

<b>26 October 2010</b>		<b>ITEM 7</b>	Comment [s]: PLEASE CLICK THIS BOX ONCE and enter the date of the meeting (in font 16, not capitals)
<b>Children's Services Overview &amp; Scrutiny Committee</b>			Comment [s]: Please leave this for completion by Democratic Services
<b>BUDGET 2011/12 – PRIORITIES &amp; SAVINGS</b>			Comment [s]: PLEASE CLICK THIS BOX ONCE and enter the name of the Committee you are reporting to (in font 16, not capitals)
Report of: Martin Hone, Corporate Director of Finance & Corporate Governance			Comment [s]: PLEASE CLICK THIS BOX ONCE and enter the title of your report (in font 16 and in capitals)
<b>Wards and communities affected:</b>	<b>Key Decision:</b>		Comment [s]: Please enter details of any Wards and Communities affected by the report. If this section is not
All	No		Comment [s]: Yes/No/Not Applicable – a 'Key Decision' is generally one affecting more than 2 wards or above £50,000
<b>Accountable Head of Service:</b> Sean Clark, Head of Corporate Finance			Comment [s]: Please state the Head of Service's name and job title
<b>Accountable Director:</b> Martin Hone, Corporate Director of Finance & Corporate Governance			Comment [s]: Please state Director's name and job title
<b>This report is</b> Public			Comment [s]: State whether your report is Public or Exempt. If Exempt (i.e. not to be given to the public or discussed in
<b>Purpose of Report:</b> To invite the Committee to note and review proposals for budget savings in 2011/12 and future years.			Comment [s]: Briefly set out the purpose of your report
<b>EXECUTIVE SUMMARY</b>			Comment [s]: Please provide a summary of the key points in your report
<p>This report sets out budget savings proposals for 2011/12 and future years that come under the remit of this Committee and invites the Committee to note and review each business case in line with the timetable agreed in July.</p>			Comment [s]: The recommendations should be set out in bold in the form of the decision that the decision
1.	<b>RECOMMENDATIONS:</b>		Comment [s]: You should briefly explain why the report is on the agenda - See para. 5.3 and 5.4 of the reporting guidelines
1.1	<b>That the Committee notes and reviews the proposals for budget savings in 2011/12 and future years set out in the appendices to this report.</b>		
2.	<b>INTRODUCTION AND BACKGROUND:</b>		
2.1	In July the Council agreed the timetable for the 2011/12 budget. This included a process of challenge and scrutiny of the significant level of net savings that would be required to achieve a balanced financial position over the medium-term.		

2.2 The Council's Medium-Term Financial Forecast estimates that savings of £15 million will be required in 2011/12, and a further £21 million will have to be found by 2013/14. During September, Cabinet members and senior officers considered a range of proposals that reflect both the outcome of the public consultation exercise reported to Cabinet on 6 October and the ideas put forward in the budget report that was agreed by Cabinet on 21 July. Each proposal has been tested against the Council's corporate plans and priorities.

2.3 These proposals have now been worked up into business cases and those that come under the remit of this Committee are attached as appendices to this report. The cases show potential savings for 2011/12 and for future years. Each business case sets the context and implications of the proposed budget saving against service-specific and Council-wide priorities. The impact of the planned saving is also addressed in terms of the public, service performance, staff and equalities. There is also consideration of the practicalities of implementing the changes in time to deliver full-year savings in 2011/12.

2.4 The Committee is invited to note and review these proposals prior to their being submitted to Cabinet on 10 November.

### 3. **ISSUES AND/OR OPTIONS:**

3.1 The need to achieve savings of £15 million in 2011/12 will be a difficult task for Members and officers alike. Even if this level of saving is achieved there are further cost pressures within services that will have to be carefully managed to ensure that the budget does not overspend.

3.2 The forecast of savings required is based on best intelligence but will not be certain until after the announcement of the findings of the Comprehensive Spending Review (CSR) on 22 October. A full report on the budget position in the light of the CSR will be considered by Cabinet on 10 November. However, it is likely that all the implications of the CSR for Thurrock will not be clarified until early December.

