

APPENDIX C NEW SAVINGS PROPOSALS

Summary New Savings Proposals	25/26 (M)	26/27 (M)	
Extension of the Business Rate Pool with Thurrock and LBBDD	1.200	-1.200	(one off)
Redirection of Agency levy to support General Fund	1.500	-1.500	(one off)
Restructure of Resources Department	0.560	0.000	
Communications income initiatives	0.070	0.000	
Communications Procurement	0.100	0.000	
Housing Demand	0.180	0.250	
Reduction to book fund	0.020	0.000	
Additional income - Registrars	0.000	0.050	
In sourcing family support	0.200	0.100	
Grow shared lives	0.150	0.150	
Reablement projects	0.300	0.000	
Total New Savings	4.280	-2.150	
Summary Existing Savings Proposals c/f	25/26 (M)	26/27 (M)	
Increase Internal fostering	0.120	0.120	
Targetted Reviews Adult Services	1.100	1.100	
Better Living Initiatives	1.000	1.000	
Home to school transport	0.500	0.600	
Transition Savings Adults	0.500	0.500	
Accommodation, Mawney, Mowbrays, Family Welcome Ctre	0.760	0.000	
Business intelligence and Increases in Tax base	1.100	1.100	
Empty homes increase in C.Tax Premium	0.050	0.050	
Acquisition of Land –Joint Ventures	0.070	0.000	
Pay to stay initiatives	0.050	0.050	
Capital Financing Saving through reduced borrowing	0.120	0.000	
FYE of Saving on Libraries	0.150	0.000	
Additional income advertising	0.070	0.070	
Acquisition of property to relieve Temp Accom pressures	0.300	0.300	
Joint work with VCS to review rents	0.030	0.030	
Traffic Scheme reductions in cost	0.050	0.000	
Total Existing Savings	5.970	4.920	
Total Combined Savings	10.250	2.770	

Savings Template

Wards	Service	Directorate
N/A	Corporate	Corporate

Value of Savings per Year

2025/26 (m)	2026/27(m)	2027/28(m)	Total(m)	Once-off/Recurring
1.200			0.000	One Off

Current Service Projection and Impact on Staffing

Current Service Projection/Forecast Spend	Impact on Staffing/Numbers add no
The Business rate pool with LBBD and Thurrock is estimated to generate £1.2m surplus in 2024/25	No impact

Description of savings proposal

Havering had entered into a business rate pool in 2024/25 with Thurrock and LBBD which is expected to generate a £1.2m surplus in 2024/25. The pool needs to be renewed annually but will generate a surplus for all three authorities through the offset of the levy Thurrock as the tariff authority would otherwise have had to pay.

Dependencies and Potential Risks

The Government will need to confirm that it will allow the pooling arrangement for 2025/26 and all three boroughs will need to agree to continue for a further year.

Investment Required to Deliver the Saving (if any)

None

Service Impact if Saving was to be Delivered

No impact other than an additional income source to the General Fund

Sign Off

Date	Prepared By	Signed Off By
27/09/2024	Richard Tyler	Kathy Freeman

Savings Template

Wards	Service	Directorate
N/A	Corporate	Corporate

Value of Savings per Year

2025/26 (m)	2026/27(m)	2027/28(m)	Total(m)	Once-off/Recurring
1.500			0.000	One Off

Current Service Projection and Impact on Staffing

Current Service Projection/Forecast Spend	Impact on Staffing/Numbers add no
The Agency levy is forecast to yield £1.5m to the general fund in 2024/25	No impact

Description of savings proposal

The Council has historically charged services an 8% overhead on agency costs which has then been passed as a contribution to the pension fund to recompense for the reduction in contributions to the fund through the use of agency staff. The Pension Fund has performed well in recent years meaning that for 2024/25 and 2025/26 the contribution to the fund is not required. It is proposed to continue to apply the levy to generate a corporate saving for 2025/26

Dependencies and Potential Risks

The Pension Fund accountants and actuaries have confirmed that the contribution will not be needed in 2025/26. The only risk to the saving would be a reduction in the overall agency levels but in this eventuality this would be more than offset by reduced staffing costs across the council.

