

Report to: **Audit and Best Value Scrutiny Committee**

Date: **4 March 2009**

By: **Director of Law and Personnel**

Title of report: **Reconciling Policy and Resources – feedback to scrutiny**

Purpose of report: **To provide feedback on the outcomes of scrutiny input into the Reconciling Policy and Resources (RPR) process in 2008/09.**

RECOMMENDATIONS:

The Committee is recommended to:

- 1) Review its input into the 2008/09 Reconciling Policy and Resources process to establish whether there are lessons for improvement for the process next year.**
 - 2) Review the commentary on the specific input of this committee into the RPR process.**
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1. Financial Appraisal

1.1 There are no specific financial implications associated with this report.

2. Reconciling Policy and Resources (RPR) and scrutiny in East Sussex

2.1 Reconciling Policy and Resources (ie. aligning the Council's budget setting process with service delivery plans) is now firmly established as an effective and transparent business planning process in East Sussex. The 2008/09 round began with the *State of the County* report to Cabinet in July 2008. Scrutiny committees actively engaged in the process firstly to allow them to bring the experience they have gained through their work to bear, and secondly to help inform their future work programmes.

2.2 In September 2008 each scrutiny committee considered extracts from the *State of the County* report and made comments to Lead Members on the relevant policy steers and their contribution to the objectives of the whole Council (the County Council Promise) prior to consideration by County Council.

2.3 The scrutiny committees established scrutiny boards to act on their behalf and provide a detailed input into the RPR process. These met in December 2008 to consider detailed budget plans and the emerging savings strategy. In particular the scrutiny boards:

- considered whether the amended policy steers were reflected satisfactorily within the proposed key areas of budget spending for 2009/10;
- considered whether all possible efficiencies had been identified; and
- assessed the potential impact of any savings proposals on services provided to County Council customers.

2.4 This report provides feedback on how scrutiny comments and recommendations have been dealt with by Cabinet and County Council. Its aims are to assist scrutiny to become more effective in future RPR rounds and to enable consideration of the specific commentary relating to each committee.

2.5 Appendix 1 to this report summarises the comments and recommendations made by all the scrutiny committees and boards during the stages outlined above, and the responses by the Cabinet and Council. In addition to making specific recommendations, scrutiny sought and was given assurances, on a range of related matters.

2.6 Each scrutiny committee is requested to focus on the section related to its own remit. The table includes sections for all the scrutiny committees to enable members to compare approaches and help to improve the process in future years.

2.7 In July 2008 East Sussex County Council received a commendation from the Centre for Public Scrutiny (CfPS) for its innovative approach to financial scrutiny through Reconciling Policy and Resources. This report is used to illustrate to local authorities elsewhere the value of this approach and to provide a practical illustration of how this works.

3. Conclusion and Reason for Recommendation

3.1 The Committee is recommended to review its input into the 2008/09 Reconciling Policy and Resources process and in particular to establish whether there are lessons for improvement for the future.

ANDREW OGDEN

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Local Members: All

BACKGROUND DOCUMENTS

None

Overview and Scrutiny Reconciling Policy and Resources (RPR) boards 2008/09

Scrutiny Board membership	Scrutiny comments	Responses to recommendations and requests for assurances
<p>Adult Social Care Councillors Gubby (Chairman), Forster, Mrs Tidy, Taylor, Tunwell, Webb and Woodall</p>	<p><u>RPR board on 11 December 2008</u></p> <p>The board acknowledged the pressures that were impacting, or likely to impact, on the department in the forthcoming year:</p> <ul style="list-style-type: none"> • The National Efficiency Target had been changed from 3% to 4.5%. The Department has not so far been working towards this figure and would therefore have to identify further efficiencies; • In the past savings had been achieved through increasing procurement efficiencies. With the advent of individual budgets savings could no longer be made in this way and the Department would be looking to develop new ways of working with providers to achieve savings; • During the economic downturn there could be several added pressures placed on the Department: <ul style="list-style-type: none"> • Falling house prices could mean that self-funders run out of money to support themselves more quickly and the Department would have to step in sooner; • There could be more call upon mental health services; and • There could be more cases of homelessness. <p>The Board recommended:</p> <ul style="list-style-type: none"> • Greater emphasis be given to prevention services in the Portfolio Plan; • The phrase “key work streams” in the Portfolio Plan be changed to “key work”. 	<p>One off bids agreed by Cabinet for 2009/10: Age Concern benefit take-up scheme - £100,000</p> <p>The Portfolio Plan highlights a range of prevention services. Phrasing has been changed as proposed.</p>

