



Committee and Date

Cabinet

12 December 2018

FINANCIAL STRATEGY 2019/20 – 2023/24

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1. Summary

On 22 February 2018 Council approved the Financial Strategy covering the years 2018/19 through to 2022/23. The report identified a funding gap of £59m by 2022/23 driven predominantly by cuts in government funding (Revenue Support Grant has already fallen by £54m in five years) and growth in costs to essential services such as Adults and Children's Social Care (an increase of £15m in 2018//19 alone). The funding gap identified in February could be partially closed through savings proposals identified across three main pillars of delivery; innovation, income generation and service cuts. In total, gross savings proposals of almost £43m were identified, and were front-loaded to 2018/19 and 2019/20 to begin the process of putting the Council on a financially sustainable footing as quickly as possible. Inevitably such proposals included some optimism bias in delivery timescales and furthermore were supplemented by the establishment of a Financial Strategy Reserve of £24.6m. The initial challenge facing the Council was to deliver £29.2m of gross revenue savings by 2019/20, using only £6m of the Financial Strategy Reserve to smooth delivery.

Although the 2018/19 Financial Year still has four months to run, in-year financial monitoring reports have identified growth in demographic and demand costs in key services, beyond those modelled in February. The 2018/19 budget includes unbudgeted pressures in the order of £8.2m with much of this pressure expected to impact on 2019/20 and beyond. Furthermore, Council approved a revised pay structure on 17 May 2018, adding a further £5.3m to the budget by 2019/20 with additional savings proposals identified to cover this cost.

This report provides an update on work completed over the autumn, including a review of delivery against the plans set out in February, and a range of proposals, new and existing, to enable a balanced budget to be set for 2019/20. In total, £14.2m of the original savings proposals have been removed or re-phased to later years and replaced by £8.3m of new, alternative savings proposals supplemented by additional one-off funding and resources.

The Financial Monitoring Report for Quarter 2 2018/19 identified significant management action to be undertaken over the autumn to bring the projected overspend down to manageable levels with a spending freeze in place to try to deliver

a balanced budget by year end. At the same time, a review of commitments and short-term reserves for 2018/19 has enabled additional funds to be added to the Financial Strategy Reserve to help support the 2019/20 budget and delayed delivery of savings proposals that have proved to be more challenging to deliver than originally anticipated.

2. Recommendations

It is recommended that members:

- A. Approve the savings proposals which will deliver a balanced budget as outlined in Appendix 4, enabling the Leader of the Council to take his proposed budget to consultation before taking to Council on 28 February 2018.

REPORT

3. Risk Assessment and Opportunities Appraisal

- 3.1. The development and delivery of the Council's Financial Strategy is the key process in managing many of the Council's strategic risks. The opportunities and risks arising are assessed each time the document is refreshed for Cabinet consideration. The Council's Strategic Risks are reported separately, but the Financial Strategy makes specific reference to the Council's ability to set a sustainable budget (the highest of the Council's key strategic risks).
- 3.2. Setting the Financial Strategy and agreeing the detailed changes necessary to deliver the agreed budget for the next financial year, will take into account the requirements of the Human Rights Act, any necessary environmental appraisals and the need for Equality and Social Inclusion Impact Assessments (ESIIA) and any necessary service user consultation.

4. Developing the Financial Strategy

- 4.1. The Financial Monitoring Report – Quarter 2 2018/19 considered by Cabinet on 28th November 2018, identifies a number of financial pressures across the Council generated through growth in costs in Adults and Children's Services, delay and achievability of savings targets and one-off monitoring pressures including pothole repair costs. This represents a significant financial pressure in 2018/19, in the order of £8.2m, which also has implications for future year's budgets as a number of the issues are ongoing. As a result, it was agreed by Cabinet that there would be a 3 stage approach to the developing the Financial Strategy this year, as summarised below:

Stage I – Resolve the 2018/19 overspend to prevent any carry forward to 2019/20

Stage II – Revise spending and savings proposals and develop an appropriate plan for bringing the 2019/20 budget back into short-term balance

Stage III – Consider plans for addressing the funding gaps in years 2-5 of the financial strategy (2020 – 2024) on a more sustainable basis

- 4.2 The actions taken to address the 2018/19 budget overspend are considered elsewhere on the Cabinet agenda in the Financial Monitoring Report Quarter 2 – 2018/19, and it is believed that the actions identified will remove the majority of the overspend in 2018/19.
- 4.3 This Financial Strategy Report therefore focusses on Stage II of the budget setting process and considers the changes to resources and expenditure that have increased the funding gap in 2019/20.
- 4.4 It is intended that the long term financial strategy considered in Stage III will be discussed in more detail from April 2019, when it is anticipated that further clarity on future funding levels will be established.

