

**SCHEDULE OF PROPOSALS FOR SAVINGS & INVESTMENT IN 2021/22****1 Place Department**

1.1 The following table details the savings and investment for the Place Department.

<b>Place - savings</b>	£'000
Closure of Libraries Buildings – in year 2	9
Combining posts across Museum and Libraries	(73)
<b>Culture and Leisure total</b>	<b>(64)</b>
Economic Development Team Streamlined Service	(208)
Move to Streamlined Regeneration Team	(153)
De commission Croydon Works	(66)
Reduce/remove services	(941)
<b>Growth, Employment and Regeneration total</b>	<b>(1,368)</b>
Merge parks and green spaces	(369)
<b>Parks total</b>	<b>(369)</b>
Cease Specialist Nursery Transport	(113)
ANPR camera enforcement	(5,025)
Parking Charges Increases	(3,014)
Public Realm - Phase two	(270)
Providers' Savings Proposals	(13)
Revised Landlord Licensing Scheme	(800)
Night Time Noise Reduction Service	(85)
Re-introduce bulky waste charges	(250)
Reviewing provision of Household Reuse and Recycling Centres (HRRCs)	(20)
<b>Public Realm total</b>	<b>(9,590)</b>
Reduce the Antisocial Behaviour Team	(160)
Reduce Functions and Team in the VRN	(204)
<b>Violence Reduction Network total</b>	<b>(364)</b>
<b>Place – Savings total</b>	<b>(11,755)</b>
<b>Investment</b>	
Highways Maintenance Growth	400
Violence Reduction Management - Sufficient Revenue Costs	82
Investment Property Income reduction	5,400
Building Control	200
<b>Place - Growth</b>	<b>6,082</b>
<b>Place Total</b>	<b>(5,673)</b>

***Culture and Leisure:***

- 1.2 Culture and Leisure covers the borough's Museum and Archives, Libraries and Leisure Contract. Croydon has 13 library buildings, Croydon has to reduce its service levels in the light of current resources and will present proposals on library closures and changes in service provision. Significant changes to library services are subject to statutory consultation. Croydon Museum is currently closed to the public and will remain closed for the next two year period with a reduced service through the 2021/24 period, to include statutory provision of Archives and care of our collection whilst keeping the main focus on planning for the London Borough of Culture in 2023 which will be a reformed programme which responds to, and within, the current context.
- 1.3 The council's 15-year leisure contract with GLL is across five leisure centres and three sports facilities. Currently in year 3, the immediate closure of all leisure facilities in response to Covid-19 meant that GLL subsequently experienced cash flow issues, resulting from the immediate and complete loss of income, as well as unavoidable operating costs. In May 2020 the council agreed a supplier relief loan for £279k, accounting for the closure period of March-June 2020. Upon government guidance to reopen facilities, a phased reactivation process was implemented; however, increased safety measures have resulted in significant reductions in footfall and membership. GLL have requested a further revenue loan to support their ongoing position, a decision which will impact the stability of the contract in the longer term and is key in our medium-term financial strategy.

***Growth, Economy and Regeneration:***

- 1.4 A coordinated approach to growth, economic development and regeneration will be retained through an integrated, streamlined team. Whilst there will be a reduced service and some programmes that are not part of the renewal programme will be stopped, this proposal will enable a number of core functions to continue and to ensure that the significant growth that will be delivered through the Growth Zone and across the borough, will be rooted in the principles of 'good growth'.
- 1.5 The team will focus on the core areas of business enablement and employment and skills, with an immediate focus on supporting businesses through the Covid-19 pandemic, safeguarding our high streets and driving the economic recovery of the borough as we navigate through the challenges of the recession. The team will continue to focus on supporting the growth of the borough and ensuring that the benefits of this growth are harnessed for local residents and businesses.

**Home and Social Investment:**

- 1.6 A review on all council assets will take place and is likely to make a significant contribution to revenue savings over the next three year period, as well as generating a capital receipt. The review has commenced and it covers an initial 35 council owned assets that will be subject to closure, rationalisation, sale, demolition or redevelopment. During 2021/24, the team will also focus on delivering an Asset Management Plan that will inform longer term spending requirements across the portfolio and ensure that budgets are developed in an accurate and timely manner.

**Parks:**

- 1.7 It is proposed to merge all current resources for development and maintenance of the borough's parks into one team and make a further saving. Most of this will be achieved by radical changes in maintenance regimes, including adopting a meadowing approach to grass cutting and stopping bedding schemes. Other services relating to parks and outdoor sporting facilities will also be affected, including locking up and unlocking and there will be a reduction in support for and maintenance of facilities such as bowling greens. Specific clubs and user groups will be engaged with in terms of further detail in the new year, but the council's intention is to reduce spend in these areas.

