

Cuts proposal template 2021/22

| 1. Cuts proposal | |
|----------------------|-------------------------------------|
| Proposal title: | Improved debt collection |
| Reference: | E-01 |
| Directorate: | Corporate Services |
| Director of Service: | Ralph Wilkinson |
| Service/Team area: | Public Services |
| Cabinet portfolio: | Finance and Resources – Cllr De Ryk |
| Scrutiny Ctte(s): | Public Accounts Select Committee |

| 2. Decision Route | | | |
|---|---|---|--|
| Cuts proposed: | Key Decision* Yes / No See para 16.2 of the Constitution https://lewisham.gov.uk/mayorandcouncil/aboutthecouncil/how-council-is-run/our-constitution | Public Consultation Yes / No and Statutory vs informal | Staff Consultation Yes / No and Statutory vs informal |
| Improved debt collection (reduced bad debt) | N | N | N |
| More targeted collection approaches and policies | N | N | N |
| More strategic approach to service offering | N | N | N |
| Channel shift telephone demand to create resource to target the “top 50 debts” for each area of NNDR, HB OPs, ASC and CTAX and use “learning” to review ongoing recovery processes | N | N | N |
| Use credit checking agencies e.g. Experian to credit rate debtors. To highlight those where their debt is easier to collect and efforts targeted (or harder to collect and used to decide on write off) | N | N | N |

Cuts proposal template 2021/22

| 2. Decision Route | | | |
|---|---|---|---|
| Review initial contact with service users to prevent negative debt behaviour at the start e.g. ensure they are aware of liability, create direct debits, review interim funding (for ASC cases) | N | N | N |
| Review delivery of enforcement services across the Council to establish existing opportunities to work generically and synergies and to improve income collection across the Council | N | N | N |

| 3. Description of service area and proposal |
|---|
| Description of the service area (functions and activities) being reviewed: |
| All services raising debt within the Council, including CTax, recharges to partners (e.g. health etc.) and all sundry debt. |
| Cuts proposal* |
| <p>The initial work will be with the central debtor's team within Public Services but will need extensive engagement with all services raising debt.</p> <p>The first strand of this project is to review the overall levels of aged debt with individual services and to develop an action plan to reduce this over a period of 6 months. This reduction in aged debt will result in a once off improvement in the bad debt provision of the Council.</p> <p>The second strand is to work with all service areas to develop policies and protocols to proactively engage with debtors and ensure that the approach to debt collection is tailored to the nature of the debt raised and increases debt collection in a sustainable way. This will ensure that a permanent reduction in the Council's bad debt provision can be achieved.</p> <p>The final strand will be to use the information coming from the debtor's team to ensure that the Council minimises poor debt (i.e. selling discretionary services to repeat non payers) and focuses resource on those services which have high levels of unpaid debt. It will also ensure that a threshold is determined and set so as to ensure that the cost of chasing the debt is always equivalent or lower to the cost of the debt itself.</p> <p>Mitigating Actions for 21/22 Start a programme of works with the Debtors Team, focusing on the areas with the highest debt / most aged debt.</p> |

Cuts proposal template 2021/22

3. Description of service area and proposal

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|--|
| |
|--|

4. Impact and risks of proposal

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

New ways of working for all those involved in either setting up services or collecting debt. Partners/service users not used to these approaches may need prior notice and clear communication in advance.

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

The levels of bad debt cannot be lowered any further (unlikely) or it is too difficult to ascertain the true costs of debt collection and resource is wasted chasing uneconomic debt. All debt activity must be costed across the Council to ensure strategic and informed decision making in terms of approach.

5. Financial information

| Controllable budget: General Fund (GF) | Spend £'000 | Income £'000 | Net Budget £'000 | |
|---|------------------|------------------|---------------------|-------------|
| HRA | | | | |
| DSG | | | | |
| Health | | | | |
| Cuts proposed*: | 2021/22 £'000 | 2022/23 £'000 | 2023/24 £'000 | Total £'000 |
| Improved debt collection (reduced bad debt) | 250 | | | 250 |
| More targeted collection approaches and policies | | 250 | | 250 |
| More strategic approach to service offering | | ? | | |
| | | | | |
| | | | | |
| Total | 250 | 250 | | 500 |
| % of Net Budget | % | % | % | % |
| Does proposal impact on: | General Fund | DSG | HRA | Health |
| Yes / No | Yes | No | No | No |
| If DSG, HRA, Health impact describe: | N/A | N/A | N/A | N/A |

6. Impact on Corporate priorities: list in order of DECREASING impact

| 1 Good governance and operational effectiveness | Corporate priorities |
|---|--|
| 2. | 1. Open Lewisham |
| 3. | 2. Tackling the Housing Crisis |
| 4. | 3. Giving Children and young people the best start in life |
| 5. | 4. Building an inclusive local economy |
| | 5. Delivering and defending: health, social care & support |

Cuts proposal template 2021/22

| 6. Impact on Corporate priorities: list in order of DECREASING impact | |
|---|--|
| 6. | 6. Making Lewisham greener |
| 7. | 7. Building safer communities |
| 8. | 8. Good governance and operational effectiveness |

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

| 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 |
| For any High impact service equality areas please explain why and what mitigations are proposed: | | | |
| There is not anticipated to be any specific impact service equalities for users as this is simply the chasing of debt which the individual, group or organisation agreed to be charged prior to accessing the paid for service in the main. | | | |
| 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 |
| 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 | | | | | |
| PO1 – PO5 | | | | | |
| PO6 – PO8 | | | | | |
| SMG 1 – 3 | | | | | |
| JNC | | | | | |
| Total | | | | | |
| Gender | Female | Male | | | |
| | | | | | |
| Ethnicity | BME | White | Other | Not Known | |
| | | | | | |
| Disability | Yes | No | | | |
| | | | | | |

Cuts proposal template 2021/22

| 9. Human Resources impact | | | | | |
|---------------------------|-----------------------|---------------|----------|---------------|--|
| Sexual orientation | Straight / Heterosex. | Gay / Lesbian | Bisexual | Not disclosed | |
| | | | | | |

| 10. Legal implications |
|---|
| State any specific legal implications relating to this proposal: |
| None. The specific legislation relied upon for the charging of the service / raising of the debt will be considered prior to the Council levy such charges. |

| 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 |
| September 2020 | Proposals prepared (this template and supporting papers – e.g. draft public consultation paper, equalities assessment and initial HR considerations) |
| October 2020 | Proposals submitted to Scrutiny committees leading to M&C |
| November to December 2020 | Scrutiny meetings held with consultations ongoing |
| November to December 2020 | Consultations undertaken and full decision reports (where required) prepared |
| December 2020 | Proposals to M&C, including Equality & HR assessments |
| January 2021 | Decision reports return to Scrutiny at the latest |
| February 2021 | Final decisions at M&C with the Budget |
| March 2021 | Cuts implemented |
| | |

