

# Community Safety and Environment Policy and Accountability Committee

## Agenda

Monday 24 January 2022 6.30 pm

This is being held as an informal remote meeting

You can watch live on YouTube: <https://youtu.be/zCgTcM8Wstk>

### MEMBERSHIP

Administration	Opposition
Councillor Frances Umeh (Chair) Councillor Iain Cassidy Councillor Ann Rosenberg Councillor Fiona Smith	Councillor Victoria Brocklebank-Fowler

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# Community Safety and Environment Policy and Accountability Committee Agenda

24 January 2022

<u>Item</u>		<u>Pages</u>
<b>1. APOLOGIES FOR ABSENCE</b>		
<b>2. DECLARATIONS OF INTEREST</b>		
	<p>If a Councillor has a disclosable pecuniary interest in a particular item, whether or not it is entered in the Authority's register of interests, or any other significant interest which they consider should be declared in the public interest, they should declare the existence and, unless it is a sensitive interest as defined in the Member Code of Conduct, the nature of the interest at the commencement of the consideration of that item or as soon as it becomes apparent.</p> <p>At meetings where members of the public are allowed to be in attendance and speak, any Councillor with a disclosable pecuniary interest or other significant interest may also make representations, give evidence or answer questions about the matter. The Councillor must then withdraw immediately from the meeting before the matter is discussed and any vote taken.</p> <p>Where Members of the public are not allowed to be in attendance and speak, then the Councillor with a disclosable pecuniary interest should withdraw from the meeting whilst the matter is under consideration. Councillors who have declared other significant interests should also withdraw from the meeting if they consider their continued participation in the matter would not be reasonable in the circumstances and may give rise to a perception of a conflict of interest.</p> <p>Councillors are not obliged to withdraw from the meeting where a dispensation to that effect has been obtained from the Audit, Pensions and Standards Committee.</p>	
<b>3. MINUTES</b>		4 - 11
	<p>To note the minutes of the previous meeting held on the 8<sup>th</sup> November 2021.</p>	
<b>4. PUBLIC PARTICIPATION</b>		
	<p>This meeting is being held remotely on Zoom and will be live streamed to YouTube <a href="https://youtu.be/zCgTcM8Wstk">https://youtu.be/zCgTcM8Wstk</a></p>	

If you would like to ask a question at the meeting about any of the items on the agenda, please complete the following form by 5pm on Wednesday 19<sup>th</sup> January 2022: <https://forms.office.com/r/qnu5rvRe7q>

- 5. CLIMATE AND ECOLOGICAL EMERGENCY PROGRAMME UPDATE** 12 - 18
- This briefing paper provides an update on the key initiatives currently underway to deliver on Hammersmith & Fulham's (H&F) Climate and Ecology Strategy, approved by Cabinet in September 2021, and co-produced with a resident-led commission.
- 6. PROTOTYPE CONTAINERISATION AND FOOD WASTE COLLECTION SERVICE** 19 - 24
- The report provides an update on the Council's prototype wheeled bin and food waste collection service in the borough and shows the positive impact that it has had on recycling levels.
- 7. 2022 MEDIUM TERM FINANCIAL STRATEGY (MTFS)** 25 - 41
- This report sets out the budget proposals for the services covered by this Policy and Accountability Committee (PAC). An update is also provided on any proposed changes in fees and charges in the budget.
- 8. FUTURE MEETINGS**
- Future meeting dates are:  
- 21<sup>st</sup> March 2022

# Agenda Item 3

London Borough of Hammersmith & Fulham

## Community Safety and Environment Policy and Accountability Committee Minutes



Monday 8 November 2021

**NOTE:** This meeting was held remotely. A recording of the meeting can be found at: [https://youtu.be/ICX35\\_4R3rl](https://youtu.be/ICX35_4R3rl)

### **PRESENT**

**Committee members:** Councillors Frances Umeh (Chair), Iain Cassidy, Ann Rosenberg and Victoria Brocklebank-Fowler

**Other Councillors:** Councillors Wesley Harcourt (Cabinet Member for the Environment), and Sharon Holder (Cabinet Member for Strategy)

