

**Appendix B2a:
Corporate Services
Proposals for
Change -
For decision for
2019 - 2022**

Proposal for Change: Corp1920-01 Pathway to Employment Budget Reductions

Corporate Plan Priority:	Corp1920-01
Service Area:	Organisational Development, HR/OD
Director:	Chris Squire
Strategic Manager	Clive Mallon (Service Manager)
SAP Node	EIHA

1. The proposal is to:	
	Managing Demand - <i>Examine what can be done to influence our demand and reduce service pressures/costs or increase income, including raising fees and charging for services. How could we work across the wider local system with partners, are we picking up costs that should be paid by a different part of the system? Evidence of current and expected future demand will be required as part of future planning.</i>
	Increasing Productivity - <i>Since 2011/12 the Council has made most of its savings through efficiency measures. Like most Councils there is now less scope for traditional efficiency savings. What efficiency/productivity savings are available? What are the biggest expenditure items in your service? Are we getting best value from our contracts? Are we exploring opportunities to negotiate?</i>
	Service Delivery Models - <i>Are you aware of any alternative delivery models that could deliver services differently? What examples from other authorities could we adopt? E.g. commission from another party, joint venture... recognising that some options will have a long lead in times and would not necessarily impact on the financial gap in 2018/19.</i>
X	Reductions in Services - <i>Are there services which partners could provide instead? Are all your services adding value? Are there any services which could safely and legally be stopped? What would the impact be on residents? Could residents be empowered to do it themselves?</i>

2. Outline of the proposed change:	
<p>The Human Resource/Organisation Development Service (HROD) has a £201,500 annual budget to run the Pathway to Employment Scheme. The scheme, which has been in existence for the past five years, aims to boost the employability of those not in Employment, Education or Training (NEET), vulnerable/disadvantaged young people within Somerset, such as Care Leavers or those with a disability.</p> <p>A number of initiatives fall within the scheme, initiatives include;</p> <ul style="list-style-type: none"> • Work Experience (both at SCC and partner organisations) • Employability and Training weeks • Internships • Paid work or Apprenticeships (both at SCC and partner organisations) • Bespoke employability programmes with partner organisations, such as Skanska and Viridor. • Taster weeks; where individuals can try a number of vocations • Education and training programmes 	

Only one of the above initiatives is negatively impacted by the proposed budget reductions; paid work or apprenticeships within SCC. Traditionally services have acted as hosts to referred young people in short to medium term fixed term contracts and apprenticeships. Approximately eight people per year are supported within this initiative.

This proposal is to greatly reduce the Pathway to Employment scheme budget to £10,000 per year. Releasing all bar £10,000 of uncommitted budget in 2019/20 provides a saving of £115,000. In 2020/21 a further £76,500 can be offered as a saving.

The retention of a small annual budget, of £10,000, allows for certain work (some of the other bullet points listed above) to continue to take place; such as the annual Care Leaver Employability Programme at Pinkery Resource Centre – these are ‘low-cost, high-impact’ programmes, without a budget these couldn’t happen.

HR/OD will take the opportunity to redesign the scheme including alternative funding arrangements to maximise the scope of support that can be offered from 2019/20.

2a. Confidence level

100 %

Very few people have access to spend against the budget, an immediate stop can be put on spend meaning the saving is guaranteed.

3. Impact on residents, businesses and other organisations:

There is limited impact. All those currently on paid placements within SCC will be supported to complete their various opportunities. The impact of this budget reduction is that no new referrals can be made for those people that would be deemed as ready for a paid internal opportunity, supported by the scheme. Organisational Development (OD) will need to redesign the scheme and consider alternative funding arrangements to maximise the scope of support that can be offered from 2019/20.

Please note that the people ‘supported’ mentioned above only relates to those that would have had paid employment directly with SCC. Those that are put forward for partners schemes, such as the Skanska Work Experience/Apprentice Programme are not impacted. SCC can still be a viable employer for people from vulnerable/disadvantaged backgrounds, the only difference being is that host services will need to use their own budget to fund roles rather than receiving money from the Pathway to Employment budget.

4. Impact on other services we provide:

The impacts are minimal; the scheme has paid the salary of individuals in roles which have been used to support corporate meetings/initiatives, such as the Young People’s Champions roles – if these are to continue beyond the current commitments the service will need to fund.

Service areas that have traditionally recruited people from the Pathway to Employment 'pool' are making plans as to how they can continue to recruit without having the financial assistance from the scheme. The service areas are positive that there are alternative arrangements that can be made to have little-to-no impact on future recruitment.

5. Impact on staff:

None (all current roles being supported will continue to the end of their contracts).

6. Resources and support needed to make the change:

No resources required to support this change.

7. Timescale to deliver and major milestones:

Confirmation of the decision being approved	December
Communication to regular supporters of the scheme	December
Communication to those that have ability to spend against the budget (confined to OD)	Immediately following above milestone.

8. Risks and opportunities:

Risks are minimal. We have the opportunity to reimagine the scheme and what support it can offer those groups traditionally referred.

9. Dependencies:

Not applicable.

10. Initial Equality Impact Assessment:

Impact assessment produced and reviewed by Equalities Manager.

11. Consultation and Communications plan:

Not required.

12. Legal Implications:

Not required.

13a. Financial Savings – net change to service budget in each year:

Are the savings evidenced based (evidence should be included with this template)?	Yes
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If no, when is the evidence expected?	N/A
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Please note: these figures should be cumulative

£'s	Savings	Income Generated	Cost Involved (also see 13b)	Total	Ongoing or One-off?
2019/20	£115,000	£	-£	£115,000	Ongoing
2020/21	£76,500	£	-£	£76,500	Ongoing
2021/22	£	£	-£	£	
2022/23	£	£	-£	£	
2023/24	£	£	-£	£	
Total	£191,500	£	-£	£191,500	Ongoing

13b. One-off project costs and income (not included in above):

£'000's		
2019/20	Capital Costs	-£
	Capital Receipts	£
	Estimate of Redundancy costs	-£
	Estimate of Resource costs to deliver	-£
	Sub-total	£
2020/21	Capital Costs	-£
	Capital Receipts	£
	Estimate of redundancy costs	-£
	Estimate of resource costs to deliver	-£
	Sub-total	£
2021/22	Capital Costs	-£
	Capital Receipts	£
	Estimate of redundancy costs	-£
	Estimate of resource costs to deliver	-£
	Sub-total	£
TOTAL		£