**Planning and Strategic Transport**

- 1.8 It is a statutory requirement for a local planning authority to have an up to date Local Plan. Croydon is currently 60% through its review of its current 2018 Local Plan and is scheduled to publish its proposed submission Local Plan in January 2021, prior to its submission to the Secretary of State and ahead of a Planning Inspectorate Examination of the Plan in late 2021. Should the Local Plan Review be endorsed by the Secretary of State, it is anticipated it will be adopted in mid-2022. The review addresses the increase in housing targets from the new London Plan and provides three transformational chapters setting out new policy for the areas of East Croydon station, Purley Way and the town centre. Having an up to date Local Plan is imperative for Croydon's sustainable growth and being able to manage and facilitate development, but once adopted the Spatial Planning Service could be reduced for a period of time. skeleton service would remain to provide minimum statutory plan making function, policy and place making expertise for the determination of planning applications and pre application advice, research and monitoring function, conservation and heritage function, Section 106 and Community Infrastructure Levy function and support fee income
- 1.9 The Grenfell tragedy has been the catalyst for major change within this industry and the introduction within the next 18 months of the most major revisions to the Building Regulations and Building Control in 30 years, under the new Building Safety Bill. This will include new statutory duties to local authorities for

enforcement and compliance of high risk residential buildings including existing buildings, under the direction of the newly formed Building Safety Regulator, a new arm of the Health and Safety Executive (H&SE). In Croydon this will create considerable new work, albeit with full fee recovery and possible start-up funding from MHCLG. Investment in this service will be required.

***Public Realm proposals:***

1.10 Safer streets

The Road Traffic Regulation Act 1984 makes provision for the council managing parking facilities on and off the highway, having regard to the desirability of securing and maintaining reasonable access to amenities, the National Air Quality Strategy and other relevant traffic management objectives.

The RTRA1984 is not a fiscal measure and does not authorise the council to use its powers to charge for parking solely to raise revenue. Any surplus from parking charges is ring-fenced to the Traffic Management Account (TMA), from where it can be allocated to highway or transport related expenditures as defined under the Act.

***Other Public Realm proposals***

- 1.11 Croydon has three Household Reuse and Recycling Centres (HRRCs) where residents can take their waste. These are: Factory Lane, Purley Oaks & Fishers Farm. The Statutory requirement under the Environmental Protection Act (EPA) is for Waste Disposal Authorities to have one HRRC, meaning that Croydon is operating with two more sites than is legally required. Therefore there is an opportunity to explore closing either one or two of HRRCs which may reduce the operational costs of running these sites. It is assumed that one site would be closed and a small amount of investment will be made in the remaining sites to ensure they are fit for purpose.
- 1.12 As part of the councils staffing review in 2020 the Public realm directorate brought together a number of services through a rationalisation at head of service level, the primary aim of this was to bring together service areas that have a significant synergy. This approach has provided further opportunities below head of service. This also includes a proposal to reduce the councils Noise service and stop the night time noise service , but the council will continue to respond to statutory noise complaints and take reasonably practicable steps to investigate where the complainant is a borough resident.
- 1.13 It is proposed that we withdraw specialist nursery transport (for children with Special Needs). However, due to DfE guidance on not changing provision within year, this cannot be implemented until the earliest September 2021, for the academic year (Sept 2021-July 2022). The planning and conversations with those families who are planning their nursery places beginning in September 2021 is about to start happening now, with those nursery placements (which

may be accepted on the premise of receiving transport) being agreed by March 2021.

**Violence Reduction Network:**

- 1.14 The Violence Reduction Network was created in 2019 to adopt a public health approach to tackling the underlying causes of violence in Croydon. Very few of the functions in the VRN are statutory, but many of the non-statutory functions keep people safe or directly avoid costs elsewhere. Croydon benefits from significant external funding streams for these services and the specific capacity to support bidding and monitoring in particular remains key. Additionally, demands in this service area are high and the impact of COVID has been to increase this.
- 1.15 Elsewhere further streamlining is proposed: reducing provision to a stricter statutory definition in the response to anti-social behavior, for example, and a review of all non-statutory enforcement services across the council.
- 1.16 As has been amply proved over the last six months in particular, the council cannot reduce its resilience function; indeed, it is proposed to strengthen and broaden it. To date funding has had to be found on a year by year basis with no base budget for it. A revenue growth bid is included in relation to this service in order to re-set a realistic and permanent baseline position. This does not represent growth in real terms, but rather realignment and proper budget re-basing.