**Officers:** Sharon Lea (Strategic Director of Environment), Jim Cunningham (Climate Policy and Strategy Lead), Steve Hollingworth (Assistant Director Leisure, Sport and Culture), Ian Hawthorn (Assistant Director Environment Special Projects and Highways), Abi Oluwande (Senior Service Manager), Donna Kelly (Service Manager – Highway Operations and Protection), Richard Duffill (Cycling Officer), Mathew Bonomi (Senior Service Manager) Bram Kainth (Chief Officer - Public Realm) and Masum Choudhury (Head of Transport)

**External:** Tim Prager (Chair of the Parks Commission)

### **1. APOLOGIES FOR ABSENCE**

Apologies for absence were received from Councillors Sue Fennimore and Fiona Smith.

### **2. DECLARATIONS OF INTEREST**

There were no declarations of interest.

### 3. **MINUTES**

The minutes of the meeting held on the 19<sup>th</sup> July 2021 were noted. As this was an informal meeting, minutes will be formally agreed at the next meeting.

Councillor Victoria Brocklebank-Fowler requested that the action under item 5 (Law Enforcement Team Update) from the previous meeting be followed up with Officers.

**Action: Amrita White**

### 4. **PUBLIC PARTICIPATION**

The Chair noted that the Committee had received public questions on two of the items on the agenda. The questions and answers can be found under Item 5 (Safer Cycle Pathway Update) and Item 6 (3-year Highways Planned Maintenance Programme 2021-2024).

### 5. **SAFER CYCLE PATHWAY UPDATE**

Abi Oluwande (Senior Service Manager) provided an update on the progress made to date to deliver the Safer Cycle Pathway, noting that the interim scheme was 70% underway and was scheduled for completion in December 2021.

The Chair explained that the Committee had received a written question from a member of the public in advance of the meeting and Officers would be invited to answer the question or make a comment to address the main areas of concerns raised as follows:

*1: A resident commented that it was great to see that action was being taken to create cycle lanes along King Street. However, other key routes such as Wood Lane, Uxbridge Road, Shepherds Bush Green had either no cycle lanes or poorly painted "temporary" cycle lanes that created more risk to both cyclists and cars. They asked what the schedule was to fully implement a network of safe cycle routes across the borough that allowed North-South/East -West and fully networked cycle travel?*

In response Masum Choudhury (Head of Transport) noted that in addition to the upgrading of the cycle lane on King Street to an interim scheme, the Council was also working on developing the permanent cycle lane once the interim scheme had been installed. A similar approach would also be used for the cycle lanes on Wood Lane, Uxbridge Road and Shepherd's Bush Green where the Council first looked at upgrading from temporary barriers to an interim scheme followed by the longer-term development of a permanent route. Officers were aware of the key North-South routes such as North End Road and Fulham Palace Road as well as Scrubs Lane. Together these would formulate a 'strategic cycle network' on our main roads. To supplement this further the approach would be to look at other main roads and consider the available road space and look to change advisory lanes to dedicated lanes. This approach would also be considered on residential areas where the Council was looking to calm and reduce through traffic to create a safer environment for pedestrians and cyclists.

Unfortunately, due to the funding uncertainty that had emerged as a result of the Covid-19 pandemic the Council was unable to provide a defined programme and was working with sponsors and partners to continue to bring a programme forward. However, the Council had committed to achieving net-zero carbon by 2030 and the cycling infrastructure as part of the borough was a key component of realising this goal.

Councillor Iain Cassidy asked for further clarification to be provided on the timescales for the completion of works for the full route, including King Street Hammersmith Gyratory and Hammersmith Road. Abi Oluwande (Senior Service Manager) commented that the timescale to complete King Street was mid-December 2021. Hammersmith Gyratory was being implemented by Transport for London (TfL) and this work would commence in November 2021. The interim scheme for Hammersmith Road had been completed. However, the timetable for the permanent Safer Cycle Pathway scheme was not yet available.

Abi Oluwande (Senior Service Manager) confirmed that the permanent scheme would be implemented once the experimental traffic order for the interim scheme was completed. It was noted that the experimental traffic order could only stay in force for a maximum of 18 months.