Investment Required to Deliver the Saving (if any)

None

Service Impact if Saving was to be Delivered

No impact other than an additional income source to the General Fund

Sign Off

Date	Prepared By	Signed Off By
27/09/2024	Richard Tyler	Kathy Freeman

Savings Template

Wards	Service	Directorate
N/A	Resources	Resources

Value of Savings per Year

2025/26(m)	2026/27(m)	2027/28(m)	Total (m)	Once-off/Recurring
0.560			0.560	recurring

Current Service Projection and Impact on Staffing

Current Service Projection/Forecast Spend	Impact on Staffing/Numbers add no
The resources senior management restructure was completed in September 2024	Net post reduction of 5

Description of savings proposal

A senior management restructure in resources was completed in September 2024. There were benefits in 2024/25 but also one off costs from the restructure. The Full year budget saving for 2025/26 is £560,000 as a result of the restructure. There is a separate report setting out full details of the restructure

Dependencies and Potential Risks

The restructure re assigned roles and responsibilities. It is fully expected that the new structure will successfully absorb all workloads but this will be monitored closely

Investment Required to Deliver the Saving (if any)

None

Service Impact if Saving was to be Delivered

There is expected to be no adverse impact on service delivery

Sign Off

Date	Prepared By	Signed Off By
27/09/2024	Richard Tyler	Kathy Freeman

Savings Template

Wards	Service	Directorate
N/A	Communications and Engagement	Resources

Value of Savings per Year

2025/26(m)	2026/27(m)	2027/28(m)	Total (m)	Once-off/Recurring
0.070	0.070		0.140	

Current Service Projection and Impact on Staffing

Current Service Projection/Forecast Spend	Impact on Staffing/Numbers add no
These income targets will be achieved.	No impact

Description of savings proposal

Review income from advertising opportunities – boards/fleet

Dependencies and Potential Risks

Planning, Legal and Procurement sign off for new large advertising format boards. The income target is conservative as additional sites need to be found to increase income but this depends on a number of factors such as position, health and safety, impact to road users and local environment.

With regards to Passenger transport, it depends on passenger service responsiveness, final agreement on selling space on busses and selling advertising space.

Investment Required to Deliver the Saving (if any)

None

Service Impact if Saving was to be Delivered

No impact other than presenting less cost to general fund.

Sign Off

Date	Prepared By	Signed Off By
27/09/2024	Marcus Chrysostomou	Andrew Blake-Herbert

Savings Template

Wards	Service	Directorate
N/A	Communications and Engagement	Resources

Value of Savings per Year

2025/26 (m)	2026/27(m)	2027/28(m)	Total(m)	Once-off/Recurring
0.100			0.100	recurring

Current Service Projection and Impact on Staffing

Current Service Projection/Forecast Spend	Impact on Staffing/Numbers add no
These income targets will be achieved.	No impact

Description of savings proposal

This is additional income generated from the procurement of the small format advertising boards. Once installed they are expected to deliver at least £100,000 income per year but this will be reviewed based on performance.

Dependencies and Potential Risks

The boards are currently being installed so these need to be up and running to generate income. If the boards are damaged in future then this could impact income.

Investment Required to Deliver the Saving (if any)

None

Service Impact if Saving was to be Delivered

No impact other than presenting less cost to general fund.

