

Appendix 1: Community Services Proposals

1. Cuts proposal	
Proposal title:	Adult Social Care
Reference:	COM1a, COM2a, COM3a and COM18
Directorate:	Community Services
Director of Service:	Director of Operations Adult Social Care, Joan Hutton & Director of Joint Commissioning, Dee Carlin.
Service/Team area:	Adult Social Care (ASC)
Cabinet portfolio:	Cabinet Member for Health and Adult Social Care – Cllr Chris Best
Scrutiny Ctte(s):	Healthier Communities Select Committee

2. Decision Route			
Cuts proposed:	Key Decision	Public Consultation	Staff Consultation
	Yes / No	Yes / No	Yes / No
a) COM1a Managing demand at the point of access to adult social care services: £1.0m	Yes	No	No
b) COM2a Ensuring support plans optimise value for money: £500k	Yes	No	No
c) COM3a Increase revenue from charging Adult Social Care clients: £500k	Yes	No	No
d) COM18 funding inflationary increase from within the ASC Grant £2.0m	No	No	No

3. Description of service area and proposal
<p>Description of the service area (functions and activities) being reviewed:</p> <p><u>COM1a & COM2a COM3a</u></p> <p>The two main points of access to adult social care are 1) the community via the Social Care Advice and Information Team (SCAIT), and 2) the acute hospitals via the Hospital Discharge Team. The principles of the Care Act 2014 regarding assessment and eligibility criteria are applied to determine the appropriate response to these contacts and referrals.</p> <p>Adult social care have been piloting differing approaches to deliver both effective outcomes for residents who make contact for support, and effective management of demand and the use of resources. This is known as the 3 conversation approach strength and asset based approach to assessment.</p> <p>This approach places the use of prevention and early intervention that can promote self management, independence, rehabilitation and recovery at the heart of practice.</p>

3. Description of service area and proposal

If a person has needs that are not eligible at that time, there is support available to access information and advice or preventative services.

The approach used builds further on the arrangements that have been put in place to manage demand appropriately and effectively. It is complemented by the Councils commitment to community development that links those with care needs to opportunities that are available from universal services and the third sector organisations within the community.

The four neighbourhood assessment teams established across the borough and a team that work specifically with adults who have a learning disability provide the main assessment and support planning function for those with care needs. In accordance with the approach to integration across health and social care and by building on the “Care at home” approach to multi-disciplinary working we will ensure the right support is in place to individuals and work to reduce duplication where possible.

As part of the assessment process and in accordance with the national ‘fairer charging policy framework’, people in receipt of care and support are financially assessed to ascertain the level of contribution they need to make towards the cost of their care.

Whilst adult social care is chargeable, healthcare is free at the point of delivery. For those people who have support for their healthcare needs there are arrangements in place for the Council to recharge the CCG.

The Adult Social Care budget is divided into two areas of expenditure, care costs £76.4m and staffing costs £11.2 m. There are annual inflationary increases and uplifts which amount to approximately £2.2m, these will be covered using the ASC base grant.

Attached in Appendix 1B is further detailed information relating to these proposals.

Cuts proposal*

COM1a - £1m

The £1.0m identified under COM1a is an extension of the £122k identified and achieved under the 19-20 COM1 cut by piloting new ways of working that “Manage demand for Social Care effectively using the (3 conversations) strength based approach to practice”.

We have considered good practice identified from benchmarking the use of resources, using a focused analysis of our spend by the Association of Directors for Adult Social Services (ADASS), Local Government Association (LGA) and Independent Peer Challenge (IPC).

There are approx. 3,175 adults receiving care at any one time. By managing demand and reducing this number by 100 to 3,075 there will be an anticipated cost cut of £1m.

The approach will:

- Connect people at an early stage to support them to get on with their lives independently;
- Identify when people are at risk and apply solutions to make them safe;

3. Description of service area and proposal

- provide a fair and proportionate personal budget that considers where sources of funding come from which includes the persons own resources or health funding if this is appropriate;
- Identify people who are self-funders at an earlier stage and provide them with information and advice so that they can make their own arrangements; and
- provide short term intervention such as rehabilitation, recovery, recuperation and reablement, including therapeutic help, for people who contact the service from within the community via self-referral or from the GP as well as when discharged from the hospital.

This has estimated that a local authority shouldn't spend more than 15% of the domiciliary care budget on a person for 10 hours or less per week, as this level of care can often be accessed by other means particularly ensuring that the correct levels of benefits are in place. Support is provided to people from the staff within the SCAIT team to connect them to these resources and solutions. The proposal would reduce ASC spend from 15.5% of the budget currently, in line with the 15% recommended.

COM2a - £0.5m

In accordance with social care best practice and Care Act requirements, there will be continued reassessments of support plans using the strength asset based approach. This will include the following actions:

- All care packages will be based on medium term goals that assist a person where possible to move to greater independence;
- Continuing Health Care decisions to be completed within national timeframes; and
- Commissioners will continue to work with the care market to ensure that the social care investment used is the most cost effective and of good quality.

COM3a - £0.5m

This proposal relates to an increase in income generation rather than a budget cut and involves joint working between Adult Social Care, Customer Services and Resources and Regeneration.

Since January 2018, corrective work has been carried out to bring everyone's charges up to date, resulting in provisional estimates of additional income of £25k weekly.

Further corrective work and an earlier financial assessment along with the introduction of auto-charging and the provider portal to the financial system, will provide more accurate billing and invoice processing to both the service users who are charged and more accurate payments to the range of care providers who are commissioned.

COM18 - £2m

The approach will rebase adult social care budgets to reflect the continuation of grants. The service will fund inflationary uplifts by using the Improved Better Care Fund (IBCF).

4. Impact and risks of proposal

Outline impact to service users, partners, other Council services and staff:

COM1a and COM2a

4. Impact and risks of proposal

This has required a cultural shift to practice for staff who deal with contacts and assessments. The approach is supported by a learning and development programme led by the Principle Social Worker (PSW).

The approach may reduce or delay the need for care and support provided or commissioned by ASC. It promotes self-management which can have a positive impact on an individual's psychological wellbeing and promotes independence where possible.

The approach may not always meet the initial expectations that residents have from ASC and as a consequence, it is likely, there may be an increase in complaints.

The approach is dependent on there being a range of services available that people can access from the voluntary and community sector, particularly for those who focus on support for vulnerable adults. In addition, council run or commissioned universal services will need to be accessible to support individuals where appropriate.

This is set out in more detail in the separate paper to the Healthier Select Committee for their meeting of the 3 September. The Lewisham Offer, is a summary of the strength and asset based approach that is used to manage demand and resources effectively.

COM3a

Some service users may cancel their care due to the financial contribution they are assessed to pay. They will be supported on an individual basis to ensure they have access to any benefits that they are eligible for.

COM18

By using the grant to fund inflationary increases, there is a risk that providers will request an increase that is higher than we can afford. The Council remains committed to paying the London Living Wage.

Outline risks associated with proposal and mitigating actions to be taken:

In relation to the new cuts being offered, as these are extensions of those previously agreed, the main risks for each area are as follows:

- People will choose not to purchase the care and support they need. This can be mitigated by maximising their take up of welfare benefits;
- There is a risk that community based solutions become less available as funding restrictions impact on voluntary sector partners; and
- Delays in publishing the Green Paper and the longer term care integration and funding proposals for adults social care mean uncertainty regarding the management of pressures going forward.

There will be comprehensive risk assessments undertaken as part of the assessment process.

