

## **Statement to the 16.7.12 meeting of the Resources Policy Development and Scrutiny Panel**

As a member of three generations of a family living in Bath and North East Somerset, and as a business economist and strategist working at the interface of the public, private and voluntary sectors, I am increasingly concerned about the impact of inevitable public expenditure cuts on our local economy and communities. This statement is driven by this concern.

Although I am pleased to see the Panel now scrutinising the Council's approach to the allocation of resources (Item 6 on the 16.7.12 agenda), I wanted to underline just how important and timely this discussion is in the context of the current adverse and highly uncertain economic climate and the role PD&S Panels have as part of a minority administration to democratically underpin the bold and difficult decisions that need to be taken over the next few years.

As an economist, whose job it is to advise on how to maximise the benefits from the allocation of scarce resources, I would also like to remind you, my elected representatives, that we can't have our cake and eat it, for there is only one cake, and how you cut up that cake matters greatly for the long term future of our communities. And although I recognise that economics is not the only discipline of relevance here, it is the reason why I'm so disappointed not to be able to attend tonight's panel meeting\* and why I am taking the trouble instead to highlight some aspects that I believe merit the Panel's attention and scrutiny.

Firstly I am delighted to see that prioritisation has been placed in the core of the discussion framework. In the private sector, if you fail to understand and meet the needs of your customers, sooner or later you will go bust. In the public sector, if you fail to understand and meet the needs of the diverse communities you serve, ultimately it costs lives and belittles the economy which nurtures those lives. However, the diagnosis of and targeting of diverse and often complex community needs is a much less developed art than that of uncovering and meeting business need.

Turning now to the process of allocating resources. Although Andrew Pate's image of a complex and challenging jig-saw, with perfectly formed policies arranged with military precision is a beguiling one, it clashes with the impression I got from having observed the scrutiny of Medium Term Resource and Service Plans last winter. Although, much of this was to do with how complex issues and data were presented, and the associated lack of time for a new administration to absorb and reflect on them in the budget timeframe, lurking underneath were some more important issues of substance surrounding how we define resource and whether we bring the same rigour, transparency and evidenced approach to the allocation of human and environmental resource as we do to financial ones.

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\* At this time of the school year, my reserves of "goodwill" childcare are just too low.

And it is these fundamental issues of substance that I so hope the Panel will take the time to discuss at this and in future meetings, for this is where my confidence for a better future lies. For the economists outlook is less relevant than many economists like to think. Not all resources are scarce. There may be only one cake, but the cake is unbounded. People make things happen, and it the responsibility of all of us whether in the private, public or voluntary sector, and as lead by our unique coalition of politicians, to constantly challenge and push the boundaries further and further out. And I'm delighted to see just a year or so into the work of this administration, that this is beginning to happen.

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