



Council Overview and Scrutiny Select Committee
15 February 2012

Responses from the Cabinet to Issues Referred by the Committee

Purpose of the report: Policy Development and Review

To provide feedback from Cabinet on issues and comments raised by the Council Overview & Scrutiny Committee at its meeting on 20 January 2012.

Introduction:

1. The Council Overview & Scrutiny Committee considered the Budget for 2012/2013 and the *One Council One Team*, Corporate Strategy at its meeting on 20 January 2012. The Committee's recommendations were considered by the Cabinet on 31 January 2012, and this report provides an update on the Cabinet's responses.

BUDGET FOR 2012/2013

- 2 Following discussion of this topic by the Committee, the following comments and recommendations were submitted to the Cabinet:
 - The Committee received an oral update on the proposed budget for 2012/2013 and discussed the proposal not to accept the Council Tax Freeze Grant, and were generally in agreement with the direction taken.
 - The Committee also reflected on the process of Member involvement in the budget process, and felt that the series of Select-Committee budget workshops held since in the autumn had provided a good opportunity for Members who attended, to understand and discuss the concepts and direction for specific Directorates. These had been open to all interested Members to attend, and built on the information provided at the more general Member Seminars.
 - Concern was expressed that detailed figures for CAE/Corporate/CEO areas were not made available to the Committee at its workshop in

ITEM 5

January or at the following formal Committee meeting, which reduced the ability of members of the Committee to understand and scrutinise the service budgets. It was proposed that the overall process should be reviewed with officers in order to ensure that this Committee and the Select Committees could provide the most effective scrutiny of the budget in future.

- Select Committee chairmen reported on their Committee's deliberations of the Directorate-level budgets and highlighted any specific risks which had been identified, although overall it was not felt necessary for the Council Overview & Scrutiny Committee to make any recommendations about the relative budget levels between Directorates.
- In relation to the proposed Council Tax increase of 2.99%, it was suggested that this increase should only be included in the budgets of front-line services, rather than to all services equally and the non allocated amount be held in a reserve for virements which became necessary during the year, including the full increase in the non front line services e.g. CEO would reduce focus on cost reductions required.

The Select Committee therefore recommends to Cabinet:

That consideration be given to only applying the proposed Council Tax increase of 2.99% to the budgets of front-line services, rather than to all services equally, with the balance held centrally and allocated during the year to key projects at the Leader's request.

Response from the Cabinet

- 3 I thank the members of the Council Overview and Scrutiny for their work on the budget and welcome their comments, especially around the budget process this year. This is an improvement on past years and as you say, those Members who attended the workshops and seminars had a good opportunity to understand the issues.

In relation to the role of the COSC and the budgets of Change and Efficiency and the Chief Executive's Office I agree that this process needs to be reviewed. I have therefore asked the Chief Finance Officer to work with the Chairman and Vice Chairman of the committee to develop a more effective scrutiny of these budgets.

The increase in council tax of 2.99% consists of two elements. The first is following our Medium Term Financial Plan to increase council tax by 2.5% - which is below inflation. This increase not only covers the loss of funding from government grants, but also the increased budget pressures on front line services. For 2012/13 non front line service budgets have decreased in order that resources are used on front line services. (by a total of £5.2m or 5%)

The second element of the council tax rise, which is 0.49%, is for very specific areas. This is £1.6m for local committees for use on local

highways schemes; £0.7m for local committees to use on youth preventative projects, and a further £0.3m for individual member allocations.

David Hodge
Leader of the Council
31 January 2012

ONE COUNCIL ONE TEAM, CORPORATE STRATEGY

4. Following discussion of this topic by the Committee, the following comments and recommendations were submitted to the Cabinet:
- The Committee has considered the draft Corporate Strategy for 2012-2017 and noted the range of more specific strategies which will support the delivery of the Council's overall priorities. Overall the Committee felt that the Corporate Strategy was clear and easy to read, and that the introductory paragraph, whilst quite forthright, set the context for the Council's progress since 2008 and demonstrated the commitment to being open and honest.
 - The Committee accepted the principle that a strategy document should be aspirational and challenging, but cautioned against including commitments which were not necessarily within the control of the County Council. For example, whilst the sentiment that 'every child has a great start to life' was inherently worthy, there were many aspects in relation to this which were beyond the influence of the County Council. It was felt that residents would read statements included in the Strategy as a list of promises, and therefore the commitments should be qualified to keep them relevant to the role of the Council. The Council might otherwise be perceived as having failed in relation to its targets.
 - The need to ensure that the priorities in the Strategy were measurable was stressed by the Committee. Also, whilst recognising the value of keeping the document as brief as possible, it was felt that investments proposed in the 'key actions' box on the first page (for example improving roads and tackling congestion) should be reflected in the priorities listed for 2012/2013.
 - Finally, while the Strategy mentions devolving decision-making to a more local level as one of the priorities for 2012/2013, the Committee felt that the subject of localism could be given greater emphasis in the document.

Response from the Cabinet

5. The Committee is thanked for endorsing the *One County One Team* Corporate Strategy 2012 - 2017 and for the constructive suggestions made.

ITEM 5

The suggestions made have now been incorporated into the version of the document that Cabinet will consider on 31 January 2012 and which will then be presented to the County Council for approval at its meeting on 7 February 2012.

The following specific amendments have been made:

- the language introducing the section “What difference will this make by 2017?” has been amended to make it clear that these are “ambitious goals”
- the investments listed in the “key actions” box on the first page now include roads, and vulnerable children and adults, reflecting the priorities listed for 2012/13
- the text on “residents” now includes a specific point on “greater localism”
- a line has been added to the section on “quality” stressing that “we will focus on prevention”.

With regards to measurement, following Council on 7 February a revised scorecard and key targets for 2012/13 will be developed and presented to the Cabinet for approval on 24 April 2012 alongside the quarter four Business Report. Progress against these targets will then be reported to the Cabinet and Overview and Scrutiny Committee throughout 2012/13 in the quarterly Business Report.

David Hodge
Leader of the Council
31 January 2012

Recommendation:

The Committee is asked to consider the responses and agree any next steps as appropriate.

Report contact: Tom Pooley, Committee Assistant, Legal and Democratic Services.

Contact details:

020 8541 9902
thomas.pooley@surreycc.gov.uk
