

28 November 2023		ITEM: 4
Extraordinary Corporate Overview & Scrutiny Committee		
Revenue Budget Savings Proposals - Scrutiny 2024/25		
Wards and communities affected: All	Key Decision: Not applicable	
Report of: Cllr Graham Snell, Portfolio Holder for Finance, Human Resources and Payroll		
Accountable Assistant Director: Not applicable		
Accountable Director: Steven Mair, Chief Financial Officer/s151		
This report is Public (with exempt Appendix C)		

Executive Summary

This report outlines the revenue budget savings proposals put forward for the Committee's consideration as part of the preparation for the 2024/25 Council budget.

The savings:

- total £18.2m across 53 proposals which are considered to be deliverable in 2024/25 (some proposals may span two financial years before a full year effect is realised). Proposals have been profiled accordingly,
- have been prepared by Directorates supported by Finance, HR, Legal, the Community Impact Team and further supported by PWC,
- in some cases, proposals may require investment and further investigation before the full outcomes can be established. These are indicated with a * and are at outline business case stage. The costs will be financed from the transformation budget/capital programme as appropriate. Scrutiny in February 2024 will be used for an update on any necessary proposals,
- are supported by Community Equality Impact Assessments (CEIAs) where applicable and background business cases.

Commissioner's Comments:

Commissioners have been engaged in the development of budget savings proposals. The savings total £18.2m across 53 proposals and a reasonable process has been followed to assess them as deliverable in 2024/25. Securing savings is an essential part of the building a financially sustainable future for Thurrock and is in accordance with the directions as laid out by the Secretary of State. Subject to approval, it is imperative that (i) there is mobilisation of resource to ensure appropriate management and delivery of the change (ii) that delivery risk assurance is carried out on the deliverability of the savings reporting monthly to the Finance Recovery Board, such that there is full transparency of progress on mobilisation of the savings and remedial action as appropriate.

Should Members want to take proposals off the table for policy reasons it is critical they seek to identify alternative options to secure sustainability.

1. Recommendation(s)

- 1.1 That the committee act as a critical friend in objectively assessing the strengths and weaknesses of the proposals,**
- 1.2 That the committee ask Members or Directors for any explanation or information needed to better understand the proposals,**
- 1.3 That the committee consider the Community and Equality Impact assessments,**
- 1.4 That the committee make recommendations to Officers to improve the proposals,**
- 1.5 That the committee provide commentary and recommendations (including any alternative options) to Cabinet to consider when making decisions.**

2. Introduction and Background

- 2.1** As is well known the Council is facing virtually unprecedented financial challenges and its financial position is extremely challenging in terms of the scale of the financial impact, the time it will take the Council to recover from this and the range of issues to be dealt with. The position will undoubtedly regularly change and resolving all the known matters will take at least 5 years. A great deal of work has been undertaken and is planned to continue and develop further to improve the Council's financial position.
- 2.2** The Council has 4 major streams of budget challenges which are underway:
 - selling £1.035bn of investments to the fullest extent possible (to be determined) to pay down debt,
 - generating over £100m of capital receipts to also pay down debt,

- reducing reliance on borrowing to fund the general fund capital programme to avoid increasing debt,
- saving £18.2m from the revenue budget for next 2 years and a further £13.65m for each of the following 3 years.

2.3 As part of this challenge the Council has to consider and take forward revenue savings which will contribute to seeking to secure its long-term financial sustainability which are the subject of this report.

3. Issues, Options and Analysis of Options

The following sections summarise the proposed savings for each portfolio. A number of proposals have been identified as confidential in nature as they may potentially identify individuals or contain commercial sensitivities, these are set out in Appendix C, marked with ** in the below tables.

3.1 Children’s Services & Housing

Savings Proposal	£000's
CTS0013- Growing Portfolio of Temporary Accommodation	140
CTS0027- CHC - Review of cases to secure appropriate Health Contribution	100
CTS0029- Review of Social Care	233
Grand Total	473

3.1.1 **CTS0013- Growing Portfolio of Temporary Accommodation**

This proposal is twofold, the utilisation of existing housing stock, and to further increase the level of Council-owned properties to reduce reliance on more expensive temporary accommodation options.

3.1.2 **CTS0027- Review of cases to secure appropriate Health contribution**

Ongoing challenge is securing the appropriate level of funding from Health to contribute to placement costs. The reduction proposal is to seek appropriate Continuing Health Care contribution from Health for existing or emerging cases.

