

GREAT YARMOUTH BOROUGH COUNCIL

NOTICE OF CALL-IN

Report Number: TR 8

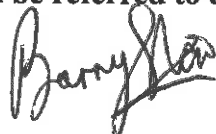
Subject: Accelerating the Council's Approach to Efficiency

Date of Consultation: 2nd April 2014

The following three Members of Council give notice that the above proposed decision(s) should be referred to the Scrutiny Committee for consideration.

Signed:

(1)  
(2)  
(3)



Councillor B. STONE  
Councillor  
Councillor

Date: 3/04/2014

The reason (s) for this Call-in is/are as follows:-

Financial implications and why it has  
taken over a year to identify the need for  
this proposed initiative to be  
brought forward.

NOTES:

- (1) This notice must be signed by either the Chairman or any three Members of the Council (excluding Cabinet Members).
  - (2) Members should be aware that, as part of the call-in procedure and to avoid any unnecessary call-ins, a valid reason(s) will need to be given at the Scrutiny Committee for that call-in and, therefore, it is advisable for Members to contact the relevant officer to satisfy any minor queries or to discuss the proposed reason for the call-in prior to the formal submission of this form.
  - (3) Members should note that in order to make this call-in valid the reasons for the call-in MUST be specified in writing above.
- (NB) Members should note that, in accordance with Article 6, paragraph 6.5.3 of the Constitution, if the Head of Central Services is of the opinion that the call-in process is being abused, he may refuse to deal further with the call-in.

FOR OFFICE USE ONLY:

Date Notice Received:

**Subject:**

**Accelerating The Council's Approach To Transformation And Efficiency.**

**Is this decision for:**

<b>Cabinet</b>	Yes	<b>Is it a Key Decision?</b>	Yes
<b>Single Member</b>	No	<b>Is it a Key Decision?</b>	No
		<b>Portfolio Holder:</b>	Cllr Williamson
<b>or a Key Decision for an Officer</b>			No

**Date for Decision:**

2 April 2014

**For publication/  
Not for  
publication?**

**If not for publication, why is the information exempt?**  
Paragraph 9, Schedule 12A Local Government Act 1972  
Confidential terms relating to a development agreement

**Report by:**

Interim Chief Executive

**Matter for decision**

To consider the work to accelerate the council's approach to transformation and savings to meet its future financial targets.

**Recommendation**

To agree the overall approach and timescales.

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<b>Existing relevant Council policies</b>
Corporate Plan Medium Term Financial Strategy
<b>Budget details</b>
<b>Consultations</b>
<b>Financial Implications</b>
This work can be achieved within existing resources.
<b>Legal Implications</b>
<b>Executive Board or Director Consultation</b>
<b>Possible options and recommendations</b>
To agree the overall approach and timescales.
<b>Background Papers</b>
None

**Notes:**

- (1) Non confidential reports to Executive must be publicly available for five days beforehand.
- (2) Non confidential reports dealing with key decisions to be taken by a single Executive Member or Officer must be publicly available for five days before the decision is taken. Whether or not such a report is confidential, a copy must be given as soon as practicable to the relevant Overview and Scrutiny Chairman.

**For Member Services Department Use**

TR 8

Report No.  
Date circulated to Members of Council  
Expiry of call in  
Called in

Does this report raise any legal, financial, sustainability, equality, Crime and Disorder or Human Rights issues and, if so, have they been considered?	Issues	
	Legal	Y- Requirement to set balanced budgets in future years
	Financial	Y – As above
	Risk	Y – As above
	Sustainability	
	Crime and Disorder	
	Human Rights	
	Every Child Matters	
	Equality	
	EqlA Form completed	

## 1. Background

- 1.1 The council has carried out a range of work over the last few of years to realise significant savings and make the organisation more efficient and effective.
- 1.2 In May 2013 a peer challenge, supported by the Local Government Association, identified the council had ‘achieved a great deal for the borough’ and had ‘flashes of brilliance’ and ‘pockets of excellence’ across the organisation. However, it also identified areas for further development.
- 1.3 During 2013/14 the council has also been receiving Efficiency Support Grant (ESG) from the government as it has received the largest reduction in government funding in the country. ESG funding comes with a number of criteria and as part of this process a project board was set up in March 2013 to inform how the council was utilising this funding to support its work to realise savings and support organisational redesign.
- 1.4 The combined effects of government funding reductions and other budgetary pressures such as inflation mean that the council will need to make significant further savings each year for the foreseeable future. This is on top of reductions in the past.

