At a meeting of the Client and Partnerships Scrutiny Panel held on Monday, 7 December 2009 at 6:00 pm at The Council Chamber, The Civic Centre, Lampton Road, Hounslow.

Present:
Councillor Bradley Fisher (Chair)
Councillors Harris and John Todd.

Other Councillors Present:

Others Present:
Alison Baker - PCT Non-Executive Board Member, NHS Hounslow
Rea Mattocks – Co-optee, Adult Health & Social Care Scrutiny Panel
Sue Jeffers – Director of Commissioning, Primary and Community Care
Laurie Lopes – Pa to the Labour Group
Andy Sibley – Pa to the Community Group
Ben Osifo – Scrutiny Officer
Jonathan Hill-Brown – Scrutiny Officer
Chaspal Sandhu – Democratic Services Officer

22. Apologies for absence, declarations of interest or any other communications from Members

Apologies had been received from Councillors M Gill, Pritam Grewal, Harmer, Hibbs, Howliston, Raj Bath, Sharma and Rebecca Stewart.

Apologies had also been received from Mike Pears, co-opted Member on the Children and Young People Scrutiny Panel.

23. Environment Department Budget savings proposals 2010-2011- Discussion with the Director of Environment

The Chair opened the meeting and welcomed Members of the Client and Partnerships Scrutiny Panel and also the Children and Young People’s Scrutiny Panel to the meeting.

The Chair advised that the Environment Department savings proposals would be the first of the proposals to be discussed at the meeting followed by the Children’s Services and Lifelong Learning Department savings proposals.
The Chair welcomed Michael Jordan (Director of Environment), Councillor Barbara Reid (Lead Member for Environment), Councillor Gerald McGregor (Lead Member for Finance), Stephen Fitzgerald (Director of Finance) and Mel Smith (Head of Finance) to the meeting.

The savings proposals for the environment department were broken down into the following categories:

- Leisure Contract
- Fees and Charges
- Western International Market
- Office Move Expenditure
- Printer Rationalisation
- Highways – Efficiencies in the Improvement of Roads and Pavements.

**Leisure Contract**

In response to a question from the Chair, Michael Jordan advised that the Leisure contracts had been signed off. The values for each contract were as follows: £11.27 million for the contract with John Laing Integrated Services and £4.99 million for the contract with Fusion. The overall balance for the Leisure Contract was £19.32 million. However, the contract for Parks and Cemeteries was still to be signed off. It was expected that the contract for the parks would be complete and signed off by the end of the week. Michael Jordan advised that a 7.4% reduction in the contract was achieved after renegotiating the contract with John Laing Integrated Services.

Overall, savings of 5.2% were achieved in the contracts which amounted to a reduction of approximately £7.94 million.

Councillor Todd expressed concerns about the validity of the savings that had been presented. He recalled that at a recent meeting of the Executive a request had been made for additional funds to cover the costs of the contract payments. Councillor Todd commented that the initial budget projection had been approximately £11 million. He felt that the increase to £19 million was excessive.

Councillor Carey noted that within the overall budget of £19.32 million, approximately £3 million was unaccounted for. He asked for a breakdown of how the £3 million had been spent. Mr Jordan advised that approximately £400,000 was spent on staff; £770,000 on costs for premises; £200,000 on supplies and services; £400,000 on support services and £1.8 million was for capital financing.

In response to a question from Councillor Cadbury, Mr Jordan advised that it was very clear throughout the re-tendering process that the Council would prudentially borrow to invest in the improvement of the leisure centres.

Members were assured that the opening hours of the libraries would not be reduced and that there would not be any reductions in staffing levels. In reality there would be an increase in local history staff and there would be no negative impact on local archives or stock purchases.

Members felt it would be useful to have a further financial breakdown outlining any costs for the London Borough of Hounslow that were not included within the contract.
Fees and Charges

The Chair asked for more details about the proposed 5% increase in parking fees. Mr Jordan advised that the proposal would be subject to a consultation. He commented that the proposal had been identified in response to parking fees having been frozen across the Borough since April 2007. Mr Jordan advised that a 5% increase was in line with the RPI.

