

Savings & Transformation Strategy 2016/17 – 2019/20

INTRODUCTION

TMBC has to deliver some significant savings in our financial planning. Over the 10 year life of our Medium Term Financial Strategy (MTFS), we are very likely to have to deliver savings of at least £1.4 million in our base budget.

It could be more severe than that depending on what happens nationally. This is a major task when our net revenue expenditure is approximately £13 million and we have already delivered £2.8 million in savings over the last 4 to 5 years.

We are fortunate that we do not have to make all the savings required in our first year and can spread the challenge in 'tranches' over a few years, as set out within the MTFS. Nevertheless, we need to plan to make these savings and achieve as much as possible in the earlier years to provide the best long-term financial sustainability.

OBJECTIVES

In developing this strategy, the Council has set the following objectives:

1. To deliver sufficient savings in order to bridge the funding gap identified in the Council's MTFS, and to deliver those savings as quickly as possible in order to minimise risk to the Council's finances;
2. To direct resources to priority areas in line with the principles of the Council's Corporate Plan;
3. To maintain the Council's reputation of good front line service provision;
4. To adopt a 'mixed' approach to addressing the funding gap through a series of 'themes';
5. To be open to accept 'cultural' change in the ways we work and offer services to the public in order to release efficiencies and savings; and
6. To engage, as appropriate, with stakeholders when determining how savings will be achieved.

THE STRATEGY

It is recognised that there is no one simple solution to addressing the financial challenges faced. The Council will need to adopt a number of ways to deliver the savings within an agreed timetable.

This Strategy sets out a measured structure and framework for delivering the necessary savings through a series of 'themes'. Each theme has a deliverable target within a timeframe.

Whilst the framework includes some major areas where savings can be made without direct effect on services, by adopting this Strategy the Council has recognised that it may need to decide that some service areas should change to accommodate saving requirements. That might mean doing things differently, more efficiently and with increased income opportunities where there is the opportunity to do so. It might also mean that services will simply need to be run with fewer resources. The Council is committed to engagement with relevant stakeholders as proposals are brought forward.

The Themes, Targets, and Timeframes for the Strategy are set out in the table below, and will be the subject of review at least annually.

Progress on identifying and implementing savings across the various themes will be regularly reported to and reviewed by Management Team and in-year update reports presented to Members as appropriate.

Julie Beilby

Chief Executive

Sharon Shelton

Director of Finance & Transformation

Nicolas Heslop

Leader of the Council

Martin Coffin

Cabinet Member for Finance, Innovation
& Property

November 2015

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THEME	INDICATIVE YEAR(S)	TARGET £000	NOTES
New Income	2016/17/18	100	Opportunities for new income streams across the Council's Services
In-Services Efficiencies	2016/17	200	Targets to be set to reflect sustainable future budgets within Services
Service Change & Reduction	2016/17/18	350	Review of levels of service provision, considering discretionary spend and reductions in standards of mandatory services
Review of Fees and Charges	2016/17	100	Review of existing charges to maximise income and recovering costs
Contracts	2018/19/20	350	Opportunities for efficiencies in specifying and re-tendering major contracts
Organisation Structure Change	2017/18	200	Opportunities for management and service delivery improvements/efficiencies through realignment of services under combined management and review of senior management structures
Partnership Funding	2017/18	200	Review of funding arrangements with other agencies and sectors
Asset Management	2017/18	50	Investment opportunities from release of assets
TOTAL	2016-2020	1,550	

Note: This Strategy will be updated on a least an annual basis to reflect challenges set out in the Medium Term Financial Strategy