

# CORPORATE OVERVIEW AND SCRUTINY COMMITTEE AGENDA

Please note early  
start time - 6.30pm

Monday  
8 October 2007

Havering Town Hall  
Main Road, Romford

Members 6: Quorum 3

## COUNCILLORS:

**Robby Misir (C)**  
**Robert Benham**  
**Fred Osborne**  
**Vacancy**

**Ray Morgon (VC)**  
**Linda Hawthorn**

For information about the meeting please contact:  
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# NOTES ABOUT THE MEETING

## 1. HEALTH AND SAFETY

The Council is committed to protecting the health and safety of everyone who attends meetings of its Committees.

At the beginning of the meeting, there will be an announcement about what you should do if there is an emergency during its course. **For your own safety and that of others at the meeting, please comply with any instructions given to you about evacuation of the building, or any other safety related matters.**

## 2. MOBILE COMMUNICATIONS DEVICES

Although mobile phones, pagers and other such devices are an essential part of many people's lives, their use during a meeting can be disruptive and a nuisance. Everyone attending is asked therefore to ensure that any device is switched to silent operation or switched off completely.

## 3. CONDUCT AT THE MEETING

Although members of the public are welcome to attend meetings of the Committee, they have no right to speak at them. Seating for the public is, however, limited and the Council cannot guarantee that everyone who wants to be present in the meeting room can be accommodated. When it is known in advance that there is likely to be particular public interest in an item the Council will endeavour to provide an overspill room in which, by use of television links, members of the public will be able to see and hear most of the proceedings.

The Chairman of the meeting has discretion, however, to invite members of the public to ask questions or to respond to points raised by Members. Those who wish to do that may find it helpful to advise the Committee Officer before the meeting so that the Chairman is aware that someone wishes to ask a question.

**PLEASE REMEMBER THAT THE CHAIRMAN MAY REQUIRE ANYONE WHO ACTS IN A DISRUPTIVE MANNER TO LEAVE THE MEETING AND THAT THE MEETING MAY BE ADJOURNED IF NECESSARY WHILE THAT IS ARRANGED.**

If you need to leave the meeting before its end, please remember that others present have the right to listen to the proceedings without disruption. Please leave quietly and do not engage others in conversation until you have left the meeting room.

**AGENDA ITEMS**

**1 CHAIRMAN'S ANNOUNCEMENTS**

The Chairman will announce details of the arrangements in case of fire or other events that might require the meeting room or building's evacuation.

**2 APOLOGIES FOR ABSENCE AND ANNOUNCEMENT OF SUBSTITUTE MEMBERS**  
(if any) - receive.

**3 DECLARATION OF INTERESTS**

Members are invited to declare any interests in any of the items on the agenda at this point of the meeting. Members may still declare an interest in an item at any time prior to the consideration of the matter.

**4 SOCIAL SERVICES BUDGET – requisition of Cabinet decision**

Cheryl Coppel  
Chief Executive



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MEETING	DATE	ITEM
<b>CORPORATE OVERVIEW AND SCRUTINY COMMITTEE</b>	<b>8 OCTOBER 2007</b>	<b>4</b>

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### **REPORT OF THE CHIEF EXECUTIVE**

#### **SUBJECT: SOCIAL SERVICES BUDGET – requisition of Cabinet decision**

In accordance with paragraph 16 of the Overview & Scrutiny Committee Rules, a requisition signed by two Members representing more than one Group (Councillors Barbara Matthews and Keith Darvill) has called in the decision of the Cabinet of 19 September 2007. The text of the requisition appears below.

### **CABINET DECISION**

Cabinet was advised that, earlier in the summer, it had become clear that the social services budget was struggling to meet the demands placed upon it. The combination of London's largest proportion of over 65's and a commitment to ongoing improvements in the service meant that this pressure on the budget would continue in the future. At the same time, Havering received a low central government grant compared to many other London boroughs. The current revenue monitor was indicating that Adult Social Services required an additional investment of £5m.