Somerset Equality Impact Assessment

Before completing this EIA please ensure you have read the EIA guidance notes – available from your Equality Officer

Organisation prepared for	Somerset County Council		
Version	V1	Date Completed	15/11/18

Decision within the Proposal for Change to reduce Somerset County Council’s (SCC) Pathway to Employment budget (from £201.5k to £10k) - Corp1920-01

Human Resources and Organisational Development (HR/OD) has a £201.5k annual budget to run the Pathway to Employment Scheme. The scheme, which has been in existence for the past five years, aims to boost the employability of NEET (Not in Employment, Education or Training) vulnerable/disadvantaged young people (generally between the ages of 16-24) within Somerset, such as Care Leavers or those with a disability. A number of initiatives fall within the scheme, initiatives include;

- Work Experience (both at SCC and partner organisations)
- Employability and Training weeks
- Internships
- Paid work or Apprenticeships (both at SCC and partner organisations)
- Bespoke employability programmes with partner organisations, such as Skanska and Viridor.
- ‘Taster’ weeks, where individuals can try a number of vocations
- Education and training programmes

Only one of the above initiatives is negatively impacted by the proposed budget reductions; paid work or apprenticeships within SCC. Traditionally services have acted as hosts to referred young people in short to medium term fixed term contracts and apprenticeships. Approximately eight people per year are supported within this initiative.

This proposal is to greatly reduce the Pathway to Employment scheme budget to £10k per year. Releasing all bar £10k of uncommitted budget in 19/20 provides a saving of 115k. In 20/21 a further £76.5k can be offered as a saving.

All those currently on paid placements within SCC will be supported to complete their various opportunities. The impact of this budget reduction is that no new referrals can be made for those people that would be deemed as ready for a paid internal opportunity, supported by the scheme.

The other initiatives which fall within the scope of the scheme remain largely unaffected. SCC can still be a viable employer for people from vulnerable/disadvantaged backgrounds, the only difference being is that host services will need to use their own budget to fund roles rather than receiving money from the Pathway to Employment budget.

The retention of a small annual budget allows for certain 'low-cost, high-impact' programmes to continue - without a budget these couldn't happen.

HR/OD will need to redesign the scheme and consider alternative funding arrangements (such as bidding for grant money and the transfer of apprenticeship levy funds to partner organisations) to maximise the scope of support that can be offered from 19/20.

Evidence

What data/information have you used to assess how this policy/service might impact on protected groups? Sources such as the [Office of National Statistics](#), [Somerset Intelligence Partnership](#), [Somerset's Joint Strategic Needs Analysis \(JSNA\)](#), Staff and/ or [area profiles](#), should be detailed here

From the inception of the scheme data has been captured by HR/OD on each individual referred and supported. This data includes key information such as the individuals background, personal data and which initiative they are supported by.

The evidence is clear cut – the majority of the scheme remains exactly the same. The difference is that internal SCC services wanting to host pathway to employment candidates (in paid work) will have to fund the salaries. Work will continue with our partners to expand the scope of their equivalent programmes to continue to maintain, and eventually increase, the number of opportunities available for in-scope individuals.

Who have you consulted with to assess possible impact on protected groups? If you have not consulted other people, please explain why?

The proposal was shared with the Strategic Commissioning Group on 15/11/18. The group supported the proposal to reduce the budget.

Analysis of impact on protected groups

The Public Sector Equality Duty requires us to eliminate discrimination, advance equality of opportunity and foster good relations with protected groups. Consider how this policy/service will achieve these aims. In the table below, using the evidence outlined above and your own understanding, detail what considerations and potential impacts against each of the three aims of the Public Sector Equality Duty. Based on this information, make an assessment of the likely outcome, before you have implemented any mitigation.

Protected group	Summary of impact	Negative outcome	Neutral outcome	Positive outcome
Age	<ul style="list-style-type: none"> The proposed decision will negatively impact more on younger people, this is due to the majority of individuals referred into the scheme being within the 16-24 age bracket. The authority does now have a well-established apprenticeship scheme (while apprenticeships are available for any age group they do tend to attract younger candidates) which a number of these people would be suitable for. Apprentice numbers have swelled at the authority from 20 Nov 2016 to 192 at present. 	☒	☐	☐

	The real number of people impacted per year could therefore be fewer than eight.			
Disability	<ul style="list-style-type: none"> The scheme has historically offered roles to people with disabilities. As above, only those that were interested in internal to SCC (paid) opportunities may be impacted. Service areas that have traditionally recruited disabled people from the Pathway to Employment 'pool' are making plans as to how they can continue to recruit without having the financial assistance from the scheme. The service areas are positive that there are alternative arrangements that can be made to have little-to-no impact on future recruitment. 	☒	☐	☐
Gender reassignment	<ul style="list-style-type: none"> Whilst this characteristic hasn't been one in which the scheme has previously had referrals on I would consider them as 'in-scope' and therefore are impacted by this decision. 	☐	☒	☐
Marriage and civil partnership	<ul style="list-style-type: none"> No impact of this group based on this proposal 	☐	☒	☐
Pregnancy and maternity	<ul style="list-style-type: none"> No impact of this group based on this proposal 	☐	☒	☐

Race and ethnicity	<ul style="list-style-type: none"> No impact of this group based on this proposal 	□	⊗	□
Religion or belief	<ul style="list-style-type: none"> No impact of this group based on this proposal 	□	⊗	□
Sex	<ul style="list-style-type: none"> No impact of this group based on this proposal – there is an even split between males and females accessing initiatives via the Pathway to Employment scheme. 	□	⊗	□
Sexual orientation	<ul style="list-style-type: none"> No impact of this group based on this proposal 	□	⊗	□
Other, e.g. carers, veterans, homeless, low income, rurality/isolation, etc.	<ul style="list-style-type: none"> Care Leavers make up the bulk of the NEET's supported by the scheme. With service areas being able to offer fewer paid roles (financed by the scheme) there will be some care leavers that cannot be internally supported. Alongside the Leaving Care service OD will work to expand the range of roles offered in partner organisations to offset the internal reduction. 	□	⊗	□

Negative outcomes action plan

Where you have ascertained that there will potentially be negative outcomes, you are required to mitigate the impact of these. Please detail below the actions that you intend to take.

