

# Budget summary

BUDGET PROPOSALS 2018-24 SUMMARY

HAVERING 2018/19 REVENUE BUDGET PROPOSALS SUMMARY																				
Ref No.	Directorate	Specific Service Area	Type of Proposal:	Proposal Title	Proposal Description	2018/19 £m	2019/20 £m	2020/21 £m	2021/22 £m	2022/23 £m	Total £m	Proposal Category:		FTEs in service	Headcount in service	FTEs Reduction	Currently Vacant posts	RAG Risk (deliverability)		
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NEI 3	Neighbourhoods	Public Realm	S	Review Cleansing and Grounds Maintenance to drive efficiencies	Public Realm services are under review and using best practice gained from other Local Authorities and the private sector will be redesigned to reduce operational costs whilst maintaining or improving service standards. The process will involve reviewing operational resources including staff, vehicles and plant.	(0.100)	(0.450)	0.000	0.000	0.000	(0.550)	E		171.0	234.0	37.1	40.0	L		
NEI8	Neighbourhoods	Public Realm	S	Outsourcing of Public Realm Services	Following the efficiency saving review (NEI3), it is proposed that a market testing exercise is carried out with the objective of externalisation which officers believe could save up to £0.5m a year through the private sectors ability to procure fleet and plant directly with the manufacturer thus realising savings and local overhead savings.			(0.500)	0.000	0.000	(0.500)	E		171	234	9.3	40	M		
NEI11	Neighbourhoods	Public Realm	S	Yellow box junctions.	Introducing enforcement of yellow box junctions, will improve the safety of the road network. Evidence from the introduction of the wider MTC programme suggests that non compliance of Yellow box junctions will be high and therefore penalty notices could total £0.250m per annum.	(0.250)					(0.250)	I							H	
<b>Total Neighbourhoods Directorate</b>						<b>(0.350)</b>	<b>(0.450)</b>	<b>(0.500)</b>	<b>0.000</b>	<b>0.000</b>	<b>(1.300)</b>			<b>342.000</b>	<b>468.000</b>	<b>46.400</b>	<b>80.000</b>			
COO7	COO	Communications	S	Christmas trees and lighting	Alternative funding sources for Christmas trees and illuminations would be sought from sponsorship.	(0.091)	0.000	0.000	0.000	0.000	(0.091)	S							L	
COO8	COO	Communications	S	Havering Show	This proposal is to increase revenue for the Havering Show so that the event becomes self financing for the council. Additional revenue options will be considered including charging an entrance fee, increasing car parking charges and growing income from trade/catering suppliers.	(0.040)	0.000	0.000	0.000	0.000	(0.040)	S							L	
COO9	COO	Communications	S	Living in Havering Magazine	This proposal would phase out the production of Living in Havering magazine in printed format from four to two issues in 2018/19 and then to cease publication in 2019/20, saving the base budget of £0.037m per year. Living in Havering would be produced more frequently as an electronic bulletin and distributed via email. The Council already successfully produces e-newsletters and has a distribution data base of 135,000 subscribers. Costs are summarised as £0.075m Printing, £0.038m Design, and £0.034m staff resources. Total costs £0.147m. Reduced by Advertising income £-0.060m and £-0.050m from HRA. Total income £-0.110m, to realise a net budget of £0.037m (the profile of budgets is as follows: staff costs £0.034m per annum ongoing. Other spend year 1 £0.013m, Year 2 £0.065m, Year 3 and ongoing £0.016m. Income HRA contribution of £0.050m remains constant ongoing, the £0.060m advertising income reduces to £0.030m in Year 2, Year 3 and ongoing is nil. Total income is therefore £0.110m then £0.080m then £0.050m ongoing.) This results in a net budgetary position of £0.037 current, Year 2 £0.019m and Year 3/ongoing a net nil budget.	(0.018)	(0.019)	0.000	0.000	0.000	(0.037)	S								L
COO15	COO	Culture & Customer Access	S	Restructure of the Youth Service in the context of Children's Early Help and Intervention	The youth service is currently planned to be 'lifted and shifted' into the Children's Directorate to become integrated as part of the Early Intervention and Prevention service. This saving will be delivered through the restructure of the Early Intervention service. The youth service will become less associated with the MyPlace building itself and will operate as a more integrated part of the wider Early Intervention service. MyPlace will continue to operate and will require a core team of staff to maintain the daily functions and facilitate activities from fee paying groups. Plans are also under consideration to expand the community based activity from this location during 18/19.  The total saving is currently assessed at £0.150m of which £0.100m would accrue to the HRA, leaving a net £0.050m saving to the general fund. Staff consultation will need to assess the options for delivery of the saving as this would be post reduction, however this would be done in the context of the wider Early Intervention restructure and management rationalisation.		(0.050)					(0.050)	S		27		7.3	2		H
COO16	COO	Registration	S	Non Statutory Registration Fees and charges.	An increase on most non-statutory registration fees of 15% could generate an additional £60,000 based on current sales from April 2018. This includes services like wedding ceremonies, Hall and function lettings, fast-track administration fees and rehearsal services.	(0.060)					(0.060)	I		N/A	N/A	N/A	N/A		L	
