partner agencies.

With regard to the role of the partner agencies, the Commission was assured that all the partners on the Youth Service Management Board were committed to the success of the Youth Offending Service. However, in view of the particular financial circumstances facing their respective organisations in the coming year the Police, the NHS and, in particular, the Probation Service were unable to commit the additional financial resources requested.

The underspending in the 2003/04 budget was partly as a result of the focus being on bringing together the Youth Offending Service, the Drugs and Alcohol Action Team and the Community Safety Unit and partly as a consequence of the process of recruitment. The increases in the budget were deemed necessary to deliver the County Council's commitments in the Medium Term Corporate Strategy.

- iii) the additional revenue and capital included for the Better Access to Services Initiative was to deliver the three year strategy agreed by the Cabinet and was also a response to the Government's strategy of making services accessible electronically. The additional investment would enable the Authority to address the implications of the Freedom of Information Act, continue the roll out of the model services shop initiative and begin to address the issue of broadband access for remote villages.
- iv) the £50,000 growth included for implementing the Leicestershire Local Strategic Partnership Work Programme was in relation to those elements which were deemed the responsibility of the LLSP itself. It was considered unrealistic that partners such as District Councils would contribute funding in respect of those elements. The partners to the LLSP were progressing their particular

elements of the Strategy and were also making staffing resources available to assist in wider initiatives;

- v) the higher percentage of growth in the Chief Executive's departmental budget, as compared with other areas of the budget, reflected the need to develop a number of corporate activities such as equalities, human resources, community strategy, procurement and public consultation and was in response to comments in the Corporate Performance Assessment (CPA) concerning the corporate processes. The majority of growth items were therefore not confined to the Chief Executive's Department. It was important to progress many of these issues if the Authority was to improve its services and hence its CPA rating. In relation to the growth for a strategic review of procurement this should be seen as an 'invest to save' initiative as there was the potential for substantial savings in future years.

The Leader indicated that he would consider the points made by members and, in particular, examine the robustness of the growth proposals included for corporate activities.

b) Revenue Support Grant (RSG) Settlement and the 2004/05 Revenue Budget

In response to questions the Leader and Cabinet Lead Members advised the Commission as follows:-

- i) the Government's settlement could best be described as 'indifferent'. Whilst additional resources had been provided the settlement failed to address the inequalities of funding particularly in relation to Education and Social Services;
- ii) The failure of the Government to use the 2001 census figures in calculating the settlement had cost the Authority approximately £3million;
- iii) the Government had now notified the Council that the £3.7million transitional funding to offset budget problems faced by schools in the current year and the criteria for distribution of that funding had been agreed. It was recognised that schools which had already taken prudent financial action in order to balance their budgets would be unhappy and consider they had been unfairly treated by the Government.
- iv) in framing the budget the Cabinet had sought to maintain the high quality services the Council currently provides and to address the issues identified in the CPA and other inspections whilst ensuring that the level of Council tax increase was reasonable. He stated that whilst it was difficult to be precise he was confident that taken over two years the level of Council tax increase levied by the County Council would be in the bottom quartile of all Councils;
- v) the proposed reduction in Shire Grants recognised the successes

already achieved through this budget and it was now necessary to focus the Grants on certain key areas.

- vi) the proposed reduction in the Community Plus budget was not inconsistent with the commitments in the Medium Term Strategy. By hypothecating the budget (before it was delegated to schools) the Cabinet would seek to ensure that certain activities were protected including:-

- grants to voluntary organisations
- care in the community activities
- summer play schemes
- fee remission schemes for affiliated groups.

Reductions would need to be made on the staffing and delegated budgets but part of this could be achieved by increasing the charges for courses. The Authority spent far more than the majority of all other authorities in this area.

c) Comments of the Scrutiny Committees

The Commission agreed to note the comments made by the Scrutiny Committees.

d) Capital Programme

The Commission was advised that the DfES had recognised the particular issues faced by the Authority in relation to the Integrid schools and would make available £12.8 million in 2005/6 and £8.7million in 2006/7 to begin to address this.

With regard to the investment in Libraries, the proposals in the 2004/05 capital programme were intended to allow for:-

- the replacement of the Measham Library;
- the replacement of the Broughton Astley Library;
- the rebuild of the Markfield Library;
- the rebuild of the Ratby Library
- the relocation of the Glenhills Library.

These proposed improvements had to be seen in the context of the recognition by the Cabinet that it needed to improve the facilities thereby encouraging usage and that Library buildings could play an important part in improving access to services.

RESOLVED:-

That the comments now made, together with those made by the other Scrutiny Committees, be forwarded to the Cabinet and County Council for consideration.

62. Date of Next Meeting.

It was noted that the next meeting of the Committee would be held at 2.00 p.m.

on Wednesday, 3 March, 2004.

2.00 p.m. – 3.50 p.m.
9 February 2004.

CHAIRMAN

