

Purpose of this document

This document provides an overview of our service proposals to set a balanced budget for 2021-22 and 2022-23.

Details include:

- The current net budget for each service area
- Details of proposals and projected net savings or income
- Estimated workforce reductions as a result of the proposals, shown as estimated full time equivalent posts (FTE). We are only able to quantify the impact on the workforce we employ. We recognise that there is also the potential for these proposals to impact on the workforce of partners and commissioned service providers.

An integrated impact assessment (IIA) has been carried out on proposals that will result in a change to the way a service is delivered in 2021-22. These provide more details about the current service, proposed changes and the potential impacts this may have on different groups.

A cumulative impact assessment will also be carried out, looking at the potential impacts across the whole city as a result of our draft proposals and wider context for the city. This will be published in February, following the consultation period, to inform decision making.

IAs have not been carried out where services will not change because of proposals. Where proposals for future years may impact on how services are delivered, IAs will be carried out as part of the process for setting a balanced budget for that year. Some of our proposals are a continuation of how we are transforming our services, particularly in adult social care, therefore in some cases we have signposted to previously published IAs that have been subject to consultation in previous years.

This summary document should be read in conjunction with Build Forward Better: our medium-term plan 2021-22 and 2022-23 which provides information about our ongoing financial challenges and how we'll invest the resources we have.

Details of the full net budget, including nonservice-related costs, are also included in Appendix 1 – Revenue and capital plan 2021-22 and draft detailed budgets for all services on our website.

We are legally required to set a one-year budget. Figures set out in this document for 2020-23 are indicative; firmer figures will be published as part of the budget setting process for that financial year.

Proposal description		2020-21 net budget	Proposed savings		Est. FTE impact	
			2021-22	2022-23	2021-22	2022-23
Adult Social Care and Integrated Services directorate						
1	Adult Social Care – complex needs (see previously published IIA) Reviewing the provision of support to people who are no longer in crisis.	65,451,420	(400,000)	-	-	-
2	Adult Social Care – complex needs (see previously published IIA) Using capacity within our Care at Home service we will support the review of high cost care and support packages for older people to maximise independence.		(75,000)	-	-	-
3	Adult Social Care – complex needs (see previously published IIA) Continuation of the work on dynamic reviews and overnight support and transition work.		(500,000)	-	-	-
4	Adult Social Care – Extra Care Reviewing packages of support in extra care and enhanced extra care, consider how we provide this support in these services.		(100,000)	-	-	-
5	Adult Social Care – Extra Care Expansion of our extra care offer to ensure coverage across the city.		(70,000)	-	-	-
6	Adult Social Care – older people's housing and care options Review the existing extra care model to ensure long-term sustainability.		(900,000)	-	-	-
7	Adult Social Care – continuum of support (see previously published IIA) Continuation of building housing with care and support for adults with a learning disability and/or autism.		(496,000)	-	-	-

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			2021-22	2022-23	2021-22	2022-23
8	Adult Social Care – financial management Enhanced identification of funding responsibilities.		(1,000,000)	-	-	-
9	Adult Social Care – financial management Preventing debt from occurring, strengthened management of developing debts and recovery of long-standing debt.		(200,000)	(200,000)	-	-
10	Adult Social Care – financial management (see previously published IIA) Using capacity within establishment staffing (including recruiting to long standing vacancies) to ensure recovery of unused direct payment is maximised at audit.		(100,000)	-	-	-
11	Adult Social Care – financial management We are going to invest in capacity to ensure that financial assessments are up to date and in line with individual's payments and benefit changes.		(500,000)	-	-	-
12	Adult Social Care – financial management (see previously published IIA) Implement approved plans to remove the automatic Disability Related Expenditure Disregard in financial assessments.		(200,000)	-	-	-
13	Adult Social Care – financial management (see 2021-22 IIA 1) Implement existing policy provision to charge people who pay the full cost of their service for commissioning this on their behalf.		(100,000)	-	-	-
14	Adult Social Care – national minimum eligibility threshold A continuation of work to manage demand for community-based services by ensuring a strong focus on preventative support at our front door and a consistent application of national minimum eligibility threshold.		(75,000)	-	-	-