Action taken/to be taken	Date	Person responsible	How will it be monitored?	Action complete
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<p>The positive news is that the majority of the initiatives and opportunities are not impacted by the reduction in budget.</p> <p>Between the time of writing and the beginning of the 19/20 financial year there is time to redesign the Pathway to Employment Scheme.</p> <p>The redesign of the scheme will need to look at what opportunities there are to replace the element of the scheme that would otherwise not run without the funding; at this point we can also review those that access the scheme to ensure each of the protected characteristics are positively supported.</p> <p>Action: Review opportunities for grant funding, working with partners to provide alternative yet similar roles and update the Young People Strategy in line with the new scope of the scheme.</p>	01/04/2019	Clive Mallon		□
If negative impacts remain, please provide an explanation below.				
Completed by:	Clive Mallon			
Date	19/11/2018			
Signed off by:	Chris Squire			

Date	23/11/2018
Equality Lead/Manager sign off date:	Tom Rutland
To be reviewed by: (officer name)	Clive Mallon
Review date:	31/03/2019

**Proposal for Change:
Corp1920-02 Permanently release current budget for IT Training
Manager position**

Corporate Plan Priority:	Corp1920-02
Service Area:	Organisational Development, HR/OD
Director:	Chris Squire
Strategic Manager	Clive Mallon (Service Manager)
SAP Node	EIHA

1. The proposal is to:	
	Managing Demand - <i>Examine what can be done to influence our demand and reduce service pressures/costs or increase income, including raising fees and charging for services. How could we work across the wider local system with partners, are we picking up costs that should be paid by a different part of the system? Evidence of current and expected future demand will be required as part of future planning.</i>
	Increasing Productivity - <i>Since 2011/12 the Council has made most of its savings through efficiency measures. Like most Councils there is now less scope for traditional efficiency savings. What efficiency/productivity savings are available? What are the biggest expenditure items in your service? Are we getting best value from our contracts? Are we exploring opportunities to negotiate?</i>
	Service Delivery Models - <i>Are you aware of any alternative delivery models that could deliver services differently? What examples from other authorities could we adopt? E.g. commission from another party, joint venture... recognising that some options will have a long lead in times and would not necessarily impact on the financial gap in 2018/19.</i>
X	Reductions in Services - <i>Are there services which partners could provide instead? Are all your services adding value? Are there any services which could safely and legally be stopped? What would the impact be on residents? Could residents be empowered to do it themselves?</i>

2. Outline of the proposed change:
<p>The IT Training Manager post has been 'frozen' since March 2018 and a temporary management arrangement put in place (covered by existing staff within the service).</p> <p>In the interim period a review of the IT Training team structure has taken place and It has been decided to amend the structure to permanently remove the vacant manager post. To offset this, and put long term management support into the team, one of the existing IT Trainer posts will be upgraded to a manager post, which has been evaluated at a lower grade than the previously frozen post due to a new operating structure. As a result, there will be an overall reduction of one post in the team resulting in a saving.</p>

2a. Confidence level

100 %

Plans developed and ready to implement.

3. Impact on residents, businesses and other organisations:

There is no impact in the removal of this post, plans have been thought through and the interim period without the manager role filled have worked well.

4. Impact on other services we provide:

Impacts are initially minimal; consideration to the future of the IT Training Team and how it works to support the organisation is required (the team has halved in size in recent years yet support for IT and Tech increases).

5. Impact on staff:

None, post is empty.

The number of FTE that might be lost is: 0 (vacant position)*The number of posts that might be lost is:* 1 x vacancy**6. Resources and support needed to make the change:**

No resources required to support this change.

7. Timescale to deliver and major milestones:

Removal of post from structure

1st April 2019**8. Risks and opportunities:**

No risks identified.

9. Dependencies:

Not applicable.

10. Initial Equality Impact Assessment:

Not required.

11. Consultation and Communications plan:

Not required.

12. Legal Implications:

Not required.

13a. Financial Savings – net change to service budget in each year:

Are the savings evidenced based (evidence should be included with this template)?	Yes
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If no, when is the evidence expected?	N/A
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Please note: these figures should be cumulative

£'s	Savings	Income Generated	Cost Involved (also see 13b)	Total	Ongoing or One-off?
2019/20	£40,700	£	-£	£40,700	Ongoing
2020/21	£	£	-£	£	
2021/22	£	£	-£	£	
2022/23	£	£	-£	£	
2023/24	£	£	-£	£	
Total	£40,700	£	-£	£40,700	Ongoing

13b. One-off project costs and income (not included in above):

£'000's		
2019/20	Capital Costs	-£
	Capital Receipts	£
	Estimate of Redundancy costs	-£
	Estimate of Resource costs to deliver	-£
	Sub-total	£
2020/21	Capital Costs	-£
	Capital Receipts	£
	Estimate of redundancy costs	-£
	Estimate of resource costs to deliver	-£
	Sub-total	£
2021/22	Capital Costs	-£
	Capital Receipts	£
	Estimate of redundancy costs	-£
	Estimate of resource costs to deliver	-£
	Sub-total	£
TOTAL		£

Proposal for Change: CORP1920-03 Vacant HR Advisor Position

Corporate Plan Priority:	Corp1920-03
Service Area:	HR & OD
Director:	Chris Squire
Strategic Manager	Sari Brice
SAP Node	EIHA

1. The proposal is to:	
	Managing Demand - <i>Examine what can be done to influence our demand and reduce service pressures/costs or increase income, including raising fees and charging for services. How could we work across the wider local system with partners, are we picking up costs that should be paid by a different part of the system? Evidence of current and expected future demand will be required as part of future planning.</i>
	Increasing Productivity - <i>Since 2011/12 the Council has made most of its savings through efficiency measures. Like most Councils there is now less scope for traditional efficiency savings. What efficiency/productivity savings are available? What are the biggest expenditure items in your service? Are we getting best value from our contracts? Are we exploring opportunities to negotiate?</i>
	Service Delivery Models - <i>Are you aware of any alternative delivery models that could deliver services differently? What examples from other authorities could we adopt? E.g. commission from another party, joint venture... recognising that some options will have a long lead in times and would not necessarily impact on the financial gap in 2018/19.</i>
X	Reductions in Services - <i>Are there services which partners could provide instead? Are all your services adding value? Are there any services which could safely and legally be stopped? What would the impact be on residents? Could residents be empowered to do it themselves?</i>

2. Outline of the proposed change:
Permanent removal of 22.20 hour HR Advisor vacancy. Post has been held vacant since resignation of postholder for duration of 2018/19. By removing this post £24,500 will be saved in 2019/20.

