

Efficiency Savings Programme

2019/20
Quarter 2 Report

Contents



North Tyneside Council

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Executive Summary

This is the 2019/20 Quarter 2 Progress Report summarising the delivery status of the Efficiency Savings Programme as at 30 September 2019.

The overall savings requirement for the 2019/20 business cases agreed by Council in February 2019 is £10.533m. This report shows the outcome of both the project work and the realisation of associated savings, broken down by the six key outcomes: Ready for School; Ready for Work and Life; Cared for, Safeguarded & Healthy; Great Place to Live, Work and Visit; Fit for Purpose Organisation; and Managing Resources.

The Authority's quarter two position shows that:

- £1.923m has been achieved and coded out in the general ledger;
- £4.430m is forecast to be achieved;
- £1.400m of mitigation toward the total savings requirement has been identified; and,
- £2.780m is still to be achieved.

As part of the Council's programme management arrangements, all business cases and projects within the Efficiency Savings Programme are monitored on a regular basis. Each project is given a RAG rating for project delivery and savings delivery. The definitions and numbers of projects falling into those categories are shown below.

Work Delivery			Savings Delivery			£m
Blue	All milestones complete	22	Blue	Full saving realised and coded in the General Ledger	18	1.923
Green	All milestones are forecasted to be met within timescales; no concerns about delivery of future milestones	12	Green	Full saving forecasted to be realised but not yet coded in the General Ledger.	19	5.830
Amber	Some milestones delayed and/or minor concern about delivering some future milestones	8	Amber	Projected shortfall in savings up to a value of £0.050m.	5	0.098
Red	Milestones significantly delayed and/or major concern about delivering future milestones	4	Red	Projected shortfall in savings in excess of £0.050m	4	2.682

Ready for School

Continue to Redesign 0-19 Services (2019/20 target: £0.831m)

Starting with ante-natal services this proposal aims to continue our work to target our services at need and to manage demand for more specialist services. Critical to delivery will be the Healthy Child Programme and the work to increase the richness and consistency of the Early Help offer. This approach links to Government Policy and best practice through concentrating on prevention and developing more schools to deliver Early Years, which, in turn, saves money and avoids cost.

Savings from Full Year Effect of 2018/19 Saving	£0.515m
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A. Early Help & Vulnerable Families – Family Gateway (£0.065m)

Savings Delivery Status

RAG (last period)	Amber	RAG (this period)	Complete
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The Service had achieved 86% of this saving in quarter 1 and has now achieved the full £0.065m saving.

Work Delivery Status

RAG (last period)	Amber	RAG (this period)	Complete
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The Service has undertaken a review of the early help commissioned services to ensure they maximise both efficiency and impact and align these services to the developing service model. This work has enabled the Service to reduce its expenditure on third parties and fully code out the £0.065m saving target.

B. Selling Capacity at Riverdale (£0.025m)

Savings Delivery Status

RAG (last period)	Amber	RAG (this period)	Amber
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The current forecast is that the Service will deliver this saving on target at £0.025m. The saving was not anticipated to be realised until March 2020 but has been given an Amber rating highlighting the fact that currently there is no spare capacity at Riverdale to enable spaces to be sold. The Service remains confident that it will be able to achieve this saving by year end.

Work Delivery Status

RAG (last period)	Amber	RAG (this period)	Amber
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This proposal relates to the Authority selling spare spaces at the Riverdale Assessment unit to the wider market. Currently there are no spare capacity available so the Service is unable to actively offer spaces to other local authorities. Once spaces become available the Service will actively approach the market to generate income from any spare capacity.

C. Early Life Support & Prevention (£0.097m)

Savings Delivery Status

RAG (last period)	Green	RAG (this period)	Complete
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Budgets have been identified to be reduced, and this saving has been achieved.

Work Delivery Status

RAG (last period)	Complete	RAG (this period)	Complete
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This proposal relates to the removal of residual budgets within Childcare Premises. A review of these codes has taken place and the Service has achieved the saving in full. The work to identify the saving has been completed.

D. Public Health (£0.328m)

Savings Delivery Status

RAG (last period)	Green	RAG (this period)	Green
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The entire £0.328m is forecast to be achieved. The original milestone aimed for the saving to be coded in the General Ledger in April 2019 however, this will not be coded out until March 2020. Whilst the original milestone has not been met, the Service is confident the saving is in place and will be achieved.

Work Delivery Status

RAG (last period)	Complete	RAG (this period)	Complete
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This proposal was agreed as part of the 2018/19 budget and relates to plans to renegotiate contracts relating to drug and alcohol, 0-19 service, sexual health, stop smoking, health checks, and health promotion within the Public Health service. Work has taken place during 2018/19 and new contracts are in place to enable a saving to be realised in 2019/20.

Savings from New 2019/20 Projects

£0.265m

E. Early Help & Vulnerable Families – Troubled Families Income (£0.265m)

This proposal represents a continuation of the effective redesign and delivery of 0-19 services, including the introduction of locality teams in 2015 and their expansion in 2017, the establishment of a Ready for School Centre in 2018, and a partnership approach to helping turn around troubled families. This strategy aims to continue our work to target our services at need and to manage demand for more specialist services. We will review the range of partnership services commissioned to deliver 0-19 services and seek opportunities to maximise their efficiency and ensure they are aligned to the overall delivery model in North Tyneside. We have been successful at delivering the Troubled Families programme in North Tyneside and have so far secured more than £1m in attachment fees and transformation grant for those children and families we have worked with over the period of the programme. In addition to the attachment fees and transformation grant, there is an opportunity to secure significant “payment by results” income for the work we do with children and families. This is one-off income

and is separate to the core transformation grant that we receive. We are confident that we are delivering the work required to demonstrate the required results; key to success of this income proposal is ensuring we have appropriate systems and processes to record and report on this work in order to submit claims to the Department for Education.

