

# NEATH PORT TALBOT COUNTY BOROUGH COUNCIL

## POLICY AND RESOURCES SCRUTINY COMMITTEE

### REPORT OF DIRECTOR OF FINANCE AND CORPORATE SERVICES

20<sup>TH</sup> November 2017

#### SECTION A – MATTER FOR INFORMATION

**WARDS AFFECTED: ALL**

#### **CONSULTATION ON CORPORATE SERVICES BUDGET AND DRAFT SAVINGS 2018/19 TO 2019/20**

##### **1. Purpose of Report**

To provide Members of the Policy and Resources Scrutiny Committee with supplementary information regarding the savings proposals for the Corporate Services Budget, set out in the Cabinet Report of 8<sup>th</sup> November, with a view to aiding the scrutiny of those proposals.

##### **2. Background**

As members are aware Neath Port Talbot Council's net revenue budget for 2017/18 is £274.677m and together with grants and income results in a gross investment or budget of some £418m in Council services across the County Borough. The Council also invests circa £50m+ per annum through its capital programme.

On the 8<sup>th</sup> November 2017 the Council's Cabinet approved to commence public consultation on its draft budget savings proposals for 2018/19 to 2019/20. It is projected that financial savings of £10.24m are required to set a balanced budget for the next financial year with a further £13m needed in the following financial year.

##### **3. Draft savings for consultation**

This report sets out for Members further details of those savings proposals required of the Chief Executive and Finance and

Corporate Services functions as incorporated within the Corporate Services budget (see also Appendix 1).

Please find below specific information from each Head of Service relating to the draft savings proposals for 2018/19 to 2019/20:-

### 3.1. Human Resources Division

The Division was formed in 2009, with a budget of £2,921,698. The budget for 2017 / 2018 is £2,251,204, a reduction of over 23%, mainly achieved through reduced staffing costs.

The budget for seconded Trade Union Officers sits within the Division's overall budget. The number of trade union representatives who are seconded is a matter that is discussed and agreed annually with the respective trade unions and within the available budget.

Current budgets and associated staff numbers are as follows:

| Service                  | Budget 2017/18 | Staffing FTE |
|--------------------------|----------------|--------------|
| Human Resources          | £1,159,639     | 31.75        |
| Seconded Trade Unions    | £140,000       | 5.00         |
| Training & Development*  | £246,955       | 1.00         |
| Occupational Health Unit | £259,982       | 5.30         |
| Health & Safety          | £364,128       | 9.39         |
| Emergency Planning       | £80,500        | 2.00         |
| Total                    | £2,251,204     | 54.44        |

\* + 18.73 FTE funded by specific grants mainly covering Social Services training requirements

The services provided by the HR Division are as follows:

#### Human Resources

The **HR Employment Support Team** (9 fte) provide the administrative services to the Council that are associated with employment, including recruitment administration, safeguarding checks, employment contracting, etc and as well as providing basic HR information and advice. To give an idea of activity, in 2016 / 17 the team handled 482 job advertisements, issued 404 employment contracts and processed just over 2,000 Disclosure and Barring Service checks (amongst many other activities). This

team also has the important role of supporting redeployment activity, and providing advice and guidance to those at risk of redundancy. In the last financial year, the team facilitated the redeployment of 98 employees.

The small **HR Workforce Information Team** (3 fte) support workforce data management, establishment control and provision of workforce data internally and externally and will be supporting the roll out of workforce planning across the Council.

The **3 Professional Teams** (15.75 fte), are comprised of CIPD qualified HR Officers and managed by the 3 HR Managers of the Division. HR Officers support managers and Head teachers with a range of employment matters, and in particular formal employment processes, including management of change, sickness absence management, discipline and grievance, and at levels up to and including Staffing Appeals and Employment Tribunal. Currently the team is supporting 31 disciplinary processes across the Council. Workforce strategies, policy development, trade union consultation and negotiation, management of the Council's formal Employee Relations framework, co-ordination of the Conflict Resolution Officers network are just some of the activities that are supported by this team. The team have importantly supported the delivery of corporate measures linked to the Council's Forward Financial Plan, for example, facilitating 186 redundancies in 2016 / 2017 (160 voluntary), and a total of 902 redundancies since 2013 (787 voluntary).

### **Health & Safety**

The main purpose of this team of qualified Health & Safety professionals (9.39 fte) and support staff is to ensure the Council complies with employer obligations set out in relevant Health & Safety legislation through the provision of a Health & Safety Framework (policy, procedure, guidance and systems). The team provides advice, guidance and support to Elected Members, Senior Management Teams, Head teachers, managers and employees, as well as supporting accident investigations (330 accidents occurred in 2016 / 2017). The team supported the Council to achieve the Occupational Health & Assessment Series OHSAS 18001 in 2007, an internationally recognised standard for health & safety management, and continue to support the Council to maintain this quality standard, based on a process of continual improvement and subject to external audit. This team also

provides support to the Council's Safety Advisory Group, which ensures safe event planning for special events held within the County Borough.

