

2019/20 – 2021/22 BUDGET REDUCTIONS**A INCOME – COMMERCIAL ACTIVITIES****A1 Commercial property income - £455,000**

As a result of a commercial acquisition in late 2017/18 and a new letting in the Civic Centre Campus an additional annual lease income of £455,000 will be generated in a full year from 2019/20.

Sub Total for Income – Commercial Activities**£455,000****B INCOME – NEW/ADDITIONAL****B1 Asset rental and leases - £100,000**

The return on income in this area continues to improve as a result of close review and monitoring of rentals and leases and therefore an additional sum of £100k will be generated annually from 2019/20.

B2 Investment Income - £250,000

Some of the Council's cash balances are invested over the medium and long term with the aim of realising higher yields than short term investments. Further investment in long term funds was made in the early part of 2018/19. The price of units can rise and fall and in some quarters the returns are good but in other quarters there may be losses. The interest equalisation reserve is used to meet any temporary losses against the annual investment income budget and the amounts contributed to/from this reserve will depend on the actual annual investment performance against the budget.

The setting of the correct level of budget is therefore important as it should allow for sufficient reserves to be built up in preparation for any temporary losses, but not to build up too high a level. The further investment in the long term funds will allow the increase in the underlying income budget by £250k without impacting on the Council's ability to meet temporary losses.

Sub Total for Income - New/Additional**£350,000**

2019/20 – 2021/22 BUDGET REDUCTIONS**C TRANSFORMATION****C1 Locality working/community engagement – £1,100,000**

Further embedding an empowering and enabling approach that focuses on the strengths, assets, and resources of the individual. We will continue to foster and encourage maximum independence and support the individual in their personal responsibility for maintaining their own wellbeing. The concepts of prevention, re-ablement and enablement are key to this vision to create an asset/strength based approach to supporting people to maintain a decent quality of life.

The continuation in adopting a collaborative, whole system approach incorporating locality working will support a council wide preventative approach, reducing demand within the health and social care sector. This approach also has the potential to reduce overall demand across wider council services such as highways, waste, customer services etc. Community engagement, promotion of resident's accord and asset based assessments and support planning, including the use of LL portals has potential to create efficiencies and further reduce demand on council wide functions.

C2 Children's services adopting locality approach and use of technology – £200,000

Alignment of our children's services transformation programme with our counterpart work in adult services will provide opportunities in the latter part of 19/20. Examples being explored include delivering some services through localities and, use of technological efficiencies following further embedding of our new social care system.

C3 Reduced high cost placements linked to Edge of care – £500,000

Permanent investment in the Edge of Care team is expected to result in more children returning home from care, leading to a reduction in the cost of placements. In addition the team will support in house foster placements at high risk of disruption, which could lead to high cost external residential placements. This saving is also supported by the investment in additional foster carers fees which will keep children placed locally.

C4 Public Health role in Council services - £160,000

Culture Team - This is to permanently place a management focus on public health outcomes driven through the cultural offer and built into appropriate job descriptions (£60k)

Housing - One off funding to Private Housing scheme to support our local drive to reduce health inequalities and improve health and wellbeing by tackling damp surroundings that cause respiratory diseases, fuel poor and reduce the risk of trips and falls, in these properties (£50k)

Children's - One off funding to Children Centre services to support our renewed vision in the expansion of the ABSS programme and re-alignment with the health visiting service – part of a new model development (£50k)

2019/20 – 2021/22 BUDGET REDUCTIONS

C5 Pathways - £40,000
A proposal to replace broken pavements (paving stones) in new areas with lower cost black top rather than paving slabs. Existing colour areas to be replaced on a like for like basis.

C6 Central reservation greenery - £25,000
This proposal is to review the planted greenery in various central reservations to reduce annual maintenance costs and assisting traffic management costs from not closing roads.

Sub Total for Transformation**£2,025,000****D STAFFING RESTRUCTURES**

D1 Finance & Resources Staffing - £70,000
Arising from a restructure and the deletion of the Group Manager post in the Benefits team a saving of £70k pa can be realised.

D2 Cemeteries and Crematoria Staffing - £100,000
The deletion of a Group Manager post in this team will realise a saving of £75k pa and a staffing structure review will delete a further post of £25k.

D3 Channel Shift Staffing - £75,000 (2020/21 - 2021/22 further savings to be identified)
With the rollout of the Channel Shift Programme staff savings in the Contact Centre and Business Support function in the Place Department will be realised over the next three years.

