

Report to: **Cabinet**

Date: **15 July 2005**

By: **Chief Executive and Chief Officers**

Title of report: **Reconciling Policy and Resources – State of the County 2005**

Purpose of report: **To enable Cabinet to consider the Policy and Financial Planning guidelines for 2006/07 and beyond.**

RECOMMENDATIONS

The Cabinet is recommended to:

- 1. note the report and the appendices;**
 - 2. set the financial guidelines; and**
 - 3. recommend the County Council to agree the policy commitments and policy steers (Appendix 3) as the basis for the Reconciling Policy and Resources work for 2006/07 and beyond.**
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1. Financial Appraisal

1.1 The report will enable the Cabinet to set Policy and Financial Planning guidelines as the basis for the Reconciling Policy and Resources work for 2006/07 and beyond.

2. National and Local Policy Context

2.1 Appendix 1 sets out an overview of the policy context within which the Council's priorities and financial targets need to be agreed.

3. Financial Context

3.1 A financial overview is set out in Appendix 2 including local spending pressures. As feared the financial position outside schools will continue to be difficult, particularly over the medium term.

4. Policy Steers and Commitment

4.1 A core element of Reconciling Policy and Resources is the setting of a clear Policy direction by the County Council to guide financial and business planning. Appendix 3 sets proposed Policy Steers for the period of this Council and also an overall Commitment of intent for the whole authority. The proposed new Policy Steers reflect the new Cabinet Portfolios, and take account of the national context in which we deliver services. The Policy Steers will be reviewed annually but would not expect to change significantly over the life of the current Council.

5. Strategic Performance

5.1 Appendix 4 sets out the key performance issues for the County.

6. Strategic Risk

6.1 Appendix 5 provides an overview of the developments in the Authority's approach to risk management and an update on the key strategic risks facing the Authority, which will need to be considered as future plans and targets are developed.

7. Next Steps

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7.1 Once County Council has agreed the formal planning guidelines, the Reconciling Policy and Resources process will ensure the Policy Steers are worked up into practical programmes of action with appropriate resources and clear targets for when and how they will be completed.

7.2 In agreeing future activities within each portfolio and setting specific targets, careful consideration will need to be given to current performance, the Comprehensive Performance Assessment (CPA), and Public Service Agreement (PSA) targets. Information about performance and PSA targets is clearly laid out in the current Council Plan and further information (including external comparators) will be provided as it becomes available. The Reconciling Policy and Resources process including consultation with Scrutiny and also partners will lead to the production of the detailed Council Plan for 2006/07.

7.3 The Cabinet will need to view the issues in the medium term as well as considering issues in respect of next year, including:

- council tax planning assumptions;
- policy priorities;
- relative priorities/protection;
- areas for investment and improvement; and
- consequent level of efficiencies and other savings to be modelled.

The Deputy Leader has indicated that he will table his proposals at the meeting

7.4 A timetable for the Reconciling Policy and Resources process is included in Appendix 6.

8. Communications Plan for Reconciling Policy and Resources

8.1 Raising the profile of the Council's priorities and policy steers is a key aim of the whole Council. As in previous years, a specific Communications Plan will be developed for the ongoing Reconciling Policy and Resources initiative, which will include public consultation and will cover a range of audiences from residents through to staff and partners. At the same time a lobbying strategy will be developed which will seek to put the case for a fair deal for Council Tax payers in East Sussex to Government, partners and others with influence both within and outside the County.

Cheryl Miller
Chief Executive

on behalf of all Chief Officers

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