

**APPENDIX C - SUMMARY OF SAVINGS TEMPLATES, APPROVED BY CABINET
IN NOVEMBER 2025**

Service	Brief Description	Value of Savings per Year (Net)		
		2026/27 £m	2027/28 £m	2028/29 £m
CORPORATE SAVINGS				
Corporate	Agency Levy	1.00		
Corporate	Charge to Pension Fund	0.05		
Corporate	Delete contribution to Capital Reserve	0.10		
CORPORATE TOTAL		1.15		
PEOPLE SAVINGS				
Adult Social Care	CHC Review – to identify placements which qualify for health funding (one off)	0.67	-0.67	
Adult Social Care	Direct payments claw-back (one off)	0.80	-0.80	
Adult Social Care	Review current contract to change to provide flexible care support	0.50		
Living Well Housing Demand	Inspired Solutions Scheme			6.32
Living Well Housing Demand	Modular housing in Rainham using existing sites			1.90
Living Well Housing Demand	Move Mother and Baby Unit into QLM	0.13		
Culture & Leisure	SLM revised charging agreement	0.70		
Starting Well	Children with Disabilities Unit – saving from capital project		0.20	0.20
Starting Well	Children’s Contact Centre – extending operational hours		0.26	
Starting Well	Children’s Homes Capital Bid		0.35	1.04
Starting Well	Children with Disabilities reduction to short breaks		0.03	0.02
PEOPLE TOTAL		2.80	-0.63	9.48

PLACE SAVINGS

**APPENDIX C - SUMMARY OF SAVINGS TEMPLATES, APPROVED BY CABINET
IN NOVEMBER 2025**

Service	Brief Description	Value of Savings per Year (Net)		
		2026/27 £m	2027/28 £m	2028/29 £m
Corporate Estate	Surrender of the Council's lease on Mercury House (Note this is one of a choice of two savings on this building)	0.15	0.15	
Commercial Property	Estimated income expected from rent, lease and renewals	0.15	0.07	
Highways	Establishment of lane rental scheme	0.25	0.25	
Highways	Road adoption – drawdown from reserve	0.07		
PLACE TOTAL		0.62	0.47	0.0
TOTAL NEW SAVINGS				
ADD BACK FOR ONE OFF SAVINGS		4.57	1.31 (1.47)	9.48

Savings Template – Agency Levy

Wards	Service	Directorate
All	Corporate	Corporate

Value of Savings per Year

	2026/27 (£m)	2027/28 (£m)	2028/29 (£m)	Total (£m)	One-off /Recurring
Gross Saving	-1.000			-1.000	Assume recurring
Investment Required COST*	0.000			0.000	
Net Saving	-1.000			-1.000	

Current Service Projection and Impact on Staffing

Current Service Projection/Forecast Spend	Impact on Staffing/Numbers add no
Current year forecast is 1.3m	None

Description of savings proposal

The Council charges Services an 8% overhead for agency workers which historically was added to the pension fund to recognise the loss of contributions to the pension fund through temporary staff rather than permanency. The Council has in recent years funded the past fund deficit through a lump sum held corporately the adequacy of which is tested by the actuary as part of the triennial review

The agency levy on services is therefore not required for the pension fund and so can be treated as a saving. The Council could cease the levy but the general view is that its existence incentivises services to proactively reduce agency levels. The saving is prudently assumed at £1m under the assumption that agency costs will reduce in 25/26 and continue to reduce in 2026/27.

Dependencies and Potential Risks

The saving is set at a level below the current agency level and so is likely to be exceeded in reality. If the Council did reduce its agency level to such an extent that this saving was not fully achieved this would be an overall benefit as the agency bill across services would have reduced significantly

A 1m rebate would be generated by £12.5m of general fund agency spend. It should be noted that not all agency spend attracts the levy (excluded areas are)

Investment Required to Deliver the Saving (if any)

No investment required

Service Impact if Saving was to be Delivered, how will risks be mitigated

No service impact – Saving has been in place for several years but has been previously treated as one off

Sign Off

Date	Prepared By	Signed Off By	Finance sign off
03/09/2025	R Tyler	K Freeman	R Tyler

Savings Template – Charge to Pension Fund

Wards	Service	Directorate
All	Corporate	Corporate

Value of Savings per Year

	2026/27 (£m)	2027/28 (£m)	2028/29 (£m)	Total (£m)	One-off/Recurring
Gross Saving	-0.050			-0.050	Recurring
Investment Required COST*	0.000			0.000	
Net Saving	-0.050			-0.050	

Investment Title	Link to Investment Template
None	

Current Service Projection and Impact on Staffing

Current Service Projection/Forecast Spend	Impact on Staffing/Numbers add no
Current year forecast is 0.050m	None

Description of savings proposal

A number of staff work directly on pension fund matters but their salary and other associated costs are initially coded to the general fund then charged to the pension fund.

Over the last few years, the budget for these staff has increased through pay awards and general inflation but the recharge budget has not been altered for several years to reflect these changes.

