

**BUDGET 2011-15: SAVINGS DELIVERY PLAN
APRIL 2011**

DEPARTMENT OF FINANCE AND PERSONNEL

BUDGET 2011-15: SAVINGS DELIVERY PLAN

Introduction

1. The purpose of this paper is to outline the Department of Finance and Personnel's (DFP's) plan for delivering the savings which are required to maintain essential service delivery in light of the Executive's Budget 2011-15.

Current Expenditure Savings Requirements

2. The Executive's Budget provides DFP with net current expenditure funding of **£190.6m/£187.2m/£182.6m/£183.1m¹** over the four-year planning period. However, in order to deliver our essential services to the public and across government, the department needs to make resource savings totalling some **£5.1m/£9.7m/£12.1m/£13.4m**.

Context

3. The department has already undertaken a range of savings measures in recent years. As part of Budget 2004, the department delivered resource-releasing savings of **£1m/£5.7m/£11.7m** over the period 2005-08 through a range of measures including reductions in staffing levels (beginning with vacant posts) and a number of procurement gains. Similarly, in Budget 2007, the department was required to deliver another tranche of resource-releasing measures of **£15.8m** by 2010-11 (**£6.1m/£11.3m/£15.8m** over the period 2008-11). These savings were generated by taking a number of steps including reviews of staffing levels and general administration expenditure, as well as optimising income streams. The review of 2010-11 spending plans required us to go still further, reducing our resource baselines by another **£4.1m**, for which it has been necessary to take more stringent steps to curtail expenditure across all business areas.

¹ These figures differ slightly from those published in the Executive's Final Budget due to a number of technical adjustments.

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4. The department has already taken steps to reduce expenditure in areas such as accommodation services, external consultancy, hospitality, air fares and mileage. In 2009-10 a net saving of **£1.1m** was achieved in rental expenditure with 8 buildings vacated during the year and 1 building added to the office estate portfolio. This has, in part, been achieved by increasing the number of workstations in existing buildings, and has resulted in a net space reduction of 8,174sqm by the end of 2009-10. In addition, a saving of approximately **£1.2m** was achieved in fuel costs in 2009-10 (due to the favourable rates obtained in tendered electricity supplies).

5. Expenditure on external consultancy reduced by 75% from 2008-09 to 2009-10 and we expect further reductions in the 2010-11 year and onwards. Savings have also been made in respect of hospitality (which decreased by some 56% from 2008-09 to 2009-10) and on air fares and mileage. DFP currently has 44 Senior Civil Service (SCS) posts, having reduced our SCS numbers by some 10% since March 2009, and more reductions are in the pipeline. The department now has the same number of SCS as in January 1999, despite the size of the department doubling² since then to provide shared services to the whole of the Northern Ireland Civil Service (NICS). We continue to drive down expenditure in these areas as far as possible.

6. Of the department's 2010-11 opening gross expenditure baseline, some **£90m** (37%) was inescapable or contractually committed in the short to medium term, representing a significant constraint in seeking to identify further savings.

² Additions: Construction Service (from DoE); Rates Collection (From DOE); Land Registers NI (from DOE); Ordnance Survey (from DCAL); Occupational Health Service (from DHSSPS); Delivery and Innovation Division (partly from OFMDFM); Welfare Service; Centre for Applied Learning; IT Assist; HR Connect, and Account NI.