Additional Demography and Growth

- 4.5 As highlighted above, the Council has experienced continued growth in Adult Services which is outstripping previous estimates of growth built into earlier iterations of the Financial Strategy. This growth is due to a combination of client demand and increases in the complexity and costs of care packages. As a result, the growth model within Adult Services, which predicts the level, type and seasonality of growth anticipated, has been re-run and estimates that further growth of approximated £4m is required in 2019/20 to bring the budget in line with the costs anticipated.
- 4.6 Children’s Services are, similarly, experiencing increases in demand for services and increased costs from residential packages. The service is considering long term plans to develop in-house provision which should enable the Council to control the level of costs incurred and to increase foster placement sufficiency. Neither of these plans, however, will be delivered in the short term and therefore the cost pressure remains unaddressed. A growth model for Children’s Services Safeguarding has been developed to map out the level of growth required to reflect expected demand. Initial modelling has shown that a further £2.3m is required for 2019/20.
- 4.7 The full year effect of implementing the pay policy has also been reflected within the financial strategy and so £5.280m has been built into the budget for 2019/20.

Savings Proposals

- 4.8 The Financial Strategy 2018/19 – 2022/23 agreed by Council on 22 February 2018, included savings proposals for 2018/19, and further savings identified for 2019/20. As referred to above, the 2018/19 monitoring position highlights that there are £2.686m of savings proposals currently RAG rated as red. In some cases, the proposals are classified as red due to a delayed implementation, although a number of these savings cannot be implemented as originally planned. It is therefore proposed that some of these savings are removed from the ongoing budget strategy and alternative savings identified. Details of the 2018/19 savings classified as undeliverable are shown in Appendix 5.
- 4.9 The savings previously identified for 2019/20 (including those identified for the pay award) have also been re-considered to evaluate if these savings are deliverable in 2019/20, and it has been confirmed that £14.2m of the £24.5m identified are now considered to be undeliverable. Some of these savings are categorised as red due to delayed delivery and have been removed from the 2019/20 budget strategy on a temporary basis only. They are built back in for 2020/21 onwards. Details of the 2019/20 savings considered as undeliverable are detailed in Appendix 4.

Additional Resources

- 4.10 In reviewing the Resources available to the Council, the level of Council Tax income due has been increased to reflect an updated taxbase calculation based on growth of just under 2% for 2019/20. Furthermore, a proposed council tax increase for 2019/20 has been retained at 2.99%, on the assumption that the increase to the referendum level that the Government announced in 2018/19 will remain for future years. These changes have resulted in additional income due to the Council of £1.8m.
- 4.11 The Government has also announced two funding sources for Local Government in the 2018 Autumn Statement. The first of these allocations is an additional £650m for adult social care, although individual authority allocations have not yet been announced. It is anticipated, however, that this will be distributed via the Relative Needs Formula (RNF) and on that basis, it is estimated that Shropshire Council will receive £3.775m in 2019/20. This figure has been built into specific grant funding and will be used on a one-off basis as shown in the Funding Gap below. The Government also announced an additional £420m for local authorities to fix potholes on roads and renew bridges and tunnels. Shropshire Council has received notification that it will receive £7.313m in 2018/19 towards these costs. This funding will, however, be capital and so cannot be used to directly fund the revenue budget.