5. Financial information

Controllable budget: General Fund (GF)	Spend £'000	Income £'000	Net Budget £'000	
	64,869	11,261	53,588	
HRA	n/a	n/a		

5. Financial information				
DSG	n/a	n/a		
Health				
Cuts proposed*:	2019/20 £'000	2020/21 £'000	2021/22 £'000	Total £'000
COM1a		1,000		1,000
COM2a		500		500
COM3a		500		500
COM18		2,000		2,000
Total		4,000		4,000
% of Net Budget	%	7.4%	%	%
Does proposal impact on:	General Fund	DSG	HRA	Health
Yes / No	Y	N	N	N
If DSG, HRA, Health impact describe:				

6. Impact on Corporate priorities		
Main priority	Second priority	Corporate priorities 1. Open Lewisham 2. Tackling the Housing Crisis 3. Giving Children and young people the best start in life 4. Building an inclusive local economy 5. Delivering and defending: health, social care & support 6. Making Lewisham greener 7. Building safer communities 8. Good governance and operational effectiveness
5	3	
Impact on main priority – Positive / Neutral / Negative	Impact on second priority – Positive / Neutral / Negative	
Neutral	Neutral	
Level of impact on main priority – High / Medium / Low	Level of impact on second priority – High / Medium / Low	
N/A	N/A	

7. Ward impact	
Geographical impact by ward:	No specific impact / Specific impact in one or more
	No specific impact
	If impacting one or more wards specifically – which?

8. Service equalities impact			
Expected impact on service equalities for users – High / Medium / Low or N/A			
Ethnicity:	N/A	Pregnancy / Maternity:	N/A
Gender:	H	Marriage & Civil Partnerships:	N/A
Age:	H	Sexual orientation:	N/A
Disability:	H	Gender reassignment:	N/A
Religion / Belief:	N/A	Overall:	N/A
For any High impact service equality areas please explain why and what mitigations are proposed:			

8. Service equalities impact

Most people who contact ASC are vulnerable due to age, frailty or disability. Individuals are risk assessed to make sure they remain safe, supported and as independent as possible. Often the care can be provided by partners or family members if deemed appropriate which can fall disproportionately on women. Carers often provide informal support to service users and are considered as part of the strength and asset approach to assessment. It is important that they are offered and encouraged to accept a Carers assessment in their own right that takes into account their Health, Wellbeing and supports them in their caring role.

For all of the proposed cuts areas the same cohort of services users with the same needs and protected characteristics will be affected. Impact assessment above covers all proposals. We will complete separate EIA's in areas where there are changes to provision.

Is a full service equalities impact assessment required: Yes / No	No
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9. Human Resources impact

Will this cuts proposal have an impact on employees: Yes / No	No
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10. Legal implications

State any specific legal implications relating to this proposal:

The pro forma accurately reflects Care Act duties. However, given the fact that client groups may be vulnerable and have protected characteristics (such as age/disability/gender) there will need to be an equalities impact assessment carried out before a decision can be made.

A report on COM1 & 2 could be merged and requires an overall EIA, as service pathways are likely to alter and the client groups, although also including those who may use the services in the future and are therefore difficult to capture, will also mainly comprise existing or proximate users, who do have protected characteristics.

11. Summary timetable

Outline timetable for main steps to be completed re decision and implementation of proposal – e.g. proposal, scrutiny, consultation (public/staff), decision, transition work (contracts, re-organisation etc.), implementation:

Month	Activity
May to July 2019	Proposals prepared (this template and supporting papers – e.g. draft public consultation paper, equalities assessment and initial HR considerations)
August 2019	Proposals submitted to Scrutiny committees leading to M&C Full Delivery Plans developed and monitoring arrangements in place
September 2019	Scrutiny meetings held with consultations ongoing
October 2019	Proposals to M&C, including Equality & HR assessments
November to December 2019	Consultations undertaken and full decision reports (where required) prepared
January 2020	Decision reports return to Scrutiny at the latest
February 2020	Final decisions at M&C with the Budget
March 2020	Cuts implemented

APPENDIX 1 B - ADULT SOCIAL CARE CUTS CONSIDERATION 20/21

1. Planned Cuts Position:

Title	Cuts Target 2019-20	May 2019 Update
Managing demand for Social Care (3 conversations) strength based approach to practice	£122k	Cut now full achieved
Ensure support plans optimise VFM	£250k	Cut now fully achieved
Increase revenue from ASC charging	£159k	Cut now fully achieved despite auto charging and configuration still not complete – prospect to improve charging in 20/21
Reducing unit costs for LD in line with London benchmarking companies	£600k	Work in progress – full achievement expected
Increase Personalisation	£60k	Work in progress – full achievement expected
Reduction in ASC contribution to MH Integrated Community Services	£100k	Cut now full achieved
Reduction of MH residential care costs	£300k	Work in progress – full achievement expected
Increase use of shared lives	£200k	Cut now fully achieved
Develop a more cost effective model for transitions	£300k	Work in progress – partial achievement expected in 19/20
Cost reduction target		

Proposed Cuts	£2.091m
Achieved Cuts	£1.891 m
Difference	£200k with work continuing

2. End Year Position 18/19

Adult Social Care finished the year with a £1.1m underspend

Ongoing Budget Pressures

- DoLS

DoLS numbers increased by 10% in 18/19. Whilst it is expected that the Government will change the legislation by 2020, it is recognised that this may not decrease the pressure due to the ongoing monitoring and quality assurance that will still be a statutory duty of ASC. Current Cost Pressure £750k

- Transitions

Transitions care cost are expected to increase in 19/20 due to the numbers of young adults transferring from Children's Services, with each an expected weekly cost of approx. £1,500. The Majority of these costs will impact on the Learning and Disability (LD) budget. There are additional cost pressures associated with the cohort of young people who transition to adult services with a dual diagnosis of autism and LD who often have complex needs and challenging behaviour.

- Hospital Discharges

The level of care required for residents who have been discharged from hospital and the impact of a reduced length of stay continue to put pressure on the adult social care budget.

Approximately 30 people are discharged from hospital a week through a process known as Discharge to Assess. This approach aims to reduce length of stay within an acute hospital setting by 3 nights. On average a person leaving hospital through Discharge to Assess receives 6 extra hours of care to support them to return home, this cost pressures amounts to £168.5k per year ($30 \times 6 \times £18 = £3,240$ per week and $£3,240 \times 52 \text{ weeks} = £168,500$)

The figure above does not include other discharge pathways where people with more complex needs are supported to leave hospital with more complex packages. We are working on defining the cost pressure for these people leaving hospital following a shorter stay.

- Managing demand and Complexity

Adult social care is a demand led service where there is a continued increase in the age and complexity of clients who need support, for example, there are often high Costs associated with supporting residents who have complex Dementia and are unable to live on their own or where the family Carer is also finding it difficult to cope. There is also an increasing cohort of older people whose increasing frailty and declining mobility requires the support of 2 carers to manage their personal care.

There is increased pressure regarding the support required for people with Mental Health, challenging behaviour and physical disabilities. Often the only

option available to manage these complex needs is long term placements that can often be expensive.

- **Market stability.**

Lewisham saw no growth in the provider market and it is unlikely that there will be any significant growth in 19/20. There is little opportunity for further cost negotiations due to overall market conditions and the commitment to the London Living Wage and ethical care charter.

In 19/20 Lewisham lost one of its lead domiciliary care providers. This has put extra pressure on the current market providers that are also faced with the challenges of meeting care standards and maintaining a consistent workforce

In terms of the availability of Care homes, the market remains fragile. Locally there were no Residential or Nursing home beds lost during this period but there are a small number of homes that require improvements to meet CQC inspection standards. Recently a very large national care home provider Four Seasons, went into administration, for Lewisham, this means 5 people are likely to need a new placement.

