

Cabinet

12 September 2018



Update on the delivery of the Medium Term Financial Plan 8

Report of Corporate Management Team

Lorraine O'Donnell, Director 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 June 2018 on the delivery of the 2018/19 Medium Term Financial Plan (MTFP8).

Background

- 2 Cabinet has received regular updates on the progress made by the Council in delivering the financial targets within the MTFP since 2011/12.
- 3 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

- 4 The delivery of the MTFP is being managed with a very robust programme management approach being adopted to ensure we take into account:
 - Our duties under the Equality Act
 - Appropriate consultation
 - The HR implications of the change including consultation with employees and trade unions
 - Communication of the change and the consultation results
 - Sound risk management.
- 5 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 June 2018, 74% of the savings target for MTFP8 had already been met with almost £11 million of

savings having been achieved. With all of the savings delivered to the end of June 2018, since 2011 we have now made over £220 million of savings including Public Health.

- 6 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

- 7 There was a public consultation on changes to the Sensory Services Team relating to MTFP8 during this last quarter.

HR implications

- 8 In the first quarter of 2018/19 we accepted 41 ER/VR applications and made 1 employee compulsory redundant as a result of the MTFP proposals. As per our usual approach of delivering our savings early some of this activity relates to proposals that will help deliver the savings for MTFP8.
- 9 Since 2011 a total of 1,555 ER/VR applications have been accepted, 704 vacant posts deleted and 587 compulsory redundancies made.
- 10 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.

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.

Conclusions

- 13 We are continuing to assume the Government's austerity programme will continue for several more years, however the Council remains in a strong position to meet the ongoing financial challenges and through the robust

management process supporting the MTFP ensures we remain ahead of the savings target requirements.

- 14 For MTFP8 the council has already delivered almost £11 million of the savings required (74%) and in total we have delivered over £220 million in savings since 2011.

Recommendations

- 15 Members are recommended to note the contents of this report and the progress made in delivering MTFP7.

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Appendix 1: Implications

Finance – The delivery of the MTFP involves cumulative saving of approximately £251million over the period from 2011 to 2021 of which over £220million has been delivered to date.

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 and 2018. 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.