

Corporate Overview and Scrutiny Management Board

18 December 2017

Cabinet

13 December 2017

**Update on the delivery of the
Medium Term Financial Plan 7**



Report of Corporate Management Team

**Lorraine O'Donnell, Director of Transformation and Partnerships
Councillor Simon Henig, Leader of the Council and all Cabinet
collectively**

Purpose of the Report

- 1 This report provides an update on the progress made at the end of September 2017 on the delivery of the 2017/18 Medium Term Financial Plan (MTFP7).

Background

- 2 MTFP7 was agreed in February 2017 and established a savings target for 2017/18 of just over £23 million. This together with future expected savings brings the overall savings target for the Council to around £250 million.

Progress to date

- 3 By the end of September 2017 over 87% of the savings target for MTFP7 had already been met with almost £20.6 million of savings having been achieved. This reflects the ongoing robust approach to the management and delivery of the savings ensuring these are delivered as early as possible.
- 4 That said we do recognise that on occasions plans need to change which could delay when savings are made, but through the regular monitoring of our MTFP we are able to smooth out delivery of saving using cash limits, ensuring we do not miss our overall savings targets.
- 5 Savings in this period have come from existing proposals including:
 - The review of youth support
 - Changes to garden waste charging
 - Reducing non-staffing budgets

- Service restructures
- The street lighting energy reduction programme.

Consultation

- 6 As members are aware consultation with the public and other stakeholders remains an important element in the MTFP programme. Whilst there were no consultations planned for this period for specific MTFP proposals, we have as members are aware been carrying out a wide ranging public consultation on our overall approach to the MTFP and to gauge views on future savings proposals.

HR implications

- 7 With each of our MTFPs there are implications for our staff and during this period we progressed a further 16 ER/VR applications and made an additional three employees redundant.

Whilst the figures appear low for the 87% achievement in savings, the majority of the HR activity required for MTFP7 savings proposals occurred in the previous financial year.

- 8 Since 2011 a total of 1,379 ER/VR applications have been accepted, 648 posts deleted and 570 staff have been made redundant (CR).
- 9 Data relating to staff leaving through voluntary redundancy, early retirement and ER/VR during this quarter showed that 65.5% were female and 34.5% were male, 18% of leavers had not disclosed their ethnicity, 80% were white British and 2% were BAME. Regarding disability status 5.5% said they had a disability, 18% had no disability and 76.5% did not disclose their disability status.
- 10 The profile of those leaving through compulsory redundancies showed that 59% were female and 41% were male, 41% had not disclosed their ethnicity and the remaining 59% were white British. There was no disclosed disability.
- 11 The Council continues to support employees affected by the MTFP savings plans and the total number of staff who have been redeployed is 442 since the process started.
- 12 At the end of September 2017 we had 157 open expressions of interest for ER/VR.

Equality Impact Assessments

- 13 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 2017. They are updated during the year to take account of consultation responses and additional evidence; the updates also include information on any mitigating actions.

- 14 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.

Recommendations and reasons

- 15 The Council remains in a relatively strong position to meet the ongoing financial challenges although these are becoming more and more challenging. The robust management process supporting the MTFP ensures we continue to remain ahead of the savings target requirements.
- 16 For MTFP7 the Council has already delivered almost £20.6 million of the savings required (87%), and in total has now delivered over £206 million in savings since 2011.
- 17 Members are recommended to:
- (a) note the contents of this report and progress made in delivering MTFP7.

Contact: Roger Goodes Tel: 03000 268050

Appendix 1: Implications

Finance – The delivery of the MTFP involves cumulative saving of approximately £250million over the period from 2011 to 2022 of which over £206 million has been delivered to date. This figure now also includes savings delivered in Public Health.

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.

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.

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.

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.

Crime and Disorder – N/A.

Human Rights – N/A.

Consultation – A full consultation with a range of stakeholders was undertaken on the MTFP prior to its agreement and again in 2013. This exercise has been undertaken again in November 2017. In addition, where appropriate for individual proposals, internal and external consultation plans are developed so that consultation informs the decision making process.

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.

Disability Issues – Any disability impacts are being picked up through the Equality Impact Assessments undertaken.

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