

Newcastle 2020: Investing for a fairer future

Appendix 2: Summary of service proposals 2017-18 to 2019-20



Purpose of this document

This document provides:

- an overview of the service proposals that need to be made to set a balanced budget for 2017-18
- the current net costs associated with each proposal service area (gross figures have been used where appropriate)
- the net savings anticipated over the next three financial years 2017-18 to 2019-20
- the FTE reductions anticipated in 2017-18 - the total number of posts at risk set out in this document will be subject to change, as a result of efforts to mitigate job losses. Please Note: We are only able to quantify direct council FTE reductions. We realise that there are also post reductions in our third party providers that result from our savings.

Where there are proposed cuts and reductions to services in 2017-18 an associated Integrated Impact Assessment (IIA) has been produced which captures further details of the suggested changes and their potential impact. You can find these on our website: www.newcastle.gov.uk/budget. IIAs have not been produced where there are no changes to service. IIAs have also not been produced for changes to services in 2018-19 or 2019-20 but will be done so, and consulted on, before changes in those years are made.

This summary should be read in conjunction with Newcastle 2020: Investing for a Fairer Future and Appendix 1 – Revenue and Capital Plan, which provides more information on the financial challenge facing the council, and the evidence base and policy choices that have informed these proposals. We have also produced a cumulative impact assessment looking at the potential impacts across the whole city of our specific proposals and wider changes taking place, for example, the introduction of Universal Credit.

Details of the full net budget, including non-service related costs are included in Appendix 1 – Revenue and Capital Plan. In addition, further detailed budget information can be found on the council's website at www.newcastle.gov.uk/budget.

We are legally required to set a one-year budget. The figures set out for 2017-18 are accurate and figures for later years should be regarded as indicative at this stage. Firmer figures for 2018-9 and 2019-20 will be published in the autumn of 2017 and 2019 respectively as part of the budget setting process for those financial years.

Ref	Proposal and brief summary* *(IIA) indicates an associated impact assessment	Current net costs (£)				Illustrated Savings (£)				Full Time Equivalent post reductions 2017-18
		2016-17	2017-18	2018-19	2019-20	2016-17	2017-18	2018-19	2019-20	
1	<p>Life Chances (IIA:1)</p> <p>Our Life Chances programme aims to tackle inequality because improving outcomes throughout people's lives, or from cradle to grave, means we can save money on responding to and preventing crisis.</p> <p>In 2017-18 we will reduce spend on crisis response, using the flexibility offered by the one off Adult Social Care Grant provision and work with providers to increase revenue from other income streams allowing bed space numbers to be maintained at current levels until 2019.</p> <p>In 2017-18 and beyond, we will seek to use our buildings and resources as efficiently as possible, delivering services that meet people's needs and help to manage demand for more specialist services, whilst seeking opportunities to generate income where possible, and maximising the effectiveness of services that help people to help themselves.</p> <p>Our Life Chances programme includes projects across the life course examining and transforming:</p> <ul style="list-style-type: none"> • Early years • Early help • School years and transition to adulthood • Excluded adults • Responding to welfare reform • Building community capacity 	14,176,500	665,000	715,000	1,436,000					0

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		2016-17	2017-18	2018-19	2019-20	2016-17	2017-18	2018-19	2019-20	
2	<p>The care and protection of children and young people: Assessment and Intervention Services (IIA:2)</p> <p>Our strategy for 2017-18 and beyond is to reduce the demand for children's social care services by developing:</p> <ul style="list-style-type: none"> • A more focused early help offer in the city which is helping to ensure an appropriate response to needs at an early stage • A more purposeful and direct Social Work intervention that clearly targets needs • A range of evidence based preventative services initiatives aimed at reducing the demand for care and the time that families spend in the children's social care system <p>We expect that these initiatives will enable us to safely remodel the workforce. However, if we are unable to reduce demand and maintain a safe caseload for our social workers we will reconsider our plans and seek alternative savings.</p>	9,906,811	624,000	347,200	582,800					11
3	<p>The care and protection of children and young people: A safe place to live (IIA:3)</p> <p>Our strategy for children that need care for 2017-18 and beyond is to:</p> <ul style="list-style-type: none"> • Bring children back to Newcastle wherever possible, close to the 'corporate parent' and local services 	19,376,840	1,090,000	1,154,000	2,176,200					0