2a. Confidence level
100%
There is no current postholder.

3. Impact on residents, businesses and other organisations:
N/A

4. Impact on other services we provide:

The removal of this post will impact on the resources available within the HR Advisory team and the level of support that can be provided across the organisation, particularly in relation to the team's ability to provide proactive support to the organisation on employee relations matters. Areas that will be affected and are being reviewed are briefing and training sessions for managers on managing disciplinary, grievances, performance management and sickness absence, frequency of link meetings with Strategic Managers, maintaining and updating HR Policies and procedures.

5. Impact on staff:

The number of FTE that might be lost is: 0.6

The number of posts that might be lost is: 1 (vacant)

6. Resources and support needed to make the change:

No resources required.

7. Timescale to deliver and major milestones:

SAP OM structure updated

1 April 2019

8. Risks and opportunities:

Service is currently reviewing HR Officer workloads to accommodate this reduction.

9. Dependencies:

No dependencies.

10. Initial Equality Impact Assessment:

No.

11. Consultation and Communications plan:

Affected staff are already aware of the proposal and work is being undertaken within the Service to minimise the impact on workloads.

12. Legal Implications:

N/A.

13a. Financial Savings – net change to service budget in each year:

Are the savings evidenced based (evidence should be included with this template)?	Yes
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If no, when is the evidence expected?	N/A
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Please note: these figures should be cumulative

£'s	Savings	Income Generated	Cost Involved (also see 13b)	Total	Ongoing or One-off?
2019/20	£24,500	£	-£	£24,500	Ongoing
2020/21	£	£	-£	£	
2021/22	£	£	-£	£	
2022/23	£	£	-£	£	
2023/24	£	£	-£	£	
Total	£24,500	£	-£	£24,500	Ongoing

13b. One-off project costs and income (not included in above):

£'000's		
2019/20	Capital Costs	-£
	Capital Receipts	£
	Estimate of Redundancy costs	-£
	Estimate of Resource costs to deliver	-£
	Sub-total	£
2020/21	Capital Costs	-£
	Capital Receipts	£
	Estimate of redundancy costs	-£
	Estimate of resource costs to deliver	-£
	Sub-total	£
2021/22	Capital Costs	-£
	Capital Receipts	£
	Estimate of redundancy costs	-£
	Estimate of resource costs to deliver	-£
	Sub-total	£
TOTAL		£

Proposal for Change: CORP1920-04 Vacant OD Service Manager post

Corporate Plan Priority:	Corp1920-04
Service Area:	HR Services
Director:	Chris Squire
Strategic Manager	Rachel Ellins
SAP Node	EIHA

1. The proposal is to:	
	Managing Demand - <i>Examine what can be done to influence our demand and reduce service pressures/costs or increase income, including raising fees and charging for services. How could we work across the wider local system with partners, are we picking up costs that should be paid by a different part of the system? Evidence of current and expected future demand will be required as part of future planning.</i>
X	Increasing Productivity - <i>Since 2011/12 the Council has made most of its savings through efficiency measures. Like most Councils there is now less scope for traditional efficiency savings. What efficiency/productivity savings are available? What are the biggest expenditure items in your service? Are we getting best value from our contracts? Are we exploring opportunities to negotiate?</i>
	Service Delivery Models - <i>Are you aware of any alternative delivery models that could deliver services differently? What examples from other authorities could we adopt? E.g. commission from another party, joint venture... recognising that some options will have a long lead in times and would not necessarily impact on the financial gap in 2018/19.</i>
	Reductions in Services - <i>Are there services which partners could provide instead? Are all your services adding value? Are there any services which could safely and legally be stopped? What would the impact be on residents? Could residents be empowered to do it themselves?</i>

2. Outline of the proposed change:
<p>Permanent removal of vacant position that was given up for part year in 2018/19 and will now be released permanently.</p> <p>This service manager position sits on the HR Organisational Development Team and will result in a saving of £47,700 in 2019/20.</p>

2a. Confidence level
100%
This position can be fully released.

3. Impact on residents, businesses and other organisations:
No impact on residents, business or other organisations.

4. Impact on other services we provide:

Tasks of this role have been redistributed within the HR Service and some casual support is currently received from an ex member of staff. If still required in 19/20 this will be funded from other areas.

5. Impact on staff:

Removal of 1 vacant position, 0.95 FTE.

The number of FTE that might be lost is:

The number of posts that might be lost is:

6. Resources and support needed to make the change:

No resource required.

7. Timescale to deliver and major milestones:

Updated Organisational Management (OM) Structure

1st April 2019

8. Risks and opportunities:

- Negative impact on staff morale/engagement.
- Inability to deliver services to expectation

9. Dependencies:

No dependencies

10. Initial Equality Impact Assessment:

Following conversations with the Corporate Equalities Manager it was agreed that an Equalities Impact Assessment was not required.