Cuts proposal template 2021/22

| 1. Cuts proposal | |
|----------------------|---|
| Proposal title: | Income from Building Control |
| Reference: | E-02 |
| Directorate: | Housing Regeneration and Public Realm |
| Director of Service: | Paul Moore |
| Service/Team area: | Building Control |
| Cabinet portfolio: | Housing and Planning - Cllr Bell |
| Scrutiny Ctte(s): | Public Accounts Select Committee and Sustainable Development Select Committee |

| 2. Decision Route | | | |
|---|---|---|--|
| Cuts proposed: | Key Decision* Yes / No See para 16.2 of the Constitution https://lewisham.gov.uk/mayorandcouncil/aboutthecouncil/how-council-is-run/our-constitution | Public Consultation Yes / No and Statutory vs informal | Staff Consultation Yes / No and Statutory vs informal |
| Extend commercial presence in local and regional market | no | no | no |
| | | | |

| 3. Description of service area and proposal |
|--|
| Description of the service area (functions and activities) being reviewed: |
| <p>Building control are responsible for the review and approval of Building Work ranging from small scale changes to large scale redevelopment proposals. The Building Control regime is delivered via the Council as well as through approved inspectors in the private sector meaning that the Council is in competition with the private sector to deliver the service</p> <p>.</p> |
| Cuts proposal* |
| <p>The proposal is for increased income through an improved market share</p> <p>The Council received applications for 650 building works in 2019/20. This is compared to over 2,000 planning applications.</p> <p>The proposal is to increase the promotion of Building Control following planning permission being granted to improve the market share of Building Control and thereby increase income.</p> <p>Mitigating Actions for 21/22</p> <p>Increasing market share may mean that additional resources are necessary to meet increased demand. It will be important to work to streamline existing processes and ways of working to improve efficiency alongside seeking additional work.</p> |

Cuts proposal template 2021/22

3. Description of service area and proposal

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| |
|--|

4. Impact and risks of proposal

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

The main risk is the ability to meet increased service demand.

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

Economic downturn may affect availability of work.

5. Financial information

| Controllable budget: General Fund (GF) | Spend £'000 | Income £'000 | Net Budget £'000 | |
|--|---|--------------------------|--------------------------|--------------------|
| | 554 (E43004) | 676 (E43004) | | |
| HRA | | | | |
| DSG | | | | |
| Health | | | | |
| Cuts proposed*: | 2021/22 £'000 | 2022/23 £'000 | 2023/24 £'000 | Total £'000 |
| Increased Building Control market share | 15 | 15 | 20 | 50 |
| | | | | |
| Total | 15 | 15 | 20 | 50 |
| % of Net Budget | % | % | % | % |
| Does proposal impact on: Yes / No | General Fund | DSG | HRA | Health |
| | Yes, an increase in income of £50k | | | |
| If DSG, HRA, Health impact describe: | | | | |

6. Impact on Corporate priorities: list in order of DECREASING impact

| 1. Tackling the housing crisis | Corporate priorities |
|--|---|
| 2. Building an inclusive local economy | 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 |
| 3. | |
| 4. | |
| 5. | |
| 6. | |
| 7. | |
| 8. | |

Cuts proposal template 2021/22

| 12. 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? |
| | |

| 13. Service equalities impact | | | |
|---|-----|--------------------------------|-----|
| Expected impact on service equalities for users – low | | | |
| 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 |
| For any High impact service equality areas please explain why and what mitigations are proposed: | | | |
| This proposal should assist in developing a better integrated and aligned suit of related services – supporting residents and businesses with a range of diverse needs. | | | |
| Is a full service equalities impact assessment required: Yes / No | | | no |

| 14. Human Resources impact | | | | | |
|---|-----------------------|---------------|---------------------|------------------------|-------------|
| Will this cuts proposal have an impact on employees: Yes / No | | | | | 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 | | | | | |
| PO1 – PO5 | | | | | |
| PO6 – PO8 | | | | | |
| SMG 1 – 3 | | | | | |
| JNC | | | | | |
| Total | | | | | |
| Gender | Female | Male | | | |
| | | | | | |
| Ethnicity | BME | White | Other | Not Known | |
| | | | | | |
| Disability | Yes | No | | | |
| | | | | | |
| Sexual orientation | Straight / Heterosex. | Gay / Lesbian | Bisexual | Not disclosed | |
| | | | | | |

| 15. Legal implications |
|--|
| State any specific legal implications relating to this proposal: |
| n/a |

Cuts proposal template 2021/22

| 16. 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 |
| September 2020 | Proposals prepared (this template and supporting papers – e.g. draft public consultation paper, equalities assessment and initial HR considerations) |
| October 2020 | Proposals submitted to Scrutiny committees leading to M&C |
| November to December 2020 | Scrutiny meetings held with consultations ongoing |
| November to December 2020 | Consultations undertaken and full decision reports (where required) prepared |
| December 2020 | Proposals to M&C, including Equality & HR assessments |
| January 2021 | Decision reports return to Scrutiny at the latest |
| February 2021 | Final decisions at M&C with the Budget |
| March 2021 | Cuts implemented |
| | |

Cuts proposal template 2021/22

| 1. Cuts proposal | |
|----------------------|-------------------------------------|
| Proposal title: | Review of Council fees and charges |
| Reference: | E-03 |
| Directorate: | Cross Council |
| Director of Service: | |
| Service/Team area: | |
| Cabinet portfolio: | Finance and Resources - Cllr de Ryk |
| Scrutiny Ctte(s): | Public Accounts Select Committee |

| 2. Decision Route | | | |
|--|---|---|--|
| Cuts proposed: | Key Decision* | Public Consultation Yes / No and Statutory vs informal | Staff Consultation Yes / No and Statutory vs informal |
| | Yes / No See para 16.2 of the Constitution https://lewisham.gov.uk/mayorandcouncil/aboutthecouncil/how-council-is-run/our-constitution | | |
| Increase all fees and charges to achieve at least full cost recovery unless an explicit concession/subsidy is agreed | Yes | No (unless specific fees/charges require this) | No |
| | | | |

| 3. Description of service area and proposal |
|---|
| Description of the service area (functions and activities) being reviewed: |
| <p>All Council services which currently levy a charge for a service provided. Those charging for statutory services will be required to undertake the full cost modelling but may not be able to increase the fees charged. They will be expected to review the cost base if this exceeds the charge levied. Those charging for discretionary services will also undertake full cost modelling and increase fees as required to achieve full cost recovery or else receive approval to offer these services at a subsidy.</p> |
| Cuts proposal* |
| <p>Cost modelling of some services (pathfinders) as proof-of-concept indicates that current fees and charges levels do not consistently achieve full cost recovery. Costs not currently recovered by all fees and charges primarily includes: indirect costs (such as property and utility costs) and corporate overheads.</p> <p>Decisions on fees and charges are therefore based on historical data rather than costs of delivering the service. Council fees and charges delivers approx. £15m of fees and charges income each year, including discretionary and statutory fees and charges. Assuming the discretionary element to be ~£5m / annum (excl. parking), and considering the pressures placed by the Covid-19 recession, it is assumed that a net increase of circa 3% is realistic and sustainable and generates an equivalent increase of £150k per annum.</p> <p>Note: this is for those discretionary fee earning services and excludes, commercial waste, parking income and schools traded income.</p> |

Cuts proposal template 2021/22

3. Description of service area and proposal

Mitigating Actions for 21/22

Full cost models will be generated for each fee earning service to ensure that the fees charged recover full costs and for improved transparency within the Council and for residents.

