

MUNICIPAL YEAR 2019/2020 REPORT NO. **158**

**MEETING TITLE AND DATE:**  
Cabinet  
4 December 2019

**REPORT OF:**  
Executive Director of  
Resources

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**Agenda – Part: 1**

**Item: 4**

**Subject: MTFP 2020/21 to 2024/25 Tranche  
Two Savings**

**Wards: All**

**Key Decision No: 5024**

**Cabinet Member consulted:**  
Cllr Maguire

**1. EXECUTIVE SUMMARY**

- 1.1. The Medium Term Financial Strategy continues to build on the vision for:**
- i. A resilient budget that is "sustainable" in year, ensuring savings and income proposals are realisable;**
  - ii. A budget which invests in the most vulnerable residents in the Borough and targets savings generated through efficiencies and growing income;**
  - iii. A long term budget to ensure that decisions are sustainable; and**
  - iv. Council services which provide value for money.**
- 1.2. The report updates progress on developing the Medium Term Financial Plan (MTFP) 2020/21 to 2024/25 to deliver the Council's Corporate Plan – Creating a Lifetime of Opportunities in Enfield**
- i. Good Homes in Well Connected Neighbourhoods;**
  - ii. Sustain strong and Healthy Communities; and**
  - iii. Build Our Local Community to Create a Thriving Place**
- 1.3. In October 2019, the MTFP funding and savings and income generation proposals were considered. This report updates Cabinet on subsequent activity and new information which has resulted in a reduction in the overall funding gap from £3.322m to £1.565m.**
- 1.4. These changes include an increase in the level of overall estimated funding: an update in the Settlement Funding Assessment (SFA); and confirmation that funding for Flexible Homelessness Support Grant and Troubled Families will be maintained at current levels and confirmation that the London Business Rate Pool will continue as agreed at London Councils' Leaders Committee meeting on 8<sup>th</sup> October. Enfield's expected benefit will be £0.425m.**

- 1.5. The fact that the Settlement will only be for one year continues to be an area of concern as the Council strives to deliver long term resilient and sustainable finances.
- 1.6. The report presents updated savings and income generation proposals of £11.396m for 2020/21 and £21.265m across the five year Plan.
- 1.7. There is still a gap of £1.565m, which currently is proposed to be met by the one off use of reserves in 2020/21. However, work will continue on options to reduce the call on reserves but will only be proposed where achievable.
- 1.8. Community engagement has commenced with the publication of the Council's e Newsletter publicising the Council's financial position and requesting residents' views.
- 1.9. The Overview and Scrutiny budget meeting will take place on Thursday 19<sup>th</sup> December to scrutinise the proposals and funding assumptions.
- 1.10. The Capital Programme and Treasury Management Strategy will come forward in January. The capital financing costs being built into the MTFP are provisional and will be confirmed when work on the Capital Programme is complete.
- 1.11. The Dedicated Schools Grant provisional allocations have been provided which increase Enfield's funding by £17.0m. Importantly £7.0m of this is for the High Needs Block which has been under significant pressure.

## **2. RECOMMENDATIONS**

### **2.1. Cabinet to note to:**

- i. The continued financial uncertainty facing local government.
- ii. The reduction in the funding gap from £3.322m to £1.565m.
- iii. An increase in the estimated funding of £2.225m following confirmation of the CPI increase on the SFA (£1.000m), that the Flexible Homelessness Support Grant (£0.800m) maintained at current levels and the London Business Rate Pool will continue (£0.425m).
- iv. The increase proposed in Adult Social Care and Children's Social Care budgets of 9% (£10.549m), investing to support the most vulnerable in the Borough as exemplified in paragraph 6.13.
- v. Updated savings proposals of £9.743m and income generation proposals of £1.653m for 2020/21.
- vi. It is proposed that the gap of £1.565m will be met by the one off use of reserves in 2020/21. However, work will continue on options to reduce the call on reserves but will only be proposed where achievable.
- vii. The next update on the Budget to Cabinet in February which will provide a further update on funding levels, additional savings and income generation proposals.

**2.2. Cabinet to approve:**

- i. The updated savings and income generation proposals in Appendix 2B for further development and consultation.**

**3. BACKGROUND**

- 3.1. Cabinet agreed its Medium Term Financial Strategy for 2020/21 to 2024/25 at its meeting in July 2019. The report updated the assumptions in the Council's agreed Medium Term Financial Plan (MTFP) approved by Council in February 2019 and set out the approach for developing the MTFP for 2024/25. This was all in the context of delivering the Council's Corporate Plan – Creating a Lifetime of Opportunities in Enfield, approved by Council in September 2018:
  - i. Good Homes in Well Connected Neighbourhoods;
  - ii. Sustain strong and Healthy Communities; and
  - iii. Build Our Local Community to Create a Thriving Place
- 3.2. The July MTFP identified a funding gap of £39.0m over the next five years including £13.7m in 2020/21 which will be reassessed in this report.
- 3.3. There were to be two tranches of savings to be brought forward; October Cabinet and December Cabinet.
- 3.4. A framework for identifying the savings proposals was also agreed, being:
  - i. Digital
  - ii. IT
  - iii. Demand Management
  - iv. Commissioning, Procurement and Contracting
  - v. Commercial, Income and Trading
  - vi. Invest to Save
  - vii. Organisational Review
  - viii. Corporate Led Initiatives
  - ix. Directorate Led Initiatives
- 3.5. The October Cabinet report brought forward £12.174m of savings and income generation proposals with a gap of £3.322m still to be addressed. Across the medium term, savings and income generation proposals totalled £24.128m with the total gap to be addressed being £31.797m.

- 3.6. The MTFP and the October Cabinet report also identified significant uncertainty in a number of areas – progress on the Fair Funding Review, Spending Review and Business Rate Reset. Uncertainty in all of these areas persist and a further update is provided below.
- 3.7. This report updates the MTFP for Government funding, changes in pressures and reprofiling of savings and income generation proposals which results in a revised gap of £1.565m. This report is set out as follows:
  - i. Section 4 Update on Funding Announcements.
  - ii. Section 5 Update on MTFP budget gap, £12.961m in 2020/21 and £66.916m across the MTFP.
  - iii. Section 6 Progress on Savings and Income Generation Proposals.

#### **4. GOVERNMENT FUNDING ANNOUNCEMENTS**

- 4.1. Following the October 2019 report, there have been a number of updates on Government funding.
- 4.2. In October, the report focussed on the Chancellor's 4 September Spending Announcement. The Settlement Funding Assessment (SFA) was to rise in line with September CPI (the first rise in ten years), there was £1bn additional nationally for Social Care from which Enfield would benefit £5.4m, existing grants in the Core Spending Power were to continue and, subject to consultation, it would be possible to raise an additional precept of 2% for Adult Social Care in addition to the 2% Referendum Limit increase. There was also an increase in the Dedicated Schools Grant of £2.6bn of which £700m was for the High Needs Block, Enfield benefiting by £17.0m and £7.0m respectively.
- 4.3. There were some downsides. The Settlement would be for one year only, the Business Rates Pilots would cease, there would be no Business Rates reset and the Fair Funding Review was further delayed.
- 4.4. In Early November it was confirmed that the Flexible Homelessness Support Grant and Troubled Families Grants would continue on the same cash basis as 2019/20. In respect of Homelessness and Rough Sleeping there is no further news on the allocation of the £54m growth for 2020/21.
- 4.5. Further, it was confirmed that the Financial Settlement will no longer be issued on Thursday 5 December. This will now be considered after the General Election, but Government will "take all possible steps to ensure the final settlement aligns with local authority budget setting timetables". Clearly this is at odds with widespread practice across local government of bringing forward budget plans in December.

