

Appendix A – Revenue Proposals

This appendix sets out by service area the following information:

Budget Pressures/Growth – This table sets out details by service area of the budget pressures/growth that have been identified and evidenced for 2024/25. This excludes pay and contract inflation.

Budget Reductions – The table below sets out by service area all the proposed budget reductions for 2024/25. This report launches them for consultation and the feedback will be considered when Leadership Team recommend the final budget to Council on 28 February 2024. Equalities Impact Assessment (EqIA) – A preliminary EqIA has been completed for all savings proposals. When the impact has been assessed as negative a full EqIA will be carried out.

- A Adult Social Care and Public Health
- B Chief Executive
- C Children’s Services
- D Environment and Communities
- E Grenfell Corporate
- F Future Grenfell Support
- G Housing and Social Investment
- H Resources and Customer Delivery
- I Corporate

A - Adult Social Care and Public Health

Budget Pressures/Growth

£'000	Description	EqlA
2,000	<p>Adult Social Care Pressures – Extra resource needed to meet estimated demand pressures in Placements, Home Care, Reablement and Direct Payments.</p> <p>The Adult Social Care budget is volatile due to acuity of needs and high demand for services, particularly in our hospital discharge pathway due to the pressure to free up hospital beds, which continues to drive increases in community home care packages and high residential and nursing home costs. Within our community activities, we expect to see continuous increase in presenting need within Learning Disabilities, Mental Health, and people with complex needs. However, despite these ongoing pressures, the service has robust monitoring mechanisms in place, together with the successful lobbying to NWLICT to provide one-off additional funding to meet these cost pressures, which up to now has enables the budgets to come in under budget every year. Furthermore, the service receives central grants annually to fund demand pressures of £2m, but there is a risk to the service budget in 2024/25 if the grants are not maintained.</p>	Positive
2,000		

Budget Reductions

Current Budget £'000	Proposed Reduction/ Increased Income £'000	Description	EqlA
33,395	550	<p><u>Continuation of prevention initiatives</u></p> <p>In line with the vision for Adult Social Care, the department will be working with service users as part of their annual review to increase the focus on supporting</p>	Positive

Current Budget £'000	Proposed Reduction/ Increased Income £'000	Description	EqIA
		<p>people to live more independently, to deliver better outcomes and fulfil their aspirations. Each service user has different needs and requires different support, but there will be a focus on three main projects:</p> <ul style="list-style-type: none"> • <u>Direct Payments (DP)</u> DP provides choice and control over the lives of vulnerable people to lead an independent life and is more cost effective to the Council. A programme of development of DP is underway. People will also be empowered to manage their own support and care needs through increased use of DP. • <u>Digital, equipment and acclimation for older people</u> Engaging with service users to provide less intrusive and more modernised ways of providing services. This will involve advanced telecare, modern occupational therapy equipment to support their disability and promote independence instead of home carers providing double-up care. It will also provide for safer and more effective working for carers. This will in turn will increase dignity, safety, empowerment and reduce hospital admission and reduce the long-term dependency on care. • <u>RBKC is Home</u> The Council has young physical and learning disability residents placed in supported living and residential care outside of London and some of the placements are not only expensive, but restrictive in fulfilling their aspirations and away from families and their local communities. This initiative is to bring those people closer to their loved ones and existing communities in RBKC, if 	

Current Budget £'000	Proposed Reduction/ Increased Income £'000	Description	EqIA
		<p>that is their choice. This will improve the quality of life and care for the service users and their families.</p> <p>A cost reduction of £400k is expected for 2023/24. Successful delivery of this work will be used to anticipate whether further savings can be achieved in future years, by adopting a similar focus on independent living and supporting service users in line with the vision for Adult Social Care.</p>	
531	20	<p><u>Shorts Breaks and Kingsbridge Road</u></p> <p>This initiative sets out to remodel the building at Kingsbridge Road, so that learning disability service users can take planned and unplanned breaks concurrently in segregated areas. Currently the scheme is majorly used by unplanned users, which affects planned users, resulting in the council needing two locations to facilitate the short break needs. This proposal will generate contract efficiencies by using the 11 units that Kingsbridge Road offers as safe and separate spaces for both unplanned and planned short break users at one location only.</p>	Positive
15,516	25	<p><u>Digital Account</u></p> <p>Residents who purchase their care through the Digital Account will be using a Direct Payment by default, and the hourly rate for this is lower than that of a commissioned homecare agency. Use of the digital account also enables residents to diversify spend beyond 'hours of care' to more outcome-specific activities, delaying more costly care in the long run. Using the platform also means that the cost of any late cancellations will not accrue to the Council.</p>	Positive