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			2021-22	2022-23	2021-22	2022-23
15	Adult Social Care – national minimum eligibility threshold Working with partners to review the provision of support which is beyond the statutory responsibility of adult social care.		(300,000)	-	-	-
16	Adult Social Care – Shared Lives Increase the development of Shared Lives service to offer support to adults with a learning disability or autism.		(31,000)	-	-	-
17	Adult Social Care – equipment and adaptations Reducing the cost of lower level care and support packages by aligning staff undertaking assessments for equipment and adaptations more closely with our prevention hub in Community Health and Social Care Direct.		(119,000)	-	-	-
18	Adult Social Care – transitions Rethinking process of transitions – ensuring multiple pathways are clear and operating to ensure potential transitions are identified; proactive planning across services; ensuring funding support formula is accurate and comprehensive.		(250,000)	(250,000)	-	-
19	Adult Social Care – supported housing options for people with a learning disability, Autism or both (see 2021-22 IIA 2) Review of independent supported living model, with a view to re-shaping support/funding models and consolidating the portfolio where possible.		(1,500,000)	(1,000,000)	-	-
20	Adult Social Care – hospital discharge pathways Responding to the new hospital discharge guidance and creating a clear and agreed pathway for people who are		(1,500,000)	(1,000,000)	-	-

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	coming out of hospital either to return home or go into residential care.					
21	Adult Social Care – Being Well at Home Phase 1 (micro-communities) Changing the nature of contracting and commissioning through micro-/community level commissioning and care management processes. Re-shaping the contract with communities through self-reliance, leveraging the COVID-19 legacy to create super-local volunteering and focussing statutory support on those areas where it is essential.		-	(2,390,000)	-	-
Children, Education and Skills directorate						
22	Education – fees and charges We will apply inflationary increases to all fees and charges for education services.	3,072,000	(31,750)	-	-	-
23	Education – school leavers We will consolidate services to further assist school leavers into appropriate pathways.		-	(228,000)	-	1.00
24	Early Help and Family Support – Castle Nurseries We will reduce the Castle Nurseries staffing budget following an assessment of staffing requirement and apply inflationary increases to the fee-paying element of fees and charges.	2,452,000	(51,470)	(15,750)	-	-
25	Children's Social Care – keeping families safely together (see 2021-22 IIA 3) We will reduce expenditure within children's social care and the reliance upon temporary funding allocated to the division. This will be achieved by implementing the Family Valued approach and safely reducing the demand for placements for children in care. We will establish an	52,483,360	(2,802,220)	(2,182,110)	-	4.0

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			2021-22	2022-23	2021-22	2022-23
	inhouse family group conferencing function and introduce restorative advanced practitioners to support us to work to strengthen the resilience of families. We will continue to grow our inhouse placement provision to reduce the need for more expensive external placements and reduce expenditure within Section 17 (children in need) and support to children in care payments. This will also lead to reducing expenditure on legal costs for care proceedings.					
26	Children's Social Care – in-house residential (see 2021-22 IIA 4) We will reconfigure our residential estate to ensure we develop our therapeutic model for in-house residential provision to support stable placements and reunifications with family. We will ensure we have appropriate emergency provision available when short-term needs arise. We will apply a consistent approach to rotas across all homes and implement new financial controls for residential home budgets, which includes a newly established Residential Home Finance Panel.		(425,790)	-	-	-
27	Children's Social Care – general We will reduce other costs associated with the operation of children's social care, for example, reduce the use of interagency placements within the adoption service. These will not impact upon services to children or families.		(482,700)	-	-	-
28	Children's Social Care – short break unit We are exploring alternative models for delivery at our Bedeburn short break unit, including reduced opening hours and selling short break places to other councils. This will ensure we maximise the use of the short breaks provision.		-	(150,000)	-	-