11. Consultation and Communications plan:

N/A

12. Legal Implications:

N/A

13a. Financial Implications – net change to service budget in each year:

Are the savings evidenced based?		Yes, options have been costed by Finance but final structure still to be finalised.			
If no, when is evidence expected?		N/A			
Please note: these figures should be cumulative (as per the approach for MTFP and savings)					
£'s	Savings	Income	Growth/Costs	Total	Ongoing or One-off?
2019/20	£47,700	£	-£	£47,700	Ongoing
2020/21	£0	£	-£	£0	
Total	£47,700	£	-£	£47,700	Ongoing

13b. One off project costs and income (not included in above):

£s		
2018/19	Capital Costs	-£
	Capital Receipts	£
	Estimate of redundancy costs	-£
	Estimate of resource costs to deliver	-£
	Sub-total	£
2019/20	Capital Costs	-£
	Capital Receipts	£
	Estimate of redundancy costs	-£
	Estimate of resource costs to deliver	-£
	Sub-total	£
2020/21	Capital Costs	-£
	Capital Receipts	£
	Estimate of redundancy costs	-£
	Estimate of resource costs to deliver	-£
	Sub-total	£
TOTAL		£0

Proposal for Change: CORP1920-05 Permanent reduction in Learning & Development Training Budget

Corporate Plan Priority:	Corp1920-05
Service Area:	Organisational Development, HR/OD
Director:	Chris Squire
Strategic Manager	Clive Mallon (Service Manager)
SAP Node	EIHB

1. The proposal is to:	
X	Managing Demand - <i>Examine what can be done to influence our demand and reduce service pressures/costs or increase income, including raising fees and charging for services. How could we work across the wider local system with partners, are we picking up costs that should be paid by a different part of the system? Evidence of current and expected future demand will be required as part of future planning.</i>
X	Increasing Productivity - <i>Since 2011/12 the Council has made most of its savings through efficiency measures. Like most Councils there is now less scope for traditional efficiency savings. What efficiency/productivity savings are available? What are the biggest expenditure items in your service? Are we getting best value from our contracts? Are we exploring opportunities to negotiate?</i>
	Service Delivery Models - <i>Are you aware of any alternative delivery models that could deliver services differently? What examples from other authorities could we adopt? E.g. commission from another party, joint venture... recognising that some options will have a long lead in times and would not necessarily impact on the financial gap in 2018/19.</i>
X	Reductions in Services - <i>Are there services which partners could provide instead? Are all your services adding value? Are there any services which could safely and legally be stopped? What would the impact be on residents? Could residents be empowered to do it themselves?</i>

2. Outline of the proposed change:	
<p>In 2018/19 £100,000 of the authority-wide Learning and Development (L&D) budget was offered as an 'in-year' saving to meet HR and Organisational Design (HR/OD) contribution to Medium Term Financial Plan (MTFP). This proposal is to formalise those arrangements and for the budget to be permanently removed from the budget.</p> <p>HR/OD distribute L&D budget annually to Children's and Adults L&D teams, ECI and retain a proportion for corporate training. This proposal would impact on each of those teams. Statutory training is not impacted by the proposed budget reduction.</p>	

2a. Confidence level

100 %

Plans developed and ready to implement.

3. Impact on residents, businesses and other organisations:

Each of ECI, Adults, Children's and Corporate L&D budgets will be affected. The majority of the saving will come from the Corporate L&D budget with each of the other business area apportionments being reduced to make up the saving.

The value of saving was made in year in 2018/19, this proposal removes the budget on an ongoing basis – whilst challenging it was achievable in 2018/19 with minimal impact therefore it is achievable on a permanent basis. It is worth noting that the value of the authority-wide L&D budget has halved in recent years and will equate to less than £200 per employee from 2019/20, which is incredibly low.

Alongside this proposal work has commenced to centralise L&D across the authority. This plan involves bringing the Children's L&D, Adults L&D and Organisational Development (including IT Training Team) teams together into one L&D function. It is anticipated that better working practices would reduce the required spend on L&D which can be offset against the planned budget reduction.

A detailed investigation on the spend against the L&D budgets is required to further review usage to ensure only true L&D spend is made against the budget; early indications are that there has been spend against the budget for non-L&D activity.

Other areas of development outside of these budgets will be reviewed to be fully made use of; the increase in available qualifications via the apprenticeship levy into 19/20 should further reduce the impact (e.g. SCC current fund years 2 and 3 of Open Uni Social Work Degree courses, this cost should be able to be met by the levy in future years, a 'saving' of £6,000 per student per year is possible).

4. Impact on other services we provide:

As above, minimal impacts identified – and no impact on statutory training.

5. Impact on staff:

None, although more work is required to review the element provided to the Children's L&D team – currently the budget provided to that team pays for staff salaries and there is an 'agreed overspend' to pay for the L&D initiatives the team arranges. This review is taking place within the rebasing of budgets within Children's Services, led by Finance.

6. Resources and support needed to make the change:

No resources required to support this change.

7. Timescale to deliver and major milestones:

Post decision sign off, review the spend areas and decide on Business Area L&D apportionments	Dec 2018
Communicate with impacted teams	Jan 2019
New budget values go live	April 2019

8. Risks and opportunities:

Other than the risks identified above there are none.

9. Dependencies:

The reduction in budget is made easier if the L&D teams amalgamate.

10. Initial Equality Impact Assessment:

Discussion on proposals with the equalities lead took place on the 20th November 2018 and it was agreed that an impact assessment was not required.

Whilst the budget will reduce the spend level will remain the same as 2018/19 and may in fact increase based on the plans detailed above. The services successfully delivered training to staff without compromising frequency, location etc therefore no staff groups are negatively impacted by this proposal.

11. Consultation and Communications plan:

Not required

12. Legal Implications:

N/A

13a. Financial Savings – net change to service budget in each year:

Are the savings evidenced based (evidence should be included with this template)?	Yes
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If no, when is the evidence expected?	N/A
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Please note: these figures should be cumulative

£'s	Savings	Income Generated	Cost Involved (also see 13b)	Total	Ongoing or One-off?
2019/20	£100,000	£	-£	£100,000	Ongoing

2020/21	£	£	-£	£	
2021/22	£	£	-£	£	
2022/23	£	£	-£	£	
2023/24	£	£	-£	£	
Total	£100,000	£	-£	£100,000	Ongoing

13b. One-off project costs and income (not included in above):		
£'000's		
2019/20	Capital Costs	-£
	Capital Receipts	£
	Estimate of Redundancy costs	-£
	Estimate of Resource costs to deliver	-£
	Sub-total	£
2020/21	Capital Costs	-£
	Capital Receipts	£
	Estimate of redundancy costs	-£
	Estimate of resource costs to deliver	-£
	Sub-total	£
2021/22	Capital Costs	-£
	Capital Receipts	£
	Estimate of redundancy costs	-£
	Estimate of resource costs to deliver	-£
	Sub-total	£
TOTAL		£

