

<b>NAME OF SCRUTINY COMMITTEE</b>	Scrutiny Committee - Corporate
<b>DATE OF MEETING</b>	27 March 2014
<b>TITLE OF ITEM</b>	Savings Programme
<b>CABINET MEMBER</b>	Councillor Peredur Jenkins

**1. Background and context**

- 1.1 As part of the Council's Financial Strategy we are projecting a funding gap of around £50m over the four year period 2014/15 – 2017/18. With an assumed council tax increase of 3.5% and savings already being found, this will leave around £34m to be found.
- 1.2 The Scrutiny Committee is reminded of the strategy referred to by the Cabinet to the Council in the meeting on the 6th March which anticipated meeting the gap through:

Council Tax Policy	Consider increase in the Council Tax in the 3.5% - 5% range
Schools Budget	Consider setting a target for the schools budget based on what is practical
Commission on Public Service Governance and Delivery	Consider whether there will be any savings arising from reorganisation which we can depend upon and take into account
Efficiency Savings	Maximising the efficiency savings that can be achieved
Service Cuts	Figure remaining

- 1.3 This report outlines the process of finding the efficiencies / demand management element, noting the targets per department I am recommending to the Cabinet and the process to follow thereafter.

**2. Basis of the savings target**

- 2.1 Work has been completed to identify potential opportunities for efficiency and demand management savings per department.
- 2.2 The result of that work is outlined in Appendix A and there will be a presentation by the Corporate Director detailing how we came to those figures in the meeting.

### **3. The proposed process**

- 3.1 The Scrutiny Committee comments will be presented verbally to the Cabinet in it's meeting on the 1st of April prior to the approval of the targets per department.
- 3.2 The departments will present their proposals by the end of May when detailed work will be carried out before presenting them to the Scrutiny Working Group to scrutinise and challenge the proposals before presenting them to the Cabinet for approval.
- 3.3 With this in view, the Scrutiny Chairs and Vice-chairs Forum agreed in it's meeting on the 24th January to establish a working group from their midst (i.e. the Scrutiny Committees, Democratic Services Committee and the Audit Committee) to meet as required.
- 3.4 There will be an opportunity for all members to present their comments and / or concerns to the relevant Chair as required for them to be given attention in the working group. This enables the working group to be inclusive in their role with their fellow members to scrutinise the effect of the proposals.
- 3.5 While remembering that we are looking at efficiency / demand management proposals at this point the effect on results to citizens should be less than that we would see in any cuts regime.
- 3.6 The Working Group will be responsible for ensuring that the implications of the proposals are clear and highlight any considerations that should be brought to the Cabinet's attention in relation to the effect on the people of Gwynedd before presenting them for decision by the Cabinet.
- 3.7 The Working Group will meet as required between July and October 2014.

### **4. Recommendation**

- 4.1 The Scrutiny Committee is asked to scrutinise the basis of the targets and offer any comments on the proposed process before I present to the Cabinet.

## BASIS FOR THE SAVINGS TARGET 2014 - 2018

	Education £'000	Human Resources £'000	Finance £'000	Democracy and Legal £'000	Economy and Community £'000	Customer Services £'000	Social Services - Children	Social Services - Adults	Housing	Leisure £'000	Highways and Municipal £'000	Regulatory £'000	Strategic and Improvement £'000	Gwynedd Consultancy £'000	Management Team £'000	Corporate £'000	Total £'000
<b>1. Efficiency</b>																	
a) 1% per year (3 years from 2015/16)	284	70	45	61	125	167	386	1405	72	147	433	252	64	29	48	0	3588
<b>2. Specific Efficiency areas</b>																	
a) Central Services	0	0	485	0	0	0	0	0	0	0	0	0	40	0	0	0	525
b) End to End Social Services																	
- Children's Service <sup>1</sup>	0	0	0	0	0	0	965	0	0	0	0	0	0	0	0	0	965
c) Strategic Reviews																	
- Leisure	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
- Highway Maintenance	0	0	0	0	0	0	0	0	0	0	1000	0	0	0	0	0	1000
- SEN	1200	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1200
- Economic Development	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
ch) Telecare	0	0	0	0	0	0	0	351	0	0	0	0	0	0	0	0	351
d) Good Practice Research			See above								See below						0
dd) Comparative Spend	0	0	0	0	80	0	250	0	79	801	237	463	0	79	0	0	1989
<b>3. Strategic Efficiency areas</b>																	
a) Management Layers	40	47	98	12	63	96	55	218	16	32	411	88	88	236	0	0	1500
b) EDRMS <sup>4</sup>	15	15	27	9	22.5	28.5	30	33.3	9.1	31.1	25	30	22	26	0	0	201
c) Ffordd Gwynedd (The Gwynedd Way) - people centred	18	70	129	43	52	157	195	216	40	9	69	182	69	43	68	0	1160
ch) Procurement <sup>2</sup>	21.1	7.3	6	11.5	18.1	23.1	3.5	10.2	4.1	67.9	383.7	13.2	5.1	4.2	4	4.4	587.4
<b>4. Corporate Management Team adjustment</b>																	
- Cabinet report 11/03/14	0	0	0	0	0	0	0	0	0	0	0	0	0	0	480	0	480
- target of at least 15% for Central Services	0	217	0	150	0	104	0	0	0	0	0	0	104	0	0	0	575
- target of at least 12% for front line services	0	0	0	42	182	144	0	2375	115	0	0	136	0	0	0	0	2994
<b>Service Total (exc. Demand Management)</b>	<b>1578</b>	<b>426</b>	<b>790</b>	<b>329</b>	<b>543</b>	<b>720</b>	<b>1885</b>	<b>4609</b>	<b>335</b>	<b>1088</b>	<b>2559</b>	<b>1164</b>	<b>392</b>	<b>417</b>	<b>600</b>	<b>4</b>	<b>17115</b>
Managed Efficiency Budget	9602	2843	3930	2320	4524	6715	14277	48365	2666	4957	27719	9701	2614	1278	2113	0	143624
Target as % of the budget	16.4%	15.0%	20.1%	14.2%	12.0%	10.7%	13.2%	9.5%	12.6%	21.9%	9.2%	12.0%	15.0%	32.6%	28.4%	0.0%	
<b>5. Demand Management Schemes<sup>3</sup></b>		0	0	0	0	200	1000	2195	0	0	1250	0	0	0	0	0	4645
<b>Service Total (inc. Demand Management)</b>	<b>1578</b>	<b>426</b>	<b>790</b>	<b>329</b>	<b>543</b>	<b>920</b>	<b>2885</b>	<b>6804</b>	<b>335</b>	<b>1088</b>	<b>3809</b>	<b>1164</b>	<b>392</b>	<b>417</b>	<b>600</b>	<b>4</b>	<b>21760</b>
Managed Efficiency Budget	9602	2843	3930	2320	4524	6715	14277	48365	2666	4957	27719	9701	2614	1278	2113	0	143624
Target as % of the budget	16.4%	15.0%	20.1%	14.2%	12.0%	13.7%	20.2%	14.1%	12.6%	21.9%	13.7%	12.0%	15.0%	32.6%	28.4%	0.0%	

<sup>1</sup> - Potential savings of £2.7m over 10 years

<sup>2</sup> - The basis for the target will be reviewed at the end of the first year

<sup>3</sup> - Figure to be confirmed

<sup>4</sup> - Total figure shown is net of costs