

FULL COUNCIL REPORT

Date Written	6 th April 2016
Report Author	Steve Jones/Lisa Curtis Jones
Service Area	Finance
Exempt/Non Exempt	Non Exempt
Committee Date	20 th April 2016

To: Mayor, Ladies and Gentlemen

MTCBC Change Programme – Projects Report 6

1.0 SUMMARY OF THE REPORT

- 1.1 The Medium Term Financial Plan 2016/17 to 2019/20, approved by Council on 23rd March 2016, indicated required budget reductions of £4.079 million for the 2016/17 financial year to be identified through the Council's Change Management Programme.
- 1.2 The Council's 'Operating Model Assessment', completed by PricewaterhouseCoopers', identified Outcome Focused Redesign of Council services as a fundamental work stream within the proposed transformational programme, enabling the achievement of the Council's approved Operating Model Design.
- 1.3 In delivering against the £2 million budget reduction target anticipated from the Outcome Focused Redesign work stream for the period 2016/17 to 2017/18, the Social Services Department in its initial deliberations has identified £511,000 budget reductions as a contribution to this requirement. These budget reduction opportunities were recommended for approval by Cabinet of 20th April 2016 and considered by the Joint Scrutiny/Audit Committee of 20th April 2016.

2.0 RECOMMENDATION(S) that

- 2.1 The Cabinet recommended budget reduction opportunities of £511,000 outlined in Appendix 1 be approved.

3.0 INTRODUCTION AND BACKGROUND

- 3.1 The Medium Term Financial Plan (MTFP) 2016/17 to 2019/20, approved by Council on 23rd March 2016, indicated required budget reductions of £4.079 million for the 2016/17 financial year and a projected £20.302 million for the 4 year period of the MTFP, to be identified through the Council's Change Management Programme.
- 3.2 The '*Operating Model Assessment*' report to Cabinet on 3rd June 2015 advised that PricewaterhouseCoopers (PwC) were commissioned to work with the Council for a 12 week period to deliver an Operating Model Assessment (OMA) with the objective being a transformational approach to delivering Council services within a framework of reducing budgets but better services, that is 'better for less'.
- 3.3 The '*Implementing Immediate opportunities and Strategic Partnership Engagement*' report to Cabinet on 3rd June 2015 identified opportunities arising from the OMA for developing and implementing a programme of transformation focusing on the delivery of the Council's priorities whilst securing financial stability.
- 3.4 Council of 9th September 2015 ('*Strategic Partner Appointment*') approved the appointment of PwC as the Council's Strategic Partner, allowing the outcome of the OMA to be developed for immediate implementation, encompassing the financial years 2016/17 and 2017/18, with anticipated budget savings of £11.3 million. This Council wide transformational programme would be delivered across the following work streams outlined in the OMA:
- Customer Offering
 - Procurement
 - Back Office Support Services
 - Strategic Support Services
 - Income
 - Outcome Focused Redesign
- 3.5 Cabinet of 21st October 2015 ('*Strategic Partner – Commencement of Projects: Customer Offering and Procurement*') approved the recommendation for PwC, as Strategic Partner, to lead on the Customer Offering and Procurement work streams. The Council would lead on the remaining work streams as part of an integrated transformational change programme.

4.0 OUTCOME FOCUSED REDESIGN

- 4.1 The Outcome Focused Redesign work stream considers the outcomes the Council is aiming to achieve and the most appropriate method of delivery. It defines the Council's "to be" state and underpins the whole Change Programme. This exercise is fundamental in ensuring the £20.302 million projected budget deficit for the 4 year period of the MTFP is addressed and that decisions are linked to the Council's strategic ambitions.

- 4.2 Outcome focused redesign of all Council services will enable the ‘Operating Model Design’, presented to Cabinet on 7th October 2015 (“*Operating Model Design and Immediate Opportunities*”), to be realised.
- 4.3 Chief Officers have led the process of aligning service budget requirements and priorities to the corporate strategy through the development of strategies on a page supported by project plans in determining both service and financial requirements.
- 4.4 Financial savings of £2 million are anticipated from the Outcome Focused Redesign work stream for the period 2016/17 to 2017/18. Identified savings of £250,000 have already been reported to Cabinet on 24th February 2016 (*‘Efficiency Savings Under Delegated Authority’*).
- 4.5 This report considers budget reduction proposals identified by the Social Services Department in both re-aligning budgets within the MTFP and complying with the principles of outcome focused redesign, and is linked to the Social Services Strategic Commissioning Strategic Sourcing Plan within the Procurement change programme work stream.
- 4.6 Budget reduction proposals totalling £511,000 have been identified with business cases included in Appendix 1 and summarised in Table 1.

Table 1 – Social Services Budget Reduction Proposals

Description	Proposed Savings £'000
Repairs and Maintenance	20
Initial Response Services	72
Day Services – Meals	25
Independent Service Provision	181
Children with Disabilities	90
Fostering and Adoption Services	102
Youth Offending and Duty Services	21
Total	511

- 4.7 The budget reduction proposals are recommended for approval to this Council by Cabinet of 20th April 2016, and were considered by the Joint Scrutiny/Audit Committee of 20th April 2016.

5.0 FINANCIAL IMPLICATIONS

- 5.1 The MTFP 2016/17 to 2019/20 indicates required budget reductions of £4.079 million for the 2016/17 financial year.
- 5.2 Budget reductions of £2 million are anticipated from the Outcome Focused Redesign work stream for the period 2016/17 to 2017/18.

5.3 Budget reductions of £511,000 are identified through the initial Outcome Focused Redesign of the Social Services Department.

6.0 SINGLE INTEGRATED PLAN AND SUSTAINABILITY IMPACT SUMMARY

6.1 The Single Integrated Plan and Sustainability Impact Assessment has been completed and the proposals positively impact on the Financial Sustainability of Public Services.

7.0 EQUALITY IMPACT ASSESSMENT

7.1 An Equality Impact Assessment (EqIA) form has been prepared for the purpose of this report. It has been found that a full assessment is not required at this time. The form can be accessed on the Council's website/intranet via the 'Equality Impact Assessment' link.

LISA CURTIS-JONES
CHIEF OFFICER (SOCIAL SERVICES)

COUNCILLOR LINDA MATTHEWS
CABINET MEMBER FOR SOCIAL SERVICES

BACKGROUND PAPERS		
Title of Document(s)	Document(s) Date	Document Location
Operating Model Assessment (exempt)	Cabinet 3 rd June 2015	Finance Department
Implementing Immediate Opportunities and Strategic Partner Engagement (exempt)	Cabinet 3 rd June 2015	Finance Department
Strategic Partner Appointment (exempt)	Council 9 th September 2015	Finance Department
Operating Model Design and Immediate Opportunities (exempt)	Cabinet 7 th October 2015	Finance Department
Strategic Partner Commencement of Projects: Customer Offering and Procurement (exempt)	Cabinet 21 st October 2015	Finance Department
Efficiency Savings Under Delegated Authority (exempt)	Cabinet 24 th February 2016	Finance Department
MTCBC Change Programme – Projects Report 6	Cabinet 20 th April 2016	Cabinet agenda/Finance Department
Working Documents	August 2015 to March 2016	Finance Department
Does the report contain any issue that may impact the Council's Constitution?		No

Consultation has been undertaken with the Corporate Management Team in respect of each proposal(s) and recommendation(s) set out in this report.