New Savings

4.12 The need to remove a proportion of the original 2019/20 savings, has required new savings to be identified that can be delivered next year. The exercise to consider these has focussed on four principles:

i) Innovation

ii) Income Generation

iii) Service Cuts

iv) Transformation (following implementation of the Digital Transformation Programme)

4.13 The detailed savings proposals identified under these four headings are considered in detail in Appendix 4. A summary of the total new savings identified are shown in Table 1 below:

Table 1 : New Savings Proposals for 2019/20

	New Savings - Innovation £	New Savings Income Generation £	New Savings - Service Cuts £	New Savings - Transformation £	TOTAL £
Adult Services	0	0	0	0	0
Children's Services	717,000	0	0	50,980	767,980
Place & Enterprise	400,000	1,025,000	625,000	723,680	2,773,680
Public Health	0	0	0	59,260	59,260
Corporate	3,403,010	0	0	0	3,403,010
Finance, Governance & Assurance	0	0	80,000	81,200	161,200
Legal & Democratic Services	0	0	65,000	0	65,000
Workforce & Transformation	0	0	0	1,032,190	1,032,190
Total	4,520,010	1,025,000	770,000	1,947,310	8,262,320

5. The Funding Gap

5.1 The implications of amending the resources and expenditure projections for 2019/20 result in an increase in the Funding Gap for 2019/20 as demonstrated in Table 2 below. Full details of income and expenditure included within the Financial Strategy are shown in Appendices 1 and 2.

Table 2: Revised Funding Gap for 2019/20

	2019/20 £	2019/20 £
2019/20 Budget Gap as per Financial Strategy		13,918,405
Additional Demography and Growth		
Add in Full Year Cost of Pay Award	5,280,000	
Additional Adults Growth	4,080,356	
Additional Children's Growth	1,949,557	
		11,309,913
Resources		
Increase in Taxbase and Council Tax	-1,808,626	
		-1,808,626
Savings		
Remove 2018/19 Red Unachievable Savings	2,542,910	
Remove 2019/20 Red Unachievable Savings	14,294,300	
Pay Award Savings	-5,315,020	
New Savings - Innovation	-4,520,010	
New Savings - Income Generation	-1,025,000	
New Savings - Service Cuts	-770,000	
New Savings - Transformation	-1,947,310	
		3,259,870
Revised 2019/20 Budget Gap		26,679,562

- 5.2 It is proposed that the remaining funding gap is managed, in the short-term, through one-off sources including the use of one off grants and earmarked reserves. A review of budgets, as part of the exercise to bring the 2018/19 overspend into balance, has identified that potentially a further £1.1m of savings can be delivered in-year to provide a one-off saving that can be added to the Financial Strategy Reserve and carried forward to 2019/20. This exercise has also identified a further £1.5m that can be decommitted from Earmarked Reserves. While both of these proposals will undoubtedly have impacts, if only in-directly, for service delivery, they do provide short-term certainty.
- 5.3 The budget for 2019/20 also makes an allowance for the cost of investment that would be used to fund the revenue cost of borrowing for large investment projects that the Council plans to progress, to generate additional ongoing income. Delay in delivery of these projects over the remainder of 2018/19 does deliver a small saving

in the short-term and as this budget would not, as a consequence, be required for 2019/20. This cannot be considered as a permanent saving as the commercial income target still needs to be delivered in future financial years. This has therefore been identified as a one-off budget that can be re-directed to close the funding gap in the short term.

- 5.4 The replacement of infrastructure phase of the Digital Transformation Programme is nearing completion in the next 6 months, and projections on expenditure within the project indicate that there is likely to be an underspend within the Programme. Over the implementation period, efforts have been made to ringfence grants, capital finance and IT savings to provide funding for as much of the programme as is possible. The Programme is expected to complete spending in 2019/20 and on this basis can now be considered fully funded. The anticipated underspend on the implementation of the project can therefore be reconsidered and by re-profiling funding sources a revenue saving on the programme can be delivered and used to help close the Council's funding gap. This underspend would otherwise have been available for development of a second phase of digital transformation and additional savings proposals.
- 5.5 Table 3 below shows that the 2019/20 funding gap has now been closed by utilising the one-off funds referred to above, and the full schedule is shown at Appendix 3.

