

Directorate	Saving Proposal	Saving Category	Cabinet Member	2020/21 Saving £'000	2021/22 Saving £'000	2022/23 Saving £'000	2023/24 Saving £'000	2020-24 Total Saving £'000	Savings Description	Risks	Risk Mitigation
Resident Services	Parking Income	Income Generation	Cllr Holland	2,427	817	283	0	3,527	A new organisational structure went live in August 2019/20 which has an additional cost of £182k. This is growth within our back office to be able to handle increased levels of correspondence related to PCNs and Permits. There will be additional costs related to the purchase of new CCTV Cameras. It is intended that these will be funded through the parking reserves. There will be additional contract costs for the provision of additional enforcement resource. The cost for an additional 20 Civil Enforcement Officers, if able to recruit and maintain resource levels is likely to be in the region of £700k p.a. However, resources and contract costs related to the maintenance of our Pay & Display machines and cash collection services will generate savings of £450k p.a.	<ul style="list-style-type: none"> Improvements in customer compliance will result in lower levels of enforcement Delays or postponement to the introduction of CPZs will impact on permit income Motorists opt for more sustainable transport and sell their vehicles, thereby reducing paid for parking An increase in enforcement activity may result in the need to increase our PCN cancellation budget as well as our bad debt provision Revised fees & charges are not approved 	<ul style="list-style-type: none"> If there are better levels of compliance, enforcement resource could potentially be redeployed to tackle environmental crime (littering, dog fouling, spitting, street urination) The service will continually monitor fees & charges and introduce additional service offerings to ensure the costs to deliver the service are covered We will continue to monitor demand for paid for parking spaces and, if necessary, review alternative ways to utilise kerbside space effectively. Monitor the quality of our PCN issuance continuously to minimise the need to cancel PCNs and meet monthly with finance to ensure there is sufficient bad debt provision.
Resident Services	Increased Income from Landlord Licensing	Income Generation	Cllr Holland	0	600	0	0	600	Based on the licensing scheme undertaken in other authorities there is an opportunity to review the service and increase the income	<ul style="list-style-type: none"> No support from Member to increase license fees or broaden the scope for applying the licenses 	<ul style="list-style-type: none"> Benchmark with other authorities to ensure the service is in line with other London boroughs
Resident Services	Commercial Opportunities	Income Generation	Cllr Holland	0	0	0	1,000	1,000	We will be exploring new opportunities over the next two years to identify a sustainable method to maintain an additional £1m income per annum. The areas currently in focus will be digital, advertising, cemeteries, processing and selling in-house services to the private sector.	<ul style="list-style-type: none"> A separate risk assessment will be carried out for each intervention to generate income. 	<ul style="list-style-type: none"> An income opportunity may not be implemented if the risk is deemed too high but this will be assessed on a case by case basis.
Resident Services	Waste Disposal	Service Transformation – Non Staffing	Cllr Holland	0	150	0	0	150	Following a number of initiatives to increase recycling and reduce waste such as <ul style="list-style-type: none"> Increasing recycling from flats above shops Reduced contamination Increased participation in food waste Revised bulky waste collection services Increased enforcement We have seen a reduction in the expenditure associated with waste disposal. This proposal will take a saving of £150,000 in 2021/22. This will leave enough budget to deal with the peaks and troughs associated with waste disposal throughout the year.	<ul style="list-style-type: none"> Inflationary bids for the cost of waste disposal are not agreed on an annual basis Waste increases beyond that forecasted Unforeseen changes in legislation 	<ul style="list-style-type: none"> Paper to be produced each year to reflect the increases in gate fees for corporate services to agree Continued work on customer outreach, education and enforcement New contract to set targets for continued increases in recycling and waste reduction Participate in government consultations and support for DRS and Packaging Producer responsibility schemes
Sustainable Growth and Opportunity	Staffing	Income Generation	Cllr Bennett	20	10	0	0	30	General Fund savings have been identified by using proportionate amounts of secured grant funding as contribution towards staff salaries. Whilst most awards include finance to recruit additional capacity to deliver the programme, a proportion of the cost of the core team will be claimed against grants for their time spent on delivering the programmes. There will be no change in service delivery.	<ul style="list-style-type: none"> Grant funding is not secured in future years to cover gap created by the reduced budget. 	<ul style="list-style-type: none"> The team will continue to identify aligned funding sources that can be secured and provide funding to plug the future budget gap for staff salaries.
Sustainable Growth and Opportunity	Economic Inclusion	Income Generation	Cllr Bennett	19	0	0	0	19	Given that the Economic Inclusion Officer role is commissioning services for the HRA, a relevant proportion of their time should be paid for by the HRA. Given the current funding split, this would be one third of their time. The cost of a PO4 officer, including on-costs, is £57,426 per year. Therefore it is proposed that the HRA covers £19k of the cost of this role.		
