

WAVERLEY BOROUGH COUNCIL

EXECUTIVE – 25 JANUARY 2011

COMMENTS FROM THE OVERVIEW AND SCRUTINY COMMITTEES

7. FINANCIAL STRATEGY 2011/2012 – 2014/2015

7.2 General Fund Budget 2011/2012 (Appendix B.2)

Observations from the Community Overview and Scrutiny Committee

*Star Chamber Findings – areas under the remit of Community O&S*

- i. Mental Health Support Workers (MHSP) – members were advised that Supporting People were recommissioning this floating support service with a new provider, covering a larger area from 1<sup>st</sup> April 2011. Savings would therefore be achieved by deleting one vacant post and the remaining MHSP would TUPE to the new provider. Although it was likely that the new provider would not be able to offer the same level of cover, it was not within Waverley’s control to change.

Members were very concerned that the reduced level of service might not be adequate and asked that a watching brief be kept and the position be reviewed in a year.

- ii. Rent Allowances / Rent Rebates – officers clarified that there was no reason for the similarity of some of the figures. The allowances figures showed the estimates for those tenants receiving benefits and was based on the current position in 2010-11. Members supported the continuation of the support for war widows in receipt of benefit.
- iii. Homelessness – officers advised that they hoped to manage this area within the existing budget. However, the impact of the Government’s changes to the benefits system was at the moment unknown, and there could be a need to review the position and report back to Members if circumstances change.

Observations from the Environment and Leisure Overview and Scrutiny Committee

*Growth items*

1. The Committee noted that there could still be an opportunity to make savings in future years through more effective re-tendering of contracts and the Council should continue to ensure it tightens its process costs before negotiations commence with its contractors.
2. Some Members suggested that the major contract expenditure growth item of £100,000 be taken from the revenue reserve fund due to the one off nature of the payment.

### Star Chamber Proposals

1. The Committee noted that planning fees were set nationally but the Coalition Government had indicated that Planning Authorities would be able to set their own fees by the end of the year. Consequently, this would be revisited when it came into force.
2. The Committee identified the aspect of street naming as suitable for expenditure removal or cost sharing with neighbouring authorities. It was noted that the Executive would be considering this statutory service issue in March. For information, officers would circulate the report to Members.
3. Noting that it would depend on the owner of land, the Committee asked whether the Council could develop a policy where the cost for contaminated land investigations was absorbed by the developer.
4. The Committee was slightly concerned by the reduction to the budget for air quality projects but was assured that the Council would continue to focus on monitoring and maintaining the Air Quality equipment.
5. There was concern that there was not enough cardboard recycling around the borough and felt that the Council should 'Invest to save' and open up additional sites around the Borough. However, Members were advised that this was not something that the Council currently had the facility to take forward and the service currently had a net cost.
6. There was some surprise that some of the reductions in the report were not indicated as foresight savings e.g. in building control.

### Observations from the Corporate Overview and Scrutiny Committee

The Committee agreed that the following observations should be passed to the Executive for consideration:

- i) Members noted that the increase in inflation had fuelled expectations that there would be an increase in base rate at some stage in the year, which would improve the Council's investment income. While recognising there was some uncertainty about when and by how much interest rates might rise, Members felt that it would not be unreasonable to budget for an additional £30 – 40,000 of investment income over the course of 2011/12.
- ii) Members noted that it was proposed to restrict reimbursement of mileage to staff to the tax-free rate of 40p/mile. Members agreed that this rate should also be the maximum rate of reimbursement that Councillors should be allowed to claim.
- iii) It was suggested that the major contract re-tendering costs of £100,000 shown as a growth item might be taken from the revenue reserve, as it was a non-recurring item. It was noted that this treatment of one-off costs had been applied previously.

### 7.3 General Fund Capital Programme 2011/2012 (Appendix B.3)

#### Community Overview and Scrutiny Committee

- i. Careline Equipment – members wished to recommend that this level of funding be retained.
- ii. Tackling Fuel Poverty in Waverley (SHIP) - members wished to recommend that this level of funding be retained.
- iii. House Renovations Grants (Disabled Facilities) – members noted that the demand for this essential service had increased. There was a current peak in demand due to Surrey County Council clearing a backlog of assessments and this would have a knock-on effect into Waverley's costs for the current year and 2011-12. Officers expect a more normal pattern of demand after 2011-12 although due to a significantly ageing and more frail population, demand is unlikely to diminish. Therefore a large increase in the budget for 2011-12 was proposed in order to manage the peak in demand.

Members discussed whether this service could be managed more cost effectively, including partnership working with Guildford BC. Although members considered this figure to be high, they agreed it was an essential service that needed to be maintained.

#### Environment and Leisure Overview and Scrutiny Committee

The Committee asked if the restoration of the damaged brickwork at the Maltings could be deferred for a year. Members were advised that this was part of some long-standing partnership funding and that deferring work could lead to an increase in costs. Members suggested that this amount and the timing of granting capital funding be reviewed.

#### Corporate Overview and Scrutiny Committee

Members noted the resolution of the Council in December 2001 to agree in principle to match fund on a 1:2 basis with Farnham Maltings specific capital projects, up to a maximum Waverley contribution of £750,000. A potential Waverley liability of over £300,000 remained outstanding. It was noted that no time limit had been put on the arrangement when it was agreed in December 2001, but members felt that it would not be unreasonable, after 10 years, to put an expiry date on Waverley's commitment to give greater capacity going forward. Members suggested that the Executive should review the arrangement with Farnham Maltings, and consider imposing an expiry date of 5 years hence.