Councillor Victoria Brocklebank-Fowler enquired what consultation had been undertaken for the Safer Cycle Pathway scheme. Abi Oluwande (Senior Service Manager) explained that the consultation would take place during the experimental period of the interim scheme (18 months) and the feedback gathered would determine the next steps for the permanent scheme. Matt Bonomi (Senior Service Manager) noted that an experimental traffic order would require stakeholders, residents and businesses to provide their feedback during the time it was in place. The Council would carry out a comprehensive and outreaching engagement exercise for a 6-9-month period approximately. Feedback would be sought on the interim scheme to help inform the Council of how a future permanent scheme should be implemented. This included mitigating any concerns of residents and businesses before a plan for the permanent scheme was executed.

Councillor Victoria Brocklebank-Fowler commented that many residents felt there would be an increase in air pollution as a result of the roads being narrowed for the implementation of cycling lanes across the borough. She enquired if this was an aspect that had been considered by the Council and whether this would be included as a question as part of the consultation exercise. In response Mathew Bonomi (Senior Service Manager) explained that a comprehensive monitoring plan had been put together in partnership with TfL, therefore areas such as air quality, traffic volumes and safety data would be captured and presented before a final decision was reached.

Councillor Victoria Brocklebank-Fowler commented that she was approached by a group of visually impaired users, with regards to accessibility concerns on the roads as a result of the implementation of the Safer Cycle Pathway scheme. She asked how these concerns were being addressed by the Council. In response Mathew Bonomi (Senior Service Manager) noted that

the Council was working in collaboration with the disabled resident's team, to mitigate any concerns around the design and layout of the scheme. Officers were making good progress on this.

Councillor Iain Cassidy asked for an update to be provided on the success of the cycleway in Chiswick. Mathew Bonomi (Senior Service Manager) noted that this data was not available to hand, however this could be obtained from the London Borough of Hounslow and circulated to Committee Members for information.

**Action: Mathew Bonomi**

Councillor Wesley Harcourt (Cabinet Member for the Environment) noted that funding had been approved to implement a similar scheme on the Uxbridge Road and asked Officers to provide a progress update on this. In response Abi Oluwande (Senior Service Manager) noted that Officers were currently in the process of mapping out the full design for the scheme and work had already commenced on the Uxbridge Road.

Members praised Officers for the positive work that was carried out with the disabled resident's team to address their concerns as part of the project delivery plan.

*Members noted the report.*

## **6. 3-YEAR HIGHWAYS PLANNED MAINTENANCE PROGRAMME 2021-2024**

Donna Kelly (Service Manager – Highway Operations and Protection) gave a presentation on the planned maintenance programme currently being delivered in the Council and provided a summary of the following key points:

- The highway planned maintenance programme identified the carriageways and footways in most need of planned repair.
- This was formulated based on annual condition surveys undertaken by the highway engineers and the routine inspection condition ratings.
- The roads were prioritised based on their scores.
- Requests made by the Highway Inspector and/or a Councillor or Resident for planned maintenance were also taken into consideration.
- The budget of £1.88m would be split between footway and carriageway schemes, with footways taking 60% of the budget.
- The 3-year programme gave the planned maintenance engineers flexibility to move schemes between the three-year period if something happened on site
- Once the 3-year programme was in place, Officers continued to carry out annual condition surveys as some roads, currently in fair condition, could worsen following a bad winter.
- A summary was provided of the completed footway and carriageway schemes for 2021/22.

