

Division(s):

ITEM 5

STRATEGY & PARTNERSHIPS SCRUTINY COMMITTEE

17 DECEMBER 2009

SERVICE AND RESOURCE PLANNING 2010/11 – 2014/15

**Report by Assistant Chief Executive & Chief Finance Officer,
Director for Environment & Economy and Director for Community Safety &
Shared Services**

Introduction

1. This report forms part of a series relating to the Service and Resource Planning process for 2010/11 to 2014/15, and provides Scrutiny Committee Members with an opportunity to consider efficiency strategies for 2010/11 and the medium term for their programme area. Annex 1 provides background information on the financial context. More detailed information is provided in the Service & Resource Planning report to Cabinet on 15 September 2009.
2. The following annexes are attached:

Annex 1 :	Financial context
Annex 2a :	Shared Services Business Improvement & Efficiency Strategy
Annex 2b :	Corporate Core Business Improvement & Efficiency Strategy
Annex 2c :	Environment & Economy Business Improvement & Efficiency Strategy
Annex 2d :	Corporate & Cross Directorate pressures
Annex 3 :	Report to Strategy & Partnerships Scrutiny Committee 25 November 2009 (Appendix 1: Summary of Identified Pressures and Proposed Savings)
Annex 4 :	Capital Project Proposals
Annex 5 :	Draft Capital Strategy
Annex 6 :	Draft Asset Management Plan

Service and Resource Planning process 2010/11

3. The Service & Resource Planning framework is designed to enable managers to plan for their service within available resources over the medium term. The underlying process for 2010/11 remains the same as in previous years but the emphasis is on identifying adequate and acceptable plans to achieve the savings targets issued to Directorates in July 2009.
4. Directorate efficiency strategies and draft business plans were completed in September in order that financial pressures and savings over the medium term could be considered by the relevant Star Chamber as part of the Service &

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Resource Planning process. A report to Strategy & Partnerships Scrutiny Committee on 25 November provided the overarching business efficiency strategy and the individual Directorate strategies (including pressures identified and proposals for savings).

5. An update on the Service & Resource Planning process will be reported to Cabinet on 15 December 2009. The Cabinet will finalise their budget proposals and propose the Revenue and Capital Budget for 2010/11 – 2014/15 on 19 January 2010, taking into consideration comments from Strategy & Partnerships Scrutiny Committee on 14 January 2010
6. This report provides the context for the current position, set out in Annex 1, based on the Service & Resource Planning report to Cabinet in September 2009 and includes the Business Improvement and Efficiency Strategy for the relevant Directorates at Annex 2. For reference, the report to Strategy & Partnerships Scrutiny Committee is attached at Annex 3.
7. The scrutiny committee is invited to consider and comment on the strategies plus the identified pressures and proposals for savings contained therein.

Identified Pressures and Proposed Savings

8. The below sets out a summary of identified pressures and proposals for savings within this scrutiny committee's programme area. These form part of the overall position set out in the Strategy & Partnerships Scrutiny Committee report on 25 November 2009.

Directorate	2010/11 £'000	2011/12 £'000	2012/13 £'000	2013/14 £'000	2014/15 £'000
Shared Services					
Total pressures	0	0	117	233	233
Total savings	-814	-1,047	-1,122	-1,122	-1,122
Net saving	-814	-1,047	-1,005	-889	-889
Corporate Core					
Total pressures	2,642	2,175	2,743	3,159	3,371
Total savings (#)	-3,768	-3,846	-4,662	-5,230	-5,442
Net saving	-1,126	-1,671	-1,919	-2,071	-2,071
Environment & Economy (Property Services)					
Total pressures	1,157	1,691	1,708	2,080	2,080
Total savings	-1,920	-2,870	-3,940	-3,358	-3,173
Net saving	-763	-1,179	-2,232	-1,278	-1,093
Corporate & Cross Directorate					
Total pressures	1,700	2,500	2,500	5,200	6,600
Total for Strategy & Partnerships					
Total pressures	5,499	6,366	7,068	10,672	12,284
Total savings	-6,502	-7,763	-9,724	-9,710	-9,737
Net saving (-)/Pressure (+)	-1,003	-1,397	-2,656	+962	+2,547

(#) Excluding CC26 Coroner's Service included in Safer & Stronger Communities.

9. Pressures identified for the Scrutiny area total £5.499m in 2010/11 rising to £12.284m in 2014/15. Savings identified total £9.737m giving a net pressure of £2.547m.

Capital Programme

10. The timetable for consideration of capital is slightly later than the consideration of revenue. Given this, at their meeting on 25 November 2009, this committee agreed to invite the chairmen of the individual Scrutiny Committees to attend this meeting to comment on the capital proposals.
11. The Capital Investment Board (CIB), acting as the Capital Star Chamber met on 24 November 2009 to understand and challenge the existing capital programme priorities and emerging capital investment proposals and bring the Capital Programme to a balanced position with sufficient level of contingency.
12. In order to facilitate this process, a review of all programme items currently not legally committed has been carried out. Given that it is harder to restrict or reallocate the funding for Transport and Schools programmes in the short term, in order to bring the Capital Programme back within its envelope, it was agreed to review, in detail, the uncommitted schemes under the Other Services Programme.
13. There are then further proposals which have been identified through the asset management planning and capital investment need identification process. Of these new proposals a number are proposed for revenue funding through the Business Improvement & Efficiency Strategies.
14. The Capital Project Proposals along with drafts of the Capital Strategy and the Corporate Asset Management Plan are attached at Annexes 4 to 6 respectively for consideration.
15. The outcome of this committee's considerations will be reported back to the CIB on 5 January 2010 to formulate final recommendations on capital investment priorities to the Cabinet. In the same meeting, the CIB will consider the revised versions of the CS and the AMP. Final versions of the CS and the AMP will be considered by Cabinet as part of the Service & Resource Planning report in January 2010. This report will also include a fully updated Capital Programme which will capture any new inclusions and any changes to the programme.

Financial and Legal Implications

16. This report is mostly concerned with finance and the implications are set out in the main body of the report. Under the Local Government Finance Act 1992, the Council is required to set a budget requirement for the authority and an amount of Council Tax. This report provides information on the financial position for the authority which forms a basis for those requirements, leading to the budget requirement and Council Tax being agreed in February 2010.

RECOMMENDATION

- 17. The Scrutiny Committee is invited to consider and comment upon**
- (a) The Directorate Efficiency Strategies plus the identified pressures and proposals for savings contained therein; and**
 - (b) The Capital Project Proposals plus the draft Capital Strategy and draft Corporate Asset Management Plan**

SUE SCANE

Assistant Chief Executive & Chief Finance Officer

HUW JONES

Director for Environment & Economy

JOHN PARRY

Director for Community Safety and Shared Services

Contact Officers: Lorna Baxter – Assistant Head of Finance (Corporate Finance)

Tel. 01865 323971

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