

Savings and Transformation Strategy – Performance to Date

1. The Council's Savings and Transformation Strategy was first introduced in February 2016. The aim of the Strategy was to:
 - (a) Set out the overall annual amounts of savings that were needed across each of the remaining years of the Council's Medium Term Financial Strategy and timescales.
 - (b) Set out the following 7 themes against which individual annual savings targets could be set:
 - Income Generation and Cost Recovery
 - In-Service Efficiencies
 - Service Change and Reduction
 - Contracts
 - Organisational Structure Change
 - Partnership Funding
 - Asset Management
 - (c) Undertake annual reviews of the savings that have been achieved against the targets
 - (d) In the light of the amount of annual savings achieved in the previous year, review the overall saving tranches for future years and how these would best be distributed across the 7 themes.
2. Monitoring of the performance of the strategy since its introduction in 2016 indicates the following:
 - (a) Savings Identified by April 2016**
 - Savings target - £200,000
 - Savings achieved - £275,000

Mainly achieved via a review of car parking options (£45K) and service efficiencies.
 - (b) Savings Identified by April 2017**
 - Savings Target - £625,000
 - Savings Achieved - £883,000

Mainly achieved via establishment changes (£129K); service changes (£100K) including the review of holiday activity programmes and reduction in discretionary housing assistance and introduction of local charges or

special expenses (£230K) and cessation of council tax support grant (£178K).

(c) Savings Identified by April 2018 (to date)

Savings Target - £650,000

Savings Achieved (to date) £646,000

Mainly achieved by car parking options (£75K); TMLT service fee (£145K), insurance contract re-tender (£55K); establishment changes (£119K); and property fund/s investment income- £186K).

3. Over the three previous years, the amount of savings achieved (£1,804K) has exceeded the target of £1,475K by £329K.

4. The Cabinet will shortly be considering proposals to determine the next annual tranche of the Savings and Transformation Strategy to April 2019. The key decisions to be made are:
- (a) In the light of the performance already achieved, how the remaining savings needed by the start of April 2021 should be apportioned across the next three years of the MTFs;
 - (b) How the overall annual target should be distributed across each of the 7 themes;
 - (c) What initial opportunities are coming forward to meet the annual savings target that is set. The major opportunity coming forward is the retendering of the Waste Services contract and the introduction of charges for green waste. This initiative could generate a substantial contribution to a future savings tranche/s. In addition, further opportunities now need to be evaluated in more detail including the future management of Leybourne Lakes Country Park, further establishment reviews, and any further service reviews including those to be considered by the Overview and Scrutiny Committee over the coming year.