**2 Children, Families and Education**

- 2.1 The following table details the proposed savings and investment for the Children, Families and Education department

	2021/22 (£,000's)
<b>Children, Families and Education</b>	
Restructure children's EDT service	(60)
Options to reconfigure Early Help	(424)
Reconfigure across the adolescent, youth and YOS services	(1,450)
Review CWD care packages	(384)
Reduce the numbers of children in care	(794)
Appeal Rights Exhausted	(288)
Increase social work case loads	(1,065)
Reduce support for systemic model of practice	(272)
<b>Early Help and Children's Social Care</b>	<b>(4,737)</b>
Reconfigure children's centres	(535)
Additional Education Savings	(876)
Early Learning Collaboration (Decommissioning)	(82)
Family Group Conference Service	(203)

Croydon Music & Arts (CMA) - Waiver of match funding	(34)
Education	(1,730)
<b>Children, Families &amp; Education - Savings</b>	<b>(6,467)</b>
Children Looked After	9,196
Leaving Care	2,031
Loss of Grant Income	1,297
Asylum Seekers Budget Correction	2,357
Children with Disabilities and Transition	8,662
Early Help and Children's Social Care	<b>23,543</b>
SEND Strategy	1,327
Education	<b>1,327</b>
<b>Children, Families &amp; Education - investment</b>	<b>24,870</b>
<b>Children, Families &amp; Education - Net</b>	<b>18,403</b>

### ***Early Help and Children's Social Care***

- 2.2 Following an inadequate judgement from Ofsted in 2017, a comprehensive improvement programme underpinned by £28.9 million transformation funding and the appointment of skilled and experienced leaders led to the Ofsted grading of 'good' in March 2020 and the lifting of the improvement notice issued by the Secretary of State for Education. The transformation programme is aimed to shift demand for services across early help and children's social care, reducing the high numbers of children on statutory plans, subject to repeat interventions and coming into Croydon's care.
- 2.3 With the scale of the council's financial challenge there is a need to re-assess services and reduce spend, maintaining statutory responsibilities and minimising the risk of adverse consequences for children and families. As a result, the following savings are being proposed.

### ***Unaccompanied asylum seeking children***

- 2.4 The location of Lunar House in the borough makes Croydon a national point of entry for asylum seekers, including unaccompanied children. The National Transfer Scheme protocol (NTS) was created by the Home Office to enable the safe transfer of unaccompanied children from the entry authority to another local authority, to ensure a more even distribution of unaccompanied children across local authorities. The NTS protocol is intended to ensure that unaccompanied children can access the services and support they need, and forms the basis of a voluntary agreement between local authorities in England to ensure a more even distribution of unaccompanied children. It is intended to ensure that any participating local authority does not face a disproportionate

responsibility in accommodating and looking after unaccompanied children under its duties under the Children Act 1989 simply by virtue of being the point of arrival for unaccompanied children.

2.5 The national voluntary agreement limits the number of unaccompanied children that local authorities take care of to 0.07% of the child population. Based on the current 0-17 population in Croydon this would be around 66 children. The number of children cared for by the council has far exceeded the voluntary agreement for a number of years. In September 2020 there were 249 unaccompanied children in Croydon's care, almost four times the voluntary agreement. Moreover, as children reach 18 and leave care they are entitled to care leavers' services. The effect of the high numbers over a number of years means that formerly unaccompanied children make up almost 60% of Croydon's current care leavers.

2.6 The financial strain on Croydon is significant and unsustainable. A fresh approach that continues to fulfil statutory responsibilities as corporate parents whilst securing a fairer deal for Croydon is required. A number of actions are underway to achieve this:

- Complete a forensic review of grant income from the Home Office against the total expenditure for unaccompanied asylum seeking children and care leavers over the past 3 years, including the co-ordination of pan-London arrangements on behalf of all London boroughs. This is being carried out with external support and challenge from the council's retained financial consultants and will include the impact on the wider children's services budget
- Negotiate with the Home Office and Department for Education to secure the same support that is already being provided to other port of entry authorities such as Kent and Portsmouth:
  - Full cost recovery for services provided by Croydon such as age assessments, the social care duty service at Lunar House and the substantial legal fees
  - Increased funding for children cared for over and above the voluntary national rate
- Work with London local authorities to safely transfer responsibility for children in Croydon's care to reduce the disproportionate financial burden
- Introduce a needs-based approach to withdrawing services to young people whose appeal rights are exhausted alongside earlier, robust triple planning as part of their pathway plan at 16+. This will assist and support a planned, safe voluntary return when all legal routes to remain have been exhausted and avoid forced detention and removal when young people have no recourse to public funds, limited access to the NHS and education and cannot work legally in the United Kingdom.

