

**BUDGET AND
PERFORMANCE PANEL**

6.00 P.M.

8TH SEPTEMBER 2009

PRESENT: Councillors Roger Sherlock (Chairman), Emily Heath (Vice-Chairman), Tina Clifford, Roger Dennison (substitute for Bob Roe), Keran Farrow, Sarah Fishwick, Keith Sowden and John Whitelegg

Apologies for Absence:

Councillor Bob Roe

Also in Attendance:

Leader of the Council – Councillor Stuart Langhorn (for Minute Nos. 9 to 12 (part) only)

Officers in Attendance:

Roger Muckle	Corporate Director (Finance and Performance)
Andrew Clarke	Accountancy Services Manager (for Minute Nos. 9 to 12 only)
Jane Glenton	Democratic Support Officer

9 DECLARATION OF INTERESTS

There were no declarations of interest.

10 MINUTES

The Minutes of the meeting held on 14th July 2009 were signed by the Chairman as a correct record.

11 ITEMS OF URGENT BUSINESS AUTHORISED BY THE CHAIRMAN

There were no items of urgent business.

12 CORPORATE PERFORMANCE MONITORING REPORTS - QUARTER 1

The Panel received the report of the Corporate Director (Finance and Performance) on the first quarter of Performance Review Team meetings for 2009/10. Details of actions and progress from the Performance Review Team meeting for the first quarter 2009/10, which had taken place between 27th July and 7th August and monitored progress against the actions sheets drawn up for the previous round of meetings, were circulated at the meeting.

The Leader of the Council introduced the timetable for the first quarter of portfolio based Performance Review Team (PRT) meetings for 2009/10, and advised the Panel of work being undertaken to achieve and monitor target delivery for corporate priority actions and savings. Members noted that the Council's approach to equality and diversity was being

developed and that Cabinet Members had attended a briefing given by the North West Employers Organisation on the equalities framework.

Following the Leader's report, a detailed question and answer session was held on areas of concern, which the Leader advised he would report to Cabinet portfolio holders.

The Leader of the Council left the meeting at this point.

The Accountancy Services Manager presented the Corporate Financial Monitoring report of expenditure and income for 2009/10, which set out an indicative picture of the Council's financial performance relating to the period ending 30th June 2009 and summarised the variances reported through Services' quarterly PRT meetings, identifying omissions and actions required. Appended to the report at Appendix A was a summary of major variances (Quarter 1 2009/10), which Members noted.

Members were advised in detail of the current overall General Fund summary position and informed that the figures were provisional and based on assumptions made at the start of the financial year and would inevitably change. The Panel was notified of several positive changes which had occurred since production of the report. A question and answer session followed.

Members noted the 2009/10 Treasury Management Progress Report to 30th June 2009 of the Head of Financial Services, which was required under the CIPFA Code of Practice and outlined activities undertaken in pursuance of the Treasury Strategy for 2009/10 and the Investment Strategy.

Resolved:

That the reports be noted.

The Accountancy Services Manager left the meeting at this point.

13 2010/11 REVENUE BUDGET UPDATE

The Panel received the joint report of the Corporate Director (Finance and Performance) and the Head of Financial Services, which advised of Cabinet's progress so far in identifying options for savings and efficiencies and areas of service activity that should be pursued further.

The Corporate Director (Finance and Performance) reported that, following Cabinet agreeing the timetable and process for identifying options for savings and efficiencies, officers had drafted a Savings and Efficiency Programme, which was attached as Appendix A to the report. This included, amongst other things, an outline of the principles for developing shared services with other local authorities where demonstrable benefits could be gained, and Cabinet was looking at a range of options.

