

APPENDIX B – PROPOSALS FOR BUDGET REDUCTIONS

The table below sets out by service area all of the proposed budget reductions for 2024/25. This report launches them for consultation and the feedback will be taken into account when Leadership Team recommend the final budget to Council on 28 February 2024.

EqIA – A preliminary EqIA has been completed for all savings proposals. When the impact has been assessed as negative a full EqIA will be carried out.

Current Budget £'000	Proposed Reduction / Increased income £'000	Description	EqIA Impact
Adult Social Care and Public Health			
33,395	550	<p><u>Continuation of prevention initiatives</u> In line with the vision for Adult Social Care, the department will be working with service users as part of their annual review to increase the focus on supporting people to live more independently, to deliver better outcomes and fulfil their aspirations. Each service user has different needs and requires different support, but there will be a focus on three main projects:</p> <ul style="list-style-type: none"> • <u>Direct Payments (DP)</u> DP provides choice and control over the lives of vulnerable people to lead an independent life and is more cost effective to the Council. A programme of development of DP is underway. People will also be empowered to manage their own support and care needs through increased use of DP. • <u>Digital, equipment and acclimation for older people</u> Engaging with service users to provide less intrusive and more modernised ways of providing services. This will involve advanced telecare, modern occupational therapy equipment to support their disability and promote independence instead of home carers providing double-up care. It will also provide for safer and more effective working for carers. This will in turn will increase dignity, safety, empowerment and reduce hospital admission and reduce the long-term dependency on care. 	Positive

Current Budget £'000	Proposed Reduction / Increased income £'000	Description	EqIA Impact
		<ul style="list-style-type: none"> • <u>RBKC is Home</u> <p>The Council has young physical and learning disability residents placed in supported living and residential care outside of London and some of the placements are not only expensive, but restrictive in fulfilling their aspirations and away from families and their local communities. This initiative is to bring those people closer to their loved ones and existing communities in RBKC, if that is their choice. This will improve the quality of life and care for the service users and their families.</p> <p>A cost reduction of £400k is expected for 2023/24. Successful delivery of this work will be used to anticipate whether further savings can be achieved in future years, by adopting a similar focus on independent living and supporting service users in line with the vision for Adult Social Care.</p>	
531	20	<p><u>Shorts Breaks and Kingsbridge Road</u></p> <p>This initiative sets out to remodel the building at Kingsbridge Road, so that learning disability service users can take planned and unplanned breaks concurrently in segregated areas. Currently the scheme is majorly used by unplanned users, which affects planned visits, resulting in the council needing two locations to facilitate the short break needs. This proposal will generate contract efficiencies by using the 11 units that Kingsbridge Road offers as safe and separate spaces for both unplanned and planned short break users at one location only.</p>	Positive
15,516	25	<p><u>Digital Account</u></p> <p>Residents who purchase their care through the Digital Account will be using a Direct Payment by default, and the hourly rate for this is lower than that of a commissioned homecare agency. Use of the digital account also enables residents to diversify spend beyond 'hours of care' to more outcome-specific activities, delaying more costly care in the long run. Using the platform also means that the cost of any late cancellations will not accrue to the Council.</p>	Positive

Current Budget £'000	Proposed Reduction / Increased income £'000	Description	EqIA Impact
1,703	50	<p><u>Increased nomination to general needs</u> This is an integrated scheme with Housing to help residents develop independent living skills through a supported pathway, so that they move into general needs housing with low-level support and tech-enabled care. This will reduce the number of residents remaining in supported living schemes longer than the planned 2-year period, increasing local supply, and decreasing out-of-borough placements. Between 5-10 nominations per year would be needed to meet the savings. The saving comes from the difference between an expensive out-of-Borough placement for supported living and a unit of local general needs housing, funded by housing benefit, with additional floating support. Per individual this is a saving of £25-28k per annum, therefore >5 nominations would achieve the savings target</p>	Positive
8,764	30	<p><u>Enhanced Learning Disability Void Management</u> This proposal will generate efficiencies within learning disability spend through enhanced management of existing voids and working with residents and families to ensure use of local provision. This will be achieved by reducing the number of voids in the borough and avoiding spend on alternative accommodation. There are currently three voids. Filling at least two will deliver this saving.</p>	Neutral
12,502	250	<p><u>2% staffing budget savings</u> The service will review its spend on staffing and identify 2% savings target with minimal interruption to service delivery.</p>	No equalities implications
13,130	200	<p><u>Placements and packages</u> Exploring opportunities to tailor care packages to ascertain opportunities for efficiencies, through, for example, better leveraging the market to reduce costs, and where, with service user agreement, the level of service interventions can be reduced (if they are no longer required).</p>	Positive
Total	1,125		

