

Report to: **Scrutiny Committee for Adult Social Care**

Date: **25 November 2005**

By: **Chief Executive and all Chief Officers**

Title of report: **Reconciling Policy and Resources**

Purpose of report: **To seek the Committee's views on the financial and service planning proposals for the service area under its purview**

RECOMMENDATION -

The Committee is recommended to consider any comments it wishes to make to the Cabinet on the Proformas for the portfolio area to help to shape the budget and Council Plan 2006/07

1. Background

1.1 Cabinet considered, at its meeting in July, the financial and policy planning guidelines it wished to give Chief Officers to begin the Reconciling Policy and Resources process. These will be used to develop the Council Plan and supporting budget. The paper considered by Cabinet set out the national policy and financial context, the current policy steers, and local policy and budgetary issues. It was also considered by the last round of Scrutiny Committees. The comments made by Scrutiny Members have been passed on to Lead Members and Chief Officers, in order that they can be taken into account as more detailed plans are starting to be developed.

1.2 Having considered the policy and financial context for the Reconciling Policy and Resources work for 2006/07 and beyond the Cabinet agreed the following initial guidelines:

- presumption of Dedicated Schools Grant to reflect the schools passporting requirement
- currently assessed standstill less 2% for
 - Adult Social Care
 - Children's Services
- currently assessed standstill less 3% for
 - Libraries
 - Highways Maintenance
- currently assessed standstill less 3.5% for
 - Building Maintenance
- currently assessed standstill less 5% savings for
 - Chief Executive's Department (excluding Libraries)
 - Corporate Resources (excluding building maintenance)
 - Transport and Environment (excluding Highways and Waste)
- currently assessed standstill less 0.5% for
 - Waste

1.3 As part of this, County Council has asked that Portfolio holders and Chief Officers maximise productivity and other efficiencies, ensuring at least 2% savings to contribute to the above guidelines, are delivered through this route by:

- challenging and understanding high unit cost areas;
- scoping further opportunities for efficiencies over the medium term; and
- continuing to focus on the specific service quality improvement agenda.

1.4 Informally, the Deputy Leader has recently requested that portfolios also model a further ½% reduction in the case of Libraries, Highways and Building Maintenance and a further 1% in other areas. Adult Social Care and Children's Services have not been asked for any changes. Given timing, the proformas deal with the original guidelines but further information may be provided at the meeting.

1.5 It should be noted that the actual settlement may be a lot worse than that required for the modelling proposals. In particular there may be no floor for (or a negative floor) or a marked reduction in specific grants. The signals nationally are not encouraging, in which case the guidelines would have to be altered dramatically. Our best current information is that the settlement will be announced week commencing 28 November 2005.

2. Service and Financial Planning

2.1 Since the Committees last met Chief Officers have begun the work to turn the Policy Steers into practical programmes of action with appropriate resources and clear targets for when and how they will be completed.

2.2 The proformas attached at Appendix 1 to this report set out those plans showing: current performance; improvement aims and actions; and the efficiency and other savings in order to meet these aims and the Cabinet's financial planning guidelines. These are very much working documents, which model certain savings scenarios to assist the Reconciling Policy and Resources process. They are not, at this stage, firm proposals. They have been used to guide discussion between Lead Members as the process has developed. Although savings options are only being modelled at this stage, staff and external partners who may be affected by the possible savings shown have been made aware of the options being discussed.

2.3 The Committee is asked to consider any comments it wishes to make to the Cabinet on the proformas for the portfolio area under its purview to help to shape the budget and Council Plan 2006/07. Where Scrutiny Committees indicate that they would wish to see a savings option in the proforma removed or protected, it would be helpful if they could also suggest alternative modelling options which the Cabinet might like to consider to meet the specified requirements. At its December meeting the Cabinet will consider further the financial and service plans it will be putting forward to County Council. In so doing, it will take into account the views of Scrutiny Committees and the outcome of consultation with the public, stakeholders and partners.

CHERYL MILLER
for all Chief Officers

Contact Officers:

Sean Nolan, Deputy Chief Executive and Director of Corporate Resources (01273 481412)

Becky Shaw, Director of Policy Management and Communications (01273 481950)

Local Member(s): All

BACKGROUND DOCUMENTS

None