The recharge budget can now be increased by £50k to match the expenditure budgets which will be charged to the pension fund

Dependencies and Potential Risks

No dependencies – Only expenditure directly related to the pension fund will be recharged to that fund. This saving is simply realigning the recharge budget with current expenditure budgets

Investment Required to Deliver the Saving (if any)

No investment required

Service Impact if Saving was to be Delivered, how will risks be mitigated

No service impact

Sign Off

Date	Prepared By	Signed Off By	Finance sign off
03/09/2025	R Tyler	K Freeman	R Tyler

Savings Template – Delete Contribution to Capital Reserve

Wards	Service	Directorate
All	Corporate	Corporate

Value of Savings per Year

	2026/27 (£m)	2027/28 (£m)	2028/29 (£m)	Total (£m)	One-off /Recurring
Gross Saving	-0.100			-0.100	Recurring
Investment Required COST*	0.000			0.000	
Net Saving	-0.100			-0.100	

Current Service Projection and Impact on Staffing

Current Service Projection/Forecast Spend	Impact on Staffing/Numbers add no
Current year forecast is 0.100m	None

Description of savings proposal

As part of the treasury codes there has been a historic budgeted contribution to capital reserves of £100k. This has allowed the capital reserve to build up over years to enable flexibility in the funding of capital projects

In order to make an ongoing saving to the revenue budget the planned contribution to reserves will be removed. At year end the section 151 officer will annually review the adequacy of reserves including the capital reserve and contributions can be made if necessary, by using any unspent contingent items.

Dependencies and Potential Risks

No dependencies – The Capital reserve is closely monitored as part of the Council's budget monitoring review process and its adequacy is tested at the end of each year as part of the closedown process

Investment Required to Deliver the Saving (if any)

No investment required

Service Impact if Saving was to be Delivered, how will risks be mitigated

No service impact

Sign Off

Date	Prepared By	Signed Off By	Finance sign off
03/09/2025	R Tyler	K Freeman	R Tyler

Savings Template – Resource required for CHC Review

Wards	Service	Directorate
All	Adult Social Care	People – Ageing Well

Value of Savings per Year

	2026/27 (£m)	2027/28 (£m)	2028/29 (£m)	Total (£m)	One-off/Recurring
Gross Saving	0.670				One Off
Investment Required COST*	0.080				One Off
Net Saving	0.590				One Off

Investment Title	Link to Investment Template
Resource Required for CHC Review	CHC investment template See Growth schedule

Current Service Projection and Impact on Staffing

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

Description of savings proposal

The proposal seeks to invest £0.80m to recruit a Grade 9 social worker dedicated to reviewing high-cost care packages that may be eligible for NHS Continuing Healthcare (CHC) funding. By identifying and securing CHC funding for individuals whose care needs are primarily health-related, the project aims to reduce Adult Social Care (ASC) expenditure and ensure legal compliance with the CHC Framework and Care Act 2014. This targeted approach is expected to deliver potential savings of up to £0.670m.

Dependencies and Potential Risks

Dependencies:

- Successful recruitment of a suitably skilled CHC specialist.
- Cooperation from providers in supplying adequate evidence and records.
- Timely engagement and collaboration with health colleagues.
- Allocation of cases with potential CHC eligibility.

Risks:

- Delays or challenges in recruitment.
- Insufficient evidence from providers to support CHC applications.
- CHC eligibility may change over time, resulting in cases reverting to ASC.
- Risk of role dilution if the postholder is drawn into general casework or safeguarding.
- Some cases may have previously failed at dispute resolution stages.

Investment Required to Deliver the Saving (if any)

An investment of **£0.80m** is required to fund a Grade 9 social worker post. This resource will focus on reviewing three high-cost cases, with projected cost reductions of **£0.670m**. The option is scalable and presents a lower risk compared to a larger team investment. This is a pilot, and it will be reviewed at the end of the year to determine whether this should continue.

Service Impact if Saving was to be Delivered, how will risks be mitigated**Service Impact:**

- Improved compliance with legal frameworks.
- Positive impact through reduced financial pressure on ASC budgets.
- Enhanced partnership working with health colleagues.
- Increased staff awareness and understanding of CHC processes.

Risk Mitigation:

- Clear role definition to avoid dilution into general casework.
- Use of tracked CHC review processes and documentation to support applications.
- Early engagement with providers to ensure evidence availability.
- Ongoing support and briefing for ASC staff to strengthen CHC knowledge.
- Monitoring of CHC eligibility changes and proactive case management.

Sign Off

Date	Prepared By	Signed Off By	Finance sign off
29/10/2025	A Sykes		E English

Savings Template – Resource for Direct Payment claw-back

Wards	Service	Directorate
All	Adult Social Care/Living Well Adult Social Care	People - Ageing Well/People Living Well

Value of Savings per Year

	2026/27 (£m)	2027/28 (£m)	2028/29 (£m)	Total (£m)	One-off /Recurring
Gross Saving	0.800				One Off
Investment Required COST*	0.050				One Off
Net Saving	0.750				One off

Investment Title	Link to Investment Template
Resource Required for Direct Payment Clawback	Investment Template See Growth appendix

Current Service Projection and Impact on Staffing

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

Description of savings proposal

Employing a dedicated grade 6 resource on a fixed term contract to clawback unused direct payments. Currently the Direct Payments (DP) team has insufficient capacity to review all DP accounts and where applicable, clawback unspent funds. An additional resource will help to prevent the accumulation of unused funds in service users' accounts. Significant underspends on users accounts can also serve as a prompt to review individual care needs, ensuring that allocated resources remain aligned with current needs

Dependencies and Potential Risks

The achievement of the projected savings is contingent upon the timely recruitment to this post. Delays in appointing the successful candidate may result in a portion of the anticipated savings being deferred to 2027/28.