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		2016-17	2017-18	2018-19	2019-20	2016-17	2017-18	2018-19	2019-20	
	<ul style="list-style-type: none"> Ensure we can offer a range of cost effective family placements with increased residential care placements for those children who require residential care Ensure that children are where possible safely reunited with families Control the total cost of placements by managing the market <p>These steps alongside the proposals to reduce demand for services (as outlined in the proposal above) and that a number of young people will turn 18 and will therefore leave care over the next three years, will contribute to reducing the number of children in care and enable us to make financial savings.</p>									
4	<p>Care and support for adults – Early intervention and prevention (IIA:4)</p> <p>Our strategy is to reduce demand on adult social care services and services for carers through further development of our self-service offer to enable people to find the help that they need when they need it without an assessment from adult social care. This approach is intended to delay the escalation of needs and reduce the demand for long term services.</p> <p>Following last year's look at how we support lunch clubs we've worked closely with users and providers to</p>	13,149,324	521,000	720,000	1,010,000					2

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	<p>develop a new lower cost model that will allow people to continue to access a lunch club if they want.</p> <p>When the need for adult social care services is identified, we will work to ensure that a joint service with health is delivered to achieve efficiencies through, for example, trusted assessor models that will also improve outcomes for people. We will also work more closely with health to provide short term intervention that helps prevent prolonged hospital stays or admissions to residential care through a more joined up intermediate care service.</p>					
5	<p>Continuing care and support for adults – Complex or multiple needs (IIA:5)</p> <p>We will continue to work with service users to design and develop a new and innovative, but financially sustainable model of service delivery that will meet people's needs in Newcastle in the future. We will:</p> <ul style="list-style-type: none"> Develop alternative options over the next three years so that people can be more active in their communities and build positive networks through the development of a new service within one of our own Day Care centres to provide support for people with Autism. This will mean that people will not have to travel to receive this support. We will also look at alternative to building based day services. 	61,136,036	2,710,000	2,628,800	4,370,000	0

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	<ul style="list-style-type: none"> Develop our Extra Care model over the three year period to focus on people with dementia as a cost effective alternative to residential care. Build a new residential care service for use in 2018-19 for people with a Learning Disability and/or Autism so that they can remain closer to home whilst providing better value for money. Apply the principles of 'Dynamic Reviews' over the next two years to create flexible plans for care and support that meet a person's eligible needs at their best times whilst also including a contingency plan for the worst times. Continue to develop innovative new housing models for people with complex needs which should be available for use by 2019-20. 									
6	<p>Enabling functions and infrastructure – Wellbeing, Care and Learning</p> <p>We will continue to review our enabling functions to continue to make efficiencies in line with changes to our front line services. We will also seek to generate income to support the delivery of these services where possible.</p>	8,071,880	509,000	546,000	372,000					11.8
7	<p>Building and Commercial Enterprise</p> <p>We anticipate that a range of business process improvements will enable us to reduce costs, deliver more and bring in additional revenue. This includes dynamic scheduling to ensure staffing resource is deployed in the most efficient manner possible,</p>	6,736,560	1,848,000	1,570,000	640,000					2