3.1.3 **CTS0029– Review of Social Care**

Changes implemented in September 2023 to the structure of Children's Social care (CSC) and Early Help (EH). This has been achieved with a requirement to focus on prioritising statutory duties, maintaining focus on child protection and preventative action. Continuing to provide the best possible outcomes for children and families and building on the ‘good’ Ofsted rating received in 2021. Total Saving: £310k (2023/24 £77k and 2024/25 £233k)

3.2 Education

Savings Proposal	£000's
CTS0028- Education and Skills Transformation	378
CTS0216- Inspire - Employability & Skills Saving	221
CTS0217- Home to School Transport - Review of Minibuses and Taxis	145
CTS0226- Home to School Transport - Policy update and post 16 charging policy	37
Grand Total	781

3.2.1 **CTS0028- Education and Skills Transformation**

Several changes to the operating model of the Education and Skills (E&S) Service. The changes were consulted on in the first quarter of 2023/24 and were in response to the Council's budget situation and formed part of the Children's Services Directorate contribution to the savings requirement. The revised operating model ensures resources are deployed in the most effective way and allows Children's Services to focus on the delivery of the Council's statutory responsibilities in relation to Education and Skills.

3.2.2 **CTS0216 - Inspire - Employability & Skills Saving**

A number of proposed changes to the operating model of the Inspire Youth Hub. The changes are in response to the savings outlined in the work undertaken by PWC, and the completion of our On Track grant funded programme. The revised operating model will ensure we are delivering to our minimum statutory duties.

3.2.3 **CTS0217- Home to School Transport - Review of Minibuses and Taxis**

Looking to reduce spend on minibuses and taxis to support home to school transport including exploring re-procurement options.

3.2.4 **CTS0226- Home to School Transport - Policy update and post 16 charging policy**

There is not a statutory duty on the Council to financially support post 16 SEN transport. This business case will bring us in line with other LA's who charge for post 16 SEN transport. A consultation will take place regarding the policy to consider a range of options relating to post 16 transport, with a proposed implementation date of September 2024.

3.3 Environment, Economic Development and Directional Leadership

Savings Proposal	£000's
CTS0098- Deletion of Land Charges Manager	69
CTS0109- Review Intelligence Officer Post in Counter Fraud & Investigation	47
CTS0124- Client Support Officer tasks moved to Support & Performance team **	45
CTS0125- Sports, Recreation & Leisure Management **	77
CTS0126- Contracts & Disposal Management **	105

CTS0136- Waste Collections	2,551
CTS0137- Trade Waste	200
CTS0307- Review of Directorate Support **	33
CTS0209- Parks and Open Spaces*	273
CTS0304- Review of Technical Support Team **	80
CTS0310- Highways and Transportation Service Management **	106
CTS0320- Review of Depot and Stores **	33
CTS0321- Emergency Planning and Public Protection Management **	103
Grand Total	3,722

3.3.1 **CTS0098- Land Charges Manager post**

The deletion of the vacant Land Charges Manager post within the Support and Performance Team.

3.3.3 **CTS0109- Review Intelligence Officer Post in Counter Fraud & Investigation**

Delete the currently vacant Intelligence Officer post.

3.3.4 **CTS0136- Waste Collections**

This project is required to deliver an operational cost saving from the waste collections services. It involves introducing alternative weekly collections for general waste & recycling waste, introducing a boroughwide separate weekly food waste collection service and a chargeable fortnightly 'green waste' service. The new garden waste service will be an opt in service, meaning only those households that pay the annual subscription fee will receive the service.

3.3.5 **CTS0137- Trade Waste**

Commercial waste collection is not covered by business rates and is a chargeable service. This project looks to identify opportunities to make the service more efficient and maximise income generated.

3.3.6 ***CTS0209 - Parks and Open Spaces Review – (Outline Business Case)**

Altering the maintenance levels for grass cutting within Thurrock's parks and open spaces, as well as delivering additional income through offering events spaces and hiring out concessions within these park/open space sites.

3.4 Finance, HR and Payroll - Central Financing

Savings Proposal	£000's
CTS0312- Business Rates Retention Pooling 2024/25	1,750
CTS0318- Council Tax Base Increase	1,030
Grand Total	2,780

3.4.1 **CTS0312- Business Rates Retention Pooling 2024/25**

The Council has identified an opportunity to enter business rates retention pooling arrangements with two other local authorities. This is projected to have a significant financial benefit to the three authorities while also aligning with existing relationships developed through the Thames Freeport.