2.7 The outcomes of these actions and negotiations will inform decisions on

whether Croydon can continue to accept newly arrived children into its care. This is commensurate with the approach taken by Kent and Portsmouth in recent months. The outcomes will also inform options to identify the capacity threshold for the numbers of unaccompanied children that can be safely cared for within the grant funding available. Cabinet will be kept updated on progress against the above actions.

***Reconfigure services for adolescents***

- 2.8 There are duplications within the adolescents' service, resulting in additional costs which are not sustainable. Further challenges can arise when considering whether children should transfer to the social work with families or looked after children services, and where there are sibling groups statutory oversight has proved a challenge. The proposal is to realign the adolescents' service to establish one team providing expertise across the practice system to enhance the offer to young people from statutory case holders. The proposals will ensure that specialisms built up are sustained and continue whilst delivering in a smarter, more streamlined manner.

***Reduce support for the systemic model of practice***

- 2.9 Fully embedding the system practice model will ensure that practice continues to make sustained change with families. The service enables clinical therapists to offer bespoke interventions to address emotional well-being and mental health needs. The service will review what has been most impactful and prioritise the essential minimum offer that will continue to support high quality day to day practice. To ensure that the improvements to Children's Services are not lost from October 2020 the Children's Improvement Board has been reinstated. The board will provide additional assurance to oversee and challenge the implementation of the budget reductions to ensure the improvement journey is not undermined.

***Remove support for young people whose appeal rights are exhausted***

- 2.10 Appeal Rights Exhausted (ARE) describes a person whose request for asylum or immigration application has been refused, and who has made all of the appeals allowed, without any success. A needs-based approach to withdrawing services to young people who are ARE is proposed, alongside earlier, robust triple planning with unaccompanied minors as part of the pathway plan completed for all children looked after aged 16+. This will assist and support a planned, safe voluntary return, when all legal routes to remain have been exhausted and avoid forced detention and removal when the young person has no recourse to public funds, limited access to the NHS and education and cannot work legally in the United Kingdom.



**Reconfigure Early Help**

- 2.11 Reduce the early help and youth engagement offer to a targeted service that continues to provide step down from children's social care and contribute with our partners towards early intervention where this will prevent, delay or reduce the need for statutory services, and where not to do so would lead to a direct increase in cost. Close working with partners to identify opportunities to enhance service delivery through ongoing multi-agency working and use of partners' settings and buildings on a locality basis.

**Review care packages for children and young people with disabilities**

- 2.12 Children and young people with disabilities receive packages of care to enable them to remain safely at home with their families and then move on to safe, supported living arrangements where this is in their best interests as young adults. Packages will be regularly reviewed to ensure these continue to meet needs and support transition to independent living.

**Reduce the numbers of children in care**

- 2.13 Children's services are committed to keeping children with families wherever it is safe to do so, reducing the number of children in care. The number of local children in care has steadily reduced since April 2018, supported by a number of key actions including:
- A weekly care panel to review all requests for care, agreeing packages of support to keep children at home;
  - A fortnightly Children Looked After review panel to systematically review children who could be reunited with families, and to review the highest cost placements to ensure these continue to meet children's needs;
  - The systemic practice model, enabling social workers to build on families' strengths to safely care for their children;
  - The edge of care service working with adolescents and their families to resolve familiar conflict and reduce either the need for care or duration of emergency placements.
- 2.14 Benchmarking Croydon with similar local authorities indicates that a further reduction is achievable. The savings following these reductions are proposed over 2021/23 to ensure that the decisions about the care of individual children are robust, in the child's best interest, effectively supported and confidently hold risk.

**Increase social work caseloads**

- 2.15 The 2017 Ofsted inspection identified a legacy of poor practice leading to poor outcomes for children and families. Additional staff were recruited to reduce social workers' caseloads, taking these to below both London and national averages. Focused work to improve the quality of day-to-day practice has been effective. Caseloads will now be gradually increased over 2021/23 from 16 to

an average of 17. Heads of service will manage and monitor the increase closely to balance continuity of care for children and their families and manageable workloads for individual staff with the need to address the financial challenge for the service.

***Review managers' spans of control***

- 2.16 Review staffing structures to ensure these meet the council's design principles for managers' span of control. Implement this change over 2022/24 to ensure the increase in social work caseloads is carefully supported and managed at the front line.

