

Summary of 2015/2016 Savings

Outcome	2015/2016		
	Saving	Outturn	Variance
	£'000	£'000	£'000
Outcome 1 : Economic Development	1,223.7	1,181.7	42.0
Outcome 2 : Supporting Communities	1,847.0	1,735.0	112.0
Outcome 3 : Public Health	1,119.0	1,106.0	13.0
Outcome 4 : Learning & Skills	106.0	30.0	76.0
Outcome 5 : Safeguarding & Children's Care	2,126.0	1,392.0	734.0
Outcome 6 : Adult Social Care	1,998.0	1,726.0	272.0
Outcome 7 : Environment, Property & Commercial Services	1,885.0	1,621.0	264.0
Outcome 8 : Finance & Investment	5,140.0	4,862.0	278.0
Outcome 9 - Organisation & Governance	5,169.0	4,862.0	307.0
TOTAL SAVINGS	20,613.7	18,515.7	2,098.0

Outcome 1 : Economic Development Budget Reductions - as at September 2015

Proposal (Includes component parts)	2015/2016				Issues/Risks/Dependencies/Service Impacts
	Saving	Outturn	Variance	Rag Rating	
	£'000	£'000	£'000		
Highways and transport savings	220.0	220.0	0.0	G	Target met from savings within the highways department.
Planning savings further reduction in management	40.0	40.0	0.0	G	Service review implemented.
Implement a new project based service on management of Economic Development projects	322.0	322.0	0.0	G	Savings achieved through service restructure
Transfer of savings targets from Support Service reviews to Economic Development - Culture	60.0	60.0	0.0	G	Target met from savings within the overall department.
Transfer of savings targets from Support Service reviews to Economic Development - Mima	279.0	279.0	0.0	G	Achieved by transfer of Mima to Teesside University
Additional savings on mima above the current Change Programme assumptions	131.0	131.0	0.0	G	Achieved by transfer of Mima to Teesside University
Highways and transport savings - remove subsidies for specific bus services	36.0	36.0	0.0	G	Achieved via the reduction of the Bus Revenue Support budget.
Reduction in contribution to TVU	18.0	18.0	0.0	G	Achieved as per the proposal.
Cross cutting savings	43.4	43.4	0.0	G	Achieved.
TOTAL COMPLETED SAVINGS	1,149.4	1,149.4	0.0		
Administration Review (transferred from Outcome 9)	74.3	32.3	42.0	R	
TOTAL Economic Development	1,223.7	1,181.7	42.0		

Outcome 2 : Supporting Communities Budget Reductions - as at September 2015

Proposal (Includes component parts)	2015/2016				
	Saving	Outturn	Variance	Rag Rating	Issues/Risks/Dependencies/Service Impacts
	£'000	£'000	£'000		
Consolidation of services within 0-19, Regeneration, Libraries and Community Safety to create a new Integrated Community Support Service	812.0	812.0	0.0	G	Achieved as per the proposal.
Homelessness	52.0	52.0	0.0	G	Achieved through a reduction in the Homelessness contract.
0-19 Service	150.0	150.0	0.0	G	Achieved through voluntary redundancies.
Libraries \ Comm Regen \ Hubs	18.0	18.0	0.0	G	Achieved through cutting supplies and services.
Advice Service	25.0	25.0	0.0	G	Achieved through the cessation of the service.
Additional income from I A G	95.0	95.0	0.0	G	Achieved as per the proposal.
Reducing Supporting Communities management structure	250.0	250.0	0.0	G	Achieved through redundancies.
Reducing Supporting Communities commissioning & purchasing	180.0	180.0	0.0	G	Achieved as per the proposal.
Reduction in book fund	100.0	100.0	0.0	G	Achieved as per the proposal.
Cross cutting savings	53.0	53.0	0.0	G	Achieved.
TOTAL COMPLETED SAVINGS	1,735.0	1,735.0	0.0		
Administration Review (transferred from Outcome 9)	112.0	0.0	112.0	R	
TOTAL Supporting Communities	1,847.0	1,735.0	112.0		

Outcome 3 : Public Health Budget Reductions - as at September 2015

PROPOSAL	2015/16				
	Saving	Estimated Outturn	Variance	RAG Rating	Issues/Risks/Dependencies/Service Impacts
	£'000	£'000	£'000		
Mainstreaming of Council Services that align to Public Health Outcomes.	1,000.0	1,000.0	0.0	G	
Public Protection staffing reductions	106.0	106.0	0.0	G	
TOTAL COMPLETED SAVINGS	1,106.0	1,106.0	0.0		
Administration Review (transferred from Outcome 9)	13.0	0.0	13.0	G	Will be met from underspend in public health outcome area.
TOTAL Public Health	1,119.0	1,106.0	13.0		

