

TITLE OF REPORT: Budget Consultation 2017-2020

REPORT OF: Mike Barker, Acting Chief Executive
Darren Collins, Strategic Director, Corporate Resources

Purpose of the Report

1. To seek Cabinet approval to consult on plans to reshape council services to meet the financial challenge over the next 3 years; and current draft budget proposals as part of the budget setting process for 2017-18.

Background

2. The Council has adopted a long term approach to its strategic and financial planning, using the policy directions from the Council Plan to inform and direct priorities, and the Medium Term Financial Strategy (MTFS) which was updated and agreed by Council in July 2016.
3. The MTFS estimates a funding gap of £92m by 2021/22 and specifically a £72m gap in the Council's finances over the next 3 years.
4. There are likely to be further implications arising from the Autumn Statement on 23 November 2016 and the local government finance settlement the Council receives in December 2016, which may require a further gap refresh early in 2017.
5. In order to bridge the current funding gap, the Council has agreed that it needs to focus on:
 - **Maximising growth** – both by creating conditions for economic growth and high value jobs, and generating income for the Council through more council tax, business rates, external funding and trading. This will then allow redirection of resource to support those most in need.
 - **Reducing costs** – both by managing demand in areas where there is significant cost pressure but also by increasing efficiency for example through technology.
 - **Increasing collective responsibility** – encouraging and supporting local people, partner organisations, businesses and local communities to play a more active role in achieving positive outcomes for Gateshead.
6. As part of the Council's strategic and financial approach Cabinet endorsed a coordinated and integrated programme of change on 9 February 2016. This programme identified four workstreams of People, Place, Trading and

Commercialisation and Ways of Working which looks at the review of functions and activities rather than current organisational service structures.

Proposal

7. The Council is targeting its efforts, with partners, to those in greatest need and in areas where greatest impact can be achieved. It is focusing on ways to promote early help and prevention, as well as investigating opportunities to increase trading and income generation. These areas are significant elements of the Change Programme.
8. Every aspect of council business has been looked at, being clear on what the Council is best placed to do; what can be done in a different way and what could be done by others.
9. The draft budget proposals contained within this report have been put forward for consultation on the basis that the Council needs to reduce its budget for 2017/18 by approximately £22m.
10. The Council welcomes views on these draft proposals. The public consultation will run from 8 November 2016 through to 6 January 2017. The main method for people to give their views will be via the consultation portal accessed via the Council's website. In addition, engagement with key stakeholder groups will also be undertaken. Promotion of the consultation will be via a mixture of social and conventional media initiatives.

Recommendations

11. It is recommended that Cabinet approves the consultation to inform the budget report which will be presented to Cabinet on 21 February 2017.

For the following reasons:

- (i) To continue the delivery of Vision 2030 and the Council Plan 2015-2020
- (ii) To meet the needs of residents, businesses and partners in a principled and planned way, within the context of the resources available.
- (iii) To manage its financial, property and human resources effectively in exceptionally challenging financial circumstances.
- (iv) To shape the future direction of the Council.

Policy Context

1. Full Council is responsible for approving a budget following recommendations from Cabinet, in line with the budget and policy framework outlined within Gateshead Council's constitution.
2. The Council Plan 2015 – 2020 was developed to respond to the significant challenges Gateshead is facing in continuing to meet the changing needs of local people and businesses in the current economic climate. The Council Plan will enable the Council, with partners, to be better placed to achieve positive outcomes for the people of Gateshead and deliver the ambition of Vision 2030.

Background

3. The Council has adopted a long term approach to its strategic and financial planning. The Medium Term Financial Strategy (MTFS), which was updated and agreed by Cabinet in July 2016, is based on a financial forecast over a rolling five-year timeframe from 2017/18 to 2021/22 which will help ensure resources are aligned to the outcomes in the Council Plan. The MTFS sets the financial context for the Council's resource allocation process and budget setting.
4. The MTFS estimates a funding gap of £92m by 2021/22 and specifically a £72m gap in the Council's finances over the next 3 years. However, there are potential unknowns that may arise from the Autumn Statement on 23 November 2016 and the local government finance settlement the Council receives in December 2016, which may require a further gap refresh early in 2017.
5. In order to manage effectively in financially challenging times, the Council has developed a rolling programme for budget planning, to give greater flexibility and resilience. A key element of this approach is to engage with and consult residents, businesses, partners and employees.

Consultation

6. Councillors have been consulted on the draft budget proposals through Corporate Resources Advisory Groups, portfolio meetings and briefing sessions. The trade unions have also been consulted on the report. Consultation will be ongoing until such time as when the Council's Budget is agreed in February 2017.

Alternative Options

7. The Council is statutorily required to agree a lawful budget each year. To not identify savings in order to bridge the funding gap would be to jeopardise this requirement and put the Council's financial sustainability at risk.
8. Other options to close the budget gap that will be considered alongside savings when the budget is set include increases in Council Tax, Business Rates income and the management of Council debt.

Implications of Recommended Option

9. Resources:

- a) **Financial Implications** – The Strategic Director, Corporate Resources, confirms that the draft proposals for consultation in the report have been prepared in the context of the financial position identified in the MTFS agreed by Council on 16 July 2016.
 - b) **Human Resources Implications** – There are now 2,100 fewer people working for the Council since 2010. Implications from the 2017/18 draft budget proposals are outlined in appendix 2.
 - c) **Property Implications** - The Council will continue to implement its Asset Management Strategy and seek to reduce the costs associated with buildings and property. Detail of the property implications of any proposal will be identified throughout appendix 5.
10. **Risk Management Implication** - The risk management implications of each draft proposal will be assessed as part of future reports.
11. **Equality and Diversity Implications** – During the period of consultation, draft equality impact assessments will be prepared to identify potential significant impact against the protected characteristics, as identified in the Equality Act 2010. This impact will be assessed to inform the Budget and Council Tax Level 2017/18 report that is prepared for Cabinet in February 2017.
12. **Crime and Disorder Implications** – The Council has a legal duty under Section 17 of the Crime and Disorder Act 1998 to carry out all its various functions with “due regard to the need to prevent crime and disorder in its area”. Individual proposals will be assessed as to their impact on crime and disorder and should any specific impact be identified these will be highlighted in the report to Cabinet in February 2017.
13. **Health Implications** – There are a number of draft proposals that could impact on the Council’s ability to improve the health and wellbeing of Gateshead’s residents. This impact will be assessed to inform the Budget and Council Tax Level 2017/18 report that is prepared for Cabinet in February 2017.
14. **Sustainability Implications** - The draft proposals put forward could impact on activities that support operational and financial sustainability. There is a need to balance short term budgetary requirements with the achievement of medium term financial sustainability.
15. **Human Rights Implications** – The implications of the Human Rights Act must be considered in any decision that involves a change of policy or function, or a service change that arises from the choices. These will be identified, where necessary, in the EIAs.

16. **Area and Ward Implications** - The recommendations apply to all Areas and Wards.

17. **Background Papers**

The documents that have been relied on in the preparation of the report include:

- Vision 2030
- Council Plan 2015 – 2020
- Medium Term Financial Strategy 2017/18 – 2021/22
- Workforce Strategy
- Gateshead Strategic Needs Assessment
- Corporate Asset Management Strategy & Plan 2015-20

Human Resources Implications

1. Many of the proposals put forward in this report will, if agreed, have an impact on the Council's workforce. The detailed information available as Appendix 5 includes estimates of the implications for employees over the year 2017/18. Where applicable these are expressed as FTEs (full-time equivalents). This means posts totalling this FTE figure would have to be deleted permanently from the Council's employee establishment in order to make the identified saving from staffing budgets. Current estimates total over 120 FTEs, however, it should be noted that there are some proposals where FTEs have not yet been identified due to the scale and complexity of the proposal.
2. In accordance with the statutory redundancy process as set out under section 188, Trade Union and Labour Relations (Consolidation) Act 1992, consultation must be undertaken with the appropriate trade union representatives of employees who may be affected by any of the proposals. As it is estimated that more than 100 employees may need to be made redundant, a statutory minimum consultation period of 45 days applies. However, the proposed timetable allows for a consultation period of 90 days on this occasion, to enable full and constructive consideration to be given to: how redundancies might be avoided; how the number of redundancies might be reduced; and mitigating the consequences of any redundancies.
3. Due to the scale of the funding gap it is intended that this consultation will be taken forward as follows:

On Friday 4 November 2016 formal consultation with employees and trade unions begins

On Tuesday 8 November 2016 employees in service areas that are likely to be affected by the proposals will receive letters informing them that their jobs may be 'at risk'
4. In order to minimise the number of compulsory redundancies, applications for voluntary redundancy will be considered in areas that are not at risk of redundancy. The Council continues to offer an enhanced Redundancy Payment Scheme available on application to employees at risk of redundancy, or whose post might provide an employment opportunity for an employee otherwise at risk themselves (i.e. a 'bumped redundancy') or an efficiency saving. Applications for voluntary redundancy in areas that are not at risk will need to be considered in an organisational context and in line with the Workforce Strategy. Applications for voluntary redundancy may not be supported where there is a need to retain specialist skills and experience.
5. In addition, employees will be encouraged to consider whether a reduction in hours might be appropriate for them, thereby enabling savings to be made from staffing budgets which are not dependent on redundancies.
6. While voluntary redundancy or reduced hours arrangements might not be available to all employees due to the particular needs of the service, managers will be asked to consider constructively such applications from employees.
7. Where compulsory redundancies are implemented, employees affected will be classed as redeployees and all reasonable efforts will be made to secure their

continued employment in the Council (either on a permanent or temporary basis). Given the anticipated scale of redundancies, redeployment opportunities may be significantly limited compared with previous years.

8. A range of support measures are also in place to offer employees at risk or on notice of redundancy guidance and advice on matters such as: where to seek external job opportunities; preparing job applications and for interviews; how to become self-employed or start a new business; where to access other support and how to manage finances.

Gateshead Council Budget Proposals 2017/2020

Introduction

Gateshead Council sets a budget each year and has to decide how to assign money to the wide range of vital services it provides to the people of Gateshead. Every year the budget setting process involves some hard decisions, trying to balance the needs, as well as the wants and aspirations, of the community.

The Council, along with other local authorities, has faced unprecedented reductions in Government funding since the Comprehensive Spending Review in 2010. In addition, service pressures and increasing demand for services, particularly from the most vulnerable, has meant that the Council has had to make significant budget savings in response to the Government's austerity measures. Like other Councils in the region, Gateshead Council has seen its funding disproportionately impacted and reduced by Government policy when compared with the national context.

Government legislation has, and will continue, to directly impact on local government. The welfare reform agenda is likely to continue to place additional demands on local authority services as well as significantly impacting on local authority finances with a further £12bn cuts to the welfare budget. The Care Act will also put additional strain on services and, while provision has been made to improve the integration of social care and health services through the Better Care Fund, it is unlikely that resources will be sufficient for the Council to cover additional burdens. Government policy in respect of the economy, schools and housing will also impact significantly on Council service provision and financial planning. In addition new reports from the National Audit Office highlight the impact of funding reductions on services for vulnerable children and their families.

It has been well documented that since 2010 Gateshead Council has:-

- received around £76 million less government grant
- reduced revenue budgets by £130 million
- reduced the workforce by 2,100 posts
- 200 fewer operational property assets

The Council faces a huge financial challenge in the years ahead and at the same time is working hard to protect the services that make the greatest difference to people's lives.

By the end of 2017/18 the Council's grant funding will have reduced by approximately 46% since 2010. This equates to over £380 per head reduction and over £800 per dwelling. Furthermore by 2020 the Council will no longer receive Revenue Support Grant with the move to a new funding system of 100% rates retention, the implication being that the Council will become less reliant on central sources of funding towards the end of the decade and more reliant on the income generated through business, resident and tourism spending.

The Council has repeatedly raised concerns to government about fairness in the distribution of funds and the growing concern and evidence of the negative impacts of the current economic climate on mental health and wellbeing, particularly in areas like Gateshead which has high levels of deprivation.

It is estimated that there will be a £92 million gap by 2021/22 and specifically a £72 million financial gap over the next 3 years

- 2017/2018 - £22 million

- 2018/2019 - £36 million
- 2019/2020 - £14 million

Like most Councils, social services for adults and children now account for over half of the revenue budget. These services will be expected to make significant contributions to savings targets at the same time as demand for these services is rising.

Whilst the Council remains committed to achieving the best possible outcomes for the people of Gateshead, providing the best quality and value for money and sustaining services for those most in need, these are difficult times and difficult decisions will have to be made. The levels of Council service provision will inevitably change and some services will no longer be available.

Our approach

The Council will target our resources to those most in need, to tackle inequality and support those most vulnerable. The Council will ensure that it maintains support to priority services - that is, those that are most needed, working with our partners to make best use of all assets and resources.

The Council has agreed that it will focus on:

- **Maximising growth** – both by creating conditions for economic growth and high value jobs, and generating income for the Council through more council tax, business rates, external funding and trading. This will then allow redirection of resource to support those most in need.
- **Reducing costs** – both by managing demand in areas where there is significant cost pressure but also by increasing efficiency for example through technology.
- **Increasing collective responsibility** – encouraging and supporting local people, partner organisations, businesses and local communities to play a more active role in achieve positive outcomes for Gateshead.

Practically this means taking a whole Council approach to reviewing what we do and how we work. The [Gateshead Strategic Needs Assessment](#) helps us to understand need and demand, [Vision 2030](#), [Council Plan](#), provides a framework of outcomes and policy directions and the [Medium Term Financial Strategy](#) provides best estimates and predictions.