Proposal for Change:

CORP1920-13 ICT Contract and Service Changes

Corporate Plan Priority:	CORP1920-13
Service Area:	Corporate Services
Director:	Simon Clifford
Strategic Manager	Andy Kennell
SAP Node	EII

1. The proposal is to:	
	Managing Demand - <i>Examine what can be done to influence our demand and reduce service pressures/costs or increase income, including raising fees and charging for services. How could we work across the wider local system with partners, are we picking up costs that should be paid by a different part of the system? Evidence of current and expected future demand will be required as part of future planning.</i>
	Increasing Productivity - <i>Since 2011/12 the Council has made most of its savings through efficiency measures. Like most Councils there is now less scope for traditional efficiency savings. What efficiency/productivity savings are available? What are the biggest expenditure items in your service? Are we getting best value from our contracts? Are we exploring opportunities to negotiate?</i>
X	Service Delivery Models - <i>Are you aware of any alternative delivery models that could deliver services differently? What examples from other authorities could we adopt? E.g. commission from another party, joint venture... recognising that some options will have a long lead in times and would not necessarily impact on the financial gap in 2018/19.</i>
X	Reductions in Services - <i>Are there services which partners could provide instead? Are all your services adding value? Are there any services which could safely and legally be stopped? What would the impact be on residents? Could residents be empowered to do it themselves?</i>

2. Outline of the proposed change:	
<p>This proposal is aiming to deliver £847,000 in 2019/20, of which £502,000 will be ongoing and £345,000 will be a one-off through;</p> <ul style="list-style-type: none"> • Reducing licence count and support on a number of ICT contracts • Deferring the implementation of enhanced email security for an additional year • Reducing contract costs based on reduction of hosting infrastructure required. 	

2a. Confidence level	
75	%

There are ongoing negotiations and initiatives with some of the contracts associated with this proposal.

3. Impact on residents, businesses and other organisations:

There will be no impact on residents, businesses or other organisations.

4. Impact on other services we provide:

There is a small increase in the level of risk of infection and malware attack against the council that may gain access to mailboxes as a result of not implementing enhanced email security. This risk will be mitigated by further user training and communication around best practice use of email and manual monitoring.

5. Impact on staff:

None.

6. Resources and support needed to make the change:

An estimate of 3 days of ICT effort to migrate to the alternative connectivity and 1-2 days of effort from ICT to remove unlicensed software and install alternative (open source) versions.

7. Timescale to deliver and major milestones:

Implement alternative comms to Express route.

By end of 18/19
financial year

8. Risks and opportunities:

There is a small increase in the level of risk of infection and malware attack against the council that may gain access to mailboxes as a result of not implementing advanced email security. This risk will be mitigated by further user training and communication around best practice use of email and manual monitoring.

9. Dependencies:

None

10. Initial Equality Impact Assessment:

Following agreement from the Corporate Equalities Manager it was agreed that an Equalities Impact Assessment was not required.

11. Consultation and Communications plan:

Following agreement with the Consultation Manager it was agreed that there was no need for consultation.

12. Legal Implications:

No legal implications. Basic exchange cloud protection (EOLP) meets the minimum requirements for PCI DSS (Payment card guidance) and PSN (Public Sector Network) but fails to meet industry best practice guidelines.

Also note that this proposal is predicated on the basis that the contract(s) permit the proposed course of action, due process will be followed to ensure this happens to remove the risk of legal challenge.

13a. Financial Savings – net change to service budget in each year:

Are the savings evidenced based (evidence should be included with this template)? Yes

If no, when is the evidence expected? N/A

Please note: these figures should be cumulative

£'s	Savings	Income Generated	Cost Involved (also see 13b)	Total	Ongoing or One-off?
2019/20	£847,000	£	-£	£847,000	345k one off (review 20/21)
2020/21	£-345,000	£	-£	£-345,000	One off
2021/22					
2022/23	£	£	-£	£	
2023/24	£	£	-£	£	
Total	£502,000	£	-£	£502,000	

13b. One-off project costs and income (not included in above):

£'000's		
2019/20	Capital Costs	-£
	Capital Receipts	£
	Estimate of Redundancy costs	-£
	Estimate of Resource costs to deliver	-£
	Sub-total	£
2020/21	Capital Costs	-£
	Capital Receipts	£
	Estimate of redundancy costs	-£
	Estimate of resource costs to deliver	-£
	Sub-total	£
2021/22	Capital Costs	-£
	Capital Receipts	£
	Estimate of redundancy costs	-£
	Estimate of resource costs to deliver	-£
	Sub-total	£
TOTAL		£

Proposal for Change: CORP1920-14b ICT Resource Income Generation

Corporate Plan Priority:	CORP1920-14b
Service Area:	ICT
Director:	Simon Clifford
Strategic Manager	Andy Kennell
SAP Node	EII

1. The proposal is to:	
	Managing Demand - <i>Examine what can be done to influence our demand and reduce service pressures/costs or increase income, including raising fees and charging for services. How could we work across the wider local system with partners, are we picking up costs that should be paid by a different part of the system? Evidence of current and expected future demand will be required as part of future planning.</i>
	Increasing Productivity - <i>Since 2011/12 the Council has made most of its savings through efficiency measures. Like most Councils there is now less scope for traditional efficiency savings. What efficiency/productivity savings are available? What are the biggest expenditure items in your service? Are we getting best value from our contracts? Are we exploring opportunities to negotiate?</i>
X	Service Delivery Models - <i>Are you aware of any alternative delivery models that could deliver services differently? What examples from other authorities could we adopt? E.g. commission from another party, joint venture ... recognising that some options will have a long lead in times and would not necessarily impact on the financial gap in 2018/19.</i>
X	Reductions in Services - <i>Are there services which partners could provide instead? Are all your services adding value? Are there any services which could safely and legally be stopped? What would the impact be on residents? Could residents be empowered to do it themselves?</i>

2. Outline of the proposed change:	
<p>This proposal is aiming to deliver £20,000 of additional one-off income in 19/20 through the following;</p> <ul style="list-style-type: none"> To exploit opportunities to generate income through charging for resource time 	

2a. Confidence level	
<div style="border: 1px solid black; display: inline-block; padding: 2px;">80</div> %	
<p>Based on resource requirements/requests received from Somerset Waste Partnership and neighbouring local authorities we are confident that we can deliver the savings identified.</p>	

3. Impact on residents, businesses and other organisations:

There will be no impact on residents, businesses and other organisations.