Current Budget £'000	Proposed Reduction / Increased income £'000	Description	EqlA Impact
Chief Executive			
2,515	108	<u>2% salary savings</u> Savings from a restructure which included the deletion of a director post within Corporate Strategy.	No equalities implications
Total	108		
Children's Services			
1,659	300	<u>Future of Libraries</u> Libraries around the borough will be reviewed to determine opportunities to extend the range of community services and deliver from these sites. This links to the youth and VCS services initiatives of the council and could allow for other council departments to widen their scope of service delivery. Consequently, the staffing structure in both boroughs has been reviewed and adapted to deliver the new service model, reducing management overheads, and protecting frontline delivery.	Neutral
28,676	420	<u>2% salary savings</u> The service will review its spend on staffing and identify 2% savings target with minimal interruption to service delivery.	No equalities implications
13,419	200	<u>Additional Staffing savings</u> Part of the savings will be delivered through repurposing Olive House for care leaver accommodation and a further £100k will be delivered through a leadership governance structure which will review all decision relating to recruitment. This will not impact any existing staff and recruitment will only be held back when the service is assured there is no negative impact on service users.	Neutral
890	40	<u>Youth Offending Team Savings</u> Due to a recent service redesign project involving staff and feedback from service users, a new model has been developed to support better integration across teams and new ways of working will mean that cases can be managed more efficiently.	Positive

Current Budget £'000	Proposed Reduction / Increased income £'000	Description	EqIA Impact
	60	<u>Efficiencies in running costs</u> Achieved through: <ul style="list-style-type: none"> • Reduced number of minicab journeys for looked after children (£15k) by developing criteria for when taxis can be used. • Shared service management cost recovery (£25k) • Expected income from Department for Education Sector Led Improvement Programme (£20k) for RBKC's role as a sector led improvement partner. 	No equalities implications
Total	1,020		
Environment and Communities			
(50)	50	<u>Increased income from construction management</u> RBKC's planning requirement for even quite modest works to submit construction management plans has resulted in a sustained level of income higher than forecast. The income is related to the health of the building market so building-in a £50k increase in target income is considered achievable.	No equalities implications
1,066	50	<u>Advice agencies consortium</u> Propose to make savings through bringing together locally established advice agencies as a consortium to improve the quality of information, advice and guidance residents can access in RBKC. A consortia single contract will reduce some of the overheads through having a single/shared management structure	Neutral
23,000	130	<u>VCS Consolidation</u> A VCS spend mapping exercise linked to Council outcomes has been undertaken and provides insight into understanding how our financial resources are allocated for working with the VCS to achieve the best outcomes for our residents. Consolidating spend alongside adopting best practice will enhance resilience amongst partnering organisations and drive cost efficient outcomes.	To be confirmed

Current Budget £'000	Proposed Reduction / Increased income £'000	Description	EqIA Impact
(9,661)	50	<u>Income Generation from location filming</u> FilmFixer will request parking bay suspensions, parking dispensations on yellow lines, one-day parking permits for filming production staff and short notice suspensions requests – as and when required.	No equalities implications
1,000	50	<u>LED lighting for streetlights & property</u> The Highways Authority manages around 10,000 lighting units, which includes streetlights to provide illumination for the safe passage of road users on our network during the hours of darkness. To deliver the saving, the council would need to replace approximately 1000 of our residential streetlights, from traditional lamps to LED's. This would require the replacement of the whole internal unit, as the LED is a different system to conventional lamp units.	No equalities implications
(949)	50	<u>Land Charges income</u> New fee regime is being introduced to ensure Land Charges maximises fee income opportunities.	No equalities implications
(1,208)	200	<u>Income from Network Management</u> Various fees including inspections, Section 50 and 74 notices, permits, crane licences, traffic orders, temporary structures and skip will increase income	No equalities implications
27,131	524	<u>2% salary savings</u> The service will review it's spend on staffing and identify 2% savings target with minimal 'interruption to service delivery.	No equalities implications
(95)	25	<u>Additional garden waste income</u> A light increase in subscriptions means the budget can now be increased by £25k	No equalities implications
(6,231)	50	<u>Increased Commercial Waste income</u> The commercial waste portfolio has been recovering from the impact of the Covid-19 pandemic. Last year saw an extremely strong performance exceeding the income target. Growth has now slowed, due to the return of trading normality, however there is still an opportunity for achieving income above target	No equalities implications

Current Budget £'000	Proposed Reduction / Increased income £'000	Description	EqIA Impact
8,615	55	<u>Efficiencies across the Communities department</u> <ul style="list-style-type: none"> • Reduction in Citizens' Panel support fund (£5,000) – Reduction in funding to third party agency whose service ensure the Citizens' Panel is representative and also supports the refresh of panel membership. • Reduction in youth participation grant budget (£5,000) – Reduce fund which can be accessed by young people to design and commission projects. • Community Partnership Officer hours reduction (£10,000) – One of the three Community Partnerships Officer roles is reduced to part-time hours • VCS premises rent subsidy (£15,000) – reducing the budget that provides rent subsidy to the VCS • Economy Strategy delivery (£15,000) – Reducing Youth Enterprise & support Budget within the Economy Strategy delivery programme • Registrars revenue savings (£5,000) – savings including ceremonies at Leighton House (to be split with Museums) in addition to existing savings (income generation) proposals of £10k for 2024/25 	Various- see Appendix E for a full breakdown.
616	80	<u>Pay by Phone card charges</u> As a result of the negotiations relating to the Contract extension from November 2023 to November 2025, PayByPhone will reduce their merchant banking rate from the current 2.3% to a secured 1.83%.	No equalities implications
(52,739)	490	<u>Proposed policy changes in Parking service</u> Expanding Eligibility and Scope of Permits for Resident Parking Bays (£140,000) and expanding enforcement of Moving Traffic Contraventions (£350,000)	No equalities implications
Total	1,804		