3.4.2 **CTS0318 Contribution from improved Council Tax Base**

The 'Council Tax Base' (CTB) identifies the expected number of net billable properties for the forthcoming financial year, having taken account of current property numbers and reductions/increases related to discounts/exemptions and premiums.

3.5 Finance, HR and Payroll

Savings Proposal	£000's
CTS0214- People and OD Team	240
CTS0118- Finance restructure and related matters	503
Grand Total	743

3.5.1 **CTS0118- Finance restructure and related matters**

The staffing restructure plan has been worked on since May and was approved by General Services Committee on 24 August 2023. The outcome of the project will generate a saving against the original estimated budget for the restructure costs alongside a further review of remaining budget lines.

3.5.2 **CTS0214- People & OD Team**

The project will focus on a wider review of the HR OD Transformation Directorate and will focus on analysis of activity, duties carried out, what can be stopped, must continue, and required needs to support the organisation's transformation that will equip our workforce with the right, skills, knowledge, and expertise to deliver services to our residents.

3.6 Health, Adult Health, Community and Public Protection

Savings Proposal	£000's
CTS0001- S117 Reviews to Improve Efficiencies	367
CTS0004- Review Charging Policy for Assistive Technology	50
CTS0006- Review of Care Packages	832
CTS0011- Direct Debits	106
CTS0015- Commissioning Review - LD and MH Services	125
CTS0021- Expansion of Community Led Support Teams	72
CTS0133- Housing First	50
CTS0319- Caring for Thurrock	562
Grand Total	2,164

3.6.1 **CTS0001- S117 Reviews to improve efficiencies**

Utilisation of transformation funding for two part-time posts for a fixed term period to pro-actively clear a backlog of reviews on the current cohort of clients under Section 117 arrangements following discharge from secondary mental healthcare. Until a S117 review is completed, all patients are entitled to free care, meaning that a delay in S117 reviews could result in avoidable costs accruing to the council from residents whose financial circumstances mean that they would not qualify for 100% funded community care.

3.6.2 CTS0004- Review Charging Policy for Assistive Technology

Thurrock's current charges for Assistive Technology do not allow for full cost recovery and benchmark low compared to many other local authorities. Adult Social Care proposes to consult on proposals to increase charges for Assistive Technology. Subject to the financial assessment as defined by the Care Act (2014), individuals not entitled to free care may be asked to pay more towards the cost of their Assistive Technology

3.6.3 CTS0006- Reviews of Care Packages

There is currently a backlog of reviews of Adult Social Care packages, meaning that some residents may be in receipt of a package of care at a level they no longer require. Conversely, internal audit has identified that the council has been funding care that should be provided free by the NHS under Continuing Healthcare arrangements. This proposal is to recruit further short-term resource to undertake more timely reviews of ASC care packages.

Reviews will be focused on:

- High-Cost Care Packages
- Direct Payments
- Eligibility for free care under NHS Continuing Healthcare arrangements.

3.6.4 CTS0011- Direct Debits

Integrating direct debit functionality into our enterprise resource planning (ERP) system, customer finance can streamline their payment processes, improve cash flow management, reduce payment delays, and enhance customer satisfaction as well as minimising debt provisions in some cases where payment options are a factor of debt build up.

3.6.5 CTS0015- Commissioning Review- LD & MH Services

Utilisation of transformation funding to allow additional commissioning capacity to undertake a review of the existing market and to develop a market development plan which complements the development of a new Integrated Strategic Commissioning Strategy. This will include a review of Supported Accommodation arrangements. The Integrated Strategic Commissioning Strategy will outline the direction of travel for existing and future commissioning solutions and increase choice and diversity of providers within the local care market, providing more flexible and tailored solutions whilst delivering modest savings.

3.6.6 CTS0021- Expansion of Community Led Support Teams

The aim is to continue to develop integrated locality social work teams – reducing unnecessary bureaucracy, improving place-based working for all teams, and ultimately improving the experience for the person being supported. By embedding/integrating more ASC functions within strengths-based locality teams, it is possible to deliver better outcomes at a reduced management cost.

3.6.7 **CTS0133- Housing First**

The proposal is to extend the Housing First scheme by 5 houses. The extension of the scheme is aimed at people who struggle to maintain tenancies within general needs housing and sometimes within supported living. The saving is derived from the avoidance of otherwise significantly more expensive supported living placements.