Outcome 4 : Learning & Skills Budget Reductions - as at September 2015

PROPOSAL	2015/16				
	Saving £'000	Estimated Outturn £'000	Variance £'000	RAG Rating	Issues/Risks/Dependencies/Service Impacts
Savings Proposals					
Speech and Language - transferring of costs to DSG High Needs budget	30.0	30.0	0.0	G	Costs for Service recharged to Dedicated Schools Grant
TOTAL COMPLETED SAVINGS	30.0	30.0	0.0		
Administration Review (transferred from Outcome 9)	76.0	0.0	76.0	R	
TOTAL Learning & Skills	106.0	30.0	76.0		

Outcome 5 : Safeguarding & Children's Care Budget Reductions - as at September 2015

PROPOSAL	2015/16				
	Saving £'000	Estimated Outturn £'000	Variance £'000	RAG Rating	Issues/Risks/Dependencies/Service Impacts
Savings Proposals					
Children's Homes: Savings on 5 Rivers Contract	200.0	200.0	0.0	A	Savings to be achieved from full Resources budget and not just Children's Homes
Gleneagles Disability Service: Increased recharges to Health and other organisations using Gleneagles	50.0	50.0	0.0	G	Increased income anticipated for use of Gleneagles, achieved in 14/15
Youth Offending Service - contract savings due to bringing services back in house	230.0	230.0	0.0	G	Services brought back in 14/15 resulting in early achievement of saving
Youth Offending Service - additional charges to the South Tees Partnership	100.0	100.0	0.0	A	Achieved in 15/16 but potential issue going forward, may have to increase Middlesbrough's contribution to partnership, which will only result in £50k saving
Child and Adolescent Mental Health Service - reduction in contract with Tees, Esk and Wear Valley for provision of Primary Mental Health Workers	50.0	50.0	0.0	G	Achieved in 14/15 as an early achievement of saving
Safeguarding Review	400.0	400.0	0.0	A	Vacancies in teams will achieve saving in 15/16, issue with finding balance of savings for 16/17. Vacancies in Adults team to achieve £200k saving
Supplies & Savings efficiencies	120.0	120.0	0.0	G	Achieved by not inflating budgets for Supplies & Services
TOTAL COMPLETED SAVINGS	1,150.0	1,150.0	0.0		
Demand Mitigation					
Increase in-house foster carers	315.0	0.0	315.0	R	Reduction in Independent Fostering Placements has not occurred reflected in overspend projection
Sell 5 in-house adoptions at £27k each	135.0	130.0	5.0	A	Sales not anticipated to generate income, but will be offset by the lower purchase costs of places
Health Contributions to LAC placements	200.0	112.0	88.0	R	Shortfall in income target reflected in overall Residential Homes projection
Commissioning additional contract with another provider for 4 beds placements	146.0	0.0	146.0	R	Reflected in increased Residential Homes projection - additional beds have not been commissioned
DEMAND MITIGATION	796.0	242.0	554.0		
Administration Review (transferred from Outcome 9)	180.0	0.0	180.0	R	
TOTAL Safeguarding & Children's Care	2,126.0	1,392.0	734.0		

Outcome 6 : Adult Social Care Budget Reductions - as at September 2015

Proposal	2015 / 2016				
	Saving	Estimated Outturn	Variance	RAG Rating	Issues/Risks/Dependencies/Service Impacts
	£'000	£'000	£'000		
Re-ablement: Reduction of in-house service	27.0	27.0	0.0	G	
Telecare: Use of Health funding for Rapid Response service	33.0	33.0	0.0	G	
Adult Social Care Review Saving	200.0	200.0	0.0	G	
Further reduction in staffing social work support within Families First team	40.0	40.0	0.0	G	
Supplies and Services	120.0	120.0	0.0	G	
Supporting People (Increased support to sheltered housing)	125.0	125.0	0.0	G	
Cross cutting saving requirement as a result of the Support Service Review	43.0	43.0	0.0	G	
TOTAL COMPLETED SAVINGS	588.0	588.0	0.0		
Demand Mitigation					
High Cost Placements	200.0	130.0	70.0		Savings to date. Revised target
Continuing Health Care	150.0	174.0	-24.0		Savings to date. Revised target
Direct Payments Review	200.0	0.0	200.0		Alternative mitigation savings proposed
Direct Payment Surpluses	217.0	300.0	-83.0		Revised target
DEMAND MITIGATION	767.0	604.0	163.0	A	Monitored as part of transformation work with PeopleToo.
Better Care Fund	500.0	528.0	-28.0	G	
Administration Review (transferred from Outcome 9)	143.0	6.0	137.0	R	
TOTAL Adult Social Care	1,998.0	1,726.0	272.0		

