

## Appendix 6 – Integrated Service & Financial Plan (detailed savings proposals)

Service Area					Service & Financial Strategy			Savings Detail		
Section	Service Area	Gross budget 2017/18	Net budget 2017/18	FTEs 2017-18	Rationale for Strategy	Service & Financial Proposals	Delivery Risk & Impact on Outcomes	Savings 2017/18	Savings 2018/19	Savings 2019/20
		£'000	£'000					£'000	£'000	£'000
<b>Housing Revenue Account</b>										
HRA employees Costs	Included in budget and FTE figures below			See below	To improve budgeting in order to plan expenditure effectively and avoid large variances at the year end.	To include an element of staff turnover allowance in some of the staffing budgets in Housing Management in order to allow for the historic high turnover of staff in some areas which has led to underspends.	If turnover is less than expected, then savings may not be fully realised although this is unlikely. This saving proposal should not have any effect on the landlord service as staffing numbers will be unchanged.		105	
<b>HRA Employees costs</b>									<b>105</b>	
Capital Financing	Capital Financing	31,948	31,916	-	Capital financing costs are calculated based on existing borrowing and any new borrowing anticipated during the financial year.	Capital financing charges will be reported to Housing & New Homes Committee (Jan 2017) and Policy, Resources & Growth Committee (Feb 2017).	N/A			
AD Housing Management, Service Wide Savings from Reviews, Support Service Charges	Central services Housing HRA (includes central support services and homemove service).	3,861	3,861	14.5	To ensure that the use of HRA resources is maximised against strategic priorities.	No savings planned in this area which largely relates to support services. These are calculated centrally by finance so any reductions will be built into the HRA budget. All support service costs to the HRA are reviewed to ensure value for money for	Delivery Risk: Efficiency savings may not be achieved due to the increase on service demand from the Housing Reduction Act (from April 2018) and the implementation of Universal Credit.	106		45

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		£'000	£'000					£'000	£'000	£'000
						the landlord service. 2019/20: reduction by 1.6 FTE in the Homemove team, as a result of the new allocation policy bedding in.	Impact on Outcomes: Negligible impact if service redesigns are effective.			
Estates Regeneration	Head of City Development & Regeneration	264	264	4.5	Key political priority to deliver new council homes and this team is responsible for the delivery of the new homes for neighbourhoods programme.	No savings proposed as service redesign achieved in 2016/17 and this is a high priority area to build new homes for vulnerable people.	Impact on Outcomes: Improved outcomes from new homes in the city.			
Income Inclusion Improvement, Rents & Service Charges	Income Involvement Improvement	4,207	(49,449)	70.7	To ensure that the use of HRA resources is maximised against strategic priorities.	No savings planned for 2018/19 as £348k savings were delivered across Tenancy Services and Income Involvement and Improvement from service redesigns and reduction in posts in 2016/17. These new services are still bedding in but will deliver further efficiencies in future years. Work will commence to make savings for 2019/20. This is a continual programme of service reviews with the aim	N/A	181	-	125

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		£'000	£'000					£'000	£'000	£'000
						of achieving cost savings across the Income. inclusion and improvement budgets. Each review will follow 'lean thinking' principles. Savings for 2017/18 from supplies and services of £0.080m. Introduction of service charge for door entry systems estimated at £0.101m to ensure cost recovery for this service.				
Property & Investment Management including Repairs & Servicing Contracts	Property & Investment	12,183	11,557	44.0	To improve housing quality by continuing to improve sustainability standards, maintain decent homes and health, safety and wellbeing. To do this through the effective management and procurement of repairs, maintenance, improvement works and service contracts.	For 2018/19 further savings on gas service contract following procurement of this contract (£0.150m). A further review of savings that can be made from responsive repairs and other procurement opportunities (£0.400m).	Delivery Risk: Low risk - already achieved as reported in budget monitoring (TBM). Based on continued proactive investment in improving stock. This will be kept under review.  Impact on Outcomes: Improved outcomes from efficiency and effectiveness.	820	550	
Tenancy Services	Tenancy Services	6,706	1,851	141.7	To ensure that the use of HRA resources is maximised against	No savings planned for 2018/19 as £348k savings were	N/A	75		125

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					strategic priorities.	delivered across Tenancy Services and Income Involvement and Improvement from service redesigns and reduction in posts in 2016/17. These new services are still bedding in but will deliver further efficiencies in future years. Work will commence to make savings for 2019/20. This is a continual programme of service reviews with the aim of achieving cost savings across the Income, Inclusion and Improvement budgets. Each review will follow 'lean thinking' principles. For 2017/18 Reduction in supplies and services including utilities (£0.030m), under-utilised Decorations scheme (£0.020m) and reviews of small contracts and services (£0.025m).				
<b>HRA Total</b>		<b>59,169</b>	<b>-</b>	<b>275.4</b>			<b>1,182</b>	<b>655</b>	<b>295</b>	