Whilst it is difficult to predict the future with any certainty, our three year strategic and financial planning framework aims to establish the destination of the Council and services: - in other words, what the Council will look like and how the money will be effectively managed and spent.

Changing the way we work

With such a significant financial challenge it is inevitable that there will be fundamental change required and this will need to be delivered at significant speed. Balancing long term ambition and short term financial decisions to ensure a balanced budget year on year will test the whole of the organisation.

The Change Programme, agreed by Cabinet on 9 February 2016, identified four workstreams of People, Place, Trading and Commercialisation and Ways of Working which look at the review of functions and activities rather than the current organisational service structure.

It is vital that we take a whole Council approach with a joined up programme of change activity. An assessment of the Change Programme, as part of the strategic and financial planning process, has been undertaken to establish how we can continue to deliver the change needed at pace in the future. The aim is to ensure there are clearly understood lines of accountability and that capacity and effort are focussed on the right actions by the right people.

Detailed delivery plans will form the basis of the performance management framework to ensure any change or agreed proposal is effectively implemented.

The detail of the proposals relating to the Change Programme can be found at Appendix 4.

The Council's functions, future activity and draft proposals

The role and responsibilities of the Council and those of our partners are changing rapidly, as are the expectations of local citizens. We have some key duties which the Council will deliver over the next 3 years described in the following themes;

- Health and Social Care,
- Environment,
- Communities,
- Local Economy and Growth,
- Trading and Investment,
- Customer Services, Property and Technology
- Democratic Core.

The attached summaries bring together the possible destination for the relevant themes, some of the key areas of change being explored, and then specific options for councillors to consider over the next three years.

Figures have been included where possible and specifically in relation to closing the financial gap in 2017/2018. Where appropriate, overall budget figures have been included alongside individual proposals within this document. Where these figures are presented as net. the budget figures include both income and expenditure, and when described as gross they include only expenditure for comparison.

In accordance with our duties under the Equality Act, we will focus on the potential impact of the proposals on groups of people who share a protected characteristic – for example, people with a disability and proactively seek their views on proposals which might have a significant impact, direct or indirect, upon them. Where a potential adverse impact is identified we will endeavour to mitigate or avoid that impact wherever possible. **The Impact Assessments will be made available on the Council's website throughout the consultation period. To access the Impact Assessments for the proposals please see our website www.gateshead.gov.uk/budget.**

Implications of the draft proposals on employees

Many of the proposals put forward for consultation will, if agreed, have an impact on the Council's workforce. Where applicable these are expressed as FTEs (full-time equivalents). This means posts totalling this FTE figure would have to be deleted permanently from the Council's employee establishment in order to make the identified saving from staffing budgets.

However, it should be noted that there are some proposals where FTEs have not yet been identified due to the scale and complexity of the proposal. These figures will emerge as proposals are further analysed and are likely to be significant.

In accordance with the statutory redundancy process as set out under section 188, Trade Union and Labour Relations (Consolidation) Act 1992, consultation must be undertaken with the appropriate trade union representatives of employees who may be affected by any of the proposals. As it is estimated that more than 100 employees may need to be made redundant, a statutory minimum consultation period of 45 days applies. However, the proposed timetable allows for a consultation period of 90 days on this occasion, to enable full and constructive consideration to be given to: how redundancies might be avoided; how the number of redundancies might be reduced; and mitigating the consequences of any redundancies.

In order to minimise the number of compulsory redundancies, applications for voluntary redundancy will be considered in areas not at risk of redundancy. The Council continues to offer an enhanced Redundancy Payment Scheme available on application to employees at risk of redundancy, or whose post might provide an employment opportunity for an employee otherwise at risk themselves (i.e. a 'bumped redundancy') or an efficiency saving.

In addition, employees will be encouraged to consider whether a reduction in hours might be appropriate for them, thereby enabling savings to be made from staffing budgets which are not dependent on redundancies.

While voluntary redundancy or reduced hours arrangements might not be available to all employees due to the particular needs of the service, managers will be asked to consider constructively such applications from employees.

Where compulsory redundancies are implemented, employees affected will be placed on the redeployment register and all reasonable efforts will be made to secure their continued employment in the Council (either on a permanent or temporary basis).

A range of support measures are also in place to offer employees at risk or on notice of redundancy guidance and advice on matters such as: where to seek external job opportunities; preparing job applications and for interviews; how to become self-employed or start a new business; where to access other support and how to manage finances.

Consultation

Consultation enables us to better understand and consider the needs and expectations of all residents in Gateshead. Consultation will be undertaken in relation to all proposals and will involve identification and ongoing assessment as to the impact, if any, of each proposal to inform decision making.

Depending on the type of proposal under consideration consultation may involve some or all of the following stakeholders:-

- individual service users and their families,
- representative groups/community interest groups and other stakeholders
- Gateshead Council partners
- other statutory agencies
- third sector organisations

The nature of the consultation will be determined by, and proportionate to, the proposal under consideration and the form and scope may differ between proposals.

Consultation may take place face to face, at public meetings, or online as is appropriate to the type of proposal under consideration and the group(s) potentially affected.

The initial proposals presented in this document are in many cases capable of being increased or decreased and decisions on this will be informed by the results of the consultation and the overall requirement for savings that will be confirmed when the Council receives further funding information from government.

Many of the proposals included in this report, particularly in relation to Health and Social Care, formed part of last year's budget consultation exercise. Specific consultation exercises have also been undertaken throughout the year: e.g. the Library Review . For completeness all draft proposals have been included and previous or ongoing specific consultations have been highlighted where appropriate.

DIFFERENT FORMATS

If you require this information in a different format – large print, Braille, on audio/CD/MP3 please contact Jane Bench on telephone 0191 433 2058 or email BudgetConsultation@gateshead.co.uk

HEALTH AND SOCIAL CARE

Overall gross budget £180,620,000 - Net Budget £110,379,000
Potential proposals to close the gap for 2017/2018 amount to up to £11,425,000

The Council's Role

In Gateshead we want residents to live longer and have healthier lives by;

- reducing health inequalities
- focusing on prevention and reducing the need for high quality treatment and care
- enabling communities to improve their own health and wellbeing

The Health and Social Care Act 2012 extended the Council's role in protecting and improving health and providing public health services for Gateshead.

The Council has a role in supporting adults and their carers, keeping people healthy, safe, equal and feeling good about living in Gateshead, this includes our most vulnerable adults. We aim to meet the needs of our residents in the most efficient way and keep vulnerable people as independent as possible.

The Council has a role in supporting children and young people in Gateshead to be safe from neglect and harm, receive the best possible education, get the right support when they need it, achieve their full potential and be as independent as possible when they become adults, and support parents to create loving, stable and supporting families.

Possible Destination

Health and Social Care will be delivered in the following way:

- A strong Early Help offer that supports people in difficulty early and with pace reducing the likely need for costly packages of support
- Making every contact count
- It will be built around community universal services – including GP Practices and Schools
- It will build on strength based approaches – what people can do rather than can't, and be promoting of independence and empowerment
- It will focus on inequality and vulnerability. Targeting and prioritising services to greatest need
- It will see the delivery of quality integrated care and health packages based on need:
 - At home
 - In care/nursing
 - In hospital
- A service better able to cope with demand, but a likely smaller service delivering in a different way.

Key actions to get to the destination

- Developing a plan to redesign Care Wellbeing and Learning, with a view to start implementation by April 2017.
- Partnership approach with aligned priorities and a focus on prevention and early intervention and with the impact of reducing high cost care.

- Integration
 - Integrated commissioning unit between the Council and the Clinical Commissioning Group
 - Closer working with hospitals and GP Practices
 - Integrated commissioning structure to ensure more choice for customers and a thriving market that in turn improves the quality of provision.
 - Integrated Health and Social Care co-located teams that are coordinated around the needs of the customer
 - Quality assurance integration across Adults and Children’s would strip out duplication, provide more effective performance management and assurance for the Chief Executive, Director of Children’s Service and Director of Adult Social Services
- Assessment and care management (Adult Social Care) – resources realigned to focus on front door and enablement. Focus on maximising independence and wellbeing. Reducing demand and diverting/signposting those who don’t have an assessed need. Immediate response for customers with needs addressed at first point of contact
- Review of Adult Social Care provider services
- Streamlined in house provider service focussing on enablement.
- A strong independent sector providing various services. The aim would be to reduce costs. The customer will benefit by being supported to live independently in their own home, better quality of life, greater range of opportunities for service users and carers.
- More targeted activity – specifically focused on the needs that lead to high cost acute services (both in Children and Adult Services)
- A sustainable system focused on prevention and permanence
- Manage demand and reduced cost to the system – clear pathways and thresholds in Adults and Children’s services
- An increase in Learning and Schools traded income that eliminates the need for ‘Council support’ generated through reducing costs and increasing customer base
- To have a marketable, sustainable, competitive and quality Learning and Schools offer that is customer focused and continues to improve outcomes
- Achieving more together with communities and partners, in particular the Voluntary and Community Sector (VCS), through recognition of community assets and to support community development
- Development of empowered communities to take greater responsibility for themselves and their environment
- Better use of assets, community capacity and public sector resources
- More joined up working and collaborating with residents and communities to identify the best long-term solutions to problems
- Efficiency savings and reduced costs
- Health Improvement and reducing health inequalities

Budget proposals

Ref	Draft proposal	2017/18 £	FTEs
1	Delaying of management structure within Care, Wellbeing and Learning.	750,000	Up to 11.5
2	Recommission Independent Supported Living Schemes *	650,000	N/A
3	Recommission Learning Disability Care Packages *	1,725,000	N/A

4	Review of support for people to live independently*	550,000	
5	Recommission Day Services*	500,000	
6	Reduce Residential Care Admissions (Adults)*	1,350,000	N/A
7	Adult Social Care trading and income generation including fees and charges	1,000,000	
8	Supporting people/voluntary organisation savings	410,000	N/A
9	Review our approach to Adoption Services*	50,000	1
10	Children's Social Care – reduced demand through Early Help investment *	220,000	N/A
11	Early Help efficiencies *	432,000	N/A
12	Early Years Childcare Service – charge into Early Years block of Dedicated Schools Grant	363,000	N/A
13	Parent Partnership – fund from High Needs block of Dedicated Schools Grant	52,000	N/A
14	Reshape and revise our approach to Home to School Transport*	295,000	N/A
15	Review of Commissioning requirements for respite/family support with increased Direct Payments/Personal budgets where appropriate.	269,000	N/A
16	The Avenues Building Closure – Youth Services	11,000	N/A
17	Removal of vacant posts that are being held against children centre staffing establishments	22,000	1.2
18	Fully fund Educational Psychology from High Needs funding of the Dedicated Schools Grant and trading income	402,000	N/A
19	E-learning – fully trade or reduce	33,000	1
20	Governors Support – fully trade	24,000	N/A
21	School improvement service income and efficiencies *	150,000	N/A
22	Reducing elements of the Drug and Alcohol programme *	147,000	N/A
23	Reducing funding for the LiveWell Gateshead programme*	Up to 1,311,000	Up to 25.96
24	Reducing funding for NHS Health Checks*	30,000	N/A
25	Public Health team efficiencies*	94,000	4
26	Remodelling 0-5 (Early Years) and 5-19 Children's Public Health Services*	459,000	N/A
27	Reductions in Sexual Health funding	126,000	N/A

Year 2 and year 3 will see the following further work:-

- Extra Care Schemes re-provision
- Demand management – Adult and children's services
- Integration of health and social care
- Reduction in Provider Management costs
- Recommissioning of Enablement, Domiciliary Care and Independent Supported Living
- Recommissioning of directly provided Independent Supported Living
- Commissioning team efficiencies
- Further implementation of Achieving More Together with communities and the VCS

* These proposals formed part of last year's budget consultation exercise

For more information on the above proposals please see Appendix 5

To access the Equality Impact Assessments for these proposals please see our website www.gateshead.gov.uk/budget.

ENVIRONMENT

Overall Gross Budget £39,852,000 Net Budget £19,310,000
Potential proposals to close the gap for 2017/2018 amount to up to £830,000

The Council's role

The Council has a role to provide a variety of services that help keep the environment in which people live, work and spend their spare time, clean, safe and in an attractive condition.

There are a number of activities that we are required to provide by law, for example; highways maintenance, waste disposal, graffiti removal, pest control, management of our biodiversity and nature reserves, our historic buildings and conservation areas and our parks and open spaces and cemeteries and crematoria services.

The level at which we are now providing environment related services has changed, however we want to continue to achieve:

- reliable refuse and recycling services,
- communities with clean neighbourhoods
- accessible green spaces for people to enjoy which also helps manage climate change
- reliable winter maintenance services to protect residents and visitors
- safe traffic and pedestrian carriageways
- improved transport links across Gateshead
- a better quality environment

Possible Destination

The longer term vision for environmental services is detailed below;

Waste Collection

- Partnership South Tyneside and Sunderland
- Increased income – Green waste, trade waste

Grounds Maintenance

- Potential Partnership with other local authorities
- Achieving More Together - Invest to save proposal to step up enforcement and prosecution on short term
- No longer maintain bowling greens or football pitches or achieve full cost recovery
- Different models for some parks
- Some front line Highways relocated from Construction Services

Environment

- Increased enforcement to ensure that environmental standards are maintained by all members of the community in commercial and private premises and on the highway

- An ability to repair highways in a timely manner to reduce the need for more costly intervention and insurance claims.