Sign Off

Date	Prepared By	Signed Off By
27/09/2024	Marcus Chrysostomou	Andrew Blake-Herbert

Savings Template

Wards	Service	Directorate
All Wards	Housing Demand	Living Well

Value of Savings per Year – Cost Avoidance

2025/26 (m)	2026/27(m)	2027/28(m)	Total(m)	Once-off/Recurring
0.180	0.250	0.000	0.430	

Current Service Projection and Impact on Staffing

Current Service Projection/Forecast Spend	Impact on Staffing/Numbers add no
<ul style="list-style-type: none"> Housing Demand have forecasted a £1.1m overspend following a growth of £3.9m to the budget for 24/25. This is following a previous outturn of £6.2m overspend for 23/24. 	No impact

	Revised Budget 2024-25	Actuals YTD as Period 4	Outturn Forecast at end of June	Forecast Outturn Variance	As % of Budget	P3 Forecast Variance	Change in Forecast Variance	
Living Well	£m	£m	£m	£m	£m	£m	£m	
Housing Demand		8.38	-2.02	9.48	1.1	13%	1.1	0.00

Description of savings proposal

The Council currently have 200 households in hotel and nightly charged accommodation and the risk is over the next 3 years this will continue to rise at £82 per night and £91 per night respectively.

To assist in cost reduction we anticipate delivering 150 units purchased in the open market, 3 office to residential conversions comprising of 204 units and a modular unit of 18 properties that will look to yield 372 units by 2026.

However, in terms of savings the only scheme that we are able to offer savings in the near term from 25/26 period is the:

Modular Housing Waterloo Estate - 18 units

The total anticipated savings over the two years is £430k

Dependencies and Potential Risks

Delay to delivery due to planning constraints est. Sept 25.

Investment Required to Deliver the Saving (if any)

HRA related investment as part of the whole Waterloo Estate regeneration programme.

Service Impact if Saving was to be Delivered

Some reduction in overspend position
Reduction in risk to children's health and well being
Eliminate statutory six week fine for accommodating children in hotels

Sign Off

Date	Prepared By	Signed Off By
01.10.24	Darren Alexander	Patrick Odling Smee

Savings Template

Wards	Service	Directorate
All	Libraries	People

Value of Savings per Year

2025/26 (m)	2026/27 (m)	2027/28(m)	Total (m)	Once-off/Recurring
0.020			0.020	Recurring

Current Service Projection and Impact on Staffing

Current Service Projection/Forecast Spend	Impact on Staffing/Numbers add no
	No impact

Description of savings proposal

A saving against the library service's book stock budget of £30,000 in 2025/26 and £30,000 in 2026/27 has already been agreed as part of prior years' medium term financial strategy processes. An additional £20,000 is being proposed for 2025/26. This would take the book stock budget to £111,000 in 2025/26

Dependencies and Potential Risks

Potential consultation with Department of Culture Media and Sport

Investment Required to Deliver the Saving (if any)

None

Service Impact if Saving was to be Delivered

Potential deterioration of condition of book stock.

Sign Off

Date	Prepared By	Signed Off By
01.10.24	Richard Tyler	Kathy Freeman

Savings Template

Wards	Service	Directorate
NA	Registration Service	Resources

Value of Savings per Year

2025/26(m)	2026/27(m)	2027/28(m)	Total(m)	Once-off/Recurring
0.000	0.050		0.050	Recurring

Current Service Projection and Impact on Staffing

Current Service Projection/Forecast Spend	Impact on Staffing/Numbers add no
Registration forecast at P6: £0.184m underspend. Overall bottom line across Customer, Registration & Bereavement £0.099m overspend.	No impact

Description of savings proposal

Investment to create or procure an on-line booking solution within D365 for Ceremony/wedding bookings (Registration Service). Please note if the decision is to procure, ongoing costs will be incurred that are unknown at this time

For many years, the Registration Service has needed, and made the case for, a robust and user friendly booking system for weddings, ceremonies and functions. The current way of working is clunky and resource hungry. The service generates in excess of £900,000 of income each year. It is felt that a digital booking system would bring added value to the service and greater efficiency, bringing a range of benefits, for example:

- *Allowing the customer to view dates that are available for their wedding on line, **benefit: reduced telephone contact***
- *Payments on-line : so that customer can view the balance and make part, or full payment for their wedding, **benefit: reduced telephone/face to face contact***
- *An intelligent system with built in 'rules' that fit the needs of the business reducing the risk of human error (with functionality to cope with multiple rooms/venues that are each available at specific times depending on the day of week/time of year)
Benefit – less manual intervention and less margin for human error*
- *Customer able to book extras on-line eg: wedding enhancement & wedding rehearsals. **Benefit: increased income***
- *A system that works seamlessly with Civica Pay. **Benefit: quick reconciliation of payments against bookings. Robust accounting.***
- *SMS text reminders sent to customer or balance/reminders of key information*

