

Creating a Brighter Future Programme

2017/18
Quarter 3 Update



North Tyneside Council

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Executive Summary

This is the third quarterly update report of 2017/18, summarising delivery of the CBF programme 2017-20.

The programme is structured around the four key CBF outcomes of: Ready for School; Ready for Work & Life; Cared for, Safeguarded & Healthy; and Great Place to Live, Work and Visit. These are supplemented by our two enabling themes of: Fit for Purpose Organisation and Maximising Resources.

The authority has an overall savings requirement of £18.338m in 2017/18 and this has been a key driver for much of the activity in the programme, whilst improving services to deliver improved outcomes. In September 2016, the Mayor and Cabinet agreed an Efficiency Statement which set out a series of projects that would deliver required savings whilst delivering CBF outcomes. A number of these projects were then converted into business cases, as part of the budget setting process, which were agreed by the Mayor and Cabinet on 28th November 2016. These projects and business cases form the basis of this report.

The authority's budget monitoring is forecasting delivery of £15.243m (up from £14.989m at the end of Q2) of the overall £18.338m savings requirement. The balance still to be delivered at the end of quarter three is £3.095m, which is an improvement of £0.254m since the end of Q2 and £1.070m since the start of the financial year.

Note: since the end of quarter 3, there has been further improvement to the savings position, as well as successful mitigating activities to ensure overall spend is in line with the budget.

As part of the Council's programme management arrangements, all business cases and projects within the CBF programme are monitored on a regular basis. Each project is given a (B)RAG rating for project delivery and savings delivery.

The definitions and numbers of projects falling into those categories are shown below. The numbers indicated in brackets show the numbers of projects as they were categorised at the end of quarter two, demonstrating the ongoing progress made across the programme.

Project Delivery			Savings Delivery		
Blue	All milestones complete	10 (7)	Blue	Full saving realised	10 (5)
Green	All milestones met within timescales; no concerns about delivery of future milestones	6 (5)	Green	Majority of savings already realised and/or no concerns about realization of full saving	2 (3)
Amber	Some milestones delayed and/or minor concern about delivering some future milestones	1 (5)	Amber	Projected shortfall in savings and/or savings will be accrued throughout the financial year	4 (7)
Red	Milestones significantly delayed and/or major concern about delivering future milestones	0	Red	Significant shortfall in savings currently projected	1 (2)

Ready for School

Completed Projects:

Continue to Redesign 0-19 Services (2017/18 target: £580,000)

- We have transferred 84 School Nurses and Health Visitors into the local authority and they are now key components of our new locality team model for 0-19 services.
- We have opened the new Ready for School Centre at Riverside, by providing a more holistic service offer and improving links with local schools.
- £503,000 of the required savings are confirmed.

Note: as at February 2018, full savings are confirmed for this project and this will be reported in the Q4 report to scrutiny.

Ready for Work and Life

Completed Projects:

Re-model and Trade our Services to Schools (2017/18 target: £426,000)

- We have implemented a new data management tool to support schools, re-organised our staffing, and marketed our catering and cleaning services to generate additional income.
- All savings and income targets are assumed to be achieved in budget monitoring.

Deliver the Employment and Skills Strategy (2017/18 target: £300,000)

- We have re-organised our staffing structures and delivered financial efficiencies through a review of our use of venues for delivering courses.
- All savings are achieved.

Cared for, Safeguarded & Healthy

Value for Money Tested Social Care (2017/18 target: £790,000)

This project will make changes to day to day commissioning and assessment processes to re-set the outcome of funded social care. In partnership with the Clinical Commissioning Group and using a single trusted assessor, outcomes will be shaped by working with individuals to set realistic goals for independence and applying a value for money test to care at home versus other settings.

Project Delivery Status

RAG (last period)	Amber	RAG (this period)	Green
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We have completed the review and implementation of a new contract for our Independent Supported Living services and developed a new extra care scheme at Crossgates which is reducing demand and cost for other services (this project is projecting an overachievement of savings).

We have commenced reviews of home care packages to identify opportunities to increase the use of assistive technology, and efficiencies in package costs are being realised. The charging policy for the Care Call service has been reviewed. Income has been secured from health partners for the delivery of services.

Savings Delivery Status

RAG (last period)	Amber	RAG (this period)	Green
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£530,000 of the £790,000 are projected to be achieved (an improvement of £147,000 since the end of quarter two). As the reviews of home care packages progress, we expect to see this shortfall reduce further. An overachievement of projected savings relating to the new Extra Care development will also mitigate against any shortfall.

