

# Meeting: Overview and Scrutiny Committee

**Date:** 5 March 2012

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

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**Directorate:** Strategic Services  
**Wards affected:** All

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## 1. Purpose of Report

This 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 incorporates 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). The latest report specifically on the individual CEI projects, which was prepared for the FSC meeting on 22 February 2012, is attached (as Appendix 1) for your information. This should also be read in conjunction with the overall budget monitoring that is undertaken on a bi-monthly basis, covering the whole of the Council's revenue and capital budgets and therefore gives the total financial position for the year, including all service and corporate pressures and the subsequent action taken to address them.

The next overall budget monitoring report will be taken to Cabinet on 12 March 2012, setting out the position as at 31 January 2012. The last report to Cabinet, which was also considered by FSC, for the period to 30 November 2011, showed that there had been a continued improvement in the forecast position over the course of the year, with the majority of service areas spending on, or below, budget.

## 2. Recommendations

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

## 3. Details

As reported in the progress report for the meeting of 6 February, 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).

<b>CEI Programme</b>	2011/12	2012/13	2013/14	2014/15	
	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
<b>Total CEI Programme</b>	<b>-16,194</b>	<b>-16,051</b>	<b>-8929</b>	<b>-6483</b>	<b>-47,657</b>

**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: A substantial programme of engagement is now largely complete, which has provided 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 the effectiveness of our workforce and customer services.

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

- Four companies per package have been put through to the next stage based on their experience and capacity to deliver. Information about how services are currently delivered has been shared with bidders.
- Staff and unions are continuing to be updated on progress, and a new system to allow staff to ask questions on an ongoing basis is being developed.
- Of the 38 applicants to be Trustees of the Community Based Trust, 20 have been selected for interview and meetings with key stakeholders.

- A new Pay & Reward policy has been developed, which will focus on providing the authority with terms and conditions which facilitate an agile, flexible workforce, which is more suited to meeting constantly changing needs.

**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:

- Exploration of the potential to procure ancillary waste contracts across Tyne and Wear.
- Investigation of scope for use of sustainable resource re-use across public sector.
- Investigation of joint procurement options.
- Production of Streetlighting Saving Strategy
- Extensive energy conservation training for School Governors and leisure staff.
- 1,061 solar PV arrays installed to date on North Tyneside homes.
- Continued reductions in gas, electricity, water, fuel, mileage and vehicle damage.
- Extensive consultation with staff, charities and service users around changes.

Appendix 2 contains an overview of progress per project area within each of the three themes of the programme. 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**

Appendix 1 - 2011/12 CEI budget monitoring report to Finance Sub Committee

Appendix 2 – CEI Progress report