Locally pressure on the market has increased due to a planned home closure in a neighbouring borough. This will ultimately have an adverse impact on bed availability, particularly for people with dementia. In addition, any embargoes in neighbouring boroughs will impact on bed capacity.

3. Current Proposed Cuts for 20/21

Title	Amount ('000)	Proposed Delivery
Continue to manage demand through the front door of the Council /community and manage the demand from acute hospitals.	£250	<ul style="list-style-type: none"> - Restructure that will add capacity and enhance skill mix at the point of contact so that initial enquiries can be resolved. - Linking people with community solutions and Prevention - Better Support Planning and Monitoring - Consultation with Health Partners regarding the restructure has been undertaken.
Reduce unit costs for LD in line with benchmarking reports	<p>£700</p> <p>£100</p>	<ul style="list-style-type: none"> - Further work on implementing the recommendations from the ADASS/LGA "Use of Resources" Report - Review Day Service and Transport use including undertaking Consultation on proposed changes with current service users - Transforming Care (National agenda to reduce out of borough placements for LD)

Title	Amount ('000)	Proposed Delivery
		- Better management of resources and voids
Increase Personalisation	£112	- Increase no. of PA's to support Direct Payments and Personal Health Budgets
Ensure short term intervention are effective optimises independence	£164	Increase the productivity of Enablement to enable more rehab thus reducing the need for long term care where possible.
Reduce ASC contribution to MH integrated Community Services	£50	- Reduce management costs - Reduce non-direct costs
Reduce MH residential care costs	£200	- Review all Section 117 support to determine eligibility. - De-registering a number of CQC registered home and support providers to provide care in more cost effective supported living placements where people are offered tenancies.
Increase the use of Shared Lives	£370	- Increase number of Shared lives Carers. As this offer is more cost effective and personalised and less restrictive and institutionalised and can reduce the need for placements or support living. -
Develop a more cost effective model for transitions	£200	- Further develop local model offer to reduce Transitions costs in relation to out of borough placements and colleges. - Mapping exercise to be undertaken to identify gaps in local market provision. This may necessitate further consultation with Service Users, Parents and Carers.
Deliver 19/20 predicted unachieved cuts	£200	- Linked to new transitions approach.
TOTAL	£2.246m	

4. Areas for further consideration 20/21

In 18/19 ASC used Care Analytics and some focused London Benchmarking Data on the use of resources and care costs. The recommendations within these reports confirms the continuation of existing strategies that are in place to manage resources effectively. The following areas were identified for potential cuts and reflect the recommendations from these reports:

- a. Further improvements to the management of demand at the front door to the council from the community and from acute hospitals - £1m

The staffing restructure will be fully embedded and there will be more capacity and a wider staff skill mix that will enhance the development of how contacts and enquiries for ASC are managed. The approach is dependent on utilising solutions from within the community and focusing on what a person can do for themselves. Early identification of people who are able to self-fund is essential as they can be supported to identify how their support needs can be met by providing good access to information and advice. Effective use of short term interventions such as Enablement, rehabilitation and recovery is also important as this can reduce or delay the need for longer term care by providing assistance to regain independence. Supporting family Carers to remain healthy and able to continue to provide care and support, should they want to, is also important in terms of managing demand for services.

Measure: The intention is to continue to reduce the numbers of adults accessing long term care and support:

There is a baseline of 3,175 adults receiving care at any one time. By reducing this number by 100 to 3,075 adults at any one time, using the average cost of £200 a package of care per week: = $100 \times £200 = £20,000 \times 52 = £1.04m$

- b. Reducing costs in high spend areas - £500k

Benchmarking data suggests that we have are higher costs associated with some placements and packages of care for:

- People with a Learning Disability;
- Working age adults with Physical disabilities;
- Older people who are Elderly Mentally Ill (EMI);
- Older Adults who are frail and elderly; and
- Mental Health placements.

These changes have to be dealt with on a case by case basis. The cuts are dependent on more cost effective solutions being accepted and the possibility of commissioning more cost effective options that meet outcomes and take account of any risk management issues.

Measure: Reduce costs by 5% in line with benchmark intelligence.

For example: adults 18-65 Placements & Mental Health Working Age Adults

c. Charging, generating Income and reducing debt- £500K

In line with the Charging Policy, we will ensure that following an Financial Assessment that determines what people can afford to pay, we will charge fully (where applicable) for the care that is being provided to Service Users . This will include Residential & Nursing placements, Day Services, Extra Care Housing care element costs, Respite, Telecare, Personal and Domestic Care and Transport.

We are also exploring Local Authority costs associated with Mental Health Section 117 services to ensure that the LA and NHS are sharing the cost of care for individuals.

Implementing changes to the IT systems that support assessment. Charging and the purchasing of care will provide an opportunity to increase revenue and make payments for care reflect accurately the care that has been provided.

Identifying people who can self-fund their care, and giving people information at an early stage who are chargeable will go some way to reduce further debt.

The following tasks will be improved through digital enhancements to the 3 systems that support the customer journey:

- Faster notification of Financial Assessments and outcomes;
- Accurate and timely charging;
- Improve uplift of costs of services;
- Deliver Auto Charging;
- Improvement in provider invoices process;
- Reduction of debt including support for Self Funders; and
- Improved debt collection.

Measure: Reduce numbers of Self Funders where we pay for their care then recharge when we eventually identify them. Provide more timely information so people can make an informed choice regarding the potential cost of care following a financial assessment in line with national guidance:

Implement national guidance on charging for the management of care for self-funders by Introducing a charge for managing Self Funders services = $300 \times \text{£}300 = \text{£}90\text{k}$ 9 (Band3)

Decreasing time taken between Financial Assessment and Billing (average. 6 weeks) = $150 \times \text{£}1,500 = \text{£}225\text{k}$

Increase numbers being charged by introducing Auto-Charging = $50 \times 5,200 = \text{£}260\text{k}$
($50 \times \text{£}100$ per week x 52 Extra Care, Day Care, LD and MH) (Band 11)

Further work is being undertaken to confirm the measures and indicative figures above, we will use these to monitor and deliver the cuts proposed.

Appendix 2: Housing, Regeneration & Environment Proposals

1. Cuts proposal	
Proposal title:	Cuts generated through No Recourse to Public Funds service
Reference:	CUS15
Directorate:	Housing, Regeneration and Environment
Director of Service:	Director of Housing, Madeleine Jeffery
Service/Team area:	Strategic Housing
Cabinet portfolio:	Cabinet member for Housing – Cllr Paul Bell
Scrutiny Ctte(s):	Housing Select Committee

2. Decision Route			
Cuts proposed:	Key Decision	Public Consultation	Staff Consultation
	Yes / No	Yes / No	Yes / No
CUS 15 - Cuts generated through No Recourse to Public Funds service: £1,000k	No	No	No

3. Description of service area and proposal
Description of the service area (functions and activities) being reviewed:
<p>The Housing Division has consistently delivered on its cuts targets over the last 5 years totalling £1.5m or 28% of the total division net budget. It is committed to deliver the cuts agreed for this financial year of £405k and deliver the existing commitment of £696k for 2020/2021, despite the service being under real pressure especially in our homelessness services.</p> <p>There are three main areas considered in this proposal are:</p> <ol style="list-style-type: none"> 1. Homelessness Services (no further cuts proposed) 2. No Recourse to Public Funds (NRtPF) - £1m 3. Other (no further cuts proposed) <p><u>Service Area 1: Homelessness Services</u></p> <p>The Council accommodates almost 2,200 households in various forms of Temporary Accommodation (TA), of which c700 are in “nightly paid” TA which is the most expensive and poorest quality. This is an increase on the previous years. The numbers in all forms of TA has increased every year over the last 10 years as the housing crisis in London deepens. In addition Lewisham, in common with all London Boroughs, has seen very real increases in homelessness demand not just in numbers of households presenting and requiring support but in requirements on the service coming from the 2018 Homeless Reduction Act (HRAct). This legislation is the most radical housing legislation in over 40 years. The service is facing very real pressures now and into the future.</p> <p>For this reason, beyond the cuts already agreed for 19/20 and 20/21, no further cuts in this area are proposed at this time. This until the changes from new legislation have settled and future funding arrangements from government are confirmed.</p> <p><u>Service Area 2: No Recourse to Public Funds</u></p> <p>The No Recourse to Public Funds service consists of a dedicated team of specialist officers who support households who have no recourse to public funds. With a dedicated team of officers delivering an improved service to customers, the number of</p>

3. Description of service area and proposal

active cases has significantly reduced resulting in an underspend against forecast and the potential to offer a budget cut.