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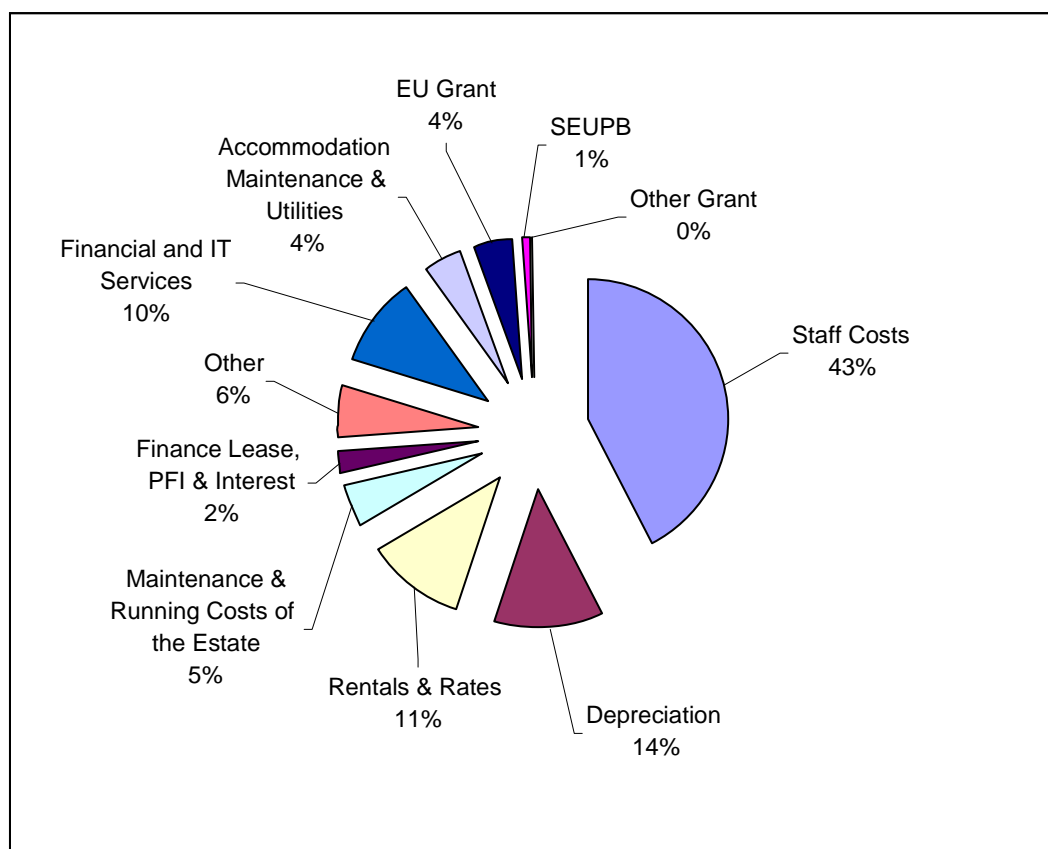
7. Depreciation costs are generally inescapable and these amounted to approximately **£34m** in 2009-10. The government office estate, which the department manages on behalf of the NICS, also incurs inescapable costs in respect of rent and rates. In 2009-10 these costs accounted for some **£32m** of our expenditure. While steps are being taken to reduce the office estate footprint, the extent to which progress can be made in this area is closely linked to the available funding, as well as to the staffing levels and business needs of NICS departments.

8. Over the Budget 2007 period (2008-11) DFP has become responsible for the provision of an increased number of essential shared services to NICS departments and a number of smaller public bodies. This has resulted in an increase in the level of the department's contractual commitments in respect of Account NI, HR Connect, Records NI, Network NI, Data Accommodation and IT Assist. Current expenditure contractual commitments due in 2010-11, as reported in the department's 2009-10 Resource Accounts were **£24.5m**, with contractual and lease commitments due in the period 2011-15 of **£122m**.

9. The level of inescapable commitments limits the savings options available to the department. Therefore, savings will have to be delivered out of the department's remaining budgets, including staff costs. The breakdown of the department's 2009-10 operating costs shown in **Figure 1** illustrates the composition of the department's expenditure.

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Figure 1 - Analysis of DFP 2009-10 Total Resource Expenditure of £280.8m³



Approach

10. In this context, we have thoroughly reviewed the department's income and expenditure in order to determine how we can deliver the required level of savings while seeking to safeguard frontline services and essential service delivery. We have also sought to minimise the impact on staffing levels. However, as staff costs represent some **43%** of our expenditure, it is inevitable that some of our savings will relate to reductions in staff numbers.

³ Based on 2009-10 DFP Operating Cost Statement.

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11. The process of reviewing expenditure and service delivery requirements was led by the Departmental Board, and included a full day planning session in June 2010, further work over the summer, and a series of meetings chaired by the Permanent Secretary during September 2010. As part of this process, the department developed a 'long list' of savings options. The relative severity and impact of each option was then assessed in order to allow the Departmental Board to prioritise and identify sufficient savings options to enable the department to maintain its essential services.