Current Budget £'000	Proposed Reduction/ Increased Income £'000	Description	EqIA
1,703	50	<p><u>Increased nomination to general needs</u></p> <p>This is an integrated scheme with Housing to help residents develop independent living skills through a supported pathway, so that they move into general needs housing with low-level support and tech-enabled care. This will reduce the number of residents remaining in supported living schemes longer than the planned 2-year period, increasing local supply, and decreasing out-of-borough placements. Between 5-10 nominations per year would be needed to meet the savings. The saving comes from the difference between an expensive out-of-Borough placement for supported living and a unit of local general needs housing, funded by housing benefit, with additional floating support. Per individual this is a saving of £25-28k per annum, therefore >5 nominations would achieve the savings target.</p>	Positive
8,764	30	<p><u>Enhanced Learning Disability Void Management</u></p> <p>This proposal will generate efficiencies within learning disability spend through enhanced management of existing voids and working with residents and families to ensure use of local provision. This will be achieved by reducing the number of voids in the borough and avoiding spend on alternative accommodation. There are currently three voids. Filling at least two will deliver this saving.</p>	Neutral
12,502	250	<p><u>2% staffing budget savings</u></p> <p>The service will review its spend on staffing and identify 2% savings target with minimal interruption to service delivery.</p>	No equalities implications

Current Budget £'000	Proposed Reduction/ Increased Income £'000	Description	EqIA
13,130	200	<u>Placements and packages</u> Exploring opportunities to tailor care packages to ascertain opportunities for efficiencies, through, for example, better leveraging the market to reduce costs, and where, with service user agreement, the level of service interventions can be reduced (if they are no longer required).	Positive
Total	1,125		

B - Chief Executive

Budget Pressures/Growth

£'000	Description	EqIA
270	Delivery of corporate change and transformation - Funding for corporate posts to support delivery of the commitments in the Council Plan, including change and transformation.	No equalities implications
270		

Budget Reductions

Current Budget £'000	Proposed Reduction/ Increased Income £'000	Description	EqIA
2,515	108	<u>2% salary savings</u> Savings from a restructure which included the deletion of a director post within Corporate Strategy.	No equalities implications
Total	108		

C – Children’s Services

Budget Pressures/Growth

£'000	Description	EqIA
500	<p>2024/25 Estimated Demand Pressures - to reflect the additional cost pressures for looked after children and care leavers. This growth in spend is aligned with the national picture, recent analysis by the Institute for Government shows that local authority spend on children’s social care has risen by 41% in real-terms compared with 2009/10.</p> <p>The key drivers of spend pressure are:</p> <ul style="list-style-type: none"> • Increased pressure and cost in the external placement market linked to inflation and scarcity in good quality providers. • The growth in the number of care leavers and the complexity of need. This is driven partly through the volume of Unaccompanied Asylum Seeking Children and also the rise in 16-17 year olds coming into care with complex needs, including offending risk or exposure of contextual safeguarding issues, substance misuse and mental health needs. 	Positive
27	<p>Dedicated Social Care Officer for children with SEND (bi borough)</p> <ul style="list-style-type: none"> • The Special Educational Needs and Disabilities (SEND) and Alternative Provision (AP) Improvement Plan sets out the government’s proposals to improve outcomes for children and young people. • One of the proposals within it is a strong encouragement for all local areas for have a DSCO role. The purpose of this role is to provide the capacity and expertise to improve the links and contributions from care services into the SEND process. • Similar to the DCO/DMO role in health, the DSCO role will support both operational input (such as the contributions from care to Education, Health and Care assessments and reviews) and more strategic planning functions (such as the commissioning of care services such as short breaks) for disabled children and those with SEN. 	Positive
155	North Kensington Social Justice Archive	Positive