Sustainable Growth and Opportunity	Planning DM Income	Income Generation	Cllr Bennett	20	47	0	0	67	General Fund savings to the existing budget – to be off-set by increasing income from discretionary pre-app and PPA fees.	<ul style="list-style-type: none"> Clearly there is a risk that targets for increased income may not be achieved, which could arise in the case of a negative macro-economic situation and consequently less development activity. The service has had to offset fairly significant general fund savings in recent years through increasing income. This has generally been successful through pursuing a rigorous approach to cost recovery and through demonstrating the value that is provided through a high quality pre-application and PPA service. However, whilst it is considered there is scope to increase income further to offset the savings offered, there are limits to the extent to which costs can be recovered. Moreover, if fees are raised too high this could deter some developers from using the pre-application service. In the event that increases in income are less than forecast here, then the general fund savings offered would have to be met by other means. This would most likely mean a consequent reduction in costs. As most of the costs incurred by the service are salary costs, then some consequent reduction in staffing costs would potentially have to be considered (although other possible cost reductions would be explored first). Should this happen there would be a reduction in capacity, impacting on service standards and potentially leading to lower performance. Ultimately, this could weaken the service's ability to support housing and jobs growth and income delivery for the wider council through Council Tax and business rates; and the ability to support corporate objectives such as Good Growth. 	<ul style="list-style-type: none"> The profiling of the reductions in the general fund, with greater savings deferred to 2021/22, will help to mitigate the above risks by providing more time for the service to further enhance its cost recovery activity and raise discretionary fee income in the process. Ultimately, if some reduction in staff costs were required, then these would be looked for through the consequent reduction in the number of agency officers retained by the service. However this would be a last resort, having looked at other cost reduction first, as the primary goal is to maintain capacity in this important front-line statutory service for the reasons given above.
Sustainable Growth and Opportunity	Business, Culture and Investment - Arts	Service Change (Reduction in Provision)	Cllr Bennett	0	9	9	0	18	Given that the Economic Inclusion Officer role is commissioning services for the HRA, a relevant proportion of their time should be paid for by the HRA. Given the current funding split, this would be one third of their time. The cost of a PO4 officer, including on-costs, is £57,426 per year. Therefore it is proposed that the HRA covers £19k of the cost of this role.	<ul style="list-style-type: none"> Eligibility of this role to be covered by the HRA 	<ul style="list-style-type: none"> Confirmation sought from relevant Finance and Housing officers
No Recourse to Public Funds	Demand Reduction	Service Change (Reduction in Provision)	Cllr Brathwaite	200	0	0	0	200	The Service underspend last year and is forecasting to underspend this year. This has been modelled to take account of demand changes and there is scope to reduce the expenditure budget	<ul style="list-style-type: none"> There continues to be some uncertainty of future demand pressures and if there is a significant increase in demand, this could result in potential overspend. 	<ul style="list-style-type: none"> The service will continue to monitor demand and put in place early interventions.
Finance and Investment	Staffing	Service Transformation – Staffing	Cllr Wilson	0	110	0	0	110	Aligned with the proposed improvements around Oracle Cloud as well as other connected systems such as MOSAIC and Northgate, a finance offer will be developed to provide input to decision making activities and high level oversight together with statutory and regulatory work only, supported by a smaller team of accountants and transaction support staff.	<ul style="list-style-type: none"> Reduction in financial analysis and support to business as usual activities from the finance team could result in services having to bring in additional resource to undertake this work Potential reduction in quality financial information for management and decision making Lack of financial challenge to budget holders 	<ul style="list-style-type: none"> Phased introduction of new systems and processes supported by training to ensure that budget holders understand their responsibilities and how to interrogate the systems and monitor financial position.
Finance and Investment	Technical Adjustments	Technical Adjustment	Cllr Wilson	0	100	0	0	100	This proposal is to reset the budgets for Minimum Revenue Provision and interest based on current planning borrowing and investments	<ul style="list-style-type: none"> Timing and value of investments and loans significantly below our assumptions 	<ul style="list-style-type: none"> Borrowing will only be undertaken when we have certainty on timing and value of requirement
Finance and Investment	Contract Savings	Procurement (Contract)	Cllr Wilson	30	0	0	0	30	The tender specification is more refined as we have learned over the last four years what we require and how best to mix the internal and contracted audit function to achieve the optimum mix.	<ul style="list-style-type: none"> No successful bidder New pricing is higher than expected 	<ul style="list-style-type: none"> If there is no successful bidder, we will need to refine the requirement and go back to market, these could lead to a delay in implementing the new contract. We will work with colleagues across London to undertake this work. If the new pricing is higher than expected, there will be an option to reduce amount of services that we call off and change the mix between internal provision and the contracted in services.
Finance and Investment	Professional and Consultancy services	Service Transformation – Non Staffing	Cllr Wilson	150	0	0	0	150	Review the professional and consultancy services delivered through the directorate which is for specific projects or activities and should be captured in the costings and funding specific to it.	<ul style="list-style-type: none"> Services will not request professional advice which could compromise the activity or decision 	<ul style="list-style-type: none"> Clear protocols around decision making and obtaining appropriate and professional advice are already in place
Total Proposed Savings				2,866	1,843	292	1,000	6,001			