4. Impact and risks of proposal

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

There is a risk that in ensuring that discretionary fees and charges recover the full costs of delivery that this results in above inflation increases for residents/users of the services and negatively impacts on the demand for these services.

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

There is a risk that in undertaking full cost modelling it is found that all services already recover the costs of delivery in full and that the £100k cannot be generated, or that the fees and charges increase but that the volume of sales decreases so as not to generate the £100k increase.

There is a further risk that this work cannot be undertaken fully in time for fees and charges to be implemented in full in 2021/22.

A template full cost model has been created and piloted with pathfinder services which indicates that there is scope to increase fees to the level of full cost recovery and that this should generate additional income of £100k.

5. Financial information

| Controllable budget: General Fund (GF) | Spend £'000 | Income £'000 | Net Budget £'000 | |
|---|------------------|------------------|---------------------|-------------|
| | various | 5,000 | 5,000 | |
| HRA | | | | |
| DSG | | | | |
| Health | | | | |
| Cuts proposed*: | 2021/22 £'000 | 2022/23 £'000 | 2023/24 £'000 | Total £'000 |
| Additional income generated from all fees and charges | 150 | 0 | 0 | 100 |
| | | | | |
| Total | 150 | 0 | 0 | 100 |
| % of Net Budget | 3% | % | % | % |
| Does proposal impact on: | General Fund | DSG | HRA | Health |
| Yes / No | Yes | No | No | No |
| If DSG, HRA, Health impact describe: | | N/A | N/A | N/A |

6. Impact on Corporate priorities: list in order of DECREASING impact

1. Good governance and operational effectiveness

2.

Corporate priorities

1. Open Lewisham
2. Tackling the Housing Crisis

Cuts proposal template 2021/22

| 6. Impact on Corporate priorities: list in order of DECREASING impact | |
|---|--|
| 3. | 3. Giving Children and young people the best start in life |
| 4. | 4. Building an inclusive local economy |
| 5. | 5. Delivering and defending: health, social care & support |
| 6. | 6. Making Lewisham greener |
| 7. | 7. Building safer communities |
| 8. | 8. Good governance and operational effectiveness |

| 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 where residents buy charged for services |

| 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 |
| For any High impact service equality areas please explain why and what mitigations are proposed: | | | |
| <p>In setting fees and charges it's possible that this may impact on the demand for these services, but it is not expected that this will negatively affect those with protected characteristics. This will be considered by services when considering whether services should offer subsidies or concessions.</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 |
| 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 | | | | | |
| PO1 – PO5 | | | | | |
| PO6 – PO8 | | | | | |
| SMG 1 – 3 | | | | | |
| JNC | | | | | |

Cuts proposal template 2021/22

| 9. Human Resources impact | | | | | |
|---------------------------|-----------------------|---------------|----------|---------------|--|
| Total | | | | | |
| Gender | Female | Male | | | |
| | | | | | |
| Ethnicity | BME | White | Other | Not Known | |
| | | | | | |
| Disability | Yes | No | | | |
| | | | | | |
| Sexual orientation | Straight / Heterosex. | Gay / Lesbian | Bisexual | Not disclosed | |
| | | | | | |

| 10. Legal implications |
|---|
| State any specific legal implications relating to this proposal: |
| <p>The Council relies on various acts of legislation and powers to levy fees and charges for services. These are always explicitly considered and commented on in setting these. Only fees and charges for which the Council can recover full costs of service delivery fall within the scope of this item.</p> |

| 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 |
| September 2020 | Proposals prepared (this template and supporting papers – e.g. draft public consultation paper, equalities assessment and initial HR considerations) |
| October 2020 | Proposals submitted to Scrutiny committees leading to M&C |
| November to December 2020 | Scrutiny meetings held with consultations ongoing |
| November to December 2020 | Consultations undertaken and full decision reports (where required) prepared |
| December 2020 | Proposals to M&C, including Equality & HR assessments |
| January 2021 | Decision reports return to Scrutiny at the latest |
| February 2021 | Final decisions at M&C with the Budget |
| March 2021 | Cuts implemented |
| | |

Cuts proposal template 2021/22

| 1. Cuts proposal | |
|----------------------|--|
| Proposal title: | Fees and Charges/ Client contributions |
| Reference: | E-04 |
| Directorate: | Communities |
| Director of Service: | Tom Brown |
| Service/Team area: | Adult social care/ Joint commissioning |
| Cabinet portfolio: | Health and Adult Social Care - Cllr Best |
| Scrutiny Ctte(s): | Healthier Communities Select Committee |

| 2. Decision Route | | | |
|-------------------|---|-------------------------------|-------------------------------|
| Cuts proposed: | Key Decision* | Public Consultation | Staff Consultation |
| | Yes See para 16.2 of the Constitution https://lewisham.gov.uk/mayorandcouncil/aboutthecouncil/how-council-is-run/our-constitution | Yes and Statutory vs informal | Yes and Statutory vs informal |
| | YES | NO | NO |
| | | | |

| 3. Description of service area and proposal |
|--|
| Description of the service area (functions and activities) being reviewed: |
| <p>The Care Act 2015 lays out the statutory duties for Adults Social Care, underpinning the act is the Fairer Charging Policy that identifies what services are chargeable, and defines the level of charges that service users should be expected to pay for after a Care Act Assessment is completed. It takes into consideration, state pension, private pensions and any other income. For people who move into residential or nursing care, it also takes into consideration ownership of property.</p> <p>The Care Act changes the way Adult Social Care supports people who are able financially to fund all of the care they need to live independently. Lewisham has approximately 200 people who fully fund their own care, but due to the frailty or age are unable to arrange the care themselves. The Care Act allows councils to make an annual charge to these people to broker and oversee the quality of these services as part of the contract monitoring arrangement that are in place.</p> <p>Most services that adult social care provides are chargeable, but to date Lewisham has never charged service users for the use of transport. Transport is often needed for people to attend Day Services, Colleges, Respite Care, etc. The people who use transport services are generally unable to use public transport. Lewisham has approx. 150 people who regularly receive transport as part of their care and support arrangements.</p> |
| Cuts proposal* |
| |

Cuts proposal template 2021/22

3. Description of service area and proposal

This proposal seeks approval to introduce charging for:

Brokering and support for setting up care packages for services users who have been financially assessed as Self Funder in line with the Care Act and Fairer charging framework. There are approximately 200 people who fall into the category. The proposal is to charge £300 annually for this services, which will produce a yearly income of £60,000.