2.17 ***Cease providing a Family Group Conference service***

The proposal is to end the Family Group Conference service and develop the capacity for staff in the targeted early help service to undertake systemic family meetings, supervised and supported by a clinical therapists. Developing the offer to families through early help staff will remove the reliance on external sessional workers and build more agile internal capacity to meet families' needs

***Education***

***Early Learning Collaboration***

- 2.18 It is proposed to de-commission the Early Learning Collaboration, bringing functions in-house and deploying internal staff to deliver the statutory functions. Funding from the 5% top slice of the Dedicated Schools Grant will replace the General Fund.

***Music and Arts Service***

- 2.19 An agreement has been reached with the Arts Council in relation to the match funding requirement in 2020/21. The service will become fully funded by grants and traded services in the future.

***Reconfigure children's centres***

- 2.20 It is proposed to reconfigure children's centres to a hub & spoke model based on a locality footprint. The delivery model will be worked up alongside the current children's centres leadership to inform a commissioning exercise.

***Additional Education Savings***

- 2.21 The following savings are being proposed across Education services:
- Reduction/cessation of non-statutory education functions from 2021/22,
  - Moving of functions and related costs to be covered by traded and grant income
  - Reduction in business support across children's social care and education, achieved through a de-centralisation of business support management and deletion of vacancies.

### ***Growth across the Children, Families and Education Department***

#### ***Placements for children looked after, children with disabilities and care leavers***

2.22 The department currently spends more than the budget each year on all placement costs and the Independent external challenge through the Partners in Practice programme and the council's retained finance consultant has taken place to enable valid judgements to be made to ensure the right size budgets enable us meet the needs of Croydon's children in care, children with disabilities and care leavers.

#### ***Special educational needs transformation***

2.23 Investment to improve the experience of children and young people with special educational needs and disabilities (SEND) and their families. Realign the service to meet the needs of pupils at a much earlier stage and educate more SEND pupils in the borough and in mainstream schools, delivering the Council's 0 – 25 SEND strategy and the Department for Education Dedicated Schools Grant Recovery Plan.

### **3 *Health, Wellbeing and Adults***

3.1 The following table details the savings and investment for the Health Wellbeing and Adults Department.

	2021/22 (£,000's)
<b><u>Health, Wellbeing and Adults</u></b>	
Reduction in Welfare Rights	(230)
Baseline Savings - Disabilities Operational Budget	(3,015)
Stretch Savings - Disabilities Operational Budget	(1,367)
Review of Contracts - OBC Commissioning, Working Age Adults	(600)
Baseline Savings - Mental Health Operational Budget	(459)
Stretch Savings - Mental Health Operational Budget	(225)
Reduction in Placements & Accommodation - budget (PLAN A)	(200)
Croydon Discretionary Support - reduction in service (PLAN A)	(292)
Contact centre and Access Croydon: Reduction in line management	(95)
Restructure	(72)
Savings on care provision - ASC Older People Baseline (5%, 7.5%, 10%) - Net of income adjustments	(1,908)
Savings on care provision - ASC (Older People - Stretch (2.5% extra Yr 1 & 2) - Net of Income Adjustments	(691)
Income from Care UK Beds released to self-funders	(254)

Welfare rights in-house service deletion - stretch (300)

**Health, Wellbeing & Adults - savings (9,708)**

Growth to fund current Activity/Run Rate 23,048

Growth to fund Cost Inflation in Care UK Contract 254

Growth to fund projected Demographic and Cost Pressures 5,221

Convert Unfunded Income Officers to Permanent GF Funding 311

Growth to fund demographic and inflation in future years - ASC (Community Equipment Service) 57

**Health, Wellbeing & Adults - investment 28,891**

**Health, Wellbeing & Adults - Net 19,183**

### ADULT SOCIAL CARE

- 3.2 The Adult Social Care budget has been overspending for a number of years with the underlying causes of overspends in adult social care being rising demand and complexity of need. These are now are being addressed through effective action to manage both demand and the resulting cost pressures.
- 3.3 The council is working with social work practice and finance leads from the Local Government Association (LGA) and have accepted their view that Croydon's spending on younger and older adults is significantly higher than that of comparable boroughs.
- 3.4 A 'cost of care' tool has therefore been developed to build a zero based adult social care budget and set a baseline for current activity and cost from which then to reduce to bring in line with the average level of spending in London or England as appropriate. Work to resolve overspends in other demand led areas in housing such as emergency and temporary accommodation is ongoing.
- 3.5 The table above sets out the budget growth and savings requirements for next year for Health Wellbeing and Adults and the plans to reduce expenditure from this starting point.
- 3.6 The stretch targets are 10% over three years' package and placement spend reductions. Further areas being developed will support increasing the savings proposals further.
- 3.7 On the advice of the LGA finance lead, the council is setting a revised budget to reflect current activity. The revised 2020/21 budget limits current spending where it is safe to do so.
- 3.8 The 2021/22 budget is based on current activity (the 2020/21 outturn) with 3% added for demand growth and 4% added for inflation\* (based on an assumed

National Living Wage increase next year of 5% as part of the Government's objective to increase the rate to £10.50 by 2024); a 5% saving is then applied to the revised budget achieved.