## 5. FURTHER REFRESH OF SPENDING AND FUNDING ASSUMPTIONS

- 5.1. A key priority of the budget is that it is resilient, realistic and therefore, the proposals continue to be subject to continuous review.
- 5.2. The updated spending and funding assumptions are summarised in Appendices 1A and 1B. There are a number of movements in both levels of funding and spending requirements which are set out below giving a revised budget gap of £12.961m in 2020/21 and £66.916m across the Plan before savings are taken into account.

### 5.3. Table 1 Funding Gap

	2020/21	2021/22	2022/23	2023/24	2024/25	Total
	£m	£m	£m	£m	£m	£m
<b>Pension Contributions</b>	(3.600)	0.000	0.000	0.000	0.000	(3.600)
<b>Spending (Net of Full Year Effect Savings)</b>	26.469	14.048	16.794	16.122	16.305	89.738
<b>Funding</b>	(9.908)	(2.237)	(2.730)	(2.123)	(2.224)	(19.222)
<b>Gap</b>	<b>12.961</b>	<b>11.811</b>	<b>14.064</b>	<b>13.999</b>	<b>14.081</b>	<b>66.916</b>

### 5.4. Pension Contributions

#### **Employers Rate for the Enfield Local Government Pension Fund (£3.6m saving in 2020/21)**

- 5.5. The triennial valuation of the Enfield Local Government Pension Fund which will determine Employer's contribution rates for the next three years from 2020/21 is nearing its conclusion. The Fund has been broadly in balance during the course of the current financial year due to the performance of the financial markets and this, along with revised assumptions on longevity, mean that the employer's pension contribution rate can drop from 24.8% to 20.2%. Unlike the period when the Fund was in deficit and there were stepped increases in the rate over a three year period to recover the deficit over a prudent time period there is some flexibility in reducing the rate to 20.2%. It has been considered appropriate to take the full benefit in year one.

### 5.6. Spending

- 5.7. The updated spending pressures and overall position are set out in detail in Appendix 1A. The updates to the MTFP are set out below which have had a £3.290m net impact.

#### **Re-profile of North London Waste Authority Future Budget Pressures**

- 5.8. There is ongoing work on the financials for the provision of a new Energy from Waste facility at the Edmonton Eco Park with the current facility being over forty years old. The modelling has been considering the useful life of the facility and the approach to financing as well as

likely date of commissioning. The most up to date financial information does mean that the phasing of the budget increase in the later years of the MTFP can be scaled back from £1.5m per annum to £0.750m.

#### **Additional Budget Pressures Identified in Quarter Two Budget Monitor (2020/21 impact)**

- 5.9. The Quarter Two Revenue Monitoring was presented to Cabinet in November and reports further in year pressures, some of which are one off and others ongoing. These include:
- i. Unachievable legacy savings: there are historical Adult Social Care housing support efficiencies (£0.3m) and IT commercial income target (£0.3m) which are not deliverable and will need to be added to the base budget for 2020/21.
  - ii. Further demographic pressures: these include Adult Social Care (£0.1m), Children's Social Care (£0.8m) and SEN Transport (£0.3m).

#### **Reduction in Existing Pressures (2020/21 impact)**

- 5.10. There has been a reappraisal of the £2m previously included for IWE and this has been reduced by £0.5m in light of the latest 2019/20 position. There is also a reduction in the forecast of implementing the National Accreditation of Social Workers (£0.150m).

#### **Increase in Pressures (2021/21 impact)**

- 5.11. The School Traded Catering Service continues to experience income pressure resulting from reducing buy in; and a further £0.400m transitional subsidy has been built into the budget in addition to the £0.200m identified in the October Cabinet report.
- 5.12. As part of the strategy for permanent recruitment and retention of social workers, funding has been allocated to recruit social workers of £130k, increasing in subsequent years with further cohorts.

#### **Review of 2021/22 and beyond - Demographic and Inflationary Increases**

- 5.13. In line with the vision of resilient and sustainable finances there has been a focus on ensuring there is a realistic appreciation of all future pressures in the Plan. There has been much work already done to ensure that demographic pressures in Adult Social Care, Children's Social Care and SEN Transport are included in the Plan and this was broadly included in the October update. These have all been updated in response to the latest monitoring position for 2019/20.
- 5.14. The MTFP has in the past included Adult Social Care contractual inflation for year one of the Plan only. This is not a one off issue/pressure and the updated Plan now recognises a pressure of £1.3m in all future years.

#### **Review of Capital Financing Pressures**

- 5.15. Finally, there is ongoing work on assessing the capital financing requirements of the Council's existing Capital Programme approved by

Council in February 2019 and the additional requirements for the ten year Capital Programme being formulated. The MTFP identified a requirement of £1m per annum and further review has identified that this needs to be increased to £2.5m per annum. At this point £1.5m is also being added to the budget for the impact of the ten year Capital Programme, this will need to be updated as the Programme goes through the review and approvals process.

#### 5.16. Funding

5.17. The funding updates and overall position are set out in detail in Appendix 1B. The amendments to the October 2019 MTFP are set out below.

#### **Confirmation of the SFA Increase**

5.18. There is some good news arising from further work and clarification following the September Funding Announcement. Settlement Funding Assessment (SFA) which is the combination of retained business rates and the historical Revenue Support Grant (RSG) will increase by £1.0m.

#### **Confirmation regarding Flexible Homelessness Support Grant (FHSG) and Troubled Families Grant**

5.19. In October 2019, the MTFP had assumed a reduction of FHSG of £0.8m; however, this grant is now confirmed to continue in 2020/21 at 2019/20 levels. Troubled Families Grant will also continue in 2020/21 at 2019/20 levels.

#### **Update on Business Rate Pooling**

5.20. Whilst the Business Rates Pilot was brought to a close in the Spending Announcement at a cost of circa £3m, London Councils have nevertheless agreed to pool their Business Rates which will benefit Enfield by £0.425m.

#### **Use of Reserves**

5.21. At present it is assumed that an amount in the order of £1.565m will be required on a one-off basis to support addressing the 2020/21 gap and balancing the budget.

5.22. The current level of reserves (less Reserves set aside for repayment of debt – MRP and interest reserves of £22.7m and the £6.6m insurance reserve); totals £44.7m. After the use of reserves to balance 2019/20, the estimated level of reserves will be £39.0m.

5.23. The £39.0m estimated level of reserves is 17% of the Council's net budget of £231m. The five-year budget gap as set out below totals £45.6m; exceeding the Council's level of reserves.

