

Rother District Council

Report to:	Cabinet
Date:	4 October 2021
Title:	Financial Stability Programme – Progress Report
Report of:	Antony Baden – Finance Manager
Cabinet Member:	Councillor Kevin Dixon
Ward(s):	All
Purpose of Report:	To note the progress of the Financial Stability Programme and updated timetable.
Decision Type:	Non-Key
Officer Recommendation(s):	It be RESOLVED : That the report be noted.
Reasons for Recommendations:	To update Members on the progress of the Financial Stability Programme.

Introduction

1. This report updates Members on the progress of the Financial Stability Programme (FSP) adopted by the Council in March 2021 under the direction of the FSP Board. Members will recall the programme sets out how the Council might achieve the savings and income targets in the Council's Medium Term Financial Plan (MTFP) and ultimately deliver on the ambition to achieve financial stability as set out in the Corporate Plan.

Progress to date

2. Since April 2021, Heads of Service have been developing ideas in line with the key themes of invest to save, income generation and service prioritisation. This work has identified a significant number of suggestions which, following a meeting of the Programme Board on the 16 September will now be worked up into detailed proposals together, where necessary, with project and resource plans. A number of small proposals can be commenced straight away which is expected to deliver some savings in this financial year. However, it is likely that the majority of proposals will start to be delivered from 2022/23.
3. The following gives Members an idea of the scope of ideas being considered:
 - a. Online electronic billing to reduce stationery and postage costs
 - b. Use of artificial intelligence to automate processing of customer applications
 - c. Introduction of new fees and charges
 - d. Income through advertising and sponsorship

- e. Increased insourcing of estate maintenance to reduce costs
 - f. Selling spare capacity of services such as print and estate maintenance teams
4. Proposals centred on service prioritisation will need to be considered in conjunction with phase 2 of the Council staffing restructure. The MTFP places significant reliance on the Council's strategy of protecting discretionary services whereby town and parish councils work with us to ensure the continuation of discreet services. Discussions are very much in their embryonic stage but it is expected that a clearer position can be achieved by the end of this financial year.

Resources

5. From the work so far, it is clear that the savings/income targets for 2021/22 will not be achieved and this has been reported in the Quarter 1 monitoring report to Overview & Scrutiny Committee and this Cabinet. This will increase the use of reserves for this financial year.
6. To deliver the proposals will require an increase in the staffing capacity of the Council. This was envisaged in the original programme and can be accommodated within the £750,000 earmarked reserve approved by Council. An initial appointment will be made shortly for an officer to focus on the income generation proposals and support the discussions with town and parish councils.

Timetable

7. An updated timetable is shown at Appendix A. It should be remembered that this reflects the first phase of the programme. The programme is expected to be reiterative as new ideas and proposals come forward and will mirror the five-year MTFP.

Conclusion

8. Good progress has been made in identifying proposals to help reduce the Council's financial gap between its income and expenditure. The coming six months will be critical in ensuring that these proposals start to be delivered and the savings or income realised.

Environmental Implications

9. In assessing the proposals coming forward, it is necessary to consider their environmental impact. Some proposals in themselves will have a positive impact on the Council's carbon footprint.

Other Implications	Applies?	Other Implications	Applies?
Human Rights	No	Equalities and Diversity	No
Crime and Disorder	No	External Consultation	No
Environmental	Yes	Access to Information	No
Risk Management	No	Exempt from publication	No

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Appendices:	Appendix A Timetable
Relevant Previous Minutes:	None.
Background Papers:	None.
Reference Documents:	None.

Financial Stability Programme Timetable

Revised 8/9/21

Ref	Activity	Start	Finish
1	Budget Analysis including statutory/discretionary	30/11/2020	10/12/2020
2	Member discussion	10/12/2020	10/12/2020
3	Draft Budget Report – January Cabinet	11/01/2021	11/01/2021
4	FSPB Paper	01/02/2021	28/02/2021
5	FSPB meeting	12/03/2021	12/03/2021
5	Member discussion at Cabinet Briefing	15/03/2021	15/03/2021
6	Cabinet receives proposals report	29/03/2021	29/03/2021
7	Full Council approval – incl invest to save fund	17/05/2021	17/05/2021
8	Service Reviews undertaken	01/04/2021	31/08/2021
9	Progress Report 1 and proposals to Board	16/09/2021	16/09/2021
10	Report to Cabinet – Mid-year progress update	04/10/2021	04/10/2021
11	Progress Report 2 and proposals to Board	13/12/2021	13/12/2021
12	Progress Report 3 and proposals to Board	14/02/2022	17/02/2022
13	Progress Report 4 and proposals to Board	11/04/2022	11/04/2022
14	Report to Cabinet - End of year progress update	02/05/2022	02/05/2022