### **Occupational Health Services**

This team (5.3 fte) primarily provide an Occupational Health Referral Service, which aims to provide advice to managers and Head teachers on attendance at work and employee fitness for work. Other services provided by this team include the Health Surveillance programme, Safety Critical and Statutory medicals, Pre-placement Screening, Immunisations, Work Station Assessments, as well as Lifestyle Screening and Health promotion where capacity permits this. In 2016 / 17, the team held 3,170 attendance management consultations and 161 Statutory and Safety Critical Medicals, as well as carrying out 1,269 pre-placement assessments, 1,140 Health Surveillance assessments and 163 immunisations.

### **Emergency Planning**

This small team (2 fte) ensures that the Council can comply with obligations under the Civil Contingencies Act 2004 (policies, plans and exercises). The team assess local risks in order to identify what we need to plan for, write and review emergency plans, work with other key organisations to enhance the management of an emergency, ensure that the Council has plans in place to deliver important services to the public during an emergency (Business Continuity Plans), share important information with local organisations to enhance emergency preparedness and provide a 24 hours, 365 days a year on call service to help in the management of a major emergency.

### **Learning, Training and Development**

Very little corporate training resource is available, as all but one member of the team is employed via the Social Care Workforce Development Programme Grant, and operate under the terms of this grant to deliver the SCWDP training plan to the NPT social care workforce and the Whole Sector workforce (including independent and voluntary social care providers). The small corporate resource (1 fte) ensures that there is the necessary training & development framework in place (policy, procedure & practice) and where it can, supports the provision of specific training to support Council priorities and the implementation of new

legislation. In 2016 / 2017, the team (including SCWDP provision) facilitated and / or delivered a remarkable 1,110 separate training events.

### **Savings proposals 2018/19**

This is the smallest division within the Council and opportunities for savings are now very limited. Whilst non staffing budgets will continue to be scrutinised and reduced wherever possible to do so, as 93% of the budget is allocated to staffing costs, the only source for any significant savings will be through reducing the number of people employed within the Division. Any further significant reductions in staff numbers will result in services, either ceasing altogether, or being significantly reduced.

**CORP604 (10k)** – Reduction in the Occupational Health Professional fees budget, which funds the externally provided OH physician service. The introduction of the referral hotline service to regulate the number and quality of referrals made to the unit, as well as increased capacity created within the professional nursing team 3 years ago, has reduced the need for externally purchased services.

**CORP705 (15k)** – Delete partial hours where 3 post holders have reduced their working hours following approved flexible working requests.

**CORP806(15k)** – Delete Grade 5 administrative support post within the Health & Safety team and replace with part-time Grade 3 clerical post.

**CORP807 (34k)** – Delete an Assistant HR Officer post and redeploy the postholder to a vacant post within the HR team. This will remove the ‘training grade’ post within the team which has been traditionally used to ‘grow our own’ HR Officers. Should an HR Officer vacancy arise which needs to be filled, it will have to be advertised on the external market. The duties of this post will be distributed amongst other officers reducing capacity in relation to HR data management and provision of workforce data reports.

**CORP808 (2k)** – Reductions in non- staffing budgets within the Learning, Training and Development team.

### 3.2. Legal Services Division

The Legal Services Division has a budget of £2,031,005. The Division comprises of a number of services which are set out below with current budgets and staff numbers:-

| <b>Service</b>     | <b>Budget<br/>2017/18</b> | <b>Staffing<br/>FTE</b> |
|--------------------|---------------------------|-------------------------|
| Legal Services     | £885,711                  | 20.89                   |
| Land Charges       | (£50,712)                 | 3.00                    |
| Legal Childcare    | £819,441                  | 23.01                   |
| Licensing          | £590                      | 6.59                    |
| Registrars Service | (£21,948)                 | 4.00                    |
| Coroners Service * | £208,030                  | N/A                     |
| Corporate Support  | £111,832                  | 4.61                    |
| Mailroom           | £78,061                   | 4.00                    |
| Total              | £2,031,005                | 66.10                   |

\* The Coroners Service is operated by City and County of Swansea. The budget figure represents NPT's contribution toward the cost of the service.

#### **Savings proposals 2018/19**

The budget for Legal Services consists almost entirely of expenditure on staffing. Provision for legal fees and legal library is limited and substantial savings are not available there. Licensing is almost entirely self funding and it is not legally possible to make a profit from this service. The fees for the Register Office are almost entirely set by the UK Government.

Over the years capacity has been taken out of the Property and Litigation Legal teams and last year posts were deleted in the Childcare Team.

For next year we have had to turn to the teams that provide administrative support to Legal Services, the Directorate and the Council corporately and the Land Charges teams; in reality we are down to small numbers of staff.

**CORP803** - consists of the deletion of one vacant post in the Business Support team and proposals to reorganise the provision of administrative support. This may give rise to the loss of an

occupied post. A Management of Change exercise will be undertaken to progress the details of this proposal.

**CORP804** - consists of the deletion of a vacant Land Charges Assistant post. It would be necessary to provide support for the Land Charges Team from another post in the Business Support Team. A Management of Change exercise is also required for this proposal.

**CORP805** – consists of the deletion of a typist post leaving one such post for the whole of the Directorate. Obviously most people will undertake work on their own documentation but secretarial assistance is required for that of a more complicated nature.