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		net budget	2021-22	2022-23	2021-22	2022-23
City Futures directorate						
29	Communications and Engagement We will reduce expenditure on transport and generate additional income, including by selling advertising space on our website. We will also develop closer working arrangements with Your Homes Newcastle on communication activity.	653,000	(38,880)	-	-	-
30	Museums, Arts and Culture – business rates We will make savings through an expected successful business rates appeal for our museums.	1,692,580	(125,000)	-	-	-
31	Museums, Arts and Culture – cultural facilities We will reduce expenditure on transport and generate additional income through our cultural facilities.		(1,500)	(35,000)	-	-
32	Economic Development We will reduce expenditure on supplies and services and through new ways of working as a result of North of Tyne devolution.	955,690	(23,040)	(250,000)	-	-
33	Public Health – contracts (see 2021-22 IIA 5) We will review public health contracts with low population impacts to ensure maximum population benefits and value for money from public health funding.	1,317,620	(900,000)	-	-	-
34	Public Health We will reduce expenditure in Public Health through planned reductions in spend on commissioned services and planned used of Public Health reserves.		(850,000)	-	-	-
35	Policy – digitisation We will secure income from a number of digitalisation projects across the city	504,750	(125,000)	(125,000)	-	-

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		net budget	2021-22	2022-23	2021-22	2022-23
36	Policy We will reduce expenditure on transport and generate additional income by developing an operating model for an Office of Data Analytics.		(16,280)	(15,000)	-	-
37	Cross-directorate We will make further savings across the City Futures directorate, such as reducing our subscription costs.	178,730	(6,660)	-	-	-
Operations and Regulatory Services directorate						
38	Repairs and Construction Services (Single Point of Leadership) We will apply inflationary increases to ongoing contracts, implement new ways of working and process improvements to reduce costs across design, construction and repairs services.	(7,828,560)	(1,000,000)	(500,000)	-	-
39	Operations We will increase fees and charges and secure grant funding opportunities across Operations services including Building Control, Energy Management, Fleet Management and Community Safety. We will also review the management structure for the services.	(775,990)	(100,000)	(125,000)	-	2.0
40	Public Safety and Regulation We will increase income from charges for regulatory services, review the structure of the services, fully fund the street enforcement team from income appropriately and part fund a Team Manager post from ring-fenced licensing income.	713,580	(178,000)	(56,000)	1.0	1.0
41	Resilience Planning We will reduce spend on supplies and services in	188,820	(15,000)	-	-	-

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			2021-22	2022-23	2021-22	2022-23
	Resilience Planning Service and increase income from offering our expertise to others.					
43	Community Hubs and Libraries – fees and charges Your Homes Newcastle will increase their contribution for use of Kenton and West End community hubs and libraries.	4,201,640	(100,000)	-	-	-
44	Community Hubs and Libraries – service redesign We will carry out a longer-term review to redesign and transform the library service.		-	(100,000)	-	-
45	Facility Services and Civic Management – Civic services and catering We will review building cleaning and caretaking contracts. We will reduce the cost of Civic Services and increase income in welfare catering through new private clients. We will procure farm assured fresh meat instead of red tractor approved meat whilst still maintaining food assurance standards. We will also restructure our school catering service.	916,600	(415,000)	(225,000)	3.6	2.8
46	Facility Services and Civic Management – Registrars fees and charges We will apply an inflationary increase to fees and charges for our Registrar services, charge for digital streaming services and generate income from new business opportunities.		(132,500)	(25,000)	-	-
47	Facility Services and Civic Management – school meals fees to schools We will reduce the subsidy to schools for free school meals and Universal Infant Free School Meals by 20p per meal from 1 April 2021, this will not impact on children or eligibility for free school meals.		(400,000)	-	-	-

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			2021-22	2022-23	2021-22	2022-23
48	Local Services and Waste – fleet We will introduce new fleet, which will reduce repairs and maintenance costs and fuel costs.	23,222,760	(25,000)	-	-	-
49	Local Services and Waste – income generation We will increase income through winning additional work and apply inflationary price increase for grounds maintenance, pest control, street services, composting services and bulky waste collections. We will also increase the price of the garden waste collection service by £1 per year.		(118,000)	(78,000)	-	-
50	Local Services and Waste We will reduce expenditure across Local Services and Waste by reviewing the use of overtime and spend on supplies and services.		(165,000)	(75,000)	1.0	-
51	Local Services and Waste – waste contract We will negotiate with our contract provider to minimise the cost of waste disposal.		(100,000)	-	-	-
52	Local Services and Waste – disposal budgets We will reduce our unforeseen disposal budgets as more of our disposal costs are provided through contracts.		-	(40,000)	-	-
54	Parking We will improve the debt recovery process in parking, reduce energy costs and reduce the number of enforcement officers.	(10,186,230)	(140,000)	-	3.0	-
55	Parking – Travel Office We will reduce the cost of operating the Travel Office provided to staff by working closer with partners on the Bike to Work schemes and provision of annual travel		(24,000)	(30,000)	-	-

