

CABINET**10 SEPTEMBER 2014****REPORT OF THE DIRECTOR OF FINANCE AND
CORPORATE SERVICES – MR H JENKINS****INDEX OF REPORT ITEM****Doc. Code: CAB-100914-REP-FS**

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SECTION A – ITEMS FOR DECISION

BUDGET SAVINGS PROPOSALS 2015/16 – CORPORATE SERVICES

1. Purpose of Report

- 1.1 To consider the budget savings proposals for Corporate Services for 2015/16 and approve the progression to consultation with staff, Trade Unions and stakeholders.

2. Background

- 2.1 The Welsh Government has recently indicated that Councils across Wales can expect cuts of up to 4.5% for 2015/16. Together with Pay Awards, inflation and other pressures this requires Neath Port Talbot CBC to seek budget savings of £23m for next year and £50m over the next 3 years. This report is being presented as part of Neath Port Talbot Council's overall package of proposals which have been developed in response to this unprecedented cut in the Council's budget during 2015/2016 and the anticipated similar cuts over the following two years.
- 2.2 For 2014/15 Council has approved a budget of £18m to Corporate Services. This covers the following service areas:
- Financial Services
 - ICT and Procurement
 - Legal and Corporate Services
 - Chief Executive's Services including Members, Corporate Strategy, Communication, Access to Services and CCTV
 - HR including Health & Safety and Resilience

3. Proposed Budget Savings 2015/16

- 3.1 Targeted savings of an additional £1m for 2015/16 and £800k per annum for 2016/17 and 2017/18 are being sought from the Corporate Services budget. This is in addition to the £703k, £149k and £143k respectively approved by Council on 30th January 2014 for those 3 years.
- 3.2 This totals £1.7m for 2015/16 and £3.6m over the 3 years.

- 3.3 Given the significant increased target for 2015/16 the majority of the management time has been allocated to proposals for the next financial year. Further work will be carried out over the next six to twelve months to further firm up proposals for future years.
- 3.4 Members should note that as some 80% of the budget is spent on employees most of the required savings must also be achieved from this area.
- 3.5 Attached at Appendix 1 is a schedule of the proposed savings being progressed by the Corporate Services Management Team and Service Managers. Members will note that at the beginning of some Heads of Service sections there are some amendments/clarity required to existing FFP proposals and these are shown as negative amounts but these are compensated by other alternative proposals.
- 3.6 In relation to specific proposals the following comments are highlighted for Members consideration:

Financial Services

FS1 – Court Deputy Service - £30k

The Council is currently tendering together with Bridgend Council a joint Adult Family Placement Scheme. This requires support to be provided to individuals who are unable to look after their own financial affairs and since Bridgend Council does not provide this Court Deputy service at present, discussions are ongoing to provide a joint service in due course. An additional member of staff will be required if agreement is achieved with Bridgend together with new technology but these additional costs will result in additional income estimated at £30,000 over total costs.

FS2 – Cashiers Service - £50k

This proposal is to reduce the opening hours of the Cash Offices at both Neath and Port Talbot Civic Centres together with encouraging Council Taxpayers and other payees to utilise electronic payment methods.

Chief Executive's Services

The new proposals are shown under references CSDS1 – CSDS11. For 2015/16 Members will note that these include some additional income

targets, reduction in running costs, the winding up of the Change Management & Innovation Unit, the deletion of posts in Elections and Corporate Strategy and a reduction in Customer Services. Further work is necessary to identify the savings proposals for future years as mentioned in CSDS7 through to CSDS11. It is also anticipated that there will be savings in the current year's budget that will need to be carried forward to 2015/16 to balance that year's budget.

HR Services

The 2015/16 savings proposals are identified under references HR1, 2 & 3 and will mainly impact on additional income being sought from Hillside and a reduction in Corporate Training and staffing across HR, Occupational Health, Health & Safety and Training & Development Services. An overview of the main impacts of the changes are shown within the Appendix.

Legal Services

The 2015/16 savings proposals are identified under references LS1 – LS6 and further work is ongoing in relation to future year savings as per LS7 & 8. Members will note that the majority of the proposals will reduce capacity and the need to reduce workload. Some additional income is being sought in relation to the Registrar and Licensing functions together with a reduction in contribution to the Joint Coroner Service budget (with Swansea Council).

ICT & Procurement Services

These are shown under references ICT1 – ICT5. They include a reduction in the supplies and services budget and contribution to the IT Renewal Reserves. As mentioned in ICT5 a reduction in staffing and possibly from some contract renewals will be required to deliver the additional savings of £126k in 2015/16 together with further savings in the next two years. A review of Council priorities in line with the demands from front line services and their change agendas which impact on ICT services is being undertaken and will influence where these savings will need to be achieved from.

4. Consultation

Discussions and consultation with staff, Trade Unions and other stakeholders will now commence in order that the above proposals can be progressed and incorporated or amended for inclusion in the final budget proposals for 2015/16.

5. Recommendation

It is recommended that Members approve the consultation with relevant stakeholders as set out in this report.

6. Background Papers

Budget and Service Working Files.

7. Officer Contact

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COMPLIANCE STATEMENT

BUDGET SAVINGS PROPOSALS 2015/16 – CORPORATE SERVICES

Implementation of Decision

The decision is proposed for implementation immediately after the 3 day call in period.

Sustainability Appraisal

Community Plan Impacts

Economic Prosperity
Education & Lifelong Learning
Better Health & Well Being
Environment & Transport
Crime & Disorder

Other Impacts

Welsh Language
Sustainable Development
Equalities
Social Inclusion

The report identifies various proposals that the Council will need to consider when setting its budget for 2015/16 later in this financial year. To achieve budget savings of £23m will have a negative impact on the majority of the items mentioned above.

Consultation

This report seeks approval to consult with Staff, Trade Unions and Stakeholders.