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	reviewing the management of stores, improving out of hour's call handling, and eliminating duplication in contract monitoring between the council and Your Homes Newcastle. In addition to increasing productivity we will also review pricing and continue to modernise working arrangements.							
8	Facility Services and Civic Management We will continue to modernise the practices of our facility services such as civic services, catering and building cleaning to drive business efficiency and productivity. We anticipate that through these new ways of working we will be able to reduce our costs.	1,203,560	164,000	100,000	100,000		0	
9	Property portfolio (IIA:6) We will undertake a review of all our commercial property including the Grainger Market and will look to maximise the opportunity of the assets.	7,973,580	200,000	300,000	425,000		0	
10	Property Services We will remodel the property portfolio and markets team.	826,250	300,000	50,000	50,000		9	
11	Community and information hubs We will continue the transformation of our libraries and customer service centres to create community and information hubs. We will continue to develop our digital offer to enable 24/7 self-service provision and will create hubs that provide open access to information and support and care to those that require face to face support. We will explore colocation of public and voluntary and community sector providers	5,153,350	64,000	414,000	1,200,000		0	

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	to make the most efficient and cost effective use of the public sector estate. We will generate more rental income through the City Library and, as more of our services are accessed digitally, we will refine our contact centres operations. We will work in close partnership with Your Homes Newcastle to deliver all of these opportunities.							
12	Communities Team (IIA:7) We will reduce ward budgets by 11% in 2017-18 and will review the communities function to develop a community capacity building approach based in community hubs. The recommissioned services will be launched in 2018-19.	1,008,620	32,497	257,503	-	0		
13	Parks We will establish a parks trust, a charitable entity with mutual values to establish a new way of financing and managing the parks estate. We will develop a broader community of volunteers and partnerships with a range of stakeholders to support the delivery of the new model. *Please note that parks also currently receive a £1 million annual contribution from the Public Health ring-fenced grant.	235,370*	150,000	50,000	50,000	0		
14	Leisure centres (IIA:8) We will withdraw our subsidy to Kenton Park Sports Centre and Newburn Activity Centre.	1,149,380	139,000	-	-	0		

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15	Museums, Arts and Culture (IIA: 9 and 10) We will withdraw our financial support and explore alternative ownership and management models for Baltic 39 and will reduce our contribution to Tyne and Wear Archives and Museums on an annual basis.	1,808,370	300,000	150,000	170,000	2.7
16	Highways and Local Services (IIA:11) We will continue to drive the efficiency programme including expanded generic working and fewer dedicated teams, greater use of communal bins in suitable areas, fewer but larger capacity street bins and the consolidation of depots. We will embed Core Quality Standards based on cleanliness rather than the frequency of cleaning. We will support behaviour change by stepping up enforcement and will reform existing service charges for things like pest treatments and trade waste.	7,695,410	956,000	1,300,000	650,000	28
17	Waste disposal (IIA:11) Working with local partners we will revise our waste strategy to create better end to end treatment of the city's waste to minimise waste generation, litter and the amount sent to landfill. We will ensure the delivery of our waste disposal contract to minimise the waste sent to landfill, review the household waste recycling estate and drive up recycling targets and efficiencies.	12,594,050	758,000	750,000	150,000	0
18	School Crossing Patrols (IIA:12) We will withdraw funding for school crossing patrols at the end of the school year except at two sites as illustrated by count data using the Department for Transport assessment. There will be a refresher	256,000	184,000	28,000	-	14.64

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	programme of engagement with schools to ensure children know the safest places to cross the road.					
19	Public Safety and Regulation: Safe Newcastle (IIA:13) We will remodel the management and organisation of the Safe Newcastle team.	1,532,460	50,000	-	-	1.5
20	Public Safety and Regulation: Environmental Protection (IIA:13) We will triage customer requests for service in terms of their risk to nuisance and health, and encourage digital self-service to access services through our website. We will increase funding from street enforcement penalty charges. We will reduce our work on land and water contamination by reducing our contribution to the Clean Tyne project which combats the problem of debris in the River Tyne.		96,000	-	-	0.5
21	Public Safety and Regulation: Public Protection (IIA:13) We will reduce budget for animal health activity following the government's review of the Animal Health and Welfare Framework which removed the ring-fencing of grants. In future years we will look to remodel the workforce.		18,000	73,000	-	0
22	Commercial Development We will continue to deliver our commercial development agenda to increase commercial revenues into the council.	N/A	100,000	600,000	1,000,000	0