5.24. As the budget continues to move towards a more resilient footing, the intention is to, reduce the ongoing calls on reserves. Should the in-year contingency of £3m not be utilised next year resulting from the more robust budget, this can then be used to replenish reserves.

## 6. PROGRESS ON SAVINGS AND INCOME GENERATION PROPOSALS

6.1. There has been a further review of the savings presented in October as well as consideration of further options. One element of the more recent approach to budget setting is to ensure that all savings proposed are realisable. Over the last year over £2.536m has been put back into the budget for unrealisable income targets and savings delivery; with a further £1.785m for 2020/21. This means that the budget is on a more robust footing and transparent. As a result of this ongoing strategy the savings and income generation proposals for 2020/21 have been revised.

6.2. Table 2 Saving and Income Generation Proposals

	2020/21	2021/22	2022/23	2023/24	2024/25	Total
	£m	£m	£m	£m	£m	£m
<b>Gap</b>	<b>12.961</b>	<b>11.811</b>	<b>14.064</b>	<b>13.999</b>	<b>14.081</b>	<b>66.916</b>
Tranche 1 Savings	(11.874)	(2.652)	(1.599)	(3.050)	(3.033)	(22.208)
Reprofiled Savings	0.848	0.890	(0.714)	0.851	1.098	2.973
Tranche 2 Savings	(0.370)	(0.900)	(0.760)	0.000	0.000	(2.030)
Total	<b>(11.396)</b>	<b>(2.662)</b>	<b>(3.073)</b>	<b>(2.199)</b>	<b>(1.935)</b>	<b>(21.265)</b>
<b>Revised Gap</b>	<b>1.565</b>	<b>9.149</b>	<b>10.991</b>	<b>11.800</b>	<b>12.146</b>	<b>45.651</b>
Use of Reserves	(1.565)	1.565	0.000	0.000	0.000	0.000
<b>Remaining Gap</b>	<b>0.000</b>	<b>10.714</b>	<b>10.991</b>	<b>11.800</b>	<b>12.146</b>	<b>45.651</b>

### Revisions to Savings and Income Generation Proposals

6.3. There has been a reduction in the overall level of savings due to some reductions and reprofiling following further review.

6.4. The savings proposed through Organisational Redesign have been reduced from £1.050m to £0.525m. The savings proposal for block booking semi-independent accommodation for 12 young people has reduced from £0.125m to £0.060m. The 2019/20 income generation from cemetery sales has been reprofiled, this creates a challenge in 2020/21 but the overall income across the programme is increased from £2.673m to £3.774m. In addition, the saving from Traffic Order Income has increased from £0.040m to £0.100m.

6.5. The reprofiling of existing savings and the full set of proposals are set out in detail in Appendix 2B.

6.6. There is still a remaining gap of £1.565m. It is proposed to use reserves on a one off basis to meet this gap in 2020/21.



- 6.7. The overall approach has been to protect services and more importantly the most vulnerable in the Borough. The following two tables demonstrate how this is being achieved.
- 6.8. Table 3a below sets out the savings and income generation by theme. The majority of savings are being delivered by rationalisation of IT costs, stronger procurement and contract management and income generation.
- 6.9. Table 3a – Savings by Theme

	2020/21	2021/22	2022/23	2023/24	2024/25	Total
	£m	£m	£m	£m	£m	£m
Digital	(0.020)	(0.180)	0.000	(0.250)	(0.250)	(0.700)
IT	(2.500)	(0.450)	(0.260)	0.000	(0.200)	(3.410)
Demand Management	(0.400)	(0.120)	0.000	0.000	0.000	(0.520)
Procurement/ Contracts	(1.903)	(0.435)	0.000	0.000	0.000	(2.338)
Commercial	(1.653)	(0.471)	(1.748)	(1.349)	(1.455)	(6.676)
Invest to Save	(1.019)	(1.839)	(0.440)	(0.600)	(0.030)	(3.928)
Organisational Design	(0.712)	0.000	0.000	0.000	0.000	(0.712)
Corporate Led	(2.125)	1.000	(0.500)	0.000	0.000	(1.625)
Service Led	(1.064)	(0.167)	(0.125)	0.000	0.000	(1.356)
<b>Total</b>	<b>(11.396)</b>	<b>(2.662)</b>	<b>(3.073)</b>	<b>(2.199)</b>	<b>(1.935)</b>	<b>(21.265)</b>

6.10. Table 3b sets out savings by service directorate.

6.11. Table 3b Savings by Directorate

	2020/21	2021/22	2022/23	2023/24	2024/25	Total
	£m	£m	£m	£m	£m	£m
Corporate	(2.250)	0.850	(0.500)	0.000	0.000	(1.900)
Resources/ Chief Executive	(3.439)	(0.982)	(0.260)	(0.250)	(0.450)	(5.381)
Adult Social Care	(0.885)	(0.100)	(0.100)	(0.100)	(0.100)	(1.285)
Public Health	(0.970)	0.000	0.000	0.000	0.000	(0.970)
Children's and Education	(0.397)	0.000	0.000	0.000	0.000	(0.397)
Place	(3.455)	(2.430)	(2.213)	(1.849)	(1.385)	(11.332)
<b>Total</b>	<b>(11.396)</b>	<b>(2.662)</b>	<b>(3.073)</b>	<b>(2.199)</b>	<b>(1.935)</b>	<b>(21.265)</b>

### Overall Impact of Budget Proposals on Budgets by Service

6.12. A key priority for the Council remains reinvestment of savings into services targeted at more vulnerable residents. Table 4 sets out the overall allocation of demography, inflation, pressures and investment and savings and income generation by service.

6.13. As set out below, there has been significant net investment in the Adults, Children's and Education budgets, with increases exceeding 9% of current budget. Adult Social Care budgets increasing by £6.647m and Children's Social Care and Education by £3.902m; all other service area budgets are reducing. The inflationary and pay award budget currently presented within Corporate will be allocated across the wider Council.

Table 4: Net Increase in Budget by Service

	Corporate	Chief Exec/ Resources	Adult Social Care	Public Health	Children's and Education	Place	Total
	£m	£m	£m	£m	£m	£m	£m
Demography	0.000	0.000	4.486	0.000	2.189	1.550	8.225
Inflation	6.150	0.000	1.283	0.000	0.000	0.000	7.433
Investment	0.075	1.522	0.120	0.000	1.460	1.240	4.417
Capital Financing	3.025	0.000	0.000	0.000	0.000	0.378	3.403
Pressures	0.000	1.481	1.800	0.937	0.650	1.402	6.270

	<b>9.250</b>	<b>3.003</b>	<b>7.689</b>	<b>0.937</b>	<b>4.299</b>	<b>4.570</b>	<b>29.748</b>
Full Year savings	(0.075)	(0.050)	(0.157)	0.000	0.000	(2.997)	(3.279)
Pension Contributions	(3.600)	0.000	0.000	0.000	0.000	0.000	(3.600)
New Savings	(2.250)	(3.439)	(0.885)	(0.970)	(0.397)	(3.455)	(11.396)
	<b>(5.925)</b>	<b>(3.489)</b>	<b>(1.042)</b>	<b>(0.970)</b>	<b>(0.397)</b>	<b>(6.452)</b>	<b>(18.275)</b>
Net Increase in Resources	<b>3.325</b>	<b>(0.486)</b>	<b>6.647</b>	<b>(0.033)</b>	<b>3.902</b>	<b>(1.882)</b>	<b>11.473</b>
Funding	(1.938)	0.000	(5.265)	0.000	(2.705)	0.000	(9.908)
Reserves	(1.565)	0.000	0.000	0.000	0.000	0.000	(1.565)
Total	<b>(0.178)</b>	<b>(0.486)</b>	<b>1.382</b>	<b>(0.033)</b>	<b>1.197</b>	<b>(1.882)</b>	<b>0.000</b>