COO18	COO	Policy, Performance & Community	S	Reorganisation	To rationalise and review the resources necessary to achieve efficiency savings whilst ensuring delivery of key deliverables.	(0.153)	(0.052)				(0.205)	S		18	18	4	0		M	
COO19	COO	Bereavement Services	S	Fee increase	South Essex Crematorium (Havering) currently charge £850 for basic adult cremation (40min slot) which is, based on recent benchmarking, the highest charge compared to all other Essex based* Crematoriums and the highest in London* (* Local Authority Run) Consideration could be given to increasing the fee to £875 - Careful consideration would need to be given to the competitive risk of placing Havering here. Based on 3000 cremations per year this could generate an additional £75,000 but this cannot be guaranteed as it is highly likely cremation numbers would drop. Given that other sites are so much cheaper now, we are no longer the crematorium of choice plus and if families can make a significant saving elsewhere it is highly likely they will choose a cheaper crematorium as the industry is so competitive. The prevalent culture of 'funeral poverty' is increasingly becoming a social issue which needs to be considered before applying any significant price rise to the current fee. Loss of cremation business also leads to on-going losses in memorial sales whereby families purchase a memorial for the laying of rest to ashes following cremation and also further impact on on-going loss of income renewals of those memorials, which are currently down by 54% compared to last year.  The figures included within this proposal incorporate the 3% proposed rise in fees and charges, therefore when the fees and charges report is submitted, no increase will be shown against cremation fees, thus avoiding duplication.	(0.075)					(0.075)	I		N/A	N/A	N/A	N/A	N/A		M
<b>Total Chief Operating Officer Directorate</b>						<b>(0.437)</b>	<b>(0.121)</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>(0.558)</b>			<b>18.000</b>	<b>45.000</b>	<b>11.300</b>	<b>2.000</b>			

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ONE1	oneSource	IT	S	Wireless and mobile infrastructure	Over the last three to four years local authorities have increasingly started to become aware of assets and infrastructure that they own and manage and have embarked upon, in most cases successfully developing strategies which have sought ways in which assets and infrastructure could be both commercialised and also leverage wider social, economic and community benefit. This saving will be achieved by leasing council assets to communications providers to use to support wireless and mobile infrastructure. The first example is that the market will be asked to bid for the opportunity to rent street furniture e.g. lampposts to create a public Wi-Fi network via a min-tender from an existing framework. Other projects will need to follow to reach this target but based on the Soft Market Testing Exercise undertaken as part of this initial due diligence phase there does exist a genuine and real interest in the market to engage with the London Borough of Havering in utilising Infrastructure owned by the Borough to support and enable the delivery of commercial wireless services including the provision of free Wi-Fi. Specifically:- - Real interest from in working with the Council and other partners within Havering to deliver a strategy which would attract greater interest and investment from the mobile operators through the deployment of Small Cell. - To build on the current initiatives being pursued by Asset Management in respect to the use of council owned rooftop sites and actively promote and utilise Council owned rooftop assets to enable the provision of Superfast Business Broadband Connectivity into local businesses and business parks as well enhancing mobile coverage within the Borough. To be realised through direct engagement with the market and securing site by site leases to occupy specified rooftops on a non-exclusive basis. - Tangible interest from various sections of the market in engaging with the London Borough of Havering to understand how through the application of social value the Council working with the private sector could leverage a more socially focused approach towards delivering Wi-Fi within the Borough and realise the wider council aspirations for Borough wide Wi-Fi.	(0.050)	(0.100)					(0.150)	I						M
ONE2	oneSource	Crosscutting	S	Mail room Transformation	Current activities are delivered in house and these are: post, print, scan and handling inbound and outbound mail. The detailed proposed new model in relation to the inbound and outbound mail is: Inbound All incoming post is redirected, using a PO Box redirect, to an external supplier. The post is then opened and indexed using a unique barcode identifier. Any post that cannot be redirected will be picked up by daily courier and taken to the external supplier. Post is then scanned directly into whatever IT system is specified e.g.: 1Oracle or Academy. Where no IT systems exists, a cloud based email box is provided so that users can see what post they have received and decide what to do with it, download, delete forward etc. Original hard copies are either returned to the customer, archived or shredded. Any cheques are scanned and paid directly into any designated bank account. Daily management information and reconciliations are provided. Scanning SLA's to be agreed but range from 2 hours to 24 hours. Outbound A print driver is installed on LBH servers which, when clicked, sends the outbound print to the external company. This is then barcoded, printed and enveloped. Post is then franked and sent out via Royal mail Downstream Access. The barcode on outbound post allows for routing of subsequent inbound post to the correct customer, reference number etc. The savings would be achieved by a combination of FTE number reduction and the reduction of posting, printing, scanning costs. Only oneSource FTE have been included. There may be further savings elsewhere within Havering.	(0.145)						(0.145)	T	17		4.0	0		M
