

Budget Scrutiny 2019-20

Overview & Scrutiny Committee

16 December 2019

Kevin Bartle

**Interim Divisional Director Finance,
Procurement & Audit**

Delivery of MTFS Savings - Process

- High level savings target issued prior to the start of the year
- Directorates consider options
- Finance staff support production of a savings pro-forma
- Corporate finance staff collate proformas and feed in to MTFS
- Proposals reviewed by CLT and agree those to submit to members
- Proposals reviewed by Cabinet before final agreement
- Questions raised by members before approving
- Final savings included in MTFS for approval by Council

Challenges with the process

- MTFS is normally finally balanced with little room for manoeuvre
- ‘Low hanging fruit’ already taken
- ‘Real’ or genuine service reductions avoided
- Tendency to accept ‘flaky’ proposals given pressure to balance the budget
- Tendency to push ‘difficult’ proposals into the future

Impact of non delivery/slippage

- Each saving not delivered produces an overspend
- If this cannot be mitigated from elsewhere it will require a draw down from reserves
- Delayed savings have a compounding impact on use of reserves
- New, more robust, challenge process planned for next year to be led by the Cabinet Member for Resources

Savings Performance Q2 Summary

Savings target £'000	Slippage from previous year £'000	Revised Savings target £'000	Delivered/ cached £'000	Forecast savings £'000	Variance - Slippage £'000	Variance - Under / (over) delivery £'000
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Savings Achievement Status
Savings Delivered / On Target
Savings Slipping but Achievable
Not Deliverable / Not Achievable
Total

2019-20						
6,067	319	6,386	2,539	6,206	100	80
6,959	8,359	15,318	351	7,791	7,527	-
1,819	1,579	3,398	-	50	-	3,348
14,845	10,257	25,102	2,890	14,047	7,627	3,428

Savings Achievement Status
Savings Delivered / On Target
Savings Slipping but Achievable
Not Deliverable / Not Achievable
Total

2020-21						
14,590	100	14,690		12,490	300	1,900
-	7,527	7,527		7,001	250	276
-	-	-		-	-	-
14,590	7,627	22,217		19,491	550	2,176

Savings Achievement Status
Savings Delivered / On Target
Savings Slipping but Achievable
Not Deliverable / Not Achievable
Total

2021-22						
8,159	300	8,459		8,159	-	300
-	250	250		250	-	-
-	-	-		-	-	-
8,159	550	8,709		8,409	-	300

Directorate Savings 2019-20

2019-20						
Savings target	Slippage from previous year	Revised Savings target	Delivered / cashed	Forecast savings	Variance - Slippage	Variance - Under / (over) delivery
£'000	£'000	£'000	£'000	£'000	£'000	£'000

Directorate
Health, Adults & Community
Children and Culture
Place
Governance
Resources
Cross-Directorate

2,752	679	3,431	781	2,594	837	-
3,443	1,550	4,993	450	645	1,000	3,348
2,456	530	2,986	1,351	2,506	400	80
50	-	50	50	50	-	-
525	2,250	2,775	-	2,075	700	-
5,619	5,248	10,867	258	6,177	4,690	-

Total

14,845	10,257	25,102	2,890	14,047	7,627	3,428
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Directorate Savings 2020-21

2020-21					
Savings target	Slippage from previous year	Revised Savings target	Forecast savings	Variance - Slippage	Variance - Under / (over) delivery
£'000	£'000	£'000	£'000	£'000	£'000

Directorate
Health, Adults & Community
Children and Culture
Place
Governance
Resources
Cross-Directorate

1,190	837	2,027	1,751	-	276
1,800	1,000	2,800	1,950	250	600
3,080	400	3,480	2,780	-	700
-	-	-	-	-	-
2,770	700	3,470	2,570	300	600
5,750	4,690	10,440	10,440	-	-

Total

14,590	7,627	22,217	19,491	550	2,176
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Directorate Savings 2021-22

