

CABINET RESPONSE TO COUNCIL OVERVIEW BOARD

FINAL BUDGET RECOMMENDATIONS

(Considered by the Council Overview Board on 18 January 2017)

COMMITTEE RECOMMENDATIONS:

Savings

- a) That there is a major reduction in paper based public communications issued by the central communications team and individual services including an end to the production of Surrey Matters and annual reports. Documentation should still be available to the public digitally.
- b) That there is a review of the necessity of everything the Communication Service does. Ask the question 'do we need to do this and, if so do we need do this in that way'? With a target cut in head count or % financial savings.
- c) That there is a review of the necessity of everything the Policy & Performance Team does. Ask the question 'do we need to do this and, if so do we need do this in that way'? With a target cut in head count or % financial savings.
- d) That a continued review of staffing roles and levels and salaries across the council should take place, particularly at senior level.
- e) That there is a continued drive to review vacant property with a view to disposal, cost reduction and income generation.
- f) That a review be undertaken of the financial and operational benefits of reducing four main council buildings to three.
- g) That there is a reduction of the spend on agency staff across all services.
- h) That there is a review of Member responsibility allowances.
- i) That there is a review of major IT projects, to cover the costs and added value and the use of agency staff to deliver these projects.
- j) That there is investment in key-worker housing, as per the motion to Council on 6 December 2016, to facilitate staff retention and a reduced reliance of agency staff.

Process

- k) A revision in the way that accounts are reported to enable better monitoring of expenditure through the identification of areas of spend on frontline and back office staff.
- l) That regular Rapid Improvement Events are revived as an instrument for identifying efficiencies.
- m) That the information that details the Council's unit costs is updated.

- n) That a clear message is needed from the Cabinet on the background on any call for an increase to the council tax precept via referendum.
- 3 Additionally, the Economic Prosperity, Environment and Highways Board recommended that:
- a) Plans to reduce the funding available to Local Committees should not be progressed.
 - b) Analysis is undertaken to optimise the use of winter maintenance services.
 - c) Plans are made to recommence the budget scrutiny process earlier in 2017, and from July.

RESPONSE:

The cabinet would like to thank COB for their recommendations on the budget, and for their work and all the scrutiny boards in reviewing the savings for the financial year.

As you are aware, this council has a strong record of identifying and delivering savings over the last six years. This has totalled £450m. In addition, as you will see from the December Budget Monitoring Report, which is also on today's agenda, in the current year we are managing to turn around a significant forecast overspending in September to close to a balanced budget. This has been through delaying expenditure where possible and sensible and bringing forward savings from next year. However, the cabinet are fully aware that there is a constant need to find further savings, and therefore welcome the COB's suggestions. As stated in the Budget Report there will be a member led process to identify further savings, and where these suggestions are not already planned, will be reviewed.

As a part of this member-led process the cabinet recognise that the council may have to do things differently. This includes reviewing budgeting, reporting and increasing efficiencies. However, to make changes will be a significant exercise and the cabinet needs to be certain that these changes will deliver substantial benefits.

**Mr David Hodge CBE
Leader of the Council
31 January 2017**