

Overview & Scrutiny Committee – Meeting held on Thursday, 6th February, 2014.

Present:- Councillors O'Connor (Chair), Bal, Davis, Hussain, Malik, M S Mann, Minhas, Nazir and Smith (Vice-Chair)

Also present under Rule 30:- Councillors Anderson (left at 7.10pm)

PART I

61. Declaration of Interest

Cllr Bal declared an interest as his daughter worked for the Council.

62. Minutes of the Last Meeting held on 14th January 2014

Resolved - That the minutes of the last meeting held on 14th January 2014 be approved as a correct record.

63. Member Questions

There were no questions received from Members.

64. Finance and Performance Report: Quarter 3 2013/14

The Committee considered a report setting out the Council's overall performance from delivery of service to financial management up to and including December 2013.

The Council was forecasting an underspend of £0.003m as at month 9, as a result of an in-year savings initiative conducted over recent months to bring the budget back into balance. The breakeven position reflected the position where overspends in individual budgets (notably Children and Families) had been matched by underspends or savings in other areas. The Council had spent 28% of its available 2014/15 capital budget in the first 9 months of the year but the projected outturn was £44.4m or 68% of budget.

The latest position for the Council's balanced scorecard showed that 79% of the RAG rated performance indicators were at green, with a further 17% at amber. The key concern remained the number of children subject to Child Protection Plans. The number requiring this level of protection continued to increase and exceeded the planned level. The performance against each indicator was detailed in Appendix C. Appendix D (an updated version of which was tabled) contained details of performance against six Gold projects, of which three were green and three were amber.

Arising from Members questions:

- The School Places Programme Gold Project was taking a long term strategic approach to ensure all Slough children and young people secure a school place to 2021. Sufficient places for all children

Overview & Scrutiny Committee - 06.02.14

currently existed in 2014 and 2015; it was from 2016 that additional must be provided. It was agreed that Members be circulated with a copy of the School Places report considered at the meeting of the Education and Children's Services Panel on 5th December 2013.

- Members were surprised to note the indicator showing the number of Freedom of Information (Fol) requests made by people who had made at least one previous Fol application. It was recognised that the Council could not decline responding to Fol applications.
- Whilst the Government had published proposals about free early education for 2 year olds, full details of how and when this would be taken forward were still awaited.
- The high value of write-offs submitted for approval comprised in large part the NNDR that could not be collected from businesses which had failed. A collection rate of 98% (for Council Tax and NNDR) had been set for the coming year, based on work with Arvato to maximise collections from taxpayers and business ratepayers.
- A suggestion was made that the provision of social housing was of sufficient priority to warrant inclusion as a Council Gold Project. It was noted that Housing Services were currently scoping a new Housing Investment Programme and the suggestion would be referred to CMT for consideration.

Resolved -

- (a) That the latest forecast financial information for the 2013/14 financial year; the Council's performance against the balanced scorecard indicators; and the Council's performance on 'Gold' projects during 2013/14 be noted.
- (b) That the recommendation to Cabinet for approval of the write-offs detailed in the report be noted.

65. Revenue Budget 2014/15

The Committee considered four reports related to approval of the Revenue Budget and setting of the Council Tax for 2014/15 as follows:

- Revenue budget 2014/15
- Medium term financial strategy (MTFS) 2014-18
- Treasury management strategy
- Capital strategy: 2014-19

Joseph Holmes, Assistant Director Finance and Audit, introduced the reports by way of an overview, containing graphs and pie charts, of the financial background against which the Cabinet and Council would be taking decisions. The Leader was in attendance to answer questions.