Councillor Carey questioned how parking fees in the London Borough of Hounslow compared with parking fees in neighbouring boroughs. Mr Jordan advised that fees in the London Borough of Hounslow were not excessive and were actually lower than other authorities. Members were advised that an increase of 5% on parking metre charges would generate approximately £153,000 and residents parking permits would generate approximately £27,000. Overall with a 5% increase, parking fees would generate approximately £250,000.

Councillor Cadbury felt that the proposal to increase fees would be detrimental to shopping areas that were currently suffering and already had very few customers. She questioned whether such areas could be made exempt from any increases in parking fees. Mr Jordan advised that the fees would not automatically increase and at this stage it was just a proposal that would require a formal consultation.

Councillor Reid advised that approximately three years ago, parking fees were harmonised so that they were equal cross the Borough. She suggested that increases in parking fees could be adopted in stages throughout the Borough.

Councillor Harris referred to the impact on vulnerable groups such as pensioners and people on low incomes. She felt that residents on low incomes living in controlled parking zones would be disadvantaged. Mr Jordan felt that the issue would be for Members to consider and it would be a judgement call for the Council to make.

Councillor Reid emphasised that Controlled Parking Zones (CPZs) were not automatically installed within the Borough. She advised that where CPZ’s were in operation, they had been installed in response to requests from residents.

Councillor Todd felt unhappy about the proposed increase in parking fees and parking permits. He advised the panel that the Council lost approximately £3,000 per month due to vehicle removals. Councillor Todd commented that customers should not be penalised due to a reduction in the cash desk opening hours.

In response to questions from Members, Mr Jordan advised that income was expected to increase from the roll out of CCTV.

Members requested more information on the following:

- A breakdown on pricing regimes for different parts of the Borough.
- Comparison data with other London Authorities and Projections.
- Further information on licensing charges and revenue.

Western International Market

Mr Jordan explained that this proposal referred to the re-tendering exercise for the Sunday Market. He advised that in previous years the Council received approximately £137,000
per year and since the re-tendering exercise there would be a £50,000 increase in income. This meant that the Council would receive approximately £187,000 per year. Mr Jordan advised that the total income from traders on site was approximately £1.28 million.

Members felt that more than an £50,000 increase could have been achieved. Members noted the saving.

**Office Move Expenditure**

Mr Jordan advised that a revenue budget had been set aside to fund the cost of the ‘office move’ project between now and March 2010. He advised that all of the office moves were scheduled to take place between now and March. He advised that any movements after March would have to be funded by each individual department as there would be no funds left in the Corporate Property pot.

In response to a question from Councillor Carey, Mr Jordan confirmed that there were no implications for staff.

Councillor Lal questioned whether the office moves would lead to a disposal of surplus external accommodation. Mr Jordan advised that there were no properties that were being disposed of currently. He emphasised that it would be necessary to re-assess which properties were affordable and actually required across the Borough. He advised that external buildings had not yet been considered and they would form part of future discussions and decisions. Mr Jordan confirmed that any decisions relating to Council buildings would be subject to scrutiny reviews as was normal practice.

Members felt that more information was required regarding the budget for office move expenditure.

7.00pm - Councillor Todd left the meeting at this point. (The Client and Partnerships Scrutiny Panel meeting was no longer quorate at this point)

**Printer Rationalisation**

Mr Jordan advised that this saving formed part of a saving across the whole Council following the implementation of new printers across the Civic Centre. The aim was to reduce the amount of thoughtless printing of paper copies which would result in a reduction in costs.

Members expressed concerns about the huge loss of staff time in queues for the printers and photocopiers. Mr Jordan advised that Anna Harries, Head of Facilities Management, was working through issues with staff to help with the adjustment process. Mr Jordan emphasised that staff needed to get out of the habit of instantaneously printing. He felt that the proposal would lead to a greener and more efficient way of working.

Councillor L Bath questioned the impact that the printer rationalisation proposal would have on departments that were required to print a lot of paper copies. Mr Jordan advised that departments would still be able to print but they would have to learn to adapt their working practices and only print what was absolutely necessary.

Councillor Harris commented that when reading a five page report, she often found it difficult to stare at a computer screen. She found it was easier to print the report and read
a paper copy. She felt it was important for the Council to consider the Health and Safety risks for staff staring at computer screens for prolonged periods of time.

Mr Jordan advised that there would be printers available for all members of staff to access within the Civic Centre, but overall the aim was to reduce the amount of paper and ink that was wasted.

Members felt satisfied with the information presented about the printer rationalisation savings proposal.