Savings Delivery Status

RAG (last period)	Amber	RAG (this period)	Green
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Savings will be delivered throughout the year, based on performance. The full £0.265m of the savings target is currently forecast to be achieved, but results will be monitored, and the forecast adjusted accordingly.

Work Delivery Status

RAG (last period)	Amber	RAG (this period)	Green
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Savings are based on sound practice and positive outcomes. Work is on plan and will continue throughout the year. The Service will be required to continue to monitor the situation closely as it looks to maximise the level of income it generates.

2018/19 Savings Carried into 2019/20	£0.051m
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F. New Model to Support Children – 2018/19 (£0.051m)

Savings Delivery Status

RAG (last period)	Green	RAG (this period)	Green
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This saving was achieved in 2018/19 via one-off management actions and a permanent solution is required for 2019/20. The entire £0.051m savings target is forecast to be achieved in 2019/20.

Work Delivery Status

RAG (last period)	Amber	RAG (this period)	Amber
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The Service is continuing to explore all available options to permanently secure this saving. Until a permanent solution is identified by the Service an amber rating has been applied. The Service is confident they can continue to meet the saving requirement through in-year management actions until that point.

Ready for Work and Life

Delivering Whole System Support to Children with Additional Needs (2019/20 target: £0.100m)

Changes in legislation and national policy regarding children with Special Educational Needs and Disabilities (SEND) have placed significant additional demands on local authorities. These changes also place an additional emphasis on the role of “local areas” to meet the needs of children with additional needs, including the full range of partners involved.

Rising demand has created significant pressures for all local authorities and their partners, and reinforced the need for a whole-system response. We will build resilience in the universal offer to prepare young people with additional needs for adult life by developing an integrated approach across education, health and care services.

As part of a wider strategy, this budget proposal is particularly concerned with ensuring needs are appropriately funded by the relevant agency, in line with statutory responsibilities and policy. We will ensure there is a clear policy for funding decisions and a consistently applied process for ensuring funding is appropriate and the source of funding is in line with the agreed policy. This will ensure the authority maximises the levels of Continuing Care funding received from the CCG where health needs have been clearly identified and are being met by packages of care commissioned by the Authority.

Savings from New 2019/20 Projects

£0.100m

Savings Delivery Status

RAG (last period)	Green	RAG (this period)	Green
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The entire £0.100m savings target is currently forecast to be achieved. The proposal's original target was for the saving to be reflected in the general ledger by the end of Quarter 1 and although that target hasn't been met, a green rating has been applied to reflect the confidence that this will be achieved during 2019/20.

Work Delivery Status

RAG (last period)	Green	RAG (this period)	Green
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As part of a wider strategy, this budget proposal is particularly concerned with ensuring needs are appropriately funded by the relevant agency, in line with statutory responsibilities and policy.

The Service has worked on ensuring there is a clear policy for funding decisions in place and a consistently applied process for ensuring funding is appropriate and the source of funding is in line with the agreed policy. This work will ensure the Authority can maximise the levels of Continuing Care funding it receives from the CCG or the wider NHS where health needs have been clearly identified and are being met by packages of care commissioned by the local authority.

Cared for, Safeguarded & Healthy

Responding to Rising Complex Needs (2019/20 target: £1.000m)

Whilst there will be a continuing clear focus on preventing health and social needs from occurring and escalating, the need for formal care and support will continue. We know that complexity of need is increasing and the cost of providing services is rising exponentially. From a public health perspective, we will continue to focus on the principal preventable causes of ill health – tobacco, obesity, alcohol misuse and poor mental health (including social isolation). We will seek to reduce costs by ensuring that the Authority secures the appropriate contributions from our partners in accordance with the legislative framework. We need to mitigate against the rising costs of care whilst still ensuring that people are ‘cared for and safeguarded’. We will carry out a review of all current funding to voluntary organisations not currently on a commissioned framework. This will provide an opportunity to review the total spend holistically and ensure any work complements and is not duplicated by the work to create new community hubs. Over the past five years the number of people supported in extra care and independent supported living schemes has continued to rise in the Borough and we know that using this approach can delay and prevent the use of more costly residential care and that our residents prefer to be supported in their own homes. This journey will continue with increased provision of specialist housing in the Borough, which is affordable now and in the longer term.

Savings from Full Year Effect of 2018/19 Saving

£0.400m

A. Responding to Rising Complex Needs (£0.250m)

Savings Delivery Status

RAG (last period)	Green	RAG (this period)	Complete
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The entire savings target has been achieved. New processes and governance were implemented during 2018/19 that helped secure additional CHC and S117 funding.

Work Delivery Status

RAG (last period)	Green	RAG (this period)	Complete
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The Service is continuing to train its social work teams to make certain the case for funding health needs is made as strongly as possible as well as ensuring Senior Management can provide challenge to the CCG to maximise the funding received.

B. Disability and Mental Health (£0.100m)

Savings Delivery Status

RAG (last period)	Green	RAG (this period)	Green
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The entire £0.100m savings target is forecast to be achieved. The milestone set out in the proposal was for the saving to be recognised by year end. The Service is on track to deliver this saving.