4. Impact on other services we provide:

There will be no negative impacts on any of the other services that we current provide.

5. Impact on staff:

Some resource will be asked to work flexibly on temporary assignments.

6. Resources and support needed to make the change:

None required.

7. Timescale to deliver and major milestones:

Request for resource will be reviewed on a regular basis and will be used as an income opportunity as and when the opportunities arise.

8. Risks and opportunities:

None noted.

9. Dependencies:

This proposal is heavily dependent on neighbouring local authorities and Somerset Waste Partnership continuing to require resource.

10. Initial Equality Impact Assessment:

Following agreement with the Corporate Equalities Manager it was agreed that a Equalities Impact Assessment was not required.

11. Consultation and Communications plan:

Following agreement with the Consultation Manager it was agreed that consultation would be not be necessary.

12. Legal Implications:

This proposal is covered by the Local Government (Goods and Services) Act 1970 which gives power to supply services between local authorities and other public bodies to utilise surplus capacity and give benefits of scale

13a. Financial Savings – net change to service budget in each year:

Are the savings evidenced based (evidence should be included with this template)?	Yes
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If no, when is the evidence expected?	N/A
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Please note: these figures should be cumulative

£'s	Savings	Income Generated	Cost Involved (also see 13b)	Total	Ongoing or One-off?
2019/20	£	£20,000	-£	£20,000	One off
2020/21	£	£-20,000	-£	£-20,000	
2021/22	£	£	-£	£	
2022/23	£	£	-£	£	
2023/24	£	£	-£	£	
Total	£	£20,000	-£	£20,000	One-off

13b. One-off project costs and income (not included in above):

£'000's		
2019/20	Capital Costs	-£
	Capital Receipts	£
	Estimate of Redundancy costs	-£
	Estimate of Resource costs to deliver	-£
	Sub-total	£
2020/21	Capital Costs	-£
	Capital Receipts	£
	Estimate of redundancy costs	-£
	Estimate of resource costs to deliver	-£
	Sub-total	£
2021/22	Capital Costs	-£
	Capital Receipts	£
	Estimate of redundancy costs	-£
	Estimate of resource costs to deliver	-£
	Sub-total	£
TOTAL		£

Proposal for Change: Corp1920-17-Additional Contractual Efficiency Savings

Corporate Plan Priority:	CORP1920-17
Service Area:	Commercial and Procurement
Director:	Simon Clifford
Strategic Manager	Claire Griffiths
SAP Node	Tbc for individual Services

1. The proposal is to:	
	Managing Demand - <i>Examine what can be done to influence our demand and reduce service pressures/costs or increase income, including raising fees and charging for services. How could we work across the wider local system with partners, are we picking up costs that should be paid by a different part of the system? Evidence of current and expected future demand will be required as part of future planning.</i>
X	Increasing Productivity - <i>Since 2011/12 the Council has made most of its savings through efficiency measures. Like most Councils there is now less scope for traditional efficiency savings. What efficiency/productivity savings are available? What are the biggest expenditure items in your service? Are we getting best value from our contracts? Are we exploring opportunities to negotiate?</i>
	Service Delivery Models - <i>Are you aware of any alternative delivery models that could deliver services differently? What examples from other authorities could we adopt? E.g. commission from another party, joint venture... recognising that some options will have a long lead in times and would not necessarily impact on the financial gap in 2018/19.</i>
	Reductions in Services - <i>Are there services which partners could provide instead? Are all your services adding value? Are there any services which could safely and legally be stopped? What would the impact be on residents? Could residents be empowered to do it themselves?</i>

2. Outline of the proposed change:	
<p>Undertake deep dive contract reviews from a commercial perspective, to identify efficiency savings. These may be derived from a range of sources including de-scoping of services, renegotiation of contract terms, enforcement of financial penalties for non-performance, comparison of invoices against works complete to identify discrepancies, comparison of contract payments versus annual contract value, evaluation of contract performance against contract Key Performance Indicators (KPIs).</p> <p>A long list of contract / groupings of contracts has been compiled from an initial assessment of the Top 100 contracts (ranked on annual value). This list includes individual contracts and frameworks and the final work plan will be discussed and agreed with SLT before being rolled out. Opportunities for synergies with specific contracts identified as part of the 2019/20 MTFP will also be identified. Work has already commenced in ICT and has set the approach for all contract deep dives.</p>	

2a. Confidence level

80%

Until the contract deep dives commence the actual potential for savings cannot be quantified. However, with work to date in ICT there is a high confidence of achieving £68,000 to date.

Service Activity	Saving
Express Route	£53,000
PSN Connection	£15,000

In addition, there is an 80% confidence on £100,000 of mobile phone savings.

This delivers a total to date of £168,000. The remaining £332,000 target will form part of the pipeline of work.

3. Impact on residents, businesses and other organisations:

N/A

4. Impact on other services we provide:

Potentially, particularly if services are de-scoped from a specific contract. An evaluation of the impact of this will be undertaken at that time.

5. Impact on staff:

No impact on staff

6. Resources and support needed to make the change:

Staff responsible for the operational delivery of contracts/frameworks that are the subject of deep dive will be required to give support to C&P officers. If services are descoped, there may also be resource implications. Yet to be determined. Finance, HR and legal are likely to be required, depending on the outcomes of each contract Deep Dive.

7. Timescale to deliver and major milestones:

Work to commence November 2018 to achieve savings as far as possible for full financial year but will be an ongoing rolling programme of work

Rolling programme of work

8. Risks and opportunities:

To be identified at an individual contract level.

9. Dependencies:

To be identified at an individual contract level.

10. Initial Equality Impact Assessment:

None

11. Consultation and Communications plan:

None at present

12. Legal Implications:

As noted above, the opportunity to renegotiate contract terms, to enforce penalties for non-performance and to take action under other contractual provisions will depend in each case on the terms of each contract concerned.