£'000	Description	EqIA
	<ul style="list-style-type: none"> The archive will permanently preserve over 150 years of social justice history in the area be a highly accessible collection for the public to use, as well as facilitate the delivery of a programme of outreach and learning. It has been developed from ideas put forward by the community and it's envisaged to be based in North Kensington. 	
26	<p>Mosaic Provider Portal</p> <ul style="list-style-type: none"> This is a new product to be integrated into the Bi-borough Family Services Case Management System (CMS), Mosaic. The portal will be an interface for externally commissioned providers of placements and support for looked after children (LAC), care leavers (CL) and children with disabilities (CwD). It enables providers to request, view and query payments directly via a web browser. 	No equalities implications
708		

Budget Reductions

Current Budget £'000	Proposed Reduction/ Increased Income £'000	Description	EqIA
1,659	300	<p><u>Future of Libraries</u></p> <p>Libraries around the borough will be reviewed to determine opportunities to extend the range of community services and deliver from these sites. This links to the youth and VCS services initiatives of the council and could allow for other council departments to widen their scope of service delivery. Consequently, the staffing structure in both boroughs has been reviewed and</p>	Neutral

Current Budget £'000	Proposed Reduction/ Increased Income £'000	Description	EqIA
		adapted to deliver the new service model, reducing management overheads, and protecting frontline delivery.	
28,676	420	<u>2% salary savings</u> The service will review its spend on staffing and identify 2% savings target with minimal interruption to service delivery.	No equalities implications
13,419	200	<u>Additional Staffing savings</u> Part of the savings will be delivered through repurposing Olive House for care leaver accommodation and a further £100k will be delivered through a leadership governance structure which will review all decision relating to recruitment. This will not impact any existing staff and recruitment will only be held back when the service is assured there is no negative impact on service users.	Neutral
890	40	<u>Youth Offending Team Savings - increasing caseloads</u> Due to a recent service redesign project involving staff and feedback from service users, a new model has been developed to support better integration across teams and new ways of working will mean that cases can be managed more efficiently.	Positive
	60	<u>Efficiencies in running costs</u> Achieved through: <ul style="list-style-type: none"> • Reduced number of minicab journeys for looked after children (£15k) by developing criteria for when taxis can be used • Shared service management cost recovery (£25k) 	No equalities implications

Current Budget £'000	Proposed Reduction/ Increased Income £'000	Description	EqIA
		<ul style="list-style-type: none"> Expected income from Department for Education Sector Led Improvement Programme (£20k) for RBKC's role as a sector led improvement partner. 	
Total	1,020		

Previously Approved Savings

Current Budget £'000	Proposed Reduction/ Increased Income £'000	Description
240	20	<u>Social Care Overheads</u> Reduction of non-essential social care-related purchase/pre-paid card spend across Family Services. This will be facilitated through an internal audit and additional guidance on card usage to ensure that expenditure is within permitted parameters and controls are tightened.
Total	20	

D - Environment and Communities

Budget Pressures/Growth

£'000	Description	EqIA
100	Flood Risk Management <ul style="list-style-type: none"> The Council receives approximately £200k funding from central government to implement the statutory Lead Local Flood Authority role and this funding is rolled into the overall Revenue Support Grant, this will ensure the budget is transferred to services to support implementation of Local Flood Risk Management Strategy of the strategy. 	Positive
85	New Building Control Regime <ul style="list-style-type: none"> Will enable Building Control to restructure the service to ensure the service has sufficient Registered Building Inspector's at Level 3 and 2 to perform its new functions as a Building Control Authority. 	No equalities implications
150	Address structural budget deficit for Notting Hill Carnival <ul style="list-style-type: none"> Previously budget shortfalls have been funded by a dedicated Carnival reserve which has now been fully utilised. 	To be Confirmed
109	Additional crew for increased Street Cleansing <ul style="list-style-type: none"> After one year pilot which was funded from car parking reserve, this will now be built into the base budget. 	No equalities implications
120	Increased graffiti removal provision <ul style="list-style-type: none"> Previously funded from car park reserve. 	No equalities implications
40	Structural / electrical testing & Bridge decorative lighting maintenance <ul style="list-style-type: none"> Supports maintenance of the borough's infrastructure. 	No equalities implications
170	Replace existing resident parking permit IT system <ul style="list-style-type: none"> New system will provide a portal to allow customers to self-service and access information about their residents permits. 	No equalities implications
774		