There were service pressures throughout adult social care as a result of the rising numbers of clients in need and the rising costs of social care. Over the last 18 months the numbers of older people receiving intensive support to remain in their homes had increased substantially. The numbers of clients receiving substantial direct payments in order to be able to choose their own care arrangements had also risen substantially. Such clients needed continuing support from the Council and it was projected that their numbers would continue to rise, as would contract and placement costs. Modernisation of services was in hand, with a substantial work programme for the service.

In setting the budget, the Council had taken account of the pressures in the Adult Social Services position. A base £1m was held for amongst other things:

- Funding agreements with the PCT
- Transitional costs in relation to reprovisioning
- Adult Placement pressures

and a contingency sum of £2m was set having regard to the capacity to meet in year budget pressures and a number of risks including:

- Demand led services
- Savings not being delivered
- Income problems

However, following a “root and branch” review of the financial pressures facing adult social services, an increase to the service’s budget was now proposed, to safeguard and improve the support provided to some of the most vulnerable people in the borough. Through careful management of the Council’s overall finances, around £5 million would be added to the adult social care budget for this year by reviewing all services and utilising the majority of the base provision.

The £5m would be vired into the Social Services budget to provide this investment. Cabinet noted that the Council would need to maintain an adequate level of budget for adult social care for future years, to reflect the cost of providing the service but would also continue to maintain its overall financial stability by holding the contingency and maximising such things as interest generation. If the latter was positive and the former under-utilised, there would be opportunities to reinvest in the areas currently supporting this investment. Priorities would be Children’s Services and other areas that enhance the Council’s overall service to the borough.

**Reasons for the decision:**

The Council needed to ensure a balanced budget position and the financial procedure rules required action to be taken to ensure this was addressed.

**Other options considered:**

No action - which would affect the financial stability of the Council.

Members were advised that the current year’s budget had been prepared on the basis of the best information available at the time but that demand for Adult Social Care services had developed to higher levels than expected. The budget readjustment was being effected in such a way as to minimise the impact on other services’ budgets without having recourse to the use of reserves and with the aim of restricting the increase in next year’s Council Tax.

Concern was expressed at the absence of more specific detail of the budget adjustments that were to be made to allow for the investment proposed. Members were given assurance that the proposed adjustments would not impact on services and that, should it prove possible to do so, monies from adjusted budgets not required to support the proposed investment would be released back to the contributing services, in accordance with the priorities set out in the report. Overview & Scrutiny Committees would be welcome to contribute to the process.

Robust action had been needed once the need for investment had become apparent and the steps now proposed were intended to address a specific and unforeseen problem.

Members asked that their appreciation of the work done by Adult Services and other staff in seeking to balance the demand for services against the budget available should be recorded.

**Cabinet:**

- 1 Agreed the investment of £5 million in Adult Social Care in 2007/08 and the virement of this amount from identified service budgets (as set out in Appendix 5 to these minutes).**
- 2 Authorised the Chief Executive and Group Director, Finance and Commercial to adjust the budgets accordingly within the overall approved budget.**
- 3 Authorised the Chief Executive and Group Director, Finance and Commercial to reallocate any resources that become available to the priorities providing the investment, after consulting with the Leader of the Council and the Cabinet Member for Resources.**

**REASONS FOR REQUISITION**

- 1. The Report is not clear on how the situation came about that merely six months after setting a budget there needed to be an additional £5m investment into Adult Services.**
- 2. The Report does not set out clearly which aspects of Adult services require additional investment.**
- 3. The figures contained within the body of the Report do not add up to £5m and Members require a precise breakdown for each service that is contributing.**
- 4. Members require a precise breakdown of which vacant posts have been frozen, and the length of time this 'freezing' will continue.**
- 5. Although Point No 12 within the report alludes to maintaining an adequate budget in the future, there is no indication as to what level of finance it is anticipated will be required despite being only five months away from setting the 2008/09 Council Tax**

**RECOMMENDATION**

**That the Committee considers the requisition of the decision of Cabinet and determines whether to uphold it.**

**Corporate Overview and Scrutiny Committee, 8 October 2007**

**Staff Contacts:**

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**CHERYL COPPELL**  
**Chief Executive**