Summary of Savings Required

12. The measures we have identified include optimising the use of resources, reducing corporate services costs, maximising revenue and getting better value for money from contracts. But this alone will not be enough, and we will also have to make some reductions to staff numbers over the period. The department's required savings, which reflect reductions of **2.8%/5.3%/6.6%/7.3%** on the department's 2010-11 opening baseline of **£182.9m**, and an indication of proposed measures are summarised in **Figure 2** below using the categories provided in the central guidance:

Figure 2: Summary of Departmental Savings Proposals (£m)

	2011-12	2012-13	2013-14	2014-15
Measures				
Procurement	0.9	2.5	3.0	3.5
Maximising Revenue	0.6	1.1	2.2	2.2
Corporate Services	1.3	2.9	3.0	3.3
Administration/Policy	2.2	3.1	3.8	4.3
Other Bodies	0.1	0.1	0.1	0.1
Total Measures Identified:	5.1	9.7	12.1	13.4

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13. The proposed savings reflect our current assessment of the savings we need to make in light of the Executive's Budget. A high-level overview of the savings which we need to make, by savings category, is provided below. Details of each proposal are outlined in the individual measures at the end of this document.

- **Procurement (£0.9m/£2.5m/£3.0m/£3.5m)** – The department continually seeks to get the best value for money for taxpayers from all of its expenditure, including procurement. In 2009-10, **98.6% (£89m)** of our procurement was influenced by the Central Procurement Directorate (CPD), our Centre of Procurement Expertise (CoPE). Over the Budget period we will continue to maximise the level of procurement through our CoPE as a means of ensuring value for money. In addition, business areas have reviewed contracts in which there may be an upcoming opportunity to renew or renegotiate in order to determine whether further gains could be made in this area. We have identified several such contracts across a range of services in which we expect procurement savings to be achievable. These include an expected **£2.3m** saving from lease consolidation by year 4 of the Budget, together with reductions from IT-related contracts such as Network NI – the government's internal broadband network - and a number of smaller contracts involved in supporting the policy and service delivery work of business areas.
- **Maximising Revenue (£0.6m/£1.1m/£2.2m/£2.2m)** – There is some scope to realise additional receipts over the period, including through widening our customer base, the provision of expert services such as legal advice and internal business consultancy, and in respect of corporate services functions. The department will continue to review revenue raising options over the Budget period and as part of ongoing budget management will review opportunities for income generation from any surplus land or buildings.

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- **Corporate Services (£1.3m/£2.9m/£3.0m/£3.3m)** – A significant proportion of DFP's business is concerned with providing corporate shared services for all NI departments and their associated agencies and a number of public bodies. Reform of Civil Service corporate shared services such as finance, HR management and IT provision has seen these services centralised and managed and delivered through Enterprise Shared Services, which resides in DFP. These NICS-wide functions have completed their implementation phase and are now in the stages of stabilisation. In this context, we have sought to identify savings from these activities as they bed down and produce economies of scale over the Budget 2011-15 period. Examples of such savings include rationalisation of internal HR and finance functions following the centralisation and releasing resources that were necessary during the implementation phase. In doing so, we have also been mindful of Enterprise Shared Services' obligations to its customers.
- **Administration, Policy, Funding and Regulation (£2.2m/£3.1m/£3.8m/£4.3m)** – Many of DFP's core functions relate to policy, funding and regulation functions which provide essential services to the NI Executive, all NI departments and the wider public across a range of areas such as public spending, procurement, corporate management of the civil service and building standards. Together they work for value for money and better outcomes for citizens. Costs in these areas are almost exclusively staff-related and it is inevitable that savings delivered in respect of functions such as administration and policy would result in staff reductions. These savings arise across the various DFP functions as a result of a review by the Departmental Board of staffing levels, more efficient processes and suppression of less essential posts.