There are a number of services that generate income that is used for environment services. The Council could continue to provide these services in the future.

The Council will also be delivering Housing Repairs and Maintenance through a new delivery model working with a commercial partner. This will help with the long term sustainability of the stock with a shift to more planned maintenance rather than responsive repairs. It will also involve the service working more closely with others and in a more commercial and efficient way. It should also be noted that this element of the service is linked to the future options for the Council housing stock in order for this to achieve sustainability and meet the needs of tenants in the future.

Further potential savings may be released if a successful refinancing of the South Tyne & Wear Waste Management Partnership takes place.

Key actions to get to the destination

- Map out activities that the Council has a duty to undertake, understand needs and agree service standards
- Engagement on decision on reduce/remove subsidy to sports clubs and bowling clubs for maintenance on a phased basis with support to help them become self-sustaining
- Extend Garden Waste scheme and increase charges to generate income
- Identify approach to parks to reduce costs and generate income with options including greater community involvement
- Develop greater individual and community responsibility for the environment and waste making use of the Behavioural Change Team as well as Achieving More Together
- Explore new delivery models such as shared services where this is feasible and appropriate
- Opportunities to generate additional traded income e.g Trade Waste, Funeral Director Service to be developed
- Mobilisation plan for the delivery of Housing Repairs and Maintenance from April 2017

Budget proposals

Ref	Draft proposal for consultation	2017/18 £	FTEs
28	Increase in bereavement fees and charges * - additional fees proposed in 2018/20	30,000	N/A
29	Trade waste income generation* additional income proposed in 2018/2020	30,000	N/A
30	Increase in fees and charges for Bowls and Football pitches* additional income in 2018/19	75,000	N/A
31	Garden Waste – increase in scheme fee*	168,000	N/A
32	Winter maintenance – stop 2 nd priority routes	52,000	N/A
33	Weed control reduction and then cease*	30,000	N/A
34	Streetlighting energy savings	71,000	N/A
35	Transport Strategy income generation	148,000	N/A
36	Transport Strategy restructure	146,000	5

37	Removal of roads surveys budget	20,000	N/A
38	Reduction in Commissioning and Business Development establishment - additional reduction in 2018/2020	25,000	1
39	Reduction in consultancy fees (South of Tyne Wear Waste Management Partnership)*	5,000	N/A
40	Reduction in Countryside Rangers and maintenance of Public Rights of Way – additional reduction in 2018/19	30,000	1

Year 2 and year 3 will see the following further work:-

- Increased bus lane and car parking charges
- Increased costs of residents, civic centre and other permits
- Trade waste business case
- Expanding the Bereavement Service offer
- Expanding our voids collection service arrangement with the Gateshead Housing Company
- Continue to drive out waste disposal cost
- Investment in technology reducing false claims, reducing invalid complaints and avoiding additional fuel and operating costs
- Review the method of management, quality and quantity of bowling greens and football pitches
- Review parks and consider a commercial offer for key strategic parks, access investment and funding
- Consider a new marketing offer for increasing garden waste subscriptions

* These proposals formed part of last year's budget consultation exercise

For more information on the above proposals please see Appendix 5

To access the Equality Impact Assessments for these proposals please see our website www.gateshead.gov.uk/budget.

LOCAL ECONOMY & GROWTH

Overall Gross Budget £12,068,000 Net Budget £3,096,000
Potential proposals to close the gap for 2017/2018 amount to up to £897,000

The Council's role

In Gateshead we want to foster a strong, sustainable and inclusive economy that provides equal opportunity for all residents to enjoy the best lives possible, now and in the future. The Council's goal is to improve the wellbeing and quality of life of local communities by establishing an environment in which businesses can thrive and create more and better jobs and by helping people access and progress in work. Growth in employment and incomes will help to tackle poverty and economic inequality in addition to boosting health and wellbeing.

Housing also plays a major role in the local economy, be that by attracting and retaining workers or through construction-related activity. There are also associations between the quality of housing, ill health, poverty and social mobility. These can have very significant economic impacts in the longer term by affecting the productivity of adults living in poorer housing, but also by the impact on the life chances of their children.

As well as helping maximise income generation to the Council, growth also therefore helps to reduce demand on the services we provide.

We currently promote growth by:-

- Working with a range of public, private and third-sector partners to influence policy, investment and service delivery decisions in Gateshead's favour
- Ensuring businesses, individually and collectively, have all they need to thrive in Gateshead and create good-quality, sustainable jobs
- Helping residents develop in-demand skills and overcome barriers to work to enable them to secure and progress in good employment
- Improving the financial capability of residents to help them maximise and protect their income, assets and savings
- Enabling the provision of sufficient market and affordable housing in order to retain existing residents and attract new people of working age to Gateshead
- Delivering the physical infrastructure necessary to support growth e.g. business space, transport, broadband, energy, green spaces
- Promoting Gateshead to investors, developers, businesses and potential residents

Possible Destination

Three year plan relating to economic and housing growth activity involves a reduction in the following areas in year 1

- Enterprise and Industry (33% reduction)
- Employment, Skills and Inclusion (50% reduction)
- Housing Growth (33% reduction)
- A reduction in management (66%) and technical support (66%) for these functions.

Capital Project delivery will continue to be supported by working with housing development industry to attract development to the area.

Our dedicated roles working on economic policy and partnership activity would cease.

The 3 year plan relating to development and public protection activity involves;

- Increased income
- Digital and IT improvements to promote channel shift and maximise efficient and home working
- Partnerships with other local authorities

Key actions to get to the destination

- Review economic and housing growth priorities, stopping or reducing activity in line with the available budget.
- The following actions have been identified to increase income from Business Rates and Council Tax subject to capacity to deliver:-
 - Explore the use of financial instruments and alternative investment models
 - Analysis of Economic Growth major projects and improved delivery confidence
 - Focus on Place Promotion and consider alternative relationship with investors
 - Enterprise Zone infrastructure investment plan
 - Programme and investment agreed for specialist and supported housing growth
 - Develop Housing Investment Plan
 - Investment Options for Gateshead Regeneration Partnership
 - Consultation for Making Space for Growing Places
 - Prepare Business Case for in-house housing development
 - Develop a five year business plan to achieve financial sustainability of Housing Revenue Account (HRA) by further reductions in cost to save and maintain minimum investment
 - Explore and develop options for sustainable housing stock including mitigation of Government policy and sale of high value stock and the stock options open to the Council
 - Develop Investment Strategy for core Council Housing Stock to retain good housing to meet the needs of the majority requiring social housing
 - Identify options to reduce housing stock that does not meet future needs
 - Consider future arrangements for Regeneration Partnership and Joint Venture arrangements/ consolidation
 - Implement new Housing Repairs and Maintenance contract and realise financial benefits
 - Develop and implement future Housing Asset Strategy

Budget proposals

Ref	Draft proposal for consultation	2017/18 £	FTEs
41	Reduce capacity in Economic and Housing Growth Service	700,000	13.5
42	Development and Public Protection redundancies/restructure (although separate Invest to Save proposal for additional resources)	109,000	3.5

	in the short term to enable change by modernising way of working)		
43	External funding for trading standards work	50,000	N/A
44	Increase in contribution of the HRA to offset costs of activities carried out within the service - further saving in 2018/2020	38,000	N/A
Year 2 and year 3 will see the following further work:- Restructure across Development, Transport and Public Protection Service.			

For more information on the above proposals please see Appendix 5

To access the Equality Impact Assessments for these proposals please see our website www.gateshead.gov.uk/budget.

COMMUNITIES

Overall Gross Budget £14,923,000- Net Budget £6,893,000
Potential proposals to close the gap for 2017/2018 amount to £1,557,000

The Council's role

The Council has a role in supporting local residents, community groups and the voluntary sector in accessing, designing and delivering council services. We want Gateshead to be a safe, fear-free and tolerant borough with accessible cultural and leisure facilities, activities and sports for all.

We currently do this by:

- building capacity within communities and facilitating volunteering opportunities to enable a network of council and community run facilities and services to ensure resilient communities.
- providing and promoting sport, cultural and creative events and opportunities to residents, students and visitors to Gateshead
- providing interventions to reduce health inequalities
- providing library and leisure facilities

Possible Destination

- Reduced service directly funded by Council
- Increased income

But this would be dependent on achieving significant income targets through:

- Leisure services
- Culture services

If income is not achieved the outcome will be reduced and ceased services which would include closure of buildings and services.

Reduced services, within statutory definition:

- Library services

Reduced funding and services to:

- Sage Gateshead
- Baltic Centre for Contemporary Art
- Tyne and Wear Archives and Museums
- Newcastle Gateshead Initiative

Alternative delivery models could also be considered

Three year plan involves reduced services directly funded by the Council and increased income;

- Consider different delivery models for the Gateshead International Stadium
- Integration of Leisure and Libraries
- Implement Library review

- Consider fee income generation strategy for Leisure - £2.8m by 2020 and self-financing
- Self-financing culture team
- Reduced contribution to culture partners

Key actions to get to the destination

- Determine the income generation strategy and delivery options for the future of Leisure
- Consider the options for the future development of Culture
- Income generation for Culture Services
- Develop “vision” and development plan for Gateshead International Stadium with partners
- Achieve financial sustainability through income generation of £2.8m by 2020 for Leisure Services.

Budget proposals

Ref	Draft proposal for consultation	2017/18 £	FTEs
45	Reductions in contribution to SageGateshead, BALTIC and Tyne and Wear Archives and Museums, Newcastle Gateshead Initiative* - possible further reductions in 2018/19	105,000	N/A
46	Implementation of library review - Consultation held July – October 2016*	450,000	16
47	Withdrawal of subsidy to leisure which could result in the closure of facilities if it is not possible to generate the required income - possible additional income 2018/2020*	702,000	N/A
48	Consider different delivery model for Gateshead International Stadium	300,000	N/A
Year 2 and year 3 will see the following further work:- Culture income generation - Culture Team will be more commercially focussed. With this in mind income targets will be set for 2018-2020			

* These proposals formed part of last year’s budget consultation exercise

For more information on the above proposals please see Appendix 5

To access the Equality Impact Assessments for these proposals please see our website www.gateshead.gov.uk/budget.

CUSTOMER SERVICES, PROPERTY AND TECHNOLOGY

Overall Gross Budget £121,300,000* Net Budget £6,599,000

Potential proposals to close the gap for 2017/2018 amount to up to £2,168,000

*The Gross budget includes £85.660m budget for payment of Housing Benefits

The Council's role

Included in this section are services provided directly to the residents and businesses of Gateshead providing services to its customers, collecting income due and supporting residents through a benefits service. There are also a number of activities which may not be recognised or seen by the public but are integral to the Council working efficiently and effectively. This includes ICT and property services.

Possible Destination

Customer Services and cashiers

The fundamental aim will be to reduce the demand for Customer Services by reducing the need for residents to contact the Council by provision of effective services that are well communicated.

There will be less reliance on dedicated customer service advisors for face to face contacts and telephony and more reliance on automated telephony and web development to allow customer self-service and online business transactions. Also a reduction in cash operations by moving customers to more efficient modes of payment e.g. direct debit, on line or telephony card payments. Working with customers to change contact type and also to improve service delivery and communications.

Agile working

Through the Agile Working work stream and the drive towards enabling a Smarter way of working the Council's workforce will increasingly be using technology to 'work smart' at the right place, right time, right method.

To the employee this may mean that 'work' will be thought of as less of a place but more of a thing to do to achieve an outcome. Colleagues will be 'at work' wherever that place best matches the needs of our customers and efficient, smarter ways of working.

We will increasingly be working across traditional organisational and geographical boundaries. A greater level of collaboration between 'virtual' teams will need to be supported by new technology. This will present challenges for the IT infrastructure, cyber security and associated systems and networks that must be met. There will be a need to explore different models of delivery including the sharing of services.

Investment in technology

A fundamental change in the way the organisation works will result in a requirement for significant targeted investment over the 3 years. Without this investment the Council will fail to achieve its ambitions. Effective project management will be essential to ensure that the investment delivers savings.

Asset Management

- Reduced operational portfolio.

- Increased sharing of property and land with partners to deliver services to communities.
- Realise increased income potential from property portfolio.
- Property Management via a mixed economy of in-house, external and partnership provision (e.g. Public Sector Partnership, Gateshead Regeneration Partnership).