Work Delivery Status

RAG (last period)	Complete	RAG (this period)	Complete
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Both the Charlton Court and Bonchester sites were opened for clients in July 2019. This completes the work the Service set out to achieve this proposal. The Service will continue to monitor the position during the financial year to ensure that the saving will be achieved in full by year end.

C. Strategy and Transformation (£0.050m)

Savings Delivery Status

RAG (last period)	Green	RAG (this period)	Complete
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The entire £0.050m has been achieved.

Work Delivery Status

RAG (last period)	Complete	RAG (this period)	Complete
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This proposal was agreed as part of the 2018/19 budget and relates to plans to renegotiate block contracts within Adults Social Care. Work has taken place during 2018/19 and new contracts are in place to enable a saving to be realised in 2019/20.

Savings from New 2019/20 Projects

£0.300m

D. Wellbeing and Assessment (£0.300m)

Savings Delivery Status

RAG (last period)	Red	RAG (this period)	Complete
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£0.050m of this target relates to a saving forecasted to be achieved by August 2019 relating to a budget reduction, this element of the saving has been achieved. The remaining £0.250m related to the development of in-house or Local Authority Trading Company delivery model for complex non-residential packages, plus on-going work re partnerships and governance, which was anticipated to deliver savings by March 2020. Whilst an in-house trading company model has not been established the Service has delivered this saving by achieving additional CCG income.

Work Delivery Status

RAG (last period)	Red	RAG (this period)	Complete
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This is the continuation of a budget proposal agreed and implemented during 2018/19. A review of relevant budget codes has taken place and relevant budgets have been reduced to reflect 2018/19 expenditure levels. This has achieved the £0.050m savings target.

A review of all current funding to voluntary organisations, not currently on a commissioned framework has taken place to provide an opportunity to review expenditure holistically and ensure the work complements and is not duplicated by the work on the community hubs.

E. Residential Care Fees – 2018/19 (£0.300m)**Savings Delivery Status**

RAG (last period)	Green	RAG (this period)	Complete
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The entire £0.300m savings target has now been achieved. This has been achieved in 2019/20 through a one-off mitigation made possible from the receipt of additional back dated S117 income. The permanent saving will be secured in 2020/21.

Work Delivery Status

RAG (last period)	Red	RAG (this period)	Green
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This was achieved in 2018/19 via one-off management actions and a permanent solution was required for 2019/20. A consultation document is currently with care home providers covering fee proposals for 2019/20 and the proposed revision to the quality banding structure. However, the new quality banding is now expected to come into effect for the beginning of 2020/21. As a result, the Service has been required to find a mitigation to achieve this saving in 2019/20. The mitigation has been achieved through additional S117 income.

A Focus on the Social Care Customer Experience (2019/20 target: £0.324m)

Health and social care is a complex set of systems often governed by distinct pieces of legislature and delivered by multiple services, even within a single organisation such as the Authority. In 2017 we reviewed the adult social care customer journey and ensured that our customers had a named worker, based in a local team, who would remain with that person throughout their social care journey. This has proved successful and is enabling better quality customer relationships to develop, as well reducing costly, duplicate processes from occurring. We aim to go further and whilst there are limited direct cost savings at this stage, we know that getting the right person to do the right thing correctly the first time means we are able to direct our resources more effectively and mitigate against the increasing demand for good quality advice and information. This proposal will:

- *Continue with our highly successful case management modernisation programme, to ensure that social care payments and processing are accurate, clear and efficient; and,*
- *Make best use of the new 'My Care' portal in the initial screening and contact service gateway to support NHS and other wellbeing professional to self-serve or make online referrals; this will create more time for resident calls. The new community hubs will provide close, comfortable locations for our customers to meet with our social work teams and reduce the number of costly home-based visits workers current undertake.*

A. Social Care Customer Experience – Assistive Technology (£0.200m)**Savings Delivery Status**

RAG (last period)	Red	RAG (this period)	Red
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Whilst our strategy over recent years has been successful in reducing admissions to residential and nursing care, and supporting more people to live at home, the costs

associated with home care have increased significantly. During 2017/18, we worked to reduce the number of home care packages that involved two carers visiting a home, through an increased use of equipment, adaptation and technology. We plan to take this work further by investing in cutting-edge, modern technology which can help people do more for themselves, maintaining their independence and wellbeing. The associated financial benefit will be a reduction in the number of home care hours commissioned. Currently, £0.100m of the total savings target is forecast to be achieved.

Work Delivery Status

RAG (last period)	Red	RAG (this period)	Amber
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Work is underway, with specialist support, with resulting savings expected by March 2020. At this stage further work is expected to be required to achieve the full £0.200m target and, as such, a red rating has been applied. Digital Champions have been identified and a project plan has been established and implemented to cover both the operational and strategic working groups with the aim of achieving the full saving in 2019/20.

B. Social Care Customer Experience – Provider Payments (£0.025m)

Savings Delivery Status

RAG (last period)	Green	RAG (this period)	Green
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The entire saving is forecast to be achieved and is on track to be realised in 2019/20. The original target was set to be achieved by September 2019 and despite the saving not being coded in the ledger, the saving is still expected to be fully achieved.

Work Delivery Status

RAG (last period)	Green	RAG (this period)	Green
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In 2018, HECS implemented a new case management system for children’s and adult social care. Alongside this a new payment system called ContrOcc was implemented. The Service continues the development of this system to ensure that all payments, invoices and charges are made via this system. Linked to this is an opportunity to streamline and reduce the amount of staff time currently involved in these processes.