The work of the team has achieved a substantial reduction in caseload since 2015 where 330 households were being supported by the service. By April 2018 there were 100 households in receipt of support from the service, which had decreased to 78 at the end of the financial year. During the FY 18/19, 97 cases were closed and 42 cases were re-assessed to understand the changing needs of the household, ensuring that the team were providing the necessary support. The vast majority of cases closed are because households have been supported to regularise their immigration status, providing them with recourse to public funds.

In 2018/19 the NRtPF team spent £2.9m against a budget of £4m which had been increased from corporate pressures in previous years budgets, an underspend of almost £1.1m. This cut, whilst shown in the CYP budgets, is being delivered by the housing team. It is expected that these cuts will be maintained across this and future years (although noting the risk that demands on the service can change quickly especially in the light of national or government changes, like Brexit, and costs can escalate quickly).

The proposal is to deliver an £1m cuts in 2020/21 through continued service efficiencies.

Service Area 3: Other delivered income to council services

The Private Sector Housing Agency works with Children's Services to procure units for care leavers with low support needs. To date 12 young people have been assisted into semi-independent living units through this approach, delivering a cut of £183k per annum for Children's Services. The service sources temporary accommodation for intentionally homeless clients who are owed a duty under s17 of the Children's Act whilst they are being assessed.

It is envisaged that this service will continue into 20/21.

Cuts proposal*

CUS 15 - £1m

The budget for the No Recourse to Public Funds (NRtPFs) team is currently set and located in the Children & Young People's Services. The actual service delivery of the NRtPF team is located within Strategic Housing who are delivering the activity against this work area and drawing down the budget as required. In 2018/19 the budget was £4.062m. The NRtPFs team spent £2.979m in 2018/19, realising an underspend of almost £1.1m.

It is proposed that a £1m cut to this budget is included in 20/21.

4. Impact and risks of proposal

Outline impact to service users, partners, other Council services and staff:

No negative impacts on customers or staff.

The impacts from the new proposed cuts in NRtPF of £1m is reflective of the downward trend in caseload management and securing positive outcomes for those

4. Impact and risks of proposal

who approach the service. This cut will not have a negative impact on the service or support being offered to those customers who approach and is a result of the housing team securing efficiencies in the way the services are delivered that benefits customers. The risk will be a spike in the numbers of customers presenting.

Outline risks associated with proposal and mitigating actions to be taken:

No Recourse to Public Funds

There is a risk that the demand on the NRtPF team will increase over FY20/21, particularly due to the currently unknown possible implications of Brexit. For example; in relation to the currently unknown impact of a new immigration system on particular groups, a possible rise in EU nationals with the right to remain but with no entitlement to income based benefits, and lack of certainty as to rights of particular groups under a no-deal scenario and when/if free movement ends. It is for this reason that the proposed service cuts of £1m takes into account possible changes in demand over the year.

5. Financial information				
Controllable budget: General Fund (GF)	Spend £'000	Income £'000	Net Budget £'000	
	28,746	23,201	5,545	
HRA				
DSG				
Health				
Cuts proposed*:	2019/20 £'000	2020/21 £'000	2021/22 £'000	Total £'000
No Recourse to Public Funds (CYP Budget)		1,000		1,000
Total		1,000		1,000
% of Net Budget		18%	%	18%
Does proposal impact on:	General Fund	DSG	HRA	Health
Yes / No	Y	N	N	N
If DSG, HRA, Health impact describe:				

6. Impact on Corporate priorities

Main priority	Second priority	Corporate priorities
2		<ol style="list-style-type: none"> 1. Open Lewisham 2. Tackling the Housing Crisis 3. Giving Children and young people the best start in life 4. Building an inclusive local economy 5. Delivering and defending: health, social care & support 6. Making Lewisham greener 7. Building safer communities
Impact on main priority – Positive / Neutral / Negative	Impact on second priority – Positive / Neutral / Negative	
Neutral		

6. Impact on Corporate priorities		
Level of impact on main priority – High / Medium / Low	Level of impact on second priority – High / Medium / Low	8. Good governance and operational effectiveness

7. Ward impact	
Geographical impact by ward:	No specific impact / Specific impact in one or more
	No specific impact
	If impacting one or more wards specifically – which?

8. Service equalities impact			
Expected impact on service equalities for users – High / Medium / Low or N/A			
Ethnicity:	Medium	Pregnancy / Maternity:	N/A
Gender:	Medium	Marriage & Civil Partnerships:	N/A
Age:	N/A	Sexual orientation:	N/A
Disability:	N/A	Gender reassignment:	N/A
Religion / Belief:	N/A	Overall:	
For any High impact service equality areas please explain why and what mitigations are proposed:			
<p>As identified previously in relation to the already agreed cuts, a proportionately large number of BAME households & women engage with the Council's homelessness service.</p> <p>The additional cut being proposed for 2020/21 have no new negative equalities implications for service users, as none of the cuts proposed will have a negative impact on the level, quality or standard of service being provided to service users. The No Recourse to Public Funds proposed cut reflects the downward trend in caseload and positive outcomes for those who approach the service as a result of the work and support provided by the team. This cut will not change the service or support being offered to those who approach the NRtPF team.</p>			
Is a full service equalities impact assessment required: Yes / No			No

9. Human Resources impact	
Will this cuts proposal have an impact on employees: Yes / No	No

10. Legal implications
State any specific legal implications relating to this proposal:
No

11. Summary timetable	
Outline timetable for main steps to be completed re decision and implementation of proposal – e.g. proposal, scrutiny, consultation (public/staff), decision, transition work (contracts, re-organisation etc..), implementation:	
Month	Activity
May to July 2019	Proposals prepared (this template and supporting papers – e.g. draft public consultation paper, equalities assessment and initial HR considerations)

11. Summary timetable

August 2019	Proposals submitted to Scrutiny committees leading to M&C
September 2019	Scrutiny meetings held with consultations ongoing
October 2019	Proposals to M&C, including Equality & HR assessments
November to December 2019	Consultations undertaken and full decision reports (where required) prepared
January 2020	Decision reports return to Scrutiny at the latest
February 2020	Final decisions at M&C with the Budget
March 2020	Cuts implemented

1. Cuts proposal	
Proposal title:	Operational cuts in the Private Sector Housing Agency through service improvements
Reference:	CUS16
Directorate:	Customer Services
Director of Service:	Director of Housing, Madeleine Jeffery
Service/Team area:	Strategic Housing
Cabinet portfolio:	Cabinet member for Housing – Cllr Paul Bell
Scrutiny Ctte(s):	Housing Select Committee

