

REPORT TO THE CABINET

Date	21 May 2019
Cabinet Member	Councillor Ioan Thomas, Finance Cabinet Member
Subject	Savings Overview: Progress Report on Realising Savings Schemes
Contact Officer	Ffion Madog Evans, Senior Finance Manager

DECISION SOUGHT

To accept the information within the report and note the encouraging progress towards realising the 2018/19 and previous years savings schemes.

1. INTRODUCTION / BACKGROUND

In the Council's financial strategy for the year 2018/19, savings to the value of £2,454,740 were planned.

Realising the individual schemes is the responsibility of the relevant Cabinet members, and Members' performance reports, which are presented regularly to Cabinet meetings, detailing the progress of individual savings schemes within their portfolios, and the position at the time. It is the responsibility of the Cabinet Member for Finance to keep an overview of the whole picture.

This report updates on the progress of realising the savings up to 31 March 2019.

2. SAVINGS SCHEMES 2015/16 - 2017/18

- 2.1 **Appendix 1** summarises the achievement of each department against the savings target set for them from 2015/16 - 2017/18, totalling more than £24m. It is encouraging for me to report that £23m, or 96%, of these schemes have been realised, and there is only a slight slippage with the remainder.
- 2.2 This slippage is mainly on 2017/18 schemes with some of the schemes having slipped. Progress has been made recently with some of the schemes but the challenge of completing some of the schemes remain.
- 2.3 Two schemes by the Education Department are subjects of concern, namely *Reduce time and/or raise a fee for the child care element of the free breakfast scheme* as well as *Raising the price of primary school meals from £2.30 to £2.50*. The savings are not being realised at the level that the Department had anticipated, and so there is an overspend this year. The total target amount of both schemes in 2017/18 is £119,550. The Cabinet Member for Finance is eager to receive a response plan by the next relevant Cabinet meeting.

3. DEPARTMENTAL SCHEMES 2018/19

- 3.1 **Appendix 2** summarises the position relating to the realisation of 2018/19 savings schemes. Out of the 30 schemes, 73% worth of schemes have been realised. 1 scheme is on track to be realised on time, with slippage forecasted on 7 schemes.
- 3.2 As reported to Cabinet on 22 January 2019, one of them is the 'End to End Review' in the Children and Supporting Families Department, which is a savings scheme of £250,280. The scheme has been subject to a joint review between the Children and Supporting Families Department, Finance and the Research and Information Manager, by revisiting the assumptions in the original 'End to End' model. It showed that the number of nights children were in residential placements has reduced but there's a change in the profile and complexity of the cases, therefore, it has affected the average cost of placements. A reduction in contributions by Health was also seen.
- 3.3 Both schemes by the Education Department as noted in point 2.3 also have savings targets of £85,450 in 2018/19.
- 3.4 The Economy and Community Department received The Cabinet's approval, 16 October 2018, to slip £156,500 of the savings as the Leisure provisions hadn't been handed over to Byw'n Iach Cyf Company until the 1 of April 2019, therefore to 2019/20.
- 3.5 Generally, the progress made to realise the savings schemes of 2018/19 have been acceptable, however there are signs being highlighted of some difficulties in delivering. As we are trying to affect Gwynedd residents as little as possible by achieving efficiency savings, it is much harder than cutting services.

4. DEPARTMENTAL SCHEMES 2019/20 ONWARDS

- 4.1 For information purposes, the new departmental savings schemes for 2019/20 onwards are listed in **Appendix 3**. The individual schemes will be monitored during the year, but is too early to report at present.

5. CONCLUSION

- 5.1 Although some departments have realised all of their savings schemes, it is inevitable that realising almost £27m of savings since April 2015 has been challenging. Some schemes need more time to plan and implement appropriately. However, in general, I am satisfied with the progress that has been made to realise the savings plans for this period and I am grateful to all departments and Cabinet Members for achieving this success. Every effort will be made to realise those schemes that have slipped, and all Cabinet Members will continue to monitor the situation, acting as necessary to achieve the goal.
- 5.2 Therefore, I ask the Cabinet to note the acceptable general achievement outlined in this report towards realising the savings schemes.

View of the Local Member

Not relevant

View of the Statutory Officers**Monitoring Officer:**

No observations in relation to propriety.

Head of Finance:

I have collaborated with the Cabinet Member in the preparation of this report and I confirm the content.

Appendices:

Appendix 1 - 2015/16 – 2017/18 Savings Schemes Overview by Department

Appendix 2 - 2018/19 Savings Schemes Overview by Department

Appendix 3 - 2019/20 onwards Savings Schemes Overview by Department