2018/19 Savings Carried into 2019/20	£0.099m
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C. Re-engineering the Customer Pathway Year 2 (£0.099m)

Savings Delivery Status

RAG (last period)	Complete	RAG (this period)	Complete
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The entire £0.099m savings target has been achieved via deletion of a post.

Work Delivery Status

RAG (last period)	Complete	RAG (this period)	Complete
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The work related to a review of the staffing structure and this enabled the deletion of a post.

Leading Sector-Led Improvement (2019/20 target: £0.100m)

North Tyneside has developed a national reputation for the quality of its children's services, including receiving Partners in Practice status from the Department for Education and the opportunity to deliver sector-led improvement (SLI) to other authorities in the country. This work will develop a long-term offer for SLI as well as exploring opportunities to provide ad hoc and bespoke support to authorities that seek it from us. This will bring additional income.

Savings from New 2019/20 Projects
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£0.100m

Savings Delivery Status

RAG (last period)	Amber	RAG (this period)	Amber
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Currently only £0.050m (50%) of the total savings target is forecast to be achieved. The Service is continuing to explore available options to achieve the remaining £0.050m.

Work Delivery Status

RAG (last period)	Amber	RAG (this period)	Amber
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Success of this proposal is dependent on:

- Maintaining, and further improving, quality and outcomes through delivery of North Tyneside services, in order to further grow our reputation across the sector;
- Delivering our funded PiP obligations to a high standard and demonstrating our ability to support other authorities to improve;
- Effective and proactive marketing of the North Tyneside offer across the sector;
- Sufficient senior and operational management capacity to deliver this commercial work; and,
- A 'whole Council' approach to SLI, as a number of our strengths which we could sell relate to areas outside of social care, such as data analysis and workforce development.

Sustaining a high profile within the sector also opens a number of opportunities to access other government funding streams.

Work is underway to ensure all of these actions are being delivered but to date only 50% of the original target is forecasted to be achieved. The Service will continue working on the above as well as exploring alternative options to achieve the remaining 50%.

Delivering our Accommodation Strategy for Social Care (2019/20 target: £0.425m)

Early work on the Cabinet's Affordable Homes Programme has demonstrated the Authority's ability to deliver specialist housing which supports independent living and reduces costs. This proposal aims to continue to shape our housing growth plans to include specialist housing products and services for children and adults with additional needs, Looked After

Children and older people. We have had significant success with recent developments at Mitford Gardens and Elm House, which have also proved better value for money than external options, and the joint team with commissioning, housing and social care expertise that was created for this work will continue to explore opportunities to develop a range of other internal accommodation services in line with our strategy in order to save costs on existing pilot work to deliver at scale. Specifically, the accommodation strategy for Looked After Children and care leavers is focused on keeping children and young people connected to their communities, maintaining relationships with families and support networks, and promoting independent living with specialist housing in the Borough, which is affordable now and in the longer term.

A. Delivering Accommodation Strategy for Social Care - 2019/20 (£0.260m)

Savings Delivery Status

RAG (last period)	Green	RAG (this period)	Green
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The entire £0.260m savings target is forecast to be achieved. The milestones set a target date of March 2020 so the Service is on track to realise the savings in line with the milestones.

Work Delivery Status

RAG (last period)	Green	RAG (this period)	Green
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This saving is made up of two proposals: Fostering Strategy and Accommodation Strategy. The Service has been working to develop its Fostering Strategy and consultation was completed in August. The draft strategy was presented and discussed at SLT and with lead Members and a final proposed was presented to Cabinet in October. The Service has also been conducting a review of its accommodation strategy including the development of new internal provisions aimed at reducing the use of external provision.

2018/19 Savings Carried into 2019/20	£0.165m
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B. Alternative Service Delivery Model – 2018/19 (£0.140m)

Savings Delivery Status

RAG (last period)	Green	RAG (this period)	Green
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The entire £0.140m savings target is forecast to be achieved however, at this stage there is an expectation that this will need to be achieved via in-year mitigations. The Savings delivery has been given a green rating as the Service is confident that, in the same manner as 2018/19, they will be able to mitigate the saving in full.

Work Delivery Status

RAG (last period)	Red	RAG (this period)	Red
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This saving was mitigated through management actions in 2018/19. The Service is continuing to explore options available to permanently secure this saving. Until a permanent solution is found the Service is confident that they will be able to continue to meet this saving in-year.

C. Children's Spend (IFAs) – 2018/19 (£0.025m)

Savings Delivery Status

RAG (last period)	Green	RAG (this period)	Green
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The entire £0.025m savings target is forecast to be achieved however, at this stage there is an expectation that this might need to be achieved via in-year mitigations. The Savings delivery has been given a green rating as the Service is confident that, in the same manner as 2018/19, they will be able to mitigate the saving in full.

Work Delivery Status

RAG (last period)	Amber	RAG (this period)	Amber
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This saving was mitigated through management actions in 2018/19. The Service is continuing to explore options available to permanently secure this saving. Until a permanent solution is found the Service is confident that they will be able to continue to meet this saving in-year.