2. Decision Route			
Cuts proposed:	Key Decision	Public Consultation	Staff Consultation
	Yes / No	Yes / No	Yes / No
Operational cuts in the Private Sector Housing Agency through service improvements and reduction in enforcement budget: £175k	No	No	No

3. Description of service area and proposal
Description of the service area (functions and activities) being reviewed:
<p>The Housing Division has consistently delivered on its cuts targets over the last 5 years totalling £1.5m or 28% of the total division net budget. It is committed to deliver the cuts agreed for this financial year of £405k and deliver the existing commitment of £696k for 2020/2021, despite the service being under real pressure in our homelessness services.</p> <p>There are three main areas considered in this proposal are:</p> <ol style="list-style-type: none"> 1. Homelessness Services (no further cuts proposed) 2. Private Rented Sector Agency (PHSA) - £175k <p><u>Service Area 1: Homelessness Services</u> The Council accommodates almost 2,200 households in various forms of Temporary Accommodation (TA), of which c700 are in “nightly paid” TA which is the most expensive and poorest quality. This is an increase on the previous years. The numbers in all forms of TA has increased every year over the last 10 years as the housing crisis in London deepens. In addition Lewisham, in common with all London Boroughs, has seen very real increases in homelessness demand not just in numbers of households presenting and requiring support but in requirements on the service coming from the 2018 Homeless Reduction Act (HRAct). This legislation is the most radical housing legislation in over 40 years. The service is facing very real pressures now and into the future.</p> <p>For this reason, beyond the cuts already agreed for 19/20 and 20/21, no further cuts in this area are proposed at this time. This until the changes from new legislation have settled and future funding arrangements from government are confirmed.</p> <p><u>Service Area 2: Private Rented Sector Agency - £175k</u> The Private Rented Sector Agency (PSHA) works to regulate and enforce in the private rented sector; tackle empty homes; provide grants and loans to enable</p>

3. Description of service area and proposal

vulnerable residents to live safely and independently in their homes; improve privately owned homes where funds are not available; and procure new accommodation for use as temporary accommodation to meet temporary housing need across the council.

The licensing and housing enforcement service in the Agency are currently preparing to submit an application to MHCLG to extend the current licensing programmes to an all Borough scheme to deliver on one of the corporate commitments for housing . This would transform the work of the service and move the team from licensing 500 properties to over 30,000. As part of this work to get the service ready for the future, as well as deliver on income targets this year, service improvements are underway though improvements to ICT, data analysis and business processes.

In addition, an expansion of the enforcement tools available to the service will streamline lower level housing enforcement and enable cuts to be offered in the next year. It is these service improvements and enforcement changes that will deliver our cuts proposal of a total of £175k.

Cuts proposal*

Private Sector Housing Agency

It is proposed that the Council makes cuts to the Private Sector Housing Agency budget through changes to the way in which the service carries out its enforcement duties, as well as driving cuts through service improvement delivered through new ICT and data analytics, business process improvements and rationalising budgets.

In 2018/19 the PSHA were successful in licensing 477 properties, a 31% increase in the position as at the end of 2017/18. The Council is currently consulting on an extension to its additional HMO licensing scheme, and on the introduction of a selective licensing scheme that would introduce mandatory licensing for over 30,000 privately rented homes in Lewisham. If this is approved then the service will undergo a radical transformation increasing its operational services and staffing substantially alongside an upgraded ICT system. It is from this business transformation already underway that these additional cuts of £125k will be delivered with no negative impact on the operation of the service or staffing.

The service will also make better use of new methods of delivering enforcement, particularly civil penalty notices which enable officers to take speedy, effective action where appropriate. The use of such methods is also more cost efficient than existing methods and means that the service is able to realise a cut to the existing budget in this area of £50k.

4. Impact and risks of proposal

Outline impact to service users, partners, other Council services and staff:

No negative impacts on customers or staff across all proposals.

The service transformation in the PSHA is part of a service improvement programme that includes an ICT project that will introduce a new system that will be able to cope with the demands of the new service and meet the requirement to potentially licence over 30,000 PRS homes in the Borough. Improvements to service design will deliver improvements to the services to landlords and tenants. There is limited risk here as

4. Impact and risks of proposal

service improvements will be introduced even if the borough wide licensing scheme is not agreed.

Outline risks associated with proposal and mitigating actions to be taken:

Minimal risks associated with the cut of £125k. This is linked to service improvement, new ICT and the expansion of the licensing service.

The £50k cut from the enforcement budget will only be a risk if the numbers of enforcements does not increase and with a proposed radical expansion of the licensing scheme this is very unlikely and is mitigated by being conservative with the estimate of the scale of enforcement using this new tool that will be undertaken.

5. Financial information

Controllable budget: General Fund (GF)	Spend £'000	Income £'000	Net Budget £'000	
	28,746	23,201	5,545	
HRA				
DSG				
Health				
Cuts proposed*:	2019/20 £'000	2020/21 £'000	2021/22 £'000	Total £'000
Private Sector Housing Agency: operational and enforcement cuts		175		175
Total		175		175
% of Net Budget	%	3%	%	3%
Does proposal impact on:	General Fund	DSG	HRA	Health
Yes / No	Y	N	N	N
If DSG, HRA, Health impact describe:				

6. Impact on Corporate priorities

Main priority	Second priority	Corporate priorities
2		<ol style="list-style-type: none"> 1. Open Lewisham 2. Tackling the Housing Crisis 3. Giving Children and young people the best start in life 4. Building an inclusive local economy 5. Delivering and defending: health, social care & support 6. Making Lewisham greener 7. Building safer communities 8. Good governance and operational effectiveness
Impact on main priority – Positive / Neutral / Negative	Impact on second priority – Positive / Neutral / Negative	
Neutral		
Level of impact on main priority – High / Medium / Low	Level of impact on second priority – High / Medium / Low	

6. Impact on Corporate priorities

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7. Ward impact

Geographical impact by ward:	No specific impact / Specific impact in one or more	
	No specific impact	
	If impacting one or more wards specifically – which?	

8. Service equalities impact

Expected impact on service equalities for users – High / Medium / Low or N/A			
Ethnicity:	Medium	Pregnancy / Maternity:	N/A
Gender:	Medium	Marriage & Civil Partnerships:	N/A
Age:	N/A	Sexual orientation:	N/A
Disability:	N/A	Gender reassignment:	N/A
Religion / Belief:	N/A	Overall:	
For any High impact service equality areas please explain why and what mitigations are proposed:			
As identified previously in relation to the already agreed cuts, a proportionately large number of BAME households & women engage with the Council's homelessness service.			
The additional cuts being proposed for 2020/21 have no new negative equalities implications for service users, as none of the cuts proposed will have a negative impact on the level, quality or standard of service being provided to service users.			
Is a full service equalities impact assessment required: Yes / No			No

9. Human Resources impact

Will this cuts proposal have an impact on employees: Yes / No	No
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10. Legal implications

State any specific legal implications relating to this proposal:
No

11. Summary timetable

Outline timetable for main steps to be completed re decision and implementation of proposal – e.g. proposal, scrutiny, consultation (public/staff), decision, transition work (contracts, re-organisation etc..), implementation:	
Month	Activity
May to July 2019	Proposals prepared
August 2019	Proposals submitted to Scrutiny committees leading to M&C
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October 2019	Proposals to M&C, including Equality & HR assessments
November to December 2019	Consultations undertaken and full decision reports (where required) prepared
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March 2020	Cuts implemented