Benefit: more timely payments, less time spent chasing

- Customer able to select wedding choices/reading on line

Benefit: saves staff time in contacting for this

- Ability to run reports providing useful MI to help inform decision making

The time 'saved' by the service can be used more effectively by the service to support income generation to make the saving, ie: opening up more appointments for Register Office weddings, more Ceremony slots, increased Notice of Marriage Appointments and increasing number of Approved Venues for marriage within Havering to be managed via the on-line solution.

Estimated lead in time 18 months for build & development of online solution.

Dependencies and Potential Risks

Dependant upon the build or procurement of an online bookings solution for weddings & ceremonies – lead in time estimated 18 months

Investment Required to Deliver the Saving (if any)

Estimated at £0.200m maximum. Approximately 4 year payback period.

Service Impact if Saving was to be Delivered

No negative impact

Sign Off

Date	Prepared By	Signed Off By
25/10/2024	Louise Roast	Kathy Freeman

Savings Template

Wards	Service	Directorate
[All]	[Safeguarding and Corporate Parenting]	Starting Well

Value of Savings per Year

2025/26 (m)	2026/27 (m)	2027/28 (m)	Total (m)	Once-off/Recurring
0.200	0.100		0.300	Recurring

Current Service Projection and Impact on Staffing

Current Service Projection/Forecast Spend	Impact on Staffing/Numbers add no
£500k to £600k	This assumes that the 10 Family Support Worker posts in the planned restructure are successfully recruited to.

Description of savings proposal

Childrens services spend approximately £500k to £600k on family support and similar services such as welfare checks. (Around £400k with one provider – PKS). Although these services are well used the outcomes are not always clear. As part of the childrens improvement plan restructure 10 family support worker posts have been created that will carry out similar functions but using staff directly employed and supervised by the Council. This will allow the service to reduce the volume of external support that needs to be purchased by at least £200k. By integrating this support more closely into the social work teams it is expected that there will be improved control and outcomes offering overall better value for money.

Dependencies and Potential Risks

Successful recruitment of family support workers.

Investment Required to Deliver the Saving (if any)

Cost of new posts already accounted for in Improvement Plan growth bid.

Service Impact if Saving was to be Delivered

This model has the potential to integrate family support more closely with the Safeguarding Social Work team offering more supervision and control and so potentially improved outcomes.

Sign Off

Date	Prepared By	Signed Off By
01.10.24	Katherine Heffernan	Tara Geere

Savings Template

Wards	Service	Directorate
All	Shared Lives	Live Well

Value of Savings per Year

2025/26 (m)	2026/27(m)	2027/28 (m)	Total (m)	Once-off/Recurring
0.150	0.150	0.150	0.450	Recurring

Current Service Projection and Impact on Staffing

Current Service Projection/Forecast Spend	Impact on Staffing/Numbers add no												
<p>Shared Lives contract helps people to live at the heart of their communities, as part of an ordinary household; living independently, but not alone. The contract will provide the provision of:</p> <ul style="list-style-type: none"> • long-term accommodation and support • short term respite services • day support for people with eligible needs for adult social care or for those who self -fund their care services. <p>The costs of the contract have been estimated for the 5 years of the contract based on average client number but are subject to variation due to demand. The contract price includes a 3% inflationary uplift on the banding rates for year 2 and 3 of the contract and a 2% inflationary uplift for years 5 and 6 of the contract.</p> <p>The total Cost for the 3 years + 2 years Contract are estimated to be £2.8m. This is broken down into estimated annual costs as per below:</p> <table> <tbody> <tr> <td>Year 1</td> <td>£530k</td> </tr> <tr> <td>Year 2</td> <td>£550k</td> </tr> <tr> <td>Year 3</td> <td>£560k</td> </tr> <tr> <td>Year 4</td> <td>£570k</td> </tr> <tr> <td>Year 5</td> <td>£590k</td> </tr> <tr> <td>Total</td> <td>£2800k</td> </tr> </tbody> </table>	Year 1	£530k	Year 2	£550k	Year 3	£560k	Year 4	£570k	Year 5	£590k	Total	£2800k	None
Year 1	£530k												
Year 2	£550k												
Year 3	£560k												
Year 4	£570k												
Year 5	£590k												
Total	£2800k												