The overall duties of remaining post holders would have to be examined to ensure that they are equipped to provide mutual support for the remaining function of the teams.

### **Demand for Service**

The very services which are called for in current circumstances are those which very often contribute towards the council's efforts to transform services and cut expenditure. These services include procurement, contracts with third parties and collaborations such as Western Bay and the Swansea Bay City Deal, the letting of assets such as community buildings and sports/leisure facilities to community groups, advice on personnel issues, equalities and decision-making in a time of reducing budgets. Where there are challenges to decision-making these require significant amount of legal work and both internal and external advice and this becomes more difficult with reduced capacity.

The resilience of the legal teams to deal with events such as Pantteg landslip is considerably diminished. Also, if in-house staffing continues to reduce and the work is still there, the only other alternative is to put more work out at greater cost.

Any absence of staff or sudden increase in workloads now has a marked effect on the efficiency of the Section and service delivery suffers. Loss of experienced staff and anticipated retirements will mean that the service will need to be rebuilt in the short to medium term.

### 3.3. Corporate Strategy and Democratic Services Division

The Corporate Strategy and Democratic Services Division has a budget of £3,797,238. The division comprises a number of services which are set out below:

| <b>Service</b>  | <b>Budget<br/>2017/18</b> | <b>Staffing<br/>FTE</b> |
|---|---------------------------|-------------------------|
| Comms. and Marketing - PR                               | £234,228                  | 5.81                    |
| Comms. and Marketing - Digital                          | £101,712                  | 3.00                    |
| Customer Services                                       | £550,132                  | 21.95                   |
| CCTV  | £242,764                  | 4.71                    |
| Community Safety  | £158,692                  | 8.96                    |
| Democratic Services Elections                           | £150,193                  | 4.00                    |
| Electoral Registration                                  | £80,440                   | N/A                     |
| Democratic Services Mayoral                             | £89,498                   | 2.00                    |
| Civic and Ceremonial                                    | £45,641                   | N/A                     |
| Committee Services                                      | £176,758                  | 5.00                    |
| Scrutiny Services                                       | £109,827                  | 3.00                    |
| Executive Support                                       | £148,704                  | 4.00                    |
| Democratic Services                                     | £1,343,783                | N/A                     |
| Corp. Strategy/Performance                              | £364,866                  | 6.81                    |
| Print Commissioning                                     | £0                        | 0.59                    |
| Digital Champions                                       | £0                        | 4.00                    |
|   |                           |                         |
| <b>Total</b>  | <b>£3,797,238</b>         | <b>73.83</b>            |
|   |                           |                         |
| Western Bay Area Planning Board<br>for Substance Misuse | £4,347,870                | 3.81                    |
|   |                           |                         |
| <b>Total including substance misuse</b>                 | <b>£8,145,108</b>         | <b>77.64</b>            |

#### Key Service Information:

**Communications and Marketing** – This consists of the Council’s press and public relations support, support for the Council’s Digital by Choice Strategy (including maintenance of the Council’s website content), together with professional advice on all marketing and communications matters and support for major corporate consultation exercises, such as consultation on the Council’s priorities and budgets.



**Customer Services** – often described as the face and voice of the Council, this service provides the One Stop Shop and Contact Centre Services, dealing with around 300,000 individual customer contacts a year ranging from refuse and recycling queries, to establishing eligibility for Blue Badges and Bus Passes to signposting people to the Council departments or other bodies.

**CCTV** – Monitors the Council's public space closed circuit television cameras which are now concentrated in Neath and Port Talbot town centres and along the seafront in Aberavon. Produces footage to support the police in detecting crime and also deals with all emergencies and out of hours telephone calls received.

**Community Safety** – Based at Neath Police Station, the team processes all anti-social behaviour complaints and arranges actions to address persistent problems; deals with referrals of vulnerable people who could be drawn into terrorism or other forms of extremism; supports over 300 high risk victims of domestic abuse each year, including supporting people through the court process; mounts hundreds of crime prevention campaigns of both a general nature as well as campaigns that are targeted towards particular groups of people or particular communities. Most of the income that funds this service is obtained from specific grants.

**Elections** – Ensures that the Electoral Register is maintained so that local people eligible to vote in elections can do so. The team supports the Returning Officer to administer safe and efficient elections across the county borough. Ensures community boundary reviews are properly conducted.

**Mayoral, Civic and Ceremonial** – supports the Mayor and Deputy Mayor in presiding over Council meetings, as well as participating in over 300 civic engagements as first citizen of the county borough. Raises significant funds for nominated charities each year.

**Democratic Services and Executive Support** – administers all of the Council's formal business, executive, regulatory, scrutiny and other meetings during the civic year. Ensures reports are accessible and that accurate records of meetings are maintained and, where appropriate published. Organises the induction programme for new elected councillors and provides general support to elected members in the roles. Organises the Member Development programme. Provides support to the Leader of the Council and the Chief Executive.