Facilities Management

- Increase partnership working
- Increased income
- Explore alternative delivery models

Key actions to get to the destination

- Business Case to be developed on future trading of Facilities Management to generate income.
- Future delivery options in relation to trading and links to other traded services to be understood.
- Delivery of the Digital Gateshead Project
- Establishing multi-agency intelligence network (including open and shared data – involvement with North East Office of data analytics)
- Customer services and cashiers - more reliance on automated telephony, web development to allow customer self-service and online business transactions which is an integral part of channel shift within the digital programme. Also much reduced cash operations by moving customers to more efficient modes of payment e.g. direct debit, on line or telephony card payments.
- Revenues - increased automation of business processes including e- billing, merging of bills and benefits notices, increased direct debit payments, increased use of online forms promoting customer self-service. Objective of maximising revenue collection. Possible shared services.
- Benefits and Assessments - increased customer self-service and process automation promoting self-service with on line forms. Also greater emphasis on trading activities and income generation e.g. deputyships. Possible shared services.
- Payroll/ HR support – IT implementation will bring increased manager and employee self-service. Also greater emphasis on trading of support services including to other local authorities.
- Exchequer - further Agresso development and increased investment in digital solutions as well as greater use of purchase cards to reduce invoice processing requirements. Also greater emphasis on trading activities.
- Review of strategic and operational property management arrangements

Budget proposals

Ref		2017/18 £	FTEs
49	Draft proposal for consultation		
	Reduction in Facilities Management establishment level with further reductions in year 2	50,000	1
50	Cleaning of buildings – various options at different savings levels.	up to 200,000	up to 10
51	ICT contract savings, review of licences and agreements across service, and consolidation of systems software	313,000	N/A

52	Reviews, post deletions from self-service channel shift, and traded income with additional savings in year 2 and 3	440,000	14
53	Council Tax – removal of 1 month exemption/business rates avoidance	868,000	N/A
54	Discretionary rate relief policy	Up to 150,000	N/A
55	Property Services income generation with additional income of £36,000 for years 2 and 3	147,000	N/A

Year 2 and year 3 will see the following further work:-

- Development of the trading model to improve performance of the Supporting Independence Service
- Digital – Agile working benefit realisation
- Establishment of a Local Authority Investment Partnership – Public Sector Plc to increase revenue and capital through property rationalisation
- ICT service restructure
- Improvement to financial performance of Building Cleaning contracts
- Further saving from management structure in Facilities Management

* These proposals formed part of last year's budget consultation exercise

For more information on the above proposals please see Appendix 5

To access the Equality Impact Assessments for these proposals please see our website www.gateshead.gov.uk/budget.

TRADING AND INVESTMENT

Overall Gross Budget £0m Net Budget £-2.620m

Potential proposals to close the gap for 2017/2018 amount to up to £1,133,000

The Council's role

The Council has agreed that it will focus on maximising growth, which will then allow redirection of resource to support Council priority services. As part of this strategy the Council is looking, where appropriate, to generate income through trading services and maximising investments.

Possible Destination

- Council trading will be underpinned by robust business plans, will be supported by adequate resource and sector specific marketing and sales expertise, such that delivery models are sustainable, adaptable and have the capacity for growth. Further economies of scale will be realised through interdependencies between activities.
- The effectiveness and extent of all traded undertakings will be continuously monitored by robust, fit for purpose financial and performance management systems to optimise return on investment. A corporate product/service development strategy will be essential to sustaining trading activity levels and as the basis for future market development and investment proposals.
- There may well be fewer areas of significant trading activity but these will be more successful in terms of return.
- All areas of Council activity will be more commercially aware.
- The Council will review its investment strategy. The current financial investment strategy is based upon a low risk, low yield, high liquidity model. Robust medium term financial planning and balance sheet analysis will provide a greater more informed knowledge of the Council's monetary liquidity requirements which will enable extension of the term and yield of investments without significant additional risk exposure and this may open up other areas of investment to the Council.
- The investment strategy would also be balanced between short, medium and long term investments maximising external or partner funding and exploiting the prevailing low interest rates.
- The Council's working balances and reserves are likely to be heavily impacted over the next 3 years and this will affect investment decisions. Significant investments such as the Airport and Energy will be maintained or expanded
- A major risk to the Council is that the budget will become more and more dependent over time on traded income. Delivery of the budget will be impacted by commercial risk and this will need to be assessed and covered.

Key actions to get to the destination

- Develop Income Generation strategy and review investment strategy
- Develop commercially-focused culture, trading friendly environment and customer focus
- Consider different delivery models for Trading and Commercialisation
- Explore Trading and Commercialisation opportunities for development
- Develop a Commercialisation / trading pricing framework

- Develop commercial skills in the workforce
- Review financial reporting and charging arrangements for traded services
- Review appetite for market expansion
- Current trading activity will continue but be subject to review to ensure clarity of objectives and optimum approach

Budget proposals

Ref	Draft proposal for consultation	2017/18 £	FTEs
56	Repairs and Maintenance Contract with a further contribution 2018/2020	300,000	N/A
57	Increased income from trading activity including Energy Services, Housebuilding, Funeral Services, Property investments, sponsorship and schools catering.	833,000	N/A

Year 2 and year 3 will see the following further work:-

- Improving the financial performance of School Catering through increased meal update and expansion of customer base.
- Review of services provided to schools
- Further developments in traded services.

For more information on the above proposals please see Appendix 5

To access the Equality Impact Assessments for these proposals please see our website www.gateshead.gov.uk/budget.

DEMOCRATIC CORE

Overall Gross Budget £14,827,000 Net Budget £7,469,000
Potential proposals to close the gap for 2017/2018 amount to up to £705,000

The Council's role

There are also a number of activities which may not be recognised or seen by the public but are integral to the Council working efficiently and effectively. These include enabling democratic leadership and setting the strategic direction for Gateshead and providing guidance and advice in core areas.

We currently do this by:

- running elections and arranging meetings of the Council, its committees, its Cabinet executive and a scrutiny function
- providing a comprehensive financial service including Treasury Management, Insurance and Internal Audit
- providing a comprehensive legal service
- providing a range of support services including Human Resources, health and safety, occupational health, workforce development, procurement, property and finance services
- enabling the public to influence local services and issues
- agreeing a budget and policies to support the Council's decision making process
- setting long term plans for the borough, both now and in the future, including engaging with residents and managing the way our services perform.

Possible Destination

- A workforce that can support delivery of the sustained transformation necessary to achieve the services our residents want and need – services that are more efficient, fit for purpose, flexible and customer focused – ultimately a workforce that can deliver the Council Plan and Vision 2030.
- A responsive and flexible legal service, able to meet peaks and troughs in demand; a reduced level of core service, more strategically applied; potential alternative delivery model(s) being explored, including internal trading and shared services.
- A responsive and flexible HR and Workforce Development service, able to meet peaks and troughs in demand; a reduced level of core service, more strategically applied; potential alternative delivery model(s) being explored, including shared services and expansion of the Public Service Academy.
- A single, flexible Finance Service that can meet fluctuations in demand, protect the interests of the council and inform strategic decision making, with a core provision built upon business partnering
- A commissioning function that ensures that there is a strategic approach to the way in which the Council commissions for outcomes and to ensure that an appropriate amount of rigor is applied to commissioning for service delivery and that it is undertaken in a joined up and effective way.
 - A procurement function that has the capability, responsiveness and flexibility to meet the needs of the Council and other clients.

- A mixed economy of service delivery will be maintained with opportunities for further collaboration explored with a view to maximise the use of shared services.
- A smaller Chief Executive Office with a clear distinction between:-
 - the work to support governance and assurance e.g. performance management, strategic planning and policy and
 - support services to the rest of the council e.g. development and delivery of the website and new media communications, research and analysis and engagement of employees

Key actions to get to the destination

- Support Services – review of alternative delivery models
- Implementation of Workforce Plan – focusing on skills and behaviours; performance and change; wellbeing and engagement; pay reward and recognition; recruitment and retention
- Performance Management – managers understanding the importance of performance management and having the tools to minimise underperformance
- Potential savings arising from changes to terms and conditions
- Development of Business Partner model in Human Resources
- Development of the Council’s commissioning approach as part of the future operating model and explore opportunities to further collaborate in terms of commissioning and procurement.
- Review the Gateshead Strategic Partnership and other partnership boards
- Actions relating to improved Performance Management, Culture and Behaviour and Communications and Engagement
- Implementation of Digital Change Project
- Further development of insourcing of the insurance function

Budget proposals

Ref	Draft proposal for consultation	2017/18 £	FTEs
58	Review of establishment across Democratic Services, Legal Services & Litigation, HR and Workforce Development, Corporate Commissioning and Procurement*	293,000	8.34
59	Reduction in supplies and services in Human Resource Services	16,000	N/A
60	Service-wide review of establishment across activity areas of policy, planning and communications with additional reductions 2018/2020*	100,000	2
61	Corporate Finance Service Review	141,000	2.5
62	Insourcing of Insurance claim handling	100,000	N/A
63	Reduce the risk of financial fraud through proactive anti-fraud detection and prevention	55,000	N/A
Year 2 and 3 will see the following further work:- Review of Council News and increase in digital information* 2018/2020			

* These proposals formed part of last year’s budget consultation exercise
For more information on the above proposals please see Appendix 5

To access the Equality Impact Assessments for these proposals please see our website www.gateshead.gov.uk/budget.

Change Programme Phase 2 – Acceleration and Delivery

Background

1. Cabinet agreed to establish the Change Programme on 9th February 2016, its purpose being to help ensure the Council continues to operate on a sustainable basis up to 2021 and beyond, securing for residents the range of services they need, despite significant reductions in government funding. Given the unprecedented scale and pace of change required, it was agreed a fully co-ordinated programme was needed to give the Council the best opportunity to review fundamentally all its functions and activities, and deliver sustainable services. Quarterly updates have subsequently been provided to Cabinet at its meetings on 19 April, 12 July and 11 October 2016.
2. At the commencement of the budget planning process for 2017/18 – 2019/20, it was acknowledged that the plans to deliver the outcomes sought from the Programme should be developed alongside the emerging budget proposals, thereby ensuring a consistent and cohesive strategic planning process where the medium to long term plans for each Council function (i.e. “What will it look like in 2020?”) can properly inform how we tackle the immediate financial imperative of agreeing a balanced budget.
3. In addition, since February activity across the Programme has also helped identify a number of new or strengthened ways of working necessary to operate as a sustainable council in the future: e.g. an enhanced approach to partnership working; a strengthened commissioning framework incorporating improved use of data; greater customer focus; full exploitation of opportunities presented by advancements in technology; and a stronger performance management framework to better inform continual improvement in the delivery of our services.
4. It is therefore timely to review the resourcing and prioritisation of activity within the Change Programme as the majority of projects progress from the scoping and planning phase into the delivery phase. In particular, consideration has been given to ensuring the management of the resources identified to support the Programme is consistent with clearer accountability of both Workstream and Project Leads for delivery and performance.
5. The current staffing resources allocated specifically to the Change Programme were devised in consultation with Workstream Leads at the start of the programme earlier this year. This was intended to ensure there was appropriate support in the areas requested but also to create economies of scale where necessary (e.g. where one person was required to work across a variety of smaller projects). In practice, these resources have been deployed exclusively on particular Workstreams or Projects, rather than across a mix of activities.

Proposal

6. In light of this, and given the need to accelerate delivery, it is proposed the resources to support change within each Workstream (inc. line management responsibility for all personnel) should be the responsibility of each Workstream Lead: i.e. to 'embed' the resources with the relevant Workstreams, rather than have a 'centralised' resource. This includes the programme managers plus any other short term 'expert' resource. However, the programme managers will also have a reporting line into the Change Programme Lead: this will ensure day to day duties and requirements are determined by the Workstream Leads, but that there is also a cohesive and complementary programme secured through clear delivery plans and understanding of interdependencies between projects.
7. The personnel will be based within the relevant services as determined by the Workstream Leads, but encouraged to work in an agile way to ensure they are visible and integrated into daily business of all the services affected. They will also meet on a regular basis to share ideas and ensure there is no duplication of effort across the programme. The Change Programme Lead will continue to report to the Chief Executive and support them in ensuring effective performance and accountability across the programme, and the continual development of the programme as projects progress through the delivery phase and into 'business as usual'.

Budget

8. The Change Programme is currently funded through use of Strategic Change Reserve. £2.5m reserve was earmarked for this purpose in 2015/16. It is proposed that the following approach is used to take forward future use of Change Programme resources:
 - The budget is notionally allocated to each workstream and mapped against current commitments (resources currently applied to corporate/cross-Council change coming within the Ways of Working workstream). The Strategic Director accountable for each workstream becomes the responsible budget holder and completes a full review of requirements for the current year;
 - The budget holders are then accountable to the Change Programme Board for the effective monitoring and use of the resources: this should ensure they are being deployed where necessary and on demonstrable change related activity, rather than replacing business as usual resource; otherwise, the budget holder will have flexibility to utilise funds up to the agreed budget;
 - The remaining funds up to the £2.5m will be placed in a contingency that will be administered by the Chief Executive as overall Programme Lead;
 - Agreed budgets within each Strategic Director's relevant Group will then be established and funded from reserves;
 - The intention is to gain Cabinet and Council agreement within the 3rd Qtr revenue monitoring report, allowing these to be created within the financial system to ease monitoring and accountability; and
 - A review of workstream requirements over the next year will clarify any potential impacts on setting the base budget for 2017/18. These can then be agreed within the Indicative Base Budget 2017 report.

Performance Management

9. In parallel and consistent with these changes to budgeting, a performance management framework for the Programme has been developed. This is intended to be used for multiple audiences so that there is transparency of progress and understanding of where resources might need to be adjusted to address underperformance, slippage etc. This approach can be used at whole programme level as well as at a more detailed level and so will be helpful in setting clear performance objectives for Workstream and Project Leads and anyone else involved. The performance framework will also help ensure that appropriate updates can be fed into relevant Cabinet portfolio meetings, as well as with the Leader and Deputy Leader on a regular basis.
10. For the purposes of the performance framework, change projects will be categorised as 'major', 'service development', or 'enabling'; this is to ensure we focus attention (e.g. proportionate governance arrangements) and resources on the former where cross-council (and possibly beyond) input is required to drive forward the degree of change necessary. Development and scrutiny of the timescales for each project will also be enhanced - highlighting the time-limited nature of the programme, the need to deliver it 'at pace', and avoiding drift.

Engagement of external support

11. Protocols for the engagement of consultant support, ensuring clarity of purpose and cost, expected duration of need, and accountability for delivery of outputs/outcomes will be drawn up by the Change Programme Board.