Description of savings proposal

To achieve cashable savings by clients moving into a shared lives provision from previous higher cost traditional care provisions and to achieve overspend savings

by placing clients in a shared lives provision rather than an alternative suitable placement.

Dependencies and Potential Risks

If the client numbers in shared lives increase, then Adult Social Care will incur additional costs, but the cashable/overspend savings should be greater than the increase in costs.

Investment Required to Deliver the Saving (if any)

None

Service Impact if Saving was to be Delivered

No impact as savings are delivered through placing into shared lives rather than other traditional care provisions.

Sign Off

Date	Prepared By	Signed Off By
02/10/2024	Tom Fowler	Luke Burton

Savings Template

Wards	Service	Directorate
All	Various Reablement projects	Resources

Value of Savings per Year

2025/26 (m)	2026/27(m)	2027/28(m)	Total(m)	Once-off/Recurring
0.300			0.300	Recurring

Current Service Projection and Impact on Staffing

Current Service Projection/Forecast Spend	Impact on Staffing/Numbers add no
No current projected spend for 25/26 – current funding for the pilot ends on 31 st October 24	[Enter Impact on Staffing/Numbers]

Description of savings proposal

In September 2023 a Community Reablement pilot was implemented, funded by the Urgent and Emergency Care Fund and delivered by Essex Cares Limited (ECL) as part of contract variation on their core Reablement contract.

The purpose of the pilot was to trial a direct access pathway from primary care into reablement to prevent ED attendance / admission and make Reablement the default pathway for any new service users presenting at the Adult Social Care (ASC) front door. The aim was to reduce the number of people converting to a long term package of care following initial contact at the front door, reduce the number of people being placed into a long term package of care having had no previous service and reduce the number of people attending ED.

The service provision includes a maximum of 100 reablement care hours which equates to approximately 5 new starts into the service per week.

Initial evaluations have shown that on average 65% of people accessing this service do not need any further care at the end of the Reablement period.

The average number of people per quarter starting long term home care package via the ASC front door has reduced by 53%

The people receiving community reablement have on average 6.29 hours less care 7 weeks after the package has started compared to the people going directly into homecare. This equates to £147 per person per week.

Using the same rate of referrals and the same average outcome data the estimated savings for 25/26 are as follows:

Total savings: Community Reablement **£350k**

Cost - **£200k** for 100 block hours per week (only 60 hours are blocked so this is a maximum cost, the cost of the 60 hour block is £123kpa)

There are other reablement projects expected to deliver a further £150k resulting in a net saving of £300k

Net saving: **£300,000**

Dependencies and Potential Risks

Risks:

	Risk	Mitigation
1	Level of referrals diverted through the ASC front door are less than expected	Regular meetings with the team manager to ensure the process is being followed. Monthly analysis of the data
2	Lack of engagement from primary care resulting in few referrals into the service	Bi weekly meetings with LA, ICB and primary care leads to ensure engagement and address any concerns.
3	Expanding to all primary care networks could result in demand for the service being greater than the block capacity	Negotiations with the service provider to ensure unused capacity in the core service could be temporarily used in the community service to meet demand
4		
5		

Investment Required to Deliver the Saving (if any)

£200k for 100 hours of reablement per week

Service Impact if Saving was to be Delivered

No adverse service impact

Sign Off

Date	Prepared By	Signed Off By
01.10.24	Emma English	B Nicholls