Great Place to Live, Work and Visit

Regenerating the Borough and Building Up Business (2019/20 target: £0.103m)

On 26 November 2018, Cabinet approved an overarching Regeneration Strategy (the Strategy) "An Ambition for North Tyneside". The aim of the Strategy is to match ambition for North Tyneside to the Local Plan which sets out the strategy for the next 15 years. The Regeneration Strategy recognises what has been achieved so far and how the Borough has changed. The Strategy takes a forward look at what we are doing, what we will do next and what we will do if we can and this is being developed across the four areas of the Borough.

The people and places of North Tyneside have always been about ambition. The Authority will support that ambition and innovation. The Strategy aims to shape North Tyneside and make sure it is fit for the future. As part of that, the Authority will continue to work with and encourage inward investment into the borough and growth in new business.

Savings from New 2019/20 Projects

£0.103m

A. Business and Enterprise (£0.042m)

Savings Delivery Status

RAG (last period)	Green	RAG (this period)	Green
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The entire £0.042m of this saving is forecast to be achieved. The original milestone was for this saving to be achieved and fully coded in the general ledger by June 2019. The saving is still to be coded out but will be fully completed in quarter three.

Work Delivery Status

RAG (last period)	Complete	RAG (this period)	Complete
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The proposal required ERDF funding to be secured which would cover current NTC salary costs. The funding was secured in April 2019 and work is therefore completed.

B. Regeneration (£0.049m)

Savings Delivery Status

RAG (last period)	Amber	RAG (this period)	Amber
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The current forecast is for £0.021m of the £0.049m saving to be achieved as at quarter one. The Service is anticipating that the remaining £0.028m will be secured in the remainder of 2019/20. There is still an element of risk around the achievement of this element and as such an amber rating has been deemed appropriate until the saving is secured.

Work Delivery Status

RAG (last period)	Amber	RAG (this period)	Amber
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This proposal relates to a restructure within Regeneration & Economic Development involving a deletion of a post and an increase in another post's full time equivalent value. So far the restructure has delivered 43% of the savings target. It is forecasted

that the remaining saving will be achieved during the remainder of the financial year. The amber rating reflects that the original milestone was for the full saving to be delivered within quarter one.

C. Swans Site Management (£0.012m)

Savings Delivery Status

RAG (last period)	Green	RAG (this period)	Green
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The entire £0.012m target is forecast to be achieved via service charges paid throughout the year. The original milestone was for this to be fully achieved and coded within the general ledger by June 2019. This saving has been secured but, as yet, has not been coded in the ledger. This will be fully completed in quarter three.

Work Delivery Status

RAG (last period)	Complete	RAG (this period)	Complete
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The proposal was for the remaining security charges linked to the management of the Swans site to be covered by service charges levied on the development plots. The change to the service charges was implemented and the work is completed.

Profit from Property Development (2019/20 target: £0.670m)

The housing and property market in North Tyneside has remained relatively buoyant through a difficult decade. In parallel to the Mayor and Cabinet's Affordable Homes Programme and in line with the Draft Local Plan this proposal aims to use a range of commercial models to exploit current and acquired assets to build for profit. We expect this to happen both at scale and at a property by property basis beginning with initial work in North Shields (Northumberland Square) and Whitley Bay (The High Point, Whiskey Bends and The Avenue). This links to the Government ambition to deliver more homes. The target for this project was reduced via a £0.180m Trading Company dividend.

Savings from Full Year Effect of 2018/19 Saving	£0.670m
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Savings Delivery Status

RAG (last period)	Green	RAG (this period)	Green
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The Trading Company is profitable and a dividend is expected to cover the saving. The dividend will not be payable until the year-end, in-line with the milestone set.

Work Delivery Status

RAG (last period)	Green	RAG (this period)	Green
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Work is on plan and will continue throughout the year to maintain/increase profits.

Post 2019 Construction Delivery (2019/20 target: £0.500m)

Throughout 2018/19 the Construction Project has been working to prepare for the return of services for the delivery construction services to both the Housing Revenue Account and the General Fund. This project will continue into 2019/20 as over 400 staff are TUPE'd into the Authority and a re-modelled approach to delivery is implemented in order to reduce cost and grow the business in the future.

Savings from New 2019/20 Projects

£0.500m

Savings Delivery Status

RAG (last period)	Green	RAG (this period)	Green
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Currently, the entire £0.500m target is expected to be delivered. This forecast position will be reviewed during quarter three, in-line with the October review.

Work Delivery Status

RAG (last period)	Green	RAG (this period)	Green
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This proposal relates to the opportunity that the return of the repairs and maintenance service will bring with regards to charging the appropriate level of support services recharges to the HRA to reflect the greater number of staff and increased activity. The position is being monitored through the first 6 months of operation and a review will then take place in October to ensure the appropriate level of service recharge.

Develop our Community Hubs (2019/20 target: £1.403m)

Over the last decade the Authority has created significant assets to support and serve our communities. Four Customer First Centres have been delivered alongside new assets in Dudley, Shiremoor, Battle Hill and Howdon as well as significant investment in the leisure offer in Whitley Bay, North Shields, Wallsend and Killingworth. In harmony with the work to protect and develop the cultural offer this proposal aims to identify the needs of each community and focus services to support those needs and provide a universal service which helps manage demand for more intensive and expensive support. The outcome will be the development of our team and work with partners to deliver a maximum use of an optimum number of hubs. We will move away from separate management of services, to integrated teams that have a shared focus on promoting wellbeing and keeping people 'healthy'. Each community hub will be tailored to meet the unique needs of each of the four localities across the Borough.