**Corporate Strategy** - prepares and publishes many of the statutory plans and policies that affect the Council as a whole; manages the interface with town and community councils, the voluntary and community sector, the Wales Audit Office; supports and encourages networks of people who share protected characteristics to inform the wider work of the Council; supports the Public Services Board, produces the performance management reports and ensures the performance management framework is fit for purpose; maintains the Corporate Risk Register and supports the Corporate Governance Group.

**Print Commissioning** – The function ensures that all print work is commissioned to achieve value for money and is consistent with the Council’s Corporate Identity and Branding.

### **Western Bay Regional Commissioning Team for Substance Misuse**

Supports the Regional Area Planning Board in its work to combat substance misuse across the Western Bay area. Is drawing up a Section 33 agreement to commission treatment services in excess of £4m, of which £3.6m is in the form of a specific grant with the balance from partnership contributions. Works across other relevant partnerships to make sure people who are affected by substance misuse can also access other services where relevant, e.g. domestic abuse and mental health services. The service manager also co-ordinates the Council’s work with the families relocated into the County Borough under the Syrian Vulnerable Persons Scheme.

### **2018/19 Savings Proposals**

The savings proposals for 2018/19 continue to build on the strategies reported and approved by Members in previous years:

**CORP817/818 (£16k) - Customer Services** – in 2016/17 £200,000 of expenditure was removed from the service budget – a reduction over just over 25% in one year. The savings were achieved principally through staffing reductions across the service, with all staff either redeployed within the Council or because people had secured alternative employment outside the Council. The staffing reductions had been possible due to work over a number of years to reduce demand in the Contact Centre and to

put more services on-line with people encouraged to use the on-line services rather than face to face or telephone services.

Minor savings are scheduled for 2018/19 to enable the service to consolidate changes achieved to date, but also to retain sufficient capacity to introduce a new ICT platform which will enable further service changes, such as automated call handling; and web chat introduced. It is anticipated that further savings will be achievable in 2019/20. The £9k will be achieved by not filling some vacant hours in the service and the £7k will be achieved by making small savings across a range of non-staff budget headings.

**CORP577 (Nil with £30k in 2019/20) - CCTV** – a full service review has been conducted of this service and it was agreed by Members that the camera estate should be reduced to ensure the Council could meet the necessity test. This has reduced the camera estate by approximately two thirds with remaining cameras concentrated in Neath and Port Talbot town centres and along the seafront. A merger of the monitoring function with neighbouring authorities has been explored but was not possible. In 2018/19 a feasibility study to in-source fire and burglar alarms or other similar services will be undertaken to assess whether further value for money can be secured to sustain this non-statutory service into the future.

**CORP810/811 – Community Safety (£8k and £2k)**

The £8k proposed saving can be achieved by not filling vacant hours arising from the request for reduced hours by one member of the team. This will reduce resilience in the team related to the Council's PREVENT responsibilities but is manageable if the current level of activity is maintained and not increased. The £2k saving will be achieved by reducing a number of non-staffing budgets by small amounts and should have marginal impacts.

**CORP 812/813/814 - Democratic Services (£19k,£17k and £3k)**

– the £19k saving arises from a restructuring and reduction of transport support between both the Leader's Office and the Mayoralty as reported to and agreed by the Democratic Services Committee in July 2017. The £17k can be achieved by not filling vacant hours in existing posts within Democratic Services. This will create pressures within the team and can be offset in the very short term by using other staff from the Elections Team more flexibly. A further review of Democratic Services will be undertaken in early 2018 and reported to the Democratic Services Committee

to ensure the support for the democratic process is fit for purpose. Whilst some further adjustments may prove necessary it is considered that it will be possible to deliver this saving in the overall budgets available. The remaining £3k proposed will be achieved by stopping subscription to elections legal services and relying instead on on-line and other resources.

**CORP815/816 (£23k and 2k) - Corporate Strategy** – It is proposed to fund some hours of two posts from external grants. If grants continue into the long term there will be no impacts. However, if the grants cease or reduce in the long term this will create new pressures.

**CORP 819 (2k) – Communications** – there have been significant new pressures on this service during 2017/18 which will continue into 2018/19. Consequently, only very small savings are possible which will be achieved by targeting small savings across non-staff budget headings. Following a service review that is being carried out in 2017/18 it is hoped that new income sources can be targeted in future years.

### 3.4. ICT and Procurement Services Division

The Division is responsible for the provision and support of all ICT functions across the Council’s Departments including its Schools. The Division is also responsible for all Corporate Procurement activity within the Authority.

Despite continued budget and staff reductions, the Division is still perceived as one that performs well, operates strategically and is extremely flexible in adapting its work programme to meet the Council’s changing needs and priorities.

The ICT and Corporate Procurement Division has a budget of **£4,205,168** as set out below:

| <b>Service</b> | <b>Budget 2017/18</b> | <b>Staffing FTE</b> |
|----------------|-----------------------|---------------------|
| ICT            | £4,083,404            | 96.60               |
| Procurement    | £121,764              | 8.00                |
| <b>Total</b>   | <b>£4,205,168</b>     | <b>104.60</b>       |

## **Key Service Information:**

**Business Support** – Comprising of administration support, programme and project management, budgeting control and deriving efficiency savings.