To introduce charging for the use of transport services to services users who have been financially assessed as being able to pay (approximately 140 people), it is expected this would increase income by £22,000 Per annum.

4. Impact and risks of proposal

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

The delivery of this proposal must comply with legislative requirements for ASC. The impact of these initiatives will increase charging to services users, but all service users will receive a financial assessment in accordance with the Fairer Charging policy to assess their ability to pay.

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

Subject to approval in February

5. Financial information

| Controllable budget: General Fund (GF) | Spend £'000 | Income £'000 | Net Budget £'000 | |
|--|-------------------------|------------------|---------------------|---------------|
| | 121.5m | 55.4m | 66.1m | |
| HRA | | | | |
| DSG | | | | |
| Health | | | | |
| Cuts proposed*: | 2021/22 £'000 | 2022/23 £'000 | 2023/24 £'000 | Total £'000 |
| Charging for Self Funder Brokerage Support | 60 | | | 60 |
| Introduce charging for Transport | 22 | | | 22 |
| | | | | |
| Total | 82 | | | 82 |
| % of Net Budget | % | % | % | % |
| Does proposal impact on: Yes / No | General Fund | DSG | HRA | Health |
| | | | | |
| If DSG, HRA, Health impact describe: | | | | |

6. Impact on Corporate priorities: list in order of DECREASING impact

1.5

Corporate priorities

2.1

1. Open Lewisham
2. Tackling the Housing Crisis

Cuts proposal template 2021/22

| 6. Impact on Corporate priorities: list in order of DECREASING impact | |
|---|---|
| 3.4 | 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 |
| 4.7 | |
| 5.8 | |
| 6.6 | |
| 7.3 | |
| 8.2 | |

| 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: | H | Pregnancy / Maternity: | |
| Gender: | H | Marriage & Civil Partnerships: | |
| Age: | H | Sexual orientation: | |
| Disability: | | Gender reassignment: | |
| Religion / Belief: | | Overall: | H |
| For any High impact service equality areas please explain why and what mitigations are proposed: | | | |
| Completion for Financial Assessments for all Services Users in line with the Care Act. | | | |
| 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 |
| 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 | | | | | |
| PO1 – PO5 | | | | | |
| PO6 – PO8 | | | | | |
| SMG 1 – 3 | | | | | |
| JNC | | | | | |
| Total | | | | | |
| Gender | Female | Male | | | |
| | | | | | |
| Ethnicity | BME | White | Other | Not Known | |
| | | | | | |

Cuts proposal template 2021/22

| 9. Human Resources impact | | | | | |
|---------------------------|-----------------------|---------------|----------|---------------|--|
| | | | | | |
| Disability | Yes | No | | | |
| | | | | | |
| Sexual orientation | Straight / Heterosex. | Gay / Lesbian | Bisexual | Not disclosed | |
| | | | | | |

| 10. Legal implications |
|--|
| State any specific legal implications relating to this proposal: |
| |

| 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 |
| September 2020 | Proposals prepared (this template and supporting papers – e.g. draft public consultation paper, equalities assessment and initial HR considerations) |
| October 2020 | Proposals submitted to Scrutiny committees leading to M&C |
| November to December 2020 | Scrutiny meetings held with consultations ongoing |
| November to December 2020 | Consultations undertaken and full decision reports (where required) prepared |
| December 2020 | Proposals to M&C, including Equality & HR assessments |
| January 2021 | Decision reports return to Scrutiny at the latest |
| February 2021 | Final decisions at M&C with the Budget |
| March 2021 | Cuts implemented |
| | |

Cuts proposal template 2021/22

| 1. Cuts proposal | |
|----------------------|---|
| Proposal title: | Traded Services with Schools |
| Reference: | E-05 |
| Directorate: | Corporate |
| Director of Service: | Selwyn Thompson / Angela Scattergood |
| Service/Team area: | Corporate Resources / Education |
| Cabinet portfolio: | Finance and Resources – Cllr De Ryk and Children's Services and School Performance – Cllr Barnham |
| Scrutiny Ctte(s): | Children and Young People Select Committee |

| 2. Decision Route | | | |
|------------------------------|---|---|--|
| Cuts proposed: | Key Decision* Yes / No See para 16.2 of the Constitution https://lewisham.gov.uk/mayorandcouncil/aboutthecouncil/how-council-is-run/our-constitution | Public Consultation Yes / No and Statutory vs informal | Staff Consultation Yes / No and Statutory vs informal |
| Traded Services with Schools | No | No | No |
| | | | |

| 3. Description of service area and proposal |
|---|
| Description of the service area (functions and activities) being reviewed: |
| Review of the overall package of traded services with schools |
| Cuts proposal* |
| <p>The overall package of services traded with schools is worth circa £2m. This proposal seeks to look at options across the complete suite of services to ascertain the possibility of securing additional sustainable income of £50k from 2021/22 onwards.</p> <p>The finance function, HR and payroll services offers services to schools. The payroll team offers a secure payroll service which is provided by experienced staff that have extensive knowledge in all pay related matters and a growing knowledge of the new Oracle Cloud payroll platform. Currently, some 90% of the borough's schools use the payroll function and benefit from a number of services set out in the SLA.</p> <p>The finance function does not currently operate a wider SLA, but instead provide a bursarial type service to those schools which 'buy in' to it.</p> <p>The Council does not currently have a set SLA with schools, but instead has created a bursarial service arrangement where schools pay in the region of circa £150k per annum. This has had the benefit of fully funding two members of staff (principal accountants) for a two-year fixed term period whilst an assessment is made as to how successful the service is. If successful, there are further options of scaling up to build even more capacity into this arrangement and some marginal increase in unit costing and providing other chargeable services to schools.</p> |

Cuts proposal template 2021/22

3. Description of service area and proposal

The Council can only win business from schools based on trust it builds with them. A strengthening of the relationship with the schools finance team and the schools themselves has become more noticeable over the course of the last 18 months. This same strengthening and 'reputation re-build' needs to be created for payroll services, who have been adversely impact by delayed to implementing the Oracle Cloud payroll.