Note: as at February 2018, full savings from this business case are confirmed and will be reported in the Q4 report to scrutiny

A New Model to Support Children (2017/18 target: £1,369,000)

National policy direction, inspection and demand pressures are creating an environment where local authorities are looking at alternative models to deliver services to support children. This project aims to review best practice and the alternatives to our current approach. It will also explore the capability to grow direct provision as the dynamics in the market change and our capability to deliver specialist housing and support grows. To create a stable and skilled workforce with the right capacity to handle demand, we will embed a consistent model of practice – ‘Signs of Safety’.

Project Delivery Status

RAG (last period)	Amber	RAG (this period)	Green
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We have:

- Implemented a new Multi-Agency Safeguarding Hub (MASH)
- Trained all of our staff in the new Signs of Safety practice model
- Implemented new care leavers accommodation at Mitford Gardens
- Secured £837k funding for a new ‘staying close’ provision at Elm House
- Recruited more foster carers to reduce demand for external placements
- Restructured our social work and leaving care teams
- Introduced new ways of working with schools to ensure more children stay in schools

Work is ongoing in relation to the new model for children with disabilities. We continue to engage with parents and carers, as good practice as well as a statutory requirement, to ‘co-produce’ this new model, including a refreshed Local Offer and Short Breaks Statement and a new accommodation offer for children with disabilities.

Savings Delivery Status

RAG (last period)	Red	RAG (this period)	Amber
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£709,000 savings are projected to be delivered, predominantly through a re-balancing of the placement mix for looked after children (up from £197,000 in May). The main area of shortfall across this work is the Children with Disabilities project (£350,000), due to longer than expected co-production of the new model. The shortfall in delivery is expected to be mitigated through underspends elsewhere.

Note: as at February 2018, additional income of approximately £200,000 for services provided by the authority has been secured and is expected to be reported in the Q4 report to scrutiny.

Completed Projects:

Strength and Asset-Based Approaches to Need (2017/18 target: £884,000)

- We have launched the new My Care website and SIGN directory, and we have implemented our new locality-based staffing model.
- The full £884,000 savings for 2017/18 are confirmed as delivered.

Great Place to Live, Work and Visit

Develop Specialist Housing Products and Services (2017/18 target: £275,000)

This project aims to shape our housing growth plans to include specialist housing products and services for children and adults with additional needs, looked after children, and older people. We aim to create a joint team with commissioning, housing and social care expertise to make that a success, building on existing pilot work to deliver at scale.

Project Delivery Status

RAG (last period)	Amber	RAG (this period)	Green
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Developments at both Mitford Gardens and Elm House are now complete and children and young people are moving into the new provision. This is reducing costs on out of borough placements and freeing up additional capacity at in-house provision.

Work is ongoing across social care, housing, and commissioning to identify additional opportunities to develop housing services to support our long-term strategies in Children's and Adults services.

Savings Delivery Status

RAG (last period)	Red	RAG (this period)	Amber
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There has been an improvement of £65,000 since the end of quarter two. £100,000 is forecast to be delivered from the Mitford Gardens scheme (the total savings from this project are £188,000, with £88,000 against the New Model business case). The development of the new service at Elm House will contribute additional savings to LAC costs in the next quarter.

Pursue Profit from Property Development (2017/18 target: £330,000)

The housing and property market in North Tyneside has remained relatively buoyant through a difficult decade. In parallel to the Mayor and Cabinet's Affordable Homes Programme and in line with the Draft Local Plan, this project aims to use a range of commercial models to exploit current and acquired assets to build for profit, beginning with initial work in North Shields (Northumberland Square) and Whitley Bay (The High Point, Whiskey Bends and The Avenue).

Project Delivery Status

RAG (last period)	Green	RAG (this period)	Green
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Work has recently commenced on the property developments at Northumberland Square in North Shields. Work also continues on the three sites in Whitley Bay: the High Point, Whiskey Bends, and The Avenue.

Savings Delivery Status

RAG (last period)	Green	RAG (this period)	Amber
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£209,000 of the required income is projected to be achieved; the current shortfall relates to the timing of income generated from interest rates.

Completed Projects:

Deliver North Tyneside's Cultural and Leisure Offer (2017/18 target: £123,000)

- The project in 2017/18 is complete, with staffing changes realising the full savings requirement.
- Full delivery of the savings is confirmed.

Develop our Community Hubs (2017/18 target: £154,000)

- The management of Howdon Community Centre to the Family Gateway Trust is complete, as is the closure of the Royal Quays Tourist Information Centre.
- £118,000 of the required savings are projected to be delivered. The shortfall of £36,000 will be met by mitigating actions across the service.