Table 3: One Off Funding Used to Close 2019/20 Funding Gap

	2019/20 £	2019/20 £
Revised 2019/20 Budget Gap		26,679,562
One Off Funding to be used:		
One off Grants:		
Rural Services Delivery grant	-5,307,640	
New Homes Bonus - One Off	-1,606,418	
Improved Better Care Funding	-8,153,520	
Social Care Funding - One Off	-3,775,000	
		-18,842,578
Use of Reserves:		
Earmarked Reserves - Freed up	-1,553,211	
One off Savings Identified in 2018/19 - C/f in Reserve	-1,139,774	
One off use of Cost of Investment Budget	-2,142,800	
One off DTP Underspend - c/f in Reserve	-3,001,199	
		-7,836,984
Remaining Gap to be Funded		0

List of Background Papers (This MUST be completed for all reports, but does not include items containing exempt or confidential information)

Financial Strategy 2018/19 – 2022/23 – Council, 22nd February 2018

Financial Strategy 2019/20 – 2021/22 – Cabinet, 4th July 2018

Financial Monitoring Report Quarter 2 – 2018/19 – Cabinet, 28th November 2018

Cabinet Member (Portfolio Holder)

David Minnery

Local Member

All

Appendices

Appendix 1 – Resource Projections

Appendix 2 – Expenditure Projections

Appendix 3 – Funding Gap

Appendix 4 – Savings Proposals

Appendix 5 - 2018/19 Red Savings Unachievable

Appendix 1 – Resource Projections

	2019/20	2020/21	2021/22	2022/23	2023/24
	£	£	£	£	£
Council Tax	154,426,844	163,398,728	172,891,859	182,935,553	193,563,989
Business Rates:					
Business Rates Collected	41,038,625	41,780,603	42,535,997	43,305,048	44,088,003
Top Up Grant	9,863,325	9,863,325	9,863,325	9,863,325	9,863,325
RSG	6,119,050	4,079,367	2,039,683	0	0
Collection Fund:					
Council Tax	500,000	500,000	500,000	500,000	500,000
Business Rates	-500,000	-500,000	-500,000	-500,000	-500,000
NET BUDGET	211,447,844	219,122,023	227,330,865	236,103,926	247,515,316
Grants included in Core Funding:					
Improved Better Care Fund	8,153,520	0	0	0	0
New Homes Bonus	7,151,200	6,909,550	7,238,810	6,497,840	4,873,380
Rural Services Delivery Grant	5,307,640	0	0	0	0
CORE FUNDING	232,060,204	226,031,573	234,569,675	242,601,766	252,388,696
Local Income					
Fees and charges (including income savings deliverable from prior years)	73,895,828	75,803,208	77,842,584	80,016,997	80,016,997
Other Grants and contributions	23,061,550	23,061,550	23,061,550	23,061,550	23,061,550
Specific Grants (excluding Core Funding Grants above)	227,526,083	223,449,900	223,040,550	222,752,260	222,752,260
Specific Grants - Social Care Funding	3,775,000				
Internal Recharges	8,280,870	8,280,870	8,280,870	8,280,870	8,280,870
TOTAL FUNDING	568,599,535	556,627,101	566,795,229	576,713,442	586,500,373

Appendix 2 – Expenditure Projections

	2019/20	2020/21	2021/22	2022/23	2023/24
	£	£	£	£	£
Original Gross Budget Requirement	582,151,393	595,279,098	590,700,450	608,951,628	626,336,853
Inflationary Growth :					
Pay	7,936,400	2,711,800	2,768,040	2,819,700	
Prices	2,661,433	2,908,430	3,147,842	3,179,325	3,179,328
Pensions	14,575				
Demography & Demand	13,915,537	12,757,784	14,290,156	15,813,740	14,920,933
Service Specific Pressures	-7,503	9,810	10,230	10,650	11,070
Local Generated Pressures:					
Elections			700,000	-700,000	
Specific Grants Changes between years	2,411,162	-21,553,993	-80,090	-1,029,260	
Estimated Cost of Investment - <i>Approved</i>	2,142,800	1,485,000	1,265,000	1,760,000	
Savings					
<i>Savings from prior years- 2018/19 - Approved</i>	-19,206,570	-13,180	-3,850,000	-4,468,930	
<i>Pay Award Savings Proposals</i>	-5,315,020				
<i>Remove 2018/19 Red Savings Unachievable</i>	2,542,910				
<i>Remove 2019/20 Red Savings Unachievable</i>	14,294,300	-2,884,300			
<i>New Savings - Innovation</i>	-4,520,010				
<i>New Savings - Income Generation</i>	-1,025,000				
<i>New Savings - Service Cuts</i>	-770,000				
<i>New Savings - Transformation</i>	-1,947,310				
TOTAL EXPENDITURE	595,279,098	590,700,450	608,951,628	626,336,853	644,448,183