Engagement and communication

12. As the programme has developed so has the recognition that we need to improve levels of engagement: with councillors, employees and trade unions, and with partners and stakeholders. We will continue to use the existing mechanisms such as seminars and Advisory Groups etc., but there will be a clear programme of communication and engagement which seeks to maximise the opportunity for people to engage and to create greater transparency about how things are evolving. This communication programme will recognise the different stakeholder interests involved in different activities and fit with other ongoing initiatives, As part of this we intend to put in place some principles to guide how we work and demonstrate our commitment to engagement and to treating all employees with integrity, honesty and respect, as well as ensuring involvement in the Change Programme is fully utilised for the purpose of employee learning and development (including talent management). These principles are currently being drafted and will be shared with members and the trade unions before the end of November.

Impact

13. As the Change Programme becomes more embedded as a critical part of the delivery of the Council Plan, so does the need to understand and address any potential impact from Change projects. It is not intended to undertake a separate process, but as projects develop they will be expected to apply the same tests as we apply during the budget process to determine the potential effect on equality issues, community cohesion etc.

**DETAILED BUDGET PROPOSALS
2017/2018**

BUDGET PLANNING 2017/18 – 2019/20

HEALTH AND SOCIAL CARE

Overall Gross Budget £180.620m Net Budget £110.379m

In this theme, at this stage, potential proposals to close the gap for 2017/2018 amount to up to £11,425,000

Ref	Draft proposal	Description and background	Gross budget	Net budget	Proposal Amount £	How we will deliver this year in 2017/2018 and what will it mean for residents / users?	Workforce Implication
1	Delaying of Management Structure within Care, Wellbeing and Learning	To seek to reduce overall management costs by 11% through layering and streamlining of management structures Contact:- Sheila Lock, Interim Strategic Director Care, Wellbeing and Learning ext 2700	6,548,000	6,548,000	750,000	Review of current management arrangements – structure and function to remove duplication and overlap. It will lead to a leaner management arrangement, allowing customers more efficient access to services.	Up to 11.5FTEs
2	Recommission Independent Supported Living Schemes	Development of a clear Commission Framework for the provision of Independent Supported Living for people with learning Disabilities, Physical Disabilities and Mental Health needs. The new framework will have a clear structure with fair pricing for care. Independent Supported Living Schemes would be reviewed. This could lead to, i) alternative care packages for disabled people, ii) improved value for money from current and new providers, iii) re-assessment of need and reductions in care packages. Contact:- Steph Downey, Service Director Adult Social Care and Independent Living ext 3919	5,932,000	4,640,000	650,000	We will need to; i) carry out re-assessments of individuals, ii) engage current and new providers in market development, iii) re-commission and re-procure services, iv) negotiate prices, v) enter into new contracts, vi) manage the transition to new providers or new care plans with existing providers. A consistent approach to the quality and standards if support arranged. This will result in a new outcomes based specification whereby we can measure individual goals and progress. This proposal formed part of last year's budget consultation exercise.	N/A
3	Recommissioning Learning Disability Care Packages	Development of a clear Commissioning Framework for the provision of Residential and Nursing Care and Domiciliary Care for people with Learning Disabilities, Physical Disabilities and Mental health needs. The new framework will have a clear structure with fair pricing for care. We commission care packages for around 600 customers with learning disabilities from the independent sector. Our aim is to re-commission these care packages to enhance independence, choice and control for customers, improve value for money, and develop a more diverse and responsive market. Contact:- Steph Downey, Service Director Adult Social Care and Independent Living ext 3919	17,164,000	11,405,000	1,725,000	We will need to; i) carry out re-assessments of individuals, ii) engage current and new providers in market development, iii) re-commission and re-procure services, iv) negotiate prices, v) enter into new contracts, vi) manage the transition to new providers or new care plans with existing providers. A consistent approach to the quality and standards if support arranged. This will result in a new outcomes based specification whereby we can measure individual goals and progress. This proposal formed part of last year's budget consultation exercise.	N/A

4	Review of support for people to live independently	<p>There is currently a review of intermediate care services across Gateshead. Further work with the Clinical Commissioning Group and other health partners is required to be clear about the future direction of intermediate care in Gateshead</p> <p>We aim to rehabilitate older people especially those leaving hospital, in Promoting Independence Centres (PICS). Through a six week programme of rehabilitation we help people recover so that they are able to live independently. The current provision enables service users to be assessed in an out of hospital environment.</p> <p>Contact:- Steph Downey, Service Director Adult Social Care and Independent Living ext 3919</p>	1,808,000	1,476,000	550,000	<p>The risk is that there is insufficient funding to support the current capacity in PICs thereby leading us to re-examine the viability of the PICs leading to a potential further reduction in the number of PICs. If services are withdrawn it could result in extended hospital stays or a potential increase in residential care admissions.</p> <p>This proposal formed part of last year's budget consultation exercise.</p>	Implications TBC
5	Recommission Day Services	<p>The Council directly provides day services for disabled people from five centres Marquisway, Blaydon, Wrekenton, Winlaton and Pheonix (within Gateshead Leisure Centre).</p> <p>There are 275 clients who access the centres and we are assuming that around 139 of these have complex care needs.</p> <p>This proposal looks to a joint review with the CCG to obtain a comprehensive understanding of service user's needs, current provision, unit costs and outcomes. This would then determine service gaps and investment requirements for both the Council and the CCG within a potential formal pooled budget framework.</p> <p>Contact:- Steph Downey, Service Director Adult Social Care and Independent Living ext 3919</p>	2,399,000	2,026,000	500,000	<p>All service users will be subject to a review or reassessment to determine those who would require access to some form of building based day service in order to avoid becoming socially isolated, enable community participation and maintain their independence if the community bases were to close. There may be service users who do not continue to meet the criteria for day care or their needs may be met from the use of more universal services. The impact upon family carers of these decisions will be taken into account during the assessment process.</p> <p>Reviews are ongoing and the outcome of this will inform the strategic offer across the Council, for example this could lead to different delivery models and asset use.</p> <p>Alongside the 275 day care reviews, the Council should further extend its review to "out of borough" placements, and also work to develop the PA register, in order to support people who would prefer to take a Direct Payment and employ a PA to deliver their support.</p> <p>This proposal formed part of last year's budget consultation exercise.</p>	Implications TBC
6	Reduction in Residential Care admissions - Adult Services	<p>Residential and nursing homes provide day to day support for people who cannot continue to live in their own homes. This proposal is to continue to reduce the number of Residential Care Admissions. This will be achieved through consideration of more community based services, enablement and early intervention to avoid preventable admissions. As a result customers remain in their own homes receiving care for longer periods. Where possible families and carers would be encouraged to meet customers' needs.</p> <p>Contact:- Steph Downey, Service Director Adult Social Care and Independent Living ext 3919</p>	25,767,000	12,688,000	1,350,000	<p>On assessment social care staff will, as far as it is safe to do so, use more cost effective alternatives to residential care, to delay admission until end of life or palliative care in many cases, and to keep people at home for longer. A panel process has also been introduced.</p> <p>There will be no impact on those service users currently in residential care. This option reflects the continuation of a 2 year business case for this area.</p> <p>This proposal formed part of last year's budget consultation exercise.</p>	N/A

7	Adult Social Care trading and income generation including fees and charges	<p>This proposal would include removing all subsidies for Care Call, the implementation of the charging policy proposals (currently subject to consultation) and increase trading of provider services. Furthermore the council would look to review the pricing structure for care call to ensure full cost recovery and enable service users to have a choice of service level.</p> <p>There are currently a number of council tenants who are in receipt of a fully subsidised care call service.</p> <p>Contact:- Steph Downey, Service Director Adult Social Care and Independent Living ext 3919</p>	16,017,000	12,542,000	1,000,000	<p>The Care Call service would be provided as a traded model with a more commercial focus.</p> <p>All provider services will be fully costed and charged with no prevailing subsidies. Where services are provided via adult social care and the service user has had a financial assessment they will only pay more where they are assessed to do so.</p>	N/A
8	Supporting people/voluntary organisation savings	<p>This proposal will review all Voluntary and Community Service contract to enable a shift towards the council's approach towards early help model across all ages.</p> <p>Savings will be as a result of removing duplication of services and contracts across the whole life course.</p> <p>During the first year of this three year budget proposal, importance will be given to the Council's strategic shift towards increasing early help, reducing care support packages across all ages.</p> <p>Contact:- Elizabeth Saunders, Interim Service Director Health & Social Care Commissioning and Quality Assurance ext 2353</p>	4,615,000	4,453,000	410,000	<p>The implementation of this proposal would achieve the following:_</p> <ul style="list-style-type: none"> • Reduce duplication • Reduce the number of hand offs by practitioners for customers • Ensure seamless pathways for customers • Person centred planning • Individual needs are met through effective commission • Adults – less reliance on institutional/traditional care • Children and Young people – shorter time spent in the care system with a range of options to support a move towards independence and improved outcomes • Individuals at the heart of the system • To deliver the right care at the right time in the right place, learning from integration of commissioning and integration of the delivery of care across our area. 	N/A
9	Review our approach to Adoption Services	<p>The Council currently operates its own Adoption. An alternative model has been considered and we have expressed an interest in a regional adoption approach with other local authorities.</p> <p>Contact:- Elaine Devaney, Service Director Social Work – Children and Families ext 2704</p>	1,291,000	1,210,000	50,000	<p>The development of a regional adoption agency would enable the Council to make efficiencies through consolidation of processes. This approach would increase the pool of adopters for children in Gateshead, resulting in more choice and better matching. Timescales for adoption would reduce and matches can progress more quickly.</p> <p>This proposal formed part of last year's budget consultation exercise</p>	1 FTE
10 & 11	Children's Social Care – reduced demand model through Early Help investment Early Help efficiencies	<p>The aim of the new early help, model is to bring together many strands of work to create a vision for the future where families are resilient and supported within their local community with reduced need for specialist intervention by developing, flexible evidence based early interventions which are delivered in a timely way.</p> <p>To reduce demand, we will have:</p>	42,827,000	29,555,000	220,000 & 432,000	<p>The aim would be to have fewer children and young people looked after, on Child Protection Plans and Child in Need cases.</p> <p>The focus of the new model would be to ensure that we improve the life chances and outcomes of children and adults in Gateshead</p> <p>Agencies will be working collaboratively in a co-</p>	N/A

		<ul style="list-style-type: none"> • A co-ordinated and strong leadership: clear policy and strategy direction. • An enabling role which will allow us to change the nature of our relationship with service users and partners to build capacity and assets supporting individuals, families and communities to develop their own solutions and have choice and control over their lives. • A robust commissioning model that ensures all areas implement the Council's commissioning framework approach to assess, plan, do review and that we actively seek to develop and test different approaches to service delivery. This will include managing and shaping the market, regulation and quality assurance. • A performance and improvement framework that consolidates performance management reporting into a single and consistent format, which allows the basis of continuous challenge and improvement. A pro-active Early Help and Intervention Strategy which is modelled on getting things right first time, reducing and managing demand and preventing escalation to more specialist and statutory services. • A redefined role with schools as well as considering different options around locality working using schools as the community hub. • Stronger links, greater alignment and a cohesive approach with adult services to address unmet needs in the adult population that lead to increased risks to children, particularly where the level of these risks does not require a statutory social care intervention and there is a gap in service provision. • An improved, all age Early Help Strategy underpinned by the Council Plan and Vision 2030 <p>Contact:- Elaine Devaney, Service Director Social Work – Children and Families ext 2704, Val Hall, Service Director Children and Families Support ext 2782, Alice Wiseman, Director of Public Health ext 2777</p>				<p>ordinated way</p> <p>The new model will play a variety of roles in partnership, sometimes leading, often enabling, but playing our role in partnership with individuals, families, communities and organisations to improve outcomes.</p> <p>This proposal formed part of last year's budget consultation exercise</p>	
12	Early Years Childcare Service – charge into Early Years block of Dedicated Schools Grant (DSG)	<p>The Early Years National Funding Formula consultation (August 2016) should mean that Gateshead would receive an increase in its allocation and that authorities would be able to hold back 5% of funding for administration costs of the grant.</p> <p>This proposal would transfer the funding for the administration team from the Council General Funding to Early Years Block of the Dedicated Schools Grant (DSG)</p> <p>Contact:- Val Hall, Service Director Children and Families Support ext 2782</p>	5,148,000	363,000	363,000	<p>This option is dependent upon the National Funding Formula being implemented. The proposal would ensure the Early Years Childcare service is able to continue to manage and support the childcare market.</p> <p>There would be no change to the customer.</p>	N/A