6.14. There is reduced reliance on the use of capital flexibilities in the 2020/21 budget. In 2019/20 there was £3.256m of capital receipts used to fund transformation. For 2020/21 this is currently forecast to be £1.7m which will be for the last year of the EY contract (£0.8m), IT Transformation (£0.5m), Transformation (£0.4m). The full programme of use of capital flexibilities will come forward for approval at Council in February. There will be sufficient capital receipts generated to meet this need, current forecasts identify £14.1m generated during 2019/20.

## 7. DEDICATED SCHOOLS GRANT

- 7.1. The Settlement Announcement set out funding for the next three years for the Dedicated Schools Grant (DSG). DSG will increase by £2.6bn, 5.9% nationally for 2020/21 with increases of £2.2bn and £2.3bn in the following two years. For 2020/21 there will be a £322m, 4.4% increase across London and a £17.0m, 5.52% increase for Enfield which will benefit at a greater rate than the rest of London.
- 7.2. For the Council and nationally the High Needs Block of the DSG has been the cause of significant pressure. The High Needs Block which funds Special Schools, SEN provision in mainstream schools and support for SEN through Council Services.
- 7.3. For 2019/20 the Quarter 2 Revenue Monitoring Report set out an overspend of £4.95m against an allocation £46.833m, which will need to be carried forward to 2020/21. There had been very minimal increases in funding of £0.9m in both 2018/19 and 2019/20.
- 7.4. The Chancellor's Announcement in September set out a £700m increase nationally for the High Needs Block of which Enfield would have expected to receive £5.3m. However, it has done somewhat better with a £7.0m increase which is 14.71% with the London councils' average increase being 10.45% and the national increase 12%.

- 7.5. The increase will help address the pressure along with Council strategies to increase the number of places. However, it will remain an area of some concern.
- 7.6. Finally, there has been a reduction to the Central Service Block to £0.4bn nationally. Only 21 authorities including three London Boroughs will have increases. Enfield's allocation will reduce by £0.2m to £2.7m.

## **8. COMMUNITY ENGAGEMENT**

- 8.1. An outline of the financial challenges faced by the Council has been published through the e Newsletter. Residents' views are being sought on the vision to protect the most vulnerable, proposals for the Council Tax increase and general views on the proposals published in October. The full detail can be found through the link below.

<https://new.enfield.gov.uk/consultations/budget-engagement-2020-21/>

- 8.2. The feedback from the Engagement will be reported to Overview & Scrutiny Committee in December.
- 8.3. There will be further engagement with interest groups as has taken place in previous years and there is also a briefing note being prepared to assist members at their Ward Forums.

## **9. SCRUTINY**

- 9.1. The Council's Overview and Scrutiny Committee meet on 19 December to scrutinise the savings and income proposals and spending and funding assumptions.

## **10. CAPITAL PROGRAMME AND TREASURY MANAGEMENT STRATEGY**

- 10.1. There is ongoing work in both of these areas. The three year life of the existing Capital Programme was insufficient, and officers are currently drawing up commitments for a ten year Programme. This will be complemented by a ten year Treasury Management Strategy to give greater visibility on the Council's Capital Financing Requirement. Some allowance for this work has already been made above for the impact that this will have on the revenue budget. A broad £1.4m per annum increase has been included which should cover medium to long term highways maintenance, building maintenance and IT refresh programme commitments and there has also been allowance made for the financing costs of a number of initiatives which generate new or increased income streams for the Council.
- 10.2. The ten Year Capital Programme is on this agenda and this will come to Cabinet again with an updated Capital Strategy in February 2020 for approval on to Council.
- 10.3. A Draft Treasury Management Strategy will be presented to Audit & Risk Committee in January 2020 ahead of being presented to Cabinet and on to Council in February.

## **11. NEXT STEPS**

11.1. The Council Tax Base and Business Rates Base figures will come forward for approval in January 2020.

## **12. ALTERNATIVE OPTIONS CONSIDERED**

12.1. None.

## **13. REASONS FOR RECOMMENDATIONS**

13.1. Cabinet need to manage the 2020/21 to 2024/25 financial planning process with due regard to the available resources.

## **14. COMMENTS FROM OTHER DEPARTMENTS**

### **14.1. Financial Implications**

14.1.1. The key financial implications are set out in the body of the report.

### **14.2. Legal Implications**

14.2.1. The Council has various legal and fiduciary duties in relation to the budget. The Council is required by the Local Government Finance Act 1992 to make specific estimates of gross revenue expenditure and anticipated income leading to the setting of the overall budget and council tax. The Local Government Act 2003 entitles local authorities to borrow and invest as long as their capital spending plans are affordable, prudent and sustainable. The 2003 Act requires the Chief Finance Officer to report to Council as part of the budget process on the robustness of the estimates of borrowing, investment and spending and the adequacy of the proposed financial reserves taking into account the affordability, prudence, sustainability, value for money, stewardship of assets, service objectives and practicality requirements as provided by CIPFA's Prudential Code of Capital Finance in Local Authorities concerning borrowing and investment.

14.2.2. Members are obliged to take into account all relevant considerations and disregard all irrelevant considerations in seeking to ensure that the Council acts lawfully in adopting a budget and setting council tax. The Council must set and maintain a balanced budget and must take steps to deal with any projected overspends and identify savings or other measures to bring budget pressures under control. Members should note that where a service is provided pursuant to a statutory duty, the Council cannot fail to discharge its duty properly.

14.2.3. Members have a fiduciary duty to the Council Taxpayer for whom they effectively act as trustee of the Council's resources and to ensure proper custodianship of the Council's resources.

14.2.4. This report provides a clear and concise view of the position at present of future sustainability and the decisions that need to be made for the recommended actions outlined herein with a view to meeting the Council's legal and fiduciary obligations.

### **14.3. Property Implications**

- 14.3.1. There are property proposals detailed in the appendices to the report. The Director of Property and Economy and team have been fully engaged in their formulation.

### **15. KEY RISKS**

- 15.1 There are a number of risks which may impact on the 2020/21 Budget and 2020/21 to 2024/25 Medium Term Financial Plan.
- 15.2 The absence of a multi year settlement from Government is a major source of uncertainty and impacts on the ability to plan for the medium term. It is important that the Council maintains adequate reserves and balances to mitigate this risk and the Finance Team will regularly review the financial assumption made.
- 15.3 There is naturally risk in delivery of the individual proposals and these are subject to risk appraisal and will be continuously reviewed.
- 15.4 There is a risk that spending pressures in 2019/20 are not managed and create a greater funding gap in future years. The 2019/20 Budget is being managed through detailed reporting to management on a monthly basis and to Cabinet quarterly and there is a Pressures Challenge Board in place to address the key areas of spending pressures.
- 15.5 There are also political risks at this time with Brexit and uncertainty on the outcome of the early General Election. This situation will be continuously monitored.

