

Scrutiny Management Board

Meeting to be held on Wednesday 13th November 2024

Electoral Division affected:
(All Divisions);

Corporate Priorities:
Delivering better services;

Budgeted Savings Tracker

(Appendix 'A' refers)

Contact for further information:

Noel O'Neill, Interim Director of Finance and Commerce,
noel.o'neill@lanacashire.gov.uk, 01772 5 38417

Brief Summary

A report on the tracking and delivery of savings agreed by Full Council in the current and previous financial years is provided.

Recommendation

The Scrutiny Management Board is asked to:

- (i) Consider and comment on the savings tracker and progress with delivery as set out at Appendix 'A'.
- (ii) Determine whether further or in-depth scrutiny should happen in relation to any of those savings set out in the tracker.

Detail

At its meeting on 23 July 2024, the Scrutiny Management Board received an update on the delivery of savings agreed by Full Council and how the plans were proceeding with implementing those savings where the Board felt there were challenges in realising delivery.

Appendix A contains a detailed breakdown of savings delivery for 2024/25 and beyond. In summary, there are savings totalling £122m to be delivered over the next 3 years, which are a combination of savings rolled forward, management action savings, strategic savings and specific policy savings agreed by Cabinet and Full Council.



Tables 1, 2 and 3 below show the agreed savings delivery programme for each Directorate and the current "RAG" rating that has been assessed by the accountable officer for the delivery of the saving.

Table 1

	2024/25	2025/26	2026/27	Total
Adult Services	-24.811	-17.211	-10.340	-52.362
Education and Children's Services	-6.571	-5.488	-2.185	-14.244
Growth, Environment and Transport and Health	-5.078	1.313	-8.244	-12.009
All Council Services	-6.685	-13.728	-0.575	-20.988
Resources	-15.524	-3.865	-2.965	-22.354
Total	-58.669	-38.979	-24.309	-121.957

Table 2

RAG Rating Summary			2024/25	2025/26	2026/27	Total
Blue			-4.965	0.945	-0.340	-4.360
Green			-6.229	-1.886	-8.094	-16.209
Amber			-45.550	-31.738	-15.875	-93.163
Red			-1.925	-6.300	0.000	-8.225
Total			-58.669	-38.979	-24.309	-121.957
G	No issues everything on target to be delivered to budget and on programme of an appropriate quality. Some risks may have been identified on the risk register but these are being managed.					
A	In addition to status green above there may be some issues that may affect programme, cost, quality but these are currently being managed.					
R	Risks/issues identified that will affect programme, cost, quality. Action required to mitigate should be outlined in the issues log together with the appropriate issue owner.					
B	Complete - No longer monitored.					



Table 3

	Red	Amber	Green	Blue	Total
Adult Services	0.000	-46.529	-4.100	-1.733	-52.362
Education and Children's Services	-0.425	-12.685	-0.743	-0.391	-14.244
Growth, Environment and Transport and Health	-1.500	-2.012	-6.572	-1.925	-12.009
All Council Services	-6.300	-12.688	-2.000	0.000	-20.988
Resources	0.000	-19.249	-2.794	-0.311	-22.354
	-8.225	-93.163	-16.209	-4.360	-121.957

Each Directorate has a Finance Monitoring Board, chaired by the Executive Director, where savings are reviewed and any issues with delivery are discussed, with RAG ratings regularly being updated. The Board provides robust financial management and rigour to ensure savings are delivered, and in cases where there are delays or difficulties with savings delivery there is the clear expectation that mitigations are found to ensure these do not impact on the in-year monitoring position or the medium-term financial strategy. The Boards meet monthly, with the position on savings also monitored and discussed by the Strategic Finance Board and the Executive Leadership Team.

There are currently £93m of savings rated as "amber", which is a classification used for a number of reasons:

- Delayed delivery
- Value of saving to be achieved is uncertain
- Subject to consultation
- Experiencing some issues in delivery of the saving

In most instances the RAG rating of Amber is used due to delays in delivery, with the expectation that the saving will be delivered but over a longer time frame.

The highest single value saving is within Adult Services, relating to maximising independence. As this is rated "amber" more details relating to the delivery of the saving are shown below:

Maximising Independence - £29.794m

- Activity on the operational delivery plan is underway.
- The financial monitoring of this activity is in place to try to ensure we are confident about the operational updates and financial updates are in harmony allowing the early identification of any risks and issues.
- There has been a positive move to weekly update meetings which will strengthen the role and impact of the Savings Oversight Group and reporting into Adults Finance Board.



- In terms of reporting progress, we have been able to identify verified savings which will show the savings made to date ensuring we do not lose sight of progress
- We are reviewing the maximizing independence savings agreements to provide assurance that these will be partially delivered in this financial year 2024/25.
- Weekly update meetings have been scheduled with Heads of Service and key enabling individuals to provide SRO with assurance on progress and early identification of risks and issues (recent review).
- Good practice is being identified and shared across the services.
- We have identified 3 invest to save bids in year to drive some of these savings.

Appendices

Appendix 'A' is attached to this report. For clarification it is summarised below and referenced at relevant points within this report.

Appendix	Title
Appendix 'A'	Savings Tracker

Consultations

N/A

Implications:

This item has the following implications, as indicated:

Legal

The council is responsible for setting the budget each year. Once agreed cabinet then implement the policy framework and keep within the budget, subject to the limits set by Financial Regulations. The council is required to deliver a balanced budget and the monitoring of the council's financial position through the savings tracker contributes to the effective management of this responsibility.

Financial

The management of the Council's finances in the current climate requires continued focus. The details of progress against savings agreed by full Council are set out in the body of the report.

Risk management

The report itself highlights key savings risks relating to the delivery of a balanced forecast position and the mitigation actions being taken.



**Local Government (Access to Information) Act 1985
List of Background Papers**

Paper	Date	Contact/Tel
None		
Reason for inclusion in Part II, if appropriate		
N/A		