As these savings are one-off in nature, the recruitment for this role will be on a fixed-term contract basis only.

Investment Required to Deliver the Saving (if any)

To deliver these savings of £0.800m, an investment of **£0.050 million** is required . This investment is also a one-off cost and will be used to employ a Grade 6 resource to undertake the work.

Service Impact if Saving was to be Delivered, how will risks be mitigated

- The service will benefit from a more robust approach to managing direct payments, ensuring that unused funds are reclaimed efficiently and redirected to where they are most needed.
- Employing a dedicated Grade 6 resource will help to maintain financial integrity and prevent the accumulation of surplus monies in users' accounts. This will also support regular reviews of care needs, ensuring that allocations remain appropriate and responsive to individual circumstances.
- Reduce financial pressure on Adult Social Care and support with delivery of savings

Risk Mitigation

- Risks associated with the delivery of savings, such as delays in recruitment, will be mitigated by closely monitoring the appointment process and setting clear timelines for onboarding.
- Robust processes, clear procedures, and a well-defined remit will be established for the role, ensuring the appointed individual remains fully focused on recovering unused direct payments.
- Regular reviews and audits will be implemented to ensure that clawback procedures are consistently followed and that any emerging issues are addressed promptly.
- The contract's fixed duration offers flexibility to terminate upon project completion.

Sign Off

Date	Prepared By	Signed Off By	Finance sign off
11/09/25	Lurleen Trumpet		E English

Savings Template – Flexible Care Support

Wards	Service	Directorate
All	Adult Social Care	People – Ageing Well

Value of Savings per Year

	2026/27(£m)	2027/28 (£m)	2028/29 (£m)	Total (£m)	One-off /Recurring
Gross Saving	0.500				Recurring
Investment Required COST*	0				Recurring
Net Saving	0.500				Recurring

Investment Title	Link to Investment Template
N/A	

Current Service Projection and Impact on Staffing

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

Description of savings proposal

Redesign of Extra Care Criteria

This proposal seeks to revise the current contract to enable the delivery of more flexible care support, including adaptable hours based on individual needs. Presently, eligibility is limited to individuals who either receive or require a formal care package. However, this excludes a cohort of vulnerable individuals who may need general support. These individuals could greatly benefit from extended, community-based interventions that help mitigate associated risks.

To support this shift, proactive steps will be taken to optimise the use of any available void flats. This includes identifying both community and residential care options that could be more effectively managed within Extra Care settings. If implemented successfully, this approach would allow for a reduction in the number of individuals placed in residential or nursing care due to a lack of suitable housing options—particularly those awaiting discharge from hospital who are currently placed in long-term care by default.

Dependencies and Potential Risk:

Savings Dependencies

- The Commissioning team's ability to complete a timely contract review and implement the proposed changes effectively.
- Adult Social Care (ASC) swiftly identifying and transitioning appropriate individuals into Extra Care settings to fully realise the benefits of the revised eligibility criteria.
- Strong engagement with key stakeholders—including care providers, residents, and families—to ensure understanding and support for the new service model.
- Continued collaboration with health partners to identify individuals who would benefit most from flexible, community-based support
- Maximising the use of available void flats by aligning placements with individuals whose needs can be safely and effectively supported within Extra Care settings, thereby reducing reliance on more costly residential care.

Potential Risks:

- Changes in the needs or circumstances of identified individuals may limit the ability to achieve projected savings.
- Delays in the contract review or implementation process could postpone the realisation of financial benefits.
- The introduction of new tenants with complex needs may affect the stability of the service and require enhanced support or risk management strategies.

Investment Required to Deliver the Saving (if any)

No additional investment is required; review of the contract is currently being undertaken by Commissioning.

Service Impact if Saving was to be Delivered, how will risks be mitigated

- Delivers improved outcomes for adults through more flexible and less restrictive support models
- Encourages independence by embedding strength-based practices into care delivery
- Helps reduce overall care costs, easing financial pressures on Adult Social Care (ASC)
- Supports the preventative agenda by addressing needs early and promoting long-term wellbeing

Sign Off

Date	Prepared By Lurleen Trumpet	Signed Off By	Finance sign off
11/09/2025	Lurleen Trumpet		E English

Savings Template – Inspired Solutions Scheme

Wards	Service	Directorate
ALL	Living Well Housing Demand	People

Value of Savings per Year

	2026/27 (£m)	2027/28 (£m)	2028/29 (£m)	Total (£m)	One-off /Recurring
Gross Saving	0.000	0.000	6.320	6.320	Recurring
Investment Required COST*	0	0	0	0	Recurring
Net Saving	0.	0	6.320	6.320	Recurring

Investment Title	Link to Investment Template
N/A	

Current Service Projection and Impact on Staffing

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

Description of savings proposal

Inspired Solutions is an option to build to rent up to 600 temporary accommodation properties at the local housing allowance. It is a scheme that is delivered based on the following model:

- 40-year nominations agreement
- 40-year underwriting of the management of the properties for voids and bad debts.
- Rents capped at LHA 2024 and increasing only when LHA rates are uplifted.