### **16. IMPACT ON COUNCIL PRIORITIES – CREATING A LIFETIME OF OPPORTUNITIES IN ENFIELD**

#### **16.1 Good homes in well connected neighbourhoods**

- 16.2 Whilst not including full proposals on capital spend, the report sets out a position that can ensure the continuation of critical initiatives that will improve the quality of existing neighbourhoods and support residents, especially the most vulnerable.

#### **16.3 Sustain strong and healthy communities**

- 16.4 The proposals acknowledge the centrality of supporting local people to live healthy, happy and independent lives. This is demonstrated by the commitment to prioritise support and protect front line adult social care and children's services. The proposals ensure that the local authority is able to continue to deliver services that can provide the basis for strong and healthy communities.

#### **16.5 Build our local economy to create a thriving place**

- 16.6 The proposals help create a financial position for the local authority that can provide a basis for further work to contribute to the wider economic wellbeing of the borough.

## **17. EQUALITIES IMPACT IMPLICATIONS**

- 17.1 Local authorities have a responsibility to meet the Public Sector Duty of the Equality Act 2010. The Act gives people the right not to be treated less favourably because of any of the protected characteristics. It is important to consider the needs of the diverse groups with protected characteristics when designing and delivering services or budgets so people can get fairer opportunities and equal access to services.
- 17.2 The Council aims to serve the whole borough fairly, tackle inequality and protect vulnerable people. The Council will promote equality of access and opportunity for those in our communities from the protected characteristic groups or those disadvantaged through socio-economic conditions.
- 17.3 Through the use of Equality Impact Assessments the Council can analyse and identify where and how proposed changes to services, policies and budgets could improve its ability to serve all members of the community fairly. It helps ensure that the Council does not discriminate, and in taking decisions that it does not unduly or disproportionately affect some groups more than others. The Council also recognises that undertaking full assessments will help to improve the efficiency and effectiveness of the Council by ensuring that residents and service users' needs are met through the delivery of the Council's aims and objectives.
- 17.4 The Council's budget is not subject to a single Equality Impact Assessment, as it is far too complex for this approach. Instead, budget proposals requiring change or new services and policies will be required to carry out an Equality Impact Assessment to evaluate how the proposal will impact on all parts of the community. The impact assessment must include consultation with affected people and organisations. Heads of Service will have to identify what actions will be taken to mitigate against the worst adverse impacts at the end of their EQIA. The Corporate Equalities Group will be providing advice and support to Departments in developing appropriate EQIAs.

## **18. PERFORMANCE AND DATA IMPLICATIONS**

- 18.1 The demand management assumptions have been developed by looking closely at the data and undertaking projections based upon historic and current patterns of demand and need and assessing future demand such as rising populations and changes in age demographics. This data is under constant review with an aim to develop more sophisticated projections which will inform future years
- 18.2 Tracking the progress in realising the proposed savings is crucial and monitoring of these will be undertaken through Financial reporting but also through departmental and executive management team reporting
- 18.3 It will be important to track any positive or negative impact on the Council's key performance indicators as a result of these initiatives and this review will continue to be done through our performance framework and associated methodology. This will allow services and

the council as a whole to make a robust assessment of the impact of these initiatives.

## **19. HEALTH AND SAFETY IMPLICATIONS**

19.1 None arising from this report

## **20. HR IMPLICATIONS**

20.1 Any proposal that is likely to impact on posts or changes and potential closure of services, will require the Council to conduct a meaningful consultation with trade unions and staff. This will include consideration of alternative proposals put forward as part of the consultation process. The Council's HR policies and procedures for restructures should be followed. Any consideration for staff structural changes should ensure there is a resilient workforce to deliver on-going service requirements. Therefore, consideration of workforce planning should be included in the process.

20.2 Where redundancies are necessary the appropriate HR policies and procedures should be followed. Redeployment options must be considered.

20.3 It is important that services engage with HR at the earliest opportunity.

## **21. PUBLIC HEALTH IMPLICATIONS**

21.1 The Council's core business is to maintain and enhance the wellbeing of the community; austerity and the financial climate is severely challenging its ability to do this. The MTFP outlines how the Council aims to meet its financial demands whilst minimising the effect of these pressures on the community. However, it is difficult to envisage how continuous cuts to the Council's budget will not impact upon its ability to support and maintain community wellbeing.

