

POLICY AND RESOURCES CABINET BOARD

15th JANUARY 2015

REPORT OF THE DIRECTOR OF FINANCE AND CORPORATE SERVICES

SECTION A – MATTER FOR INFORMATION

WARDS AFFECTED - ALL

BUDGET 2015/16 – CORPORATE SERVICES

Purpose of Report

To update Members on the Corporate Services Budget and Savings Proposals for 2015/16.

Background

On the 10th September 2014 it was reported to Cabinet that additional savings of £1m were to be consulted upon for 2015/16. These were in addition to some £700k from the existing FFP approved by Council on 30th January 2014.

As Members are aware the Corporate Services Budget totals some £18m and this reduction would be in the order of 10%. The Budget covers the following service areas:

- Financial Services
- ICT and Procurement
- Legal and Corporate Services
- Corporate Strategy and Democratic Services
- HR including Health & Safety and Resilience

Consultation

As Members are aware some 80% of the budget is spent on staff resulting in most of the required savings also being achieved from this area.

Workforce Consultation has taken place with all staff within Corporate Services, Trade Unions and with individual members of staff who have expressed Expressions of Interest to leave under the ER/VR Scheme. In addition, information was shared via the Council's in-house newsletter "In the Loop", meetings with the Chief Executive and Questions and Answer facilities via the intranet and post. A number of suggestions and comments have been received and responded to in relation to this latter method of consultation.

The report also highlighted the need for ongoing savings of a further £1.9m over the two financial years to March 2018. Across Corporate Services no compulsory redundancies are required for 2015-16 and some opportunities for "bumped" redundancies have been made available and are being progressed. Some members of staff terminated at the end of December 2014 with most due to leave at the end of March 2015. Members should note that further consultation will take place during the coming year in relation to the savings required to be delivered for 2016/17 and 2017/18.

Public Consultation

Specific consultation with the public/service users has taken place in relation to proposed changes to the Cashier Service and this is covered specifically by another report to today's meeting from the Head of Financial Services. Members will also be aware that there has been public consultation following the 1st October report to Cabinet up to the 24th December on the overarching Council proposals to set a balanced budget for 2015/16.

Savings Proposals

Attached at Appendix 1 is a list of all the savings being progressed for 2015/16. These savings are on track to being delivered as per original proposals with some monies being carried forward from the current year to underpin service requirements in 2015-16. This will result in a reduction in capacity and resources available from the next financial year resulting in alternative service structures being put in place. These new structures will be reported to Personnel Committee at the beginning of the new financial year.

Members should note that in relation to the HR Service that it has been possible to provide two specific posts to support improvements in Adults

Services which has enabled two members of staff to be re-deployed into these roles.

For Members attention enclosed within today's agenda are two other reports for decision. The first relates to changes within the Corporate Strategy and Democratic Services and the second in relation to changes to opening hours of the Cashier Service.

A further report in relation to charging arrangements for Court Deputy Services will be forwarded to the next meeting of this Committee.

Background Papers

Budget Reports to Cabinet of 10 September and 1 October 2014 and
Policy & Resources Scrutiny of 13 October 2014
Consultation Documentation
Budget Files

Appendix 1

Savings Proposals – Corporate Services

Officer Contact

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Budget Saving Strategies - Corporate Services

New Ref	Description	Lead	Main Impacts - Updated	2015/16	2016/17	2017/18
				£000	£000	£000
CORP503	Workforce Strategy Savings	All	Implement new grading structure	52	88	40
CORP506	Legal	D Michael	Bring in house and procure legal work	50		
CORP509	Childcare Legal	D Michael	Reduce external legal fees	7		
CORP512	Litigation/ Commercial Law	D Michael	Reduce cost of insurance legal work	30		
CORP521	Finance & Revenues - staff savings	D Rees	Restructure of service and systems. Savings created from deletion of vacant posts and VR exercise.	65		
CORP522	Miscellaneous Expenditure Heads	D Rees	Base budget and procurement reductions across various expenditure heads	110		
CORP524	Finance & Revenue Services	D Rees	Staff savings - ERVR	39		
CORP534	Electoral	K Jones	Income generated through introduction of individual electoral registration	20		
CORP538	Democratic Services	K Jones	Reduce stationery budget - streamlined committee administration and greater reliance on electronic methods of working for both officers and elected members	10		
CORP542	Democratic Services	K Jones	Stop courier service for members	10		
CORP558	ICT staff reductions	S John	Efficiencies, recharge costs to projects, transformation reserve	30		
CORP561	ICT	S John	Staff savings via ER/VR and deletion of posts	20		
CORP562	ICT	S John	Reduce contribution into IT renewals reserve	50		

APPENDIX 1

New Ref	Description	Lead	Main Impacts - Updated	2015/16	2016/17	2017/18
				£000	£000	£000
CORP565	Increased income generation from the Court Deputy service	D Rees	Introduction of new charges from April 2015	30		
CORP566	Reduce the opening hours of the cash offices at both Neath and Port Talbot Civic Centres, plus efficiency savings in the cashiering service.	D Rees	Proposed daily opening hours from 10 a.m. to 3 p.m. at both Neath and Port Talbot Civic Centres. Currently open 8.45 a.m. to 4.30 p.m. (4 p.m. on Friday).	50		
CORP567	Review and re-structure of services within the financial services division to allow a number of staff to leave on VR.	D Rees	This will mean a significant reduction in terms of the staff resources available within the Finance Division. Whilst these reviews create efficiencies, there will still be an inevitable diminution of the services provided alongside increased workloads and pressure on the staff that remain.	165		
CORP568	Wales Audit Office (WAO) fees	D Rees	Reviews of working practices to create greater efficiencies which will lead to the reduced requirement for inspection and hence charges from WAO.	30		
CORP569	Use of 14/15 underspend to meet savings target in 15/16.	D Rees	The 15/16 shortfall will be met in 2016/17.	32	-32	
CORP570	Savings to be identified	D Rees	staff ER/VR over 2 years		259	227