**Infrastructure Services** – Support and maintenance of the ICT Infrastructure Services, Servers, Storage, Local and Wide Area Networks and Databases which underpin the day to day operation of the Council.

**Service Desk** – The Service Desk receives an average of 163 calls per day 77% of which are resolved on the day they were logged. The team is the first line support for all aspects of service delivery across and within approximately 250 sites.

**Desktop Build and Support Services** – Installation and maintenance of the desktop estate, PC, Laptop and Tablet for all service directorates.

**Procurement Services** – Supporting the Authority in corporate tenders and use and availability of the procurement frameworks issued by the National Procurement Service, Crown Commercial Services, etc.

**I-Procurement** – Supporting over 300 users across the Authority to order electronically, creating approximately 90,000 transactions per year through the system. The team continues to support the increase in the number of service users using i-Procurement tools.

**Application Development and Support** – This service develops and supports IT applications for both Council and other public sector customers. The service also supports multiple 3<sup>rd</sup> party procured systems, hosted locally and within the “Cloud”. In total, the service supports over 200 IT systems, desktop and web delivered.

**Unified Communications Services** – Provision and support of voice, video conference and presence across desktop and mobile devices. Service will underpin the flexible working profiles of the authority’s new telephony system.

**Schools and Learning Services** – Provision of a comprehensive design, installation and support service for the ICT infrastructure and Application base which supports Teaching and Learning across all schools, Primary, Secondary and Special, within the

County Borough. Service is one of the key enablers to the implementation of the new Teaching and Learning Model introduced as part of the SSIP.

**Information and Security Services** – Responsible for Information Governance, Security and Exploitation. Also the provision of Information Asset Reviews, Privacy Impact Assessments, ICT Security Planning and security related investigations.

**Accommodation Moves and Changes** – A dedicated service to facilitate the relocation of services and staff across the Council's estate. This to include new service provision, planning, contractor management, physical (re)location and asset disposal.

### **Savings Target and Proposals:**

The savings target for ICT Services for 2018/19 is **£200,000** and detailed below are the proposals to achieve that target.

### **CORP702 (£200k in 2018/19 and a further £100k in 2019/20).**

This will undoubtedly result in a reduction in development and support capacity within the Division with subsequent service requests taking longer to complete.

Continue to maximise Income generation and/or collaborative opportunities to offset job losses/service issues.

A number of posts will be underpinned from reserves which will be exhausted by March 2019.

Unexpected ER/VR leavers in 2017/18 will partly go towards the 2018/19 savings figure but these staff losses and the continued pressure the department faces in order to help other departments meet their service needs and FFP savings means the ICT Division will need to restructure in order to maximise the skills and resources it has available.

Further work to ascertain whether additional income can be generated for subsequent years is ongoing. If this is not possible, this will have an impact on staffing, capacity and services provided.

## **3.5. Financial Services Division**

The Financial Services Division has a budget of **£3,513,318**. The division comprises a number of services which are set out below:

| <b>Service</b>                 | <b>Budget<br/>2017/18</b> | <b>Staffing<br/>FTE</b> |
|--------------------------------|---------------------------|-------------------------|
| Accountancy Services           | £1,623,514                | 47.12                   |
| Internal Audit                 | £242,234                  | 7.50                    |
| Exchequer Services             | £265,949                  | 26.34                   |
| Debt Collection and Cashiering | £237,553                  | 7.42                    |
| Business Rates Administration  | (£174,022)                | 3.24                    |
| Council Tax Administration     | £541,000                  | 22.08                   |
| Housing Benefit Administration | £423,186                  | 35.73                   |
| Social Care Assessments        | £353,904                  | 10.62                   |
| <b>Total</b>                   | <b>£3,513,318</b>         | <b>160.05</b>           |

### **Key Service Information:**

**Accountancy Services** – Includes maintenance of the financial ledger, budget preparation and monitoring, Statement of Accounts, Treasury Management (where we manage £250m of borrowing and £70m of investments), Insurance, Court Deputy Service.

**Internal Audit** – Produce on average 67 formal audit reports per year.

**Exchequer** – We make 80,000 salary payments and more than 74,000 creditor payments a year.

**Debt Collection and Cashiering** – The Miscellaneous Income section administers £9m of debts, whilst the Cashiering section deals with 1,900 transactions per week.

**Business Rates** – The service deals with the billing and collection of £40m from more than 4,100 commercial properties. It also manages the collection of funds for Neath Business Improvement District.

**Council Tax** – The service deals with the billing and collection of £65.5m from more than 65,800 properties.

**Benefits** – This section handles the assessment and payment of £54m to 13,000 tenants and approximately £17m in Council Tax Support to 18,000 council tax payers

**Social Care Assessments** – Payment of £34m to people for social care services.

### **Savings Target and Proposals:**

The savings target for Financial Services for 2018/19 is **£178,000** and detailed below are the proposals to achieve that target.

**Corp 801 Staffing Cost Savings (£163k)** – These will be achieved via the ER/VR and flexi retirement schemes. Continuous reviews are required of systems, processes and procedures to ensure that the services can continue to be delivered efficiently with a reduced workforce. The continued reduction in staffing however does place increased pressure on the workforce to deliver the services required.

