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**ITEM 2.1: POLICY AND RESOURCES STRATEGY 2008/09-2010/11 – THE 2008/09 REVENUE BUDGET (THE BUDGET AND POLICY FRAMEWORK)** (see main agenda, pages 1 – 44 and supplemental agenda 1, pages 1 - 4)

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**QUESTIONS ON REPORT**

**Question from Councillor Richard Livingstone**

What is the current state of the council's reserves? How much money is currently in each of the council's reserves? How much does this report propose to be in the reserves at the end of the financial year 2008/09?

**Question from Councillor Chris Page**

What are the council's projected council tax base rates for 2009/10 and 2010/11? In calculating those base rates what collection rates have been used and what number of properties are they based on?

**AMENDMENT A**

**MOVED:** Councillor Richard Livingstone

**SECONDED:** Councillor Peter John

**Amendment to executive's recommendations on 2008/09 budget**

Paragraph 1: **delete** all after "... general fund budget" and **replace** with "for 2008/09 only with the amendments set out in table 1 below."

**Delete** paragraph 2.

**New** paragraph 2:

"Agree that the Southwark Council Tax precept for a band D property in the borough be increased by 2.1%, 0.1% below the Treasury's measure of inflation for February, as follows:

- |   |         |
|---|---------|
| • For the parish of St Mary Newington   | £891.30 |
| • For the parish of St Saviour's  | £893.73 |
| • For the whole of the borough excluding the parishes of St Mary Newington and St Saviour's | £895.48 |

Table 1

<b>Additional expenditure</b>		<b>2008/09 £'000</b>
Children's services	Youth provision - support officer post to assist voluntary sector groups in Southwark to apply for new funding available, including new GLA youth funding.	40
	Additional funding for youth provision delivered through voluntary sector.	80
Health & Social Care	Post to support carers of elderly and disabled to come forward to claim government benefits to which they are entitled, as recommended by scrutiny.	50
	No increase in meals on wheels charges (see page 39).	200
	No reduction of the welfare rights team (see page 42).	180
	No reduction in access and systems capacity grant (see page 31).	400
	No increase in the level of charging to collect additional client contributions for care packages (see page 39).	300
	No reduction to the carers grant (see page 42) and increase by £200,000.	400
Environment and Leisure	Keep Livesey Children's Museum open (see page 43 and paragraph 42 of the executive report).	140
	Fund new post to promote energy efficiency and conservation, as recommended to executive by the environment & committee support scrutiny-sub committee in January 2008.	50
	Reverse proposed saving in reactive road maintenance (page 32).	40
	Additional funding for community safety. This expanded budget will enable £2m to be transferred to fund, in partnership with the Metropolitan Police, 4 additional PCSOs in every ward in Southwark. The remaining £3m will be used for a reconfigured community warden scheme focusing solely on town centres and open spaces.	300
Regeneration	Reverse proposed cuts in CIDU's social inclusion budget (see page 33).	71
	New funding for voluntary sector projects targeted at supporting residents facing extreme poverty.	93
Democratic services	Maintain current pattern of council assembly meetings (see page 36).	15
<b>Total additional expenditure</b>		<b>2,359</b>

<b>Further savings</b>		<b>2008/09 £'000</b>
Appendix A	Set the inflation calculation, set out in Appendix A, back to £9.4 million, as being used by officers up to January.	(100)
	Use £1.1m from collection fund surplus.	(1,100)
Children's Services	Increase level of charging to schools and academies for achievement services and other CS services to yield a further £60,000 on top of the £326,000 identified in the report (see page 39).	(60)
Environment and Leisure	Save 10% on budgeted agency costs in this department, yielding £107,000.	(107)
Regeneration	Save 10% on budgeted agency costs in this department, yielding £101,000.	(101)
Major Works	Save £1 million through not putting this into the unspecified element of the regeneration reserve (see page 26).	(1,000)
	Save £250,000 by only increasing budget for new staff in this directorate by £293,000 (see page 26).	(250)
Financial Management Services	Release a further £50,000 from the financial risk budget for pensions as a result of the favourable actuarial report (see page 35).	(50)
Chief Executive/ Deputy Chief Executive	Net saving of £15,000 achieved through the re-contracting revenue & benefit contract. The proposed saving of £185,000 through extending the current contract cannot be supported given current concerns on council tax collection (see page 36) and a saving of £200,000 per year can be generated through re-contracting this service. The cost of re-contracting should be supported through utilising the modernisation reserve.	(15)
	A further saving of £36,000 from rationalisation of management structures and review administrative support within the chief executive and deputy chief executive officers' teams.	(36)
Other Strategic Services	Delete 4 executive support posts.	(135)
	Freeze councillor basic allowance at 2007/08 level.	(13)
	Reduce all special responsibility allowances by 10%.	(60)
Corporate Services	A further 15% reduction in the communications budgets (see page 37).	(600)
	Save £150,000 through efficiency on re-licensing software – shift to open-access software such as Star Office rather than continuing to use Microsoft Office.	(150)
	Reduce expenditure on consultants used in modernisation process, bringing this new commitment down to £760,000 (see page 28).	(140)
<b>Total further savings</b>		<b>(3,917)</b>
Net impact of changes		(1,558)
<b>Total budget requirement</b>		<b>307,472</b>
Formula Grant		(223,544)
Council Tax		(82,807)
Council tax surplus from 2006/07		(1,139)

