

Shaping the Council 2015-16 and beyond: Savings Business Case

Business Case Title	Reduce and Realign Youth Provision & Related Services Across Thurrock through internal re-organisation, income generation and developing the services as a mutual/outsourced service		
Revision No:	2	Date:	2nd July 2014
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Critical friend/Exec Bd			
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Section 1: Summary

Savings Proposal

Transforming Learning & Skills Services by internal re-organisation and developing the service in a mutual/outsourced service that can attract other forms of funding for its delivery.

A reduction in the cost to the Local Authority of providing young people's careers information advice & guidance by reducing activity or where possible to identify and generate external sources of income to support the delivery of a range of activities supporting young peoples aspirations across Thurrock.

A reduction in some youth related activities moving towards a street based offer and a reduced number of dedicated youth buildings.

To reorganise the participation and community engagement service, reducing some activities by realigning services across the directorate.

Strategic rationale

To be able to secure service delivery for young people at a time when such services will be under extreme pressure but ensuring that Thurrock can maximise investment from other partners to promote skills and employment for young people up to the age of 25.

To ensure resources are targeted to front line services for those most in need of support.

Approximate Cost Savings

15/16 Savings £265,000 plus income generation of £185,000. Total Cost saving £450,000

16/17 Savings £111,000 plus income generation of £119,000. Total Cost saving £230,000

17/18 Savings £109,000 plus income generation of £123,000. Total Cost saving £232,000

Timescales

Activity	Timescale
Income Generation Commences	Sept 2014
Staff consultation – phase one 15/16	Sept 14 - November 2014
Staff at risk – phase one 15/16	December 2014
Revised Structure in place	February 2015
Income Generation Secured	Ongoing
Staff consultation – phase two 16/17	Sept 15 – November 2015
Staff at risk – phase two 16/17	December 2015
Revised Structure in place	February 2016
Review of buildings commences	September 2014
Decisions on closure	February 2015
Closures complete	February 2016

Risks /Consequences

There will be a reduction in some front line activities.

Mitigation

There are greater opportunities to generate income to support the aspirations of Thurrock's young people and by utilising this alongside the need to generate substantial savings the impact on front lines services will be reduced.

Section 2: Finance, savings and costs

Financial summary

General Fund budget 2014-15

	Staff £000s	Premises / Transport £000s	Supplies/ Services £000s	Direct Payments £000s	Third Party Payments £000s	Total Expenditure Gross £000s	Income £000s	Net Expenditure £000s
2014/15	1570	0	80	0	126	1776	80	1696

Staff Related savings

Current number of posts (FTE and headcount)	33
Number of posts to be deleted (FTE and headcount)	7.5 (2014-2018)
Amount of salary saving (inc on-costs)	tbc

Non- Staff Related savings

Premises and buildings (inc utilities)	£109k
Transport	0
Supplies and services	£93k
Other (please specify)	0

Third Party Related savings/income

Commissioning/contracts	0
Charges to the HRA/DSG/PHG (NB can be negative)	0
Increase fees & charges	0
Grants/additional funding streams	£427k (income to be generated from external funding sources – 2014-2018)
Other (please specify)	0

Benefits – non financial

Resources targeted to front line support for Young People across Thurrock to ensure they can engage with and benefit from the regeneration opportunities locally.

Costs & Resources to deliver the savings

Direct costs	0
Redundancy costs	To be confirmed
Accommodation costs	0
Procurement and/or Legal costs	0
Other HR costs	0
Other (please specify)	0

Section 3: Impact/Consequences of proposal – not covered in financial section

Impact on Corporate Priorities/objectives/ performance targets/standards

Give details regarding any/all that are relevant – Risk/mitigation is next section

Priority 1. Create a great place for learning and opportunity	To ensure young people can access impartial information advice and guidance relating to careers and other youth activities.
Priority 2. Encourage and promote job creation and economic prosperity	To sustain the work undertaken with local employers to generate opportunities for Thurrock residents.
Priority 3. Build pride, responsibility and respect to create safer communities	
Priority 4. Improve health and well-being	
Priority 5. Protect and promote our clean and green environment	
Well-run organisation - financial & governance; staff; customers	Resources are targeted to where they will have maximum impact.

Impacts on partners

None

Impacts on customers / community and equality/diversity implications

There will be a reduction in some youth related activities across Thurrock however front line work will be focussed on local delivery with links to existing community groups.

Has an EqIA been undertaken?

YES Date: 2nd July 2014

Other impacts/implications

None identified

Section 4: Risks and Mitigation

Delivery risks				
Risk Description	Likelihood	Impact	Rating	Management or Mitigating Action
<i>Failure to deliver savings</i>	2	4	8	Close management of processes and timescales

Service risks				
Risk Description	Likelihood	Impact	Rating	Management or Mitigating Action
<i>Failure to deliver savings</i>	2	4	8	Increased focus on income generation for services

For information on the ratings criteria guide, please see <\\Thurdata01\data\THURROCK\EXCHANGE\ROM>

		4	8	12	16
		3	6	9	12
		2	4	6	8
		1	2	3	4
Likelihood					
	Impact				

Section 5: Assumptions, Dependencies & Exclusions

Timeframes Assumptions/ Dependencies/Exclusions	Agreement is given prior to September 2014
Benefits Assumptions/ Dependencies/Exclusions	Funding contracts are realised
Costs Assumptions/ Dependencies/Exclusions	That staffing reductions are completed prior to the start of each financial year
Other/ General Assumptions/ Dependencies/Exclusions	None

Section 6: Stakeholder Engagement Requirements

		Approximate timelines
Staff/Unions	x	September 2014 to November 2014 September 2015 to November 2015
Portfolio Holders/Members	x	Summer/Autumn 2014
Partners	x	September 2014 to November 2014 September 2015 to November 2015
Residents/Public	x	September 2014 to November 2014 September 2015 to November 2015
Other – please specify	<input type="checkbox"/>	

Section 7: Any other comments to support savings proposals

None