Current Budget £'000	Proposed Reduction / Increased income £'000	Description	EqIA Impact
Grenfell Corporate			
1,596	176	<u>Reduction in Grenfell Corporate Costs</u> Relates to savings on Grenfell corporate costs, including staffing costs which will be picked up through the new arrangements and other smaller sundry expenses relating to historic costs (e.g. storage) which will no longer be required.	No equalities implications
Total	176		
Housing and Social Investment			
(13,600)	250	<u>Maximising income from commercial property portfolio</u> Each year, the budgeted income is a proportion less than 100% the full maximum rent roll, allowing for vacancy and debt arrears. This additional income reflects a higher percentage of the rent roll to be achieved in 24/25 versus 23/24, based on specific changes known to be happening in that year.	Neutral
9,290	125	<u>2% salary savings</u> The service will review its spend on staffing and identify 2% savings target with minimal interruption to service delivery.	Positive
New income budget	500	<u>2 New Homes Schemes online at intermediate/market rent</u> Additional income will be raised from the letting of a number of dwellings in the Council's General Fund following their completion under the New Homes Programme. Both of these schemes include a number of units that are rented at either intermediate rent, which are targeted at Key Workers, or at market rent.	Neutral
446	220	<u>Supported Housing Contract</u> Following the closure of Florence Nightingale House, the 173 Cromwell Road supported housing scheme, the associated support contract has now been terminated. Some of this funding is required to be retained to ensure alternative support services are available, the remainder is being offered as an efficiency saving.	Neutral

Current Budget £'000	Proposed Reduction / Increased income £'000	Description	EqIA Impact
4,500	250	<u>Facilities Management</u> The Council is in the process of re-procuring its contract for facilities management in the Council's operational property. The new contract will start from the beginning in of 24/25. This saving will be achieved via efficiencies driven through the procurement process.	No equalities implications
Total	1,345		
Resources and Customer Delivery			
33,043	620	<u>2% salary savings</u> The service will review its spend on staffing and identify 2% savings target with minimal interruption to service delivery.	No equalities implications
925	250	<u>Customer Relationship Management (CRM) and web-site enhancement</u> Residents will be able to use self-service functions if a CRM system is introduced to increase the RBKC website functionality to process high volume and transactional services. Customer service capacity will be made more available for complex cases. Response time, customer satisfaction, and a reduction in repeat calls will be improved; the proposal will also encourage end-to-end workflow processes (ERP) to resolve queries on one contact.	Neutral
(126,000)	200	<u>Consistent approach to statutory fees and new commercial opportunities</u> Ensuring that fees and charges across the council reflect market forces and overheads for full cost recovery are included in these fees. The methodology used to establish overheads for full cost recovery are frequently undervalued and need to be fully captured. This will ensure that all costs are fully recovered for chargeable statutory services to ensure the costs don't fall on the revenue account.	No equalities implications
228,000	350	<u>Procurement efficiencies</u> There is an opportunity to improve supplier relationship management by implementing Oxygen Finance's early payment programme which enables supplier invoices to be paid ahead of contractual payment terms. This is in exchange for a pre-agreed rebate which is applied dynamically as the invoice is paid and is proportionate to how many days your	No equalities implications

Current Budget £'000	Proposed Reduction / Increased income £'000	Description	EqlA Impact
		payment is accelerated by. This drives social value through local employers by giving suppliers quicker access to money and generating income. Procurement team will also have real time analytics and enhances checks/controls to reduce risk of duplicate or late payment.	
4,500	450	<u>Soft FM saving</u> This proposal involves identifying and procuring new contractors to provide better cost-efficient security services and cleaning services for the council's operational buildings.	To be confirmed
180	105	<u>New phone contract saving</u> This proposal aims to maintain existing SIMs across the estate/devices, eliminating the need to SIM Swap over 4500 devices. Switching mobile operator would generate a considerable cost of change for the Council, both in cost and resource effort.	To be confirmed
Total	1,975		
	7,553	Total Service Savings	
	3,719	Corporate budgets – reduction in corporate contingency - In 2023/24 a contingency budget of £3.7m was created to help mitigate in-year economic volatility created by high inflation, interest rates and periods of negative growth. In 2024/25 the financial plans have changed to assume the contingency budget will be replaced by a contingency reserve, which was created after financial year 2022/23 with the remaining underspend.	No equalities implications
	950	Section 106 savings - More efficient use of Section 106 balances to finance capital programme which has led to a reduction in borrowing.	No equalities implications
	12,222	TOTAL ALL SAVINGS	