3.6.8 **CTS0319- Caring for Thurrock**

In March 2022 Provider Services became Caring for Thurrock. The service was created to move to a Well Being model of self-managing teams. The proposal is to reduce the Community Teams from 6 to 5 by merging two teams and to release vacant posts.

3.7 Regeneration and Highways

Savings Proposal	£000's
CTS0077- Rent Reviews	650
CTS0079- Car parking at Civic Offices and Staff Parking Permit Scheme	86
CTS0080- Remove outsourced night-time security guards at Civic Office and Town Hall **	63
CTS0082- Civic Centre Energy Efficiency Review	30
CTS0085- Remove subsidy on Christmas Lights	15
CTS0107- Moving Traffic Offences	348
CTS0127- Street Scene Management **	100
CTS0211- Outsourced Daytime Security at Town Hall **	90
CTS0305- Business Improvement and Performance Management **	87
CTS0309- Public Rights of Way Structure **	24
Grand Total	1,493

3.7.1 **CTS0077- Rent Reviews**

Continue with work regarding rent reviews, lease renewals and letting vacant property.

3.7.2 **CTS0079- Car Parking at Civic Offices and Staff Parking Permits**

Reintroduce Salary Sacrifice payment for staff to acquire Season Tickets to use all Thurrock Council Car Parks at a sliding scale dependant on salary.

3.7.3 **CTS0082 - Civic Centre Energy Efficiency Review**

Centrally controlling and managing the building heating and air condition systems via the dedicated BMS (Building Management System) enables temperature regulation and the efficient use of energy consumption. This will take place alongside a review of current energy contracts ahead of any contract renewal.

3.7.4 **CTS0085 - Remove Subsidy on Christmas Lights**

It will be the responsibility of a community group to secure private sector sponsorship for Grays Christmas Lights.

3.7.5 **CTS0107- Moving Traffic Offences (MTO)**

To utilise available legislation to enforce penalties for 'Moving traffic offences' at Junction 31 M25 (roundabout) and specifically the 'encroachment' of vehicles into 'yellow boxes' at the approved site.

3.8 Transformational Change, Communications and Governance

Savings Proposal	£000's
CTS0314- Strategy Team Senior Management Restructure	58
CTS0316- Reduction in central communications budget	10
CTS0117- Customer Services Vacancy and Customer Contact Association (CCA) Accreditation	83
CTS0315- Removal of specialist agency budget within Performance, Quality & Intelligence (PQBI)	52
Grand Total	202

3.8.1 **CTS0314- Strategy Team Senior Management Restructure**

Removal of the vacant post of Strategy and Projects Officer.

3.8.2 **CTS0316- Reduction in Central Communications Budget**

A review of the service to identify efficiencies in delivery and costs for communications tools.

3.8.3 **CTS0117- Customer Services Vacancy and Customer Contact Association (CCA) Accreditation**

Vacant Posts reduction, and reduction in supplies and services budget.

3.8.4 **CTS0315- Removal of specialist agency budget within Performance, Quality & Business Intelligence (PQBI)**

Removal of specialist agency budget within Performance, Quality & Business Intelligence (PQBI) team.

3.9 Cross-Cutting

Outline business cases:

Savings Proposal	£000's
CTS0201- Contact Management*	977
CTS0203- Corporate Services*	1,788
CTS0202- Workforce Planning and Agency Spend *	2,530
Grand Total	5,295

3.9.1 *CTS0201 - Contact Management – (Outline Business Case stage)

The proposed transformation of the Council's Contact Management operating model, with indicative financial savings to be realised through staff-related efficiencies.

By automating, digitising, and streamlining processes, the Council can potentially realise significant savings and accelerate its journey to being 'digital by default' and offering resident-centred services.

3.9.2 *CTS0203 - Corporate Services Redesign and Ways of Working (Outline Business Case)

Enhance and strengthen the corporate core: Adjust the current systems landscape, contact channels, organisational design, and ways of working to deliver services more efficiently.

3.9.3 *CTS0202 - Workforce Planning and Agency Spend Outline Business Case

Reduce overall establishment expenditure through a reduction in agency costs and to explore wider opportunities for reductions in overall establishment costs.

Other cross-cutting proposals:

Savings Proposal	£000's
CTS0087- Mail and Print Service Review	39
CTS0130- Stationery Budget	53
CTS0212- Learning and Development Budget	139
CTS0055- Fees and Charges	325
Grand Total	556

3.9.4 CTS0087- Mail And print service review

A proposal to streamline our use of Multi- Functional Devices (MFD's), post and mailroom services.

