

(Updated) Savings & Transformation Strategy 2017/18 – 2020/21

INTRODUCTION

When the provisional Local Government Settlement for the four-year period 2016/17 to 2019/20 was published in late 2015, we calculated that we would need to deliver savings of at least £1.9 million in our base budget, despite the fact that we had already delivered over £3 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 one year and can spread the challenge in ‘tranches’ over a few years, as set out within the Council’s Medium Term Financial Strategy (MTFS). Nevertheless, the Council have acknowledged that 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.

During 2016/17, a number of opportunities were taken to ensure that savings in excess of £625,000 were in place in readiness for the start of the financial year 2017/18. In particular, the cessation of grants to parish councils and the adoption of a “Special Expenses” policy generated savings of £400,000 per annum from this project alone. The project is transformational in terms of how council tax will be charged across the Borough from April 2017.

Following the release of the provisional Local Government Settlement for the period 2017/18 to 2019/20 which also announced changes to the New Homes Bonus Scheme, the savings target has been recalculated and now stands at some £1.6m. This Strategy has therefore been ‘refreshed’ to ensure that the new target can be delivered as required.

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 Strategy;
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/transformation in the ways we work and offer services to the public in order to release efficiencies and savings;

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 embrace transformation in a multitude of ways in order 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/transform 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. All these approaches will require a shift in culture for the organisation so that we can be focused and flexible in the way in which we deliver services to our communities.

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 and transformational opportunities across the various themes will be regularly reported to and reviewed by Management Team and in-year update reports presented to Members as appropriate. The Council is committed to engagement with relevant stakeholders as proposals are brought forward.

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