

Appendix B: Homes Overview & Scrutiny Committee - 24/25 Savings Summary

Summary

The Council's 2024/25 budget was agreed by City Council on 5 March 2024. The budget included 166 specific savings proposals designed to deliver £149.765m during 2024/25 and a further £76.323m in 2025/26.

Below (see Table 2) is the list of savings that fall under the Homes Overview & Scrutiny Committee Portfolio. A summary description of each of the savings proposals has also been included below.

There are 15 proposals totalling £10.636m that fall under this Committee. £7.236m of this needs to be delivered in 24/25 and a further £3.400m in 25/26. 12 of these savings relate to services within City Housing (£9.536m) and 3 from within City Operations (£1.100m).

The delivery status of each of these proposals is currently being reviewed and further information on progress will be shared with the Committee at the next savings update session.

As part of the monitoring process each proposal will be risk rated using the RAG approach to indicate the level of confidence we currently have in achieving the full target in year. The RAG definitions and criteria are included below for reference (see Table 1). Savings of high value and those assessed as high risk will be subject to a more detailed monitoring and assurance process that will be overseen by the Council's Portfolio Management Office and Finance to ensure risks are identified early and appropriate actions are taken swiftly.

Relevant service delivery leads and finance business partners will be available at future meetings to talk through progress on the proposals and the action being taken to ensure successful delivery of the agreed savings targets.

Table 1: Criteria for determining the RAG status of savings

RAG Assessment Guidance				
Assessment Criteria	High Risk	Medium Risk	Low Risk	Delivered
Savings RAG	Saving / income delivery plan unclear and / or not specified at adequate granular level. - and / or - Inadequate plan / no plan agreed. - and / or - Major risk of not delivering saving / income within agreed timeframe, leading to slippage or non-delivery.	Saving or income delivery plan lacks some clarity and / or not detailed at an adequately granular level but agreed plan in place to resolve and being actively managed. - and / or - Some risk of not delivering full saving within agreed timeframe, leading to slippage.	Saving or income detail documented and robust plan in place to deliver agreed targets, showing when and who is responsible. - and / or - Saving / income will be delivered within agreed timeframes.	Saving or income realised and evidence provided that costs have been reduced or income achieved.
<i>Headcount Example</i>	<i>Headcount saving proposed, but specific post to be deleted or timescales not yet agreed. No work is currently progressing to resolve this.</i>	<i>Budget Manager has confirmed that posts (to agreed value and timing) will be vacated and deleted from budget but this has not happened yet or is delayed.</i>	<i>Timescales and the specific posts to be vacated / deleted have been agreed and on track.</i>	<i>Officer has departed, budget has been reduced and posts have been deleted from the approved establishment.</i>

Table 2: List of Savings that fall under Homes Overview & Scrutiny Committee

Directorate: City Housing

Ref	Service	Title	Savings Description	2024/25 Target (£m)	2025/26 Target (£m)	Budget Scrutiny Task and Finish Group Recommendation	Executive Response
81	Housing Solutions	Establishment reduction	Reduction of posts across all levels of Housing Solutions and Support Service, predominantly through vacancy deletion	1.650	1.650	N/A	N/A
78	Housing Solutions	Property Acquisition-HRA	Removal of the use of General Fund budget to finance capital costs of the Property Acquisition programme over the previous 1 and next 5 years. The existing purchases will be made and financed by the Housing Revenue Account, with properties becoming Social Housing with short term vacancies dispersed for Temporary Accommodation use.	1.400	3.600	N/A	N/A
83	Shelforce	Shelforce Surplus	Increased surplus from Shelforce greater production and sales of windows and fire doors to fulfil orders planned from the investment planned into HRA stock.	0.778	0.978	N/A	N/A
79	Housing Solutions	Service charge increases to full cost recovery	Service Charges in 23/24 have not kept pace with inflationary increases and will be increased in 24/25 to catch up with current costs to ensure the charges from April 2024 are in line with the existing policy of full cost recovery.	0.600	0.800	N/A	N/A

