

REPORT TO THE CABINET

Date	24 January 2023
Cabinet Member	Councillor Ioan Thomas, Cabinet Member – Finance
Subject	Savings Overview: Progress Report on Realising Savings Schemes
Contact Officer	Ffion Madog Evans, Senior Finance Manager

1. THE DECISION SOUGHT

- 1.1 To accept the information in the report and to note the progress towards realising the savings schemes for 2022/23 and previous years.

2. INTRODUCTION / BACKGROUND

- 2.1 This report is an overview report on the Council's savings' position for 2022/23 and previous years.
- 2.2 Progress against savings schemes worth £595,000 in 2022/23, together with the savings yet to be achieved from previous years, will be reported following a review of the position at the end of November 2022.
- 2.3 It can now be reported that savings of nearly £33.5 million have been realised since 2015/16, which is 95% of the required £35.4m over the period.
- 2.4 Delivering on the individual schemes is the responsibility of relevant Cabinet members, who challenge the performance of the departments, including the progress of the savings schemes. It is the responsibility of the Cabinet Member for Finance to keep an overview of the full picture.

3. RE-ASSESS SAVINGS

- 3.1 The Council has financial planning arrangements that have already identified significant efficiency savings in order to minimise service cuts for Gwynedd residents. In January 2022, the savings schemes were reviewed to assess which historic schemes were now unachievable, and a revised program of savings was drawn up for 2022/23 following the writing off, slippage and re-profiling of the savings schemes.
- 3.2 With regard to the 2022/23 savings schemes, the Cabinet decided on 10 February 2022 to move the delivery profile for schemes worth £1,290,250 to 2023/24 and subsequent years, recognising that the situation has changed so much that savings schemes worth £489,750 cannot be delivered by deleting them from the budget, leaving £595,000 of savings to be realised in 2022/23. See Table 1 below.

Table 1: Savings written off or deferred :

	Original £	Deferred £	Written off £	Balance £
2022/23 schemes	2,375,000	1,290,250	489,750	595,000

4. DEPARTMENTAL SAVINGS SCHEMES 2015/16 – 2021/22

- 4.1 **Appendix 1** summarises each department's attainment against the savings target from 2015/16 - 2021/22, **a total of nearly £35m. It can be reported that £33.4m, or 96% of these schemes have been realised**, but a risk of realising the savings on a few schemes remains.
- 4.2 There are delivery risks and slippages worth £64,000 on the 2017/18 schemes, £98,800 in 2018/19, £361,000 in 2019/20, £623,110 in 2020/21 and £292,500 in 2021/22. A total of £1,439,410.
- 4.3 The Departments do not anticipate a problem realising 13 schemes, worth a total of £665k.
- 4.4 There are risks for the delivery of the remaining 9 schemes totalling £775k. 5 schemes from the Adults, Health and Well-being Department (total of £483k), 1 from Highways and Municipal (£133k), 1 from Economy and Communities (£45k), 1 from Housing and Properties (£100k) and 1 from Legal (£14k). The response to the Covid crisis has meant that some elements of savings schemes have slipped.

5. DEPARTMENTAL SCHEMES 2022/23

- 5.1 **Appendix 2** summarises the position in terms of realising the savings schemes for 2022/23. The total savings target is £595k with a value of £133k, which is 22% of schemes already having realised and a further £13k, or 2% are on track to deliver on time by the end of the financial year.
- 5.2 There has been a delay on the *Closed Circuit Television* scheme worth £105k in the Highways and Municipal Department and the *Development plan for 3 other Extra Care Housing projects in Gwynedd* scheme worth £100k in the Department for Adults, Health and Well-being, but it is anticipated that they will be realised in 2023/24.
- 5.3 Risks are predicted in delivering £245k worth of schemes. There is 1 scheme from the Highways and Municipal Department which is to *Change waste collection work arrangements to smaller shifts and circuits* (£150k), 1 scheme from the Department of Economy and Communities which is *Neuadd Dwyfor* (£70k) and 1 scheme from the Finance Department which is *Attracting additional income through an Internal Collection Agency* (£25k).

6. DEPARTMENTAL SCHEMES 2023/24 ONWARDS

- 6.1 Due to the current economic climate and the high inflation levels, it is inevitable that Local Authorities will have to look at savings and cuts to help the financial situation. Savings schemes and additional cuts for 2023/24 are already under consideration by Cyngor Gwynedd and they will be the subject of a report shortly.
- 6.2 The current savings schemes for 2023/24 onwards are listed, per Department in **Appendix 3**, but it is currently premature to report on the status of these schemes.

7. CONCLUSION

- 7.1 It is inevitable that realising £33.5m in savings (of a total of £35.4m) since April 2015 has been challenging.
- 7.2 The table below summarises the latest position of savings schemes since April 2015 by status, with 95% worth of all schemes realised.

Table 2: Summary of the status of all savings schemes since April 2015

Status of Savings	Portal	£m	%
Have realised	1	33.5	94.6
On track to achieve savings in full and on time	2	0.1	0.3
Delay, but moving forward	3	0.8	2.3
Some risks to achieve - slip or fail	4	0.7	2.0
Significant risks to realise in full or partially	5	0.3	0.8
Total savings		35.4	

- 7.3 Therefore, I ask the Cabinet to note the achievement outlined in this report towards realising the savings schemes. In addition, to note that the impact of Covid contributed to slippage in the savings program and supporting the departments to move forward with the savings program.

Local Member's Views

Not relevant

Views of the Statutory Officers**The Monitoring Officer:**

No observations to add 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 - Overview of 2015/16 - 2021/22 Savings Schemes per Department

Appendix 2 - Overview of 2022/23 Savings Schemes per Department

Appendix 3 - Overview of 2023/24 onwards Savings Schemes per Department