Savings from Full Year Effect of 2018/19 Saving

£1.403m

Savings Delivery Status

RAG (last period)	Red	RAG (this period)	Red
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Work done to date has highlighted the ambitious nature of the target and as such the Community Hubs project is only expected to contribute a small percentage of the overall target. Currently, £0.200m of the total savings target is forecast to be achieved, with another £0.300m expected in mitigation from management actions

identified by the Senior Leadership Team. The Senior Leadership Team are exploring other options and developing alternative action plans to achieve the residual balance of £0.903m.

Work Delivery Status

RAG (last period)	Red	RAG (this period)	Red
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At the start of 2019 the Authority was successful in securing a grant from Public Health England in support of a bid to relocate the Drug and Alcohol Services into the Wallsend Community Hub. A project team has been established to oversee the project including securing the legal permissions required to make all the required structural and interior changes to the building as well as exploring all available options to deliver savings against the target. This project is on target to meet its milestones and deliver the project within 2019/20. The residual balance will require further work to identify proposals to achieve this remaining amount.

Protect & Develop North Tyneside’s Cultural Offer (2019/20 target: £0.625m)

In a period of significant financial pressure, North Tyneside Council has managed to sustain and develop a rich cultural offer. This project aims to continue to work with cultural partners to protect and develop the offer, making the most of the Authority’s assets, with an optimum sport, leisure and library offer that makes the maximum difference to residents, business and visitors delivering a developed and sharpened events programme while exploiting opportunities to maximise income and reduce costs. This links to Central Government’s Culture White Paper and National Library Strategy.

Savings from New 2019/20 Projects	£0.625m
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A. Sport and Leisure (£0.600m)

Savings Delivery Status

RAG (last period)	Complete	RAG (this period)	Complete
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The service is currently benefiting from a change in the VAT rules that had previously restricted local authorities from treating sporting facilities as being exempt from VAT. The rule change means the Authority no longer needs to levy VAT on leisure activities offered in our sporting facilities. This has allowed the increase of income targets within the Sport and Leisure service. This saving is now complete.

Work Delivery Status

RAG (last period)	Complete	RAG (this period)	Complete
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The areas where budgets could be increased as a result of the VAT change have been identified and adjusted. The work is now complete.

B. Arts (£0.025m)

Savings Delivery Status

RAG (last period)	Complete	RAG (this period)	Complete
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Income budgets have been increased to reflect the increased sponsorship income. As such the entire savings target has been achieved.

Work Delivery Status

RAG (last period)	Complete	RAG (this period)	Complete
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The proposal was to work with partners to generate more income from sponsorship and make more efficient use of existing resources. This will reduce the demand upon the existing budgets for the delivery of library, events and arts provision. Income budgets have been increased and work is now complete.

10 Year Plan for Waste (2019/20 target: £0.200m)

For ecological and financial reasons it is imperative that local authorities have long term plans for waste. This proposal aims to establish a 10 year plan to increase recycling and contain the growth of waste costs as well as developing a post 2022 solution for disposal of residual waste.

Savings from Full Year Effect of 2018/19 Saving	£0.100m
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A. Alternate Weekly Collection (£0.100m)

Savings Delivery Status

RAG (last period)	Complete	RAG (this period)	Complete
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Current projections suggest that the volume of waste is continuing to reduce into 2019/20 as a result of AWC and the entire saving has been achieved.

Work Delivery Status

RAG (last period)	Complete	RAG (this period)	Complete
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Alternate Weekly Collections commenced in August 2018 and the service continues to monitor volumes of materials that are being collected under the new strategy. If the trend continues then work is complete.

Savings from New 2019/20 Projects	£0.100m
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B. Cost Reductions from Alternate Weekly Collection (£0.100m)

Savings Delivery Status

RAG (last period)	Complete	RAG (this period)	Complete
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The entire £0.100m target has been achieved.

Work Delivery Status

RAG (last period)	Complete	RAG (this period)	Complete
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This saving has been achieved through operational changes that the Service was able to implement as a result of the introduction of Alternate Weekly Collections, saving on fuel and vehicle costs. The work is now complete.

A Fit for Purpose Organisation

How We Are Organised (2018/19 target: £0.539m)

As services change the organisation must change with them. This proposal aims to ensure the organisation is reshaped to reflect changes in services and reductions in resources. In addition to changes in service delivery it also aims to ensure the organisation's infrastructure is changed and shrinks in line with the rest of the organisation with resultant changes in overheads and recharges. This will include taking opportunities to streamline the Authority's decision-making infrastructure and processes where appropriate; in addition making sure that infrastructure is tested against best practice, the priorities of the Mayor and Cabinet and the market.

Savings from Full Year Effect of 2018/19 Saving	£0.100m
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A. Early Help & Vulnerable Families – Youth Offending and Early Help (£0.100m)

Savings Delivery Status

RAG (last period)	Green	RAG (this period)	Green
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The entire £0.100m target is currently forecast to be achieved in line with the March 2020 milestone set. The position will continue to be monitored as the Service continues its service review.

Work Delivery Status

RAG (last period)	Green	RAG (this period)	Green
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This proposal was based on anticipated savings that would be available following a review of the service delivery options around, Early Help, and Youth Offending. The service is currently undertaking this review and remains on target to deliver the work in line with the March 2020 milestone set. The current proposal will be to delete 2 admin posts as well as continuing to hold a vacant Youth Justice post. The Service will continue to explore opportunities of providing work to Northumberland County Council.