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	passes. We will also reduce the number of pool cars to reflect reduced travel required by staff.					
56	Parking – price increases We will apply price increases to parking to manage the highway network.		(400,000)	(250,000)	-	-
57	Parking – new opportunities and technology We will implement new parking opportunities such as on street parking to increase pay and display income. We will also generate more income by applying new technologies such as pay by phone and check-in check-out.		(40,000)	-	-	-
58	Parking – bus lane enforcement We will implement controls (enforced by cameras) on bus lanes to manage the highway network.		(185,000)	-	-	-
59	Parking – permits and discounts We will review Sunday and Evening parking charges, residents' parking permit emission discounts and the distribution and pricing of permits.		(275,000)	-	-	-
Place directorate						
60	Transport We will improve processes within Traffic Signals, review Section 38 charges to developers and appropriately charge a proportion of staff time to the Permit Scheme.	7,287,760	(126,250)	-	-	-
61	Major Projects Savings and increased income will be secured by the Office Accommodation Project. Working with Commercial Development and Property, we will release another floor in the Civic Centre for letting to external organisations.	(19,670)	(150,000)	(250,000)	-	-

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			2021-22	2022-23	2021-22	2022-23
62	Commercial Development and Property – portfolio We will implement the recommendations of a property and land portfolio review.	(2,541,700)	(125,000)	(175,000)	-	-
63	Commercial Development and Property – ventures We will increase income from a variety of commercial ventures across the city.		-	(125,000)	-	-
64	Commercial Development and Property – debt recovery We will review and make improvements to our commercial property debt recovery processes.		-	(109,000)	-	-
65	Planning Review of planning fee system will be undertaken to ensure full cost recovery and we will generate income by selling our landscaping service to other councils.	(745,160)	(60,000)	-	-	-
66	Fairer Housing Unit We will review and re-align the funding of posts within the Fairer Housing Unit.	(225,070)	(120,000)	-	-	-
Resources directorate						
67	Audit, Risk and Insurance We will maximise income in the Audit, Risk and Insurance team by applying increases to our fees and charges for audit, risk and insurance in line with inflation, and begin selling new services such as fraud and data protection expertise and advice. There will also be a reduction in the risk management fund allocation.	(526,700)	(32,150)	(2,000)	-	-

Proposal description		2020-21	Proposed savings		Est. FTE impact	
		net budget	2021-22	2022-23	2021-22	2022-23
68	Financial Services We will increase our fees and charges in line with inflation and reduce non-essential spend on non-staffing budgets. We will delete vacant posts where these are no longer required, and we will generate additional income from services to schools.	4,656,990	(243,500)	(120,000)	2.0	3.0
69	Financial Services – early payment solution We will implement an early payment solution to enable our suppliers to choose to receive early payment for their invoices in exchange for a discount against the invoice value.		(92,000)	(48,000)	-	-
70	Human Resources We will increase our fees and charges for Human Resources services in line with inflation while reducing the costs of running the service. We will also create additional apprenticeships from vacancies.	1,951,400	(77,710)	(10,000)	0.4	-
71	Human Resources – Apprenticeship levy We will use the apprenticeship levy to fund the training costs of staff.		(50,000)	-	-	-
72	ICT We will apply an inflationary increase to fees and charges for ICT services and reduce travel between sites.	6,201,640	(13,700)	(11,000)	-	-
73	Legal Services We will apply an inflationary price increase to fees and charges for legal services and reduce spend on external legal expertise and advice.	1,618,290	(9,000)	(119,000)	-	-
74	Business Management By increasing self-service of managers, we will be able to reduce capacity within our business management functions. We will also reduce postage expenditure and	8,104,230	(161,570)	(80,000)	4.0	2.0

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			2021-22	2022-23	2021-22	2022-23
	create posts that allow greater use of the apprenticeship levy.					
75	Business Management – advertising and sponsorship We will increase income generated through selling advertising and sponsorship including bridge banners and large format digital advertising.		(50,000)	-	-	-
76	Democratic Services We will change our model of support to the Lord Mayor.	2,022,480	(10,000)	(10,000)	-	-