The Committee noted the income sources available to the Council to meet the budget, primarily retained business rates (24%), revenue support grant (29%) and council tax (39%). As a result of cost pressures (of which 39% arose from Government funding reductions) a savings target had been set to be driven by a substantial programme of business efficiency. The MTFS set out

Overview & Scrutiny Committee - 06.02.14

the current and future estimated financial position, highlighting the steady reduction in Government spending on Local Government as a whole (25% from 2010 to 2015) and set to continue thereafter. Breaking down the proposed savings by service showed that Adult Social Care and Corporate spending would deliver a significant proportion. Reduced revenue support grant resulted in a decreasing total income stream each year through to 2017/18, with the total budget down to an estimated £97.6m in 2017/18 (compared to £114.25m in the current year). The Adult Social Care and Children and Families budget are and would continue to be the largest spends for the Council, and they would form a larger proportion of a smaller overall pot year by year. Whilst capital spending in excess of £50m was estimated for the current and 2014/15 years, this would reduce substantially thereafter, the majority being allocated to Education and HRA spending. The Treasury Management Strategy set out how the Council would manage its £285m of treasury risk comprising debt of £182.4m and investments of £103m. A chart showed where the Council's investments were placed and referred to the cash and time limits for placing investments in various organisations, with a view to obtaining the best returns for the Council.

In scrutinising the budget and associated reports, the Committee received answers to questions and additional information on the following:

- An explanation was given of the strategy for dealing with the budget pressure from Children's Social Care, particularly the rising cost of looked after children, and steps taken to recruit, train and retain more qualified social workers.
- Some joint work with Surrey County Council was being carried out around new initiatives to attract staff such as social workers through use of social media and more effective ways of marketing Slough.
- For all the savings proposals for 2014/15 where it was required, an equalities impact assessment was being carried out.
- Although the savings to be made in adult social care represented a significant cash sum, they were not huge in percentage terms, and through benchmarking to check how well money was being spent, were being achieved through the redesign of services to improve outcomes for clients at less cost and by reducing contract costs on services commissioned by the Council.
- It was hoped to grow the amount of retained business rate again in the future (the current level having been adversely affected by some demolitions), although it was noted that for every additional £1 of business rate collected, the Council retained approximately 30p.
- The Leader explained that the recommendation for a 0% Council tax rise had been framed taking into account affordability for taxpayers, the wish to have certainty and to avoid any risk of capping by the Government.
- The proposed increase in Council house rents amounting to an average of 5% was in line with current government guidelines.
- The Council's investment strategy had been successful, outperforming returns from Government gilts, and provided for increased lending to other local authorities (on a longer term) to maximise returns.

Overview & Scrutiny Committee - 06.02.14

- The schemes included in the SRP element of the capital programme where no expenditure was specified would be delivered through the regeneration partnership (which would bear the capital spend) whilst a capital receipt would accrue to the Council in due course.

Having considered the reports and the recommendations contained therein, the Committee concluded that the draft revenue budget was balanced and well constructed, with sound and achievable proposals on savings and efficiencies.

Resolved - That the reports be noted accordingly.

66. Medium Term Financial Strategy 2014-18

This item was considered within agenda item 5 – Revenue Budget 2014/15.

67. Treasury Management Strategy

This item was considered within agenda item 5 – Revenue Budget 2014/15.

68. Capital Strategy: 2014-19

This item was considered within agenda item 5 – Revenue Budget 2014/15.

69. Appointment to the Health Scrutiny Panel

The Committee considered a report seeking approval to the appointment of a member to the Health Scrutiny Panel. A vacancy had arisen in the membership of the Panel arising from the resignation of Councillor Mittal from the Labour Group.

Resolved - That Councillor Shah be appointed to the Health Scrutiny Panel in place of Councillor Mittal, in accordance with the wishes of the Labour Group.

70. Forward Work Programme

The Committee considered the current work programme for the Committee for the remainder of the 2013/14 year.

With regard to the visit of the Chief Constable on 4th March 2014, the Committee was invited to notify by the end of February any topics on which questions could be put at the meeting. Topic areas raised so far related to the use of *Taser* guns and the accuracy of crime figures. Advance suggestions for the work programme for the new municipal year would also be welcome.

Resolved - That the work programme be noted.

Overview & Scrutiny Committee - 06.02.14

71. Attendance Record

Resolved - That the Member's attendance record be noted.

72. Date of Next Meeting

The date of the next meeting was confirmed as 4th March 2014.

Chair

(Note: The Meeting opened at 6.30 pm and closed at 8.18 pm)