Outcome 7 : Environment, Property & Commercial Services (EPCS) Budget Reductions - as at September 2015

Proposal	2015/16				Issues/Risks/Dependencies/Service Impacts
	Saving £'000	Estimated Outturn £'000	Variance £'000	RAG Rating	
Highways - Complete commissioning process and outsource to an external provider	200.0	200.0	0.0	G	
Streetscene - Full year effect of previous decisions	39.0	39.0	0.0	G	
Environment management - reduction of 1 further middle management post	40.0	40.0	0.0	G	
Environmental - Cross cuttings savings	34.0	34.0	0.0	G	
Crematorium - Service efficiencies and revised "loss of income " assumptions regarding the impact of the Yearby facility	150.0	150.0	0.0	G	
Ayresome, TCES, School Catering : reduction in operating costs following service reviews	100.0	100.0	0.0	G	Saving will made from increased income for Catering (£80,000) and an admin. charge to TCES (£20,000). There is a saving already included for Ayresome, and also Ayresome currently has a service pressure, so it will be difficult to achieve further savings in this area.
Ayresome Industries - Full year effect of previous decisions	30.0	30.0	0.0	G	It is now currently projected that the saving will be fully achieved in 2015/16, mainly by staff savings from ERVRs and operational changes, however there still remains a £60,000 projected pressure in 2015/16 in the Ayresome Industries budget (see Projected Outturn Appendix for details).
Property & Commercial Services - Realignment	19.0	19.0	0.0	G	
Reduction in cost of scoped property equating to 20% arising from a programme of building closures linked to reviews, such as Leisure Centres detailed plan will be developed.	110.0	110.0	0.0	G	It should be possible to fully achieve the £110,000 required saving in 2015/16. £80,000 of the saving relates to the property running costs for Stewart Park for which there has been a delay in the transfer process, which will mean that the full £80,000 will not be achieved in 2015/16. However it should be possible to make savings in other areas in order to make the full required saving for 2015/16.
MTLC - Full year effect of previous decisions	48.0	48.0	0.0	G	
Close the TAD - Full year effect of previous decisions	-119.0	-119.0	0.0	G	
Close the Register Office - Full year effect of previous decisions	13.0	13.0	0.0	G	
Close Park House - Full year effect of previous decisions	12.0	12.0	0.0	G	
Close Albert Terrace - Full year effect of previous decisions	7.0	7.0	0.0	G	
Sport & Leisure - Cross cuttings savings	12.0	12.0	0.0	G	
Sport & Leisure - Outsource and create a Trust operating Prissick Sports Village and Neptune - other facilities close	430.0	430.0	0.0	G	It is currently projected that it will be possible to fully achieve the required £430,000 saving in 2015/16 through projected surpluses in performance across venues for this year. It should be noted that this projection includes assumptions around budgets for the first year of operation of the Middlesbrough Sports Village and so there is an element of uncertainty around this. It should also be noted that even though the saving is projected to be fully achieved there is projected to be a pressure of £60,000 overall for Sport and Leisure due to the transfer of a savings target relating to the transfer of reception staff back to Leisure from the Admin. review. The shortfall of £60,000 in 2015/2016 is included within the anticipated savings from moving the service into a trust arrangement and this pressure will therefore not continue into 2016/2017 provided the trust arrangement proceeds.