13a. Financial Savings – net change to service budget in each year:

Are the savings evidenced based (evidence should be included with this template)?	No
If no, when is the evidence expected?	January 2019 onwards

Please note: these figures should be cumulative

£'000's	Savings	Income Generated	Cost Involved (also see 13b)	Total	Ongoing or One-off?
2019/20	£168,000	£	-£	£168,000	On-going
2020/21	£	£	-£	£	
2021/22	£	£	-£	£	
2022/23	£	£	-£	£	
2023/24	£	£	-£	£	
Total	£168,000	£	-£	£168,000	ongoing

13b. One-off project costs and income (not included in above):

£'000's		
2019/20	Capital Costs	-£
	Capital Receipts	£
	Estimate of Redundancy costs	-£
	Estimate of Resource costs to deliver	-£
	Sub-total	£
2020/21	Capital Costs	-£
	Capital Receipts	£
	Estimate of redundancy costs	-£
	Estimate of resource costs to deliver	-£
	Sub-total	£
2021/22	Capital Costs	-£
	Capital Receipts	£
	Estimate of redundancy costs	-£
	Estimate of resource costs to deliver	-£
	Sub-total	£
	TOTAL	£

Proposal for Change:

Review of Fees and Charges

Corporate Plan Priority:	Corp1920-23
Service Area:	All
Director:	All (Lead Alyn Jones)
Strategic Manager	Martin Gerrish
SAP Node	

1. The proposal is to:	
	Managing Demand - <i>Examine what can be done to influence our demand and reduce service pressures/costs or increase income, including raising fees and charging for services. How could we work across the wider local system with partners, are we picking up costs that should be paid by a different part of the system? Evidence of current and expected future demand will be required as part of future planning.</i>
	Increasing Productivity - <i>Since 2011/12 the Council has made most of its savings through efficiency measures. Like most Councils there is now less scope for traditional efficiency savings. What efficiency/productivity savings are available? What are the biggest expenditure items in your service? Are we getting best value from our contracts? Are we exploring opportunities to negotiate?</i>
x	Service Delivery Models - <i>Are you aware of any alternative delivery models that could deliver services differently? What examples from other authorities could we adopt? E.g. commission from another party, joint venture... recognising that some options will have a long lead in times and would not necessarily impact on the financial gap in 2018/19.</i>
	Reductions in Services - <i>Are there services which partners could provide instead? Are all your services adding value? Are there any services which could safely and legally be stopped? What would the impact be on residents? Could residents be empowered to do it themselves?</i>

2. Outline of the proposed change:	
<p>Review charge out rates in respect of external customers and time charge rates against capital and grant funded project. The purpose of the review is to ensure that services are recouping the total costs of providing services where a charge can be made or the costs of deploying staff to capital and third-party projects. This will be achieved by the following;</p> <ul style="list-style-type: none"> • Verify the overhead recovery rate charged and ensuring it includes all appropriate costs and that they are predicated upon a 19/20 price base. This will include a review of staffing costs, direct costs of providing the service and indirect/overhead recovery costs (including any inflationary costs). • We will also consider benchmarking of recovery rates and costs against our local authority near neighbours. 	

- We will review the legal powers to charge under the Local Government Act 2003 and the Local Authorities (Goods and Services) 1970 and subsequent legislation.

An initial business case will be developed in Economic and Community Infrastructure (ECI) which will then be considered against all relevant services across Somerset County Council.

Savings will be derived by releasing revenue costs in the event of further capitalisation or securing sustainable increases in securing revenue for chargeable activity.

The outcome of the review will set out the standard charging rates across SCC from which on variances can then be documented.

Initial assessments have identified that direct costs associated with a service employing 35 staff could recover direct costs of approximately £70,000.

2a. Confidence level

80 %

This is based on an initial of the potential revenue to be released within ECI (£120,000).

3. Impact on residents, businesses and other organisations:

Potential impact of services users as a result of increased charges.

4. Impact on other services we provide:

None

5. Impact on staff:

None

6. Resources and support needed to make the change:

Finance support to review overhead recovery rates and capital funding rules/guidelines.

Focused legal advice on the legislative parameters for charging for services.

7. Timescale to deliver and major milestones:

Legal review	14 December 2018
ECI case study to be complete	4 January 2019

Service based budget review to reallocate revenue costs to charges/capital	11 January 19
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8. Risks and opportunities:

- Limitations of capital requirements.
- Services confirm that they are already recouping all relevant costs.
- Lack of staff resources to review budgets to required timescale.
- Opportunities – increase charging rates and identify total cost for service delivery.

9. Dependencies:

No.

10. Initial Equality Impact Assessment:

No.

11. Consultation and Communications plan:

Engagement with services to identify possible increase in charges. Following this review engagement with service users and capital finance (internal).

12. Legal Implications:

To be determined following legal review. However, reviews of ECI case studies suggest no implications which will limit the ability of this saving to be realised.

13a. Financial Savings – net change to service budget in each year:

Are the savings evidenced based (evidence should be included with this template)?	No
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If no, when is the evidence expected?	January 2019
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Please note: these figures should be cumulative

£s	Savings	Income Generated	Cost Involved (also see 13b)	Total	Ongoing or One-off?
2019/20	£0	£120,000	-£0	£120,000	Ongoing
2020/21	£0	£0	-£0	£0	
2021/22	£0	£	-£0	£0	
Total	£0	£120,000	-£0	£120,000	

£'000's	Savings	Income Generated	Cost Involved (also see 13b)	Total	Ongoing or One-off?
2019/20	£	£	-£	£	
2020/21	£	£	-£	£	

2021/22	£	£	-£	£	
2022/23	£	£	-£	£	
2023/24	£	£	-£	£	
Total	£	£	-£	£	

13b. One-off project costs and income (not included in above):		
£'000's		
2019/20	Capital Costs	-£0
	Capital Receipts	£
	Estimate of Redundancy costs	-£
	Estimate of Resource costs to deliver	-£
	Sub-total	£
2020/21	Capital Costs	-£
	Capital Receipts	£
	Estimate of redundancy costs	-£
	Estimate of resource costs to deliver	-£
	Sub-total	£
2021/22	Capital Costs	-£
	Capital Receipts	£
	Estimate of redundancy costs	-£
	Estimate of resource costs to deliver	-£
	Sub-total	£
TOTAL		£0