- 3.9 LGA advice is that 5% savings for 2021/22 will be challenging but are achievable if implementation starts as soon as possible with appropriate resources and focus. Given high spending on adult social care, higher savings should be achievable in later years – potentially 10% a year.
- 3.10 The intention is that by the end of 2023/24, spending and activity for younger adults should be aligned to the average for London and spending and activity for older adults should aspire to be at or below the national average.
- 3.11 National comparison data is not yet available, so the growth figures above have been applied to the national 2018/19 spend figures to provide a comparison figure.

#### **Year one Medium term financial strategy (MTFS) proposed savings**

- 3.12 The total impact of the proposals below is expected to provide a minimum of £9.7m savings in year one (2021/22). Further options appraisals and decisions will continue to be made to add to these proposals.
- 3.13 For year one of the MTFS period of 2021/22 the adult social care package and placement spend will be reduced by between 5 & 10%, to be achieved through:

#### ***Savings proposals ready to be taken forward***

- a. The 'placements programme' will contribute significantly to the placement and package spend reduction by improving systems, processes and payments; better use of accommodation, and better use of placements.
- b. By using good information and advice for self-help, direct payments as a first offer to residents and 'digital by default' plans will all contribute. The adult social care front door is diverting 85% of enquiries from transferring into statutory care. Further work to embed the gateway model and strengths based practice to continue to increase diversion and improve information and advice to ensure self-help is maximised.

#### ***Savings proposals can be taken forward after external engagement***

- a. Contractual arrangements with providers in the adult social care market are being reviewed. 65% of contracts are due to end in the next two years and opportunities will be taken to design out cost at the design stage, apply further efficiencies during procurement and ensure value for money during the contract period once let with good contract management, operational and strategic provider relations.
- b. The integration of health and social care and locality focused working in multi-disciplinary teams will provide good outcomes for residents joining up

care and resources, contributing to financial sustainability in the medium to long term. Accurate funding and affordable service models for hospital discharge pathways are included. The community equipment joint pool with health will be re-evaluated in relation to health and social care spend and re-negotiate the funding levels.

- c. Croydon remains an outlier for those assessed as eligible for continuing health care (CHC) health funding for people with health conditions compared to its South West London neighbors. New CHC processes and joint funding agreements are being negotiated and put in place to ensure appropriate levels of funding for people across health and care.
- d. The adult social care charging policy will be re-reviewed, although it has already contributed to an additional £3.2m is being achieved from the review implemented this year as outlined above.

### ***Savings proposals needing more work before they can be progressed***

- a. Spending on younger adults transitioning into adulthood.
- b. A transition to the voluntary sector of adult social care activity will bring a return on investment in the medium term.
- c. Where subsidy remains, such as for service user of the meals service, this will be reviewed and consulted on as appropriate.
- d. A three year care commissioning plan and sourcing of appropriate accommodation plan is being defined to contribute to the 5-10% reduction in package and placement spend.
- e. The in-house provision service providing extra care accommodation for older adults, active lives day services for people with autism, learning disabilities and physical disabilities, day provision for people with dementia, careline responders service and shared lives accommodation which provides an efficient way of accommodating and caring for people with disabilities to meet assessed eligible care needs. An options appraisal will be conducted to:
  - ensure we maximise the use of these services as an alternative to commissioned care packages as the first priority
  - decommission external contracts and bring people with needs into this provision, or decommission parts of the in-house service;
  - deliver a combination of these.
  - The Careline response service income targets will also be maximised as well as looking at the funding levels for this service.

## **GATEWAY SERVICES**

### ***Savings proposal needing more work before they can be progressed.***

- 3.14 An options appraisal will be completed for a Gateway service re-design and structure to identify the opportunities, risks and benefits of integrating services

across the Health, Wellbeing and Adults department. The further integration of the gateway model into the operations of social care and housing is central to this.