1. Cuts proposal	
Proposal title:	Nursery Lettings
Reference:	RES20
Directorate:	Housing, Regeneration & Environment
Director of Service:	Freddie Murray
Service/Team area:	Property, Asset Strategy & Estates
Cabinet portfolio:	Mayor
Scrutiny Ctte(s):	Sustainable Development Select Committee

2. Decision Route			
Cuts proposed:	Key Decision	Public Consultation	Staff Consultation
	Yes / No	Yes / No	Yes / No
Nursery Lettings – £100k	No	No	No

3. Description of service area and proposal

Description of the service area (functions and activities) being reviewed:

The Regeneration & Place Division leads on shaping the transformation of Lewisham as a place. The Division has played a key role in delivering some of the successes of the past four years, and an even more important role in delivering a significant part of the the Council's Corporate Strategy, including:

- Working to unlock and drive opportunities to deliver 1,000 new Council homes;
- Taking a lead role in the delivery of the Besson Street private rented sector (PRS) development and unlock the next opportunities for developments like it;
- Managing the Council's non-housing asset portfolio, operational and commercial;
- Continue to deliver the Council's capital delivery programme, including the delivery of new school places and improvements to existing schools to improve the quality of the built environment for our school children;
- Leading on ensuring the delivery of the Bakerloo Line Extension (BLE) to Lewisham and beyond;
- Take a lead role on the Council's Air Quality agenda and lead on enhancing modes of sustainable transport including delivery of new segregated cycle routes through the Borough;
- Lead on the Council's response to the climate emergency and exploring environmental and income generating opportunities such as the development of a heat network in the Borough, and models for publicly owned energy supply companies.

The Division has seen substantial change over the past 5-7 years, with more than a 50% reduction in its net budget over that time, in part due to a reduction of more than 50% in the size of the Corporate Estate. Costs remain relatively stable, although they are, on the whole, asset based whether it's highways or property. Over time, the amount of revenue we spend in these areas has reduced significantly but, unless we decide corporately to close buildings, then these costs will remain and in all likelihood grow as utility, business rates and London Living Wage costs continue to grow. In addition an ever aging estate becomes more costly in the long run to maintain.

One of the key areas for income generation is from the Commercial Estate, which is managed by the Estates Team in the Property, Asset Strategy and Estates service area.

3. Description of service area and proposal

This remains a challenging area for the Division, not only does the continued performance of the portfolio rely on prevailing market conditions, but it is also sensitive to changes in corporate direction. As a result, even existing targets have to be considered as at risk.

There are no proposals to review this service or team itself but look to mitigate existing pressures by further growth of the value of the estate that they manage, looking in particular at opportunities both to invest in the estate and to review the level of rents charged for nursery space in Council buildings.

Cuts proposal*

Nursery lettings - £105k

Reviewing all nursery lettings where we grant concessionary rents to nursery providers operating from Council buildings, and bring these rents up to market levels. Such a review of nursery providers in Council buildings would grow the income from the Council's estate, consistent with members expectations of services to be more commercial.

There are 27 private nurseries in Council owned properties within the Borough and the vast majority of these are let on full commercial leases. However, four nurseries have been identified that are let on less formal arrangements (Licences, Tenancies at Will etc.) at rents that are significantly below market value. These are in Ladywell, Telegraph Hill, Evelyn and Lewisham Central wards.

The total passing rents for these four nurseries are £30,895 per annum and the total market rent is estimated to be circa £125,000. The Estates team will implement these negotiations in accordance with the requirements of the existing agreements, and will enact these changes in line with the scheme of delegation.

4. Impact and risks of proposal

Outline impact to service users, partners, other Council services and staff:

No impact to service users, partners or other Council services. There are always risks around prevailing market conditions, and where the Council is subject to rent charges itself.

In terms of the nurseries, these are concessionary nurseries and more work would need to be done with CYP and potentially EIAs undertaken to understand the nature and make up of the users of these nurseries, as putting them on fully commercial rates could result in those nurseries going out of business. A small number of cases every year where tenants make representations as to the level of their rent, particularly where they are voluntary sector organisations providing services, and these representations are assessed on a case by case basis.

Outline risks associated with proposal and mitigating actions to be taken:

As above, mitigation for the nurseries would require further work with colleagues in CYP and Early Years.

5. Financial information				
Controllable budget:	Spend £'000	Income £'000	Net Budget £'000	
General Fund (GF)	49,900	42,100	7,800	
HRA				
DSG				
Health				
Cuts proposed*:	2019/20 £'000	2020/21 £'000	2021/22 £'000	Total £'000
Nursery Lettings		100		100
Total		100		100
% of Net Budget	%	1%	%	1%
Does proposal impact on:	General Fund	DSG	HRA	Health
Yes / No	Yes			
If DSG, HRA, Health impact describe:				

6. Impact on Corporate priorities		
Main priority	Second priority	Corporate priorities
8	4	<ol style="list-style-type: none"> 1. Open Lewisham 2. Tackling the Housing Crisis 3. Giving Children and young people the best start in life 4. Building an inclusive local economy 5. Delivering and defending: health, social care & support 6. Making Lewisham greener 7. Building safer communities 8. Good governance and operational effectiveness
Impact on main priority – Positive / Neutral / Negative	Impact on second priority – Positive / Neutral / Negative	
Positive	Neutral	
Level of impact on main priority – High / Medium / Low	Level of impact on second priority – High / Medium / Low	
Medium	Low	

7. Ward impact	
Geographical impact by ward:	No specific impact / Specific impact in one or more
	If impacting one or more wards specifically – which?
	All wards

8. Service equalities impact			
Expected impact on service equalities for users – High / Medium / Low or N/A			
Ethnicity:	N/A	Pregnancy / Maternity:	N/A
Gender:	N/A	Marriage & Civil Partnerships:	N/A
Age:	TBC	Sexual orientation:	N/A
Disability:	N/A	Gender reassignment:	N/A
Religion / Belief:	N/A	Overall:	TBC

8. Service equalities impact

For any High impact service equality areas please explain why and what mitigations are proposed:

An Equalities Impact Assessment may need to be carried out to assess the possible impact of the proposal to bring all concessionary nurseries up to a market rent level.

Is a full service equalities impact assessment required: Yes / No

TBC

9. Human Resources impact

Will this cuts proposal have an impact on employees: Yes / No

No

10. Legal implications

State any specific legal implications relating to this proposal:

TBC

11. Summary timetable

Outline timetable for main steps to be completed re decision and implementation of proposal – e.g. proposal, scrutiny, consultation (public/staff), decision, transition work (contracts, re-organisation etc..), implementation:

Month	Activity
May to July 2019	Proposals prepared (this template and supporting papers – e.g. draft public consultation paper, equalities assessment and initial HR considerations)
August 2019	Proposals submitted to Scrutiny committees leading to M&C
September 2019	Scrutiny meetings held with consultations ongoing
October 2019	Proposals to M&C, including Equality & HR assessments
November to December 2019	Consultations undertaken and full decision reports (where required) prepared
January 2020	Decision reports return to Scrutiny at the latest
February 2020	Final decisions at M&C with the Budget
March 2020	Cuts implemented

Appendix 3: Corporate Services Proposals

1. Cuts proposal	
Proposal title:	Process automation in Revenues and Benefits
Reference:	CUS11a
Directorate:	Corporate Services
Director of Service:	Ralph Wilkinson
Service/Team area:	Public Services / Revenues and Benefits
Cabinet portfolio:	Cllr De Ryk / Cllr Dromey
Scrutiny Ctte(s):	Public Accounts Committee

2. Decision Route			
Cuts proposed:	Key Decision	Public Consultation	Staff Consultation
	Yes / No	Yes / No	Yes / No
Automation - £0.5m	No	No	TBC

3. Description of service area and proposal
Description of the service area (functions and activities) being reviewed:
The Revenues Service administers and collects Council Tax, Business Rates, HB overpayments, sundry debt and processes all financial transactions. The Benefits Service administers Housing Benefit, Council Tax Reduction, adult social care financial assessments and concessionary awards.
Cuts proposal*
The Revenues and Benefits service updated its online forms in preparation for the implementation of automated processing of new claims and changes for Housing Benefit and for Council Tax discounts, moves and direct debit set up.
If successful, as anticipated, the Council could further improve the speed of processing and reduce costs. The use of further automated processing will require investment in technology and staff to support it. Investment could lead to other processes being identified for automation but these are not included in cuts.
A cut of £250K has already been agreed for 2020/21. This proposal increases that cut by a further £500K in 2021/22.

