

## Appendix 11 – Savings

Savings are analysed in Appendix 14 by service area and the Council's four Being The Change strategy themes. Details of the savings to be delivered (before leakage to capital or DSG budgets) are included below:-

### A. ***Solving Problems and promoting Social Responsibility and action to manage and reduce demand for services – Target for additional savings over 2018/19 and 2019/20 is a minimum of £0.533m***

The need to harness the resources of the community, community groups and Town and Parish Councils, in helping to develop solutions to improve outcomes for our residents becomes ever greater. This is core to our Co-operative approach, the Council doesn't have a monopoly on the resources or solutions to resolving challenges in our communities. This approach will be strengthened by the new £744,000 Partnership Capacity Fund that we have put in place which aims to ensure that organisations in the Borough have the capacity to work with us to develop and deliver alternative service solutions. This is a core element of our Cost Improvement Plan for Adult Social Care as part of our approach to better manage demand and enable early support and prevention as we look to build people's social support networks by making best use of the resources and assets which are available in a local area – this helps people remain in and be an active part of their local community.

Key focuses for savings for the Council over the next two years will also include:

- Continuing to work with the community and Town and Parish Councils regarding either **the transfer of Council assets and/or facilities or the co-location of services** through our well-established and funded Partnership Agreements – seeking to achieve a minimum of £30k
- **Effective co-production & Personalisation** – supporting the development of service provision by communities and personal budgets for individuals which move away from a narrow focus of meeting needs through practitioner provided services and enable more tailored solutions that are centred on the service user taking greater ownership and control of services they need. We will in particular look to explore opportunities for rationalisation and, the offer of personal budgets, in relation to our transport services – c£300k.

### B. ***Challenging & Changing, Reviewing and Reimagining the way we do £5.255m.***

Key focuses for savings over the next 2 years will include:

- **Redesigning services and business process re-engineering** to ensure that they are delivered in the most efficient and effective manner – c.£550k

- **Reviewing and reducing operational budgets where there will be no direct impact on frontline services** – c.£500k
- **Continuing to drive savings, efficiencies and social value through the procurement and re-procurement of contracts and services.** The retendering of our Grounds, Cleansing and highways contracts for re-let in 2019 is a major piece of work where savings totalling c£680k are projected. Our procurement for the roll-out of LED lighting in our streetlights is also scheduled to deliver c£350k savings. Overall savings are anticipated to be c.£1.83m
- **Reviewing staffing structures and arrangements and, where appropriate, undertaking restructures** – c.£1.5m
- **Reviewing policies and practices** – like many other authorities have done, we will be reviewing our current policy regarding the provision of denominational transport as this only benefits one secondary school in the Borough. We will also be carrying out reviews of Ironbridge park and ride to seek to identify a lower cost delivery model and also reviewing Council-subsidised routes to explore the potential for any routes to become commercial and also to look at alternative community-led provision – c.£300k
- **Continuing to drive savings and efficiencies in the buildings and other facilities we manage** – c.£100k

**C. *Reducing our Dependency on Government Grants – Target for additional Income over 2018/19 and 2019/20 of £5.135m.***

We have already taken significant steps to reduce our dependency on Government Grants and we will continue to drive these forward as grant continues to be rapidly withdrawn by the Government. Business Rates, Council Tax, New Homes Bonus and trading and charging income streams become ever more vital. Our key focuses are:

- **Increasing income through trading our existing services** – there are many Council services that already “trade” outside the organisation and secure income. Primarily ICT, Finance and H.R. Services, Facilities Management and Cleaning, Property Management and Catering. A key purchaser of these services are schools – both those in the Borough and in the past 2 years an increasing number of schools from outside the Borough – up to £400k
- **New commercial development/projects** – we have developed a track record on taking on new ventures to deliver income to the Council and protect front-line services and we are looking to continue to develop and progress these:
  - A solar farm providing £4.4m profit over 25 years. We plan to increase the current profitability by c.£150k pa through the direct supply of electricity to a private premises on Hortonwood West

- Established “NuPlace”, a housing company which will provide around 400 new homes for private and affordable rent, with the first homes now occupied. Future plans will look to generate an extra £125k pa of net income.
  - Established a Growth Fund to invest in development of premises for businesses to encourage job creation and retention as well as generating additional rental income and business rates income. We will continue to assess further opportunities through the development of detailed business cases. Our work as a ‘business winning, business supporting’ Council and the ‘Telford offer’ we have developed has helped secure a strong pipeline of inward investment enquiries. We are progressing plans to generate a further £2.16m through our existing and potentially further extended Property Investment Portfolio.
- We have no choice but to be constantly looking at new ways to generate new income opportunities and also increase income for our services and facilities. We review our prices and charges on an annual basis, though seek to minimise increases as much as we can. Overall, we are seeking to increase income across a wide range of services and from a broad range of sources by c.£2.00m over 2 years.
  - We also operate an efficient and effective revenue collection service for Council tax and Business rates and we have identified a number of ways that we can look to improve our effectiveness - £440k
  - **Securing external funding** – a most notable recent example is the £3.7m that the council has secured from the West Midlands Combined Authority that will deliver grants to enable c540 new homes to be built where they had predominantly had planning permission, are on brownfield sites but delivery had stalled due to viability issues. Council Tax income and New Homes Bonus from these properties, once built, will be well in excess of £0.5m.

**D. *Being a Modern Organisation with Modern Practices and Where we Always Get the Basics Right – Target for additional savings over 2018/19 and 2019/20 of c.£1.843m***

Core to being a modern organisation is continuing to reshape the Council's relationship with its staff. We must continue to move towards a more flexible, more pragmatic and less bureaucratic approach to decision making. This means:

- Increased autonomy for managers and staff to take decisions
- Greater focus on development through workforce development programmes
- Greater flexibility including wider more flexible working and job descriptions for staff.
- Encouraging creative thinking and challenge
- Focusing on efficiency and reducing bureaucracy
- Increased staff engagement so that employee representatives will have a greater influence in the organisation

Through a range of internal measures, we will look to realise savings totalling £1.8m over 2 years.