Overall, this would have the desired effect of providing these functions with some greater resilience and bolster income. If executed correctly, it will allow for marginal increases in unit costs. e.g. cost per payslip, cost per school visit / budget review etc.,

Mitigating Actions for 21/22

N/A

4. Impact and risks of proposal

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

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

Smaller schools may struggle to afford increase costs- school by school analysis as SLAs are returned

5. Financial information

| Controllable budget: General Fund (GF) | Spend £'000 | Income £'000 | Net Budget £'000 | |
|---|------------------|------------------|---------------------|-------------|
| HRA | | | | |
| DSG | | | | |
| Health | | | | |
| Cuts proposed*: | 2021/22 £'000 | 2022/23 £'000 | 2023/24 £'000 | Total £'000 |
| | 50 | 50 | 0 | 100 |
| | | | | |
| Total | 50 | 50 | 0 | 100 |
| % of Net Budget | % | % | % | % |
| 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: list in order of DECREASING impact

| | |
|--|--|
| 1. Giving children and young people the best start in life | Corporate priorities 1. Open Lewisham 2. Tackling the Housing Crisis 3. Giving Children and young people the best start in life |
| 2. Good governance and operational effectiveness | |
| 3. | |

Cuts proposal template 2021/22

| 6. Impact on Corporate priorities: list in order of DECREASING impact | |
|---|--|
| 4. | 4. Building an inclusive local economy |
| 5. | 5. Delivering and defending: health, social care & support |
| 6. | 6. Making Lewisham greener |
| 7. | 7. Building safer communities |
| 8. | 8. Good governance and operational effectiveness |

| 7. Ward impact | |
|------------------------------|--|
| Geographical impact by ward: | No specific impact / Specific impact in one or more |
| | None |
| | If impacting one or more wards specifically – which? |
| | N/A |

| 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 |
| For any High impact service equality areas please explain why and what mitigations are proposed: | | | |
| | | | |
| 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 |
| 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 | | | | | |
| PO1 – PO5 | | | | | |
| PO6 – PO8 | | | | | |
| SMG 1 – 3 | | | | | |
| JNC | | | | | |
| Total | | | | | |
| Gender | Female | Male | | | |
| | | | | | |
| Ethnicity | BME | White | Other | Not Known | |
| | | | | | |

Cuts proposal template 2021/22

| 9. Human Resources impact | | | | | |
|---------------------------|-----------------------|---------------|----------|---------------|--|
| Disability | Yes | No | | | |
| | | | | | |
| Sexual orientation | Straight / Heterosex. | Gay / Lesbian | Bisexual | Not disclosed | |
| | | | | | |

| 10. Legal implications |
|--|
| State any specific legal implications relating to this proposal: |
| |

| 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 |
| September 2020 | Proposals prepared (this template and supporting papers – e.g. draft public consultation paper, equalities assessment and initial HR considerations) |
| October 2020 | Proposals submitted to Scrutiny committees leading to M&C |
| November to December 2020 | Scrutiny meetings held with consultations ongoing |
| November to December 2020 | Consultations undertaken and full decision reports (where required) prepared |
| December 2020 | Proposals to M&C, including Equality & HR assessments |
| January 2021 | Decision reports return to Scrutiny at the latest |
| February 2021 | Final decisions at M&C with the Budget |
| March 2021 | Cuts implemented |
| | |

Cuts proposal template 2021/22

| 1. Cuts proposal | |
|----------------------|---|
| Proposal title: | Housing – Bring rents for Private Sector Lease (PSL) and Private Managed Accommodation (PMA) in line with London Housing Allowance. |
| Reference: | E-07 |
| Directorate: | Housing, Regeneration and Public Realm |
| Director of Service: | Fenella Beckman |
| Service/Team area: | Housing Needs and Procurement |
| Cabinet portfolio: | Housing and Planning – Cllr Bell |
| Scrutiny Ctte(s): | Housing Select Committee |

| 2. Decision Route | | | |
|----------------------|--|--|---|
| Cuts proposed: | Key Decision* | Public Consultation Yes / No and Statutory vs informal | Staff Consultation Yes / No and Statutory vs informal |
| | Yes / No See para 16.2 of the Constitution https://lewisham.gov.uk/mayorandcouncil/aboutthecouncil/how-council-is-run/our-constitution | | |
| Align rents with LHA | Yes | No | No |

| 3. Description of service area and proposal |
|--|
| Description of the service area (functions and activities) being reviewed: Housing services provide leased and agent managed homes that are used as temporary accommodation. There are two schemes that we currently operate, the Private Sector Leased (PSL) and Privately Managed Accommodation (PMA). PSL – with this scheme, landlords lease their property to Lewisham Council for a period of three to five years. The Council let these properties to homeless families in need of long-term accommodation. PMA – with this scheme, the Council lease residential properties for a period of three to five years and let them to homeless families. The landlord, or property agency fully manage the sub-tenancy, including dealing with repairs and any tenancy issues. On top of the weekly rent, the landlord is paid an additional fee for providing this service. Under both schemes the Council make the placements and are responsible for rent collection, (landlords get paid their rents according to the contracts or lease agreements they have negotiated with the Council). The service charges tenants rent for these properties which for the most part is paid for by housing benefit. |
| Cuts proposal* This proposal is to bring rents for our PMA and PSL homes in line with Local Housing Allowance (LHA). These rents have not changed since 2011 and so this proposal is expected to bring an additional £675k in revenues based on our current customer profile. The savings will be carefully realised in phases as we will need to look at each individual tenancy, ensuring that the correct notice period in relation to annual increases. |

| 4. Impact and risks of proposal |
|---|
| Outline impact to service users, partners, other Council services and staff: |

Cuts proposal template 2021/22

4. Impact and risks of proposal

We currently have a total of 942 households in PMA and PSL accommodation and this proposal will have an impact on these households.

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

Our current assessment shows that the increase in rent for at least 93% of households in this accommodation will be covered by housing benefit or discretionary housing payments where applicable. Those households who will not be fully covered by housing benefit or discretionary housing payment will be required to pay the increased rents set at the private rented sector LHA, which is below market rent. Typically, clients that are not in receipt of HB have high incomes.