2021-22					
Savings target	Slippage from previous year	Revised Savings target	Forecast savings	Variance - Slippage	Variance - Under / (over) delivery
£'000	£'000	£'000	£'000	£'000	£'000

Directorate
Health, Adults & Community
Children and Culture
Place
Governance
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Cross-Directorate

1,700	-	1,700	1,700	-	-
300	250	550	550	-	-
329	-	329	329	-	-
-	-	-	-	-	-
200	300	500	200	-	300
5,630	-	5,630	5,630	-	-

Total

8,159	550	8,709	8,409	-	300
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Savings Not Deliverable

- Children & Culture

Directorate	Savings Title	Year Approved	£'000
Children and Culture	Better targeting of services for children with special educational need and disabilities (SEND)	2017-18	940
Children and Culture	Increasing the involvement of partners in Early Years services	2017-18	2,408
			3,348

- **Better targeting of services for children with special educational need and disabilities (SEND) - £0.940m**
 - £200k saving was achieved in Educational Psychology Service.
 - Remaining £940k is unachievable on general fund as it relates to DSG funding.
- **Increasing the involvement of partners in Early Years services - £2.408m**
 - Local Authority day nurseries have closed, which reduces pressure in DSG. Savings does not impact general fund.

Savings Slipping but Achievable

Directorate	Title	Year Approved	Savings target 2019-20 £'000	Slippage from previous year £'000	Revised Savings target 2019-20 £'000	Slippage £'000
Health, Adults & Community	Day Opportunities Provision	2017-18	140	100	240	-
Health, Adults & Community	Helping People with Learning Disability live Independently	2017-18	619	550	1,169	837
Health, Adults & Community	Improving Employment Support for Adults with Disabilities	2017-18	100	29	129	-
Children & Culture	Better support for families through early help, and reduction in social care demand	2017-18	1,000	-	1,000	1,000
Place	Generating more income from council assets	2016-17	-	50	50	-
Place	Maximising use of technology in Housing Options Service	2017-18	300	-	300	300
Place	Review of Enforcement Function- More Generic Working	2016-17	-	351	351	-
Place	School Crossing Patrols to be delivered by Schools	2016-17	-	89	89	-
Cross-Directorate	Consolidation of Business Support and Administration Functions	2017-18	-	1,000	1,000	1,000
Cross-Directorate	Debt Management & Income Optimisation	2017-18	1,500	1,500	3,000	1,500
Resources	Human Resources (1)	2017-18	-	1,250	1,250	700
Cross-Directorate	Human Resources (2) Council wide agency costs / Training & development / Employment T&C	2017-18	2,000	-	2,000	-
Cross-Directorate	Local Presence / Contact Centre Review	2017-18	800	1,250	2,050	1,200
Cross-Directorate	Review of Printing/ Scanning/ Use of Multi-Functional Devices (MFD's)	2017-18	500	990	1,490	990
			6,959	7,159	14,118	7,527

Savings Slipping but Achievable

Health, Adults & Community

- **Day Opportunities Provision - £0.240m**
 - Savings delivery being reviewed through Adult Social Care Programme Board
- **Helping People with Learning Disability live Independently - £1.169m (slippage forecast £0.837m)**
 - Savings delivery being reviewed through Adult Social Care Programme Board and Supporting Independence working group.
 - A mitigation plan is in the final stage of development.
- **Improving Employment Support for Adults with Disabilities - £0.129m**
 - Some savings will potentially slip due to procurement timelines, however mitigations will be put in place.

Savings Slipping but Achievable

Children & Culture

- **Better support for families through early help, and reduction in social care demand (Youth Services and Commissioning) - £1m**
 - This will not be achieved in 2019-20.
 - Savings are due to come from multiple workstreams and a phase 2 restructure of the team, which will achieve part year savings in 2020-21 and full year in 2021-22.

Questions and discussion