The scheme will be delivered using a vehicle provided by Inspired Solutions. This would mean it is eligible to issue Assured Shorthold Tenancies (or their successors), at the local housing allowance 2024.

2028/29 Assumes delivery of up to 200 properties at the beginning of 2028/29 financial year.

LBH will need to cover voids, bad debts and any repairs over general maintenance. Detailed modelling will need to be undertaken to ascertain the likely costs.

Dependencies and Potential Risks

Dependencies include

Inspired Solutions ability to deliver to timeframes

Land availability

Planning permission

Investment Required to Deliver the Saving (if any)

No investment required. When detailed costings have been received, an amount will need to be set aside to cover voids, bad debts and repairs above general maintenance.

Service Impact if Saving was to be Delivered, how will risks be mitigated

The service would be able to rapidly exit out of its nightly rate property portfolio delivering cost avoidance of £6.319m.

Risks will be that households choose against moving and make suitability review requests that delay moves. We will make an offer of accommodation and discharge our duty in the event of refusals of a suitable property.

Sign Off

Date	Prepared By	Signed Off By	Finance sign off
08.09.25	Darren Alexander Assistant Director Housing Demand	Patrick Odling- Smee	E English

Savings Template – Modular Housing in Rainham

Wards	Service	Directorate
ALL	Living Well Housing Demand	People

Value of Savings per Year

	2026/27 (£m)	2027/28 (£m)	2028/29 (£m)	Total (£m)	Once-off/Recurring
Gross Saving	0	0	1.896	1.896	Recurring
Investment Required COST*	0	0	0	0	Recurring
Net Saving	0	0	1.896	1.896	Recurring

Investment Title	Link to Investment Template
N/A	

Current Service Projection and Impact on Staffing

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

Description of savings proposal

Modular Housing in Rainham using existing sites that have been disposed of during a Joint Venture agreement with Notting Hill Genesis. A land assembly of those sites will undergo feasibility studies to deliver up to 60 permanent modular homes for families.

The properties will be let at the Local Housing Allowance 2024 and be managed on General Fund land so has the possibility of sitting within Queen's Lettings Management (QLM) so the Council can achieve the rent level.

Dependencies and Potential Risks

Land assembly for modular housing

Grant from GLA to mitigate costs of site ground works.

Investment Required to Deliver the Saving (if any)

No Capital investment is required to buy the units as they can be leased unless purchasing each property so instead remaining capital will be applied to the ground works and site preparation. This can be met through grant by the Greater London Authority (GLA).

Service Impact if Saving was to be Delivered, how will risks be mitigated

Service will continue to effort to reduce the use of hotels and nightly paid accommodation however without significant supply this will continue to be a risk to service.

Sign Off

Date	Prepared By	Signed Off By	Finance sign off
08.09.25	Darren Alexander Assistant Director Housing Demand	Patrick Odling-Smee	E English

Savings Template – Mother & Baby Unit

Wards	Service	Directorate
ALL	Living Well Housing Demand	People

Value of Savings per Year

	2026/27 (£m)	2027/28 (£m)	2028/29 (£m)	Total (£m)	One-off/Recurring
Gross Saving	0.130	0	0	0.130	Recurring
Investment Required COST*	0	0	0	0	Recurring
Net Saving	0.130	0	0	0.130	Recurring

Investment Title	Link to Investment Template
N/A	

Current Service Projection and Impact on Staffing

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

Description of savings proposal

The Mother and Baby Unit is a 12-unit studio bed scheme on Mawney Road. It is managed by the hostels team with an existing 2-year lease.

With the incorporation of the Queen's Lettings Management (QLM) Community Interest Company (CIC) this property which is currently subject to LHA 2011 less 10% the Mother and Baby Unit is eligible for exempt housing benefit status where the cost of the site can be met almost exclusively by the Housing Benefit amount.

Dependencies and Potential Risks

Agreement to move asset into QLM

Secure exempt Housing Benefit for the Mother and Baby Unit.

Risk of eligibility for the full enhanced rate.

Risk if we do not proceed with QLM model.

Investment Required to Deliver the Saving (if any)

No investment required just a structural adjustment i.e. where the asset lease currently sits in the general fund will need to be moved to QLM (CIC).

Service Impact if Saving was to be Delivered, how will risks be mitigated

Service will continue to support mothers and their babies however, the staffing costs to provide support and security services will be met by the enhanced housing benefit rate as opposed to the general fund subsidy.

The building rent level will be set within the LHA 2024 level.

An application for exempt housing benefit can be made to achieve the enhanced housing benefit rate.

The building itself if there is an occupancy challenge and can be flipped to an appropriate client group with little impact on HB status.