Highways – Efficiencies in the Improvement of Roads and Pavements

The Chair referred to Promise 7 of the Hounslow Plan and questioned how much of the £2million had been spent in 2008/2009 and 2009/2010. Mr Jordan advised that the Executive only honoured the commitment to Promise 7 financially in 2009/2010. He advised that in 2009/2010 money had been committed to the ongoing procurement of the PFI.

Members questioned how much money would be spent on highways and footways in 2010/2011. Mr Jordan advised that the amount that could be spent was directly related to how much income the Council received from parking and other sources. If the income exceeded the budget target income, money could be reinvested into the maintenance of roads and pavements.

Councillor Reid advised that the PFI procurement costs would be approximately £1.237m next year.

7.23pm – Councillor John Todd returned to the meeting.
(The Client and Partnerships Scrutiny Panel meeting was quorate at this point)

Councillor Cadbury asked for more details about the income and expenditure projections. The Director of Finance advised that the financial projections were available and he would be happy to send the data through to Members electronically.

Councillor Connelly felt it would be useful to have access to the background papers. Councillor McGregor advised that he would be happy to provide the background papers to scrutiny panel members.

7.26pm – Michal Jordan (Director of Environment) and Councillor Reid (Lead Member for Environment) left the meeting. The meeting was adjourned for a short break.

24. Children’s Services and Lifelong Learning Budget savings proposals 2010-2011: Discussion with the Director of Children’s Services

The meeting resumed at 7.30pm and the Chair welcomed Councillor L Davies (Lead Member Children’s Services and Family), Councillor Oulds (Lead Member Children’s Services and Education), Councillor McGregor (Lead Member for Finance), Judith Pettersen (Director of Children’s Services and Lifelong Learning), Chris Hogan (Assistant Director Specialist Services), Colin Peak (Assistant Director Targeted and Locality Services), Chris Wong (Finance Manager) and Stephen Fitzgerald (Director of Finance) to
Councillor Cadbury questioned whether the changing natures of pressures such as the ‘Baby P’ case were taken into consideration when establishing savings proposals. Councillor McGregor stated that the process of setting the budget was driven by the PIP as agreed by Borough Council. A pathway approach that had been agreed by the Executive and Borough Council was adopted during the budget setting project.

Councillor Cadbury questioned whether the pressures for the department had been reviewed before identifying the various savings proposals. In response, Councillor McGregor assured the panel that the Council was not willing to put any frontline services at risk and assured Members that the administration was very careful with the Children’s Services department when identifying savings. He emphasised that the Director of Children’s Services and Lifelong Learning had worked very hard to meet the goals set.

Judith Petterson handed out an additional document that set out the proposed savings for Children’s Services and Lifelong Learning for 2010/2011. The table outlined how the savings would be achieved. The savings proposals were categorised as follows:

(i) Reduction in Administrative costs over a range of services from restructuring, voluntary redundancies and the deletion of vacant posts.
(ii) Review of Professional Development and Training and HEC
(iii) To seek an increase in the Dedicated Schools Grant contribution to school related services provided by the Council from Schools Forum.
(iv) School Improvement/Advisory Service Restructuring and One Off Saving 10/11
(v) One Off Saving – Review of the provision of play/youth and Children’s Services across the Borough. Increased use of Children’s grant funding streams.
(vi) Community use of School Premises – Cease council subsidy to schools supporting Community Use of Schools Premises. Schools will need to charge community groups to recover the cost they incur in the same was as if these groups were a normal letting.
(vii) Cease the provision of discretionary Uniform Grants from Sept 2010. Full Year effect in 2011/12 £179,100.
(viii) One Off Saving – Review of Children’s Social Care Funding and Maximisation of Children’s Social Care Grants.
(ix) Performance Reward Grant/Substituting LBH Funded Expenditure.

Reduction in Administrative costs over a range of services from restructuring, voluntary redundancies and the deletion of vacant posts.

Councillor Lily Bath asked for more details in relation to the proposal for the rationalisation of the CS&LL Admin Pools Management from three posts to two posts. Ms Pettersen clarified that there were currently three admin pools of different sizes and the proposal was to reduce the number of team leaders from three down to two team leaders.