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23	Economic Development (IIA:14) We will apply a phased reduction to our financial contribution to Newcastle Futures. We will do this at the same time as reviewing our funding to employment and skills organisations to ensure our resources are being utilised to maximum effect and take into account changes in provision by the Department of Work and Pensions and potential funding opportunities. We will also reduce our financial contribution to the NewcastleGateshead Initiative (NGI). Again, this will be phased in order to allow NGI time to establish an alternative financial footing.	1,448,360	135,500	133,560	92,760	0	0	
24	Capital Investment We will drive efficiencies from our capital investment spend.	(35,170)	-	-	50,000	0	0	
25	Planning We will strive to make Planning self-financing from its fees and charges. Over the three year period we will also reduce the planning policy resource subject to a reduction in the work required to deliver the Local Plan and associated Strategic Land Review.	978,330	110,000	235,000	-	0	0	
26	Fairer Housing Unit We will undertake a staffing restructure across the team and review funding arrangements. We will also explore options to secure external income and continue to explore options to improve housing standards in the private sector. In addition we will assess the potential to secure developer return on council land.	(210,910)	-	75,000	184,000	0	0	

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27	Investment and Development (Place) We will drive efficiencies from the operation of the Place directorate overall.	N/A	-	-	107,000	0	
28	Strategic property services As the number of property assets we have is reducing we will undertake a phased reduction of the surplus asset budget. We will generate additional income and deliver savings from our office accommodation.	5,090,670	285,000	220,000	100,000	0	
29	Transport planning We will capitalise our contribution to the Police Road Safety Campaign and will increase income from Transport Planning services.	217,230	90,000	-	50,000	0	
30	Assistant Chief Executive We will make savings from the remodelled Assistant Chief Executive post.	163,820	34,000	-	-	0	
31	Policy, Communications and Performance We will increase external income by taking a more commercial approach to the function, we will sell advertising on our website, review statutory notices, regional campaigns and exploit knowledge assets.	772,430	20,000	50,000	50,000	0	
32	Democratic Services We will stop our subscription to the Association of North East Councils and achieve savings from reduced courier and printing costs for committee papers. We will look for additional business support and sponsorship for civic activities and will continue to modernise the elections process to gain efficiencies from digital solutions.	2,170,400	80,000	50,000	40,000	0	

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33	<p>Registrars and Bereavement</p> <p>We will increase bereavement fees in line with neighbouring authorities and will bring together the management of registrars and bereavement to support the government's introduction of a new 'medical examiner system'.</p> <p>*Please note the figure is the gross cost of the service, which reflects the investment made by the council.</p>	1,563,190*	138,000	95,000	95,000	0				
34	<p>Audit, Risk and Insurance</p> <p>We will continue to generate external income by selling services to external organisations and will remodel the workforce.</p>	572,680	65,010	16,620	1,660	1				
35	<p>Financial Services</p> <p>We will adopt a new manager-led approach to monitoring budgets, a new Procure to Pay process and risk based verification within housing benefit admin plus we will drive further efficiencies from 'My Account' and generate additional external income. Beyond 2017-18 we will look to share services where possible to do so.</p>	3,872,130	418,520	497,680	348,120	6.1				
36	<p>Human Resources</p> <p>We will revise the delivery model for HR provision to YHN. We will also deliver efficiencies through revised health and safety processes and new Learning Management System. In future years we will look to remodel the workforce.</p>	1,982,270	66,680	54,980	5,100	1				

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37	ICT We will introduce a new service delivery model efficiency programme and further staffing reductions through more self-service, remote support and first line fixes, telecoms, tech refresh, mobile phone budgets and additional external income. Beyond 2017-18 we will look to share services where possible to do so.	5,125,680	632,780	244,840	245,130	3		
38	Legal Services We will remodel the workforce and will look to generate additional external income.	1,128,220	45,750	45,780	9,000	1		
39	Business Management and Administration We will review business management across the council in order to create a single model for delivery.	3,347,950	114,600	194,250	50,000	3		