5. Financial information

| Controllable budget: General Fund (GF) | Spend £'000 | Income £'000 | Net Budget £'000 | |
|---|------------------|------------------|---------------------|-------------|
| | 33,422 | 28,777 | 4,645 | |
| HRA | ? | ? | | |
| DSG | NA | NA | | |
| Health | NA | NA | | |
| Cuts proposed*: | 2021/22 £'000 | 2022/23 £'000 | 2023/24 £'000 | Total £'000 |
| Commercial Approach – Rent alignment | 300 | 375 | | 675 |
| | | | | |
| Total | 300 | 375 | | 675 |
| % of Net Budget | 6.5% | 8% | | 14.5% |
| Does proposal impact on: Yes / No | General Fund | DSG | HRA | Health |
| Yes / No | Yes | | | |
| If DSG, HRA, Health impact describe: | | | | |

6. Impact on Corporate priorities: list in order of DECREASING impact

| 1. Good governance and operational effectiveness | Corporate priorities |
|--|--|
| 2. Tackling the Housing Crisis | 1. Open Lewisham |
| 3. | 2. Tackling the Housing Crisis |
| 4. | 3. Giving Children and young people the best start in life |
| 5. | 4. Building an inclusive local economy |
| 6. | 5. Delivering and defending: health, social care & support |
| 7. | 6. Making Lewisham greener |
| 8. | 7. Building safer communities |
| | 8. Good governance and operational effectiveness |
| 7. Ward impact | |

Cuts proposal template 2021/22

| 6. Impact on Corporate priorities: list in order of DECREASING impact | |
|---|--|
| Geographical impact by ward: | No specific impact / Specific impact in one or more |
| | Borough wide |
| | 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: | Not Known |
| Disability: | Low | Gender reassignment: | Not Known |
| Religion / Belief: | Not Known | Overall: | Low |
| For any High impact service equality areas please explain why and what mitigations are proposed: | | | |
| <p>The majority of the households in PMA/PSL Temporary Accommodation (TA) are BAME women with children. Our assessment shows the impact on at least 93% of households in PSL and PMA will be offset by an increase in housing benefit or discretionary housing payment where applicable. Those households who will not be fully covered by housing benefit or discretionary housing payment will be required to pay the increased rents, however these clients will all be in receipt of high incomes and the rent will be set at the private rented sector LHA, which is below market rent. For PMA/PSL, we don't collect data regarding Religion/Belief, Sexual Orientation and Gender Reassignment.</p> | | | |
| Is a full service equalities impact assessment required: Yes / No | | | Yes |

| 9. Human Resources impact | | | | | |
|---|-----------------------|---------------|---------------------|------------------------|-------------|
| Will this cuts proposal have an impact on employees: Yes / No | | | | | 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 | | | | | |
| PO1 – PO5 | | | | | |
| PO6 – PO8 | | | | | |
| SMG 1 – 3 | | | | | |
| JNC | | | | | |
| Total | | | | | |
| Gender | Female | Male | | | |
| | | | | | |
| Ethnicity | BME | White | Other | Not Known | |
| | | | | | |
| Disability | Yes | No | | | |
| | | | | | |
| Sexual orientation | Straight / Heterosex. | Gay / Lesbian | Bisexual | Not disclosed | |
| | | | | | |

Cuts proposal template 2021/22

10. Legal implications

State any specific legal implications relating to this proposal:

An equalities analysis assessment has been undertaken and accompanies this proforma.

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 |
|---------------------------|---|
| September 2020 | Proposals prepared (this template and supporting papers – e.g. draft public consultation paper, equalities assessment and initial HR considerations) |
| October 2020 | Proposals submitted to Scrutiny committees leading to M&C |
| November to December 2020 | Scrutiny meetings held with consultations ongoing |
| November to December 2020 | Consultations undertaken and full decision reports (where required) prepared |
| December 2020 | Proposals to M&C, including Equality & HR assessments |
| January 2021 | Decision reports return to Scrutiny at the latest |
| February 2021 | Final decisions at M&C with the Budget |
| March 2021 | Cuts implemented |
| | |

Cuts proposal template 2021/22

| 1. Cuts proposal | |
|----------------------|--|
| Proposal title: | Contract Efficiencies – inflation management |
| Reference: | E-08 |
| Directorate: | All Council |
| Director of Service: | |
| Service/Team area: | |
| Cabinet portfolio: | Finance and Resources - Cllr de Ryk |
| Scrutiny Ctte(s): | Public Accounts Select Committee |

| 2. Decision Route | | | |
|---|---|---|--|
| Cuts proposed: | Key Decision* Yes / No See para 16.2 of the Constitution https://lewisham.gov.uk/mayorandcouncil/aboutthecouncil/how-council-is-run/our-constitution | Public Consultation Yes / No and Statutory vs informal | Staff Consultation Yes / No and Statutory vs informal |
| Generate efficiencies from contracts from the removal of indexation/inflation | No | No | No |
| | | | |

| 3. Description of service area and proposal |
|--|
| Description of the service area (functions and activities) being reviewed: |
| All Council currently contracted services and specifically new contracts which are let. |
| Cuts proposal* |
| <p>The Council spends over £300m per annum on contracted services delivered by third parties. Some of this is in either long term contracts which cannot be varied, or spot contracts, but the average length of a Council contract is 2 – 5 years so there is circa £25m - £50m of new works and services brought to market each year. Furthermore, the Council budgets to increase non staffing budgets by CPI each year, which is circa £1.5m.</p> <p>If all new contracts brought forward are let on the basis of not including indexation, and the procurement framework and policies are adapted to support this, then it's anticipated that £500k can be saved.</p> <p>Mitigating Actions for 21/22</p> <p>The cut will be taken through the removal of £500k from the non-salary inflation with a review of those services most able to deliver against this and tracked through the procurement cycle.</p> |

| 4. Impact and risks of proposal |
|---|
| Outline impact to service users, partners, other Council services and staff: |

Cuts proposal template 2021/22

4. Impact and risks of proposal

Those new contracts coming forward will need to be carefully monitored to ensure that the required services specification will still be delivered as specified. There will be no impact on staff.

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

The risk is that the cut will be taken via the central removal of inflation to service budgets so unless the procurement framework and processes capture this at the individual contract levels then there may be overspends against budgets.