4. Impact and risks of proposal
Outline impact to service users, partners, other Council services and staff:
There is no negative impact on service users and partners. There may be an impact on staff as the number needed for processing is expected to reduce and there will be a lower number of new roles needed to oversee and manage the automation. However, in the first instance, the focus is on proving and scaling the operational and service efficiencies from automation before considering the future service design.
Outline risks associated with proposal and mitigating actions to be taken:
There is a risk that the investment will not result in the projected return. The technology is new and has not been widely applied in this area before. To mitigate this the project team will review services where this technology has already been deployed to learn from their experience to reduce the risks.

5. Financial information				
Controllable budget: General Fund (GF)	Spend £'000	Income £'000	Net Budget £'000	
	7,634	(6,198)	1,436	
HRA				
DSG				
Health				
Cuts proposed*:	2019/20 £'000	2020/21 £'000	2021/22 £'000	Total £'000
CUS11a – automation of revs and bens			500	500
Total		0	500	500
% of Net Budget		%	34.8%	34.8%
Does proposal impact on: Yes / No	General Fund	DSG	HRA	Health
	Y	N	N	N
If DSG, HRA, Health impact describe:				

6. Impact on Corporate priorities		
Main priority	Second priority	Corporate priorities 1. Open Lewisham 2. Tackling the Housing Crisis 3. Giving Children and young people the best start in life 4. Building an inclusive local economy 5. Delivering and defending: health, social care & support 6. Making Lewisham greener 7. Building safer communities 8. Good governance and operational effectiveness
8		
Impact on main priority – Positive / Neutral / Negative	Impact on second priority – Positive / Neutral / Negative	
Positive		
Level of impact on main priority – High / Medium / Low	Level of impact on second priority – High / Medium / Low	
High		

7. Ward impact	
Geographical impact by ward:	No specific impact / Specific impact in one or more
	No specific impact
	If impacting one or more wards specifically – which?

8. Service equalities impact			
Expected impact on service equalities for users – High / Medium / Low or N/A			
Ethnicity:	n/a	Pregnancy / Maternity:	n/a
Gender:	n/a	Marriage & Civil Partnerships:	n/a
Age:	n/a	Sexual orientation:	n/a
Disability:	n/a	Gender reassignment:	n/a
Religion / Belief:	n/a	Overall:	n/a

8. Service equalities impact	
For any High impact service equality areas please explain why and what mitigations are proposed:	
Note: This proposal has a positive impact on equalities for residents. The automation of these processes will mean that as soon as the Council has all of the information it needs the transaction will be processed and there will be no delays. This will reduce the length of time it takes to receive benefits and provide a longer time for people to pay their Council Tax/rent.	
Is a full service equalities impact assessment required: Yes / No	No

9. Human Resources impact					
Will this cuts proposal have an impact on employees: Yes / No					
Workforce profile:					
Posts	Headcount in post	FTE in post	Establishment posts	Vacant	
				Agency / Interim cover	Not covered
Scale 1 – 2					
Scale 3 – 5					
Sc 6 – SO2	71				
PO1 – PO5	5				
PO6 – PO8					
SMG 1 – 3					
JNC					
Total					
Gender	Female	Male			
	58	18			
Ethnicity	BME	White	Other	Not Known	
	39	35		2	
Disability	Yes	No			
	4	72			
Sexual orientation	Straight / Heterosex.	Gay / Lesbian	Bisexual	Not disclosed	
	19			57	

10. Legal implications	
State any specific legal implications relating to this proposal:	
None	

11. Summary timetable	
Outline timetable for main steps to be completed re decision and implementation of proposal – e.g. proposal, scrutiny, consultation (public/staff), decision, transition work (contracts, re-organisation etc.), implementation:	
Month	Activity
May to July 2019	Proposals prepared (this template and supporting papers – e.g. draft public consultation paper, equalities assessment and initial HR considerations)
August 2019	Proposals submitted to Scrutiny committees leading to M&C
September 2019	Scrutiny meetings held with consultations ongoing
October 2019	Proposals to M&C, including Equality & HR assessments

11. Summary timetable

November to December 2019	Consultations undertaken and full decision reports (where required) prepared
January 2020	Decision reports return to Scrutiny at the latest
February 2020	Final decisions at M&C with the Budget
March 2020	Cuts implemented

1. Cuts proposal	
Proposal title:	Parking service budget review
Reference:	CUS14a
Directorate:	Corporate Services
Director of Service:	Ralph Wilkinson
Service/Team area:	Public Services / Parking
Cabinet portfolio:	Cllr Dacres / Cllr McGeevor
Scrutiny Ctte(s):	Public Accounts Committee

2. Decision Route			
Cuts proposed:	Key Decision	Public Consultation	Staff Consultation
	Yes / No	Yes / No	Yes / No
Parking service budget review £0.5m	No	No	No

3. Description of service area and proposal
Description of the service area (functions and activities) being reviewed:
The Parking Service is responsible for the the management of the Council's parking arrangements on street, in controlled parking zones and in car parks. The service is delivered via a contract with NSL Ltd. The service is also responsible for some moving traffic offences on borough roads.
Cuts proposal*
The demand for parking across the borough continues to increase and as a consequence so does the requirement for controlled parking zones which are continuing to increase in numbers. This is resulting in increased permit sales and increased enforcement action. A review of the budget has identified that the service is able to offer up £500k of income.

4. Impact and risks of proposal
Outline impact to service users, partners, other Council services and staff:
There is no impact on service users, partners and staff.
Outline risks associated with proposal and mitigating actions to be taken:
There is a risk that over time the budgeted income may change. Budgets will be monitored closely.

5. Financial information				
Controllable budget: General Fund (GF)	Spend	Income	Net Budget	
	£'000	£'000	£'000	
	3,011	(8,821)	(5,810)	
HRA				
DSG				
Health				
Cuts proposed*:	2019/20 £'000	2020/21 £'000	2021/22 £'000	Total £'000
Income review		500		500
Total		500	0	500

5. Financial information				
% of Net Budget		8.6%	%	8.6%
Does proposal impact on: Yes / No	General Fund	DSG	HRA	Health
	Y	N	N	N
If DSG, HRA, Health impact describe:				

6. Impact on Corporate priorities		
Main priority	Second priority	Corporate priorities 1. Open Lewisham 2. Tackling the Housing Crisis 3. Giving Children and young people the best start in life 4. Building an inclusive local economy 5. Delivering and defending: health, social care & support 6. Making Lewisham greener 7. Building safer communities 8. Good governance and operational effectiveness
8	7	
Impact on main priority – Positive / Neutral / Negative	Impact on second priority – Positive / Neutral / Negative	
Positive	Positive	
Level of impact on main priority – High / Medium / Low	Level of impact on second priority – High / Medium / Low	
High	High	

7. Ward impact	
Geographical impact by ward:	No specific impact / Specific impact in one or more
	No specific impact as parking controls exist across the borough
	If impacting one or more wards specifically – which?