Budget Reductions

Current Budget £'000	Proposed Reduction/ Increased Income £'000	Description	EqIA
(50)	50	<p><u>Increased income from construction management</u></p> <p>RBKC's planning requirement for even quite modest works to submit construction management plans has resulted in a sustained level of income higher than forecast. The income is related to the health of the building market so building-in a £50k increase in target income is considered achievable.</p>	No equalities implications
1,066	50	<p><u>Advice agencies consortium</u></p> <p>Propose to make savings through bringing together locally established advice agencies as a consortium to improve the quality of information, advice and guidance residents can access in RBKC. A consortia single contract will reduce some of the overheads through having a single/shared management structure.</p>	Neutral
23,000	130	<p><u>VCS Consolidation</u></p> <p>A VCS spend mapping exercise linked to Council outcomes has been undertaken and provides insight into understanding how our financial resources are allocated for working with the VCS to achieve the best outcomes for our residents. Consolidating spend alongside adopting best practice will enhance resilience amongst partnering organisations and drive cost efficient outcomes.</p>	To be confirmed
(9,661)	50	<p><u>Income Generation from location filming</u></p> <p>FilmFixer will request parking bay suspensions, parking dispensations on yellow lines, one-day parking permits for filming production staff and short notice suspensions requests – as and when required.</p>	No equalities implications

Current Budget £'000	Proposed Reduction/ Increased Income £'000	Description	EqIA
1,000	50	<p><u>LED lighting for streetlights & property</u></p> <p>The Highways Authority manages around 10,000 lighting units, which includes streetlights to provide illumination for the safe passage of road users on our network during the hours of darkness. To deliver the saving, the council would need to replace approximately 1000 of our residential streetlights, from traditional lamps to LED's. This would require the replacement of the whole internal unit, as the LED is a different system to conventional lamp units.</p>	No equalities implications
(949)	50	<p><u>Land Charges income</u></p> <p>New fee regime is being introduced to ensure Land Charges maximises fee income opportunities.</p>	No equalities implications
(1,208)	200	<p><u>Income from Network Management</u></p> <p>Various fees including inspections, Section 50 and 74 notices, permits, crane licences, traffic orders, temporary structures and skip will increase income.</p>	No equalities implications
27,131	524	<p><u>2% salary savings</u></p> <p>The service will review it's spend on staffing and identify 2% savings target with minimal 'interruption to service delivery.</p>	No equalities implications
(95)	25	<p><u>Additional garden waste income</u></p> <p>A light increase in subscriptions means the budget can now be increased by £25k.</p>	No equalities implications

Current Budget £'000	Proposed Reduction/ Increased Income £'000	Description	EqIA
(6,231)	50	<p><u>Increased Commercial Waste income</u></p> <p>The commercial waste portfolio has been recovering from the impact of the Covid-19 pandemic. Last year saw an extremely strong performance exceeding the income target. Growth has now slowed, due to the return of trading normality, however there is still an opportunity for achieving income above target.</p>	No equalities implications
8,615	55	<p><u>Efficiencies across the Communities department</u></p> <p>The proposal is split by the following:</p> <ul style="list-style-type: none"> • Reduction in Citizens' Panel support fund (£5,000) – Reduction in funding to third party agency whose service ensure the Citizens' Panel is representative and also supports the refresh of panel membership. • Reduction in youth participation grant budget (£5,000) – Reduce fund which can be accessed by young people to design and commission projects. • Community Partnership Officer hours reduction (£10,000) – One of the three Community Partnerships Officer roles is reduced to part-time hours. • VCS premises rent subsidy (£15,000) – reducing the budget that provides rent subsidy to the VCS. 	<p></p> <p>Negative</p> <p>Negative</p> <p>To be confirmed</p> <p>No equalities implications</p>