## **Background Papers**



Pressures in the Medium Term Financial Plan 2020/21 - 2024/25									
Ref No.	Department	Proposal Summary (from template)	Category	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000	2024/25 £000	Total £000
<b>Pay Awards and Inflation</b>									
General inflation	Corporate	General inflation	Inflation	3,000	3,000	3,000	3,000	3,000	15,000
Pay Awards	Corporate	Pay Awards	Inflation	2,500	2,526	2,550	2,576	2,602	12,754
Customer Experience & Change 1	Corporate	Inflation specifically for IT contracts	Inflation	320	320	320	320	320	1,600
Environment & Operations	Corporate	Impact of deteriorating commodity prices for dry recycling materials	Inflation	330					330
ASC_P1_1920	People	Customer Pathway Contract Inflation ASC	Inflation	708	720	720	720	720	3,588
ASC_P2_1920	People	Learning Disabilities Contract Inflation ASC	Inflation	494	500	500	500	500	2,494
ASC_P3_1920	People	Mental Health Contract Inflation ASC	Inflation	81	80	80	80	80	401
<b>Total Pay Awards and Inflation</b>				<b>7,433</b>	<b>7,146</b>	<b>7,170</b>	<b>7,196</b>	<b>7,222</b>	<b>36,167</b>
<b>Demographic Pressures</b>									
Demographic Pressures	People	Adult Social Care Demographic Pressures estimated July 2019	Demography	2,017	2,000	2,000	2,000	2,000	10,017
Older People	People	Older People - Overspend forecast for 2019/20 at Q1	Demography	1,159					1,159
Older People	People	Older People - Overspend forecast for 2019/20 at Q2	Demography	72					72
Learning Disabilities	People	Learning Disabilities - Overspend forecast for 2019/20 at Q1	Demography	1,194					1,194
Learning Disabilities	People	Learning Disabilities - Overspend forecast for 2019/20 at Q2	Demography	44					44
Demographic Pressures	People	Children's Social Care Demography estimated July 2019	Demography	397					397
CSC Demographic Pressure	People	Further Children's Social Care Demography	Demography	1,792	750	750	750	750	4,792
Home To School Transport/SEN Transport	Place	Home To School Transport Pressures (ongoing annual demand pressures impact of £530k) + other current pressures	Demography	950	630	630	630	630	3,470
Home To School Transport/SEN Transport	Place	Home To School Transport/SEN Transport - Overspend forecast for 2019/20 at Q1	Demography	600					600
<b>Total Demographic Pressures</b>				<b>8,225</b>	<b>3,380</b>	<b>3,380</b>	<b>3,380</b>	<b>3,380</b>	<b>21,745</b>
<b>Investment / Capital Financing</b>									
Capital Financing	Corporate	Capital Financing	Cap Fin	1,000	1,000	1,000	1,000	1,000	5,000
Capital Financing existing programme	Corporate	Capital Financing existing programme	Cap Fin	1,500	1,500	1,500	1,500	1,500	7,500
Capital Financing 10 year programme	Corporate	Capital Financing 10 year programme (provisional pending further work)	Cap Fin		1,500	1,500	1,500	1,500	6,000
- Montagu	Corporate	Capital Financing Costs - Montagu	Cap Fin			869			869
- Fleet Replacement	Corporate	Capital Financing Costs - Fleet Replacement	Cap Fin		304	458	360	360	1,482
- Additional Affordable Housing Meridian 1	Corporate	Capital Financing Costs - Additional Affordable Housing Meridian 1	Cap Fin	525	405	193	1	440	1,564
- Crematorium Development	Corporate	Capital Financing Costs - Crematorium Development	Cap Fin				282		282
Invest to Save	Corporate	Capital Financing Costs of Investment in LED Street Lighting	Cap Fin	378					378
Legal	CEX	FOI/MEQ Team restructure	Investment	121					121
Organisational Development	CEX	Continuing Professional Development (estimate of £70k per directorate)	Investment	150					150
People & Governance	CEX	Director of HR	Investment	150					150
Head of Corporate Strategy	CEX	Head of Corporate Strategy	Investment	110					110
Bid Writing Post	CEX	MM2 post for Bid writing within Law & Governance (new)	Investment	72					72
WIL/EMG/DG	Corporate	Women into Leadership/Ethnic Minorities Group/Disabilities Group	Investment	75					75
ASC	People	Modern Slavery Team	Investment	120					120
Investment in Youth Crime	People	Two Year Pilot on Prevention of Serious Youth Violence ends	Investment		(500)				(500)
Children's Services	People	Permanent increase in the number of front line social workers	Investment	865					865
Summer Uni Programme	People	Summer Uni Programme	Investment	80					80
CSC	People	Children's Social Care - Edge of Care Work - social work team	Investment	385					385
Social Work Apprenticeships	People	Social Work Apprenticeships (new)	Investment	130	260	260			650
Investment in Waste	Place	Investment in Street Cleaning (funded via Waste Savings)	Investment	500					500
Property & Economy	Place	Property Restructure and Asset Management System	Investment	440	100				540
R&M Budget	Place	Repairs and Maintenance budget shortfall (non-capital planned works)	Investment	150	150	150	150	150	750
Property & Economy	Place	Asset Valuations Capital Accounts - Statement of Accounts action plan	Investment	150					150
Commercial	Resources	Procurement Hub staffing	Investment	250					250
Customer Experience & Change	Resources	Web Team staffing	Investment	60					60

<b>Pressures in the Medium Term Financial Plan 2020/21 - 2024/25</b>									
<b>Ref No.</b>	<b>Department</b>	<b>Proposal Summary (from template)</b>	<b>Category</b>	<b>2020/21 £000</b>	<b>2021/22 £000</b>	<b>2022/23 £000</b>	<b>2023/24 £000</b>	<b>2024/25 £000</b>	<b>Total £000</b>
Customer Experience & Change 2	Resources	IT Team staffing	Investment	350	350				700
Finance	Resources	Debt Strategy - increasing staff levels to focus on debt prevention and benefit maximisation	Investment	170					170
Customer Experience & Change	Resources	Customer Operations - quality manager and training post	Investment	89					89
<b>Total Investment / Capital Financing</b>				<b>7,820</b>	<b>5,069</b>	<b>5,930</b>	<b>4,793</b>	<b>4,950</b>	<b>28,562</b>
<b>North London Waste Authority</b>									
NLWA	Corporate	North London Waste Authority (NLWA) - new waste facility	NLWA		194	753	753	753	2,453
<b>Total NLWA</b>				<b>0</b>	<b>194</b>	<b>753</b>	<b>753</b>	<b>753</b>	<b>2,453</b>
<b>Pressures</b>									
Emergency Planning	CEX	Annual contribution to London Resilience Team (new)	Pressure	30					30
ASC	People	Increasing costs of services delivered by IWE - (original pressure of £2.0m reduced to £1.5m)	Pressure	1,500					1,500
CSC	People	National Accreditation and Assessment System (NAAS) for Social Workers - new requirement (original pressure of £200k reduced to £50k)	Pressure	50					50
Schools Traded	People	Prior year legacy income unrealisable: School traded	Pressure	600					600
ASC/PH	People	Use of one-off Public Health Reserves to support 2019-20 budget reversed	Pressure	937					937
Supporting People	People	Overspend forecast for 2019/2020	Pressure	300					300
R&E_P10_1718	Place	Street Lighting PFI Reserve	Pressure	291					291
R&E_P11_1718	Place	Planning Policy - establish a base budget for the function	Pressure	88					88
ENV_S9_1819_T1	Place	Traffic and Transportation Income (18/19 saving for 3 years only)	Pressure		130				130
Property & Economy	Place	Vacant Properties / Disposals - creation of base budget for function	Pressure	150					150
Trespass and Enforcement Actions On Council Land	Place	Trespass and Enforcement Actions On Council Land £250k per annum	Pressure	250					250
Property & Economy	Place	In sourcing cleaning contract (loss of JV income from NORSE JV £123k)	Pressure	123					123
Property Lease	Place	Increased property lease costs	Pressure	500					500
Customer Experience & Change 3	Resources	Out of hours service-one off contract termination cost	Pressure	31	(31)				0
Commercial	Resources	Procurement Contract review/forward plan legacy savings	Pressure	520					520
Commercial	Resources	Schools Traded Catering Service - Subsidy (originally £200k, now increased to £600k)	Pressure	600					600
IT	Resources	Prior Year Legacy income unrealisable: IT Network Assets and Infrastructure	Pressure	300					300
<b>Total Pressures</b>				<b>6,270</b>	<b>99</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>6,369</b>
<b>Overall Pressures in the MTFP 2020/21 - 2024/25</b>				<b>29,748</b>	<b>15,888</b>	<b>17,233</b>	<b>16,122</b>	<b>16,305</b>	<b>95,296</b>
<b>Full Year Effect of savings already agreed</b>				<b>(3,279)</b>	<b>(1,840)</b>	<b>(439)</b>	<b>0</b>	<b>0</b>	<b>(5,558)</b>
<b>Spending Pressures net of FYE savings</b>				<b>26,469</b>	<b>14,048</b>	<b>16,794</b>	<b>16,122</b>	<b>16,305</b>	<b>89,738</b>
<b>Pensions - Actuarial Review</b>				<b>(3,600)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(3,600)</b>

