

Appendix 2: Neighbourhoods Committee - 23/24 Savings Position as at Q2

Summary

This report updates Neighbourhoods OSC on the progress in delivering the 23/24 savings agreed in the MTFS 2023/26 that fall under this committee portfolio.

An extensive review process has been undertaken between Q1 and Q2 and the position reported below is as at Q2 (End of September 23).

Background

There are seven specific areas of savings in 23/24 totalling £5.846m that fall under the committee portfolio and these are listed below.

Each area has been risk rated to indicate the current level of confidence in achieving each savings target either in-year during 23/24 or over the longer term MTFS period 2023/26. Page 3 of this appendix explains the risk rating criteria.

Quarter 2 Position

Of the £5.846m £0.019m is green, £4.837m is Amber and £0.990m is Black for 23/24.

In relation to the £0.990m of savings associated with the customer services programme in bereavement, garden waste, markets and pest control, the programme team have delivered the agreed customer service improvements as scheduled. However this did not materialise in year savings due to savings being duplicated in service areas by other cross cutting proposals i.e. fees and charges/workforce savings etc however this has delivered improved customer service outcomes and an enhanced customer experience.

Decisions will need to be made around the longer term deliverability of these savings and where this is no longer possible they will need to be written off and longer term alternatives developed.

There are also savings targets associated with vacancy management and fees & charge increases. Currently these savings are rated Amber denoting Medium Risk due to the lack of monitoring information available through Oracle. Work to deliver these savings is progressing but will need to be managed and monitored carefully throughout the year to ensure the full savings targets are achieved.

List of Savings Projects & RAG status as at Q2

Directorate	OSC Portfolio	Summary Description	In-Year 2023/24 (Saving) £'000	Over the MTFS (Saving) £'000
City Ops	Neighbourhoods OSC	Removal of Universal Superloos	(19)	(19)
		TOTAL	(19)	(19)
City Ops	Neighbourhoods OSC	3% Turnover factor (Vacancy management)	(3,307)	(3,307)
City Ops	Neighbourhoods OSC	Fees & Charges 5%	(1,530)	(1,530)
		TOTAL	(4,837)	(4,837)
Council Management	Neighbourhoods OSC	Customer Services – Bereavement. Improvements in service design to deliver efficiencies	(710)	(710)
Council Management	Neighbourhoods OSC	Customer Services - Garden Waste. Introduce autorenewal and other process improvements to maximise levels of annual subscriptions.	(80)	(80)
Council Management	Neighbourhoods OSC	Customer Services - Markets	(100)	(100)
Council Management	Neighbourhoods OSC	Customer Services - Pest Control	(100)	(100)
		TOTAL	(990)	(990)

Narrative for 23/24 in-year Non-Delivery

Neighbourhoods OSC

Dir	Summary Description	2023/24 (Saving) £'000	Explanation
Council Mgt	Customer Services – Bereavement. Improvements in service design to deliver efficiencies	(710)	Service improvement in customer services has been achieved but this will not result in in year cashable savings but will deliver improved customer service and customer experience
Council Mgt	Customer Services - Garden Waste. Introduce autorenewal and other process improvements to maximise levels of annual subscriptions.	(80)	Service improvement in customer services has been achieved but this will not materialise in year savings but will deliver improved customer service and customer experience
Council Mgt	Customer Services – Markets	(100)	Service improvement in customer services has been achieved but this will not materialise in year savings but will deliver improved customer service and customer experience
Council Mgt	Customer Services - Pest Control	(100)	Service improvement in customer services has been achieved but this will not materialise in year savings but will deliver improved customer service and customer experience

Caveats:

- Many targets fit into multiple O&S portfolio, such as Fees & Charges, vacancy factor, thus for simplicity we have allocated to the O&S Committee where most of the target is more likely to fall.
- Some services also fall into more than one O&S portfolio – we have allocated the full target for these to the committee of higher alignment rather than split amounts.
- The total savings that need to be delivered in the 23/24 financial year may increase. Finance is currently working to close the 22/23 financial year accounts – this includes final assessment of savings delivery for the last financial year. Any further undelivered savings in 22/23 will need to be brought forward and found in 23/24 thereby increasing the overall target for 23/24.

Criteria for determining the RAG status of savings

Assessment Criteria	Delivered	Low Risk	Medium Risk	High Risk	Potential Write-Off
Savings RAG	Saving or income realised and evidence provided that costs have been reduced or income increased.	Saving or income detail documented and robust plan in place to deliver agreed targets, showing when and who is responsible. - and / or - Saving / income will be delivered within agreed timeframes.	Saving or income lacks some clarity and / or not detailed at an adequately granular level, or at risk, but agreed plan in place to resolve and being actively managed. - and / or - Some risk of not delivering saving within agreed timeframe, leading to cost of slippage.	Limited confidence in agreed saving / income being delivered - and / or - Saving / income unclear and / or not specified at adequate granular level. - and / or - Inadequate plan / no plan agreed. - and / or - <i>Saving not yet agreed by Directorate / Service Manager</i> - and / or - Major risk of not delivering saving / income within agreed timeframe, leading to cost of slippage.	Agreed saving cannot be delivered. - and / or - Alternative saving options to be identified. - and / or - CLT should consider writing off the agreed saving.
Headcount Example	Officer has departed, budget has been reduced and posts have been deleted from the approved establishment.	Timescales and the specific posts to be vacated / deleted have been agreed.	Budget Manager has confirmed that posts (to agreed value and timing) will be vacated and deleted from budget.	Headcount saving proposed, but no clarity RE timescales/ posts.	Headcount reduction is considered unachievable.