### 7.4 Housing Revenue Account Budget 2011/2012 (Appendix B.4)

#### Observations from the Community Overview and Scrutiny Committee

Members had a substantial discussion and were informed by the Tenants' Panel Representative that they supported the proposed rent increase being at

the level of the government's guideline figure, currently 7%. The Tenants' Panel recognised the importance of an increase in rents to sustain the repairs programme and contribute to the capital resource for decent homes. Members considered it important that the budget should be in a robust position in the lead up to self-financing.

7.5 Housing Revenue Account Capital Programme 2011/2012 (Appendix B.5)

Observations from the Community Overview and Scrutiny Committee

Members discussed the figures. Officers advised that some repairs such as re-wiring and re-roofing were programmed to be undertaken in one financial year in order to achieve the best possible price from contractors.

Members noted that Waverley had just submitted a bid to the Government for decent homes backlog funding and if it were successful, the capital programme would change.

8. WAVERLEY COMMUNITY PARTNERSHIP – APPLICATIONS FOR REVENUE FUNDING 2011/12 (Appendix C)

Observations from the Community Overview and Scrutiny Committee

Day Centres

The Community Performance Sub-Committee had had significant discussion at their meeting and had identified that, although there was a proposal to reduce each of the Day Centre's grant by 4% compared to their current grant, each Day Centre was quite different in the financial support they received with regard to rent-free accommodation, rate relief, etc.

Rowleys should not receive a cut compared to this year's allocation. Rowleys had sustained a loss of £12,965 in the last financial year – partly due to enforced closure during Rowland House demolition – and only had £2,454 of allocated reserves. Thus any cut could result in closure of severely reduced services.

Farncombe had sustained a loss of £6,944, paid staff were fully stretched and trustees and volunteers were difficult to attract. However, the Centre had not come up with any measures to improve the situation. The Sub-Committee had agreed the proposed 4% cut.

Haslemere had made good efforts during 2010 to improve the Centre. However, 50% of Waverley's grant was paid to Haslewey for rent for the building. The Committee noted that the Centre had a surplus in the last financial year of £7,030. The Sub-Committee had proposed no cut to the grant.

Brightwells had recorded a loss of £6,944 and noted that the Centre had 6 x full-time equivalent staff, which could be reduced and their roles taken over by volunteers. The Sub-Committee proposed a cut of 6%.

Clockhouse was the biggest of the Day Centres in terms of turnover with total reserves in excess of £250,000. Losses had been recorded for the year ending September 2009 at £17,287 and the Centre had taken measures to address this by saving £20,000 a year by the redundancy of a full-time member of staff. The Sub-Committee proposed a cut of 10%.

In budget terms, these proposals equated to the proposed blanket cuts of 4% for each Day Centre. Following discussion, members voted against a proposal to revert to the 4% cut for each Centre and voted to concur with the observations from the Sub-Committee and recommend the following percentage differences compared to the current grant:

i.	Rowleys (Age Concern Waverley)	0%
ii.	Age Concern Farncombe	-4%
iii.	Age Concern, Haslemere & District	0%
iv.	Brightwells Gostrey Centre	-6%
v.	The Clockhouse (Milford & Villages)	-10%

[Cllr Gillian Beel wished to record her vote against a 6% cut for the Brightwells Gostrey Centre]

#### Citizens Advice Waverley

The Committee concurred with the observations from the Performance Sub-Committee who had recorded significant concerns about the proposed cut to Citizens Advice Waverley. In the current economic climate, members considered it would be disastrous to cut this grant, as it would almost certainly lead to major cuts in the service. Members considered that it was essential that vulnerable people in the borough should be protected and that it was inappropriate at this time to make a cut to the grant allocation for Citizens Advice Waverley.

The Committee therefore agreed to propose to the Executive that no cut should be made to the grant allocation for Citizens Advice Waverley and that the budget saving be made from the proposed grants to Arts and Culture organisations (ELOS) which would not impact on disadvantaged residents.

#### Cranfold Job Seekers Club / 3-Counties Money Advice

The Committee noted the proposal to cut the grants requested for these two organisations. The Committee concurred with the observations of the Performance Sub-Committee that it was important for small organisations that benefited the community not to be discouraged from applying for grants in future years if they had been declined this year. The Sub-Committee had proposed that these two organisations be awarded a grant of £200 each. The Committee proposed that this amount be awarded to 3-Counties Money Advice only.

#### St Marks Church and Community Centre (Community Development Worker)

The Committee recognised the importance of the work undertaken by the Community Development Worker for St Marks Church and Community Centre. Members referred to the recommendation from the Task Group of the Community Overview & Scrutiny's review of Support for the Voluntary Sector

and agreed that they wished to propose to the Executive that a grant of £3,200 be awarded for the Community Development Worker at St Marks.

Observations from the Environment and Leisure Overview and Scrutiny Committee

1. The Committee noted that it was a difficult financial climate, difficult decisions had to be made and thanked officers for ensuring that due notice was given to organisations about the potential for such cuts.
2. The Committee did not want the budget to be further reduced and that under its remit, any increase to funding in one area should be met from a reduction in another.
3. The Committee voted and agreed that the Executive should consider a reduction in the Farnham Maltings grant by 17% rather than 10% thus bringing it in line with the grant reduction indicated for Cranleigh Arts Centre.
4. The Committee noted that the resulting monies made available by the recommendation to reduce the Farnham Maltings grant were not redistributed to the remaining ELOS grant subjects.