### 4. **CONSULTATION**

4.1 Regular meetings of Directors' Board, the Leadership Group and the wider council management group have been held since the budget exercise commenced in June. There have also been meetings with the portfolio holders and the Conservative Group has been briefed. A series of staff road shows were held in July and August and there have been some discussions with partners. The results of the consultation with the public were reported to Cabinet on 6 October. Consultation with the trade unions and staff potentially affected by the planned changes is currently taking place.

### 5. **IMPACT ON CORPORATE POLICIES, PRIORITIES, PERFORMANCE AND COMMUNITY IMPACT**

Comment [s]: Other headings may be appropriate. The report should outline the reasoning that leads to its recommendations and **must** include:

1. a brief summary of options considered;
2. consultation outcomes
3. a risk assessment.
4. Whether the responsible cabinet members have been consulted/contributed to the report (NB professional and political advice must be clearly distinguished)

- See para.5.5 of the report writing guidelines.

Comment [jj]: This should include any consultation with Ward Members and Shadow Portfolio Holders, as well as any public or statutory consultation

Comment [a]: Please refer to Section 5.7 of the Report Writing Guidelines

5.1 The savings options set out in the appendices will impact on a wide variety of policies, priorities, performance and sections of the community.

## 6. **IMPLICATIONS**

### 6.1 **Financial**

Implications verified by: **Martin Hone**  
Telephone and email: **01375 652152**  
**mhone@thurrock.gov.uk**

The financial implications have been clearly set out throughout the body of the report and the implications of savings options set out in the appendices.

### 6.2 **Legal**

Implications verified by: **David Lawson**  
Telephone and email: **01375 652087**  
**dlawson@thurrock.gov.uk**

Local authorities are under an explicit duty to ensure that their financial management is adequate and effective and that they have a sound system of internal control and management of financial risk. This budget report contributes to that requirement although specific legal advice may be required on the detailed implementation of any agreed savings options.

### 6.3 **Diversity and Equality**

Implications verified by: **Samson DeAlyn**  
Telephone and email: **01375 652472**  
**sdealyn@thurrock.gov.uk**

This is a set of wide ranging and far reaching proposals, a significant number of which may have an impact on staff and residents. Each of these savings proposals will need to undergo an Equality Impact Assessment to identify potential adverse impacts on any groups.

As these proposals are going through the formal approval and scrutiny process, they will need the Equality Impact Assessment evidence to be presented for each item.

The Equality Act also came into force this October and this has raised the bar in terms of public sector equality duties for example a proposed requirement to consider socio-economic impact before implementing any policy. Whilst this requirement is subject to implementation at a later stage the Council needs to ensure that appropriate consideration

**Comment [sj]:** This section should always be completed – if they are dealt with fully in another part of the report, they also need a brief cross reference here. The names and job titles of the officers providing the implications should be provided in full – see Guideline 6.1 and please note Democratic Services Deadlines and ensure that officers providing implications are given 5 clear working days to work on the report. Authors can write implications but they must be signed off by the appropriate officers

**Comment [sj]:** See Guideline 6.2

**Comment [sj]:** See Guideline 6.3

**Comment [sj]:** See Guideline 6.4

is given to all new equality requirements in the policy and decision making process.

## 7. **CONCLUSION**

- 7.1 The budget plans are designed to ensure that a balanced financial position is achieved over the medium term while having regard to the Council's priorities, service delivery, service users and the wider public, staff and issues of equality.

### **BACKGROUND PAPERS USED IN PREPARING THIS REPORT:**

- Various budget working papers held in Finance & Corporate Governance Directorate

### **APPENDICES TO THIS REPORT:**

- Budget saving and growth proposals for financial year 2011/12

### **Report Author Contact Details:**

**Name:** Martin Hone

**Telephone:** 01375 652152

**E-mail:** mhone@thurrock.gov.uk

**Comment [sj]:** This should inform the recommendations in the report

**Comment [sj]:** See Guideline 8. If any Papers are to be placed in the Members room that relate to this report, you should also list them here

**Comment [sj]:** List the Appendices referred to in the Report

**Comment [sj]:** Insert the full contact details of the author of the report