

Meeting: Overview and Scrutiny Committee

Date: 6 February 2012

Title: Change, Efficiency and Improvement Programme:
Progress Update Report

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Wards affected: All

1. Purpose of Report

This update report provides the Committee with the monthly overview of progress across all three themes of the Change, Efficiency and Improvement (CEI) programme. The CEI programme comprises the set of projects which have been established to deliver the budget savings required across a four year period 2011-2015 and as such there is an associated budget business case for each. The CEI programme is part of the overarching Council Strategic Plan.

The aim of the report is to update the Committee with the latest position on the projects within each of the themes, with a focus on the project plans for years 2 to 4 of the programme (being 2012-13 to 2014-15). Progress on the CEI projects that are included in the 2011-12 budget are monitored via the in-year budget monitoring process through the Finance Sub-Committee (FSC).

At the last Overview and Scrutiny meeting (9 January 2012) an extract of the 2011/12 CEI budget monitoring report to FSC was included for information. This report is taken every two months to FSC, at alternative meetings to the bi-monthly budget monitoring reports. The next report is being taken to the meeting on 15 February 2012 and is currently being collated. As such, this 2011/12 update is not presented to this meeting. However, Members will be aware that the budget monitoring report for the financial position to 30 November 2011 (taken to Cabinet on 16 January 2012 and FSC on 25 January 2012) reported an improvement in the overall general fund revenue position compared to the previous report. There remains a forecast financial pressure of £1.065m that is currently under review.

2. Recommendations

The Committee are recommended to consider the information contained in this report.

3. Details

As reported in the progress report for the Committee meeting of 9 January, the CEI savings target for the four year period 2011-15 is now £47.657m as set out in the table below (this

has been updated for the 18 January 2012 Report to Cabinet on the Cabinet's draft Council Strategic Plan and Budget Proposals).

| CEI Programme | 2011/12 | 2012/13 | 2013/14 | 2014/15 | Total |
|----------------------------|----------------|----------------|--------------|--------------|----------------|
| | Additional | Additional | Additional | Additional | Total |
| | £000's | £000's | £000's | £000's | £000's |
| A - People | -6,675 | -9,435 | -1,940 | -1,741 | -19,791 |
| B - Business | -7,687 | -4,969 | -3,359 | -1,808 | -17,823 |
| C - Environment | -1,466 | -1,647 | -826 | -560 | -4,499 |
| Cross Cutting | -366 | 0 | 0 | 0 | -366 |
| CEI Programme Target | 0 | 0 | -2804 | -2374 | -5178 |
| Total CEI Programme | -16,194 | -16,051 | -8929 | -6483 | -47,657 |

Theme A covers Children, Education and Adult services as well as the transfer of public health services as local authorities take over responsibility for some of these services as part of the changes to the health service. This theme is about enabling better and more efficient access to education, employability, social care, health and well being services through new ways of working and supporting independence through increased prevention activity.

Key progress since last month on this theme is as follows:

- **Children and Education Services:** Activity in December and January has largely been concerned with engagement activity with the Schools Forum; head teachers and chairs of governing bodies to enable them to comment on the proposals. This will feed into the more detailed equality impact assessments (EIAs) being prepared for key projects. Detailed project plans are being drawn up.
- **Adult Social Care:** There has been a substantial programme of engagement carried out, which is providing detailed information for the completion of the EIAs. EIAs are a crucial part of the initiation stage of Adult Social Care projects. Detailed project plans are being drawn up and these will include any mitigating/remedial actions indicated in the EIAs.
- Theme A governance is being developed to link in with plans for Public Health Transition joint commissioning arrangements with the NHS. This will streamline the number of boards/groups managing this work and ensure that interdependent projects are managed effectively.

Theme B is about introducing new ways to deliver a range of services through partnerships with public, private or voluntary/community sector providers, reducing central overheads and support costs as well as improving our customer services.

Key progress since last month on this theme is as follows:

- Seven companies have expressed an interest in the Business package and seven in the Technical package. The team are evaluating Pre-qualification questionnaires (PQQs) and four bidders per package will be put through to the next stage and submit their outline solutions for the Council.
- To date, seven briefing notes have been issued to staff in relation to these packages to keep them up to date with progress.

- Staff drop in sessions were held week commencing 9 January for those affected by the Business, Technical, and Community Based Trust proposals. This offered staff the opportunity to ask questions about the reasons for change, the process that will be followed, and more specific questions about Transfer of Undertakings (Protection of Employment) (TUPE) or Terms and Conditions.
- These questions and answers formed part of the last staff briefing note along with current activity and the next steps
- Adverts and an open evening have attracted 38 applicants to be Trustees of the Community Based Trust and planning for the procurement phase is now underway.

Theme C is about introducing new ways to deliver environmental services and reducing costs on energy and transport as well as reducing carbon emissions.

Key progress since last month on this theme includes:

- Provision of comprehensive information to Schools around waste subscription charges, and related consultation with stakeholders .
- Concentrated work on new strategies, an on-line portal, and promotion of recycle campaign, to reduce waste.
- Cavity wall insulation at schools; power down software on PC's; 826 Solar PV arrays installed on North Tyneside Homes all contributing to reduced energy consumption and carbon use.
- Measures in place to reduce vehicle usage, fuel consumption and damage.

Annex A contains an overview of progress per project area within each of the three themes of the programme for 2012/13. Some changes have been made to the format of the annex in response to comments made at the Overview and Scrutiny Committee meeting of 9 January. Plans are in place for 2012/13 for projects to deliver against the full revised target of £16.051m.

In terms of 2013/14 and 2014/15, there is still a gap of £5.178m savings to find as set out in the table above (in the line CEI Programme Target) - £2.804m for 2013/14 and £2.374m for 2014/15. Work is currently underway to address these gaps.

It should also be noted that the CEI target will be subject to change as the final Cabinet proposals are made and the budget is agreed by Council. The figures referred to in this document are those contained in the current Cabinet proposals (as at 18 January 2012).

4. Appendices

Annex A – Progress report for 2012/13