D4 Joint contracts and commissioning efficiencies – £200,000
Build on the work carried out by procurement to look at alignment of contract and commissioning functions across Adult social care and Integrated Commissioning. This will be a joint piece work between the three service areas with a view to streamline appropriate functions and review the wider structures across the two service areas.

D5 Learning services savings – £150,000
Savings will be made through a targeted review of staffing roles/functions within the service. Roles will either be merged where efficiency savings can be found, or deleted where possible.

D6 Tickfield Centre restructuring - £40,000
As a result of merging the Tickfield team into Property and Estate Management one team leader post will be removed in the restructure planned for April 2019.

Sub Total for Staffing Restructures**£635,000**

2019/20 – 2021/22 BUDGET REDUCTIONS**E PROCUREMENT EFFICIENCIES****E1 External Audit Fees - £30,000**

Arising from the recent procurement exercise of external auditors for all Local Authorities in England, the annual fee for 2019/20 will reduce by £30,000 (against a previous fee of £143k for the main audit in 2018/19 – a 21% reduction).

E2 Insurance Renewal – £150,000

As a result of a recent successful procurement exercise of the Council's insurance arrangements, for our property, the cost of the Council's insurance will reduce by £150,000 pa in 2019/20, a reduction of 25% in the annual budget.

E3 Procurement review of contracted services – £100,000

A review of all contracts due for re-tendering within the People Department has identified a procurement saving from the Adult Social Care contracts in respect of the LD Supported Living budget.

Sub Total for Procurement Efficiencies**£280,000****TOTAL BUDGET REDUCTIONS****£3,745,000****Summary****Income – Commercial Activities****455,000****Income – New/Additional****350,000****Transformation****2,025,000****Staffing Restructures****635,000****Procurement Efficiencies****280,000****Total Proposed Budget Reductions****£3,745,000**

2019/20 – 2021/22 BUDGET REDUCTIONS**Public Health Proposals**

Public Health is ring fenced and the proposed net reduction of £250,000 contains the budget in line with the Public Health grant allocation for 2019/20.

Savings:	Amount
	£'s
Management costs savings (2 admin posts)	(53,000)
Unallocated/ overachieved 18/19 savings	(129,000)
Smoking Cessation	(35,000)
Sexual Health contract procurement	(142,000)
0-5 contract procurement	<u>(231,000)</u>
Total Savings	<u>(590,000)</u>
Investments:	
NHS Health Checks Co-ordinators	50,000
Domestic abuse prevention, IDVA and MARAT	75,000
Healthy Schools & Emotional health	<u>15,000</u>
Total unfunded ongoing programmes	<u>140,000</u>
Domestic Abuse (SET contribution)	40,000
0-5 Management Post & Development	100,000
Community- led development Place post	<u>60,000</u>
Total New Initiatives	<u>200,000</u>
Total proposed net savings for Public Health	(250,000)

2019/20 – 2021/22 BUDGET REDUCTIONS**Housekeeping Efficiencies 2019/20****Salaries and Employee Associated Costs - £18,000**

Underspends against National Insurance Contributions for Members, staff training in the Regulatory Services team and staff advertising in the Enterprise and Community team

Travel Expenses - £20,500

Underspends in the Traffic Management, Parks and Environmental teams

Supplies and Services - £126,000

Underspends across Strategic Services, the Traffic Management and Food Safety teams, the Forum, Southend Pier and the Royal Pavilion

Contractors - £94,500

Surplus base budget for Contractors in Planning and Transport, Culture and Tourism and Public Protection and Waste

Advertising - £4,000

Unspent budgets in the Tourism, Marketing and Development team

Corporate Initiatives - £23,000

Unused budget in this area

Housing Revenue Account (HRA) - £52,000

HRA recharge adjustment to align with budget

Additional income generation - £30,000

Book Group Service - Charge £20 per annum per group (£3k)

Museum Services income - This will be additional income over current fees and charges (£7k)

Pier Train Charges - In addition to the MTFs assumption of 2% an average of 10p on pier train tickets will be added (£10k)

Prittlewell Prince Publication for sale following the Saxon archaeological finds exhibition scheduled in 2019. £5 per book (£5k)

Preparation of University of Essex book stock for the Forum (£5k)

Total proposed Housekeeping Efficiencies - £368,000