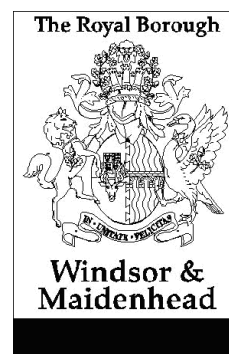


Report for: ACTION
Item Number: 8vii



Contains Confidential or Exempt Information	No – Part I
Title	Savings in Respect of 2015-16 Budget
Responsible Officer(s)	Andrew Brooker, Head of Finance
Contact officer, job title and phone number	Richard Bunn, Chief Accountant Ext 6510
Member reporting	Councillor Dudley
For Consideration By	Cabinet
Date to be Considered	30 October 2014
Implementation Date if Not Called In	Recommendation requires officers to work on initiatives so that they can be implemented as soon as possible.
Affected Wards	All
Keywords/Index	Savings / Budget

Report Summary

1. The Medium Term Financial plan presented to Council in February 2014 identifies the need to make budget savings of £6.4m in the financial year 2015-16. Work carried out on the budget to date has reduced the target for services to £5.2m. Early savings of £1.8m were agreed at Cabinet in August and this paper requests approval for an additional £3.0m.
2. The outcome of the Comprehensive Spending Review for 2015-16 announced by the Chancellor of the Exchequer on 26 June 2013 indicated that further spending reductions will be required in future years.
3. It recommends that managers are authorised to implement the proposals identified in Appendix A.
4. Overview & Scrutiny Panels are asked to review the papers at their October meetings. It is proposed that officers start work on the implementation of these recommendations as soon as they are approved providing no significant reservations are expressed at those Panel meetings.
5. The report also recommends to Council that these proposals are included in the Budget for 2015 -16 when it is discussed in February.

1. Details of Recommendations

If recommendations are adopted, how will residents benefit?	
Benefits to residents and reasons why they will benefit	Dates by which residents can expect to notice a difference
1. Assurance that the Council is making effective use of its resources.	On publication of the report.
2. Efforts to maintain a low level of Council Tax are being made.	On publication of the report.

RECOMMENDATION: That subject to Overview and Scrutiny Panel comments, Cabinet:

- (i) **Recommends the savings listed in Appendix A to Council for inclusion in the 2015-16 budget.**
- (ii) **Authorises Directors to implement savings plans as soon as possible.**

2. Reason for Recommendation(s) and Options Considered

The recommendation is made in order to maintain Council Tax at affordable levels for residents. Directors are able to meet the savings target in various ways that meet current strategy. Options are discussed with Directorate Management Teams and Lead Members.

Option	Comments
Cabinet may accept the listed savings in appendix A for inclusion in the 2015-16 budget.	Recommended option
Members may reject some or all of the savings in Appendix A.	Other savings would have to be found in order to achieve the £5.2m savings target.

3. Key Implications

What does success look like, how is it measured, what are the stretch targets

Defined Outcomes	Unmet	Met	Exceeded	Significantly Exceeded	Date they should be delivered by
2015/16 savings delivered from the implementation of these proposals	<£3.002m	£3.002m - £3.100	£3.100m - £3.200m	>£3.200m	March 2016
2014/15 savings delivered from the early implementation of these proposals along with those approved by Cabinet in August	<£750k	£750k - £775k	£775k - £800k	>£800k	March 2015

4. Financial Details

a) Financial impact on the budget

Example	Year1 (2014/15)	Year2 (2015/16)	Year3 (2016/17)
	* Revenue £000	Revenue £000	Revenue £000
Addition	None	None	None
Reduction	£750k	£3.002m	None

* Revenue figures are shown as incremental/year on year to the budget

b) Financial Background

The Budget report received by Council in February 2014 outlined the financial challenges that the Council faces. The need to constantly examine costs and reduce spend is clear. This paper outlines measures that have been identified early in the budget cycle. Approval to implement at this point in the process reduces the risk that plans will not be in place by April 2015 and may even allow savings to be made in the 2014-15 budget.

As work progresses to identify further savings, it is intended to include them in the budget report to Cabinet in February 2015.

5. Legal Implications

This savings report is part of the process required for the Council to meet its legal obligations to set an annual budget.

6. Value For Money

The budget process is part of the Council's aims to maximise economy, efficiency and effectiveness in providing services for residents.

7. Sustainability Impact Appraisal

The proposals in this report have no impact on sustainability objectives.