	10/11	11/12	12/13	13/14
<b>Expenditure</b>	£19.1m	£15.2m	£16.2m	£14.5m
<b>Income</b>	£20.0m	£17.7m	£16.3m	£12.2m

1.5 The table below sets out the future position in more detail:

	14/15	15/16	16/17	17/18	18/19
<b>Expenditure</b>	£13.3m	£12.4m	£11.3m	£10.4m	£9.9m
<b>Income</b>	(£12.2m)	(£11.2m)	(£10.1m)	(£9.4m)	(£9.1m)
<b>Annual savings required</b>	£1.1m	£1.2m	£1.2m	£1m	£0.8m
<b>Cumulative savings over period</b>	£1.1m	£2.3m	£3.5m	£4.5m	£5.3m

1.6 These requirements are in addition to significant savings already realised. For example, the council is delivering a net overall reduction of approximately £1.6 million on its general fund for 2013/14.

1.7 The budget report to Cabinet and Council in February 2014 highlighted the need to consider options for moving forward given these significant financial challenges.

1.8 In order to ensure that these challenges are successfully addressed work is now underway to significantly accelerate the council's approach to transformation and efficiency. This report, therefore, updates Cabinet on the overall approach and timescales.

## 2.0 Key priorities

2.1 It is proposed that the council focuses its transformation and savings work on two very simple priorities:

- **Priority One** (by far the most important and pressing priority) – to ensure the council's savings targets are delivered by putting in place a multi year transformation programme of income and savings, informed by public consultation, that fully addresses the council's ongoing budget deficits for the medium term.
- **Priority two** – to ensure the key supporting arrangements, organisational infrastructure and capacity are in place to enable the council to be well placed for the future informed by the results of the peer challenge and other processes.

## 3.0 Key work streams

3.1 To ensure the two key priorities are delivered the following work has already been commenced:

- A. Refresh of the Medium Term Financial Strategy (MTFS)** - To develop a new five year MTFS which sets out the council's ongoing financial position and approach.
- B. Development of a detailed council vision / blueprint** – To further develop the council's current organisational vision into a set of detailed principles (a target operating model) that can guide the transformation of the council that will be required to meet the financial challenges.
- C. Comprehensive opportunity assessment for savings/income** – To carry out a full opportunity assessment across the council that identifies all the potential options for generating income and realising savings. All the options developed through the opportunity assessment would then be risk and impact assessed and prioritised, guided by the draft vision.
- D. Key supporting elements** - To put in place the key supporting arrangements to deliver the transformation and ensure the council can continue to move forward successfully.
- E. Developing a communications and consultation plan** - To develop a supporting communications and consultation plan to ensure that the draft vision and proposed savings and income options are effectively consulted upon with stakeholders including the public, partners and employees and that appropriate communications are carried out throughout the change process.

#### **4.0 Delivery of the programme**

- 4.1 The council, as you would expect for a district council, is not resourced to deliver a transformation programme of this nature. As such, a temporary, dedicated transformation and efficiency team is being established, made up of internal secondments and supplemented by specialist external resources, to develop and manage the delivery of the programme. This will be funded from within existing resources.
- 4.2 The remit of the council's current ESG project board has also been widened to act as the programme board for the council's whole transformation and efficiency programme.

## 5.0 Key overall milestones

- 5.1 A series of project specific timescales are being developed and built into the transformation programme as part of its further development. However, the table below sets out the key overall milestones for the next 12 months.

	Key milestone	Timescale
1	To complete the detailed refresh of the council's MTFS	18 April 2014
2	To complete the opportunity assessment for options for generating income and realising savings across the council and development of the supporting communication and consultation plan.	30 June 2014
3	Cabinet formally consider the draft vision and proposed income and savings options for 2015/16 for public consultation	9 July 2014 (Cabinet meeting)
4	12 week public consultation on the draft vision and the proposed income and savings options for 2015/16	14 July – 6 October 2014
5	Cabinet formally consider the results of the public consultation and determine the expanded vision and package of income and savings options to go forward for the 2015/16 proposed budget	12 November 2014 (Cabinet meeting)
6	Early implementation preparation work carried out on income and savings package for 2015/16	13 November – February 2015
7	Cabinet and Council formally consider proposed policy and budget framework for 2015/16	11 & 17 February 2015
8	Final implementation of income and savings package for 2015/16	25 February 2015 – 1 April 2015
9	Detailed work on future income and savings options for 2016/17 and 2017/18 and key organisational improvement projects	Ongoing