The staff savings will be implemented throughout 2018/19 not just at the start of the year. The full year effect of these reductions in staffing will create an estimated saving of £95k for the financial year 2019/20.

**Corp 802 Non Staff Savings (£15k)** – Through a combination of budget monitoring, more efficient working and more automated processes, a small amount of non-staff savings have been identified.

One example of a review of systems to help with proposed reductions in resources is a proposal to remove the face to face service for Council Tax in Port Talbot Civic Centre and replace it with a telephone service.

The numbers of people that use the face to face service are very low and whilst staff who come over from Neath to work in the Port Talbot Civic do carry out other duties while not dealing with the public, the low numbers mean that this isn't an efficient use of resources. See further details as set out in Appendix 2.

A trial of the proposal was carried out over a period of 8 working days to establish any impacts of removing the face to face service. A report on the proposed change and its impacts will be brought in due course to the Policy and Resources Cabinet Board.

### **3.6. Other Directorate Management and Third Sector Grants**

The Directorate Management budget for 2017/18 amounts to £776,067 which funds corporate costs and 5 FTE positions.



In addition, the Directorate manages the Third Sector Grants Budget totalling £430,000. As Members are aware, the grants process for 2018/19 is already in progress and a report will be forwarded to Policy and Resources Cabinet Board in December to award grants for next year. The current budget projections do not assume any cuts in the total Third Sector grant budget for 2018/19. However as the Third Sector grant funding scheme assumes that the funding varies in line with the Welsh Government Settlement the report to the December will highlight considerations in relation to the funding cut of 0.4% experienced by this Council.

## **Summary**

Members should note that the Corporate Services total Cash Limit in 2017/18 amounts to £16.554m. This budget is underpinned by the use of specific reserves totalling £250,000, which once used will need further service reductions in future years. The current year's budget monitoring position shows a projected underspend on the total Corporate Services Budget of some £100k. Provided existing reserves are made available in 2018/19 they should be sufficient to underpin the proposed base service level as outlined in this report. However once these reserves have been spent additional service savings will be required to balance the budget from April 2019 onwards.

### **4. Crime and Disorder Impact**

The Council has a legal duty under Section 17 of the Crime and Disorder Act 1998 to carry out all its various functions with "due regard to the need to prevent Crime and Disorder in its area".

Individual proposals are being assessed as to their impact on crime and disorder and should any specific impact be identified these will be identified against individual proposals and summarised in final proposals.

### **5. Equality Impact Assessment**

The Equality Act 2010 requires public bodies to "pay due regard to the need to:

- eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Act;

- advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it; and
- foster good relations between persons who share a relevant protected characteristics and persons who do not share it.”

The 8<sup>th</sup> of November report identified the need for the Council to make budget savings of £10.24m for 2018/19 and as such many of these will have a negative impact on services provided across the whole of the County Borough. The majority of the proposals included for Corporate Services do not directly impact on frontline services to the public.

Completion of EIA screening show that for the majority of changes there are no specific proposals to withdraw services for 2018/19 however the savings proposals set out in this report will result in reduced capacity to deliver services within the Council and to some external stakeholders. The EIA screening for the changes relating to provision of Council Tax support at Port Talbot Civic Centre does impact on a small number of taxpayers however these are mitigated via the alternative telephone contact from Port Talbot to staff based at Neath.

## **6. Workforce Impacts**

The workforce will be impacted by the reduction in budget funding available to run services. The Council has shared this report and information with trade unions and are having and will continue to hold staff briefings over the next few months. The Council wishes to minimise compulsory redundancies and has launched its early retirement/voluntary redundancy scheme. Staff leaving under this scheme will assist in delivering some of the financial savings set out in this report.

## **7. Consultation**

Public Consultation on all of the draft savings proposals set out in the Cabinet report of 8<sup>th</sup> November 2017 has commenced and will run until 15<sup>th</sup> January 2018.

## **8. Risk Management**

It is now becoming more difficult to continue to deliver year on year savings in some service areas. Some efficiencies via new working arrangements have and continue to be achievable. However, given that the demand for some services continue at a pace that exceed capacity further work is being carried out to ensure that the best possible services can be provided within the reduced budgets and reduced capacity.

## **9. Recommendation**

It is recommended that Members review and scrutinise the savings proposals included in this report.

## **10. Appendices**

Appendix 1 - Draft savings for consultation

Appendix 2 - Consider alternative service delivery arrangements in Port Talbot Civic Centre for Council Tax Enquiries.