Ref	Service	Title	Savings Description	2024/25 Target (£m)	2025/26 Target (£m)	Budget Scrutiny Task and Finish Group Recommendation	Executive Response
176	Housing Solutions	B&B Unit cost negotiation	Emergency accommodation is currently provided at a night rate of between £50 and £90 per room per night for 800 units for families and individuals in bed and breakfast style accommodation. The project is seeking out providers of emergency accommodation and negotiating lower rates for guaranteed bookings over longer periods	0.420	0.420	N/A	N/A
82	Housing Solutions	TA investment strategy delays to capacity increases	Implementation of the TA Investment Strategy agreed at Cabinet in June 2023 involved £3.7m new budget to increase the capacity in teams working with people requiring Temporary Accommodation support. The plan and programme will continue, but with a reduced budget of £3.35m	0.350	0.350	N/A	N/A
86	Housing Solutions	Income collection and provision improvements	Increased income collection rates through joint working and best practice sharing with debt management teams across the Council	0.300	0.600	N/A	N/A
85	Housing Solutions	Homeless Centre financing	The service has a budget for annual financing and repayment of debt incurred to acquire and develop homeless centres. Repayment of two of these centres is complete, and the budget can be set from	0.288	0.288	N/A	N/A

Ref	Service	Title	Savings Description	2024/25 Target (£m)	2025/26 Target (£m)	Budget Scrutiny Task and Finish Group Recommendation	Executive Response
			2024/25 onwards without this commitment				
84	Housing Solutions	TA Investment Strategy delays to landlord incentives	Implementation of the TA Investment Strategy agreed at Cabinet in June 2023 involved £1.5m new budget to give as grants to landlords as an incentive to increase the number of PRS properties available to people looking to move out of Temporary Accommodation. The plan, and programme, will continue, but with a reduced budget of £1.25m	0.250	0.250	N/A	N/A
87	Housing Solutions	Public Health grant funding	Existing Public Health funding to be allocated to Homelessness interventions carried out in Housing Solutions but currently funded by base budget	0.200	0.200	N/A	N/A
220	Grounds Maintenance	HRA Review and joined up locality working between Housing and City Ops	Coming out of the comprehensive review of existing recharge arrangements between HRA and General Fund activity there are a number of opportunities internal BCC functions to deliver front line estate-based services, the cost recovery for which will include funds for a relevant portion of existing management and overhead		0.200	Consideration should be given to identifying further savings through efficiencies resulting from joined up working between Housing, Highways and Transport that would take out current duplication in service delivery. Members noted the risk rating of 10 which should be reduced as a result of effective working	Agreed. This work forms part of the 2025/26 savings proposal.

Ref	Service	Title	Savings Description	2024/25 Target (£m)	2025/26 Target (£m)	Budget Scrutiny Task and Finish Group Recommendation	Executive Response
						across the Corporate Leadership Team.	
226	Investment and Valuations Service	HRA and Investments and Valuations Team - Municipal Shops	The HRA is carrying out a review of its 400+ shops and commercial assets, which will involve the support from existing internal BCC services for which a recharge will be made to reflect the cost of using these resources		0.200	The suggested review was not considered as far-reaching as it could be, as numerous municipal shop precincts have a mixture of tenures and should be considered as opportunities for asset sale and redevelopment.	Agreed. Scope of proposed saving to be reviewed during 2024/25.
			TOTAL: CITY HOUSING	6.236	9.536		

Directorate: City Operations

Ref	Service	Title	Savings Description	2024/25 Target (£m)	2025/26 Target (£m)	Budget Scrutiny Task and Finish Group Recommendation	Executive Response
21	Regulation & Enforcement	Property licensing - administrative overhead and absorption rate	Overhead and absorption (central support charges and divisional overheads) for the delivery of property licensing schemes are to be activated as per original licence fee calculations. This includes Mandatory (House in Multiple Occupation) licensing and the new Selective and Additional Licensing	0.900	0.900	N/A	N/A