Develop a 10-year Plan for Waste (2017/18 target: £200,000)

- New restrictions on large vans using the Household Waste Recycling Centre (HWRC), a new charging policy, and a new online permit application scheme are all now in place.
- £180,000 of the required savings are projected to be delivered (up from £100,000 at the end of quarter one). There is confidence that the £20,000 balance will be secured throughout the remainder of the financial year.

Note: as at February 2018, full savings are confirmed and will be reported in the Q4 report.

Deliver our Transport Strategy (2017/18 target: £200,000)

- The Mayor and Cabinet agreed the Parking Strategy for the borough and the introduction of the new parking permit scheme.
- The full £200,000 required savings are projected to be delivered through reduced expenditure on fleet and increased income from parking permits.

A Fit for Purpose Organisation

Sourcing, Supply Chain and Commercials (2017/18 target: £1,112,000)

More than half of the authority's expenditure is to third parties and, with a supply chain of almost 5000 organisations and individuals, it is critical that the sourcing, supply and commercial arrangements are as sharp as possible. This project aims to look beyond the large-scale commissioning and major partnerships to ensure all of the supply chain is subject to a rigorous value for money test and best practice category management is applied.

Project Delivery Status

RAG (last period)	Amber	RAG (this period)	Amber
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Public health contracts for sexual health and drug and alcohol services have been renegotiated, and these have been in place from 1st April. The new small grant fund for the Community and Voluntary Sector has also been introduced.

A new Procurement Governance Board is overseeing the progress of the work programme to implement the Procurement Strategy, new ways of working, and the schedule of savings opportunities.

Savings Delivery Status

RAG (last period)	Red	RAG (this period)	Red
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£612,000 savings are confirmed in relation to public health contracts, the CVS fund, and PFI savings. The balance of £500,000 relates to wider procurement savings, which is currently assumed to not be delivered. A range of opportunities are being progressed and savings identified; however, due to the timeline for practically delivering savings, a prudent approach to financial reporting is being taken.

Optimising the Customer Journey & Transforming ICT (2017/18 target: £50,000)

The authority makes significant investment in technology but capacity and capability have been a challenge in a fast-changing environment. This project builds on work already underway but seeks to explicitly connect targeted IT investment to business change in those services with highest demand and cost.

Project Delivery Status

RAG (last period)	Green	RAG (this period)	Green
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The implementation of Microsoft Office 365 is progressing and the new SharePoint document management system is being configured across the authority. A 'go live' date of 18th June for the new system has been set.

Implementation of the 'Life Events' framework for the organisation's customer journey programme is progressing, commencing with a re-organisation of the information on the Council's website.

The Adults module of the new social care case management system – Liquid Logic – went live in November 2017, and activity is well underway to implement the Children's module by the end of February 2018.

Savings Delivery Status

RAG (last period)	Amber	RAG (this period)	Complete
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The full savings relating to the introduction of the new Deprivation of Liberty Safeguards (DoLS) self-service application are now confirmed.

How We Are Organised (2017/18 target: £3,495,000)

As services change the organisation must change with it. This project aims to ensure the organisation is reshaped to reflect changes in services and reductions in resources. In addition to changes in service delivery, it also aims to ensure the organisation's infrastructure is changed and shrinks in line with the rest of the organisation with resultant changes in overheads and recharges.

Project Delivery Status

RAG (last period)	Amber	RAG (this period)	Green
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Organisational changes have taken place across a range of service areas in order to move towards the Target Operating Model and deliver efficiency savings.

Savings Delivery Status

RAG (last period)	Amber	RAG (this period)	Green
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All restructures and planned staffing changes have been made as part of the business case. The balance of approximately £1m related to pay and pension increases, and this has been built into the agreed 2018/19 budget.

Maximising Resources

Delivering our Fees and Charges Policy (2017/18 target: £350,000)

The authority has an agreed Fees and Charges Policy that reflects policy priorities, need and the wider market in which we operate. This project will continue our work to regularly review our fees and charges.

Project Delivery Status

RAG (last period)	Green	RAG (this period)	Complete
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The project in 2017/18 is complete; all fees and charges increases have been made.

Savings Delivery Status

RAG (last period)	Amber	RAG (this period)	Amber
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Income will be achieved throughout the financial year; at this stage, budget monitoring is forecasting £273,000 will be delivered.

The balance predominantly relates to the £64,000 attached to the bereavement service, which is a demand-led area of business and, therefore, relatively unpredictable.

Completed Projects:

Balancing the Investment Plan (2017/18 target: £7,700,000)

- The authority's asset lives have been reviewed and the Minimum Revenue Provision (MRP) to repay debt amended accordingly.
- Full delivery of savings is confirmed.