

Cabinet

12 December 2018

**Update on the delivery of the Medium Term
Financial Plan 8**



Report of Corporate Management Team

Lorraine O'Donnell, Director of Transformation

**Councillor Simon Henig, Leader of the Council and all Cabinet
collectively**

Electoral division(s) affected:

Countywide

Purpose of the Report

- 1 This report provides an update on the progress made at the end of June 2018 on the delivery of the 2018/19 Medium Term Financial Plan (MTFP8)

Recommendation

- 2 Members are recommended to note the contents of this report and the progress made in delivering MTFP8.

Background

- 3 Cabinet has received regular updates on the progress made by the Council in delivering the financial targets within the MTFP since 2011/12.
- 4 The latest MTFP8 was agreed by Council in February 2018 and set a savings target of just under £15 million. This brings the overall savings target for the period from 2011/12 to 2020/21 of around £251 million.

Progress to date

- 5 The delivery of the MTFP is being managed with a very robust programme management approach being adopted to ensure we take into account:
 - (a) Our duties under the Equality Act
 - (b) Appropriate consultation
 - (c) The HR implications of the change including consultation with employees and trade unions
 - (d) Communication of the change and the consultation results
 - (e) Sound risk management.
- 6 Through this robust approach we continue to take in managing the programme to deliver the savings required, the plans for 2018/19 are being successfully delivered. As a result, by the end of September 2018, 88% of the savings target for MTFP8 had already been met with almost £13 million of savings having been achieved. This brings the total to end of June 2018, since 2011 we have now made over £222 million of savings including Public Health.
- 7 Members have been advised of the careful planning and monitoring of the savings that is carried out, on occasions plans need to change which could delay when savings are made, but through the ongoing management of the process we are able to smooth out delivery of savings using cash limits, ensuring we haven't missed our overall savings targets.

Consultation

- 8 There has not been any public consultation on MTFP (8) proposals in the last quarter. However, there has been consultation on MTFP (9) on the council's website and at AAP meetings throughout September with the closing date for comments having was 19th October 2018.

HR Implications

- 9 Equality data relating to staff leaving through voluntary redundancy, early retirement and ER/VR during the first two quarters of MTFP8 showed that 84% were female and 16% were male. In terms of race, 11% of leavers had not disclosed their ethnicity and the remaining 89% stated that they were white British. Regarding disability status 4% said they had a disability, 30% had no disability and 66% did not disclose their disability status.
- 10 The numbers of those leaving through compulsory redundancy are too low to effectively analyse.

Equality Impact Assessments

- 11 Equality impact assessments (EIA) form a key part of the ongoing MTFP process. A number of initial screenings for new savings and updated EIAs for ongoing savings were provided to Cabinet ahead of the budget setting decision in February 2018. They are updated during the year to take account of consultation responses and additional evidence; the updates also include information on any mitigating actions.
- 12 The impact assessments and action plans are considered during decision making processes, for example, updated EIAs are provided where Cabinet receive a report ahead of consultation and where a further report is received with any final recommendations.

Conclusion

- 13 We are continuing to plan on the basis that the government's austerity plan will continue for several more years. The Council remains in a strong position to meet the ongoing financial challenges and through the robust management process.
- 14 For MTFP8 the council has already delivered almost £13 million of the savings required (88%) and in total we have delivered over £222 million in savings since 2011.

Recommendation

- 15 Cabinet is recommended to:
 - (a) note the contents of this report and the progress made in delivering MTFP8.

Appendix 1: Implications

Legal Implications

The legal implications of any decisions required are being considered as part of the delivery of the proposals.

Finance

The delivery of the MTFP involves cumulative saving of approximately £251million over the period from 2011 to 2021 of which over £222million has been delivered to date.

Consultation

A full consultation with a range of stakeholders was undertaken on the MTFP prior to its agreement and again in 2013 and 2018. In addition, where appropriate for individual proposals, internal and external consultation plans are developed so that consultation informs the decision making process.

Equality and Diversity / Public Sector Equality Duty

An Equality Impact Assessment (EIA) was undertaken for the original 4 year MTFP plan and additional screening was undertaken for proposals which have been identified for subsequent MTFPs, together with any other changes made to the original plan. In addition, for each proposal an EIA is undertaken as part of the decision-making before the proposal is implemented.

Human Rights

N/A.

Crime and Disorder

N/A.

Staffing

Where the proposals affect staff, full consultation is undertaken and the trade unions consulted. Wherever possible, staff reductions are done through voluntary means. In addition, there has been a proactive management of vacancies to lessen the impact on staff and the Council has a redeployment process which continues to find alternative employment for a number of staff.

Accommodation

As proposals are planned the impact on accommodation is ascertained, with staff being consulted on any moves as part of the process. The loss of over 2,500 posts from the Authority will mean a requirement for less

accommodation and the Office Accommodation Team has built this into the Office Accommodation Strategy.

Risk

The delivery of the MTFP is highlighted as one of the Council's strategic risks and is monitored through the corporate risk management process. In addition, risks for individual proposals are being monitored through the work undertaken to deliver the proposal.

Procurement

A number of the proposals involve the changing of existing contracts and this work is being taken forward through the Council's agreed procurement processes.