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- **Other Bodies (£0.1m/£0.1m/£0.1m/£0.1m)** – The department has a small number of arms-length and independent bodies which have been asked to find proportionate savings over the Budget 2011-15 period. It will be up to these bodies to determine how their savings will be delivered. In the case of the Special EU Programmes Body (SEUPB), we have consulted with our counterparts in the Department of Finance in the South and a 3% per annum cumulative saving will be implemented.

Staffing Implications

14. While the department anticipates staff reductions in the region of **91 posts** over the four years 2011-15, the department's normal staff turnover levels mean that we expect to lose some **500** staff during this period, as part of the usual process of retirements and other departures.
15. There is a range of steps that can be, and are being, taken to manage the expected reduction in the number of posts, such as an embargo on recruitment and promotion, ending temporary promotions and implementing redeployments. We have assured staff that we will take every opportunity to manage our staffing levels flexibly.

Assessment of Impact

16. Our savings proposals have been screened in order to assess the likely impact on section 75 groups and good relations. A high-level summary of the results of this screening, together with the likely impact on poverty/social inclusion and sustainable development is provided alongside details of each measure.
17. Overall, the assessment revealed neutral impact in respect of most impact groups. Some minor positive impacts were identified in respect of sustainable development owing to reduced consumption.

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Enclosures

Measure 1:	DFP Procurement Savings
Measure 2:	DFP Maximising Revenue Savings
Measure 3:	DFP Corporate Services Savings
Measure 4:	DFP Administration/Policy Savings
Measure 5:	DFP Other Bodies' Savings

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1. Savings Measure 1

Department	DFP
Savings Measure 1	Procurement Savings
Spending Area & Unit of Business	Various
Senior Responsible Officer	Oswyn Paulin, David Orr, Paul Wickens
Date of Latest Version of Delivery Plan	April 2011

2. Forecast of Savings Accruing from Savings Measure (£m)

	2011-12	2012-13	2013-14	2014-15
Total	0.9	2.5	3.0	3.5
Savings Delivered				

3. Summary of Savings Measure.

Provide summary details of the savings measure including supporting evidence for the forecast level of savings.

Our business areas have reviewed contracts in which there may be an upcoming opportunity to renew or renegotiate in order to determine whether further gains could be made in this area. We have identified several such contracts across a range of services in which we expect procurement savings to be achievable. These include maintenance contracts, IT-related contracts and a number of smaller contracts involved in supporting the policy and service delivery work of business areas.

4. Impact on Frontline Services of Savings Measure.

Will the savings measure have an impact on the standard of public services provided to the public?

No

If yes, provide a clear justification as well as any mitigating actions.

N/A

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5. Timetable for Actions to Deliver Savings.

Action	Target Date	Outcome
Maximise the level of procurement through our CoPE as a means of ensuring value for money.	Ongoing	Value for money in procurement.
Maximise opportunities to renegotiate contracts on more favourable terms.	Ongoing	Value for money in procurement.
Reduce consumption in areas such as leases and car parks.	Ongoing	Lower leasing and car parking costs.

6. Summary of Implementation Costs for Savings Measure.

Please provide details of any implementation costs and how they will be funded.
None.

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7. Key risks and interdependencies to implementation of Savings Measure and details of contingencies.

Key risks	Probability of risk occurring (1-5)*	Impact of risk (1-5)*	Contingent Action(s)
Projected procurement gains from new and/or renegotiated contracts may not be realised.	2	4	<ul style="list-style-type: none"> • Lower levels of consumption where possible. • Implementation of alternative savings measures in relevant business areas.
Extended contract negotiations mean that savings are not realised as early as anticipated.	2	3	<ul style="list-style-type: none"> • Lower levels of consumption where possible. • Implementation of alternative savings measures in relevant business areas.
Inflation rises above expected levels, impacting on the department's ability to negotiate anticipated savings.	2	3	<ul style="list-style-type: none"> • Lower levels of consumption where possible. • Implementation of alternative savings measures in relevant business areas.
Potential Impact on other departments and public bodies.			Mitigating Action(s)
None anticipated.			N/A

* 1 is the lowest and 5 the highest

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8. Summary of assessment of potential impact in respect of Equality, Good Relations and Sustainable Development as well as details of any mitigating actions.