ONE4	oneSource	Crosscutting	I2S	Sale of oneSource services	oneSource is currently working with Red Quadrant to establish if there is a business case for moving into a separate trading entity, however the business case is considering the current model and six other delivery models. Regardless of whether oneSource does this, the oneSource Management Team are focussed at developing the external client base in order to generate further income which will be distributed to the three Partner Councils. Red Quadrant are helping oneSource establish if this could go further if it was a separate trading entity. The business case has been completed and has been presented to the oneSource Joint Committee. The next step is to take the recommendations to each Council's Cabinet. There are no staffing implications identified at this time as this is about generating extra income, not reducing staff.  The current growth and saving values currently identified are broad estimates at this stage. The growth represents investment that will be required by the Council to transition oneSource into a wholly owned subsidiary which is followed by subsequent potential increased income levels. However, these are broad estimates and can not be confirmed until the business case has been completed and the direction of travel has been agreed by the three Partner Councils.	0.139	(0.064)	(0.064)	(0.279)	(0.214)	(0.482)	I							M
ONE4a	Corporate	Transformation	I2S	Sale of oneSource services	Implementation cost to be funded from Transformation reserves.	(0.139)					(0.139)	E						L	
ONE5	ALL	Crosscutting	s	Spans and Layers	A review of all Havering service areas will be undertaken to ascertain whether the agreed organisational design principles have been followed. This includes, but is not limited to, whether any management, supervisory levels are below 1:6, whether layers of management can be reduced and whether cross cutting positions of similar roles can reduce duplication. Note: Savings are exclusive of Revenue Costs: Revenue Costs to be funded from the Transformation Reserve		(0.500)				(0.500)	I			15			L	
ONE7	oneSource	Crosscutting	S	Business Support	There will be a review of all business support roles across the services to reduce work duplication. The Terms & Conditions review highlighted a number of posts which have been created, that could be placed into a joint administration team where overall staffing numbers would reduce. Note: The review will be led by one HRBP who will also lead the Spans & Layers Review - the associated Revenue Costs (to be funded from the Transformation Reserve) are detailed in the Spans & Layers R2 form	0.000	(0.200)				(0.200)	E				8		L	
ONE8	ALL	Crosscutting	S	Agency Review	Review of all agency workers including length of tenure, categorisation of role and reduction in reliance on agency workers to have a more robust approach to workforce planning and to reduce expenditure.	(0.300)					(0.300)	E						L	
<b>Total One Source Directorate</b>						<b>(0.494)</b>	<b>(0.864)</b>	<b>(0.064)</b>	<b>(0.279)</b>	<b>(0.214)</b>	<b>(1.916)</b>			<b>17.000</b>	<b>0.000</b>	<b>27.000</b>	<b>0.000</b>		

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AS5	Adult Services	Learning Disabilities commissioning	S	Improved market management	Through the recommissioning of existing contracts, especially residential care and block contracts for LD clients - increased focus on Outcome based models, expansion of Direct Payments and sourcing more Community based provision. Links in with increased Supported Living Provision in AS11. Additional opportunities from an Integrated Commissioning model being proposed by the JCU, whereby savings can be generated from a single provider delivering support on behalf of multiple agencies.		(1.000)	(0.100)	(0.100)	(0.100)	(1.300)		D						M	
AS6	Adult Services	Community Team commissioning	S	Front door changes	The Front Door staffing establishment is being restructured in 2017/18 both in terms of skill mix - with qualified staff to now support the management of incoming referrals, and to establish a more effective triage of referrals, to reduce the number that are passported to the rest of the service, the revised structure does not initially aim to make any headcount reductions, but could be considered following review. The revised structure is being supported with the introduction of a Transformation Programme, which will be embedded over the next 12-18 months, that will support all ASC staff who have contact with residents in reframing the 'conversation' with those residents, focussing more on the individual's strengths and assets and these will help them maintain independence rather than assessing deficits and setting up services to meet these. The saving is currently profiled for 2020/21, to allow sufficient time for the transformation changes in processes in initial client contact to properly embed. This is also supported by the proposed introduction of a new Care & Support Policy.		0.000	(0.200)	0.000	0.000	(0.200)		T							M