Sign Off

Date	Prepared By	Signed Off By	Finance sign off
08.09.25	Darren Alexander Assistant Director Housing Demand	Patrick Odling-Smee	E English

Savings Template – SLM Agency Model

Wards	Service	Directorate
	Culture and Leisure	People – Living Well

Value of Savings per Year

	2026/27 (£m)	2027/28 (£m)	2028/29 (£m)	Total (£m)	One-off/ Recurring
Gross Saving	0.700			0.700	Recurring
Investment Required COST*	0				
Net Saving	0.700			0.700	Recurring

Investment Title	Link to Investment Template

Current Service Projection and Impact on Staffing

Current Service Projection/Forecast Spend	Impact on Staffing/Numbers add no
The service returns a surplus.	The management of the VAT recovery will require finance resource to process the payments and recover the VAT.

Description of savings proposal

Leisure Management Contract – Agency Model (In Practice)

Under the Agency Model, all income from the leisure facilities is treated as Council income, with any VAT due accounted for in the Council's VAT returns. As leisure services provided by local authorities are classed as a non-business activity, the Council can recover VAT on charges from the operator (e.g. SLM) and on facility-related costs. This approach keeps income within the Council, allows VAT recovery, and is anticipated to deliver savings of around £0.700m per annum.

Dependencies and Potential Risks

Under the Agency Model, the Council benefits from VAT recovery and projected savings of £0.700m per year, but it also carries key risks. These include financial exposure if income falls, responsibility for compliance with complex VAT rules, reliance on the operator's performance and potential costs for facility maintenance or service disruption.

Investment Required to Deliver the Saving (if any)

N/A

Service Impact if Saving was to be Delivered, how will risks be mitigated

The £0.700m annual saving is expected to be delivered without reducing frontline services, as efficiencies come mainly from VAT recovery and improved contract arrangements. Risks will be managed through close performance monitoring of the operator, clear contractual responsibilities for maintenance, ongoing financial oversight and specialist VAT advice to ensure compliance. Regular reporting and contingency planning will help protect service quality and minimise disruption.

Sign Off

Date	Prepared By	Signed Off By	Finance sign off
31/10/25	Manny Manoharan	Patrick Odling-Smee	E English

Savings Template – CWD Capital Request

Wards	Service	Directorate
Tbc	Corporate Parenting	Starting Well

Value of Savings per Year

	2026/27 (£m)	2027/28 (£m)	2028/29 (£m)	Total (£m)	One-off/ Recurring
Gross Saving		-0.200	-0.200		Recurring savings on placement costs
Investment Required COST*					
Capital Investment	3.800				Once off
Net Saving	3.800	-0.200	-0.200		

Investment Title	Link to Investment Template
Starting Well – Children with Disabilities Unit – Capital Request	Starting Well - Childrens w Disabilities Unit - Capital Request.docx

Current Service Projection and Impact on Staffing

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

Description of savings proposal

The savings are based on a business case (Aldwych Business Case) presented a few years ago recommending that running our own short breaks unit would be commercially viable. This business case is currently being reworked for a centre to be built next to the Balgore's site providing short breaks and 2 long stay home places for CWD.

Currently, short breaks go to Kent and Essex and there is a need for services in the borough.

The 2 local long stay home places for CWD would mean that children can continue in their local school. This would mean that their needs would be met through

additional high needs funding for mainstream schools, rather than an out of borough placement at an independent provision, which is significantly more costly.

The Investment will deliver cost avoidance in the following ways:

- Unit cost on purchasing care for current children. - estimated to be £100 cheaper per night cheaper than private sector.
- Avoidance of children going long term into care, due to families being under pressure in the absence of short break provision leading to families collapsing and children coming into care when they don't need to.
- Bigger cost avoidance for residential children going to out of borough schools would result in placement cost savings of around £100k per child per year.
- Additional cost avoidance would be felt across the service in social work care costs, cost of families going to visit which we cover, home to school transport costs.

Dependencies and Potential Risks

Dependent on capital investment as below

Investment Required to Deliver the Saving (if any)

The gross capital cost is £3.8m to build the home

The Council is bidding for money from NHS England, to deliver the short breaks side of that building. This would result in £2.2m of income to offset the cost. However, the decision-making process in NHS is subject to a different timeline and so the Capital bid uses the £3.8m as a worst-case scenario. The NHS Income decision goes to expert board in December, and the Council should know the outcome by January with the money potentially being available in April.

Service Impact if Saving was to be Delivered, how will risks be mitigated

The cost avoidance would result in both a positive financial impact as well as a positive service impact by reducing unit costs on purchasing care for current children, avoiding children going into long term care by alleviating some pressure through short breaks provision, cost avoidance for residential children who will not need to attend out of borough schools saving placement and transport costs.

Sign Off

Date	Prepared By	Signed Off By	Finance sign off
09/09/2025		T geere	K Heffernan

Savings Template – Children's Contact Centre – extending operational hours

Wards	Service	Directorate
	Starting Well – Early help	People

Value of Savings per Year

	2026/27 (£m)	2027/28 (£m)	2028/29 (£m)	Total (£m)	One-off/Recurring
Gross Saving		0.260			Recurring
Investment Required COST*		-0.110			Recurring
Net Saving		0.150			Recurring

Investment Title	Link to Investment Template

Current Service Projection and Impact on Staffing

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

Description of savings proposal

This business case proposes extending the operational hours of Elm Park Children's Centre to 8 AM–8 PM, seven days a week, and repurposing three rooms within the centre to host private supervised contact (family time) sessions.

