

Report to: **Audit, Best Value and Community Services Scrutiny Committee**
Date of meeting: **17 March 2015**
By: **Chief Executive**
Title: **Reconciling Policy, Performance and Resources 2015/16**
Purpose: **To review scrutiny's input into the Reconciling Policy, Performance and Resources (RPPR) process during 2014/2015.**

RECOMMENDATIONS

The Committee is recommended to:

- 1) Review its input into the Reconciling Policy, Performance and Resources process and;**
 - 2) Identify any lessons for improvement for the process in future.**
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1 Background

1.1 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 2015/16 round represents year three, of the three year savings plan.

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

2.1 In September 2014 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.

2.2 The scrutiny committees established scrutiny boards to provide a more detailed input into the RPPR process. These met in December 2014 to consider the draft portfolio plans and the impact of proposed savings. The Audit, Best Value & Community Services Scrutiny Committee held an additional board meeting in November 2014. 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.

2.3 Appendix 1 summarises the comments and recommendations made by the Audit, Best Value and Community Services Scrutiny Committee RPPR board to Cabinet.

3. Conclusion and reasons for recommendations

3.1 The committee is recommended to review its input into the 2015/16 RPPR process and in particular to establish whether there are lessons for improvement for the future.

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Chief Executive

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LOCAL MEMBERS

All.

BACKGROUND DOCUMENTS

None.

Overview and Scrutiny: Reconciling Policy, Performance and Resources (RPPR) boards 2014/15

This is a summary of the outcomes, observations and findings of the Audit, Best Value & Community Services Scrutiny Committee RPPR Board held in December 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 activities where savings were not necessarily being proposed but which accounted 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.

Audit, Best Value & Community Services

RPPR Board on 9 December 2014

Councillors: Mike Blanch (Chair), John Barnes, Bob Standley and Francis Whetstone

Observers: Councillor David Tutt

Lead Members: Councillors Chris Dowling and David Elkin

Key messages to Cabinet:

Public Health

1. The Board noted that Public Health proposed to continue the use of underspends on one-off projects to improve community resilience. The Board were not appraised of detail. It was requested that such expenditure required a prior scrutiny by members and the Board asked for the opportunity to return to this before any firm decisions were made.

Capital Programme

2. The Board recommended that Cabinet:
 - (1) examine whether additional borrowing should fund what are currently revenue contributions to the capital programme given pressures on the revenue budget
 - (2) review currently contractually uncommitted elements of the capital programme (£105m) in order to seek ways to reduce revenue servicing costs.

Feasibility of installing photovoltaic canopies over Council car parks

3. The Board supports the Council's investigation of the possibility of installing photovoltaic panels on its buildings and canopies on top of car parks. It recommended that any energy generated by the photovoltaic panels is assessed in the first instance for its ability to reduce the running costs of the buildings themselves, irrespective of whether access to the grid can be obtained and further revenue generated.

Libraries

4. The Board supported an investigation into installing self-service facilities in the remaining libraries that do not yet have them and welcomed the continued conversion of libraries into 'community hubs' that provide a range of front end Council services, such as providing residents with Blue Badges.
5. The Board recommended:
 - (1) That the self-service installation project investigation is undertaken as soon as reasonably practicable and is given clear timescales for completion.

(2) The Libraries and Information Service should continue to research alternative ways of running libraries, for example, lending books through local booksellers in villages.

(3) The Libraries and Information Service should consider whether it is cost effective to continue to run more than one library in larger towns.

(4) That if the use of the Mobile Library Service continues to decline, the Council should consider replacing it with alternative ways of lending books.

Communications

6. The Board recommended that *Your County* magazine should aim to become, at a minimum, self-funding and noted the reputational damage arising from a lack of understanding of its cost-effectiveness. The policy on advertising should be reviewed and other means also be investigated to achieve this goal.

Procurement

7. The Board welcomed the forecast savings for 2015/16 of £3.4m revenue and £4.4m capital that are to be delivered through procurement, contract and supplier management activities.

Registration Service

8. The Board noted that the surplus for 2014/15 is projected to be £101,000 against a target of £50,000. It therefore recommended that the annual savings target be increased from the current level by £50,000 (each year for the next three years).

Agile Programme

9. The Board learnt that it would be a difficult, and potentially inefficient, process to try to extract Agile savings from a department's wider savings targets. All the projected Agile savings would not be realised during 2014/15 and the Board was told that reserve funds would cover the shortfall; this would need to be factored into the 2015/16 budget. The Board recommended that the Agile programme be pursued as expeditiously as possible.

Personnel

10. The Board wished to draw Cabinet's attention to the potential need to focus additional HR resources on reducing short term sickness (and the associated reliance on agency staff) especially within Adult Social Care. This might involve the council in a short term additional cost.

Further scrutiny work

11. The Board highlighted its intention to undertake further detailed scrutiny work in the following areas:
 - Exploring alternative models for running **libraries** including the provision of mobiles.
 - Reviewing the provision of the **policy and performance** functions within the Council with prioritised options for levels of service.
 - Reviewing the provision for **internal and external communications** within the Council with prioritised options for levels of service (to establish what savings could be achieved).
 - Draft proposals for 2015/16 one-off **public health** projects.
 - Reviewing the running costs of **Council buildings** and planned improvements such as photovoltaic panels.
 - The level of **motor mileage and car leasing costs** for staff and members (report to the Committee).