8. Service equalities impact			
Expected impact on service equalities for users – High / Medium / Low or N/A			
Ethnicity:	Low	Pregnancy / Maternity:	Low
Gender:	Low	Marriage & Civil Partnerships:	Low
Age:	Low	Sexual orientation:	Low
Disability:	Low	Gender reassignment:	Low
Religion / Belief:	Low	Overall:	Low
For any High impact service equality areas please explain why and what mitigations are proposed:			
n/a			
Is a full service equalities impact assessment required: Yes / No			No

9. Human Resources impact	
Will this cuts proposal have an impact on employees: Yes / No	No

10. Legal implications	
State any specific legal implications relating to this proposal:	
None	

10. Legal implications

11. Summary timetable

Outline timetable for main steps to be completed re decision and implementation of proposal – e.g. proposal, scrutiny, consultation (public/staff), decision, transition work (contracts, re-organisation etc..), implementation:

Month	Activity
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January 2020	Decision reports return to Scrutiny at the latest
February 2020	Final decisions at M&C with the Budget
March 2020	Cuts implemented

1. Cuts proposal	
Proposal title:	Cut from non-allocation of non-pay inflation
Reference:	RES21 and RES22
Directorate:	Corporate Services
Director of Service:	Director of Corporate Resources
Service/Team area:	Strategic Finance
Cabinet portfolio:	Cabinet member for Finance and Resources
Scrutiny Ctte(s):	Public Accounts Committee

2. Decision Route			
Cuts proposed:	Key Decision	Public Consultation	Staff Consultation
	Yes / No	Yes / No	Yes / No
RES21: Cuts generated through not allocating inflation uplift to contract costs: £1,000k	No	No	No
RES22: Cuts generated through the improved ICT provision, leading to operational efficiencies: £1,500k	No	No	No

3. Description of service area and proposal
Description of the service area (functions and activities) being reviewed:
<p>In the annual budget build process an allowance is made for a 2.5% of non-pay inflation growth in services.</p> <p>In addition, in recent years the Council has made significant corporate investments in the core technology infrastructure (as part of the Shared Service) and staff equipment (through the smarter technology programme) to support services achieve efficiencies through productivity returns.</p>
Cuts proposal*
<p>To make an efficiency cut in the 20/21 budget by not allocating out the non-pay inflation growth of approximately £2.5m. This will be achieved by not providing</p> <ol style="list-style-type: none"> 1. £1.0m of inflation growth to contract spending 2. £1.5m of inflation as a return for the Council's investment in technology <p><u>Contract inflation</u> Officers across all services which commission or procure goods, works and services for delivery from external providers are effectively managing these contracts to ensure that annual inflation and price uplifts are either not provided for within the contract terms and conditions or, if they are, the pressure is mitigated through a combination of demand management and operational efficiencies as providers work with the Council.</p> <p>This allows for £1m of centrally held budget for inflation uplifts to not be allocated to services in 2020/21.</p> <p><u>Technology – return on investment</u> Officers across the Council have previously assumed the delivery of ICT developments and upgrades which would enable improved service delivery and increased efficiency</p>

3. Description of service area and proposal

and effectiveness, allowing services to deliver improved services at reduced running costs.

The programme of investment in ICT experienced slippage which has now been largely caught up with the underlying service performing much better than previously, being more resilient and secure, and officers having the right equipment to enable them to work more productively. This allows for £1.5m of centrally held budget for inflation in return for efficiency pressures not to be allocated to services in 2020/21.

4. Impact and risks of proposal

Outline impact to service users, partners, other Council services and staff:

No negative impacts on service users, partners, customers or staff across both proposals.

Outline risks associated with proposal and mitigating actions to be taken:

The risks on contract inflation are:

- That newer contracts being signed will not include the same favourable T&Cs which limit and restrict inflation increases;
- That demand increases and contracts are varied to increase the spend to meet this, creating budget pressures on contracted services; and
- That the commitment to the London Living Wage (LLW) and other improved employment terms (e.g. Ethical Care Charter) cannot be managed within agreed contract prices.

Mitigations for these risks include the support for services from the procurement and legal services teams to assist services with commercial negotiations, advising on contract performance management, and drawing up contractual terms. This is consistent with the expectation of Members that officers should be more commercial in their mindset and approach to operational risks.

The risks on ICT lead operational efficiencies are:

- That the current improvements are not sustained nor effectively adopted within services and that further operational pressures arise that ICT cannot alleviate or assist in the mitigation of.

Mitigations to these risks are that the ICT service continues to strengthen the relationship with and performance of the shared service to deliver availability, speed and security across the IT estate. The better office programme and smarter working project continue to offer training and support to managers and staff to assist them work more flexibly and productively with the tools that technology now provides.

5. Financial information

Controllable budget: General Fund (GF)	Spend £'000	Income £'000	Net Budget £'000	
	2,500		2,500	
HRA				
DSG				
Health				

5. Financial information				
Cuts proposed*:	2019/20 £'000	2020/21 £'000	2021/22 £'000	Total £'000
Contract inflation		1,000		1,000
ICT Efficiencies		1,500		1,500
Total		2,500		2,500
% of Net Budget		100%		100%
Does proposal impact on: Yes / No	General Fund	DSG	HRA	Health
	Y	N	N	N
If DSG, HRA, Health impact describe:				

6. Impact on Corporate priorities		
Main priority	Second priority	Corporate priorities
8		1. Open Lewisham 2. Tackling the Housing Crisis 3. Giving Children and young people the best start in life 4. Building an inclusive local economy 5. Delivering and defending: health, social care & support 6. Making Lewisham greener 7. Building safer communities 8. Good governance and operational effectiveness
Impact on main priority – Positive / Neutral / Negative	Impact on second priority – Positive / Neutral / Negative	
Neutral		
Level of impact on main priority – High / Medium / Low	Level of impact on second priority – High / Medium / Low	
Medium		

7. Ward impact	
Geographical impact by ward:	No specific impact / Specific impact in one or more
	No specific impact
	If impacting one or more wards specifically – which?

8. Service equalities impact			
Expected impact on service equalities for users – High / Medium / Low or N/A			
Ethnicity:	N/A	Pregnancy / Maternity:	N/A
Gender:	N/A	Marriage & Civil Partnerships:	N/A
Age:	N/A	Sexual orientation:	N/A
Disability:	N/A	Gender reassignment:	N/A
Religion / Belief:	N/A	Overall:	
For any High impact service equality areas please explain why and what mitigations are proposed:			
There are no equalities implications as these cuts are not linked to front line service delivery nor directly impacting staffing.			

8. Service equalities impact

Is a full service equalities impact assessment required: Yes / No	No
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9. Human Resources impact

Will this cuts proposal have an impact on employees: Yes / No	No
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10. Legal implications

State any specific legal implications relating to this proposal:
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No

11. Summary timetable

Outline timetable for main steps to be completed re decision and implementation of proposal – e.g. proposal, scrutiny, consultation (public/staff), decision, transition work (contracts, re-organisation etc..), implementation:	
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Month	Activity
May to July 2019	Proposals prepared – this template only as no further supporting papers are required.
August 2019	Proposals submitted to Scrutiny committees leading to M&C
September 2019	Scrutiny meetings held with consultations ongoing
October 2019	Proposals to M&C, no additional Equality & HR assessments needed
January 2020	Decision reports return to Scrutiny at the latest – not expected to be required
February 2020	Final decisions at M&C with the Budget
March 2020	Cuts implemented