13	Parent Partnership – fund from High Needs Block of DSG	<p>Under the provisions of the Children and Families Act 2014, local authorities have to provide information, advice and support to parents/carers and children and young people with special education needs and disabilities. It is also necessary to provide a Mediation Services. In Gateshead, these services have been commissioned to independent providers and are currently funded from the local authority budget.</p> <p>Contact:- Val Hall, Service Director Children and Families Support ext 2782</p>	52,000	52,000	52,000	<p>Funding for this commissioned service would be via Dedicated Schools Grant.</p> <p>There would be no change to the service.</p>	N/A
14	Reshape and revise our approach to Home to School Transport	<p>As part of budget consultation in 2013, there was support to introduce charging for home to college transport for post 16 learners. Since then we have also looked further at how we can change the way in which we support children with additional needs to attend school or college, as well as aiming to promote greater independence for these young people.</p> <p>This proposal would see us reshaping and revising our approach to Home to School transport based on:</p> <ul style="list-style-type: none"> • Implementing an enhanced independent travel training programme • Introduce a contribution charge for Post 16 transport • The transport policy to be in line with required statutory duty • A greater focus on the roll out of personal transport budgets which are cost effective alternatives to taxi based transport <p>Contact:- Val Hall, Service Director Children and Families Support ext 2782</p>	1,592,000	1,450,000	295,000	<p>A new commission and procurement approach will continue, which will focus on schools as providers; single school contracts where this was not possible, a focus on independent travel, the roll out of personal budgets and strengthening the post 16 SEND education offer.</p> <p>This proposal formed part of last year's budget consultation exercise.</p>	N/A
15	Development of Direct Payments approach to respite/family support requirements	<p>Review the commissioning arrangements around support for children with disabilities & families, with the offer of direct payments or personal budgets where appropriate.</p> <p>Contact:- Val Hall, Service Director Children and Families Support ext 2782</p>	1,899,000	1,427,000	269,000	<p>Some families already receive a direct payment so this proposal is an expansion of the existing service to the remaining families. This is an increase in personalisation and fulfils our legal obligation to increase this and direct payments.</p>	N/A
16	The Avenues Building Closure – Youth Services	<p>Service delivery from within this building ended in March 2016, with the building declared surplus to Cabinet in July 2016.</p> <p>A small budget was used to keep the building secure, clean, warm and operational when it was in use.</p> <p>Contact:- Val Hall, Service Director Children and Families Support ext 2782</p>	11,000	11,000	11,000	<p>Minor repairs and maintenance have been carried out to make the building ready for asset transfer or sale.</p>	N/A

17	Removal of vacant posts that are being held against children centre staffing establishments	Removal of vacant posts Contact:- Val Hall, Service Director Children and Families Support ext 2782	803,000	681,000	22,000	This proposal has no implications for customers.	1.2 FTEs
18	Fully fund Educational Psychology from High Needs block of DSG and trading income	Educational Psychology is historically funded from Council core general funding as part of the 'other education' responsibilities that aren't funded by the Education Services Grant (ESG). Those non-statutory services they provide are also funded through buyback from schools. Educational Psychology has a primary role in the assessment and diagnosis of special educational needs and disabilities (SEND), and the authority funds numerous other SEN support services from the High Needs block (HNB) of the Dedicated Schools Grant (DSG). The HNB allocation to the authority is to provide resources to meet the needs of young people with SEND up to the age of 25. Contact:- Steve Horne, Service Director Learning and Schools ext 8604	683,000	402,000	402,000	Due to the pressure upon core council general funding, and the importance of the Educational Psychology service in meeting the needs of young people with SEND, it is proposed to fund the service from within the HNB under the 'SEN support services' budget. The reform of High Needs Block funding has been delayed until at least 2018/19, with the impact of the reforms upon funding for Gateshead not yet known.	N/A
19	E-learning service to schools – fully trade or reduce	This area of activity has reduced over the last 5 years in line with reductions in direct grants from central government, with funding only now received as a result of direct trading with schools. The proposal is to structure the service going forward based on need on a full trading income basis. Contact:- Steve Horne, Service Director Learning and Schools ext 8604	164,000	33,000	33,000	This will have limited impact on schools.	1 FTE
20	Governors Support – fully trade	This option is to fully trade the service of Governors Support. There is currently a small statutory duty of the local authority in recruitment of governors, but it is possible that this responsibility will be removed with the new White paper. The charges could be increased to reflect this change of duty which will possibly sit with schools. Contact:- Steve Horne, Service Director Learning and Schools ext 8604	224,000	24,000	24,000	Implementation would include working more efficiently and increasing charges and trading.	N/A
21	School improvement service income and efficiencies	Although there is very likely to be a reduction in statutory responsibilities of Local Authorities in regard to school improvement, schools still play a central part in the Council achieving its aims and outcomes. The School Improvement team provide a key bridge between schools and the LA and are a highly regarded universal service that can demonstrate a significant impact on outcomes for children and young people. In the development of an Early Help model, the School Improvement team would be central in ensuring that support is given at the earliest opportunity in order to avoid more costly and often less successful interventions later.	1,432,000	704,000	150,000	The service will need to adapt to the changing Government Policy and new ways of working within Care, Wellbeing and Learning. However, implementation of the proposal, will not, in itself, change how the team works. This proposal formed part of last year's budget consultation exercise	N/A

		<p>This option would see a reduction but the LA would retain a strong School Improvement team that would be a key element within the Care Wellbeing and Learning restructure.</p> <p>Contact:- Steve Horne, Service Director Learning and Schools ext 8604</p>					
22	Reducing elements of the Drug and Alcohol programme	<p>This is a planned budget reduction for the core drug and alcohol treatment service which was built into the contract when it was commissioned in 2014. The service has been working to manage a smaller budget without a significant impact on service users and the offer available.</p> <p>Contact:- Alice Wiseman, Director of Public Health ext 2777</p>	3,934,000	3,934,000	147,000	<p>The core programme will be maintained. Customers will receive an evidence based service which is now running from premises in central Gateshead.</p> <p>This proposal formed part of last year's budget consultation exercise.</p>	N/A
23	Reducing funding for the LiveWell Gateshead programme	<p>OPTION 1 The Gateshead Live Well programme delivers 1:1, group and family support through Lifestyle Coaches and communities are supported through the Capacity Building Team. This option would entail withdrawal of Lifestyle Support and intervention services and the Capacity Building Team, with no funding for alternative provision. Saving of £1,311,000</p> <p>OPTION 2 An alternative to the current model of delivery would be developed through building capacity across the VCS and communities and the current Live Well model would cease. This would be supported through delivery of Making Every Contact Count (MECC) across health, social care and third sector agencies. Saving of £811,000</p> <p>OPTION 3 Remodelling of the Live Well service delivery model, this is a continuation of work that has already begun through delivery of 2016/17 savings. Saving of £264,000</p> <p>Contact:- Alice Wiseman, Director of Public Health ext 2777</p>	1,311,000	1,311,000	up to 1,311,000	<p>In OPTION 1 no service would remain. The Live Well service would be decommissioned. This would have a major impact on lifestyle intervention and community support and may contribute to increasing inequality and poor health outcomes, as no alternative would be commissioned.</p> <p>In OPTION 2 an alternative model would include:</p> <ul style="list-style-type: none"> • Increased role of Community and Voluntary Sector – building capacity (MECC) and resources into VCS, health and social care and communities themselves to improve lifestyle behaviour choices and self-support in accordance with the Achieving More Together approach. • Potential for future joint commissioning with CCG – focus on social prescribing • Exploration of future delivery and investment models (i.e. social investment) • Exploration of a place based approach with Big Lottery Fund and other external sources of funding <p>In OPTION 3 the existing remodelled service would remain. Over subsequent years a transition programme, could be planned.</p> <p>The two services commissioned to deliver the Live Well Gateshead model are primarily affected by this proposal. Specifically this includes the one to one support offer delivered through the wellness service, which employs 20.96 FTE's (16.8 FTE's which are currently occupied, 4.16 FTE's are vacant posts at this time) and the capacity building service which employees 5 FTEs.</p>	Up to 25.96 FTEs

						Due to the integration of the delivery of Live Well Gateshead within the Neighbourhood Management Team, the service has signalled that a review is necessary. This could affect a further 7.79 FTE's. This proposal formed part of last year's budget consultation exercise.	
24	Reducing funding for NHS Health Checks	Reduction in funding for NHS Health Checks, which is a national programme and a mandatory public health function for Local Authorities. This option is to change the way we contract with GPs and others that provide health checks. In future, rather than the LA contracting for some of the support elements (such as software and consumables), these costs will be met directly by Practices, and providers will be paid a single amount for each check provided. The price paid will be designed to cover all the costs incurred by providers, but will be set at a level that delivers a saving of £30,000 assuming current levels of activity. Contact:- Alice Wiseman, Director of Public Health ext 2777	388,000	388,000	30,000	Specific consultation with providers will be required to sign up to the new contract model. This proposal formed part of last year's budget consultation exercise	N/A
25	Public Health team efficiencies	The Public Health team function will be reviewed. In particular the aims are to: <ul style="list-style-type: none"> • Ensure sufficient specialist public health capacity and capability • Facilitate a system wide approach to improving the public's health ensuring the Council is able to discharge its statutory duty • Establish a robust offer to the system and in particular ensuring provision for the statutory core offer of public health advice to NHS commissioning. Specifically this includes: <ul style="list-style-type: none"> - Surveillance and assessment of population health - Robust critique and understanding of the evidence base and how that translates / applies to practice - Policy strategy development with a focus on health needs at a population level (e.g. alcohol, obesity, tobacco and emotional health and well-being) - Collaborative / partnership working for health • Integrate commissioning arrangements whilst ensuring robust Governance (in line with Director of Public Health statutory duties) Contact:- Alice Wiseman, Director of Public Health ext 2777	819,000	819,000	94,000	Public Health team will have to prioritise work based on the high impact public health issues. Public Health advice will be offered to core partners and it may be necessary to agree work plans and priorities. This proposal formed part of last year's budget consultation exercise	4 FTEs

26	Remodelling 0-5 (Early Years) and 5-19 Children's Public Health Services	<p>Remodelling of service delivery for 0-19 public health services.</p> <p>The option proposes to reduce funding for the 0-19 public health healthy child programme comprising of School Nursing, Health Visiting and Family Nurse Partnership. This option puts forward a 9.6% reduction across 2017/18 service provision.</p> <p>The health and wellbeing of children and young people in Gateshead is generally worse than the England average. The level of child poverty is worse than the England average with 21.3% of children aged under 16 years living in poverty.</p> <p>There were 380 children in care at August 2016 which equates to a higher rate than the England average.</p> <p>The importance of giving every child the best start in life and reducing health inequalities for children and young people has been highlighted as a national priority, and was the focus of last year's DPH annual report. The Plan for Children, Young People and Families in Gateshead outlines the vision that 'all children and young people are empowered and supported to develop to their full potential and have the skills and opportunities to play an active part in society.' The best start in life is supported by The Council Plan, The Health and Wellbeing Strategy and the Gateshead Prevention and Early Intervention Strategy.</p> <p>The council currently must provide a universal health visitor review function (0-5) and elements of school nursing provision (5-19) as prescribed in specific regulations 2013 and 2015. The Healthy child programme currently encompasses the statutory elements from the regulations for the combined 0-19 provision that must be included in any of our current services provision.</p> <p>The 0-5 element of service provision is key in terms of delivery of the Healthy Child Programme and both the universal and targeted provision currently have mandated elements (statutory obligations) that the council is obliged to ensure are provided. Public Health England is currently reviewing the delivery of the mandated elements for 0-5 which will inform if the regulations cease to be mandatory in the future or continue on a different scale. The outcome of the review is expected in Autumn 2016. This will inform our future service development.</p> <p>Contact:- Alice Wiseman, Director of Public Health ext 2777</p>	4,778,000	4,763,000	459,000	<p>The Healthy Child Programme is the universal clinical and public health programme for children and families from pregnancy to 19 years. It offers a programme of screening tests, immunisations, developmental reviews, information and guidance. Due to its universal reach the HCP aims to identify families who need additional support or are at risk of poor health outcomes. The HCP is currently delivered by Health Visitors, Family Nurse Partnership and School Nurses.</p> <p>In commissioning an Integrated 0-19 Public Health service we are seeking to develop:</p> <ul style="list-style-type: none"> • Integrated public health nursing services as part of a coherent prevention and early help programme for children and young people (0-19 years) and their families • Effective partnerships with health, education, social care and voluntary and community sector partners in order to support wider improvements in the health and wellbeing of the 0-19 population • Co-ordinated approaches to the prevention, early help and treatment of young people's risky behaviours (including offending, smoking, unprotected sex, drugs and alcohol), so that behaviours are not treated in isolation • High quality, accessible prevention and early help services which enable children, young people and their families to access help and support as early as possible, to improve their health and wellbeing. <p>Health Visitors/The Family Nurse Partnership play a vital role in child protection and any changes to levels of service need to be considered alongside proposals for reducing safeguarding, social care and early years support.</p> <p>There may be an impact upon health and wellbeing of children and young people and early identification regarding safeguarding, and impacting upon the 'best start in life' for Children and Young People.</p> <p>The key aspects of service delivery are to improve the health and wellbeing of children and reduce inequalities in outcomes as part of an integrated multi-agency approach to supporting and empowering children and families. Also not safeguarding of the most vulnerable children- as noted above.</p>	N/A
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27	Reductions in Sexual Health funding	<p>Realising savings from the successful tender process for the sexual health service in April 2015. The contract has two elements: a tariff-based element for genito-urinary medicine (GUM) services, and a block payment for all activity related to contraception and certain other sexual health services. This saving relates to the block element a saving of £28,000</p> <p>Reduction in sexual health GUM tariff spend £17,000</p> <p>Reduction in sexual health GUM tariff spend, by realising savings from the successful tender process bid for the tender of the sexual health service in April 2015. £81,000</p> <p>Contact:- Alice Wiseman, Director of Public Health ext 2777</p>	2,097,000	2,097,000	126,000	This proposal formed part of last year's budget consultation exercise	N/A
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Year 2 and year 3 will see the following further work:-

- Extra Care Schemes reprovision
- Demand management – Adult and children's services
- Integration of health and social care
- Reduction in Provider Management costs
- Recommissioning of Enablement, Domiciliary Care and Independent Supported Living
- Recommissioning of directly provided Independent Supported Living
- Commissioning team efficiencies
- Further implementation of Achieving More Together with communities and the VCS