Councillor Connelly questioned which of the posts being deleted was currently vacant. In response, Ms Pettersen confirmed that one of the Student Awards Team Posts was currently vacant and would be deleted.
In relation to the rationalisation of Youth Participation Work, Colin Peak advised that £35,000 would be saved with the reduction of half a Participation Officer post and also with cash savings. He clarified that despite the reduction, Youth Participation work would still continue. Mr Peak emphasised that there would not be a reduction in the amount of Youth Participation Work, however, there would not be any capacity to increase the amount of Youth Participation Work.

Councillor Lal questioned whether the Council would still participate in the National Youth Council Scheme and whether there was a dedicated officer to support that piece of work. Mr Peak confirmed that Steve Hutchison was a dedicated officer working to support the National Youth Council Scheme.

Members were advised that two full time posts to support the HVEC website would be reduced. However, Ms Pettersen advised that the website software would be changed so that any member of staff would be able to update the system.

Members felt that more detailed information was required in relation to the population growth assumptions that underpinned the need for Children’s Services. Councillor Connelly felt that more it would be useful for the panel to have access to the background papers that were used when each proposal was identified.

Review of Professional Development and Training and HEC

Ms Judith Pettersen advised that this was a temporary cut to the training budgets that would only affect the amount of conference attendance.

Members questioned how a cut in the training budgets would affect staff morale. Ms Pettersen advised that it was not an ideal measure however; as a one-off cut to training budgets it was a sustainable option. She advised that it would not affect the regular training courses that staff members were required to attend and therefore would not affect staff morale as the savings proposal only related to expensive conferences.

Members asked for more information about how many members of staff would be affected by the cuts to the conference budget.

7.55pm – Councillor John Todd and Sam Hearn returned to the meeting.

Councillor Cadbury felt it would be useful for the panel to have all the relevant factors that were taken into account when making proposals. Councillor Connelly agreed and felt that the panel should have had copies of the red pages/background papers that were used.

Stephen Fitzgerald, Director of Environment, advised that a copy of the red pages was sent to all Council Members. He explained that implications for growth were taken into consideration when setting the budget. The Director of Finance agreed to provide a full written response outlining the service pressures that were taken into account when setting savings targets. In addition, Councillor McGregor said it would be possible to provide information from a meeting with the Lead Executive Members for CS&LL, the Director of Finance and the Director for Children’s Services and Lifelong Learning.

To seek an increase in the Dedicated Schools Grant contribution to school related services provided by the Council from Schools Forum.
Ms Pettersen advised that the Schools Forum was meeting simultaneously to this meeting. She explained that the Schools Forum was expected to agree a £50,000 contribution to the Travellers Service, an £83,000 contribution to speech therapy and an £88,000 previously vulnerable children’s grant to be awarded to the inclusion service which would fund the LAC Dowry, Teenage Pregnancy and Local Safeguarding Children’s Board.

Ms Pettersen advised that the Schools Forum was sympathetic to the pressures that the local authority was facing.

**School Improvement/Advisory Service Restructuring and One Off Saving 10/11**

The panel noted this one–off saving.

**One Off Saving – Review of the provision of play/youth and Children’s Services across the Borough. Increased use of Children’s grant funding streams.**

Colin Peak advised the panel that it was beneficial not to use the whole children’s centre grant allocation in children’s centres, as the services would have to be cut when the grant was reduced in March 2011 and it was not wise to provide a service that was not sustainable in future years. The play provision would be for the provision of a service rather than staff thus it would avoid any redundancies when the grant money came to an end.

Councillor Carey questioned whether the savings would come back in 2011/2012. Mr Peak advised that the financial climate could be very different in 2011/2012 and he could not be sure of what the funding arrangements would be at that time.

Judith Pettersen commented that she was aware that the department could be storing up risks for 2011/2012, however the one-off savings were desirable without cutting into the base budget.

**8.30pm – Members resolved to suspend standing orders to allow the meeting to continue until 9.15pm (maximum).**

**Community use of School Premises – Cease council subsidy to schools supporting Community Use of Schools Premises.** Schools will need to charge community groups to recover the cost they incur in the same way as if these groups were a normal letting.

Judith Pettersen explained that currently the Council was subsidising twenty schools to open in the evenings and weekends in terms of their costs for heating, electricity and caretaking. She emphasised that the Council was not required to subsidise the schools and that the support offered was not a statutory requirement.

