

Report to Cabinet



Date of Meeting	10 th February 2022
Portfolio	Cabinet Member for Finance and Corporate
Report Author	Julie Murphy
Public/Private Document	Public

Savings Programme 2022/234 – Update Following Consultation

Executive Summary

- 1 This report provides Cabinet Members with an update on the proposed savings and the outcomes of consultation on the work force proposals which required consultation within the 2022/23-2023/24 Savings Programme.

Recommendations

- 2.1 Cabinet Members to note that the BAU savings totalling £477k approved at November Cabinet have been incorporated into the budget estimates for 2022/23 – 2024/25 to be submitted to Budget Council.
- 2.2 Cabinet Members to note that the overall savings available for 2022/23 has reduced by £91k on a one off basis and that this will be managed via the use of which will be managed via the use of reserves in 2022/23 and through the overall budget gap for 2023/24 onwards.
- 2.3 It is recommended that Cabinet Members note that the Workforce saving proposal (£113k) will be implemented via the Councils' Delegated Decision Making (DDM) process.

Reason for Recommendation

- 3 Cabinet Members are required to recommend a balanced Revenue Budget and Capital Programme 2022/23 to Budget Council and provisional budgets for 2023/24 to 2024-25. The Council is required to set a balanced budget for 2022/23 the by 11th March 2022.

Key Points for Consideration

4.1 Savings Programme 2022/23 to 2023/24

4.1.1 Cabinet on 23rd November 2021 agreed

- The identified Savings Proposals not requiring consultation totalling £0.477m in 2022/23 be approved. The saving pro forma for the £100k Neighbourhoods additional income BAU saving proposal were not available for November Cabinet, and are included in the Appendix to this report.
- Savings proposals with Workforce Only implications totalling £0.204m, be approved subject to consultation with affected employees and Trade Unions through the Service Consultative Groups (SCG). Following consultation these proposals will be implemented through the Council's Delegated Decision Making (DDM) process.
- Savings totalling £0.010m be consulted via the Discretionary Fees and Charges consultation process.
- The Service Delivery proposals requiring consultation totalling £0.200M from 2023-24 be approved for consultation as part of the 2023/24 budget setting process.

4.2 Consultation

4.2.1 The Service Delivery Savings Proposal concerning a review of Advice Services is due to result in a saving of £200k per annum from 2023/24. Consultation will take place over the next year as plans for the delivery of the saving are further developed. As in interim arrangement it is recommended that the existing contract with Citizens Advice Stockport, Oldham, Rochdale and Trafford (CASORT) be extended until 31st March 2023.

4.2.2 Consultation on the Workforce Savings Proposals, contributing £204k began 24 November 2021 and ended 7th January 2022, the overall proposal is still being developed however indications are that it will deliver forecast savings of £113k. This saving will be consulted and implemented through the Council's Delegated Decision Making process. This is a reduction in the planned saving reported to November Cabinet of £91k, which will be managed via the use of reserves in 2022/23 and through the overall budget gap for 2023/24 onwards.

4.2.3 Consultation on the proposed new fee has taken place via the Discretionary Fees and Charges process, which was reported to Cabinet on the 23rd of November 2021.

4.2.4 On 8th December, Corporate Overview and Scrutiny Committee met to discuss all savings proposals. The Committee noted the proposals, and did not raise any specific issues.

4.3 Alternatives Considered

- 4.3.1 The Council is legally obliged to set a balanced revenue budget. The budget setting process is complex and must be undertaken in a planned way. Whilst budgets are prepared in accordance with the approved guidelines a number of alternative options relating to savings proposals and budget pressures are considered as part of the overall budget setting process.
- 4.3.2 Budget challenge sessions were held which considered opportunities for savings proposals / efficiency savings. These options were then considered by Cabinet on 23rd November 2021, and the report outlined any alternatives. To do nothing was not considered to be an option as the Council is legally required to set a balanced budget.
- 4.3.3 Cabinet Members could decide not to implement these proposals and provide alternative options to enable a balanced budget to be achieved.

Costs and Budget Summary

5.1 Financial implications are considered in the main body of the report. The table below provides a summary of the saving proposals.

