



South Staffordshire Council

Bridging the Funding Gap

Our quest to be financially stable by 2020

Our Financial Position

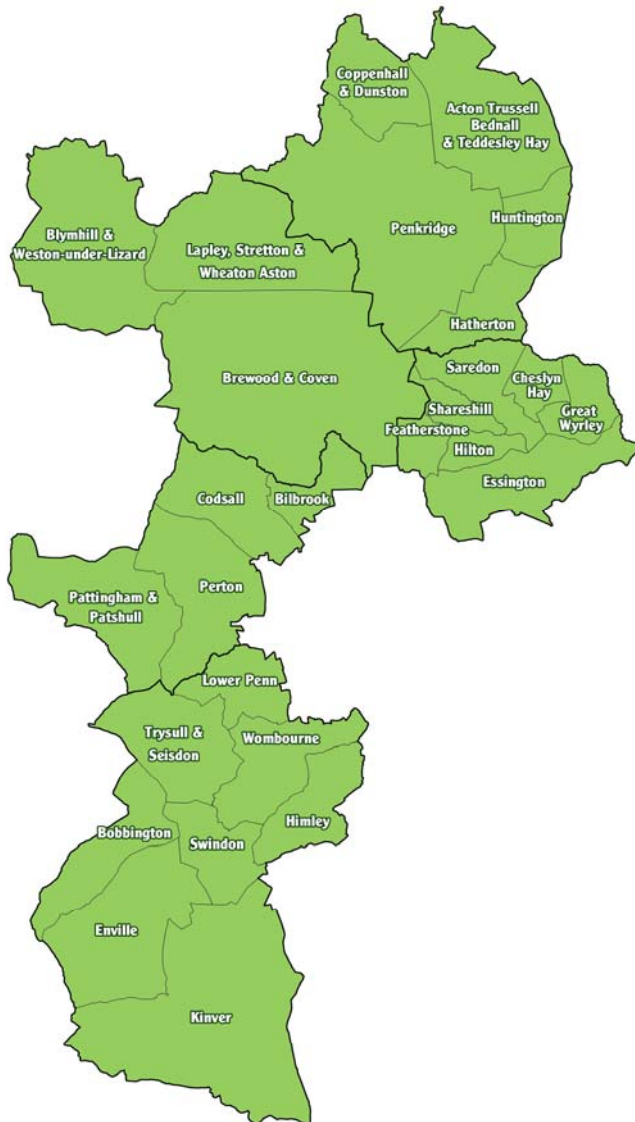
Our Journey

Our Success , Our Challenges, Our Opportunities



July 2018





- No central town
- 27 parishes made up of hamlets and large villages
- 80% of the district is Green Belt

- Estimated population of 111, 200
- High life expectancy
- Significant growth in people age 65 and over by 2026
- One of the countries most rapidly aging population

- Average house price £265,148
- 2011-2017 £255 million public sector investment
- Levered in additional £1.1 billion and 5,000+ jobs
- Strong manufacturing background
- Home to i54 South Staffordshire
- Inward Investment is strong
- Large % of population migrate out of the district to work
- Low unemployment and youth unemployment



Our Assets

- Council Office Building
- 153 Industrial Units
- 36 Retail and Office Space
- Mobile Home Park (138 homes)
- 4 Leisure Centres
- Country Park and Café
- Railway Walk and Café
- No Housing Stock

3 Tier Local Authority

- Staffordshire County Council
- South Staffordshire District Council
- 27 Parish Councils

Our People

- 317 employees (233 FTE)
- New CEO January 2017
- New Management Structure 2017-2018
- Key focus on Council Plan, E&I Plan, Workforce Development Strategy
- Low Staff Turnover
- Loyal Workforce

Our Aim: Balanced budget for a 3 year period in our MTFs, growing to 5 years by 2020

February 2015 – without action

Projected balance	1/4/17 (£m)	1/4/18 (£m)	1/4/19 (£m)
General Fund Reserves	3.7	3.0	0.8

Where we are now?