The aim is to align the room hire and supervised contact charges with those of other Local authorities like Sutton Family Centre, which generates income by offering supervised contact, room hire, and drop-off services. The aim is to increase the centre's income and close its current operating deficit.

FINANCIAL PROJECTIONS (Assuming 100% UTILISATION)

1. SUPERVISED CONTACT SESSIONS

- Charge: £90 per hour (including supervisor and report)
- Projected Weekly Sessions at 100% Utilization: 40 sessions
- Annual Income Potential:
- 40 sessions x £90 x 52 weeks = £187,200

2. ROOM HIRE FOR PRIVATE CONTACT (NO SUPERVISOR)

- Charge: £70 per hour
- Projected Weekly Hours at 100% Utilization: 15 hours
- Annual Income Potential:
- 15 hours x £70 x 52 weeks = £54,600

3. DROP-OFF SERVICE FOR HANDOVERS

- Charge: £30 per session
- Projected Weekly Drop-offs at 100% Utilization: 10 drop-offs
- Annual Income Potential: 10 drop-offs x £30 x 52 weeks = £15,600

TOTAL ANNUAL INCOME AT 100% UTILISATION

- Supervised Contact Sessions: £0.19m
- Room Hire for Private Contact: £0.05m
- Drop-off Service for Handovers: £0.02m
- Total Income: £0.26m

FINANCIAL IMPACT WITH FULL UTILISATION

With an operational cost of £0.110m the net income at 100% utilization would be:

- Total Income at 100% Utilization: £0.26m
- Estimated Operational Cost: £0.11m
- **Surplus: £0.150m**

At 100% utilisation, the centre would generate a substantial surplus of £0.150m annually, positioning it well for reinvestment and enhanced services for the community.

Dependencies and Potential Risks

There is a risk that it will not achieve 100% utilisation. But even at 50% utilisation the centre would still operate with a surplus, generating approximately £0.024m annually, covering its current deficit and contributing to financial sustainability.

Investment Required to Deliver the Saving (if any)

£43k has already been invested from the corporate landlord budget to carry out refurbishment works and valley gutter roof repairs.

Service Impact if Saving was to be Delivered, how will risks be mitigated

At 100% utilisation, the centre would generate a substantial surplus of £0.150m annually, positioning it well for reinvestment and enhanced services for the community.

There is a risk that it will not achieve 100% utilisation. But even at 50% utilisation the centre would still operate with a surplus, generating approximately £0.024m annually, covering its current deficit and contributing to financial sustainability.

Sign Off

Date	Prepared By	Signed Off By	Finance sign off
09/09/2025		T geere	K Heffernan

Savings Template – Children's Homes Capital Bid

Wards	Service	Directorate
Tbc	Corporate Parenting	Starting Well

Value of Savings per Year

	2026/27 (£m)	2027/28 (£m)	2028/29 (£m)	Total (£m)	One- off/Recurring
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Gross Saving		(£1.04m)	(£3.12m)		Recurring
Investment Required COST*		£0.69m	£2.08m		Recurring
Capital Investment	£0.55m				One Off
Net Saving		(£0.35m)	(£1.04m)		

Investment Title	Link to Investment Template
Childrens Homes Capital Bid	Starting Well - Childrens Homes - Capital Request.docx

Current Service Projection and Impact on Staffing

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

Description of savings proposal

Assumed % Increase per Year for service user group	Basis/Rationale
Provision for 3 to 6 children depending on needs and complexity.	Two separate establishments that can provide homes for small numbers of children with highly complex needs.
Net weekly unit cost of around £7k to £8k a week	Through strong commissioning and close partnership, we expect to be able to negotiate a cost of care that is much lower than is usually obtained on the open market. This would be a saving of around £5,000 per week allowing a potential net benefit of up to £1.2m a year. If not required for LBH children we would expect to sell beds to other LAs.

Dependencies and Potential Risks

Investment Required to Deliver the Saving (if any)

£2.2m gross cost
(£1.1m DfE funding)
(£0.55m Health funding)

Service Impact if Saving was to be Delivered, how will risks be mitigated

This proposal is a key measure to provide an alternative to the current care placement market and as such allows us to mitigate the strong upwards pressure in this budget.

Sign Off

Date	Prepared By	Signed Off By	Finance sign off
09/09/2025		T Geere	K Heffernan

Savings Template – CWD reduction to short breaks

Wards	Service	Directorate
Tbc	Corporate Parenting	Starting Well

Value of Savings per Year

	2026/27 (£m)	2027/28 (£m)	2028/29 (£m)	Total (£m)	One-off/ Recurring
Gross Saving					

Investment Required COST*	0.090				
Net Saving		-0.025	-0.025		

Investment Title	Link to Investment Template
Starting Well – Other Staffing Requests – Growth and Investment	Starting Well - Other staffing requests - Growth and Investment.docx

Current Service Projection and Impact on Staffing

Current Service Projection/Forecast Spend	Impact on Staffing/Numbers add no
	None

Description of savings proposal

CWD IRO reviewing short breaks

- £90k - 1 IRO fixed term for 1year. to urgently review inconsistent practice and explore savings opportunities for CWD placements.
- This is an area of inconsistent practice that needs urgent review. With rising demand and spend. It may also deliver savings if it is found some packages can be reduced .