Impact	Mitigating Action(s)
Neutral impact in respect of equality, good relations, poverty/social inclusion and sustainable development.	N/A

9. Progress update on delivery of savings.

Progress update

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1. Savings Measure 2

Department	DFP
Savings Measure 2	Maximising Revenue
Spending Area & Unit of Business	Various
Senior Responsible Officer	David Orr, Oswyn Paulin, Paul Wickens, Derek Baker
Date of Latest Version of Delivery Plan	April 2011

2. Forecast of Savings Accruing from Savings Measure (£m)

	2011-12	2012-13	2013-14	2014-15
Total	0.6	1.1	2.2	2.2
Savings Delivered				

3. Summary of Savings Measure.

Provide summary details of the savings measure including supporting evidence for the forecast level of savings.

There is some scope to realise additional receipts over the period, including through widening our customer base, the provision of expert services such as legal advice and in respect of corporate services functions. The department will continue to review revenue raising options over the Budget period and as part of ongoing budget management will review opportunities for income generation from any surplus land or buildings.

4. Impact on Frontline Services of Savings Measure.

Will the savings measure have an impact on the standard of public services provided to the public?

No

If yes, provide a clear justification as well as any mitigating actions.

N/A

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5. Timetable for Actions to Deliver Savings.

Action	Target Date	Outcome
Charging arrangements will be kept under review to ensure that they are fair and equitable.	Ongoing	Fair and equitable charging arrangements.
Income generation will be monitored by Departmental Board as part of monthly financial reporting.	Ongoing	Realisation of income in line with target, or managed reduction in expenditure to offset any shortfall in income.

6. Summary of Implementation Costs for Savings Measure.

Please provide details of any implementation costs and how they will be funded.
None.

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7. Key risks and interdependencies to implementation of Savings Measure and details of contingencies.

Key risks	Probability of risk occurring (1-5)*	Impact of risk (1-5)*	Contingent Action(s)
Use of DFP legal services is lower than anticipated and less income is generated than projected.	3	4	Cost savings to the levels of income that would have been generated.
Use of DFP business consultancy services is lower than anticipated and less income is generated than projected.	3	4	Cost savings to the levels of income that would have been generated.
Additional use of DFP shared services is lower than anticipated and less income is generated than projected.	4	4	Cost savings to the levels of income that would have been generated.
Potential Impact on other departments and public bodies.			Mitigating Action(s)
<p>The savings reflect forecast increases in income as a result of existing charging arrangements for legal and business consultancy services.</p> <p>Additional customers wishing to switch to DFP shared services will incur costs from DFP instead of from their existing suppliers.</p>			<p>Charging arrangements will be kept under review to ensure that they are fair and equitable.</p>

* 1 is the lowest and 5 the highest

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8. Summary of assessment of potential impact in respect of Equality, Good Relations and Sustainable Development as well as details of any mitigating actions.

Impact	Mitigating Action(s)
Neutral impact in respect of equality, good relations, poverty/social inclusion and sustainable development.	N/A

9. Progress update on delivery of savings.

Progress update

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1. Savings Measure 3

Department	DFP
Savings Measure 3	Corporate Services
Spending Area & Unit of Business	Various
Senior Responsible Officer	Paul Wickens, John Wilkinson, David Orr, Norman Caven, Derek Baker
Date of Latest Version of Delivery Plan	April 2011

2. Forecast of Savings Accruing from Savings Measure (£m)

	2011-12	2012-13	2013-14	2014-15
Total	1.3	2.9	3.0	3.3
Savings Delivered				

3. Summary of Savings Measure.

Provide summary details of the savings measure including supporting evidence for the forecast level of savings.

A significant proportion of DFP's business is concerned with providing corporate services for all NI departments and their associated agencies and a number of public bodies. Reform of Civil Service corporate services such as finance, HR management and IT provision has seen these services centralised and managed and delivered through Enterprise Shared Services, which resides in DFP. These NICS-wide functions have completed their implementation phase and are now in the stages of stabilisation. In this context, we have sought to identify the degree to which savings could be generated from these activities as they bed down and produce economies of scale over the Budget 2011-15 period. In doing so, we have also been mindful of Enterprise Shared Services' obligations to its customers.