- 3.15 The welfare rights service that supports people to maximise their income. An options appraisal is being developed to determine the impact of moving the service to the front door and reducing it and working with the voluntary sector to ensure advice is delivered well to residents.
- 3.16 The No Recourse to Public Funds Service. A target is being worked through to reduce this budget through more efficient use of accommodation.
- 3.17 Contact Centre and Access Croydon. Access Croydon remains closed to the public as a 'walk-in' service and operates on an emergency only and appointment basis as it has done since March 2020. And as such less management cover is now required in the Contact Centre.
- 3.18 For 2021/22 in Gateway Services - subject to consultation it is proposed to delete 2 vacant posts within Gateway Services where the current post holders are holding interim roles. It is recommended that the deletions of these roles will align to the timeline of any organisational restructure.

## **HOUSING**

### ***Savings proposal needing more information before they can be progressed.***

- 3.19 Savings are being modelled through the ongoing review of Croydon's Temporary Accommodation/Discharge of duty schemes – reviewing and revising current contract terms and negotiating new Terms and conditions as well as planning exit strategies (where appropriate). Developing 'Croydon's Offer' to private sector landlords/agents, making our schemes work better for Croydon and reducing costs and improving income recovery and working with housing partners to develop schemes and improve take up are underway.

### ***Savings proposal is ready to be taken forward***

- 3.20 There will be an independent strategic review of the Housing Revenue Account.

## **4 Resources**

- 4.1 The following table details the savings and investment for the Resources Department.

## Appendix B

2021/22

(£,000's)

**Resources Department**

VCS Small Grants	(100)
Rent Subsidy	(246)
Policy Team Reduction	(110)
Communities Team Reduction	(123)
VCS Community Fund Reduction	(400)
<u>Strategy and Partnerships</u>	(979)

Stop Your Croydon publication	(50)
Reduce Communications to statutory minimum	(109)
Remove campaigns budget and stop campaigns	(50)
<u>Communications and Engagement</u>	(209)

Digital -Reduce to statutory minimum with invest to save model for funding projects	(150)
CDS Reduction in IT contract costs due to LBC smaller workforce	(50)
Extensions or procurements of core IT contracts	(340)
Rent out LBC capacity to Brent	(72)
<u>Croydon Digital Services</u>	(612)

Reduce staffing in Mayor's Office	(98)
Deliver governance review in cost neutral way	(250)
Staffing reductions	(100)
Scale back members special responsibility allowances	(103)
Delete Head of Service and replace G15 post	(15)
<u>Law and Governance</u>	(566)

Deletion of Learning & Development manager post	(80)
Consolidation of Training Spend	(200)
<u>Human Resources</u>	(280)

Health Wellbeing and Adults contract reductions	(242)
Community Equipment Service Income Generation	(75)
Business intelligence	(65)
Review of staffing portfolio across Commissioning & Procurement services	(260)
<u>Commissioning and Procurement</u>	(642)

Automation Of Revenue Processes	(50)
ICT savings - contract renewal efficiencies	(153)
<u>Finance, Investment and Risk</u>	(203)

**Resources - Savings** (3,491)

Agency rebate internal model	3,610
<u>Commissioning and Procurement</u>	3,610

Realign services charges to other funding sources	3,451
<u>Croydon Digital Services</u>	3,451



	Appendix B
Enhance capacity and resilience in the finance team <u>Finance, Investment and Risk</u>	1,000
Corporate Programme Management Office <u>Strategy and Partnerships</u>	480
<b>Resources - investment</b>	<b>8,541</b>
<b>Resources - Net</b>	<b>5,050</b>

### ***Commissioning and Procurement proposals***

4.2 The commissioning and procurement division will contribute to the council's delivery of its Medium Term Financial Strategy in a numbers of ways, directly and indirectly. As a main priority the division will work with the service departments to review the current commissioning pipeline to prioritise and de-prioritise the programme. The pipeline priority criteria will be based on maximising value and proposing to reduce spend through:

- Negotiating in-year for cost reduction, stabilising the market and providing assurance to providers
- Designing out cost at the design stage of the commissioning cycle
- Procuring for best value and reduced costs, maximising the benefits from the market
- Ensuring once the contracts are let that the services meet the KPI's and that efficiency and value for money are rigorously tested and continuously improved
- Ensuring improved governance and reduced thresholds for contract and spend controls

4.3 The Commissioning and Procurement division proposes to provide direct savings in 2021/22, contributing with the following savings proposals:

A review of Health, Wellbeing and Adults contracts.

A review of the Business Intelligence service for the Council.

Increased income in Community Equipment Service through growth of the service and excellent quality to the client contracts held providing additional income.