£25k savings set as an initial target. It will need monitoring. If it works, it will deliver continued savings.

Dependencies and Potential Risks

This approach is expected to deliver savings assuming some packages can be reduced but this is not guaranteed.

£25k savings set as a target. It will need monitoring. If it works, it will deliver continued savings.

Investment Required to Deliver the Saving (if any)

£90k - 1 IRO fixed term for 1 year to urgently review inconsistent practice and explore savings opportunities for CWD placements.

Service Impact if Saving was to be Delivered, how will risks be mitigated

Positive service impact as it will benefit from more consistent practice and potential savings

Sign Off

Date	Prepared By	Signed Off By	Finance sign off
09/09/25		T Geere	K Heffernan

Savings Template – Surrender of the Council’s lease on Mercury House *(One or other of Live Well proposal above)*

Wards	Service	Directorate
Romford Town	Capital Delivery & Corporate Estate	Place

Value of Savings per Year

	2026/27 (£m)	2027/28 (£m)	2028/29 (£m)	Total (£m)	One- off/Recurring
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Gross Saving	(0.145)	(0.150)		(0.295)	Recurring
Investment Required COST*					
Net Saving	(0.145)	(0.150)		(0.295)	Recurring

Current Service Projection and Impact on Staffing

Current Service Projection/Forecast Spend	Impact on Staffing/Numbers add no
£0.448m Forecast £0.153m Pressure	None

Description of savings proposal

Surrender of the council's lease of Mercury House

Dependencies and Potential Risks

Currently subject to negotiations with Landlord on potential surrender options for Mercury House.

A formal decision on the future of Mercury House is due to be put forward in the Autumn once the financial position has been clarified.

Investment Required to Deliver the Saving (if any)

Discussions around the surrender of the lease will clarify if any investment is required.

Service Impact if Saving was to be Delivered, how will risks be mitigated

If not achieved the empty building will continue to incur running costs with no value to the authority and the building will continue to deteriorate.

Sign Off

Date	Prepared By	Signed Off By	Finance sign off
September 2025	Danielle Goldsmith	Paul Walker	J Gandy

Savings Template – Estimated income expected from rent, lease and renewals

Wards	Service	Directorate
All	Commercial Property	Place

Value of Savings per Year

	2026/27 (£m)	2027/28 (£m)	2028/29 (£m)	Total (£m)	One- off/Recurring
Gross Saving	(0.150)	(0.075)		(0.225)	Recurring

Investment Required COST*	0				
Net Saving	(0.150)	(0.075)		(0.225)	Recurring

Current Service Projection and Impact on Staffing

Current Service Projection/Forecast Spend	Impact on Staffing/Numbers add no
(£4.235m) Total income £0.441m under-recovery	No impact on staffing.

Description of savings proposal

Estimated income of approximately (£0.150m) expected from rent and lease renewals due in 2026/27, with a further (£0.075m) from full year effect impacts of said renewals.

Dependencies and Potential Risks

Dependant on the reviews and renewals completing within 2025/26.

Growth bid of 350k has also been put forward to reduce the current income target of £4.996m.

Rental income (General Fund) from the Council's retail and other commercial assets is currently generating a cumulative annual revenue stream of £4.65m

It is expected that the agreement of outstanding rent review and lease renewal transactions in-year may serve to mitigate this shortfall reducing the projected shortfall to £0.200m.

Investment Required to Deliver the Saving (if any)

None.

Service Impact if Saving was to be Delivered, how will risks be mitigated

If not achieved this will cause further pressure in Commercial property.

Sign Off

Date	Prepared By	Signed Off By	Finance sign off

September 2025	Danielle Goldsmith	Paul Walker	J Gandy
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Savings Template - Implementation of a Lane Rental Scheme

Wards	Service	Directorate
All	Highways	Environment

Value of Savings per Year

	2026/27 (£m)	2027/28 (£m)	2028/29 (£m)	Total (£m)	One- off/Recurring
Gross Saving	(0.250)	(0.250)		(0.500)	Recurring

Investment Required COST*	0.125	0.125		0.250	Recurring
Net Saving	(0.125)	(0.125)		(0.250)	Recurring

Investment Title	Link to Investment Template
Establishment of Lane Rental Scheme	As per Growth Investment Template

Current Service Projection and Impact on Staffing

Current Service Projection/Forecast Spend	Impact on Staffing/Numbers add no
Street works A27036 Current Budget (£0.415m) P5 Forecast (£0.300m) P5 forecast variance £0.115m Pressure relates to unachievable income budgets. Highways online overall.	Three additional staff as per the growth template will be required to administer the scheme. The staff costs and other costs (IT, management oversight) are met from the additional income generated from the lane rental scheme.

Description of savings proposal

The council has powers through The New Roads & Street Works Act 1991 (NRSWA) and the Traffic Management Act 2004 (TMA) to introduce and operate a lane rental scheme.