4. Impact on Frontline Services of Savings Measure.

Will the savings measure have an impact on the standard of public services provided to the public?

No

If yes, provide a clear justification as well as any mitigating actions.

N/A

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5. Timetable for Actions to Deliver Savings.

Action	Target Date	Outcome
Complete review of retained line of business ICT, finance, and HR services and communications services across the department.	June 2011	Identification of scope for further rationalisation and realisation of savings.
Implement recommendations from review of retained line of business ICT, finance, and HR services and communications services across the department.	September 2011 (To be kept under review.)	Further rationalisation of service delivery and realisation of savings.
Streamline Enterprise Shared Services (ESS) essential 'corporate services' following merger of IT Assist, HR Connect, Account NI and the Centre for Applied Learning into the new ESS organisation.	Ongoing	Realisation of savings.
Continued downward pressure on general administrative expenditure, for example, consultancy, hospitality, air fares and mileage.	Ongoing	Realisation of savings.

6. Summary of Implementation Costs for Savings Measure.

Please provide details of any implementation costs and how they will be funded.
It is anticipated that any staff reductions will be managed through staff turnover and redeployment.

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7. Key risks and interdependencies to implementation of Savings Measure and details of contingencies.

Key risks	Probability of risk occurring (1-5)*	Impact of risk (1-5)*	Contingent Action(s)
Rationalisation of support functions does not deliver the anticipated levels of cash releasing savings.	2	4	<ul style="list-style-type: none"> Reduction in levels of support services. Implementation of alternative savings measures in relevant business areas.
Conclusion of projects does not enable the release of the anticipated levels of resource.	1	3	<ul style="list-style-type: none"> Hard charging for projects where these are being undertaken as additional activity on behalf of customers. Implementation of alternative savings measures in relevant business areas.
Reducing expenditure to the extent anticipated has a greater impact on service delivery than expected.	1	3	<ul style="list-style-type: none"> Implementation of alternative savings measures in relevant business areas.
Potential Impact on other departments and public bodies.			Mitigating Action(s)
None anticipated.			N/A

* 1 is the lowest and 5 the highest

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8. Summary of assessment of potential impact in respect of Equality, Good Relations and Sustainable Development as well as details of any mitigating actions.

Impact	Mitigating Action(s)
Neutral impact in respect of equality, good relations and poverty/social inclusion. Some minor positive impact on sustainable development.	N/A

9. Progress update on delivery of savings.

Progress update

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1. Savings Measure 4

Department	DFP
Savings Measure 4	Administration/Policy
Spending Area & Unit of Business	Various
Senior Responsible Officer	David Orr, Paul Wickens, Norman Caven, Oswyn Paulin, John Wilkinson, Derek Baker, Des Armstrong, Richard Pengelly
Date of Latest Version of Delivery Plan	April 2011

2. Forecast of Savings Accruing from Savings Measure (£m)

	2011-12	2012-13	2013-14	2014-15
Total	2.2	3.1	3.8	4.3
Savings Delivered				

3. Summary of Savings Measure.

Provide summary details of the savings measure including supporting evidence for the forecast level of savings.

Many of DFP's core functions relate to policy, funding and regulation functions which provide essential services to the NI Executive, all NI departments and the wider public across a range of areas such as public spending, procurement, corporate management of the civil service and building standards. Together they work for value for money and better outcomes for citizens. Costs in these areas are almost exclusively staff-related and it is inevitable that savings delivered in respect of administration and policy functions would result in staff reductions.

4. Impact on Frontline Services of Savings Measure.

Will the savings measure have an impact on the standard of public services provided to the public?

No

If yes, provide a clear justification as well as any mitigating actions.

N/A

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5. Timetable for Actions to Deliver Savings.

Action	Target Date	Outcome
Critically review existing vacancies and temporary promotions in all business areas to ensure posts are required.	Ongoing	Reduction in number of posts through staff turnover.
Continue to review need for posts as vacancies arise through staff turnover.	Ongoing	Reduction in number of posts through staff turnover.
Early engagement with Departmental HR to ensure plans are in place for redeployment as necessary (for example when projects cease).	Ongoing	Reduction in number of posts through redeployment of staff to suitable vacancies.
Continued downward pressure on general administrative expenditure, for example, consultancy, hospitality, air fares and mileage.	Ongoing	Realisation of savings.

