

VALUE FOR MONEY SCRUTINY GROUP
FEEDBACK ON THE CABINET'S SERVICE AND FINANCIAL
PLANNING PROPOSALS FOR 2009/10 – 2011/12.

The Value for Money Scrutiny Group (VfMSG) is a cross party group of six elected members and a co-opted member of the public. The group have met on three occasions to discuss the Cabinet's budget proposals. The group also issued an invitation to the four opposition Group Leaders to present any alternative budget proposals to them. This offer was taken up by the Leader of the Labour Group. However, the Labour Group's proposals were still in the course of being finalised and are not therefore generally commented upon in this report.

Members of the VfMSG would like to extend their thanks to the range of members and officers that assisted them during their consideration of the service and financial planning proposals for 2009/10 – 2011/12.

The Cabinet launched their budget consultation process on 8th December with the release of detailed proposals in respect of the investment package, savings, use of balances and the proposed strategy for council tax increases.

The VfMSG have therefore had a limited period of time to consider the proposals as the Group's response was requested by early February to feed in to the Cabinet's consideration of the responses from its consultation process. The Cabinet's final proposals are due to be discussed at Cabinet on 23rd February with the council tax for 2009/10 being set at Council on 5th March. However, in the limited time available, the group did meet with:-

- The Corporate Finance Manager,
- Cabinet Member: Environment,
- Cabinet Member: Adult & Consumer Care,
- Corporate Director: Environment & Economy,
- Corporate Director: Adult & Consumer Care,
- Head of Finance,
- Leader of the Labour Group
- Finance Manager for Adult & Consumer Care,
- Cabinet Member: Community Services
- Head of Customer Services and Business Transformation

Written answers to a range of questions on further areas raised by members were also provided in order to clarify some of the proposals.

There was general support from the group for the overall service and financial planning strategy put forward by the Cabinet. However, members have a number of comments that they would like the Cabinet to consider prior to finalising their proposals:-

1. The group wish to recommend that £100,000 of the £2m capital funding available for highways works is ring-fenced for the improvement of rights of

APPENDIX 6B

ways and those footpaths that are not currently designated as footpaths on the definitive map. The group would like one of the criteria used in the prioritisation of this funding to be the availability of match funding e.g. from Town or Parish Councils.

2. The group would like to receive a report on how this funding will be allocated, together with an update on progress with work updating the definitive map of rights of way as they have some concern about the level of revenue resource allocated for this work.

3. Members carefully considered the proposed changes in treatment of accounting for capital charges outlined to them by the Head of Finance. They gave a cautious welcome to the proposals and are prepared to endorse them as they will enable capital projects to proceed that would otherwise not be possible. Group members considered that this was important in the current economic conditions. However, they wish to ensure that effective controls are in place to ensure that asset lives used in the calculations are realistic and that a prudent approach, approved by the external auditors, is adopted.

4. The group received an update on the proposals to change the location of the new Advice Centre and are happy to endorse the revised proposals which considerably reduce the establishment charges. However, in order for the benefits of this investment to be maximised the group think that it is important that the Council works effectively with a range of partner organisations and that effective promotion of the Advice Centre together with partner organisation initiatives is undertaken. It was also suggested that at least one member of staff in each library should be trained so that they are able to signpost customers to relevant agencies and sources of advice and assistance.

5. VfMSG members wish to register concerns over the lack of detail on two of the Adult & Consumer Care savings proposals. These are the £120k assumed saving from "service and funding reviews" where because the reviews have not been completed it is difficult to be clear what the service and other impacts will be and the £75k assumed from "general efficiencies" where again there is a lack of detail provided.

6. The group discussed the proposal from the Leader of the Labour Group that "back-office" Council employees do not need to be located in expensive Town Centre accommodation. The group support this proposal in principle and recommend that a thorough review of the options available for accommodating Council staff is undertaken before any final decisions are taken. Members thought that it was important that the Council should have a presence in an accessible Town Centre position for customer facing services and that to maximise efficiency other Council staff currently accommodated in Civic Offices and Darby House could be located in a District centre which would have a significant impact in terms of regenerating the district centre concerned. Clearly this would have a potential impact on the development of Telford Town Centre but the group believe that other parts of the Borough are

APPENDIX 6B

also in need of regeneration and that back-office Council staff do not need to be accommodated in an expensive prime Town Centre location.

7. Some members of the group supported a proposal from the chair who has been involved in a recent scrutiny review of homelessness that a small amount of additional funding, taken from available revenue invest to save monies should be used to increase the homelessness bond scheme to a total of £30k i.e. an increase of around £20k. The objective of the scheme is to guarantee the rent deposit paid by private sector tenants to their landlords with a view to assisting those who cannot raise the funds for a deposit and who are therefore unable to move in to vacant private rented accommodation. This would stimulate the private sector rental market as well as helping people who may otherwise be classed as homeless and funded by the Council.