A lane rental scheme applies to the borough's busiest roads at the busiest times only. It gives works promoters working on these roads at these times incentive to find alternatives and speed up their works, reducing congestion and disruption.

Lane rental charges are set low, medium and high and range from £1,000 to £2,500 per day.

Cabinet will be required to approve the implementation of the scheme during 2025/26 following an application to the Secretary of State for Transport (to approve the boroughs scheme).

An assessment as to the anticipated volume of applicable road works, following any behaviour changes, has been made and lane rental income is predicted to be between £1.0m and £1.4m per annum.

Additional costs to administer the scheme, met by this income, will be incurred. This has been estimated to be £0.250m per annum.

The boroughs own road works will be included.

The surplus from the scheme, estimated to be £0.250m from 2027/28 can be used for:

- Highway works which reduce congestion.
- To support innovative techniques and technologies for speeding up street and road works.

The council, as well as other works promoters in the borough, can make bids to use the surplus.

Within the statutory guidance it is stated that the government intends to also allow up to 50% of the surplus to be used for highway maintenance and intends to change the relevant legislation later in 2025 (and this has recently been consulted on).

Accordingly, whilst the surplus (and therefore saving) is expected to be beyond £0.250m this could fluctuate each year due to others potentially bidding to access the surplus.

Many of the costs to develop and apply for scheme approval are being incurred in 2025/26.

Dependencies and Potential Risks

The proposal and scheme is still in development stages. To adopt the scheme a number of milestones must be delivered. These are listed below

The adoption of a Lane Rental Scheme will require Cabinet approval.

An application to the SoS is required. The DfT will assess the councils submission before reporting to the SoS. This presents a risk to both timeframe and acceptability. Amendments may be required, for example.

DfT reviews submissions to the SoS at set periods of time in the year. Current applications have been delayed meaning future assessment periods may be pushed back. Therefore, deadlines set by Department for Transport may mean any scheme could not be implement until much later in 2026/7.

The proposal to allow 50% of surplus being used for maintenance may not come into force. This would hinder Havering's use of the surplus and reduce the saving.

A new scheme could drive significant behaviour change meaning lane rental income is much lower than predicted. This would mean the saving would be unachievable - albeit a conservative view on behaviour change has been made.

The spending and allocation of surplus funds must be discussed and decided at a board comprising of key stakeholders. Risk is therefore attached to the council accessing the surplus, or gaining board approval, although set criteria for spending surplus provides some protection to the council. The rules also reduce the potential for others to access the fund.

Investment Required to Deliver the Saving (if any)

Existing, fully funded (from existing budgets) staff will develop and implement the scheme. This is estimated to be around £0.010m in 2025/26 and 2026/27.

Consultancy cost of £0.005m during 2025/26 to produce a permit scheme report.

Service Impact if Saving was to be Delivered, how will risks be mitigated

Improvement to traffic conditions and reduction of congestion. Associated environmental improvements

A scheme would require the council to coordinate its own work to avoid charges where possible. This can be achieved.

Sign Off

Date	Prepared By	Signed Off By	Finance sign off
30/10/25	Mark Hodgson	Imran Kazalbash	Joel Gandy

Savings Template - Road Adoption Fund

Wards	Service	Directorate
All	Highways	Environment

Value of Savings per Year

	2026/27 (£m)	2027/28 (£m)	2028/29 (£m)	Total (£m)	One- off/Recurring
Gross Saving	(0.075)			(0.075)	Recurring
Investment Required COST*	N/A				

Net Saving	(0.075)				
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Investment Title	Link to Investment Template
N/A	

Current Service Projection and Impact on Staffing

Current Service Projection/Forecast Spend	Impact on Staffing/Numbers add no
A27002	No impact.
Budget: £2.758m	
Forecast at P5: £2.724m	
Forecast variance: (£0.034m)	

Description of savings proposal

The Council will utilise its S38 and S278 Reserve by drawing down £0.075m per annum to reduce the net highway budget required thereby producing a saving.

When the council enters into Highway Act s38 and s278 agreements there is usually a condition that the third party (developer) pays a contribution to future maintenance of the highway asset built. The authority takes responsibility for the adopted asset in terms of maintaining it within its wider infrastructure maintenance programme.

The contribution is based on a percentage of the build cost. At present the contribution is held in reserve and over the years the reserve has built up.

This saving is to drawdown £0.075m per annum from the reserve, until further notice. This will allow the general revenue contribution to highway maintenance to be reduced by the same amount.

Dependencies and Potential Risks

Slowing down of developer activity meaning fewer agreements and less contributions.

The reserve reducing to zero after 12 years if it is not replenished.

The true cost of maintenance of the network will continue to rise because of developer works. By offering a saving equal to the drawdown this will add future pressure to maintenance budgets. The situation will be kept under review and growth requests submitted if and when required or additional drawdown.

Investment Required to Deliver the Saving (if any)

None

Service Impact if Saving was to be Delivered, how will risks be mitigated

No risks other than those above

Sign Off

Date	Prepared By	Signed Off By	Finance sign off
30/10/2025	M Hodgson	I Kazalbash	J Gandy