Administrative Support - Review (transferred from outcome 9)	205.0	205.0	0.0	G	The service has been able to fund its allocation of admin review saving for 2015/2016 from a combination of admin / support service savings, ERVRs, reductions in ASP provision and an in year budget surplus from the catering efficiency saving which was returned to the service at 1st budget review. The ongoing impact of the admin saving requirement will be addressed in 2016/2017 when budgets will be realigned following the Executive approval of the Outcome Delivery Plan for EPCS.
TOTAL COMPLETED SAVINGS	1330.0	1330.0	0.0		
Fleet Management - Full year effect of previous decisions	155.0	105.0	50.0	A	It is anticipated that there will now be a shortfall of £50,000 on this saving in 2015/2016. This pressure is not expected to continue into 2016/2017 as the service will have increased budget from the return of the vehicles associated with the kerbside recycling contract, and reduced costs from a decrease in fleet vehicles which will result from the review of Community Transport
Parks - Staff savings from transfer of facility to Askham Bryan College	100.0	50.0	50.0	A	It was intended that the saving would be achieved in 2015/16 by the transfer of management and facility responsibilities to Askham Bryan College from 1/4/15. However it is anticipated that there will be a shortfall of £50,000 on this saving in 2015/2016 due to the delay in the transfer which did not take place until September. This pressure is not expected to continue into 2016/2017 as the service will benefit from the full year effect of the transfer.
Building Cleaning - Full year effect of previous decisions	64.0	34.0	30.0	A	The previously reported shortfall of £64,000 in building cleaning savings in 2015/2016 will be partly covered in 2015/16 across a wider scope of services which includes security, CCTV etc. which were included in the scope of services from which the original target was derived, resulting in a net pressure against the savings target of £30,000 in 2015/16. The pressure is not expected to continue into 2016/17 as savings will be made across the wider scope of services.
Property Services - Full year effect of previous decisions	236.0	102.0	134.0	A	A pressure of £134,000 is projected against the savings target for 2015/2016. This is due to a large proportion of the original overall savings target for Property and Commercial Services being loaded against this budget. This will be addressed in 2016/2017 when budgets will be realigned following the approval of the Outcome Delivery Plan for EPCS.
TOTAL ONGOING SAVINGS	555.0	291.0	264.0		
TOTAL Environment, Property & Commercial Services	1,885.0	1,621.0	264.0		

Outcome 8 : Finance & Investment Budget Reductions - as at September 2015

Proposal	2015/16				Issues/Risks/Dependencies/Service Impacts
	Saving £'000	Estimated Outturn £'000	Variance £'000	RAG Rating	
Cash Flow Management - Revision of payment profiles	250.0	250.0	0.0	G	
Commissioning - Full year effect from previous years' decisions	237.0	237.0	0.0	G	
Aurora Court - Contract moves to a peppercorn rent	125.0	125.0	0.0	G	
Corporate Initiatives - Remove Fund other than ongoing costs	195.0	195.0	0.0	G	
Pay Awards, contingency , other	5.0	5.0	0.0	G	
Reduce General Fund Balances - one off saving	800.0	800.0	0.0	G	
General Fund - Remove financial provisions for certain projects where there is no longer a risk	937.0	937.0	0.0	G	
General Fund - Remove core Council funding from section 17 and utilise unspent Community Support Fund monies	140.0	140.0	0.0	G	
General Fund - Utilisation of 2013/14 budget underspend	1,200.0	1,200.0	0.0	G	
General Fund - Additional contribution to reserves as per MTFP	202.0	202.0	0.0	G	
Finance & Accountancy - Achievement of 50% reduction from cost base in line with Middlesbrough Manager and Support Services reviews	296.0	296.0	0.0	G	
TOTAL COMPLETED SAVINGS	4,387.0	4,387.0	0.0		
General Fund NSAR - Full year effect from previous years' decisions	233.0	0.0	233.0	R	A shortfall is forecast arising from the time delay in savings from the sale of non strategic assets.
Cashless Council - Full year effect from previous years' decisions	32.0	10.0	22.0	A	Following the transfer back from Mouchel of the Debtors and Creditors staff it is currently projected that it will only be possible to make £10,000 of the required saving in 2015/16 from the part year effect of a vacant post. It will be possible to achieve this saving ongoing.
General Fund Capital programme - Full year effect from previous years' decisions	465.0	465.0	0.0	A	The original savings proposals have been delivered but increased requirements for capital borrowing and a reduction in planned secured resources have increased demand on this budget. Increased costs can be linked to problems with project management and additional unplanned expenditure. A projected outturn pressure for 2015/16 of £321k on the capital financing budget is reported in the 2nd Review Budget Report. This includes the £233k savings shortfall on NSAR referred to above.
Administrative Support - (transferred from outcome 9)	23.0	0.0	23.0	R	It is currently projected that it will not be possible to make this saving in 2015/16. The saving will be made ongoing from the Finance and Accountancy Review.
TOTAL ONGOING SAVINGS	753.0	475.0	278.0		
TOTAL Finance & Investment	5,140.0	4,862.0	278.0		