<p>Audit & Best Value</p> <p>Cllrs Murphy (Chairman), Ensor and Sparks.</p>	<p><u>RPR Board on 15 December 2008</u></p> <p>The Board focussed its questioning on effects of the current economic climate and deepening recession and the consequent challenges and pressures which need to be tackled.</p> <p>Board commentary:</p> <ol style="list-style-type: none"> 1. Shared services – acknowledged that working more effectively with other public sector bodies and other councils is becoming more important; the shared services agenda is crucial for the future. 2. Welcomed the new policy steer to take account of the effect of the economic downturn on residents, businesses and services. 3. Endorsed the need for a change of culture and the development of more innovative ways of delivering services; for example professional advice, such as accountancy, would in future be built into the cost of projects at their inception and would have to be borne by the project rather than absorbed by departmental revenue base budgets; this represents a major culture change. 4. Economic issues – the need to instil confidence in the business and wider community; endorsed the need for the County Council to pay creditors promptly to help local businesses with cash flow; in particular the proposal to target local SMEs for ten-day payments and to remind departments to treat such payments as a priority. 5. Acknowledged that the Capital Programme was particularly ambitious and there was, therefore, a resultant increased risk of slippage; no capital receipts were expected in the foreseeable future. 6. Staff capacity issues – there are sections of the County Council where some specialist work is carried out by just one person; workforce planning to provide back-up in those areas is essential. Welcomed the ongoing review of team structures within both departments along with the emphasis on flexibility and cost effectiveness; training would be key and the future aim to ‘grow our own’ staff as far as possible was endorsed. 7. Endorsed the additional work being undertaken with Sussex Enterprise and Business Link to help companies through the recession and discussions with credit unions. 8. Welcomed intention to provide more help to individual voluntary organisations. 	<ol style="list-style-type: none"> 3. This is being progressed for example in the development of the Children’s Services capital programmes for Building Schools for the Future and Primary Capital Programme. 4. A report on possible impact of the recession on the County Council, businesses, individuals and communities and areas for action made to Cabinet on 26 January 2009. Funding of £820,000 in the 2009/10 budget agreed by Cabinet to combat the impact of the recession. Ten day payment terms now operating for local SMEs. 5. This risk was highlighted in reports to Cabinet and to County Council. 6. The management of these risks remains a priority. 7. The Council is a participating employer with the East Sussex Credit Union and has provided information to staff via its intranet and leaflets in payslips.
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<p>Children's Services</p> <p>Councillors Maynard (Chairman), Field, Dowling, Ost, St Pierre and Whetstone</p> <p>Mr Jeremy Alford and Mr Sam Gregory</p>	<p><u>RPR board on 18 December 2008</u></p> <p>The board acknowledged the pressures that were impacting, or likely to impact, on the department in the forthcoming year:</p> <ol style="list-style-type: none"> 1. The recession could mean that more children will be living in poverty; this could lead to an increase in the number of children being 'in need' and requiring a service. 2. Changes to the regulations around parents receiving incapacity benefit could also impact upon the most vulnerable children in society and lead to increased demand for services. 3. The 'Baby P' tragedy is already impacting on the workload of the Department and will have a financial impact in the long term. Referrals to the duty and assessment team have increased by 25% and the number of children on Child Protection Plans is also likely to increase. In the long term this will lead to more looked after children and is likely to increase the need for foster care placements and children's home places. 4. The issue of the training budget split between Adult Social Care and Children's Services is still unresolved; if the Department is unsuccessful obtaining the necessary funding it will create a £0.5m unfunded pressure on the training budget. 5. By raising the threshold to access Family Support, it is estimated that an extra 120 families will not now receive support on parenting skills, healthy eating etc. Reducing the grants to the voluntary sector will reduce the number of parenting programmes and child health activities being run. Whilst these are 'low risk' areas the concern is that by not providing early support more families will present with increased needs 'further down the line'. 6. The Board requested reference to the aim to reduce childhood obesity to be included in the Portfolio Plan. 7. The Board acknowledged the difficult situation the Department faced and recognised that there was a need to make savings in preventative measures in order to be able to prioritise child protection work. However, the Board was concerned that the reduction in preventative measures would see an increased need for more services 'further down the line' in the future. 	<p>One off bids agreed by Cabinet for 2009/10:</p> <p>Bright and talented children flying high project - £25,000</p> <p>Activities for young people - £120,000</p> <p>3: Baby P effects risk provision - £1,000,000 (of which £200,000 is ongoing)</p>
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<p>Community Services</p> <p>Councillors Taylor (Chairman), Howson, Martin, Scott and Wilson; and Mr Sam Gregory</p>	<p><u>RPR board on 17 December 2008:</u></p> <p>The board acknowledged:</p> <ol style="list-style-type: none"> 1. Front-line services are being protected; redundancies and job losses are not anticipated in these areas. 2. Self-service facilities are planned for more libraries; this will permit more efficient deployment of staff for short-notice cover. 3. The Library Contact Centre will be launched in 2009 which will deal with telephone calls through a single telephone access network; this will provide a more efficient service for telephone enquiries and allow staff in libraries to focus more on face-to-face enquiries. 4. £20,000 savings in Trading Standards will be achieved through the staffing restructure currently being implemented and will not impact on the service provided. 5. The recent change in tobacco legislation is not expected to affect the Trading Standards budget; however the Head of Trading Standards is applying for grant funding to cover any unexpected pressures. 6. Savings within ICT will be met by increasing income in 2009/10. The team is looking to develop the existing ICT package to schools to meet part of this target; they are working closely with schools to provide a more attractive package which will hopefully achieve a higher take-up rate. If ICT Services fail to generate the projected income, savings will have to be achieved elsewhere. <p>The Board endorsed the following one-off funding bids to:</p> <ol style="list-style-type: none"> 1. Extend the 'loan sharks scheme' outside Hastings; and 2. Support the Trading Standards 'Local Life Show' in Eastbourne and encourage more local Small and Medium Sized Enterprises (SMEs) to participate in the event. 	<ol style="list-style-type: none"> 1. Wherever practicable RP&R savings proposals will be delivered through improved efficiencies and high negative impact on services to residents will be avoided. 2. A one-off sum of £150,000 has been agreed as part of the 2009/10 budget proposals, for the Local Life show and for extending self service machines in libraries. 4. Restructuring underway. 'Grow our own' approach to developing staff talent. 5. No unexpected pressures have arisen to date. 6. Successful developments have been made for schools ICT in 2008 and will continue in 2009 <p>A one-off bid of £20,000 to support the 'Local Life Show' has been agreed by Cabinet as part of the 2009/10 budget proposals.</p>
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Transport & Environment