	BAU/ Consultation	2022/23	2023/24	2024/25
		£m	£m	£m
<u>Income proposals</u>				
Additional charges to Academies	BAU	(0.080)	(0.080)	(0.080)
Neighbourhoods additional income	Consultation via DFC	(0.010)	(0.010)	(0.010)
Neighbourhoods additional income	BAU	(0.100)	(0.100)	(0.100)
Treasury Management Additional Income	BAU	(0.090)	(0.090)	(0.090)
Income proposals sub total		(0.280)	(0.280)	(0.280)
<u>Saving proposals</u>				
Leadership & Senior Management Review	Workforce - DDM	(0.113)	(0.113)	(0.113)
Member mail	BAU	(0.007)	(0.007)	(0.007)
Advice (One off substitution funding)	BAU	(0.200)	-	-
Advice	Consultation - Review	-	(0.200)	(0.200)
Savings proposals sub total		(0.320)	(0.470)	(0.470)
Total		(0.600)	(0.600)	(0.600)

5.2 Implementing all proposals will contribute £0.600m of savings to the 2022/23 budget gap.

Risk and Policy Implications

- 6.1 The Council is required to set a lawful budget for 2022/23 by the 11th March 2022 and there is a risk if we do not responsibly put forward proposals for consideration to meet the budget reductions/pressures.
- 6.2 Risk implications have been added where applicable within individual detailed reports. To manage this risk we will supply Cabinet Members with copies of all available implications to make informed decisions.
- 6.3 Where relevant, specific legal issues have been identified in the individual savings proposal reports. Legal advice has also been provided in relation to the Equality Act duties, and recent case law decisions on both consultation requirements and equality impact assessments.
- 6.4 Where there are workforce implications arising for the proposals contained within this report these will be implemented through the Council's Delegated Decision Making process.

6.5 Equalities Impacts

- 6.5.1 The Council is required to assess/analyse the potential effect on quality of its proposals at each stage of the process. Equality Impact Assessments (EIA) have been undertaken and for all relevant proposals the EIAs have been produced for Members consideration. The Council must consider these assessments and have due regard to the general equality duty in the decision making process.
- 6.5.2 The Equality Impact Assessment (EIA) is a working document which is to be continually developed from the onset of the development of the proposal to the consultation and then the final decision making stage. This means that as further details become available through consultation, the EIA is updated and finalised before a final decision is reached.

6.6 Workforce Equality Impact Assessment

- 6.6.1 A workforce impact assessment will be undertaken to understand how the overall proposals affect the make-up of the workforce.
- 6.6.2 The Council undertook a workforce EIA for the savings process in previous years. The same analysis will be undertaken for the cohort of staff affected by the savings proposals in 2022-23 and 2023-24. A full equalities impact assessment will be undertaken following the implementation of the savings proposals, at which point we may need to revisit our equalities action plan or other policies.

Consultation

- 7 Consultation on the initial Workforce Proposals commenced on 24th November 2021 and ended on 7th January 2022. Included within this consultation was a meeting of Corporate Overview and Scrutiny Committee on 8th December 2021. Due to the revision to the Workforce savings, the revised proposal will be consulted and implemented through the Council's Delegated Decision Making process.

Background Papers	Place of Inspection
Individual Reports and Consultation responses	Floor 2, Number 1 Riverside
For Further Information Contact:	David Burrows, david.burrows2@rochdale.gov.uk Tel : 01706 925451

Appendix 1

BAU proposals

Directorate	Proposal	2022-23		2023-24	
		Recurrent	One-off	Recurrent	One-off
		£'000	£'000	£'000	£'000
Children's	Increased charges to Academies	(80)			
Neighbourhoods	Additional Income	(100)			
Neighbourhoods	Member Mail	(7)			
Neighbourhoods	Advice (Substitution funding)		(200)		
Resources	Treasury Management	(90)			
Total		(277)	(200)	0	0

Proposals with Workforce implications

Directorate	Proposal	2022-23		2023-24	
		Recurrent	One-off	Recurrent	One-off
		£'000	£'000	£'000	£'000
Cross Service	Leadership and Management review	(113)			
Total		(113)	0	0	0

Discretionary Fees and Charges Proposals

Directorate	Proposal	2022-23		2023-24	
		Recurrent	One-off	Recurrent	One-off
		£'000	£'000	£'000	£'000
Neighbourhoods	Webcasting	(10)			
Total		(10)	0	0	0

Service Delivery Proposal requiring consultation during 2022/23

Directorate	Proposal	2022-23		2023-24	
		Recurrent	One-off	Recurrent	One-off
		£'000	£'000	£'000	£'000
Neighbourhoods	Advice Services			(200)	
Total		0	0	(200)	0

Total In Year Savings by recurrent/ one-off	(400)	(200)	(200)	0
Total In Year Savings forecast (cumulative)	(600)		(600)	