Current Budget £'000	Proposed Reduction/ Increased Income £'000	Description	EqIA
		<ul style="list-style-type: none"> Economy Strategy delivery (£15,000) – Reducing Youth Enterprise & support Budget within the Economy Strategy delivery programme. Registrars' revenue savings (£5,000) – savings including ceremonies at Leighton House (to be split with Museums) in addition to existing savings (income generation) proposals of £10k for 2024/25. 	Neutral
616	80	<u>Pay by Phone card charges</u> As a result of the negotiations relating to the Contract extension from November 2023 to November 2025, PayByPhone will reduce their merchant banking rate from the current 2.3% to a secured 1.83%.	No equalities implications
(52,739)	490	<u>Proposed policy changes in Parking service</u> Expanding Eligibility and Scope of Permits for Resident Parking Bays (£140,000) and expanding enforcement of Moving Traffic Contraventions (£350,000).	No equalities implications
Total	1,804		

Previously Approved Savings

Current Budget £'000	Proposed Reduction/ Increased Income £'000	Description
(240)	50	<p><u>Community management structure review</u></p> <p>The Construction Management Team will contribute to savings to Environmental Health Services through income generation through the construction bond scheme. Construction bond income continues to over-achieve its target and is stable enough to increase its target for future years. Construction Bonds generate two income streams: an admin fee, and a site monitoring fee, the latter contributing approximately 65% of total income per year. Depending on a site's initial assessment; monitoring can be carried out as frequently as on a weekly basis and there is no maximum number of site visits that can be undertaken.</p>
(1,638)	10	<p><u>Increased revenue from Registrars ceremony bookings</u></p> <p>Registrars have committed to £10,000 savings for the forthcoming year from increased revenue (from ceremony services).</p>
Total	60	

E - Grenfell Corporate

Budget Reductions

Current Budget £'000	Proposed Reduction/ Increased Income £'000	Description	EqIA
1,596	176	<p><u>Reduction in Grenfell Corporate Costs</u></p> <p>Relates to savings on Grenfell corporate costs, including staffing costs which will be picked up through the new arrangements and other smaller sundry expenses relating to historic costs (e.g. storage) which will no longer be required.</p>	No equalities implications
Total	176		

F - Future Grenfell Support

Budget Pressures/Growth

£'000	Description	EqIA
340	<p>Costs of support for ongoing work on Grenfell</p> <ul style="list-style-type: none"> As part of the settlement of the majority of civil claims, the Council and other parties have committed to funding a new programme to provide support to bereaved, survivors and the immediate local community from 2024 to 2028. The Council, alongside other defendants, has also agreed to make a separate contribution to the administration and delivery costs of the programme. 	Neutral
340		

G - Housing and Social Investment

Budget Pressures/Growth

£'000	Description	EqIA
1,500	Additional costs of supporting households in temporary accommodation, due to the shortage of affordable rented homes in London.	Neutral
290	Housing Investigations Team <ul style="list-style-type: none"> Previously funded from reserves and due to success of the team, permanent growth bid has been requested. 	Neutral
140	Grenfell Housing Services <ul style="list-style-type: none"> Previously received some funding from the Grenfell Recovery programme, but continues to require additional funding in the next phase to ensure high standards of service. 	Positive
1,930		

Budget Reductions

Current Budget £'000	Proposed Reduction/ Increased Income £'000	Description	EqIA
(13,600)	250	<u>Maximising benefits from property and physical assets</u> Options are being explored for further commercial lettings within operational buildings including at Kensington Town Hall and Chelsea Old Town Hall. This is subject to areas being confirmed as surplus to the Council's own needs and Strategic Property Board approvals.	Neutral
9,290	125	<u>2% salary savings</u>	Positive