Appendix 3 – Funding Gap

	2019/20	2020/21	2021/22	2022/23	2023/24
	£	£	£	£	£
Resources	568,599,535	556,627,101	566,795,229	576,713,442	586,500,373
Expenditure	595,279,098	590,700,450	608,951,628	626,336,853	644,448,183
Gap in year	26,679,562	34,073,348	42,156,400	49,623,410	57,947,810
One Off Funding to be used:					
One off Grants:					
Rural Services Delivery grant	5,307,640	0	0	0	
New Homes Bonus - One Off	1,606,418	1,888,502	2,260,750	1,379,000	
Improved Better Care Funding	8,153,520	0	0	0	
Social Care Funding - One Off	3,775,000				
Use of Reserves:					
Earmarked Reserves - Freed up	1,553,211	6,178,157			
One off Savings Identified in 2018/19 - C/f in Reserve	1,139,774				
One off use of Cost of Investment Budget	2,142,800				
One off DTP Underspend - c/f in Reserve	3,001,199				
Freed up Conditional Release Reserves	0	11,251,849			
Freed up Conditional Reserves - Pensions	0				
TOTAL ONE OFF FUNDING	26,679,562	19,318,508	2,260,750	1,379,000	0
Remaining Gap to be Funded	0	14,754,841	39,895,650	48,244,410	57,947,810

Appendix 4 – Savings Proposals

	2019/20 Savings			New Savings - Innovation	New Savings			TOTAL
	Previously Agreed	Pay Award Savings	Remove 2019/20 Red Savings		Income Generation	New Savings - Service Cuts	New Savings - Transformation	
	£	£	£		£	£	£	
Adult Services	1,975,240	1,000,000	-802,600	0	0	0	0	2,172,640
Children's Services	794,000	0	-700,000	717,000	0	0	50,980	861,980
Place & Enterprise	5,999,330	0	-2,521,700	400,000	1,025,000	625,000	723,680	6,251,310
Public Health	288,000	3,615,020	-870,000	0	0	0	59,260	3,092,280
Corporate	0	700,000	0	3,403,010	0	0	0	4,103,010
Finance, Governance & Assurance	1,100,000	0	-400,000	0	0	80,000	81,200	861,200
Legal & Democratic Services	0	0	0	0	0	65,000	0	65,000
Workforce & Transformation	9,050,000	0	-9,000,000	0	0	0	1,032,190	1,082,190
Total	19,206,570	5,315,020	-14,294,300	4,520,010	1,025,000	770,000	1,947,310	18,489,610

Adult Services

Ref	Directorate	Portfolio Holder	Description	2019/20 Saving	Removal of 2019/20 Red Savings	Amended 2019/20 Savings
2019/20 Savings Previously Agreed						
A01	Adults Services	Lee Chapman	Day Services - The outsourcing of Aquamira, Albert Road, Greenacreas and Avalon.	96,700		96,700
A02	Adults Services	Lee Chapman	Joint Training (part 1) - Reduction of costs and increases to course fees	77,000		77,000
A03	Adults Services	Lee Chapman	Enable - Secure further income from external contracts	50,000		50,000
A04	Adults Services	Lee Chapman	Positive Steps - Contract review.	43,900		43,900
A05	Adult Services	Lee Chapman	Use of HOLD (capital) funding to reduce the cost of high cost placements	100,000		100,000
A07	Adult Services	Lee Chapman	Utilise vacant properties and maximise housing benefit	25,000		25,000
A10	Adult Services	Lee Chapman	Bring the HIA back in house	100,000		100,000
A15	Adult Services	Lee Chapman	Invest in digital health technologies	250,000		250,000
A16	Adult Services	Lee Chapman	Telecare/telehealth developments	400,000		400,000
A17	Adult Services	Lee Chapman	Explore joint housing and social care opportunities with partners	300,000		300,000
A18	Adult Services	Lee Chapman	Provider market stewardship and micro-commissioning	200,000		200,000
A21	Adult Services	Lee Chapman	Review of client property	15,040		15,040
A22	Adult Services	Lee Chapman	Reduce the number of double handed care packages by investing in technology such as hoists	50,000		50,000
A23	Adult Services	Lee Chapman	Increased number of Shared Lives placements and Positive Steps contract review	43,900	-43,900	0
A24	Adult Services	Lee Chapman	Efficiencies and additional income within Joint Training	77,000	-77,000	0
A25	Adult Services	Lee Chapman	New income generation within Enable	50,000	-50,000	0
A26	Adult Services	Lee Chapman	Review of day centres	96,700	-96,700	0
				1,975,240	-267,600	1,707,640
Pay Award						
A28	Adult Services	Lee Chapman	Joint commissioning of adult social care placements with Shropshire CCG	1,000,000	-535,000	465,000
Total Adult Services Savings				2,975,240	-802,600	2,172,640