5. Financial information

| Controllable budget: General Fund (GF) | Spend £'000 | Income £'000 | Net Budget £'000 | |
|---|------------------|------------------|---------------------|-------------|
| HRA | | | | |
| DSG | | | | |
| Health | | | | |
| Cuts proposed*: | 2021/22 £'000 | 2022/23 £'000 | 2023/24 £'000 | Total £'000 |
| Removal of £500k of non-salary budget inflation, to be achieved through new contracts removing inflation. | 500 | 0 | 0 | 500 |
| | | | | |
| | | | | |
| Total | | | | |
| % of Net Budget | % | % | % | % |
| Does proposal impact on: | General Fund | DSG | HRA | Health |
| Yes / No | Yes | No | No | No |
| If DSG, HRA, Health impact describe: | | N/A | N/A | N/A |

6. Impact on Corporate priorities: list in order of DECREASING impact

| | |
|--|--|
| 1. Good governance and operational effectiveness | 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 |
| 2. | |
| 3. | |
| 4. | |
| 5. | |
| 6. | |
| 7. | |

Cuts proposal template 2021/22

| 6. Impact on Corporate priorities: list in order of DECREASING impact | |
|---|--|
| 8. | 8. Good governance and operational effectiveness |

| 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 impacted by the contracts to be let |

| 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 |
| For any High impact service equality areas please explain why and what mitigations are proposed: | | | |
| All service specifications are designed to consider equality and those with protected characteristics. The removal of inflation from a contract will not impact on that. | | | |
| 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 |
| 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 | | | | | |
| PO1 – PO5 | | | | | |
| PO6 – PO8 | | | | | |
| SMG 1 – 3 | | | | | |
| JNC | | | | | |
| Total | | | | | |
| Gender | Female | Male | | | |
| | | | | | |
| Ethnicity | BME | White | Other | Not Known | |
| | | | | | |
| Disability | Yes | No | | | |
| | | | | | |
| Sexual orientation | Straight / Heterosex. | Gay / Lesbian | Bisexual | Not disclosed | |
| | | | | | |

Cuts proposal template 2021/22

10. Legal implications

State any specific legal implications relating to this proposal:

There are no specific legal implications arising from this cut. All contracts let separately consider any legal implications from a procurement and service specification.

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 |
|---------------------------|---|
| September 2020 | Proposals prepared (this template and supporting papers – e.g. draft public consultation paper, equalities assessment and initial HR considerations) |
| October 2020 | Proposals submitted to Scrutiny committees leading to M&C |
| November to December 2020 | Scrutiny meetings held with consultations ongoing |
| November to December 2020 | Consultations undertaken and full decision reports (where required) prepared |
| December 2020 | Proposals to M&C, including Equality & HR assessments |
| January 2021 | Decision reports return to Scrutiny at the latest |
| February 2021 | Final decisions at M&C with the Budget |
| March 2021 | Cuts implemented |

Cuts proposal template 2021/22

| 1. Cuts proposal | |
|----------------------|---|
| Proposal title: | Realising the Benefits of the Oracle Cloud Solution |
| Reference: | E-09 |
| Directorate: | Corporate Resources |
| Director of Service: | Selwyn Thompson |
| Service/Team area: | Corporate Resources / Education (Schools HR) |
| Cabinet portfolio: | Finance and Resources –Cllr De Ryk |
| Scrutiny Ctte(s): | Public Accounts Select Committee |

| 2. Decision Route | | | |
|-----------------------------------|---|---|--|
| Cuts proposed: | Key Decision* | Public Consultation Yes / No and Statutory vs informal | Staff Consultation Yes / No and Statutory vs informal |
| | Yes / No See para 16.2 of the Constitution https://lewisham.gov.uk/mayorandcouncil/aboutthecouncil/how-council-is-run/our-constitution | | |
| Oracle Cloud Benefits Realisation | No | No | Not required at this stage |

| 3. Description of service area and proposal |
|---|
| Description of the service area (functions and activities) being reviewed: |
| Realising further benefits from the Oracle Cloud Solution and exploiting its functionality as a fully integrated enterprise resource planning solution. |
| Cuts proposal* |
| <p>The final phases of the Oracle Cloud solution were implemented and went live in April 2020. Therefore, all of the key modules which include finance, e-procurement, human capital management and payroll are now live. There are areas where the solution has not been implemented “out of the box” as intended and so there is some addressing of these issues through a separate, but connected piece of work.</p> <p>The organisation of the HR (corporate and school) and Payroll (including the payroll administrative support function) are fragmented with expertise concentrated within small groups and in some instances an individual. A reconfiguration of this function in addition to full exploitation of the solutions function is expected to realise some cashable benefits over the course of the next year and beyond. These improvements in the service are also expected to put the council in a better position and offer an improved and more seamless service.</p> <p>With regards to other benefits, these will arise by making better use of the integrated functionality of the solution. These will result in reducing staff processing time as well as leading to a reduction in non-staffing costs. For instance, removal of all off-system and paper-based processes and adopting common processes across the council; the creation and extensive use of dashboard information to better inform management decision making; reduction in manual processes and data entry into payroll ensuring that users only enter information once wherever possible and thereby providing a productivity gain.</p> |

Cuts proposal template 2021/22

3. Description of service area and proposal

The next 12 to 18 months will provide an opportunity to explore options for the onward selling of some services to schools in the main.

4. Impact and risks of proposal

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

There are more risks of NOT doing this in that the Council would not be realising the fully benefits of the solution it invested so heavily in.

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

Lack of engagement from key stakeholders and the challenging time line to deliver this to achieve the full year effect. As a proposal which impacts the widely across the organisation, it will be essential to capture some of these cashable savings from elsewhere in the council as the use of self-service becomes more imbedded.

5. Financial information

| Controllable budget: General Fund (GF) | Spend £'000 | Income £'000 | Net Budget £'000 | |
|---|---------------------|------------------|---------------------|---------------|
| HRA | | | | |
| DSG | | | | |
| Health | | | | |
| Cuts proposed*: | 2021/22 £'000 | 2022/23 £'000 | 2023/24 £'000 | Total £'000 |
| | 100 | 100 | 0 | 200 |
| | | | | |
| | | | | |
| Total | 100 | 100 | 0 | 200 |
| % of Net Budget | % | % | % | % |
| 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: list in order of DECREASING impact

| | Corporate priorities |
|----|--|
| 1. | 1. Open Lewisham |
| 2. | 2. Tackling the Housing Crisis |
| 3. | 3. Giving Children and young people the best start in life |
| 4. | 4. Building an inclusive local economy |
| 5. | 5. Delivering and defending: health, social care & support |
| 6. | 6. Making Lewisham greener |
| | 7. Building safer communities |

Cuts proposal template 2021/22

| 6. Impact on Corporate priorities: list in order of DECREASING impact | |
|---|--|
| 7. | 8. Good governance and operational effectiveness |
| 8. | |

| 7. Ward impact | |
|------------------------------|--|
| Geographical impact by ward: | No specific impact / Specific impact in one or more |
| | None |
| | If impacting one or more wards specifically – which? |
| | Not Applicable |

| 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 |
| For any High impact service equality areas please explain why and what mitigations are proposed: | | | |
| Not Applicable | | | |
| 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 | | | | | |
| PO1 – PO5 | | | | | |
| PO6 – PO8 | | | | | |
| SMG 1 – 3 | | | | | |
| JNC | | | | | |
| Total | | | | | |
| Gender | Female | Male | | | |
| | | | | | |
| Ethnicity | BME | White | Other | Not Known | |
| | | | | | |
| Disability | Yes | No | | | |
| | | | | | |
| Sexual orientation | Straight / Heterosex. | Gay / Lesbian | Bisexual | Not disclosed | |
| | | | | | |

Cuts proposal template 2021/22

10. Legal implications

State any specific legal implications relating to this proposal:

There are no legal implications directly arising from delivering this proposal.