Current Budget £'000	Proposed Reduction/ Increased Income £'000	Description	EqIA
		The service will review its spend on staffing and identify 2% savings target with minimal interruption to service delivery.	
New income budget	500	<p><u>2 New Homes Schemes online at intermediate/market rent</u></p> <p>Additional income will be raised from the letting of a number of dwellings in the Council's General Fund following their completion under the New Homes Programme. Both of these schemes include a number of units that are rented at either intermediate rent, which are targeted at Key Workers, or at market rent.</p>	Neutral
446	220	<p><u>Supported Housing Contract</u></p> <p>Following the closure of Florence Nightingale House, the 173 Cromwell Road supported housing scheme, the associated support contract has now been terminated. Some of this funding is required to be retained to ensure alternative support services are available, the remainder is being offered as an efficiency saving.</p>	Neutral
4,500	250	<p><u>Facilities Management</u></p> <p>The Council is in the process of re-procuring its contract for facilities management in the Council's operational property. The new contract will start from the beginning in of 24/25. This saving will be achieved via efficiencies driven through the procurement process.</p>	No equalities implications
Total	1,345		

H - Resources and Customer Delivery

Budget Pressures/Growth

£'000	Description	EqIA
110	London Collection Investment Vehicle (LCIV) Membership Fees <ul style="list-style-type: none"> Previously this was paid by the Councils Pension Fund. 	No equalities implications
350	New Procurement Bill <ul style="list-style-type: none"> To support development and implementation of a new operating model. 	No equalities implications
460		

Budget Reductions

Current Budget £'000	Proposed Reduction/ Increased Income £'000	Description	EqIA
33,043	620	<u>2% salary savings</u> The service will review its spend on staffing and identify 2% savings target with minimal interruption to service delivery.	No equalities implications
925	250	<u>Customer Relationship Management (CRM) and web-site enhancement</u> Residents will be able to use self-service functions if a CRM system is introduced to increase the RBKC website functionality to process high volume and transactional services. Customer service capacity will be made more available for complex cases. Response time, customer satisfaction, and a reduction in repeat calls will be improved; the proposal will also encourage end-to-end workflow processes (ERP) to resolve queries on one contact.	Neutral

Current Budget £'000	Proposed Reduction/ Increased Income £'000	Description	EqIA
(126,000)	200	<p><u>Consistent approach to statutory fees and new commercial opportunities</u></p> <p>Ensuring that fees and charges across the council reflect market forces and overheads for full cost recovery are included in these fees. The methodology used to establish overheads for full cost recovery are frequently undervalued and need to be fully captured. This will ensure that all costs are fully recovered for chargeable statutory services to ensure the costs don't fall on the revenue account.</p>	No equalities implications
228,000	350	<p><u>Procurement efficiencies</u></p> <p>There is an opportunity to improve supplier relationship management by implementing Oxygen Finance's early payment programme which enables supplier invoices to be paid ahead of contractual payment terms. This is in exchange for a pre-agreed rebate which is applied dynamically as the invoice is paid and is proportionate to how many days your payment is accelerated by. This drives social value through local employers by giving suppliers quicker access to money and generating income. Procurement team will also have real time analytics and enhances checks/controls to reduce risk of duplicate or late payment.</p>	No equalities implications
4,500	450	<p><u>Soft FM saving</u></p> <p>This proposal involves identifying and procuring new contractors to provide better cost-efficient security services and cleaning services for the council's operational buildings.</p>	No equalities implications

Current Budget £'000	Proposed Reduction/ Increased Income £'000	Description	EqIA
180	105	<p data-bbox="611 384 1003 419"><u>New phone contract saving</u></p> <p data-bbox="611 459 1736 603">This proposal aims to maintain existing SIMs across the estate/devices, eliminating the need to SIM Swap over 4500 devices. Switching mobile operator would generate a considerable cost of change for the Council, both in cost and resource effort.</p>	No equalities implications
Total	1,975		

I – Corporate

Budget Savings

Current Budget £'000	Proposed Reduction/ Increased Income £'000	Description	EqIA
	3,719	Corporate budgets – reduction in corporate contingency - In 2023/24 a contingency budget of £3.7m was created to help mitigate in-year economic volatility created by high inflation, interest rates and periods of negative growth. In 2024/25 the financial plans have changed to assume the contingency budget will be replaced by a contingency reserve, which was created after financial year 2022/23 with the remaining underspend.	No equalities implications
	950	Section 106 savings – More efficient use of Section 106 balances to finance capital programme which has led to a reduction in borrowing.	No equalities implications
Total	4,669		