

Business Planning / MTFs Options 2021/22 – 2025/26

YC101

Please fill this pro forma out fully. It is important that options brought forward from Stage 1 are worked up into fuller, more robust proposals that are fit for progression to the formal decision-making process.

Title of Option:	Finance Savings		
Priority:	Your Council	Responsible Officer:	Jon Warlow
Affected Service(s) and AD:	Finance, Jon Warlow	Contact / Lead:	Thomas Skeen

Description of Option:

- What is the proposal in essence? What is its scope? What will change?
 - What will be the impact on the Council's objectives and outcomes (please refer to relevant Borough Plan 2019-23 objectives and outcomes, and Borough Plan Evidence Packs)
 - How will the proposal deliver the benefits outlined?
- [Proposals will be mapped to the any new Borough Plan Priorities/Objectives/Outcomes as they emerge – please take account of any likely changes when framing proposals]

The proposal has several elements:

1. A repurposing of finance teams that support the Place and Economy priorities which will lead to them spending a proportion of their time on capital matters as opposed to revenue, which means that this element of the resourcing can be capitalised - £30k (calculated as approx 10% of the time of these two staffing teams which total 6 FTEs)
2. The treasury/pensions and banking teams will be reorganised to focus additional resource on income generating or cost avoiding work for the Council's treasury activity. This is anticipated to increase income and reduce costs by £112k in total.
3. Recharging the time for daily banking/treasury authorisations completed by senior staff across the finance team £10k
4. Now that the Community Benefits Society is up and running finance will recharge time spent on this initiative on a commercial basis, mirroring the approach of other support services (e.g. property, legal etc) - £50k

Financial Benefits Summary

Please provide indicative financial benefits information, including any initial investment costs below. Where figures are speculative and require further detailed work to refine these, please indicate this in the text box below.

Revenue Impacts <i>All figures shown on an incremental basis</i>	2021/22 £000s	2022/23 £000s	2023/24 £000s	2024/25 £000s	2025/26 £000s	Total £000s
New net additional savings	- 202	-	-	-	-	- 202

Initial One-Off Investment Costs	2021/22 £000s	2022/23 £000s	2023/24 £000s	2024/25 £000s	2025/26 £000s	Total £000s
Total	-	-	-	-	-	-

Financial Implications Outline

- How have the savings above been determined? Please provide a brief breakdown of the factors considered.
- Is any additional investment required in order to deliver the proposal?
- If relevant, how will additional income be generated and how has the amounts been determined?
- Please describe the nature of one off implementation costs (if applicable)

The second proposal which involves a reorganisation of the treasury team to generate additional income will require a regrading of some posts, and one new additional post to achieve the level of saving projected. It is anticipated that this will be deliverable.

There are no one off costs.

Delivery Confidence – Stage 1

At this stage, how confident are you that this option could be delivered and benefits realised as set out? (1 = not at all confident; 5 = very confident)	4
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Indicative timescale for implementation

Est. start date for consultation DD/MM/YY	01/09/2020	Est. completion date for implementation DD/MM/YY	01/04/2021
Is there an opportunity for implementation before April 2021? Y/N ; any constraints?	There is an opportunity of some of the elements to progress prior to the start of 2021 - this is not anticipated to be significant, and will be reflected in budget monitoring accordingly in coming months.		

Implementation Details

- How will the proposal be implemented? Are any additional resources required?
- Please provide a brief timeline of the implementation phase.
- How will a successful implementation be measured? Which performance indicators are most relevant?

The measures above all largely to be delivered via repurposing of existing resources in finance. The reorganisation of the treasury/Pensions and banking teams will increase headcount by 1 FTE on a permanent basis (with income being generated to offset this cost and generate a saving over and above this).

Successful implementation to be measured in a quantitative manner for some of the above measures by the level of income generated/costs avoided in treasury. Qualitative measurement would include customer satisfaction from service departments etc.

Impact / non-financial benefits and disbenefits

What is the likely impact on customers and how will negative impacts be mitigated or managed?

List both positive and negative impacts. Where possible link these to outcomes (please refer to relevant Borough Plan 2019-23 objectives and outcomes)

Positive Impacts

The proposals should be received positively by customers which include other service departments, the CBS and Haringey pension fund as it focuses additional resourcing in these areas (albeit at an agreed cost).

Negative Impacts

The various stakeholders mentioned above understand that the Council is not able to deliver additional resource to support them without there being a cost involved. High quality financial support adds value to our various stakeholders, and we believe that they support this principle.

What is the impact on businesses, members, staff, partners and other stakeholders and how will this be mitigated or managed? How has this been discussed / agreed with other parties affected?
List both positive and negative impacts.

Positive Impacts

The proposal involves an increase in resource for pensions and treasury which will increase the resilience of these functions, and will generate an additional benefit to Haringey pension Fund, (not reflected here as non general fund).

Negative Impacts

The proposals involving capitalisation, and the Community Benefits Society are dependent on delivery which will have a degree of linkage to the wider economic recovery, hence there is a risk that these could be non achievable. However, prudent assumptions have been used for both, so it is felt that this risk is manageable.

How does this option ensure the Council is able to meet statutory requirements?


The proposal around treasury and pensions strengthens resourcing and resilience in this high risk area which we have statutory responsibilities for.

Risks and Mitigation

What are the main risks associated with this option and how could they be mitigated?(Add rows if required)

Risk	Impact (H/M/L)	Probability (H/M/L)	Mitigation
Lack of capital delivery	L	L	Prudent assumptions have been used for this proposal

Has the EqIA Screening Tool been completed for this proposal? The Screening Tool should be completed for all Options at Stage 1. EqIA Screening Tool	Yes
Is a full EqIA required? Full EqIAs to be undertaken at Stage 2	No

Reviewed by		
Director / AD		
Jon Warlow	Signature:	
	Date:	06/08/2020
Finance Business Partner		[Comments]
Alex Altman	Signature:	Alex Altman
	Date:	07/08/2020