

Appendix 1 – Summary of 2026-27 savings proposals

Purpose of this document

This document provides an overview of the workstreams within the Change and Innovation Programme, our ambitious cross council approach to ensuring we are a resident-focused and financially sustainable organisation. The programme builds on and accelerates our corporate change activities and on-going work to address cost and demand pressures, supporting the delivery of a balanced budget over the next 3 years. It includes a range of projects to deliver an organisation which has customers at the heart, and is fit for the future and affordable, built on innovative delivery models and maximising technology.

We will complete Integrated Impact Assessments (IIA) where any of the workstreams will require changes to a service or policy. At this point we have not completed any IIAs. We will also consider the cumulative impact of the programme as a whole, use this to inform decision making and publish this as appropriate.

This summary document should be read with our medium-term financial plan for 2026 - 2027 to 2028 - 2029 which includes information about our ongoing financial challenges and how we'll invest the resources we have. Details of our full net budget, including costs not related to services, are included in Appendices 2 to 13 and draft detailed budgets for all services on our website: www.newcastle.gov.uk/budget

Change and Innovation: Newcastle

Workstream	Opportunity Areas	Financial Saving (Year 1)	Estimated Full Time Equivalent (FTE) Impact (Year 1)
Improving Customer Experience (incorporating Contact Newcastle programme)	<ul style="list-style-type: none"> • Consolidate customer contact within one Contact Centre. • Redesign customer journeys to support the Customer Blueprint, increasing self-service and automation. • Cut costs on printing and posting by replacing physical letters with digital options (where legally required and consented). 	£1.2m	26 FTE
Reviewing Organisational Design	<ul style="list-style-type: none"> • Embed a consistent organisational approach to resourcing with clear governance. • Streamline structures to remove vacancies, duplication, and unnecessary supervisory/management roles. • Establish recruitment controls to cap agency spend, delay recruitment to non-critical roles, and promote internal redeployment. • Promote attendance at work through early intervention and wellbeing support. 	£1.0m	24 FTE

Workstream	Opportunity Areas	Financial Saving (Year 1)	Estimated Full Time Equivalent (FTE) Impact (Year 1)
Accelerating Service Effectiveness Powered by Technology	<ul style="list-style-type: none"> Boost productivity and performance by reviewing processes and introducing productivity coaching. Upskill colleagues in Artificial Intelligence (AI) to work smarter (embrace Microsoft Frontier Council status). Equip teams with productivity tools to track performance, manage caseloads, unblock issues, and automate administrative tasks. 	£0.7m	16 FTE
Understanding Performance & Data Analytics	<ul style="list-style-type: none"> Align performance and data analytics capacity into a “Business Intelligence” Hub. Create a clear “service menu” with defined processes, best practices, and service standards (SLAs). Use technology to automate and improve business intelligence services. 	£0.1m	1 FTE

Workstream	Opportunity Areas	Financial Saving (Year 1)	Estimated Full Time Equivalent (FTE) Impact (Year 1)
Maximising Independence Within SEND Transport	<ul style="list-style-type: none"> Invest more in independent travel training (ITT) to increase young people's ability to travel independently. Service delivery optimisation (routing, fleet review, contract management, eligibility based on need). Promote alternative modes of transport and provision of a personal travel budget. 	£0.4m	0 FTE
Reviewing Back Office Support	<ul style="list-style-type: none"> Redesign business support model to consolidate capacity, reduce management overheads, embed best practice, and manage demand. Align opportunities with other workstreams (service effectiveness, process improvement, automation). Improve customer experience by ensuring business support does not provide shadow call handling and enquiry management capacity. 	£0.3m	8 FTE

Workstream	Opportunity Areas	Financial Saving (Year 1)	Estimated Full Time Equivalent (FTE) Impact (Year 1)
Reviewing Spend With Third Party Suppliers	<ul style="list-style-type: none"> • Consolidate and strengthen procurement capacity and capability with clear governance, common processes, and consistent category management. • Improve real-time visibility into third-party spend. • Strengthen accountability: define clear roles, use standard templates and Key Performance Indicators (KPIs). 	£0.2m	0 FTE
Investing in Enterprise Resource Planning (ERP)	<ul style="list-style-type: none"> • Replace ageing costly legacy systems and modernise core processes. • Standardise and simplify business processes to integrate finance, human resources, payroll, and procurement. • Centralise data using a shared, real-time database for accurate visibility and decision making. 	£0m	0 FTE

Workstream	Opportunity Areas	Financial Saving (Year 1)	Estimated Full Time Equivalent (FTE) Impact (Year 1)
Managing Demand in Social Care and Education	<ul style="list-style-type: none"> • Streamline and automate processes (financial assessments, technology for efficiency, speed up payments, reduce avoidable debt). • Use data and analytics to enhance early support and intervention. • Expand and optimise local provision (in-house, foster care, specialist/inclusive education). • Improve transitions and independence for young people and children with complex needs. 	£0m	0 FTE