## **11. Background Papers**

Cabinet Report of 8 November 2017 – Draft 2018/19 Budget for Consultation

Budget working files

## **12. Officer Contact**

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## Draft Budget Savings and Income Generation for Consultation – Corporate Services

| Ref     | Board | Description   | Lead          | Main Impacts  | Net Budget 2017/18 | % saving | 2018/19 £000 | 2019/20 £000 |
|---------|-------|---|---------------|---|--------------------|----------|--------------|--------------|
| CORP576 | P&R   | Introduce revised access to service policy across council | Karen Jones   | Implement the digital by choice strategy, moving more customers to self-serve options thus reducing the volume of telephone and face to face enquiries.   | 614                | 6%       | 0            | 36           |
| CORP577 | P&R   | CCTV - cost savings                                       | Karen Jones   | Savings at the end of the current CCTV Maintenance contract period.   | 243                | 12%      | 0            | 30           |
| CORP604 | P&R   | Occupational Health - reduce professional fees budget     | Sheenagh Rees | Full year impact of savings from introducing Occupational Health on line referral system and the referral hotline number.   | 260                | 4%       | 10           | 0            |
| CORP702 | P&R   | Staff reductions  | S John        | Development capacity will fall and service requests will take longer to effect. Income generation and/or collaborative opportunities may offset some job losses/service issues. A number of posts are funded from reserves which will be exhausted by March 2019. | 3,883              | 8%       | 200          | 100          |
| CORP705 | P&R   | Human Resources - occupational health, health & safety    | Sheenagh Rees | Delete partial hours where post holders have reduced their working hours.   | 624                | 2%       | 15           | 0            |

## Appendix 1

| Ref     | Board | Description  | Lead          | Main Impacts  | Net Budget 2017/18 | % saving | 2018/19 £000 | 2019/20 £000 |
|---------|-------|--|---------------|---|--------------------|----------|--------------|--------------|
| CORP801 | P&R   | Financial Services - Staff reductions in various teams across the finance division | Dave Rees     | These reductions will require restructuring of the relevant sections which may impact on performance levels. It is expected that the staff reduction should be achieved via ER/VR.    | 3,513              | 7%       | 163          | 95           |
| CORP802 | P&R   | Financial Services - Non staff savings   | Dave Rees     | Further pressure to reduce spend on non-staff expenditure heads.  | 3,513              | 0%       | 15           | 0            |
| CORP803 | P&R   | Legal services   | David Michael | Staff savings   | 886                | 4%       | 32           | 0            |
| CORP804 | P&R   | Land charges   | David Michael | Staff savings   | -51                | -53%     | 27           | 0            |
| CORP805 | P&R   | Legal Services - corporate support services  | David Michael | Staff savings   | 112                | 12%      | 13           | 0            |
| CORP806 | P&R   | Health & safety - Staff reductions   | Sheenagh Rees | Reductions in capacity to manage health and safety of projects and staff.   | 364                | 4%       | 15           | 0            |
| CORP807 | P&R   | HR - Staff reductions  | Sheenagh Rees | Reduce capacity to respond to statutory data returns, implement personnel committee reports, data cleansing, resulting in delays in response to queries, compilation of FOI requests. | 1,300              | 3%       | 34           | 0            |
| CORP808 | P&R   | Training   | Sheenagh Rees | Non staff savings   | 247                | 1%       | 2            | 0            |

## Appendix 1

| Ref     | Board | Description                      | Lead          | Main Impacts             | Net Budget 2017/18 | % saving | 2018/19 £000 | 2019/20 £000 |
|---------|-------|----------------------------------|---------------|--------------------------|--------------------|----------|--------------|--------------|
| CORP809 | P&R   | Corporate Services               | Hywel Jenkins | Reduction in staff costs | 3,513              | 1%       | 30           | 0            |
| CORP810 | P&R   | Community Safety                 | Karen Jones   | Staff savings            | 159                | 5%       | 8            | 0            |
| CORP811 | P&R   | Community Safety                 | Karen Jones   | Non staff savings        | 159                | 1%       | 2            | 0            |
| CORP812 | P&R   | Democratic services              | Karen Jones   | Transport savings        | 1,344              | 1%       | 19           | 0            |
| CORP813 | P&R   | Democratic services              | Karen Jones   | Staff savings            | 1,344              | 1%       | 17           | 0            |
| CORP814 | P&R   | Democratic services              | Karen Jones   | Non staff costs          | 1,344              | 0%       | 3            | 0            |
| CORP815 | P&R   | Corporate strategy               | Karen Jones   | Increase income          | 365                | 6%       | 23           | 0            |
| CORP816 | P&R   | Corporate strategy               | Karen Jones   | Non staff savings        | 365                | 1%       | 2            | 0            |
| CORP817 | P&R   | One stop shop                    | Karen Jones   | Staff savings            | 614                | 1%       | 9            | 0            |
| CORP818 | P&R   | One stop shop and contact Centre | Karen Jones   | Non staff savings        | 614                | 1%       | 7            | 0            |
| CORP819 | P&R   | Communications                   | Karen Jones   | Non staff savings        | 272                | 1%       | 2            | 0            |
|         |       |                                  |               |                          |                    |          |              |              |
|         |       |                                  |               | <b>Total</b>             |                    |          | <b>648</b>   | <b>261</b>   |

### **Consider alternative service delivery arrangements in Port Talbot Civic Centre for Council Tax Enquiries.**

#### **Introduction**

1. This paper considers alternative service delivery arrangements for dealing with Council Tax enquiries at Port Talbot Civic Centre.

#### **Background**

2. Since April 2014 five posts have been lost in the Council Tax section due to budget cuts. Whilst we have streamlined processes and introduced more efficient ways of working to bill and collect Council Tax there is a constant pressure on resources available. The Council Tax section is responsible for billing over 65,000 householders, with a collectable debit of just over £82 million. The current Council Tax collection rate is 98% which is the 3<sup>rd</sup> best in Wales.