Savings from New 2019/20 Projects	£0.439m
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B. Early Help & Vulnerable Families – Additional Income and Budget Reduction (£0.268m)

Savings Delivery Status

RAG (last period)	Amber	RAG (this period)	Amber
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The line by line review is forecast to be on target to deliver the full £0.168m expected from this exercise in line with the March 2020 milestone set.

The proposal to secure £0.100m of external funding is currently forecast to only deliver £0.050m of this target in line with the March 2020 milestone.

Work Delivery Status

RAG (last period)	Amber	RAG (this period)	Amber
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This proposal contains two elements. Firstly, a line-by-line review of budgets and expenditure is being undertaken to identify a range of areas where budgets can be reduced through tighter gatekeeping of discretionary spend. £0.168m is forecast to be delivered via this exercise.

A range of bids have also been submitted for funding for 2019/20 and HECS will continue to consider opportunities as they arise, ensuring they target their resources effectively and maximise value for money. £0.050m of the remaining £0.100m is forecast to be delivered via this route.

A further review is underway to secure the remaining savings required.

C. Sport & Leisure (£0.021m)

Savings Delivery Status

RAG (last period)	Complete	RAG (this period)	Complete
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The entire £0.021m saving has been achieved in line with the milestone set.

Work Delivery Status

RAG (last period)	Complete	RAG (this period)	Complete
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This saving has been achieved through a staffing reduction of 2 part time posts within the Sport & Leisure team. Work is complete.

D. Commissioning (£0.032m)

Savings Delivery Status

RAG (last period)	Complete	RAG (this period)	Complete
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The entire £0.032m saving has been delivered in line with the milestone set. This has been achieved through a reduction in 3rd party fees.

Work Delivery Status

RAG (last period)	Complete	RAG (this period)	Complete
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The existing CAPITA Childcare Web Portal and EVINCE childcare information system ensure there is an effective interface between parents, providers (Schools and PVI) and the Authority. This facilitates access to childcare information, eligibility checking and financial payments that cover all government funded childcare provision across North Tyneside. As the system continues to embed, efficiencies will be derived from reducing the need for additional technical support and reducing the reliance on additional staff time as the IT system and processes become more automated. All work is complete.

E. Procurement (£0.018m)

Savings Delivery Status

RAG (last period)	Complete	RAG (this period)	Complete
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The entire £0.018m saving has been achieved in line with the milestone set.

Work Delivery Status

RAG (last period)	Complete	RAG (this period)	Complete
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The transfer of the Procurement Function from Engie back to the Authority has provided opportunities to rationalise existing procurement processes. The current annual payment to Engie will cease and procurement duties will be integrated across the Commissioning Service. In anticipation of this occurring budgets have been reduced to reflect the lower third party fees payable. All work is complete.

F. Car Mileage (£0.100m)

Savings Delivery Status

RAG (last period)	Green	RAG (this period)	Green
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The entire £0.100m saving is forecast to be achieved in line with the March 2020 milestone.

Work Delivery Status

RAG (last period)	Green	RAG (this period)	Green
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A review of car mileage budgets and expenditure is underway and a reduction to budgets will be made against areas in surplus. Work is on plan and the review of mileage will continue throughout the year.

Procurement – Sourcing Savings from 2018/19 (2019/20 target: £1.592m)

2018/19 Savings Carried into 2019/20	£1.592m
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Savings Delivery Status

RAG (last period)	Red	RAG (this period)	Red
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In previous years savings have been achieved against this proposal from various actions aimed at reducing the cost of procurement. However, the target is ambitious and as such is unlikely to be delivered in its current form. £0.400m of the total saving is currently forecast to be achieved, with another £0.200m expected in mitigation from management actions identified by the Senior Leadership Team to date. The Senior Leadership Team are exploring other options and developing alternative action plans to achieve the residual balance of £0.992m.

Work Delivery Status

RAG (last period)	Red	RAG (this period)	Red
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SLT is continuing to work to identify further activity, actions and plans to achieve the residual target during 2019/20.

Management Savings from 2018/19 (2019/20 target: £1.287m)

2018/19 Savings Carried into 2019/20	£1.287m
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Savings Delivery Status

RAG (last period)	Red	RAG (this period)	Red
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In previous years savings have been achieved against this proposal from various actions aimed at reducing the cost of management. However, the target is ambitious and as such is unlikely to be delivered in its current form. £0.600m of the total saving is currently forecast to be achieved via mitigation from management actions identified by the Senior Leadership Team. The Senior Leadership Team are exploring other options and developing alternative action plans to achieve the residual balance of £0.687m.

Work Delivery Status

RAG (last period)	Red	RAG (this period)	Red
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SLT is continuing to work to identify further activity, actions and plans to achieve the residual target during 2019/20.

Other Staffing Savings from 2018/19 (2019/20 target: £0.044m)

This is a 2018/19 staff saving proposal which was achieved in 2018/19 through management actions but will be achieved permanently in 2019/20.

2018/19 Savings Carried into 2019/20	£0.044m
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Savings Delivery Status

RAG (last period)	Complete	RAG (this period)	Complete
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This was achieved in 2018/19 via one-off management actions and a permanent solution was required for 2019/20. A post has been deleted and all of the £0.044m saving has been achieved.

Work Delivery Status

RAG (last period)	Complete	RAG (this period)	Complete
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The staffing post has identified and the budget adjusted. Work is now complete.

Maximising Resources

Fees and Charges (2019/20 target: £0.284m)

The Authority has an agreed Fees and Charges Policy that reflects policy priorities, need and the wider market in which we operate. This proposal will continue our work to regularly review our Fees and Charges.

