

Report to: People Scrutiny Committee

Date of meeting: 19 September 2019

By: Chief Executive

Title: Reconciling Policy, Performance and Resources (RPPR)

Purpose: To provide an overview of the Council's business and financial planning process (Reconciling Policy, Performance and Resources) and the Committee's ongoing role in this process.

RECOMMENDATIONS:

The Scrutiny Committee is recommended to:

(1) Agree key areas of interest/lines of enquiry for scrutiny and to ensure these are reflected in the Committee's future work programme;

(2) Establish a scrutiny review board to consider the developing Portfolio Plans, Core Offer, and savings proposals as they emerge in December and to submit Scrutiny's final comments on them to Cabinet in January 2020.

1. Background

1.1 The *State of the County* report was agreed by Cabinet on 16 July 2019 and is an important annual milestone in the Council's integrated business and financial planning process known as *Reconciling Policy, Performance and Resources* (RPPR). It sets out the context and provides an overview of the latest position in preparation for more detailed planning for 2020/21 and beyond. The report is available at [State of the County](#).

1.2 The Council's business and financial planning is underpinned by its four priority outcomes, which provide a focus for decisions about spending and savings and will direct activity across the Council. The current four priority outcomes are:

- Driving sustainable economic growth;
- Keeping vulnerable people safe;
- Helping people help themselves; and
- Making best use of resources.

The priority outcome that the Council makes the "best use of resources" is a test that is applied to all activities.

1.3 The Council spends over £370 million net each year and it is vital that these resources, in partnership with others, are deployed in the most effective way. The Core Offer developed last year, builds on the Council's priority outcomes to ensure our spending is directed towards areas of highest need. The Core Offer sets a realistic and ambitious assessment of the services East Sussex residents could reasonably expect of a competent County Council in a time of austerity.

1.4 Since the *State of the County* report the Government has announced that the spending review will be postponed until 2020 and that one year departmental spending limits will be announced in September for the 2020/21 financial year.

1.5 The scale of savings we have had to make has not been easy or without impact on front line services. The Council has had to reprioritise its investment and reduce the extent and breadth of its service offer. The continued pressure on budgets in the future means that, despite continuing commitment to maximise efficiency and generate income, services will continue to be concentrated on those in most urgent need and a comprehensive offer of universal services to all residents will not be maintained.

1.6 Our focus is currently on lobbying the Government to recognise the pressures we face and the need for funding in 2020/21 which will allow local needs to be met.

2. Scrutiny engagement in RPPR

2.1 Scrutiny's contribution to the RPPR process is vitally important and is threaded through all scrutiny work. Each Scrutiny Committee has the opportunity to undertake forward looking reviews related to the services within its remit on an ongoing basis to identify opportunities for improved performance, efficiency or alternative delivery options.

2.2 The insight and evidence gathered through this ongoing work is drawn together and enhanced in specific RPPR sessions which will, ultimately, enable each Scrutiny Committee to provide commentary and recommendations to be taken into account by Cabinet and Council before a final decision is taken on the updated budget and Medium Term Financial Plan (MTFP) early in 2020.

2.3 The **September 2019 Scrutiny Committees** have a particular focus on reviewing current Portfolio Plans, budget information and existing savings plans to ensure a full understanding of the current context and future pressures.

2.4 The following attachments are provided to support the Committee in these tasks:

- **Appendix 1** contains extracts from the **Financial Budget Summary 2019/20** for the areas within the remit of this Committee to provide the 'big budget picture' for revenue (the full document is at [Financial Budget Summary](#)) and the latest capital programme 2019/20 - 2022/23 (extract from the *State of the County* report).
- **Appendix 2** contains the **current Portfolio Plans** for the functions within the Committee's remit.
- **Appendix 3** is an extract from the *State of the County* report which outlines the revised **Core Offer** which includes Public Health, and the **Savings Plans** for the services that are within the remit of the Committee that were agreed by Full Council in February 2019.

2.5 Based on this information, and Members' wider accumulated knowledge and evidence, the Committee is invited to identify any key areas of interest or lines of enquiry which it will pursue through subsequent RPPR sessions and/or its wider work programme (recommendation 1). It will be helpful for the Committee to discuss how the Committee's work programme will inform the ongoing RPPR process, and to identify any necessary additions or changes to the work programme arising from this discussion. This includes any additional information or reports required for the November meeting.

2.6 The Scrutiny Committee is asked to agree the membership of its RPPR scrutiny review board, which will then consider the developing Portfolio Plans and savings proposals in more detail as they emerge (recommendation 2). The People RPPR scrutiny review board meeting will be held on 16 December 2019.

2.7 The **November 2019 Scrutiny Committees** can consider any additional information which was requested in September. Further additions or refinements to the Committee's ongoing work programme can be considered.

2.8 The **RPPR scrutiny review boards** meet in December 2019 to agree detailed comments and any recommendations on the emerging Portfolio Plans and savings proposals to be put to Cabinet on behalf of their parent Scrutiny Committees. The Chairs of all the Scrutiny Committees are invited to attend all the scrutiny review boards.

2.9 The **March 2020 Scrutiny Committees** review the process and their input into the RPPR process and receive feedback on how Scrutiny input has been reflected in final plans. Any issues arising can be reflected in the future Committee work programme.

2.10 Running alongside this process, whole-Council Member forums will ensure that Members can keep an overview of the emerging picture across all service areas including the impacts of national announcements on our plans. Chief Officers will also provide any briefings required by group spokespersons to assist them in contributing to the RPPR process and future savings and spending plans.

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Background Documents:

State of the County report – Cabinet 18 July 2018

Financial Budget Summary 2019/20