Ref	Service	Title	Savings Description	2024/25 Target (£m)	2025/26 Target (£m)	Budget Scrutiny Task and Finish Group Recommendation	Executive Response
			Schemes commenced on 5 June 2023. All schemes' fees include pre calculated overhead and absorption rates within them.				
22	Regulation & Enforcement	Property licensing - optimising council delivery of support, advice and administration activity of property licensing schemes	Optimising council knowledge in delivery of support, advice and administrative activity that fall within the remit of the schemes. To be delivered via internal services with costs to be recharged into the schemes. Actual costs will be transferred from the licensing schemes to the general fund at year end.	0.100	0.100	N/A	N/A
23	Regulation & Enforcement	Property licensing – any financial penalty resulting from enforcement to be invested into supporting further enforcement activities	Any financial penalty resulting from enforcement of the schemes is to be invested into carrying out any enforcement function in relation to the private rented sector.		0.100	N/A	N/A
			TOTAL: CITY OPERATIONS	1.000	1.100		

Table 3: Recommendations from the Budget Task and Finish Group Report to be Monitored by All Overview and Scrutiny Committees

Rec Number	Recommendation	Response
1	All savings must have clear Delivery Plans, with arrangements to hold budget holders across the organisation at different levels accountable to the delivery of savings and with a Cabinet Member assigned against each saving. Key milestones towards the delivery of the savings should be included, along with risk mitigation, and governance measures including consultation requirements, VR / CR requirements and service impact. Measures for monitoring and reporting to O&S Committees must be put in place.	Agreed. Delivery Plans have been created for each saving proposal. These include details of the Senior Accountable Officer, the Key Milestones and Risk Management Plan.
2	The Delivery Plans should also set out clearly where the saving type is identified as efficiency, what systems / processes will be put in place to deliver the efficiencies without reducing the level of services.	Agreed. Delivery Plans have been created for each saving proposal. These include details of the Key Milestones, the Objectives and Deliverables as well as the Dependencies and any potential consequential impacts.
3	The Budget report to Cabinet and City Council will identify the savings proposals that will be subject to statutory consultation and assurance is needed that these will comply with legal requirements. This needs to be reflected in the timescales for delivery of the savings.	Agreed. Delivery Plans include Timescales and Key Milestones that will indicate whether a public consultation is required. Accompanying the Budget Report will be access to the Equality Impact Assessments that have been produced for applicable savings proposals, these also confirm legal requirements.
9	Each OSC receives a report following the approval of the Budget and MTFP on the implications of the budget and savings on the services within their terms of reference. In future years, an impact assessment of proposals should be reported to scrutiny in advance of the approval of the budget.	Agreed. An OSC work programme is being developed to provide updates on the savings relevant to each Scrutiny committee throughout the 2024/25 financial year.
10	Each OSC to receive a report every two months during the 2024/2025 financial year to update the Committee on the delivery of savings and service implications.	Agreed. An OSC work programme is being developed to provide updates on the savings relevant to each Scrutiny committee throughout the 2024/25 financial year to align with updates to Cabinet.
13	A review of contracts and contract management is undertaken to ensure that the council achieves best value from contracts and that contracts are renegotiated where necessary, particularly where several contracts are held across different services / directorates with the same provider. This work needs to ensure a complete, transparent and accurate contract register is produced, including details relating to when re-procurements need to commence and with contract start and end dates. As required by the Local	Agreed. As part of the savings proposals all Directorates have been looking at their contracts to identify savings. There is also a cross-cutting savings proposal for procurement contract savings.

Rec Number	Recommendation	Response
	Government Transparency Code, the relevant information should be published.	
14	A multitude of income generation opportunities should be explored, e.g., dropped kerbs, lane rental, commercial events, Shelforce, debt collection, hotel tax, increase use of direct debits – if residents are already using Direct Debits for some services they are more likely to take up for other services.	Agreed. As part of the savings proposals all Directorates have been looking at their income opportunities to identify savings and where appropriate these have been included. Opportunities are also being looked at for 2025/26.