**Funding Assumptions in the Medium Term Financial Plan 2020/21 - 2024/25**

<b>Proposal</b>	<b>2020/21</b>	<b>2021/22</b>	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>	<b>Total</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>Council Tax</b>						
Council tax single person discounts and other discounts. Use our internal records to identify savings	(500)	(1,000)				(1,500)
Review Council Tax Reduction Scheme	(200)					(200)
Adult Social Care Precept 2020/21 <b>2.00%</b>	(2,559)					(2,559)
Core Council Tax Increase <b>1.99%</b> (no tax base growth)	(2,533)	(2,584)	(2,635)	(2,688)	(2,741)	(13,181)
Original Assumed Tax Base Growth - 300 Band D Equivalents each year	(402)	(417)	(434)	(449)	(468)	(2,170)
Tax Base adjustments and Tax Base Growth - additional 500 Band D Equivalents each year rather than 300	(268)	(278)	(289)	(301)	(312)	(1,448)
<b>Business Rates</b>						
Business Rates Pool arrangement ending	2,950					2,950
SFA/Business Rates increase	(2,032)					(2,032)
Business Rates Benefit from London Pool (new)	(425)					(425)
<b>Grants</b>						
Social Care Grant (£1bn nationally)	(5,411)					(5,411)
New Homes Bonus - grant reduction from 21/22		400	400	400	394	1,594
Reduction in Housing Benefit Admin Grant (10% per annum)	158	142	128	115	103	646
Homelessness Grant - reducing by £800k per year from 21/22 (updated)		800	800	800	800	3,200
<b>Other Items</b>						
One off Use of Reserves in 2019/20 reversal	1,000					1,000
Collection Fund Deficit	1,314	700	(700)			1,314
CPI Increase in Base Funding 2020/21 (Settlement Funding Assessment) (new)	(1,000)					(1,000)
<b>Total Funding</b>	<b>(9,908)</b>	<b>(2,237)</b>	<b>(2,730)</b>	<b>(2,123)</b>	<b>(2,224)</b>	<b>(19,222)</b>
One off Use of Reserves in 2020/21	(1,565)	1,565				0
<b>Revised Total funding</b>	<b>(11,473)</b>	<b>(672)</b>	<b>(2,730)</b>	<b>(2,123)</b>	<b>(2,224)</b>	<b>(19,222)</b>

## APPENDIX 2A

### Full Year Effect of Prior Year Savings in 2020/21 - 2024/25

			2020/21	2021/22	2022/23	2023/24	2024/25	Total
Directorate	Department	Title	£000	£000	£000	£000	£000	£000
Corporate	Corporate	Taxbase Growth	(75)					(75)
People	Adult Social Care	Reardon Court - Extra Care		(113)	(377)			(490)
People	Adult Social Care	Reduction in management as a result of service re-modelling	(157)					(157)
Place	Place	Edmonton Cemetery Expansion - sales of mausolea and vaulted graves	(6)	(6)	(6)			(18)
Place	Place	Additional T&T income from recharges to capital			25			25
Place	Place	Cemeteries Mausoleum and Vaulted graves sales - Southgate Cemetery	(390)	(60)	(31)			(481)
Place	Place	Meridian Water Meanwhile Use income - reversal of 2019/20	1,190					1,190
Place	Place	LED Street Lighting	(250)					(250)
Place	Place	Stop School Crossing Patrols	(34)					(34)
Place	Place	Building Control Income	(50)					(50)
Place	Place	Temporary Accommodation - Future Years	(780)	(711)				(1,491)
Place	Place	Market Rentals for Council Properties	(50)	(50)	(50)			(150)
Place	Place	Management actions to contain pressure	(379)					(379)
Place	Place	Increase income across R&E	(250)					(250)
Place	Place	Organisational Review Savings	(198)					(198)
Place	Place	Waste Savings	(1,800)	(700)				(2,500)
Resources	CEX/Resources	Payments Programme - new system allowing efficiencies in Exchequer	(200)	(200)				(400)
Resources	CEX/Resources	Energy Saving Initiatives - reversal of 2019/20 one-off	150					150
			<b>(3,279)</b>	<b>(1,840)</b>	<b>(439)</b>	<b>0</b>	<b>0</b>	<b>(5,558)</b>

**Tranche 1&2 Savings and Income Generation Proposals 2020/21 - 2024/25**

Reference	Department	Description of Saving/Income Generation Proposal	Tranche	2020/21	2021/22	2022/23	2023/24	2024/25	Total
				£000	£000	£000	£000	£000	£000
<b>Corporate</b>									
CORP 20-21 S01	Corporate	Take system credits as a one-off saving, then assume £500k each year ongoing saving	1	(2,000)	1,500				(500)
CORP 20-21 S02	Corporate	Tail spend savings. Supplier manages spend for the council. Savings achieved through economies	2	(150)	(150)				(300)
CORP 20-21 S03	Corporate	Review HRA recharges, MRP policy and capitalisations and application of grants	2		(500)	(500)			(1,000)
CORP 20-21 S04	Corporate	Obtain rebates by using Purchase Cards for energy bills and matrix invoicing	2	(100)					(100)
<b>Corporate Total</b>				<b>(2,250)</b>	<b>850</b>	<b>(500)</b>	<b>0</b>	<b>0</b>	<b>(1,900)</b>
<b>Resources/CEX</b>									
RES 20-21 S01	Resources	Organisational Review Saving (original saving £450k; reduction to £225k)	1	(225)					(225)
RES 20-21 S02	Resources	Update of financial systems. Alternative to SAP & BPC.	1				(250)		(250)
RES 20-21 S04	Resources	Payroll Service expansion to schools	1					(200)	(200)
RES 20-21 S05	Resources	Staff savings from implementation of a vendor payment portal	1					(200)	(200)
RES 20-21 S06	Resources	Single view of the customer debt	1					(50)	(50)
RES 20-21 S07	Resources	On line forms and ability to upload information required to go into back office systems for revenues and benefits	1	(20)	(120)				(140)
RES 20-21 S08	Resources	Greater automation to reduce staff resources in administering DWP notifications	1		(60)				(60)
RES 20-21 S09	Resources	Review of out of hours contracting arrangements; early exit termination fees apply.	1	(14)	(42)				(56)
RES 20-21 S10	Resources	Customer Service Centre demand reduction and channel shift	1		(100)				(100)
RES 20-21 S11	Resources	Sustainable council: reduction in printing across the council by 15%	1	(50)					(50)
RES 20-21 S12	Resources	Re-procurement of bulk printing and postage contract	1	(200)					(200)
RES 20-21 S13	Resources	New arrangements for hosting ICT applications and mobile phone contract reductions	1	(1,300)					(1,300)
RES 20-21 S14	Resources	Reducing costs associated with data storage	1	(300)					(300)
RES 20-21 S15	Resources	Reducing cost of maintaining staff laptops and devices	2			(60)			(60)
RES 20-21 S16	Resources	Procurement saving resulting from replacing our digital customer platform	1	(800)					(800)
RES 20-21 S17	Resources	Application Rationalisation - ongoing reduction of other applications	2		(200)	(200)			(400)
RES 20-21 S18	Resources	Rationalisation of telephony contracts	1		(200)				(200)
RES 20-21 S19	Resources	Automation of routine processes including the exploration of Artificial Intelligence	1		(50)				(50)