Children's Services

Ref	Directorate	Portfolio Holder	Description	2019/20 Saving	Removal of 2019/20 Red Savings	Amended 2019/20 Savings
2019/20 Savings Previously Agreed						
C06 & C13	Children's Services	Nick Bardsley	Reductions to external placement costs within Children's Safeguarding	500,000	-500,000	0
C11	Children's Services	Nick Bardsley	Creation of supply teacher service	200,000	-200,000	0
C17	Children's Services	Nick Bardsley	Restructure of business support functions within Learning and Skills	94,000	0	94,000
				794,000	-700,000	94,000
New Savings - Innovation						
C18	Children's Services	Nick Bardsley	Passenger Transport Commissioning Savings in Learning and Skills	717,000	0	717,000
New Savings - Transformation						
C19	Children's Services	Nick Bardsley	Transformation – first phase savings identified	50,980	0	50,980
Total Children's Services Savings				1,561,980	-700,000	861,980

Place & Enterprise

Ref	Directorate	Portfolio Holder	Description	2019/20 Saving	Removal of 2019/20 Red Savings	Amended 2019/20 Savings
2019/20 Savings Previously Agreed						
P02	Place	Joyce Barrow	End agreement with Rockspring Community Centre	2,000	0	2,000
P03	Place	Steve Charmley	15% reduction in repairs and maintenance and office moves budgets	145,700	-145,700	0
P04	Place	Joyce Barrow	Review of waste collection and recycling services	1,500,000	0	1,500,000
P05	Place	Steve Charmley	Review of car parking at administrative sites	96,000	-96,000	0
P10	Place	Joyce Barrow	Review of Community Enablement Team	648,480	0	648,480
P13	Place	Steve Charmley	Review of workshops and economic development land	81,050	0	81,050
P16	Place	Steve Charmley	Reduction in facilities management costs	55,000	0	55,000
P28	Place	Steve Charmley	Increased installation and use of solar panels	100,000	0	100,000
P29	Place	Steve Davenport	Review of concessionary travel	50,000	0	50,000
P36 & P65	Place	Steve Charmley	Purchase Shrewsbury shopping centres	280,000	-280,000	0
P34 & P39	Place	Steve Charmley	Land acquisition, development and investment	2,050,000	-2,000,000	50,000
P59	Place	Steve Davenport	Increase income generated from car parks	400,000	0	400,000
P62	Place	Steve Davenport	Reduction in agency staff within transport and fleet services	60,000	0	60,000
P64	Place	Steve Davenport	Review of bus subsidies	405,000	0	405,000
P66	Place	Steve Charmley	Innovation and efficiencies within Shire Services	126,100	0	126,100
				5,999,330	-2,521,700	3,477,630
New Saving - Innovation						
P68	Place	Steve Charmley	Stretch income target in Shire Servies	300,000	-	300,000
P69	Place	Steve Charmley	Infrastructure related to new development	100,000	-	100,000
				400,000	-	400,000
New Saving - Income Generation						
P72	Place	Steve Charmley	New Development Dividend	1,025,000	-	1,025,000
New Saving - Service Cuts						
P71	Place	Steve Charmley	Reduced R&M Spend by capitalisation	250,000	-	250,000
P74	Place	Rob Macey	Planning Services - Savings/Commercial activity	140,000	-	140,000
P75	Place	Lezley Picton	Rights of Way - risk based approach	50,000	-	50,000
P76	Place	Lezley Picton	Libraries Review commercial review	98,000	-	98,000
P77	Place	Steve Charmley	Economic Growth - savings/commercial activity	35,000	-	35,000
P78	Place	Steve Davenport	Additional income Fleet Management	52,000	-	52,000
				625,000	-	625,000
New Saving - Transformation						
P79	Place	Lezley Picton	Theatre - New operating model	50,000	-	50,000
P80	Place	Steve Charmley	Heritage Buildings - New operating model	100,000	-	100,000
P70	Place	Steve Charmley	Reduction in Admin Buildings spendng	100,000	-	100,000
P73	Place	Steve Charmley	Transformation – first phase savings identified	473,680	-	473,680
				723,680	-	723,680
Total Place & Enterprise Savings				8,773,010	-2,521,700	6,251,310