6. Summary of Implementation Costs for Savings Measure.

Please provide details of any implementation costs and how they will be funded.
<p>It is anticipated that any staff reductions will be managed through staff turnover and redeployment.</p>

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7. Key risks and interdependencies to implementation of Savings Measure and details of contingencies.

Key risks	Probability of risk occurring (1-5)*	Impact of risk (1-5)*	Contingent Action(s)
Redeployment activity does not occur to planned timetables, meaning that savings in staff costs are not realised as early as expected.	2	3	Implementation of alternative savings measures in relevant business areas.
Conclusion of projects does not enable the release of the anticipated levels of resource.	1	4	Implementation of alternative savings measures in relevant business areas.
Potential Impact on other departments and public bodies.			Mitigating Action(s)
None anticipated.			N/A

* 1 is the lowest and 5 the highest

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8. Summary of assessment of potential impact in respect of Equality, Good Relations and Sustainable Development as well as details of any mitigating actions.

Impact	Mitigating Action(s)
Neutral impact in respect of equality, good relations, poverty/social inclusion and sustainable development.	N/A

9. Progress update on delivery of savings.

Progress update

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1. Savings Measure 5

Department	DFP
Savings Measure 5	Other Bodies
Spending Area & Unit of Business	Various
Senior Responsible Officer	David Orr
Date of Latest Version of Delivery Plan	April 2011

2. Forecast of Savings Accruing from Savings Measure (£m)

	2011-12	2012-13	2013-14	2014-15
Total	0.1	0.1	0.1	0.1
Savings Delivered				

3. Summary of Savings Measure.

Provide summary details of the savings measure including supporting evidence for the forecast level of savings.

The department has a small number of arms-length and independent bodies which have been asked to find proportionate savings over the Budget 2010 period. It will be up to these bodies to determine how their savings will be delivered. In the case of the Special EU Programmes Body, we have consulted with our counterparts in the Department of Finance in the South and 3% per annum cumulative saving will be implemented.

4. Impact on Frontline Services of Savings Measure.

Will the savings measure have an impact on the standard of public services provided to the public?

No

If yes, provide a clear justification as well as any mitigating actions.

N/A

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5. Timetable for Actions to Deliver Savings.

Action	Target Date	Outcome
Special EU Programmes Body (SEUPB) budget reduced by 3% per annum cumulative. SEUPB savings delivery plan to be approved.	January 2011	Reduced budget confirmed. SEUPB to live within revised budget.
Communicate Draft Budget 2010 outcome to other bodies and request savings delivery plans to be implemented.	January 2011	Reduced budget confirmed. Other Bodies to live within revised budget.
Communicate Final Budget outcome to other bodies and agree final savings delivery plans.	April 2011	Final budget allocations confirmed. Other bodies to live within budget.

6. Summary of Implementation Costs for Savings Measure.

Please provide details of any implementation costs and how they will be funded.
None.

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7. Key risks and interdependencies to implementation of Savings Measure and details of contingencies.

Key risks	Probability of risk occurring (1-5)*	Impact of risk (1-5)*	Contingent Action(s)
Bodies are unable to make the levels of savings requested without having detrimental impact on their service delivery.	2	2	
Demand for the services of bodies increases unexpectedly, increasing delivery costs and impacting on their ability to deliver savings.	2	2	
Inflation rises above expected levels, having a detrimental impact on the ability of bodies to deliver savings.	2	2	
Potential Impact on other departments and public bodies.			Mitigating Action(s)
None anticipated.			N/A

* 1 is the lowest and 5 the highest

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8. Summary of assessment of potential impact in respect of Equality, Good Relations and Sustainable Development as well as details of any mitigating actions.

Impact	Mitigating Action(s)
Neutral impact in respect of equality, good relations, poverty/social inclusion and sustainable development.	N/A

9. Progress update on delivery of savings.

Progress update