

Overall Target

The overall target was set at £26.235m by Council on 18/02/14 and remains needed to be achieved to balance the budget. Executive Board added a further £2m workforce saving to reinstate the original £5m (as opposed to £3m) target, to stretch targets and compensate for shortfalls elsewhere.

Firm/To date

A fairly strict interpretation of "firm" has been used. This assessment for 4 July position was completed during June and approx. £8.5m of service and staffing savings are considered firm. Council tax income which is predominantly certain and planned reserve and contingency use bump up overall position so approximately 51% of the total target is considered "firm". This is expected and acceptable. **TIMING**

Forecast

The overall weighted forecast is 90% so slightly short of where we would ideally wish to be, and broadly maintains position with first three assessments and within agreed tolerance, and against the stretched target. This outcome is heavily influenced by the significant gaps in delivery strands and to a lesser extent in service savings. **PREDOMINANTLY TIMING**

Service Savings

The majority remain on target. Where there is a shortfall it is primarily due to a delay in starting to deliver, so impact on first year/part year effect rather than not able to deliver at all. For Education two proposals are flagged as already unachievable. Education are now looking at alternatives including current member decisions. Poverty and Prevention face timing challenges and are pursuing alternatives which need further discussion. **PREDOMINANTLY TIMING**

Staffing

Progress has been made firming up on savings through June and all Heads of Service have completed returns. A number of the education savings are predicated on keeping underlying posts but including within the ring fenced (and increased funded) consortia arrangements. **PREDOMINANTLY TIMING**

Delivery Strands

Commercial Panel will be route for recommending, tracking, reporting on how and when the third party and income streams will be delivered. Asset stream begun to firm up on additional NDR appeal refunds @ £173k. Customer strand is likely already to fall short on the original proposals but alternatives are under review. The £2m additional staffing savings will be allocated across Heads of Service in the year. Forecast savings for 14-15

reduced to more realistic £1m to reflect timing. Alternative savings proposals will be worked up. **TIMING AND NON DELIVERY**

Other Savings

Savings are crystallised for the increased Council Tax and so are considered firm albeit in reality will accrue monthly. The shortfall is purely a timing issue. The remainder unallocated in inflation remains just under £1m but is not yet certain as no new bids have been made. The use of contingency and reserves are automatically achieved and shown accordingly. All expected achieved by year end. **TIMING**

Risks and Issues to Address This Time

Overall progress from last month has slowed. Next month the acceptable savings target parameters tighten as we move in to Quarter 2 (e.g. 79% performance would move from Amber to Red status).

Much stronger work needs to be done challenging the Delivery Strands (the cross authority streams not yet built into service budgets). It remains envisaged Commercial Panel will be the vehicle for reviewing and assuring on the third party spend and income and charging streams but there is still some work to get pipeline potential to delivery.

Additional staff savings target forecast reduced significantly this month reflecting predominantly concerns over timing of implementation in current year. Directors have reviewed proposals to re-address the emergent gap and these will be worked on as priority to improve assurance levels on overall savings likely. **TIMING RESULTING IN DELIVERY ISSUE IN CURRENT YEAR**