3.9.5 CTS0130– Stationery Budget

60% Reduction to the overall stationery budget

3.9.6 CTS0212– Learning & Development Budget

A new learning and development strategy will outline new criteria for learning and development activity where statutory and mandatory activities will take priority.

3.9.7 **CTS0055 - Fees and Charges**

A review of fees and charges to confirm annual increases occurred previously, and subsequently increasing by the retrospective rates, ensuring the new Fees and Charges policy is followed.

4. Reasons for Recommendation

- 4.1 The Council is legally required to set a balanced revenue budget as part of a suite of reports that the Council will consider in March 2024. A very significant part of this is to identify and agree revenue budget savings which will contribute to the Council's balanced budget.

5. Consultation (including Overview and Scrutiny, if applicable)

- 5.1 This report is based on consultation with the services, Senior Leadership Team, and portfolio holders. External and staff consultation will be undertaken for some proposals as necessary.

6. Impact on corporate policies, priorities, performance and community impact

- 6.1 The proposals in this report will assist the Council's move towards financial sustainability which will in turn support the Council's priorities. It will also address some of the requirements of the BVI and the recovery plan.

7. Implications

7.1 Financial

Implications verified by: **Steven Mair, Interim CFO/S151**

The financial implications of this report are set out throughout the report and accompanying documents.

7.2 Legal

Implications verified by: **Jayne Middleton-Albooye**
Interim Head of Legal Services

There are no direct legal implications as this report gives details of the budget savings proposals. Detailed legal implications will be provided, as required, when proposals are taken forward for decision.

In accordance with the remit of the Overview and Scrutiny Committee, Members are asked to review and scrutinise the proposals outlined in this report and to provide commentary and recommendations.

The Public Sector Equality Duty applies to the Council when it makes decisions. The duty requires the Council to have regard to the need to: (a) Eliminate unlawful discrimination, harassment and victimisation and other behaviour prohibited by the Equality Act 2010 (“the Act”); (b) Advance equality of opportunity between people who share a protected characteristic and those who do not, and (c) Foster good relations between people who share a protected characteristic and those who do not including tackling prejudice and promoting understanding. The protected characteristics are age, disability, gender reassignment, pregnancy and maternity, marriage and civil partnership, race, religion or belief, sex, and sexual orientation. The Act states that ‘marriage and civil partnership’ is not a relevant protected characteristic for (b) or (c) although it is relevant for (a).

The outcome of the Community Equality Impact Assessment should be carefully considered when decisions are made in relation to the budget saving proposals. Members are asked to note that Community Equality Impact Assessments have been undertaken, where required, on proposals. Members are asked to consider the CEIAs and provide any comments. When decisions are made, due regard should be had, by the decision makers, to the outcome of the CEIAs and whether the proposals in this report will have a disproportionately adverse impact on any people with a particular characteristic.

All information regarding Community Equality Impact Assessments can be found here: <https://intranet.thurrock.gov.uk/services/diversity-and-equality/ceia/>

7.3 Diversity and Equality

Implications verified by: **Jayne Middleton-Albooye**
Interim Head of Legal Services

The outcome of the Community Equality Impact Assessment should be carefully considered when decisions are made in relation to the budget saving proposals. Members are asked to note that Community Equality Impact Assessments have been undertaken, where required, on proposals. Members are asked to consider the CEIAs and provide any comments. When decisions are made, due regard should be had, by the decision makers, to the outcome of the CEIAs and whether the proposals in this report will have a disproportionately adverse impact on any people with a particular characteristic.

All information regarding Community Equality Impact Assessments can be

found here: <https://intranet.thurrock.gov.uk/services/diversity-and-equality/ceia/>

7.4 **Other implications** (where significant) – i.e. Staff, Health Inequalities, Sustainability, Crime and Disorder, or Impact on Looked After Children

Some of the proposals will affect staffing within the Council which will be dealt in accordance with the Council appropriate policies and procedures.

8. **Background papers used in preparing the report** (including their location on the Council's website or identification whether any are exempt or protected by copyright):

- Individual business cases have been prepared to support each proposal; these are currently exempt from publishing due to containing information potentially relating to individuals or commercial sensitivities.

9. **Appendices to the report**

- Appendix A – Presentation slides
- Appendix B – Community Impact Assessments
- Appendix C – Confidential proposals

Report Author:

Steven Mair, Interim Chief Financial Officer/s 151