Outcome 9 - Organisation & Governance Budget Reductions - as at September 2015

Description of budget saving	2015/16				
	Saving	Estimated Outturn	Variance	RAG Rating	Issues/Risks/Dependencies/Service Impacts
	£'000	£'000	£'000		
Legal Services - Achievement of 50% reduction from cost base in line with Middlesbrough Manager and Support Services reviews	160.0	160.0	0.0	G	
Trade Union (facility time) - Reduction in cost of Union facility Time	20.0	20.0	0.0	G	
IT (Wider Area Network) - computer equipment - Centralisation of current departmental budgets and reduction in WAN costs	70.0	70.0	0.0	G	
HR (Occupational Health) - Reduction in budget based on current usage	50.0	50.0	0.0	G	
Customer Access - Full year effect from previous years' decisions	204.0	204.0	0.0	G	
Administrative Support - Partnership element	1,368.0	1,368.0	0.0	G	
TOTAL COMPLETED SAVINGS	1,872.0	1,872.0	0.0		
Ongoing savings					
Democratic Services - Achievement of 50% reduction from cost base in line with Middlesbrough Manager and Support Services reviews	186.0	186.0	0.0	G	Savings from service review will be realised in 2016/17. Savings target shortfall in 2015/16 has been offset by non pay savings
Policy and Performance - Achievement of 50% reduction from cost base in line with Middlesbrough Manager and Support Services reviews	402.0	402.0	0.0	G	Savings of (£302,000) from vacant posts have already been achieved. The remaining saving will be made from planned supplies and services savings and a staff review. Also there are a number of savings target transfers to other reviews following scoping changes which are yet to be actioned which will contribute to achieving the savings target.
Marketing & Communications - Full year effect from previous years' decisions	178.0	111.0	67.0	A	It is currently projected that £111,000 of the required savings target will be made in 2015/16 from vacant posts and transfers of savings targets to other reviews following scoping changes. The full year effect of these will be £130,000, leaving a saving of £48,000 still being required to achieve ongoing. A report has been taken to LMT to centralise marketing and advertising budgets across the Council, however this has not yet fully been approved and requires further work. The remaining saving will be made from this and the service review but this is unlikely to happen in 2015/16.
HR Advice - Achievement of 50% reduction from cost base in line with Middlesbrough Manager and Support Services reviews	138.0	138.0	0.0	A	Work is currently being finalised on the Partnership budgets, but at this stage it is assumed that the saving required from the Partnership will be fully met. Also the saving from services element will be fully achieved.
Workforce Development - Achievement of 50% reduction from cost base in line with Middlesbrough Manager and Support Services reviews	131.0	33.0	98.0	A	It is currently projected that only savings of (£33,000) will be achieved in 2015/16 from a vacant post.
Administrative Support - Outcome 9 element	235.0	183.0	52.0	A	This budget and savings target have been reallocated across the 9 Outcomes with the ISU remaining in Outcome 9. To clarify the saving shown here only now includes the saving required from Outcome 9. It is projected that there will be £52,000 pressure in achieving the savings target for Outcome 9 in 2015/16. The remaining target will be achieved during the service review, but it is unlikely that this will be achieved during 2015/16.
ICT Support - Achievement of 50% reduction from cost base in line with Middlesbrough Manager and Support Services reviews	639.0	549.0	90.0	A	Work is still to be finalised on the Partnership budgets but the latest figures indicate that there will be a pressure of £90,000 in 2015/16 from the returning services budget. It is projected that all of the required Council saving will be achieved in 2015/16 from vacant posts and other staff savings.
Mouchel Partnership - Additional Mouchel Saving	1,000.0	1,000.0	0.0	A	Work is still being finalised regarding the Partnership budgets and budgets for the Mouchel returning services. Based on information received to date, it is currently assumed that this saving will be fully achieved.
Payroll - Full year effect from previous years' decisions	388.0	388.0	0.0	A	Work is currently being undertaken on the Partnership budgets but at this stage it is assumed that the saving required from the Partnership will be fully met.
Total ONGOING SAVINGS	3,297.0	2,990.0	307.0		
TOTAL Organisation & Governance	5,169.0	4,862.0	307.0		