AS8	Adult Services	Disabilities	S	Day Care Services Review	Consolidating in-house provision to other existing provision, clients will either be given personal budgets to purchase services addressing any identified unmet needs in the community or will be offered the opportunity to use other in-house services as appropriate. The proposal does not aim to make any initial headcount savings, existing staff will look to be utilised in alternative in house services.		(0.043)	(0.100)			(0.143)		S						L	
AS10	Adult Services	Community Team commissioning	S	Intermediate care tier, including Discharge to Assess	Empirical evidence from nationwide research suggest substantial benefits from discharging people into the community to be looked after improves their recovery and wellbeing, whilst also reducing their need for ongoing care/support.	(0.125)	(0.250)	(0.250)	(0.250)	(0.250)	(1.125)		D						H	
AS11 & AS12	Adult Services	Community Team commissioning	S	Managed Transitions from Children Social Care into Adults	Reduced demand through work of PFA, also work on existing cases to review provision, consider extent cases can be jointly funded and wherever possible relocate out of borough provision into future supported living / Extra-care schemes within the borough	(0.100)	(0.100)	(0.100)	(0.100)	(0.100)	(0.500)		D						M	
AS13	Adult Services	Learning Disabilities commissioning	S	Move clients in Out of borough Residential Homes into in borough supported living schemes	Working with Housing and Regeneration colleagues to identify needs around developing Supported Living Schemes within the borough				(0.500)	(0.500)	(1.000)		D						M	
AS14	Adult Services	Mental health commissioning	S	Improved market management	Targeted Management of local care market, aim to work more collaboratively around outcomes for clients and opportunities for greater shared procurement in conjunction with Health. Setting achievable targets around step down and move on. Consideration of internally provided services for closure/outourcing		(0.050)	(0.050)	(0.050)	(0.050)	(0.200)		D						M	
AS15	Adult Services	Staffing	S	New System implementation	The implementation of a new case Management System should support the delivery of efficiencies especially in some back office functions (across Brokerage, Direct Payments and Business/admin support) - these will be further reviewed as a result of the implementing. This should also drive workflow efficiencies and deliver improved management information for better decision making around demand management and commissioning strategies. The go-live date for implementation is October 2018, and will require some bedding down within the services. It is anticipated that process efficiencies will be realised from 2020/21.			(0.050)	(0.150)		(0.200)		E	31	39	5.0	7		L	
<b>Total Adults Directorate</b>						<b>(0.225)</b>	<b>(1.443)</b>	<b>(0.850)</b>	<b>(1.150)</b>	<b>(1.000)</b>	<b>(4.668)</b>	<b>0</b>		<b>31.0</b>	<b>39.0</b>	<b>5.0</b>	<b>7.0</b>			
CH2	Children's Services	Business Support	S	Revised delivery model for the Business Support Service	A review and restructure of the service will take place. The review will determine what the primary business support needs are for the Social Care service. This will lead to a range of delivery models developed, with an appropriate model selected for consultation. A reduction in headcount will achieve the identified savings. Consultation will commence as soon as possible after October Cabinet with a view to full implementation by 1 April 2018. The saving achieves a reduction in the cost base by 2018-19 which is then sustained in future years.	(0.300)	0.000	0.000			(0.300)		E	61	69	9.0	5		L	
CH3	Children's Services	Social Care	S	Revised delivery model for intervention support service.	The saving will be achieved by reviewing the Family Support element within the service. Analysis shows that the functions are no longer required due to a duplication with Early Help and do not deliver value for money. Posts will be deleted, contributing to the MTFs saving. Reduced agency costs will contribute to the identified savings. Consultation will commence as soon as possible after October Cabinet with a view to full implementation by 1 April 2018. The saving achieves a reduction in the cost base by 2018-19 which is sustained in future years.	(0.300)	0.000				(0.300)		E	84	85	8.0	2		L	