Savings from Full Year Effect of 2018/19 Saving	£0.102m
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A. Bereavement (0.020m)

Savings Delivery Status

RAG (last period)	Complete	RAG (this period)	Complete
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The entire £0.020m saving has been achieved via an increase in income targets which the Service is forecasting to achieve. The Service will continue to monitor the position throughout the year to ensure the level of income generated remains on target.

Work Delivery Status

RAG (last period)	Complete	RAG (this period)	Complete
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The Service is now operating with increased fees and charges. Work is therefore complete but monitoring will continue throughout the year.

B. Facilities and Fair Access (£0.082m)

Savings Delivery Status

RAG (last period)	Complete	RAG (this period)	Complete
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The entire £0.082m saving has been achieved through increased income based on a rise in the charges on school meals.

Work Delivery Status

RAG (last period)	Complete	RAG (this period)	Complete
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The fee increases have been applied and the new charges are in place for services provided in 2019/20, the work is complete.

Savings from New 2019/20 Projects	£0.062m
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C. Marketing – Reduction in the Number of Council Magazines (£0.022m)

Savings Delivery Status

RAG (last period)	Green	RAG (this period)	Green
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During 2019/20 the Authority will reduce publication of its Council Magazine from four issues per year to three. The entire savings target is forecast to be achieved by March 2020 in line with the milestones set.

Work Delivery Status

RAG (last period)	Complete	RAG (this period)	Complete
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The Council will produce one less Council Magazine in 2019/20 than it did in 2018/19, therefore work on this saving proposal is complete.

D. Marketing – Advertising Income and Marketing Spend (£0.020m)

Savings Delivery Status

RAG (last period)	Amber	RAG (this period)	Amber
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At present, the £0.020m target is not forecast to be achieved. The original milestone was for achievement by March 2020 so work is continuing to deliver this saving.

Work Delivery Status

RAG (last period)	Amber	RAG (this period)	Amber
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The Service is working to secure new income streams whilst ensuring marketing costs are kept to a minimum. This work will continue to ensure delivery in line with the March 2020 milestone.

E. Security (£0.020m)

Savings Delivery Status

RAG (last period)	Complete	RAG (this period)	Complete
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The entire £0.020m savings target has been achieved via trading of Security services.

Work Delivery Status

RAG (last period)	Complete	RAG (this period)	Complete
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During 2018, the CCTV Control Room was relocated to the White Swan Centre. As part of that relocation the Authority, with assistance from the Safer North Tyneside Partnership, invested in new equipment which brought the service up-to-date with the latest technology. This new technology is compatible with being able to connect it to a number of commonly used CCTV systems. This provides a much greater opportunity to trade the service offer in a commercial way than before. The Service is aware of the opportunities that exist with the insourcing of the Authority's joint-venture with Kier North Tyneside and with the technical services partnership with Capita, particularly in relation to managing security at construction sites. As such the Service will look to secure additional income throughout 2019/20. Work to secure contracts will continue throughout the year but income targets have been adjusted and the saving has been achieved.

2018/19 Savings Carried into 2019/20

£0.120m

F. Social Care Charges from 2018/19 (£0.120m)

Savings Delivery Status

RAG (last period)	Green	RAG (this period)	Green
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This was achieved in 2018/19 via one-off management actions and a permanent solution is required for 2019/20. The entire £0.120m saving is forecast to be achieved in line with the March 2020 milestone.

Work Delivery Status

RAG (last period)	Complete	RAG (this period)	Complete
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Cabinet agreed the new policy in October 2018 and this was implemented in January 2019. Full year effect of savings are forecasted to be achieved in 2019/20, the work is therefore complete.

Treasury Management (2019/20 target: £0.306m)

The current, sustained, low interest rate climate is allowing some significant work to be done to ensure the Authority's Treasury functions are effective and the debt portfolio optimised. This proposal takes a short, medium and long-term look at the requirement with a view to reducing costs.

Savings from New 2019/20 Projects

£0.306m

Savings Delivery Status

RAG (last period)	Green	RAG (this period)	Green
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The entire £0.306m saving is forecast to be achieved via a reduction in interest costs in line with the March 2020 milestone date.

Work Delivery Status

RAG (last period)	Green	RAG (this period)	Green
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A review of cash flow projections and the timing of the use of reserves and balances will be performed to identify if borrowing can be delayed to allow for further savings in interest costs. Work is on plan and will continue throughout the year.

Strain on Fund (2019/20 target: £0.200m)

This saving has arisen from a review of anticipated strain on the fund payments based on the current level of applications and approvals over recent years. The accounting treatment for strain on the fund payments was changed in 2017/18 and the full payment is now recognised in the year that the employee leaves rather than being spread over a three-year period

Savings from New 2019/20 Projects**£0.200m****Savings Delivery Status**

RAG (last period)	Green	RAG (this period)	Green
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The entire £0.200m saving is forecast to be achieved via a reduction of strain on the fund in line with the March 2020 milestone date.

Work Delivery Status

RAG (last period)	Green	RAG (this period)	Green
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A review of anticipated strain on the fund payments based on the current level of applications and approvals over recent years will be performed. The accounting treatment for strain on the fund payments was changed in 2017/18 and the full payment is now recognised in the year that the employee leaves rather than being spread over a three year period. It is anticipated that this will enable savings to be made. Work is on plan but monitoring will continue throughout the year.