

2nd Addendum to Overview and Scrutiny Report

Committee: Sustainable Communities Overview and Scrutiny Panel

25th January 2011

Healthier Communities & Older People Overview and Scrutiny Panel

26th January 2011

Corporate Capacity Overview and Scrutiny Panel

27th January 2011

Children and Young People Overview and Scrutiny Panel

8th February 2011

Overview and Scrutiny Commission

9th February 2011

Agenda item:

Wards:

Subject: Budget Update 2011/12 – Merton Music Foundation Additional recommendation and amended information

Lead officer: Caroline Holland

Lead member: Mark Allison

Contact officer: Grant Miles

Forward Plan reference number:

Urgent report

Reason for urgency: The legal requirements for Access to Information have not been met for the Sustainable Communities, the Healthier Communities and Older People, and the Corporate Capacity Overview and Scrutiny Panels. The Chair(man) has approved the submission of this report as a matter of urgency to allow the Panel the opportunity to comment on the budget and put forward recommendations to the meeting of the Overview and Scrutiny Commission on 9 February 2011.

Recommendations:

1. That the Panel include consideration of the savings proposal in respect of CSF15 Merton Music Foundation along with those proposals previously circulated
 2. That the Overview and Scrutiny Panel considers the comments of the Panels and provides a response on the revenue and capital proposals to Cabinet when it meets on the 9th February 2011.
-

1. Purpose of report and executive summary

- 1.1 At its meeting on 17 January 2011, Cabinet noted that a decision relating to savings proposal CSF15 in respect of Merton Music Foundation had been deferred and any decision in relation to this would be reported to the Scrutiny Panels and the Overview and Scrutiny Commission on 9 February 2011.
- 1.2 A savings proposal has now been formulated and is attached at Annex 1.
- 1.3 As a result, the savings analyses reported to Cabinet on 17 January 2011 under paragraphs 3.2 and 3.4 have changed to the following:-

Phase 3 SAVINGS – Non ABG	2011/12	2012/13	2013/14	2014/15
	£m	£m	£m	£m
Chief Executive's	0.000	0.000	0.000	0.000
Corporate Services	0.000	0.000	0.000	0.000
Children, Schools and Families	0.167	0.046	0.000	0.000
Environment and Regeneration	0.330	0.110	0.000	0.000
Community and Housing	0.709	0.000	0.000	0.000
TOTAL	1.206	0.156	0.000	0.000

	SAVINGS TARGET	Reported to Cabinet 13th December	Additional Savings identified (Phase 3)	SHORTFALL/ (SURPLUS)
	2011/12	2011/12		2011/12
	£000	£000	£000	£000
Chief Executive's	387	3,581	0	(163)
Corporate Services	3,031			
Environmental Services	4,702	4,254	330	118
Children, Schools and Families	1,422	1,209	167	46
Community and Housing	4,458	3,750	709	(1)
Total	14,000	12,794	1,206	0

- 1.4 The revised gap, reported in paragraph 3.6.2 of the Cabinet report on 17 January 2011, has changed to the following:-

	2011/12 £m	2012/13 £m
Revised Gap (Reported 17 January 2011)	6.341	14.844
Less:		
Additional Saving re MMF	(0.026)	(0.046)
Revised Gap	6.315	14.798
Less:		
Pension Fund – Actuarial Review	(1.020)	(0.200)
Other Reserves	(0.824)	0.824
Use of Collection Fund	(1.360)	0.860
Revised Gap	3.111	16.282

DEPARTMENT: CHILDREN, SCHOOLS AND FAMILIES PHASE 3 SAVINGS: 2011-2015

Panel	Ref	Description of Saving	Baseline Budget 10/11 £000	2011/12 £000	2012/13 £000	2013/14 £000	2014/15 £000	Risk Analysis - Deliverability	Risk Analysis - Reputational Impact	Type of Saving (see key)
Education										
C&YP	CSF15	<p>Service Description</p> <p>School Standards and Quality Reducing of financial support to Merton Music Foundation Phased reduction in general fund support to MMIF. The Foundation also receives £241,121 from LBM's Standards Fund allocation and achieves income from delivery of music tuition. The Foundation has been protected from savings over the last 3 years. Discussions have been held with the Foundation with a view to minimising impact on overall service delivery and maintaining the sustainability of the Foundation's activities.</p> <p>Service Implication None for the Council</p> <p>Staffing Implications None</p> <p>Business Plan implications impact on other departments Equalities Implications None</p> <p>Subject to discussion with the Foundation</p>	72	26	46	0	0	Low	Medium	SNS2
Total Children, Schools and Families Department Savings for 2011-2015				26	46	0	0			

- SSI Staffing: reduction in costs due to efficiency
- SS2 Staffing: reduction in costs due to deletion/reduction in service
- SNS1 Non - Staffing: reduction in costs due to efficiency
- SNS2 Non - Staffing: reduction in costs due to deletion/reduction in service
- SP1 Procurement / Third Party arrangements - efficiency
- SG1 Grants: Existing service funded by new grant
- SG2 Grants: Improved Efficiency of existing service currently funded by unringfenced grant
- SPROP Reduction in Property related costs

Panel

- C&YP Children & Young People
- CC Corporate Capacity
- HC&OP Healthier Communities & Older People
- SC Sustainable Communities