CH5	Children's Services	Placements	I25	Creation of additional In borough placements for Looked After Children	There is scope to improve the offer that we make for looked after children to ensure we can provide suitable accommodation in borough where appropriate. This business case proposes that the council considers building and/ or using any current facilities that are available and meet requirements. With the benefit of having purpose built in borough provision the council will have the flexibility to tender out the required support care. The support care could be tendered either as a stand-alone single borough or as part of the sub-region residential care project. The savings potential (caveated by assumptions of possible costs, ongoing increasing demand and constraints around comparator information) is circa £250k pa based upon a 6 bed residential facility. A key assumption is that the new facility will be a transitional stage in the move away from residential care, and that throughput of occupants should occur on an annual basis. The ambition is, over the course of four years, to see a significant reduction in the population in residential care and a reduction in the cost base of £1m. Further detailed work will be required on costings but an indicative model is as follows. The estimated saving is based on the cost of 6 high cost placements less the assumed running costs of the new facility. This generates an estimated saving of £250,000 in the first full year of operation. In the second year, the initial cohort of children and young people are able to move out of residential care into family-based settings sustaining the cost saving for this cohort. This saving is subject to the preparation and approval of a business case to secure the required capital investment from the £5m invest to save capital budget.		(0.250)	(0.250)	(0.250)	(0.250)	(1.000)		D							M
CH6	Children's Services	Innovation	I25	Scale and spread of Pathways Innovation Programme in Children's Social Care	By placing children closer to home, using specialist foster carers, we are less reliant on residential placements and independent fostering agencies. The difference in costs between residential and a specialist in-house carer, is circa £2,250 per week. We can save money by placing children who are currently in high cost placements, and bringing them into in-house provision. The intention would be to keep children in a specialist fostering placement for 6 months, the turnover allows for more children to be supported but subsequently increases the savings potential. Foster carers will need to be recruited and also existing foster carers 'converted' to enhanced foster carers. They will receive support from qualified practitioners so they have the necessary support to maintain resilience and the best pathway to succeed.		(0.175)	(0.175)	(0.125)	(0.125)	(0.600)		T							M

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CH8	Children's Services	Social Care	I25	Invest to save proposal to build local SEND care provision	We need local overnight short breaks provision, its part of the need to support families with children with ever increasing complex and challenging needs. This will complement our new special free school. With these 2 provisions in place we will be able to maintain children at home and avoid out of borough expensive school placements and family breakdown which are the 2 reasons we send children to expensive residential schools. There is a current lack of provision in this area and we pay very high rates, despite a new provider providing more competitive rates, there is still a significant pressure. A 6 bed residential home for children with moderate to severe disabilities with or without challenging behaviours, would also be of benefit, as we have a number of children with disabilities who end up in care and we find it difficult to find local foster carers, they end up going out of borough, leaving local schools, making the whole process more disruptive for children. This ultimately significantly raises costs for Havering. Building new provision will require capital investment but early analysis shows long-term revenue savings. A range of assumptions on building/running costs and comparator data have been made in order to calculate potential savings. The highest cost placements can cost Havering £250k per year. This saving is subject to preparation and approval of a business case to secure the required capital investment from the £5m invest to save capital budget.				(0.330)		(0.330)	D						M
CH9	Children's Services	Social Care	S	Charging model for children accommodated under Section 20 of the Children's Act 1989.	This policy is aimed at operating in partnership with parents and legal guardians to promote best outcomes for children in care under Section 20 arrangements and further ensure that where possible parents and legal guardians financially contribute towards the care of their child. The policy is not intended to leave families in financial hardship as a financial assessment will be undertaken. However, parental responsibility for any child in care should, where feasible, encompass some financial contribution. Whilst the introduction of the Policy may generate some income towards maintenance costs, the main purpose of the proposal is to act as an alert to parents of the cost of the service they are requesting and allow them to reconsider other forms of family support that provides alternatives to care.	(0.050)	0.000	0.000	0.000	0.000	(0.050)	D						M
<b>Total Children Services Directorate</b>						<b>(0.650)</b>	<b>(0.425)</b>	<b>(0.425)</b>	<b>(0.705)</b>	<b>(0.375)</b>	<b>(2.580)</b>		<b>0</b>	<b>145.0</b>	<b>154.0</b>	<b>17.0</b>	<b>7.0</b>	
<b>GRAND TOTAL</b>						<b>(2.156)</b>	<b>(3.303)</b>	<b>(1.839)</b>	<b>(2.134)</b>	<b>(1.589)</b>	<b>(11.022)</b>		<b>553.0</b>	<b>706.0</b>	<b>106.7</b>	<b>96.0</b>		