Colin Peak advised that by removing the £5,000 subsidy per school, each school was required to make a decision about whether to continue evening and weekend opening by increasing fees to their tenants. In response to questions, Mr Peak advised that if the subsidies were stopped and schools closed earlier there would still be a requirement to provide extended schools services. He commented that it would be important to look into the option of using other facilities/premises for the extended schools provision.

Councillor Connelly asked for details of the twenty schools that received the subsidies and also a list of the community organisations that would be affected by the cuts.
Colin Peak advised that an Equalities Impact Assessment would be supported by Celia Golden and it would be complete by 15th January 2010.

Cease the provision of discretionary Uniform Grants from Sept 2010. Full Year effect in 2011/12 £179,100.

Judith Pettersen advised that the discretionary Uniform Grant was awarded on a first come first serve basis. She felt that on that basis it could be argued that it was an inequitable grant.

Ms Pettersen advised that there were approximately 1600 applicants every year. Primary School aged pupils could receive £15 on up to two separate occasions during their time in primary school. Secondary School aged pupils could receive a fixed sum of £102 up to three times in years 7, 9 and 11. Ms Pettersen emphasised that the department had faced a difficult decision in reaching this saving. She emphasised that the grant was not statutory and that many authorities had already stopped providing the grant.

Councillor Cadbury felt it would be useful to carry out a risk assessment for all affected families. The Director advised that it would not be possible to carry out a specific assessment for each family. However, an overall equalities impact assessment would be completed.

Members requested more information in relation to other boroughs and their School Uniform Grants policies.

One Off Saving – Review of Children’s Social Care Funding and Maximisation of Children’s Social Care Grants.

Chris Hogan advised that the Children’s Social Care Grant increased incrementally every year and using the grant would not result in diminished services.

In response to a question from Councillor Cadbury, Chris Hogan advised that since the ‘Baby P’ case, there had not been an increase in the numbers of Looked after Children, there had only been an increase in the number of referrals.

Chris Hogan confirmed that there would not be any risks to collecting data for the Strengths and Difficulties Questionnaire (SDQ) which formed part of the statutory return about Looked after Children. Ms Hogan confirmed that the SDQ returns were working well.

Councillor Cadbury questioned whether the services to Looked after Children would remain the same. Ms Hogan advised that the recession could lead to an increase in the number of Looked after Children referrals. However, officers would continue to carry out preventative care to assist children in staying with their families.

Performance Reward Grant/Substituting LBH Funded Expenditure.

Ms Pettersen advised that the Performance Reward Grant was a two year grant that the Council would receive and the proposal was to use the monies to offset costs.

General Comments made in relation to the overall Children’s Services and Lifelong Learning proposals:
Regarding the use of grant funding the Director of Children’s Services and Lifelong Learning (CS&LL) said that the level of grant funding used to support a one-off saving was £876k for 2009-10. This was to make up for the fact that Children’s Services and Lifelong Learning (CS&LL) had missed its PIP year 1 saving by a considerable amount and missed it narrowly in years 2 and 3. The one-off savings for next year were to offset this. Councillor McGregor confirmed that the Director of CS&LL was doing her best not to cut into the base budget.

The Director of CS&LL said that the department had always presented a balanced budget; the exception being last year, through the use of grants to offset overspends against the general fund. Scrutiny Members commented that this operation of the budget was not evident in the red book, sent to all members in regards to the budget positions of the departments.

In response to a question from Members about the impact of making several one-off savings now, the Director of CS&LL responded that she could be storing up problems for later, and that the use of grant-funding to cover gaps in the general fund spending was a helpful manoeuvre for them.

9.00pm – Councillor Carey left the meeting at this point.
In response to questions, Councillor McGregor advised that the budget savings targets for the different departments were set through the PIP process.

Councillor McGregor confirmed that background information that had been available to Executive members when arriving at the budget savings proposals and the background information could be made available to Scrutiny Members.

Members felt that the base budgets should reflect the adjusted projections for the department once those figures were available. The Director of Finance commented that the base budget was built up over the year and that he would write to Councillor Connelly with more details about that process.

Councillor McGregor advised that any discussions about growth would take place in March 2010. However, he confirmed that Members would receive the papers before then with better forecasts than were available at this meeting.

The Chair thanked everyone for attending and closed the meeting.

The meeting finished at 9:10 pm.