#### **Current Service Arrangements**

3. The Council Tax section employs a total of 24 staff (22.1 FTE) who are located in Neath Civic Centre. On a rota basis one member of staff works out of Port Talbot Civic Centre to provide face to face contact service with the public. On Tuesday's of each week Housing Benefit staff provide a service at the Contact Hub at Pontardawe and will direct customers to a telephone service with staff based at Neath Civic.
4. The following table summarises the volumes of work carried out by the section and One Stop Shop. Members will note that the majority of contact is via the telephone and issuing documents (including 25,452 amended bills, 5,363 new bills, 10,263 reminder letters, 4,590 summonses, 3,572 liability orders, 2,416 letters of information, 6,316 exemption letters, etc)



|   | Total  | Pontardawe       | Neath    | Port Talbot |
|---|--------|------------------|----------|-------------|
| Property Numbers                                    | 65,831 | 10,245           | 31,526   | 23,880      |
| Contact Volumes 1 April to 31 Oct 2017              |        |                  |          |             |
| Documents Issued                                    | 87,638 |                  |          |             |
| Telephone calls made                                | 15,768 |                  |          |             |
| Telephone calls received on dedicated number 686188 | 27,849 |                  |          |             |
| Average daily visitor numbers                       |        | 2 (Tuesday only) | 19 (OSS) | 9           |

5. Currently a member of the Council Tax team provides a face to face service at Port Talbot Civic Centre for Council Tax enquiries. The average number of callers a day taken over a 3 month period is 9, this increases slightly when recovery documents are issued. Dealing with the public face to face is the most expensive method of resolving queries. Generally accepted SOCITM benchmarking costs per customer transaction are £8.62 for face to face, £2.83 for telephone and £0.15 for web. For the numbers involved, providing a face to face service in Port Talbot is not the best use of limited and decreasing resources
  
6. With a further reduction in staff budgeted for 2018/19 it is essential that we look to maximise staff output and make best use of valuable staff resources. Staff time is more efficiently spent in the Neath office where work can be allocated, prioritised and monitored according to daily demand. The member of staff currently manning the Council Tax enquiry counter in Port Talbot cannot be logged onto the telephony service and unable to take calls from the public; their tasks are limited as they have to be available to interview the public when they present themselves.

**Alternative Service Delivery Arrangements.**

**7. Telephony Service**

A trial withdrawing a face to face service was undertaken for the period 12<sup>th</sup> July 2017 to the 21<sup>st</sup> July 2017, a period of 8 working days. In its place a telephony service was offered. Customers entered the Council Tax interview rooms in Port Talbot Civic

Centre and there were written instructions to ring the back office located in Neath Civic Centre.

For the period of the trial 81 customers visited the Council Tax Section in Port Talbot, 84% of enquiries were resolved over the phone by staff in the Neath Office. There were 13 customers who went to the one stop shop for assistance. A breakdown of their enquiries / grievances are detailed below-

| Number of callers | Reason for visiting One Stop Shop   |
|-------------------|---|
| 1                 | Partially sighted, could not read instructions to ring the Council Tax Office         |
| 5                 | Customer wanted to speak to a member of staff face to face and not over the telephone |
| 1                 | Required a form to apply for a discount   |
| 2                 | Wanted to hand in information   |
| 3                 | Required a copy of their Council Tax bill   |
| 1                 | Required Council Tax reference to pay his bill  |

Of the 5 customers who wanted to speak to a member of staff face to face, 4 did eventually use the telephone and spoke to the back office and had their query resolved.

The One Stop Shop staff assisted with the remaining 8 customer enquiries.

A telephony service in preference to a face to face service would enable better use of staff resources and would not lead to a reduction in service to the customer. Enquiries would still be dealt with by an experienced member of the section and we would still aim to resolve the queries at the first point of contact.

The section will provide a face to face service at Port Talbot at times when increased footfall is expected e.g. at billing issue in March and when the first reminder for the year is issued (May).

### **8. Self Service – Digital Solutions**

In combination with a telephony service the Council Tax section is also seeking to make greater use of digital technology. As part of the Authorities Digital by Choice programme a significant amount of work has been undertaken on the Council Tax Website

allowing customers to access information and advice easily 24/7, reducing the demand on staff time.

Priority has been given to providing a digital solution to enquiries with the highest transactions. There are now 19 on-line intelligent based forms available covering the most popular discounts, exemptions, change of address and direct debit applications. It is the intention to promote the use of these on line services to reduce unnecessary contact with staff which will free up resources to deal with other tasks. The processing of the on-line forms cannot be automated but staff will be able to deal with these applications at a time suitable to the section rather than responding to customer demand by telephone or face to face which requires an instant response.

It is of course important to recognise that some customers will not be able to access the digital service available, these customers will still be able to receive an excellent service over the telephone.

### **Summary**

9. Members' views are sought in relation to this alternative service provision and a further trial is to be carried out prior to submitting a final report for decision on this matter.