Note: If Amendment A is passed, the council tax in item 2.2 will need to be amended in line with new paragraph 2 of this amendment.

**AMENDMENT B**

**MOVED:** Councillor Andrew Pakes

**SECONDED:** Councillor Mary Foulkes

**Amendment to executive's recommendations on 2008/09 budget – Livesey Children's Museum**

*Only to be debated if Amendment A falls.*

**Delete** the full stop at the end of paragraph 1 and add "excluding the closure of the Livesey Museum (paragraph 42 of the executive report)."

**Add** new paragraph 3:

"That the executive meet urgently before Tuesday March 11 2008 to find the required saving to enable the continued operation of the Livesey Museum through efficiency savings from one or more of the following areas:

- a. a reduction in transfers made to reserves in 2008/09 (as identified on page 26)
- b. a reduction in the budget allocated to be spent on consultants to 'gear up modernisation' (as identified on page 28)
- c. further efficiency savings on non-staff operational costs across the council.

**Renumber** subsequent paragraphs as a consequence.

**AMENDMENT C**

**MOVED:** Councillor Martin Seaton

**SECONDED:** Councillor Susan Elan Jones

**Amendment to executive's recommendations on 2008/09 budget – Adult and Social Care review**

*To be debated whether Amendments A and B are agreed or fall.*

On page 14 of the main agenda, **delete** paragraph 49 of Appendix 1 and **insert**:

"While the funding pressures on providing social care for those with moderate needs are significant, this report recognises that council assembly considers the provision of assistance to Southwark's vulnerable as a moral duty and prioritises it ahead of cynical or frivolous spending, particularly on publicity, agency staff, legal fees and consultants. Any change to the eligibility criteria must, therefore, be a last resort. It also recognises that a decision to change the eligibility criteria could not happen immediately, as such a move would require full consultation with the community, and that it has not been budgeted for in this year's budget.

"Taking into account all of the above, it is recommended that officers and executive members form a new working group immediately to find a viable future for social care in Southwark and to consider the re-allocation of existing departmental budgets in line with council assembly's priorities before a final decision must be taken next year."

**AMENDMENT D**

**MOVED:** Councillor Dora Dixon-Fyle

**SECONDED:** Councillor Alison McGovern

**Amendment to executive's recommendations on 2008/09 budget – Town Hall review**

*To be debated whether Amendments A, B and C are agreed or fall.*

On page 13 of the main agenda, in paragraph 44 of Appendix 1, after "centre" on the penultimate line **insert:**

"The reviews cannot be conducted in isolation from other council priorities, however, and they need to take full consideration of council assembly's commitments to retaining civic space in each of the three former Metropolitan boroughs and to making democracy in the borough more accessible and involving for local residents not less. Any proposed alternative location for council assembly, for example, would therefore need to facilitate the commitment to democratic engagement.

"The reviews need to consider all options for the retention of public buildings for use by community instead of being sold for the financial gain of private developers in line with council assembly's expectation that police stations should similarly be retained for use by the community.

"Because the exodus of council staff from Camberwell would also have a broad and deep impact upon local businesses and the local community, the reviews need to include an in-depth, well-researched study of how the relocation of upwards of 600 council staff away from the area will affect it. This is in line with council assembly's commitment to encourage the achievement of economic well-being and localities of mixed communities for all of Southwark's residents. This study needs to be carried out in partnership with and genuinely involve local residents, businesses and council staff."