Councillors Daniel (Chairman), Stogdon and St Pierre.

RPR Board on 16 December 2008

Board commentary on the specific savings proposals:

1. Highways maintenance new signs and lines – savings target £50,000: assurance received that this would not impact on new developments or safety works; however scrutiny requested detail of public requests for new signs and lines to illustrate how this saving will be made.
2. Waste Management – re-tendered leachate contract savings target of £40,000: scrutiny requested a map of the East Sussex closed landfill sites and further information on scale of the leachate operation.
3. Passenger Transport: savings target £65,000: scrutiny to look at the detail of this proposal when available.
4. Overtime payments savings target £50,000: assurance received that there would be no impact on officers attending meetings in local communities.
5. Rights of way and countryside savings target £25,000: scrutiny acknowledged this target and requested further detail in due course.
6. Departmental training savings target £30,000: assurance received that ongoing staff training would not be affected.
7. Traffic engineering schemes savings target £20,000: scrutiny requested a future update on the shared space proposals arising from the earlier scrutiny review of speed limits, in particular clarification as to whether shared space schemes are in general likely to be less expensive than other types of scheme.

1. Schemes funded include: new or amended safety orientated requests; amendments to existing restrictions and courtesy disabled parking bays. Ranking systems are used to prioritise which schemes are funded.
2. Map and further information provided and available on request.
3. Savings envisaged arising from the Lewes/ Wealden / Eastbourne area review. Detailed consideration at scrutiny committee on 17 March 2009.
5. Savings to be generated by new or increased income opportunities:
 - Rights of Way teams to be targeted to achieve an additional £10,000 / countryside management a figure of £15,000.
 - Increased charges for definitive map searches, temporary closure orders and diversion applications.
 - A wide range of possibilities within countryside management from arranging better deals with partners, innovative income generation ideas (separate report available on request).

	<p>The Board reaffirmed the importance of Transport and Environment as a set of services which reaches and directly affects every resident in East Sussex and as such should be high priority for any one-off additional resources; the Board suggested the following priority order for bids from any one-off pot that becomes available (with 1 being top priority) for 2009/10:</p> <ol style="list-style-type: none"> (1) Pedestrian crossings – £200,000 to implement six rather than just three new pedestrian crossings (2) Highways ‘village gangs’ – £200,000 to provide a further two to provide cleaner streets (3) Rights of Way: bridges, stiles and surfaces – £150,000 to address the survey highest priorities (4) Dropped Kerbs – £100,000 to provide additional dropped kerbs further to the scrutiny review of dropped kerbs carried out earlier in 2008 (5) Community Transport – £100,000 to implement the recommendation of the best value review of passenger transport for pump priming grants and the development of a community transport strategy to include community engagement and consultation. 	<p>All these bids were agreed by Cabinet and will be funded in 2009/10.</p> <p>An additional one off bid that was also agreed is:</p> <p>Contribution to the climate change fund - £50,000</p>
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