Members were advised that a Cabinet exercise to review variances and assess their impact on future years' budgets was ongoing. A Statement of General Fund Savings achieved to date was attached at Appendix B to the report, showing approved savings included in the 3-year revenue budget and the impact so far of other approvals and known or potential budget changes on Medium Term Financial Strategy (MTFS) savings targets. Members were guided through the details. It was noted that Cabinet was at the early

stages of developing savings and efficiencies options and that the Panel would like to receive further reports from Cabinet on the progress that individual Cabinet Members were making. The Panel felt that this was important due to previous delays in Cabinet identifying options for savings and further felt that this should be added to the Panel's work programme. In addition, the Panel agreed to advise Cabinet that they should follow their agreed timetable for preparing savings and efficiency options.

Attached as Appendix C was an analysis of the current year's expenditure and income analysed over Corporate Plan priorities, Cabinet Member portfolios and individual priority objectives and other service activity not currently aligned to corporate priorities. It was noted that Cabinet had been asked to consider the allocations of current net spend and make appropriate recommendations.

It was reported that Cabinet had agreed that a public engagement exercise be undertaken as part of this year's budget process and had requested officers to produce options for its consideration. The work was complete and Appendix D to the report set out a range of options and associated costs for Cabinet's consideration and their preferred approach. The Panel was advised that Cabinet had agreed Option 4a at their recent meeting. A public consultation would be undertaken in December, which would run for six weeks. Results of the consultation process would be reported to Cabinet and the Panel in January.

Resolved:

- (1) That the report be noted.
- (2) That the Panel agree the principles shared by the Leader of identifying savings and efficiency options earlier than previous years and that Cabinet Members be strongly urged to prevent slippage in the timetable to enable evaluation and scrutiny by the Overview and Scrutiny Committee and Budget and Performance Panel to be undertaken.
- (3) That the Panel's work programme be amended to include an item to receive future reports of the progress made by individual Cabinet Members in identifying savings and efficiency options.

14 WORK PROGRAMME REPORT

The Panel received the report of the Head of Democratic Services, which updated Members regarding the work programme.

It was reported that there were four items for consideration, namely:

1. Referral from Overview and Scrutiny Committee

Members were advised that the Panel's terms of reference included reviewing the effectiveness of the Council's overall performance management arrangements in relation to partnership working and scrutinise the performance of the Council's major partnerships.

It was reported that the Overview and Scrutiny Committee had made a recommendation that the Budget and Performance Panel include in its work

programme regular invites to its meetings of the Chairs of the Lancaster District Local Strategic Partnership (LDLSP) Thematic Groups.

2. Partnership Monitoring – West End Partnership (WEP) and CCTV

It was reported that Officers felt it beneficial to delay commencement of the WEP evaluation until such time as ongoing responsibility had been formally determined following inauguration of Morecambe Town Council.

It was noted that the CCTV Partnership evaluation would be reported to the Panel's meeting in October.

3. Budget and Performance Panel Work Programme

The Panel noted that a detailed work programme would be presented to its meeting in October.

4. Notification of Scrutiny Training – 19th November 2009

It was reported that arrangements had been made for Frances Taylor to provide two scrutiny training sessions on Thursday, 19th November comprising *Chairing Skills* from 3pm to 5pm and *Questioning Techniques* from 6pm until 8pm. Members could attend one or both sessions.

Resolved:

- (1) That the Budget and Performance Panel include in its work programme regular invites to its meetings of the Chairs of the LDLSP Thematic Groups.
- (2) That the updates regarding partnership monitoring be noted.
- (3) That the intention to bring a detailed work programme to the Panel's meeting in October be noted.
- (4) That the two scrutiny training sessions arranged for 19th November be noted.
- (5) That the following additional items be included in the Panel's work programme:
 - (a) a report to the Panel's meeting in October on the monitoring of void lettings management;
 - (b) reports from Cabinet portfolio holders on the range of options identified for making savings and efficiencies in areas of service activity.

Chairman

(The meeting ended at 7.49 p.m.)

**Any queries regarding these Minutes, please contact
Jane Glenton, Democratic Services - telephone (01524) 582068 or email
jglenton@lancaster.gov.uk**