

Report to: **Scrutiny Committee for Economy, Transport and Environment**

Date: **17 March 2014**

By: **Chief Executive**

Title of report: **Reconciling Policy, Performance and Resources 2013/14**

Purpose of report: **To review scrutiny's input into the Reconciling Policy, Performance and Resources (RPPR) process during 2013/14.**

RECOMMENDATION: The Committee is recommended to a) review its input into the Reconciling Policy, Performance and Resources process and b) identify any lessons for improvement for the process in future.

1. Financial Appraisal

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

2. Reconciling Policy, Performance and Resources (RPPR) and scrutiny in East Sussex

2.1 Reconciling Policy, Performance and Resources (i.e. aligning the Council's budget setting process with service delivery plans) has established an effective and transparent business planning process. A Medium Term Financial Plan (MTFP) has been produced and the 2013/14 round represents year two, of the three year savings plan.

2.2 Scrutiny committees actively engage 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.

2.3 In September 2013 each scrutiny committee considered extracts from the *State of the County* report and the departmental savings and Portfolio Plans. Requests for further information or reports were made to help the scrutiny committee evaluate proposals made in the respective Portfolio Plans.

2.4 The scrutiny committees established scrutiny boards to provide a more detailed input into the RPPR process. These met in December 2013 or January 2014 to consider the draft portfolio plans and the impact of proposed savings. The boards:

- considered any amendments to the Portfolio Plans and how they were being delivered against the proposed key areas of budget spend for the coming year;
- assessed the potential impact of these savings on services provided to East Sussex County Council customers.

2.5 Appendix 1 summarises the comments and recommendations made by the Economy, Transport and Environment Scrutiny Committee RPPR board to Cabinet.

3. Conclusion and Reason for Recommendation

3.1 The committee is recommended to review its input into the 2013/14 RPPR process and in particular to establish whether there are lessons for improvement for the future.

BECKY SHAW

Chief Executive

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Local Members: All

Background Documents None

Overview and Scrutiny: Reconciling Policy, Performance and Resources (RPPR) boards 2013/14

This is a summary of the outcomes, observations and findings of the scrutiny RPPR Boards held in December 2013 and January 2014.

All the scrutiny boards considered draft Portfolio Plans and savings plans and attempted to assess the impact of both any significant budget cuts facing the County Council over the coming years and those activities where savings are not necessarily being proposed but which account for significant use of resources.

Scrutiny boards commented on the plans being put in place and the means being proposed to protect front line services as far as practicable. As a consequence of this work, they have identified new priorities for scrutiny work programmes in the coming year.

Economy, Transport & Environment

RPPR Board on 19 December 2013

Board: Councillors Richard Stogdon (Chair), Claire Dowling, John Hodges, Pat Rodohan, Barry Taylor

Observers: There were none.

Lead Members: Councillors Carl Maynard

Scrutiny Board Comments & Recommendations	Outcomes (where applicable)
Key messages to Cabinet:	
1. Maintain capital investment in the County's road network at existing levels to keep road condition stable and consider investing additional capital, through the Highways Asset Management Plan, to reduce reactive maintenance.	An additional £5m has been allocated to the capital programme for resurfacing unclassified roads for 2014/15. The revenue budget to repair potholes has been allocated an additional £1.5m.
2. Continue to lobby the Highways Agency and Government to secure improvements in the County's trunk road Network.	
The proposed savings and impacts are endorsed subject to the following detailed comments and observations:	
Transport	
<u>Road safety – proposed reductions in road safety education and contribution to SSRP (saving £370,000 in 2014/15)</u>	
3. The Board were concerned about the reduction in road safety education, especially driver education, as a means to reducing KSI's.	Alternative methods of delivering driver education are being developed and surpluses from 'driver awareness' courses could possibly be used for this purpose.
4. The Road Transport Plan addresses road safety engineering by looking at 'corridors' such as The Ridge in Hastings and other schemes.	All accident hot spots that required engineering solutions have been addressed.
5. A review of alternative funding mechanisms for school crossing patrols (SCP) is being undertaken.	If funding for SCP's can be released, it may be possible to re-allocate this for road safety