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 |
|---------------------------|---|
| September 2020 | Proposals prepared (this template and supporting papers – e.g. draft public consultation paper, equalities assessment and initial HR considerations) |
| October 2020 | Proposals submitted to Scrutiny committees leading to M&C |
| November to December 2020 | Scrutiny meetings held with consultations ongoing |
| November to December 2020 | Consultations undertaken and full decision reports (where required) prepared |
| December 2020 | Proposals to M&C, including Equality & HR assessments |
| January 2021 | Decision reports return to Scrutiny at the latest |
| February 2021 | Final decisions at M&C with the Budget |
| March 2021 | Cuts implemented |
| | |

Cuts proposal template 2021/22

| 1. Cuts proposal | |
|----------------------|---|
| Proposal title: | Bereavement Services |
| Reference: | E-10 |
| Directorate: | Community Services |
| Director of Service: | James Lee |
| Service/Team area: | Bereavement Services |
| Cabinet portfolio: | Environment and Transport – Cllr McGeevor |
| Scrutiny Cttee(s): | Public Accounts Select Committee |

| 2. Decision Route | | | |
|------------------------------|---------------|---------------------|--------------------|
| Cuts proposed: | Key Decision* | Public Consultation | Staff Consultation |
| Increase in fees and charges | No | No | No |

| 3. Description of service area and proposal |
|---|
| Description of the service area (functions and activities) being reviewed: |
| Bereavement services – Crematorium and Cemeteries. |
| Cuts proposal* |
| <p>This proposal is to increase fees and charges to increase income to ensure that the service is delivered on budget rather than provide a direct cut to the service budget.</p> <p>Bereavement Services review and update their fees and charges on April 1st. The new charges are sent to all Funeral Directors who use the service at the beginning of March.</p> <p>A decision was taken to reduce cremation charges by 7.5% from 1 April 2019 in an attempt to increase the number of cremation services and more effectively utilise fixed assets (crematoria and staffing). It was felt that Lewisham was becoming 'uncompetitive', after 10 years of persistent price increases. The objective was to offset the price reductions by increase the number of cremations from other authorities as people opted for a cheaper service. This was also in response to the funeral poverty agenda and some negative publicity around increased cremation charging.</p> <p>However, in reality the number of cremations remained largely static and the income for the service dropped significantly.</p> <p>As such it is proposed that this decision is revisited with prices increased to levels akin to the pre 2019 prices. It is proposed that, as usual, all fees and charges are reviewed to ensure a sensible and proportionate level of increase across the board but it is likely that the most significant change will relate to cremation costs.</p> <p>As it stands Lewisham's cremation charges are generally lower than those at surrounding facilities:</p> |

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| 3. Description of service area and proposal | | | |
|--|-----------------------------|---------------------|---|
| Crematorium | Half Hour Early Slot | 45 min/ hour | Details |
| Hither Green | £540 | £650 | 1 crematorium, 1 chapel |
| Lambeth | £341 | £695 | 2 crematoria, 2 chapels – also serving Wandsworth |
| Greenwich | £681 | £722 | 1 crematorium, 2 chapels; serving 3 boroughs |
| Southwark | £633 | £772 | 1 crematorium, 1 chapel |
| Kemnal (Private) | <u>From</u> £600 | <u>From</u> £945 | No crematorium. Coffins cremated elsewhere |
| Beckenham (Private) | £910 | £1070 | 1 crematorium, 1 chapel |

Further work will be undertaken across expenditure lines to deliver a balanced budget by 2022/23.

| 4. Impact and risks of proposal |
|--|
| Outline impact to service users, partners, other Council services and staff: |
| <p>The impact of the proposal will mean the cost of funerals will increase for all residents who pay for the service. There is no proposal to change the cremation and interment policy for children aged 16 and under, where no charge is made. We would also continue to offer burials in public graves for people of reduced means, where there is far a lower interment fee and no charge for the grave space.</p> <p>Cremation/burial costs are a relatively small proportion of the overall cost of a funeral but this element will increase beyond the rate of inflation.</p> |
| Outline risks associated with proposal and mitigating actions to be taken: |
| <p>The risk of increasing fees is reputational, particularly given the current COVID pandemic. Large increases in funeral costs recently (primarily driven by the costs of funeral directors) has led to the issue of 'funeral poverty' gaining increased attention.</p> <p>Officers are undertaking detailed work to ensure that price rises are designed to ensure 'full cost recovery' and there can be no suggestion of profiteering.</p> <p>The impact of the price increase is further mitigated as:</p> <ul style="list-style-type: none"> - The authority will continue to claim back the fees for burials and cremations for those under 18 via the Children's Funeral Fund so the parents/family of the deceased pay nothing. - The authority will continue to offer a 'direct cremation', that is without a chapel service, which will remain significantly cheaper than the full provision - Those who die without means or family can receive a Public Burial. |

Cuts proposal template 2021/22

| 5. Financial information | | | | |
|--|---------------|---------------|------------------|-------------|
| Controllable budget: General Fund (GF) | Spend £'000 | Income £'000 | Net Budget £'000 | |
| | 1,974 | -2,380 | - 406 | |
| HRA | | | | |
| DSG | | | | |
| Health | | | | |
| Cuts proposed*: | 2021/22 £'000 | 2022/23 £'000 | 2023/24 £'000 | Total £'000 |
| Increase in fees and charges | 250 | 0 | 0 | 250 |
| Total | 250 | 0 | 0 | 250 |
| % of Net Budget | % | % | % | % |
| Does proposal impact on: | General Fund | DSG | HRA | Health |
| Yes / No | Yes | No | No | No |

| 6. Impact on Corporate priorities: list in order of DECREASING impact | |
|---|--|
| 1. | 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 |
| 2. | |
| 3. | |
| 4. | |
| 5. | |
| 6. | |
| 7. | |
| 8. | |

| 7. Ward impact | |
|------------------------------|--|
| Geographical impact by ward: | No specific impact / Specific impact in one or more |
| | Borough wide |
| | 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: | M | Pregnancy / Maternity: | M |
| Gender: | M | Marriage & Civil Partnerships: | M |
| Age: | M | Sexual orientation: | M |
| Disability: | M | Gender reassignment: | M |
| Religion / Belief: | M | Overall: | M |

Cuts proposal template 2021/22

8. Service equalities impact

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

| |
|--|
| |
|--|

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:

| |
|--|
| |
|--|

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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| February 2021 | Final decisions at M&C with the Budget |
| March 2021 | Fee increases implemented |