Public Health

Ref	Directorate	Portfolio Holder	Description	2019/20 Saving	Removal of 2019/20 Red Savings	Amended 2019/20 Savings
2019/20 Savings Previously Agreed						
H04	Public Health	Lee Chapman	Efficiencies and additional income generation within Registrars	40,000	0	40,000
H12	Public Health	Lee Chapman	Additional income generation within Help2Change - Offer the health check service to other orga	20,000	0	20,000
H13	Public Health	Lee Chapman	Innovation within Help2Change - Introduction of 'health TVs' and sale of advertising space	63,000	0	63,000
H14	Public Health	Lee Chapman	Reduction in posts within Help2Change and review of Nicotine Therapy Service	65,000	0	65,000
H16	Public Health	Joyce Barrow	Review of parking enforcement (employ more officers to generate more income)	100,000	-100,000	0
				288,000	-100,000	188,000
Pay Award - Savings in Public Health Grant will be redirected to fund other Public health related expenditure in other Council service areas, thereby generating savings in Council funded budgets						
A29	Public Health	Lee Chapman	Improved service integration - NHS Health checks, Help to Quit	69,250	0	69,250 *
A30	Public Health	Lee Chapman	Staffing restructure - Help to Change	75,590	0	75,590 *
A31	Public Health	Lee Chapman	Contract review	86,000	0	86,000 *
A32	Public Health	Lee Chapman	Roll out of social prescribing with Adults Services Lets Talk Local hubs	135,000	0	135,000 *
C18	Public Health	Lee Chapman	0-25 PHNS to take over management of one EH hub	75,000	0	75,000
C19	Public Health	Lee Chapman	Remove non-mandated activity from current 0-25 PHNS contract	380,000	-380,000	0
H20	Public Health	Lee Chapman	Senior management salary saving	36,000	0	36,000 *
H21	Public Health	Lee Chapman	Vision screening allocation	23,180	0	23,180 *
H22	Public Health	Lee Chapman	LAC funding	23,000	0	23,000 *
H23	Public Health	Lee Chapman	Health Visitor services in Wales	40,000	0	40,000 *
H24	Public Health	Lee Chapman	Redesign of integrated sexual health services	50,000	-50,000	0
H25	Public Health	Lee Chapman	Integrated sexual health services - Recharge for Welsh residents	90,000	-90,000	0 *
H26	Public Health	Lee Chapman	Pathology tests to be contracted to single provider	30,000	0	30,000
H27	Public Health	Lee Chapman	Library Contract	5,000	0	5,000 *
H28	Public Health	Lee Chapman	Infection Prevention Control	30,000	0	30,000 *
H29	Public Health	Lee Chapman	Mental Health Promotion	20,000	0	20,000 *
H30	Public Health	Lee Chapman	Remove budget for specialist advice	12,040	0	12,040
H31	Public Health	Lee Chapman	Reduction in community training	54,960	0	54,960 *
H32	Public Health	Lee Chapman	Retender of inpatient detox contract	30,000	0	30,000 *
H33	Public Health	Lee Chapman	Retender substance misuse service	250,000	-250,000	0
H34	Public Health	Lee Chapman	Review prescribing budget	80,000	0	80,000 *
H35	Public Health	Lee Chapman	Reduce supervised pharmacy consumption	20,000	0	20,000
H36	Public Health	Lee Chapman	Recommissioning across Adults, Children's and Public Health	2,000,000	0	2,000,000
				3,615,020	-770,000	2,845,020
New Saving - Transformation						
H37	Public Health	Lee Chapman	Transformation – first phase savings identified	59,260	0	59,260
Total Public Health Saving				3,962,280	-870,000	3,092,280

* Includes 2018/19 savings currently being consulted on to fund part year Pay Award in 2018/19