ENVIRONMENT

Overall Gross Budget £39,852,000 Net Budget £19,310,000

In this theme, at this stage, potential proposals to close the gap for 2017/2018 amount to up to £830,000

Ref	Draft proposal	Description and background	Gross budget	Net budget	Proposal Amount £	How we will deliver this year in 2017/2018 and what will it mean for residents / users?	Workforce Implication
28	Increase in bereavement fees and charges (cemeteries and crematoria)	<p>This proposal includes tradeable services where expansion and increased charging for those services is applicable e.g. bereavement services.</p> <p>Contact:- Colin Huntington, Service Director Waste Services, Grounds Maintenance and Fleet Management ext 7402</p>	920,000	-999,000	30,000	<p>Above inflation increases for bereavement services may place an additional financial burden on residents. This may result in residents exploring equivalent services outside of the borough.</p>	N/A
29	Trade waste income generation	<p>The Council is looking at some of the ways that we can change, to make sure that even with reduced resources we can still provide the best outcomes for Gateshead. This includes exploring the opportunities for the council to increase its trading activities, to achieve generate more income which can be used to help fund other council services</p> <p>Contact:- Colin Huntington, Service Director Waste Services, Grounds Maintenance and Fleet Management ext 7402</p>	56,000	-498,000	30,000	<p>This proposal includes tradeable services where expansion and increased charging for those services is applicable e.g. trade waste</p> <p>There is a risk of loss of custom to competitors and alternative service providers.</p> <p>This savings proposal is based over two years to allow for the development of new markets, increase of business turnover and new tradeable services</p>	N/A
30	Increase in fees and charges for Bowls and Football Pitches	<p>In 2013 the Council consulted with bowls and playing pitch (football and cricket) users on service charges and received 44 responses. Respondents provided information on use of facilities, ideas to help run and maintain facilities and proposals to increase fees and charges. Charges are made by seasonal permits.</p> <p>This proposal would increase fees and charges with the aim that the service becomes more self-funding.</p> <p>Over the next two years the Council will offer and support a transfer of assets to self –management. In addition, consolidation and closure of sites and facilities will be explored.</p> <p>Contact:- Colin Huntington, Service Director Waste Services, Grounds Maintenance and Fleet Management ext 7402</p>	371,000	261,000	75,000	<p>Year one would mean customers having to pay more in order to use the service. Although this makes the service self-funding it could potentially result in a lot of service users being unable to afford or prepared to pay to continue.</p> <p>There are, however, a range of potential options for the clubs that could feasibly result in no impact at all; for example, the transfer of assets to club management and potential for proactive work by the club in volunteering, increasing membership and donations, could result in continue provision of service at no extra charge.</p> <p>This proposal formed part of last year's budget consultation exercise</p>	N/A
31	Garden Waste – increase in scheme fee	<p>This option would significantly increase the charges made for the Garden Waste collection service for which a charge was first levied in April 2015 and a minor increase in charge was introduced in April 2016.</p> <p>Contact:- Colin Huntington, Service Director Waste Services, Grounds Maintenance and Fleet Management ext 7402</p>	835,000	135,000	168,000	<p>Increasing charges for garden waste. Residents would see;</p> <ul style="list-style-type: none"> A yearly increase in the charge for 30,000 households currently subscribed to the garden waste collection service over a period of 3 years. <p>This proposal formed part of last year's budget consultation exercise.</p>	N/A

32	Reduce Winter maintenance	<p>The Council has a statutory obligation to clear snow and ice from its road network and the cessation of the service would be unlawful.</p> <p>Reduce the provision of winter maintenance services</p> <p>Contact:- Colin Huntington, Service Director Waste Services, Grounds Maintenance and Fleet Management ext 7402</p>	372,000	341,000	52,000	<p>There would be a reduction in the number of 2nd priority roads gritted (main estate roads and bus routes that link with major roads). This will potentially disadvantage residents and visitors using those routes and would have a major impact on road users in the borough during periods of snow and ice.</p> <p>Major 1st priority routes (main A roads) will be treated but there will be less gritting of 2nd priority feeder roads.</p> <p>The current budget is based on a mild winter and has been overspent during recent severe winters.</p> <p>The restructuring and reduction of the winter maintenance route could achieve savings.</p>	N/A
33	Weed control reduction and then cease	<p>Weeds in the borough are currently treated twice or sometimes three times per year. This option would reduce herbicide application to just once per year in 2017 followed by cessation of the service completely from 2017/18.</p> <p>Contact:- Colin Huntington, Service Director Waste Services, Grounds Maintenance and Fleet Management ext 7402</p>	60,000	60,000	30,000	<p>This proposal would affect all parts of the borough and the appearance of the borough would undoubtedly deteriorate.</p>	N/A
34	Streetlighting energy savings	<p>Based on assumptions of savings that can be made from the ongoing lantern renewal programme</p> <p>Contact:- Colin Huntington, Service Director Waste Services, Grounds Maintenance and Fleet Management ext 7402</p>	958,000	958,000	71,000	<p>There would be no change in service. Street lights would be lit for the same durations at the same levels as at present.</p>	N/A
35	Transport Strategy income generation	<p>Increased income through</p> <ul style="list-style-type: none"> • Car parking – car park permit charges, issue of resident permits and business permit to allow street parking at specified locations, on street charges, off street charges • Civil Parking Enforcement – continued enforcement • Events –charge or the provision of advice and car park closures to facilitate events • Bus Lane Enforcement <p>Contact:- Anneliese Hutchinson, Service Director Development, Transport and Public Protection ext 3881</p>	829,000	-961,000	148,000	<p>Increase in car parking and permit changes would need to be the subject to separate consultation.</p>	N/A
36	Transport Strategy Service restructure	<p>The Service has a key role to play in improving road safety, minimising the incidence of road traffic accidents on roads, maximising economic growth and protecting health and wellbeing.</p> <p>This proposal would restructure of the team to retain capacity, reflecting changes in budget provision and changing priorities.</p> <p>Contact:- Anneliese Hutchinson, Service Director Development, Transport and Public Protection ext 3881</p>	5,594,000	2,090,000	146,000	<p>A service review would be undertaken to redesign the service over 2 years to enable the Council to meet the duties and responsibilities with more limited staff and financial resource.</p>	5 FTEs

37	Removal of Road Survey Budget	Survey work would be undertaken within remaining budgets Contact:- Anneliese Hutchinson, Service Director Development, Transport and Public Protection ext 3881	485,000	81,000	20,000	Survey work would be undertaken within remaining budgets.	N/A
38	Reduction in Commissioning and Business Development Service establishment	Reduced level of support would be provided for Group Management Team and the wider Communities and Environment group of services Contact:- Anthony Alder, Service Director Commissioning and Business Support ext 3880	571,000	550,000	25,000	This will have minimal impact.	1 FTE
39	Reduction in consultancy fees (South of Tyne and Wear Waste Management Partnership)	The South of Tyne and Wear Waste Management Partnership, made up of Gateshead, South Tyneside and Sunderland councils, is working together to reduce the amount of waste sent to landfill sites every year and dramatically increase recycling. This proposal is based on a reduction in the South Tyne and Wear Waste Management Partnership budget for external support. Contact:- Anthony Alder, Service Director Commissioning and Business Support ext 3880	40,000	40,000	5,000	This proposal would need to be agreed by the South of Tyne and Wear Waste Management Partnership.	N/A
40	Reduction in Countryside Rangers and maintenance of Public Rights of Way	This option would reduce from two to one Countryside Ranger post. Contact:- Colin Huntington, Service Director Waste Services, Grounds Maintenance and Fleet Management ext 7402	248,000	157,000	30,000	There would be less presence, inspection and support for countryside sites, with reduced conservation management and general maintenance and a reduction in volunteer tasking support. Further savings in year 2 would reduce contractor costs for the maintenance of public rights of way (PRoW) and seek to find alternative uses of existing facilities to achieve additional income	1 FTE

Year 2 and year 3 will see the following further work:-

- Increased bus lane and car parking charges
- Increased costs of residents, civic centre and other permits
- Trade waste business case
- Expanding the Bereavement Service offer
- Expanding our voids collection service arrangement with the Gateshead Housing Company link to the future construction service delivery models
- Continue to drive out waste disposal cost by using behaviour change team to increase paper and co-mingled waste collection as the cheaper sustainable option
- Investment in technology (360 fleet cameras) reducing false claims, reducing invalid complaints and avoiding additional fuel and operating costs
- Review the method of management, quality and quantity of bowling greens and football pitches
- Review parks and consider a commercial offer for key strategic parks, access investment and funding
- Consider a new marketing offer for increasing garden waste subscriptions

LOCAL ECONOMY & GROWTH

Overall Gross Budget £12,068,000 Net Budget £3,096,000

In this theme, at this stage, potential proposals to close the gap for 2017/2018 amount to up to £897,000

Ref	Draft proposal	Description and background	Gross budget	Net budget	Proposal Amount £	How we will deliver this year in 2017/2018 and what will it mean for residents / users?	Workforce Implication
41	Reduce capacity in Economic and Housing Growth Service	<p>In April 2015, Cabinet approved a revised structure for the Economic & Housing Growth Service. The revised structure was implemented to ensure the Council could effectively drive and influence growth in a climate of reduced resources.</p> <p>The change produced a saving of £1m, which was 40% of the budget at that time. This was achieved through a number of approaches:</p> <ul style="list-style-type: none"> • A reduction in capacity, particularly at management level • Widening responsibilities and spans of control for the managers left • Capitalising posts where possible • Commercialising business, recruitment and employment support services i.e. moving to a self-sufficiency model where income from commercial contracts cross-subsidise universal support - if there is insufficient income, the services stop. <p>In line with the changing role of the Council, mainline funding is now largely directed towards strategic and enabling functions that enable us to exercise our community leadership role – strategic planning, collaborating with and influencing external organisations and partners (public, private and third sector) and undertaking the development and commissioning of programmes, projects and services to deliver the outcomes we need funded from a range of sources, including external funding.</p> <p>This activity makes a significant contribution to the financial sustainability of the Council through the generation or safeguarding of income and by the reduction of demand that arises when people move into work or better paid work.</p> <p>The functions are also critical in maintaining our reputation and influence with external stakeholders e.g. Government Departments and arms-length agencies, North East Combined Authority, North East Local Enterprise Partnership, Universities and Colleges, local businesses, training providers, investors and developers.</p> <p>The savings option constitutes 50% of the current budget. In order to deliver this there will need to be a reduction of</p>	3,965,000	1,375,000	700,000	<p>The savings options would entail the deletion of 13.5 mainline funded posts from the following areas:</p> <ul style="list-style-type: none"> • Service Management • Enterprise and Industry • Employment, Skills and Inclusion • Housing Growth • Technical Support • Economic Policy and Partnership • Specialist Project Support <p>The remaining mainline-funded team would comprise 12 FTE posts across this broad and complex agenda.</p> <p>The saving will have a major impact on what we can accomplish in pursuit of our objective of a Prosperous Gateshead and all the intended beneficiaries of this: businesses, investors, young people, job seekers, the unemployed and economically inactive, home owners and renters. Targets for homes, jobs, employment, household income, poverty reduction for example will need to be reviewed and revised.</p> <p>We will need to withdraw or reduce our support and input into partnership activity with a range of public, private and third sector organisations.</p> <p>The ability to run commercial contracts may be undermined, putting at risk universal business and employment support service that rely on cross-subsidy from commercial contracts.</p> <p>There are a number of specialist posts that provide expert economic advice to internal and external audiences to ensure policies, decisions and influence are based on sound evidence and analysis. The loss of such expertise will compromise the quality of advice given and work performed.</p>	13.5 FTEs

		mainline-funded employees by 13.5 FTEs. To maintain activity in each of the three policy areas of Enterprise and Industry, Employment, Skills & Inclusion and Housing Growth it will be necessary to make savings in each. Contact:- Andrew Marshall, Service Director Economic and Housing Growth ext 3422					
42	Development and Public Protection redundancies/restructure	This proposal would restructure of the team to retain capacity in the correct places Contact:- Anneliese Hutchinson, Service Director Development, Transport and Public Protection ext 3881	4,860,000	2,475,000	109,000	A service review would look to redesign the service over 2 years to enable the Council to provide a good service and make efficiencies, thereby operating with a smaller team.	3.5 FTEs
43	External funding for trading standards work	Funding from Citizen Advice Bureau (CAB) to cover one Trading Standards post Contact:- Anneliese Hutchinson, Service Director Development, Transport and Public Protection ext 3881	N/A	N/A	50,000	Funding has been obtained to fund a relationship manager for the next 3 years. This will be in the form of a secondment from the Trading Standards team to CAB	N/A
44	Increase in contribution of the Housing Revenue Account (HRA) to offset costs of activities carried out within the service	Increase in contribution from the HRA. Contact:- Peter Udall, Service Director Council Housing, Design and Technical ext 2901	3,014,000	-231,000	38,000	This will offset council costs associated with the activities carried out by the Service Director and Development Manager. In addition, propose to redirect resources within team currently funded through the HRA to general support services.	N/A

Year 2 and year 3 will see the following further work:-
Restructure across Development, Transport and Public Protection Service.