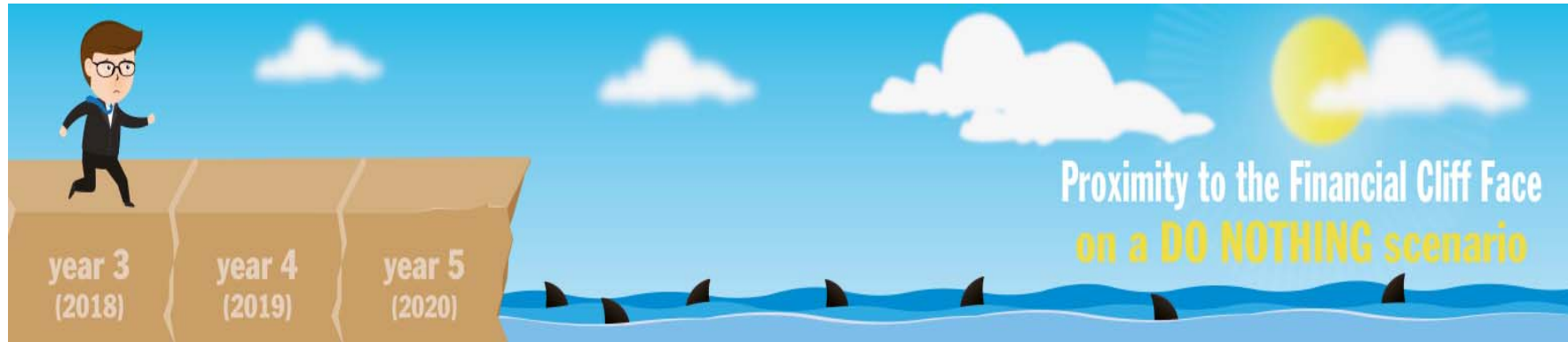
Actual balance	1/4/17 (£m)
General Fund Reserves	5.9

What our finances look like now

General Fund Balance	17/18 £m	18/19 £m	19/20 £m	20/21 £m	21/22 £m
Closing	5.7	4.6	3.1	1.5	0.1



Our Financial Position...



2011 – 2015 Transformation Delivery Plan (TDP)

- Took £2.38 million off bottom line

2015–2017 E&I Plan

- £1.3 million off bottom line

2017 – 2020 Refreshed E&I Plan

- Has the potential to improve our MTFS by £1.17 million per year by 2022/23



- Transformation Delivery Plan (TDP) launched in May 2011
- By November 2012 TDP achieved 108% against its target
- 2.5 years ahead of planned end date

What we did

Area	Value
Contracts and Procurement	£556,860
Increase Income	£83,000
Shared Services	£60,036
Service Challenge	£388,000
Payroll	£1,171,363
Total	£2,381,195



- **Our Aim**
- Change mind-set and create new opportunities
- Reduce the £2.2m funding gap





Efficiencies	Value	Income	Value
Contract Savings	£48,815	Asset Plan	Combined £1,122,506
ICT Systems/Equipment	£16,155	Fraud Services	
Staff Savings	£64,100	Service Income Generation Initiatives	
New Ways of Working	£41,100		
Removal of Recycling Banks	£10,900	Business Hub Accommodation	
Total	£181,521		
Overall Total	£1,304,027		



Grant applications:

OPE, Building Better Opportunities Programme



New Partnerships:

Good Life Energy, OPKILL, Lottery, Civil Ceremonies

Growth in our assets:

PowerStar, Four Ashes, Wombourne, Legal Services, Business Hub



Bringing delivery back in house:

Swim Academy, Street Scene, Health & Social Care Financial Assessment



Tendering for contracts:

Tenancy Fraud Investigation, Shirehall consultancy, Tourism Association





Our Aim:

- Move from 3 year balanced budget to a 5 year balanced budget by 2020
- Develop a workforce that looks to do things differently to meet financial challenges and strengthen our communities





Financial Stability	Managing Growth	Doing things Differently
<ul style="list-style-type: none"> £40,000 in contractual savings 	<ul style="list-style-type: none"> Support our Communities 	<ul style="list-style-type: none"> Digital Transformation £100,000 (by 2023)
<ul style="list-style-type: none"> Secure net increase of £100,000 in commercial income through sales and marketing of existing services 	<ul style="list-style-type: none"> Partnering with neighbouring authorities – unlocking £1billion of investment and create 5,000 jobs (i54 South Staffordshire) 	<ul style="list-style-type: none"> System Harmonisation and Contract Management. Potential saving of £200,000 (by 2023)
<ul style="list-style-type: none"> Implement a £20 million Asset Strategy with a potential return of £973,673 in 2018/19 	<ul style="list-style-type: none"> Develop Growth Zones New Local Plan Infrastructure Delivery Plan 	<ul style="list-style-type: none"> Agile Working - Release office space for private rent. £70,000 in addition to the £250,000 per annum already generating
<ul style="list-style-type: none"> Business Hub (Office Accommodation) £309,495 		<ul style="list-style-type: none"> One Public Estate - £125k drawdown for a £428k ROI per annum
		<ul style="list-style-type: none"> Civil Ceremonies - £22,000 per annum
		<ul style="list-style-type: none"> Community Lottery - £70,000 saving per annum
		<ul style="list-style-type: none"> Advertising £14,000 by 2020



- ✓ Engaged staff – great ideas
- ✓ Upskill our staff
- ✓ Changing the cultural mind-set
- ✓ Grown our property portfolio
- ✓ Refreshed our internal governance structure to speed up decision making
- ✓ Learning from commercial specialists
- ✓ 21st Century Public Servant (Birmingham University)
- ✓ Member engagement and support
- ✓ Invest to Save Budget



Internally	Mitigation
Capacity	<ul style="list-style-type: none">• Do less, but well• Focus of highest ROI• Manage pinch points within the organisation• 90 Day Planning Sessions• Build into annual service planning
Skill Set and Mind Set	<ul style="list-style-type: none">• Virtual Sales and Marketing Team• Grow and develop our staff through a refreshed Workforce Development Strategy• Embrace specialist support• Capitalise on data and market intelligence
Budgets	<ul style="list-style-type: none">• Be creative• Generate more income

External	The Impact
New Home Bonus Changes	Unknown
Plastic and Paper to China (Waste)	£100k pa (£0.5m over 5 years)
National Living Wage Increases	Unknown
Pension Costs Increases	Unknown
Business Rate Retention Uncertainty	Currently impossible to predict
Fairer Funding Review Uncertainty	Unknown



- ✓ Expand our existing property and land portfolio
- ✓ Strengthen our commercial activities through increased sales and marketing and new income generating ideas
- ✓ Embrace digital and agile transformation to release capacity for commercial opportunities
- ✓ Continue to learn and do things differently
- ✓ Learn from others
- ✓ Be as efficient as we possible can
- ✓ Invest in our commercial services to offer first class services
- ✓ Strengthen our partnership working and relationships to maximise commercial opportunities
- ✓ Thinking and operating as a business
- ✓ New skills for our employees and members
- ✓ *Staff often use the expression “this agenda is exciting, but scary!”*



South Staffordshire Council

“Saving money, making money, doing this differently, -none of this is new for us at South Staffordshire Council. It is fair to say, for this Council, the impact of the austerity measures were more of a catalyst to speed up our processes for innovation. The TDP and more recently the E&I Plan have provided the tools to enable us to do this. Our approach has also enabled us to continue to provide value for money for our residents with us continuing to have the fourth lowest Council Tax for District Councils in England”.



Councillor Brian Edwards MBE