Corporate

Ref	Directorate	Portfolio Holder	Description	2019/20 Saving	Removal of 2019/20 Red Savings	Amended 2019/20 Savings
Pay Award						
R25	Corporate Budgets	David Minnery	Removal of inflationary growth	700,000	-	700,000 *
New Saving - Innovation						
R36	Corporate Budgets	David Minnery	Removal of Apprenticeship Levy and Minimum Wage Growth	1,553,010	-	1,553,010
R37	Corporate Budgets	David Minnery	Minimum Revenue Provision	1,850,000	-	1,850,000
				3,403,010	-	3,403,010
Total Corporate Savings				4,103,010	-	4,103,010

* Includes 2018/19 savings currently being consulted on to fund part year Pay Award in 2018/19

Finance Governance & Assurance

Ref	Directorate	Portfolio Holder	Description	2019/20 Saving	Removal of 2019/20 Red Savings	Amended 2019/20 Savings
2019/20 Savings Previously Agreed						
P41	Finance, Governance and Assurance	Steve Charmley	Negotiate contract savings upon renewal, through better contract management	300,000	0	300,000
R02	Finance, Governance and Assurance	David Minnery	Revision of council tax support scheme	200,000	-200,000	0 #
R16	Finance, Governance and Assurance	David Minnery	Service reconfiguration within Finance, Governance and Assurance	300,000	0	300,000
R17	Finance, Governance and Assurance	David Minnery	Additional income generation within Finance, Governance and Assurance	100,000	0	100,000
R23	Finance, Governance and Assurance	David Minnery	Additional premium for empty homes	200,000	-200,000	0 #
				1,100,000	-400,000	700,000
New Saving - Service Cuts						
R28	Finance, Governance and Assurance	David Minnery	Reduction in service costs (not linked to DTP)	80,000	0	80,000
New Saving - Transformation						
R29	Finance, Governance and Assurance	David Minnery	Transformation – first phase savings identified	81,200	0	81,200
Total Finance, Governance & Assurance Savings				1,261,200	-400,000	861,200

Removed from savings as now included within Resources

Legal & Democratic

Ref	Directorate	Portfolio Holder	Description	2019/20 Saving	Removal of 2019/20 Red Savings	Amended 2019/20 Savings
New Saving - Service Cuts						
R30	Legal and Democratic Services	Steve Charmley	Elections reductions	20,000	-	20,000
R33	Legal and Democratic Services	Steve Charmley	Review of Committee and Member budgets	45,000	-	45,000
Total Legal & Democratic Savings				65,000	-	65,000

Workforce & Transformation

Ref	Directorate	Portfolio Holder	Description	2019/20 Saving	Removal of 2019/20 Red Savings	Amended 2019/20 Savings
2019/20 Savings Previously Agreed						
R03	Workforce and Transformation	Steve Charmley	Contract review within Customer Involvement	50,000	0	50,000
R13	Workforce and Transformation	Steve Charmley	Redesign following digital transformation	9,000,000	-9,000,000	0
				9,050,000	-9,000,000	50,000
New Saving - Transformation						
R34	Workforce and Transformation	Steve Charmley	Digital Transformation	990,430	0	990,430
R35	Workforce and Transformation	Steve Charmley	Transformation – first phase savings identified	41,760	0	41,760
				1,032,190	0	1,032,190
Total Workforce & Transformation Saving				10,082,190	-9,000,000	1,082,190

Appendix 5 – 2018/19 Red Savings Unachievable

Ref	Directorate	Portfolio Holder	Description	2018/19 Saving Unachievable £
C04 & C07	Children's Services	Nick Bardsley	Home to school transport - Stop nursery SEN and post 16 SEN provision	556,500
C05	Children's Services	Nick Bardsley	Further promotion of independent travel training and SEN personal budgets	164,630
C06 & C13	Children's Services	Nick Bardsley	Reductions to external placement costs within Children's Safeguarding	430,000
P35	Place & Enterprise	Steve Charmley	Efficiencies within administrative buildings, including ending use of Mount McKinley	500,000
P36 & P65	Place & Enterprise	Steve Charmley	Generate income from investment in assets	520,000
H02	Public Health	Lee Chapman	Review of maintenance of closed churchyards	47,120
H15	Public Health	Robert Macey	Reduction in posts within Regulatory Services	93,480
R24	Workforce and Transformation	Steve Charmley	Limited voluntary redundancy programme	231,180
Total				2,542,910