

EXTRAORDINARY OVERVIEW AND SCRUTINY
BUDGET 1 SESSION
21 JANUARY 2013

DISCUSSION POINTS

A comprehensive discussion followed which focused on the following points:-

- Clarification sought and given as to:

CLC

- In the context of the outlined budgetary pressures relating to waste treatment and recycling (a growth requirement of £0.6 million relating to waste collection and disposal costs primarily due to the Government “Landfill Escalator”): Why waste minimisation was not being actively promoted, and resources allocated accordingly, as rather than the Council encouraging recycling it would be better if waste was not generated.
- Noting the response of Officers that waste minimisation, and in particular education on this, was an element of the Council’s Waste Management Contract: The apparent conflict of interest of those dealing with waste management promoting waste minimisation.
- In the context of the outlined budgetary pressures relating to Environmental Health: The nature/ extent of the additional duties/ responsibilities being placed on the Council, anticipated budgetary pressures resulting from these, what provision the Council was making for this risk to the Budget, or whether the Council would be reactive to emerging issue. These were thought to relate to premises inspections - **further information on this to be provided by SH S&R CLC next day.**
- Performance in delivering savings required of the Communities Localities and Culture directorate in the previous year’s Budget; in particular was the anticipated generation of advertising income from the 2012 Olympics fully realised and what was the amount of this.
- Whether budgetary pressures were anticipated as a result of London-wide CO2 penalties on local councils if they did not meet targets for cleansing the local environment e.g. pollution

relating to “through routes”, or whether Government proposals on this were dormant.

- What strategy was in place to mitigate the “black hole” in the CLC Budget outlined by Officers relating to land fill and the Government “Landfill Escalator”.
- In the context of the outlined budgetary pressures relating to Safer Communities and the Mayor of London Policing and Crime Funding: Whether the CLC Budget continued £1.45 million provision for additional police for the Borough, and the number of these. Also assurance regarding the anticipated impact of London-wide reductions in policing. What were the current numbers of Met police allocated to Tower Hamlets. The Chair commented that the potential risk for additional budgetary pressure as a result of the new London-wide policing arrangements should be monitored. **Further information to be provided on numbers of police currently allocated.**
- In relation to a number of key contracts longer than 15 years e.g. Refuse collection: What action was being taken to:
 - Assess efficiency and value for money
 - Assess delivery and performance
 - Identify if contractual penalties could be clawed back
 - Review contract clauses allowing for renegotiation of terms given change of circumstances, and take appropriate steps.
- In the context of the introduction of bulk rubbish collection charges in last year’s Budget: Whether the overall savings/income target had been met. Also whether there had been any impact on reporting of on street rubbish dumping. **Further information on call volumes reporting dumped rubbish to be provided; also on income stream expectations and delivery.**
- Whether the recent winter weather if it continued would have an adverse impact on the CLC Budget.
- Whether all refunds from LOCOG had been received following the borough’s undertaking of its Olympic duties. **Officers to check and report back as to LOCOG meeting contractual obligations.**
- Whether additional income from controlled parking, anticipated as a consequence of the Olympics, had been achieved, and the part/s of the Budget benefitting from its allocation.

- What pressures on front line services/ staff, operated by CLC, resulting from the proposed integration/ reconfiguring of services, were anticipated by Officers.

CSF

- The underlying reasons for an above inflation rise in school transport costs of approximately 10 per cent.
- In the context of the outlined pressures on the CSF Capital Budget relating to current statutory provision of primary/ secondary school places (number of places needed set to rise 30% in 10 years), and the likely future Government requirement for 15 hours of free school based child care for 2 year olds:

The nature and use of the contribution to school infrastructure from Section 106 funding, and the role of the Planning Overview Panel in ensuring that capital costs for school infrastructure needs associated with new development were met.

Expressing concern over risks to the Capital Programme: what sources of funding had been identified to meet the capital funding gap and provide the necessary infrastructure? How would any shortfall in building capacity be managed?

- Noting the significant level of savings proposed for achievement through “vacancy management” and reduced agency use: what were the risks to staff in terms of morale and wellbeing from the vacancies left open. Also the impact on service stability.
- In the context of the significant savings to be achieved from integration of the CSF and AHWB directorates (Page 83/4, 2013/14 Budget Pack), scheduled for completion in March 2013 when the Acting Corporate Director for CSF and AHWB was due to retire, clarification/ assurance sought as to strategic and managerial leadership of the new directorate at that juncture.
- The reasons for a significant underspend in the Mayors Education Award budget;with concern expressed that a large number of children were not qualifying for MEA when it would prove very beneficial.
- Noting that the underspend was primarily due to young people not meeting the required attendance levels, the basis

for setting the MEA budget based on higher than previous attendance levels, and whether the outcome of an underspend was predictable. EMA grant take up had been monitored in the past could this information not have informed the MEA budget.

- Commenting that young people which had made the application for MEA/ met the criteria for award were from disadvantaged groups: concern was expressed that 49 per cent of MEA was being lost due to non-attendance, and clarification sought and given as to the measures taken by the Attendance Welfare Service to support the young people to improve attendance and secure the MEA.
- Noting the Officer comment that although young people may not qualify for MEA that did not signal non-achievement: what were the attendance levels on which they did achieve? If attendance levels had been 95 per cent when EMA had been awarded, how did current attendance compare and what was the variance from target? **Answer to be provided.**
- *Given the highlighted drawdown of earmarked reserves and the funding set aside for MEA which had not been used, was there a need for the full current budget allocation for MEA, and could the resources be better used elsewhere.*
- In the context of the recent £100,000 reduction in MSG funding for the Early Years Network (EYN) and the new duty of provision for 2 year olds, what was the anticipated impact on service delivery by the EYN, and how would increased demand be met?
- With reference to the highlighted funding shortfall of £4.9 million for key service provision (Connexions and children's centres) due to the move of EIG into DSG: Had a mapping exercise been undertaken to identify the impact, and what strategy was in place to mitigate this.

AHWB

- What grants or other funding had been used to offset savings slippage of approximately £800,000 relating to domiciliary care provision.

- What grants or other funding had been used to offset the savings slippage resulting from the lengthy delay in retendering the Re-ablement contract.
- Noting the delay in moving from expensive spot purchasing to block purchasing contracts, concern was expressed that, despite there being some excellent Officers, a clear strategic aim had been blown off course by the departure of the Corporate Director AHWB, and the Interim CD AHWB soon after, at significant cost to the Council and the quality of service.
- On-going concern was expressed regarding the directorate integration process and tardy culture change in relation to re-ablement and personalised care budgets. Feedback from service users was that they did not feel as well supported, and Officers should listen to their voices and take mitigating action.
- With Council spend on learning disability rising due to increasing demand, and the level of NHS spending falling, how would future provision be ensured. Had work been undertaken to identify the baseline service offer required to inform any future difficult decision on this. What were the implications of the transfer of public health responsibilities to **Councils** in this context.
- Noting that a sizable budget would transfer to the Clinical Commissioning Group, alongside the transfer of public health responsibilities, were Officers confident that the CCG could be persuaded to provide a level of resources that would allow for a service offer for the vulnerable (such as those with learning difficulties, disabilities or dementia) beyond the bare minimum of keeping people alive.