A review of the division's staffing portfolio, including a review of grading and spans of staffing reporting.

### ***Policy & Partnership***

- 4.4 The service will continue to support the political and officer leadership teams to deliver against the Council's priorities, however, this will be with smaller teams and therefore the level of support will reduce.

Staff levels will reduce in the policy team, communities' team and the Leader and Cabinet Office. This will only be possible by reducing the support that is provided by these teams.

Budget growth is proposed for the Corporate Programme Office. This funding was established on a temporary basis in 2020 to provide capacity and capability to manage, monitor and report on corporate programmes and projects. If this is to continue revenue growth is required.

#### **Voluntary & Community sector spend**

The majority of spend within the division is through the Community Fund, under which the Council has provided grants and commissioned services within the voluntary and community sector.

The Community Fund includes financial contributions from external funding sources including the Better Care Fund, Public Health, HRA and CIL . Any change in these funding streams would require a reduction in spend.

In addition, it is proposed to remove the small grants fund and Councillor Ward budgets programme.

### ***Croydon Digital Service (CDS) and Communications***

- 4.5 Digital capacity and skills will be essential to support the organisational change required. Likewise communications will be critical, both internally and externally, as the Council moves to a sustainable balanced budget. However, there are opportunities for savings in these services:

- CDS staffing reduction: There are potential savings if CDS staffing reduced to a minimum level required to operate, but not improve, core digital and technology systems and products. Discussions are ongoing in light of high demand for enhanced digital offer in support of savings across all council services.
- The service continues to identify income opportunities, and the proposals include increased income from renting hardware capacity to another local authority, with a contract already in place generating income.
- Contract procurement will deliver significant savings next year, based on core IT contracts that are due to expire in May 2022 covering data centre and cloud hosting, end user technical support, IT infrastructure, hosting and networks, mobile phones, print and telephony.

- Communications and Engagement staffing reduction, the communications team will not fill vacancies, remaining at its current reduced size, reshaping at an appropriate time within this reduced budget to ensure it meets the needs of the council.
- Campaign budgets will be reduced and the Council will cease the publication and distribution of Your Croydon. The Council will rely instead on communications via community networks and digital channels, as well as the ongoing use of our e-newsletter and website.

### ***Finance, Investment and Risk***

- 4.6 Investing in a strong finance, investment and risk division is key to driving the improvements that have been identified through the Report in the Public Interest and ensuring that the Council moves to a sustainable and balanced budget.

Investment is planned to increase the capacity and resilience with the Finance Team. This will be critical for both managing and monitoring our expenditure against budget and ensuring that savings are delivered on time. Additional capacity will be created to support services with improved financial monitoring and verification,

Digital changes in the Revenues and Benefits team within the division will result in savings,, with contractual changes with key suppliers, recommissioning of existing contracts and consolidating the systems used to result in efficiencies and savings.

Further automation of Revenues processes will also mean that staffing levels will be able to be reduced in future years, 2022/23 and beyond. We plan to automate resident contact, special arrangements, improve eforms and enhanced citizens' access - the replacement for my account.

### ***Human Resources***

- 4.7 Continuing to administer and deliver HR policy, undertake recruitment, pay staff, administer pensions and train the organisation are e key functions of this division.

The division is also supporting the organisation to reorganise and undertake the culture change required. This is why the savings are profiled to take most effect towards the later end of the MTFS period.

The first year savings will include centralising training spend across departments to deliver efficiencies and opportunities to develop further shared learning and practice and build more resilience into team and make savings on management.

The future focus for efficiency will include, a review of the HR divisional management team, a review and redesign of the workflow activity between recruitment, HR and payroll and an informed reorganisation of resources. Learning and development service model will also be reviewed and reorganised.

### ***Law and Governance***

4.8 The Law and Governance division will continue to provide clear legal and professional advice and guidance to enable the organisation to deliver its statutory duties during a time of significant change and challenge. Savings are proposed within the division as follows:

- Earlier this year the governance review published its final report with a number of recommendations which the council accepted and intend to implement. These were costed and budget growth previously approved to support the changes. In light of the financial context, it is proposed to deliver the recommendations in a cost neutral way. This will require a rationalisation of existing meetings and support.
- Savings are proposed in the Mayor's Office, with staff reductions. As a result, there will also be a reduction in the civic programme.
- The division will remove the role of Head of Legal Business and Compliance and replace it with a revised role at a lower grade.
- The Administration is undertaking a review of Members Allowances, including Special Responsibility Allowances. This is expected to deliver savings for the 2021/22 budget.