**Tranche 1&2 Savings and Income Generation Proposals 2020/21 - 2024/25**

Reference	Department	Description of Saving/Income Generation Proposal	Tranche	2020/21	2021/22	2022/23	2023/24	2024/25	Total
				£000	£000	£000	£000	£000	£000
RES 20-21 S20	Resources	Reduction in the usage of the interpreting contract	1		(20)				(20)
RES 20-21 S21	Resources	Digital support to the UK immigration and visa verification service.	1	(140)	(140)				(280)
RES 20-21 S22	Resources	Community libraries. Wireless self service printing to generate income	2	(50)					(50)
RES 20-21 S23	Resources	Investment in a sensory room for use by individuals, companies and schools	1	(20)					(20)
RES 20-21 S24	Resources	Makerspaces. Equipping community rooms to support crafting and other skill development	1	(20)					(20)
CEX 20-21 S01	CEX	Improve our registration offer to local residents	2		(50)				(50)
CEX 20-21 S02	CEX	Reduce printing	1	(50)					(50)
CEX 20-21 S03	CEX	Organisational Review Saving	1	(150)					(150)
CEX 20-21 S04	CEX	Review of recharges	1	(100)					(100)
<b>Resources/CEX Total</b>				<b>(3,439)</b>	<b>(982)</b>	<b>(260)</b>	<b>(250)</b>	<b>(450)</b>	<b>(5,381)</b>
<b>Adults and Public Health</b>									
PEOPLE 20-21 S05	Adult Social Care	Increased income through fees and charges for chargeable Adult Social Care Services	1	(320)	(100)	(100)	(100)	(100)	(720)
PEOPLE 20-21 S06	Adult Social Care	Maximisation of IWE resource for day services	1	(90)					(90)
PEOPLE 20-21 S07	Adult Social Care	Review of residential placements to secure appropriate supported living	1	(200)					(200)
PEOPLE 20-21 S08	Adult Social Care	Increased use of Assistive Technology and support through the VCS	1	(100)					(100)
PEOPLE 20-21 S09	Adult Social Care	Reduced costs of care through early intervention	1	(110)					(110)
PEOPLE 20-21 S10	Adult Social Care	More efficient processing of DoLs and care of Pets	1	(40)					(40)
PEOPLE 20-21 S11	Adult Social Care	Reduction in print costs	1	(25)					(25)
PEOPLE 20-21 S13	Public Health	Review of commissioning contracts and out of borough Sexual Health spend	1	(970)					(970)
<b>Adults and Public Health Total</b>				<b>(1,855)</b>	<b>(100)</b>	<b>(100)</b>	<b>(100)</b>	<b>(100)</b>	<b>(2,255)</b>

**Tranche 1&2 Savings and Income Generation Proposals 2020/21 - 2024/25**

Reference	Department	Description of Saving/Income Generation Proposal	Tranche	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000	2024/25 £000	Total £000
<b>Children's and Education</b>									
PEOPLE 20-21 S04	Education	DSG Funding and capital recharges	1	(90)					(90)
PEOPLE 20-21 S03	Children Social Care	Reduction in business support (vacant post)	1	(39)					(39)
PEOPLE 20-21 S01a	Children Social Care	Reduction in early retirement pension budget	1	(58)					(58)
PEOPLE 20-21 S01b	Children Social Care	Reduction in reparation due to Police contribution	1	(10)					(10)
PEOPLE 20-21 S02a	Children Social Care	Block booking semi-independent accommodation (original £125k; revised to £60k)	1	(60)					(60)
PEOPLE 20-21 S02b	Children Social Care	Reducing placement costs	1	(140)					(140)
<b>Children's and Education Total</b>				<b>(397)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(397)</b>
<b>Place</b>									
PLACE 20-21 S01a	Place	Increase in fee income in the planning service	1		(170)	(20)			(190)
PLACE 20-21 S01b	Place	Building Control Plan Drawing Service	1		(30)	(20)			(50)
PLACE 20-21 S02a	Place	Genotin Road Car Park Redevelopment	1	93	(1,579)				(1,486)
PLACE 20-21 S02b	Place	Montagu Industrial Estate Redevelopment	1				(300)	(900)	(1,200)
PLACE 20-21 S02d	Place	Security contract saving	1	(78)					(78)
PLACE 20-21 S02g	Place	Reardon Court Development Rental Income	1				(600)	(30)	(630)
PLACE 20-21 S02j	Place	Insource Cleaning Contract ongoing efficiencies	1		(50)				(50)
PLACE 20-21 S02l	Place	Sub-stations rent reviews	1		(50)				(50)
PLACE 20-21 S03	Place	Crematorium Development	1			(1,544)			(1,544)
PLACE 20-21 S02	Place	Rationalisation of property estate	1	156	(408)	(440)			(692)
PLACE 20-21 S04	Place	Traffic order income (original £60k; increased to £100k)	1	(100)					(100)
PLACE 20-21 S05a	Place	Meridian Water Meanwhile use income	1	(1,109)	387	86	0	(81)	(717)
PLACE 20-21 S05b	Place	Meridian Water Non-Residential Rental Income	1					(194)	(194)
PLACE 20-21 S06a	Place	Parking Contract Renewal	1	(165)	(35)				(200)
PLACE 20-21 S06b	Place	Crown Road Lorry Park and Shared Pound	1		0				0
PLACE 20-21 S07	Place	Additional LED street light savings	1		(260)				(260)
PLACE 20-21 S08	Place	Scaffolding Permit Income	1	(50)					(50)

**Tranche 1&2 Savings and Income Generation Proposals 2020/21 - 2024/25**

Reference	Department	Description of Saving/Income Generation Proposal	Tranche	2020/21	2021/22	2022/23	2023/24	2024/25	Total
				£000	£000	£000	£000	£000	£000
PLACE 20-21 S09	Place	Organisational Review Saving	1	(150)					(150)
PLACE 20-21 S10	Place	Inflation uplift on external clients and receipts income	1		(180)	(180)	(180)	(180)	(720)
PLACE 20-21 S11	Place	Homelessness Service Review	1	(1,000)	(125)	(125)			(1,250)
PLACE 20-21 S12	Place	Southgate Cemetery Cemeteries Mausoleum and Vaulted graves sales	1	318	70	30	(769)		(351)
PLACE 20-21 S13	Place	Vehicle Fleet Replacement – through borrowing instead of leasing.	1	(1,200)					(1,200)
PLACE 20-21 S14	Place	In house Parks/Cemeteries contracts efficiency	1	(50)					(50)
PLACE 20-21 S15	Place	Commercialisation of the Fleet Workshop	1	(50)					(50)
PLACE 20-21 S16	Place	Staff capitalisation to MW, due to increased staffing levels to meet the revised MW scope	1	(70)					(70)
<b>Place Total</b>				<b>(3,455)</b>	<b>(2,430)</b>	<b>(2,213)</b>	<b>(1,849)</b>	<b>(1,385)</b>	<b>(11,332)</b>
<b>Total Savings and Income Generation proposals</b>				<b>(11,396)</b>	<b>(2,662)</b>	<b>(3,073)</b>	<b>(2,199)</b>	<b>(1,935)</b>	<b>(21,265)</b>