8. Risk Management

Risks	Uncontrolled Risk	Controls	Controlled Risk
Risk of non-achievement of Financial Saving	See Appendix	Early approval maximises time available for implementation. Achievement of savings is monitored throughout the year by CMT.	Minimal
Risk to Service Delivery	See Appendix	Consideration at management teams to ensure implementation does not impact on front line services.	Minimal
Risk of Negative Payback	See Appendix	Consideration of proposals at management teams focussed on whether proposals reduces controls that might increase costs in the longer term.	Minimal

9. Links to Strategic Objectives

Residents can be assured that the Council is providing value for money by delivering economic services.

10. Equalities, Human Rights and Community Cohesion

Equality Impact Assessments will be carried out, where necessary, prior to implementation.

11. Staffing/Workforce and Accommodation implications:

Detailed in the Appendix A

12. Property and Assets

None

13. Any other implications:

None

14. Consultation

Comments from Overview & Scrutiny Panels are as follows:

Children's Services O&SP

Planning & Housing O&SP

Other O&SPs

15. Timetable for Implementation

The budget will be set in January 2015 with full details going to Cabinet and Council in February 2015.

Residents will be advised of their Council Tax in March 2015.

16. Appendices

Appendix A Initial savings proposals for 2015-16

17. Background Information

Background Papers: Budget Report to Council February 2014.

18. Consultation (Mandatory)

Name of consultee	Post held and Department	Date sent	Date received	See comments in paragraph:
Internal				
Chief Executive's Management Team (CMT)	.	1-10-2014	2-10-2014	
Cllr Dudley	Lead Member	1-10-2014	1-10-2014	
Leader of Council and other members of the Budget Steering Group.		2-10-2014	6-10-2014	
External				
None				

Report History

Decision type:	Urgency item?
Key decision	No

Full name of report author	Job title	Full contact no:
Richard Bunn	Chief Accountant	01628 796510

2015-16 Savings

APPENDIX A

Savings	2015-16 savings for approval
	£'000
Children's Services	768
Adult and Community Services	1,340
Operations	485
Corporate Services	409
Total Savings across all Directorates	3,002

2015-16 Savings

APPENDIX A

Line No.	Description of Saving	Savings 15/16
Children's Services		£'000
Early Help and First Response		
1	Remodel delivery of Family Support services	108
Early Help - Youth Support		
2	Remodel delivery of Youth Support services	180
3	Reduction in the contributions made to running costs in RBWM's smaller youth centres - Cox Green	25
Safeguarding and Children in Care		
4	Reduce reliance on independent fostering agency placements by growing the number of in-house foster carers.	168
CS Management		
5	Reduction of 7% in hourly rate charged by Shared Legal Services.	5
Education, Strategy and Commissioning		
6	Cost efficiencies in relation to delivery of traded services	40
7	Extention to School Meals contract	96
Children and Young People Disability		
8	Transfer expenditure on family workers supporting children with SEN and disabilities in schools and early years settings to High Needs Block of Dedicated Schools Grant	74
9	Efficiency savings in Children and Young People Disability Service	72
		768

Adult and Community Services		£'000
Adult Social Care		
10	Further Savings from Transformation Programme and Care Act delivery	682
11	Efficiency in mental health contract	20
Libraries		
12	NNDR Saving	137
13	Convert Outreach team to trading activity/shared service (agreed FSR) - Full year effect of current agreed saving	12
Local Welfare Provision		
14	Saving following loss of Department of Work and Pensions (DWP) funding at the end of 2014/15. DWP have now had a judicial review and agreed to consult on whether to cease funding.	23
Leisure		
15	Restructure in Leisure Centres	276
Supporting People		
16	Savings from service reviews	100
Housing Support		
17	Reduce subsidy of "Repair with Care" scheme run by Housing Solutions	70
18	Efficiency in housing support contract	20
		1,340

2015-16 Savings

APPENDIX A

Operations		£'000
Benefits and Business Services		
17	Savings from new bailiff services legislation	60
18	Team restructure from fundamental service review	75
19	System developments to streamline processes, supporting drive to 24/7 Council	100
Commissioning & Contracts		
20	Savings from installing LED lamps in street lights	100
Operational Transformation		
21	Savings from first stage of Channel shift programme	50
Strategic Assets		
22	Savings from a review of transport arrangements across the council	100
		485

Corporate Services		£'000
ICT		
23	Business application removal (In house telephony)	95
24	Outsource the support service at a reduced cost to the internal service	35
Finance / Procurement		
25	Review of structures and other non-salary costs	17
26	Review of the activities within the Business Development team	35
HR		
27	HR Staff Efficiency	47
Building Services		
28	Building Services shared service	80
Cross Directorate		
29	Efficiencies in the management of support services	100
		409