COMMUNITIES

(Overall Gross Budget £14,923,000 Net Budget £6,893,000)

In this theme, at this stage, potential proposals to close the gap for 2017/2018 amount to £1,557,000

Ref	Draft proposal	Description and background	Gross budget	Net budget	Proposal Amount £	How we will deliver this year in 2017/2018 and what will it mean for residents / users?	Workforce Implication
45	Reductions in contribution to Sage Gateshead, BALTIC and Tyne and Wear Archives and Museums, NGI	<p>The Council has commissioned cultural organisations Sage Gateshead, Baltic Centre for Contemporary Art and Tyne and Wear Arts and Museums (TWAM) to ensure the Council delivers its cultural strategy, Creative Gateshead.</p> <p>Review the commissions to Sage Gateshead, Baltic Centre for Contemporary Art and TWAM.</p> <p>Contact:- Lindsay Murray, Service Director Culture, Communities, Leisure and Volunteering ext 2794</p>	1,002,000	1,002,000	105,000	<p>These organisations have had their grant reduced for the last 10 years by the Council. The proposal is likely to have an impact on the sustainability of these organisations and could affect their ability to attract external funding.</p> <p>This proposal formed part of last year's budget consultation exercise</p>	N/A
46	Implementation of library review	<p>Implement the Library Review. This could include library closures and will reduce the library network from 17 in 2010 and from 11 currently.</p> <ul style="list-style-type: none"> • Reduction in the number of library buildings – potentially with reduced opening hours • Increased volunteer libraries – but reduced capacity to support their development • Reduced digital services in libraries • Reduced outreach activity • Reduced capacity to develop partner involvement in libraries • Library service offer reduced to a minimum <p>The Library Review is the subject of a specific report to Cabinet on 8 November 2016.</p>	3,178,000	2,985,000	450,000	<p>Potential closure of libraries reducing the Council network. Library customers would need to travel further to use a library, which some may not be able to do. Reduced access to books computers, information and events for all ages. Reduced literacy levels if local schools cannot use libraries and children do not read in their free time.</p> <p>A library has a role as a community hub and reduces social isolation for older people. Opportunity to deliver more outreach work and disposal of buildings.</p> <p>The review has considered the use of other community buildings for service delivery for either as a venue for outreach activities e.g. reader group or rhymetime or as a location for reduced book collection.</p> <p>The reduction in the Council network has previously been mitigated by the establishment of volunteer operated libraries. The establishment of new volunteer managed libraries may be possible to allow the provision of a local service. The financial viability of new and existing volunteer libraries will become increasingly difficult with the reduction of Council funding.</p> <p>A 12 week public consultation period has been conducted between July – October 2016 to establish the impact changes to the current library network</p>	16 FTEs

		Contact:- Lindsay Murray, Service Director Culture, Communities, Leisure and Volunteering ext 2794				would have and how likely users are to use alternative provision. A minority, 38%, would access alternative provision. A risk of failure to meet statutory duty to provide a comprehensive and efficient library service.	
47	Withdrawal of subsidy to leisure which could result in the closure of facilities if it is not possible to generate the required income	<p>On 19 April 2016, Cabinet agreed a new vision for the leisure service: “A sport and leisure service which is sustainable and customer focused to ensure healthy, active Gateshead communities and delivers the Council’s priorities of Live Well Gateshead and Live Love Gateshead. A service which integrates and connects to broader services and cultural offer so that residents can participate in a range of services for their wellbeing and leisure. A service which is driven by business and financial objectives, as well as customer satisfaction, retention and growth and maximises the use of its assets – buildings, employees, ICT and partners - to serve Gateshead residents and beyond. A service which in the period of the Council Plan (2020) is no longer directly subsidised by Gateshead Council, and is returning income to the Council to invest in Gateshead priorities”.</p> <p>To support the vision Cabinet also agreed that the Council subsidy for the service will be withdrawn by 2020. Based on current costs, this means the service has to generate an additional £2.8m by this date.</p> <p>To achieve this reduction, the service is required to reduce the budget by £702,000 for the 3 financial years 2017/18 to 2019/20.</p> <p>Contact:- Lindsay Murray, ~Service Director Culture, Communities, Leisure and Volunteering ext 2794</p>	8,139,000	1,982,000	702,000	<p>It is anticipated that the service to customers will improve. The programme of activity will be demand led and focus on the health and fitness needs of customers. Staff will have customer service training and be more responsive to the needs customers. The additional intelligence about customer use from the improved access system and improved relationship with customers will allow the service to be more responsive in the market. An improved website will ensure a more efficient digital relationship with customers from membership sign up to booking of activities or space.</p> <p>The service has developed a business plan for each facility with a clear income target to ensure the additional income is achieved.</p> <p>The Leisure Review was the subject of separate reports to Cabinet in December 2015 and April 2016. This review is currently being implemented.</p> <p>However if the Council is not on target to deliver the additional income, savings and transformation then a different management arrangement will be put in place by 1 April 2018.</p> <p>This proposal formed part of last year’s budget consultation exercise. A specific consultation plan is being implemented including regular meetings with employees.</p>	N/A Income target
48	Consider different delivery model for Gateshead International Stadium	<p>Working with partners and stakeholders to develop a vision for the future management and operation of the Stadium as an international and regional asset.</p> <p>Contact:- Lindsay Murray, Service Director Culture, Communities, Leisure and Volunteering ext 2794</p>	1,363,000	594,000	300,000	Develop a vision with partners and identify the potential to share management and share delivery.	N/A

Year 2 and year 3 will see the following further work:-

Culture income generation - Culture Team will be more commercially focussed. With this in mind income targets will be set for 2018-2020

CUSTOMER SERVICES, PROPERTY AND TECHNOLOGY

Overall Gross Budget £121,300,000 Net Budget £6,599,000*The Gross budget includes £85.660m budget for payment of Housing Benefits
In this theme, at this stage, potential proposals to close the gap for 2017/2018 amount to up to £2,168,000

Ref	Draft proposal	Description and background	Gross budget	Net budget	Proposal Amount £	How we will deliver this year in 2017/2018 and what will it mean for residents / users?	Workforce Implication
49	Reduction in Facilities Management	This proposal is a reduction in the establishment at a service manager level. Contact:- Dale Robson, Service Director Facilities Management ext 5510	5,480,000	1,775,000	50,000	Internal management structure of the service would be reviewed to make the best use of skills and capacity within the service.	1 FTE
50	Cleaning of buildings	Building cleaning has already been significantly reduced throughout all council buildings. Further proposals are: Option 1: To reduce cleaning to once a week with toilets cleaned daily (£200,000) Option 2: To reduce cleaning to once a week, with a light touch (communal areas and toilets cleaned and bins emptied) on 3 days and only toilets cleaned on the remaining day (£90,000) Option 3: To reduce cleaning to 2 days per week with a light touch on 2 days and the cleaning of toilets only on the remaining day (£50,000) Contact:- Dale Robson, Service Director Facilities Management ext 5510	816,000	816,000	Up to 200,000	Currently toilets and communal areas are cleaned daily. With offices currently cleaned 3 days per week with a light touch on the other 2 days. This proposal would reduce further the cleaning of buildings. This proposal formed part of last year's budget consultation exercise.	Up to 10 FTEs Option 1 – up to 10 FTEs Option 2: up to 4.5 FTEs Option 3: up to 2.5 FTEs
51	Savings within ICT service	ICT contract savings, review of licences and agreements across service, and consolidation of systems software Contact:- Roy Sheehan, Service Director ICT Services ext 3789	N/A	N/A	313,000	Efficiency savings through reviews of contracts.	N/A
52	Savings within Customer and Financial Services	This proposal includes a range of efficiencies, reviews, and traded income Contact:- John Jopling, Service Director Customer and Financial Services ext 3530	8,851,000	3,290,000	440,000	Organisational review which may potentially impact on service performance. This may be mitigated by investment in ICT and implementation of the Digital Strategy.	14 FTEs
53	Council Tax and Business Rate collection	Removal of 1 month exemption for empty domestic dwellings resulting in increased income. Further work to counter avoidance of business rate thereby increasing business rates income. Contact:- John Jopling, Service Director Customer and Financial Services ext 3530	N/A	N/A	868,000	The Council expects to increase income to the collection fund in respect of council tax and business rate growth.	N/A
54	Discretionary rate relief policy	Removal of the award of Discretionary Rate Relief to all eligible organisations Contact:- John Jopling, Service Director Customer and Financial Services ext 3530	N/A	N/A	Up to 150,000	Revised Discretionary Rate Relief scheme would be effective from April 2017 following consultation. This proposal is the subject of a separate report to Cabinet 8/11/16 to recommend consultation on a proposed new Discretionary Rate Relief Policy.	NA

55	Property Services income generation	Increase in property income Contact:- Martin Harrison, Service Director Legal, Democratic and Property Services ext 2101	5,583,895	959,196	147,000	Efficient management of property portfolio including monitoring of rental income, timely rent reviews, lease renewals and letting of void properties.	N/A
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Year 2 and year 3 will see the following further work:-

- Development of the trading model to improve performance of the Supporting Independence Service
- Digital – Agile working benefit realisation
- Establishment of a Local Authority Investment Partnership – Public Sector Plc through increase of revenue and capital through property rationalisation
- ICT service restructure
- Improvement to financial performance of Building Cleaning contracts
- Further saving from management structure in Facilities Management

TRADING AND INVESTMENT

Overall Gross Budget £0m Net Budget £-2.620m

In this theme, at this stage, potential proposals to close the gap for 2017/2018 amount to up to £1,133,000

Ref	Draft proposal	Description and background	Gross budget	Net budget	Proposal Amount £	How we will deliver this year in 2017/2018 and what will it mean for residents / users?	Workforce Implication
56	Repairs and Maintenance Contract Corporate contribution	Contribution to costs from Repairs and Maintenance contract Contact:- Victoria Beattie, Service Director Construction Services ext 7311	N/A	N/A	300,000	Represents an additional net contribution to the Council as a result of transferring the delivery of the R&M Contract to Construction Services. This will be across a number of council services by way of increased income targets. The specific detail is being worked through.	N/A
57	Increased trading	Increased income from trading activity including Energy Services, Housebuilding, Funeral Services, Property investments, sponsorship and schools catering. Contact:- Darren Collins, Strategic Director, Corporate Resources ext 3580	N/A	N/A	833,000	Traded income.	N/A

Year 2 and year 3 will see the following further work:-

- Improving the financial performance of School Catering through increased meal update and expansion of customer base.
- Review of services provided to schools
- Further developments in traded services.

DEMOCRATIC CORE

Overall Gross Budget £11.479m Net Budget £5.603m

In this theme, at this stage, potential proposals to close the gap for 2017/2018 amount to up to £705,000

Ref	Draft proposal	Description and background	Gross budget	Net budget	Proposal Amount £	How we will deliver this year in 2017/2018 and what will it mean for residents / users?	Workforce Implication
58	Review of establishment across Democratic Services, Legal Services & Litigation, HR and Workforce Development, Corporate Commissioning and Procurement	<p>Reductions in the service establishment have been achieved following team reviews and activities have been realigned to meet current and anticipated demand. Impact of the reductions will be managed internally through prioritisation of workload where required.</p> <p>Contact:- Martin Harrison Service Director Legal, Democratic and Property Services ext 2101 , Deborah Hill, Service Director Human Resources and Litigation ext 2110, Andrea Tickner, Service Director Corporate Commissioning and Procurement ext 5995</p>	7,862,133	3,379,747	293,000	<p>A review of service areas will be undertaken to align service delivery with current and anticipated demand.</p> <p>The group will continue to look to maximise income, reduce costs and align resources to demand to increase savings in the group and where possible bring forward potential savings.</p>	8.34FTEs
59	Reduction in supplies and services within Human Resources Service	<p>Reductions will be across non-staffing budgets for supplies and services across a number of teams within this service.</p> <p>Contact:- Deborah Hill, Service Director Human Resources and Litigation ext 2110</p>	503,000	503,000	16,000	There will be no impact.	N/A
60	Service-wide review of establishment across activity areas of policy, planning, performance and communications	<p>A review of service areas will be undertaken to align service delivery with current and anticipated demand. Savings will be made over the next 2 years.</p> <p>Contact:- Marisa Jobling, Service Director Policy, Performance and Communications ext 2099</p>	2,014,000	1,777,000	100,000	<p>Reductions in the service establishment have been achieved following team review and activities have been realigned to meet current and anticipated demand. Impact of the reductions will be managed internally through prioritisation of workload where required.</p> <p>This proposal formed part of last year's budget consultation exercise.</p>	2 FTEs
61	Corporate Finance Service review	<p>This proposal would reduce the establishment in Corporate Finance Service through efficiencies and demand management.</p> <p>Contact:- Keith Purvis, Deputy Strategic Director Corporate Resources ext 3630</p>	3,576,000	1,059,000	141,000	<p>Estimates are based on efficiencies in workload demand management.</p> <p>As Council Services change and reduce there may be scope to reduce staffing further in future years.</p>	2.5 FTEs
62	Insourcing of Insurance claim handling	<p>Insourcing of insurance claims handling and consolidation of insurance contracts.</p> <p>Contact:- Keith Purvis, Deputy Strategic Director Corporate Finance ext 3630</p>	N/A	N/A	100,000	Efficiency saving with no impact on residents.	N/A

63	Reduce the risk of financial fraud through proactive anti-fraud detection and prevention	This is to proactively reduce the scope for financial fraud including council tax discounts and exemptions, council tax benefits and NNDR relief. Contact:- Keith Purvis, Deputy Strategic Director Corporate Resources ext 3630	N/A	N/A	55,000	Invest to save approach.	N/A
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Year 2 and 3 will see the following further work:-

- Review of Council News and increase in digital information
- Service wide review of policy, planning, performance and communications
- Corporate Services and Governance service wide reviews to be undertaken to align services with demand
- Corporate Resources service wide reviews to be undertaken to align services with demand