Scrutiny Board Comments & Recommendations	Outcomes (where applicable)
	education.
<u>Highways maintenance teams – savings in reactive and preventative maintenance as a result of increased capital investment (£2,100,000 saving in 2014/15)</u>	
<p>6. The Board were in agreement with the approach that has been taken and support the use of the Highways Asset Management plan to maintain and improve the condition of the road network. The Board does not want to see a decline in the existing condition of the County's road network. The road network is of strategic importance and the levels of capital investment undertaken in the last four years should be maintained.</p>	
<p>7. Additional capital investment would be welcome due to the long term benefits. However, it is acknowledged that this needs to be balanced against the other demands on the Council's capital programme.</p>	<p>An additional £5m has been allocated to the capital programme for resurfacing unclassified roads for 2014/15.</p>
<p>8. Concerns were expressed about the damage caused by inappropriate use of some of the smaller roads on the road network, especially by HGV's. The Board agreed with Officers that it was important to continue to lobby the Highways Agency and Government to improve the trunk road network (e.g. the recent representations to improve the A27 eastwards and A21) and to lobby the Freight Transport Association (FTA) on the use of 'advisory lorry routing'.</p>	
<u>Street Lighting Energy Reductions (£800,000 savings in 2014/15)</u>	
<p>9. Project work continues on projects to introduce LED lamps and half night lighting. These yield savings in energy consumption (which is paid for per kilowatt hour used) and produce reductions in carbon emissions. LED lamps also produce a saving due to their longer life compared with a 'conventional' lamp. The return on capital investment is shorter for half night conversions, but since the evaluation the cost of LED lamps continues to come down. All lamps will be replaced with LED ones in the longer term.</p>	
<u>Passenger Transport – Re-commissioning of transport services (£570,000 saving in 2014/15)</u>	
<p>10. It was noted that 40% of these savings had already been achieved and the impacts relating to these savings had been laid out in the Cabinet report (10th December 2013). School transport is not part of these savings.</p>	
<p>11. The department will develop a commissioning strategy for passenger transport which will look at alternative provision for subsidised routes. The work</p>	

Scrutiny Board Comments & Recommendations	Outcomes (where applicable)
<p>will include home to school transport (which the department commissions on behalf of Children's Services) and an increased use of the Transport Hub. The department will work with the Scrutiny Committee on the commissioning strategy, as it seeks to achieve savings of £1,660,000 in 2015/16.</p>	
<p>Environment</p>	
<p><u>Waste Management - Joint Waste Contract (£50,000 saving), Review of Household Waste Recycling Sites HWRS (£50,000 saving); Leachate Tankering disposal (£80,000 saving)</u></p>	
<p>12. The review of Household Waste Recycling Sites has been completed and there are proposals to close three sites.</p>	
<p>13. The joint waste contract with Kier is working well and may deliver increased savings from reduced waste volumes. In the medium term it may be possible to introduce food waste recycling from 2017/18 when the contract will allow for new, or different, vehicles to be used on the waste collection contract. Food waste from Lewes is already going to the composting facility.</p>	
<p>14. It was noted that the amount of leachate that needed to be treated depended on the age and construction of the landfill site as well as the amount of rainfall. The department was working to reduce these costs and would discharge to main sewer wherever this was safe to do so.</p>	
<p><u>Waste PFI Contract (Saving £200,000 in 2014/15)</u></p>	
<p>15. A departmental review of the PFI contract will take place during next year. It is hoped that as volumes of waste going to the incinerator decline, the spare capacity can be used to generate income. Reduced waste volumes also mean lower costs to ESCC. Not all of the projected £200k savings may be achieved next year, but this will be offset by increased savings from the joint waste contract.</p>	
<p>16. In the long term, work with the South East 7 to identify opportunities to deal with waste in a different way (e.g. processing of recyclates) and new technologies may yield savings of up to £500,000.</p>	
<p><u>Countryside Management and Rights of Way (Savings £60,000 in 2014/15 and £80,000 in 2015/16)</u></p>	
<p>17. The department plans to explore alternative ways of</p>	<p>The department is currently taking third party</p>

Scrutiny Board Comments & Recommendations	Outcomes (where applicable)
<p>managing the sites ESCC owns and manages in a similar way to the previous work with Sussex Wildlife Trust to manage Rye Harbour Nature Reserve. Future management arrangements may involve the transfer of the freehold where ESCC is the landowner.</p>	<p>advice.</p>
<p>18. The savings for the rights of way team will involve a reduction in the number of staff and an increase in charges. The inspection of footpaths will remain a high priority, but will focus on high use, high demand routes. The team will continue with enforcement work and will place more emphasis on land owners to meet their obligations. The demand for diversions and legal challenges remains constant. Although the team remain busy with this work, they are able to cope with the demand.</p>	
<p>19. The Board expressed some caution about the savings proposals with regard to the changes in rights of way maintenance and wish to monitor the impact of proposals.</p>	
<p>Economy</p>	
<p><u>Performance Plan – Newhaven Port Access</u></p>	
<p>20. There was only one Amber issue on the plan that related to the construction of the Newhaven Port access road. The delays on this project were due to the delays by the developer and not the ESCC part of the project.</p>	