

## **Appendix A and B – Budget 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 2025/26. This excludes pay and contract inflation.

**Budget Reductions** – The table below sets out by service area all the proposed budget reductions for 2025/26. This report launches them for consultation and the feedback will be considered when Leadership Team recommend the final budget to Council in February 2025. 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.

## F – Resources and Customer Delivery

### Budget Pressures/Growth

Growth Proposal	2025/26 (£'000)	Narrative	EQiA Impact
<b>Resources and Customer Delivery</b>			
Apprenticeship Levies	207	Charged at 0.5% of payroll. Growth brings budget to £673k and in line with estimated 2025/26 levy	Equalities impacts yet to be assessed.
CRM Data Cleansing Post	70	Necessary for data quality/integrity on customer interactions to support better decision making, customer satisfaction and to ensure legal compliance	No impact
Discretionary Council Tax Scheme	150	Currently no funding for the Council's scheme	Equalities impacts yet to be assessed.
MS Azure contract pressures	550	RBKC's consumption of Microsoft Azure	Equalities impacts yet to be assessed.
DD&T Staffing Budget Deficit	967	Retention of one-off growth to support service post- disaggregation	No impact
Cyber Security	150	Investment in new tools to defend security of Council assets	Neutral
<b>Resources and Customer Delivery Total</b>	<b>2,094</b>		

### Budget Reductions

Saving Proposal	2025/26 (£'000)	Narrative	EQiA Impact
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<b>Resources and Customer Delivery</b>			
Audit, Risk, Fraud and Insurance (ARFI) – Corporate Anti-Fraud Service (Blue Badge Service)	(30)	Terminate contract with third party to investigate Blue Badge Fraud - will reduce capacity to reactive investigations of this fraud	No impact
Audit, Risk, Fraud and Insurance (ARFI) – Insurance Service Review	(83)	Reduce external Grenfell legal costs (£65k) – corporate saving and move more claims handling in house (£18k) – corporate and other service budget savings	No impact
Audit, Risk, Fraud and Insurance (ARFI) – Insurance Staffing Review	(142)	Three vacant posts to be deleted. Reducing capacity in the Insurance team due to the majority of Grenfell civil claims having now settled through the Alternative Dispute Resolution Process.	Equalities impacts yet to be assessed.
Audit, Risk, Fraud and Insurance (ARFI) – Internal Audit Service Review	(50)	Develop a more resilient in-house team with a structure that allows for progression from apprenticeships and retains talent when there is recognised shortage of skilled internal auditors in the public sector.	No impact
Consistent approach to statutory fees and new commercial opportunities	(200)	Ensuring that fees and charges across the council reflect market forces and overheads for full cost recovery are included in these fees.	Impact is unknown
Customer Delivery Direct Payments Review	(38)	Introduce a threshold below which Direct Payments are not reviewed to allow deletion of one vacant post. 67k	Impact is unknown  The EqlA will be revised once the proposal is fully developed.
Customer Delivery Staffing Review	(197)	Introduce more generic working across a number of services and increase self service by staff.	Impact is unknown  The EqlA will be revised once the proposal is fully developed.

Customer Delivery: Introduce appointeeship fee for clients whose financial affairs we manage.	(80)	Applying same calculation used by Court for deputyship, a cap on fees and a threshold for savings below which this cannot be applied.	Impact is unknown
Customer Delivery: Local Support Payment Scheme	(46)	Delete 1 LSP Officer. Turnaround time for LSP payments will increase from current turnaround average of 3.45 days.	Impact is unknown  The EqlA will be revised once the proposal is fully developed.
Customer Delivery: More frequent review of existing discounts and exemptions applied to CT accounts	(250)	Estimates based on identifying 5% of cases where arrangements have expired.	Impact is unknown  The EqlA will be revised once the proposal is fully developed.
Customer Delivery: Move recovery of in-borough parking debts in-house	(400)	Work underway to confirm level of in-borough debt and arrangements with existing external provider.	Impact is unknown  The EqlA will be revised once the proposal is fully developed.
Customer Delivery: Reduce Postage Costs	(21)	Move from 1st to 2nd class for recovery documentation.	Impact is unknown

			The EqIA will be revised once the proposal is fully developed.
Customer Delivery: Review revenue recovery costs	(58)	The costs charged to non/late payers have not been reviewed for two years and so have not kept pace with the inflation in costs for this service. Figure assumes 5% increase.	Impact is unknown  The EqIA will be revised once the proposal is fully developed.
Customer Relationship Management (CRM) and web-site enhancement	(150)	Intro of CRM system will reduce failure demand in the call centre and increase digital functionality of the website. The profiling has changed from £300k each year to £150k in 25/26 and £450k in 26/27.	Neutral
Digital Design and Technology (DD&T): Staffing Review	(744)	It will not be possible to deliver this saving without the related growth in the previous slide which is currently funded from reserves.  Reduction of 10 posts, includes 2 compulsory redundancies. No service delivery risk, some impact on change/project delivery likely but manageable	No impact
Financial Management - Service Review	(200)	The Oracle System will enable budget managers to self-serve and the finance team is being restructure to ensure teams are resources appropriately.	No impact
Governance & Mayoralty Team– Reduction in staffing budget and supplies and services provision	(100)	A reduction in staffing provision will not jeopardise any statutory functions and this level of saving is achievable with current underspend and anticipated changes to senior staff working arrangements. No significant impact on the service provided either to departments or Members is anticipated.	Neutral
Human Resources and Organisational Development - Staffing Review	(275)	Reduce senior management team by 1 x FTE (£125k) and reduce posts by 3 FTE post Oracle implementation (£150k)	Equalities impacts yet

			to be assessed.
Legal Services- changes to the Director of law post	(50)	The Director of Law no longer a Bi Borough post and now sovereign WCC resulting in a saving for RBKC.	Neutral
Legal Services- Staffing Review	(231)	Legal Services is a Bi-Borough function with WCC and therefore some costs are shared with WCC – the savings shown are those attributable to RBKC. The proposed savings include not recruiting to vacant posts in the legal property team, changing a post in the legal planning team to a part-time role and reviewing the business support team. No redundancies are expected to result from the review. There will be a reduction in capacity in the legal team and therefore we will need to work with services to achieve efficiencies.	Neutral
<b>Resources and Customer Delivery Total</b>	<b>(3,345)</b>		