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New Ref	Description	Lead	Main Impacts - Updated	2015/16	2016/17	2017/18
				£000	£000	£000
CORP571	Performance Audit Fees	K Jones	Reduced cost of WAO performance audit fees	26		
CORP572	Reduce Elections Team Staffing Resource	K Jones	Less resilience within elections team.	7		
CORP573	Income Target for Division	K Jones	Seek out income opportunities, mainly grant funding, to reduce pressure on council revenue budget	15		
CORP574	Complete winding up of Change Management and Innovation Unit	K Jones	No dedicated corporate capacity to support the council's change agenda	170		
CORP575	Reduce capacity in customer services	K Jones	Reduction in service performance	40		
CORP576	Introduce revised access to service policy across council	K Jones	Move to a digital by default policy. This will mean minimising the public information printed with people expected to use downloadable information; increasing the number of service available on line and increasing public take up of those services; introducing new technologies in the corporate contact centre to minimise the number of call handling staff required there.		200	100

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New Ref	Description	Lead	Main Impacts - Updated	2015/16	2016/17	2017/18
				£000	£000	£000
CORP577	Further review of CCTV operation to further reduce costs	K Jones	Options could include reducing the availability of the service further, recharging the cost to partners with a view to full cost recovery or transferring the service to another provider at no/minimal cost to the council. Review to progress during 2015.		80	80
CORP578	Further streamlining of democratic and corporate support following completion of modernisation programme	K Jones	Efficiency savings from modernisation programme			50
CORP579	Use of 2014/15 underspend to meet savings target in 2015/16.	K Jones	The 2015/16 shortfall will be met in 2016/17.	121	-121	
CORP580	Strategies to be identified	K Jones			95	20
CORP581	Increase income from Hillside SLA to reflect level of service demand. Current provision of £8k per annum does not reflect the service required.	Sheenagh Rees	With increased income the HR team will be able to continue to provide the service required by Hillside.	25		

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New Ref	Description	Lead	Main Impacts - Updated	2015/16	2016/17	2017/18
				£000	£000	£000
CORP582	Reduce Corporate Training & Development Management Development / Leadership Development budget	Sheenagh Rees	Reduced provision of management and leadership development. This will adversely impact upon the Council's ability to deliver the Council's change programme.	20		
CORP583	Reduce administrative support staff and professional support staff across HR / Health & Safety / Occupational Health / Training & Development NB: this includes planned FFP reductions of £31k / £38k / £35k over the 3 years (3 FTE)	Sheenagh Rees	Significantly reduced capacity across the 4 teams. Some work will be transferred to managers, a less flexible service will be available, some work will not be done and delayed response times in relation to some parts of the service. There are also some significant risks attached to reducing capacity that will impact on supporting Disciplinary Grievance Investigations, supporting managers in relation to sickness Management, reducing the ability to support construction design and management projects together with other Health & Safety work and reducing Corporate Training and development activity.	156	131	129
CORP584	Reduction in seconded trade union representatives budget	Sheenagh Rees	Reduced capacity within the seconded trade union team to participate in the Council's business - delays in formal processes and restrict TU ability to engage with the Council / work in partnership		7	7
CORP585	General Admin reductions	David Michael		20		

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				£000	£000	£000
CORP586	Reduction Coroner budget	David Michael	Joint Service with Swansea Council, potential variation in caseload and costs	20		
CORP587	Staffing Child Care	David Michael	Loss of trainee post	25		
CORP588	Legal Services	David Michael	Loss of trainee post	25		
CORP589	Increase income target Registrar	David Michael		10		
CORP590	Recharge to Licensing/increased income	David Michael		10		
CORP591	Staffing	David Michael	Risk of destabilising teams. Need to reduce workload		115	
CORP592	Staffing	David Michael	Risk of destabilising teams. Need to reduce workload			100
CORP593	Use of 2014/15 underspend to meet savings target in 2015/16.	David Michael	The 2015/16 shortfall will be met in 2016/17.	15	-15	
CORP594	ERVR savings - realised in 2014/15	Steve John		64		
CORP595	Reduce supplies & services budget	Steve John	Increased risk and reduce the ability to develop systems and undertake training on new software releases. Will impact on services that can be delivered.			37

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New Ref	Description	Lead	Main Impacts - Updated	2015/16	2016/17	2017/18
				£000	£000	£000
CORP596	Reduce contribution to IT renewals reserve	Steve John	Reduce ability to replace infrastructure and hardware, to support service delivery and implement new technology. Will probably place demand on Councils capital programme.		77	
CORP597	Efficiencies	Steve John	recharge costs to projects, bring future year savings forward	60		
CORP598	Strategies to be identified	Steve John	staff, limit renewal of contracts	126	153	193
CORP599	Insurance recharges	Hywel Jenkins		5		
Total				1,760	1,037	983

Code

Shaded area covering CORP 503 to CORP 562 relate to existing FFP proposals and CORP 565 on relate to additional proposals