The Chair explained that the Committee had received a written question from a member of the public in advance of the meeting and Officers would be invited to answer the question or make a comment to address the main areas of concerns raised as follows:

*1: A resident commented that it was disappointing that Sterne Street and the area known as "Caxton Village" had not been identified in the planned maintenance works. It was felt that the area and the streets were rapidly being used for excessive HGV delivery vehicles to the shops and food outlets along Uxbridge Road creating pollution, congestion and safety issues as there were no turning points for these vehicles. They asked why this conservation area had not been included in the planned maintenance schedule to try and protect the conservation area for both residents and the community and requested that this conservation area along with several listed buildings was included in these plans. They also recommended that this area was in need of stricter loading and parking/access rules to ensure long term protection of the historic buildings and setting.*

Donna Kelly (Service Manager – Highway Operations and Protection) noted that in relation to the roads in Caxton Village not being on the planned maintenance programme, it was confirmed that the Council had undertaken a number of schemes in the area over the last 12-years with two footways due to be repaved within the next 3-years as follows:

*Bulwer Street  
Carriageway resurfaced in 2009  
Footway repaved in 2016*

*Sterne Street  
Carriageway resurfaced in 2010  
Footway repaved in 2019 - from Shepherd's Bush Place to Caxton Road*

*Aldine Street  
Carriageway resurfaced in 2010  
Footway due to be repaved in 2023/24 subject to funding and further surveys*

*Caxton Road  
Carriageway resurfaced in 2010  
Footway repaved 2019*

Masum Choudhury (Head of Transport) commented that in addition to the planned maintenance programme the Council also conducted reactive maintenance, so where a street may not be on the planned maintenance programme, inspectors regularly assessed the condition of the asset and if it required organised repairs based on the assessment.

Masum Choudhury (Head of Transport) explained that with regards to the traffic, parking and loading concerns raised, these were outside of the maintenance programme and would require more careful consideration to balance the needs and demands for the area. There was also a motorcycle permit trial being conducted in the area as well as work likely to come forward in terms of upgrading the temporary cycle lanes. Part of this work would need to look at the loading and traffic movements. If re-surfacing needs were identified, then this would be requested by either coordinating with the Council's planned maintenance programme or delivered by the capital delivery team as part of any project coming forward.



Councillor Victoria Brocklebank-Fowler raised concerns around the condition of the roads in Fulham which had been left with patches, following the utility works that had been carried out by G Network. She asked for further clarification to be provided on the terms agreed with G Network in relation to the resurfacing of these roads. Donna Kelly (Service Manager – Highway Operations and Protection) provided a summary of the terms agreed with G Network, noting that regular inspections would be carried out by an Inspector to monitor their work and if there were any issues with the reinstatement, these would be picked up by the network management team. She requested that further information be provided on the roads in Fulham that were of concern so that this could be raised with the relevant team. Councillor Victoria Brocklebank-Fowler noted that she would contact Donna Kelly, following the meeting to provide additional details.

**Action: Councillor Victoria Brocklebank-Fowler/ Donna Kelly**

Councillor Victoria Brocklebank-Fowler enquired whether the Council had any plans to install porous asphalt pavements across the borough. Donna Kelly (Service Manager – Highway Operations and Protection) explained that Officers were working closely with the Council’s contractors (FM Conway) to explore different options for the materials that could be used as part of the carriageway programme for next year. As an alternative to porous asphalt, Officers confirmed they were currently investigating warm mix asphalt due to its low carbon footprint.

Councillor Iain Cassidy noted the challenges the Council had previously faced in engaging with utility companies. He enquired if the situation had improved in more recent years. In response Donna Kelly (Service Manager – Highway Operations and Protection) explained that the Council’s position with utility companies had improved slightly, however the issues still remained the same.

Ian Hawthorn (Assistant Director Environment Special Projects and Highways) commented that the Council had made several efforts to improve their engagement with the utility companies by holding regular coordination meetings, in advance of any works being carried to resolve any issues and discuss the Council’s forward plan. Despite attempts by the Council to improve the situation, engaging with utilities companies remained a challenge.

*Members noted the report.*

**7. PARKS COMMISSION REPORT AND RECOMMENDATIONS**

Steve Hollingworth (Assistant Director Leisure, Sport and Culture) introduced the report and noted that the Commission launched in January 2020. Their recommendations followed a year of extensive research and engagement with Council Officers, residents, other park users and stakeholders.

In June 2020, the Commission produced interim recommendations to support the development of the Council’s procurement strategy for the ground’s maintenance of parks, public open spaces and housing estates. The

commission's report made twenty-two practical headline recommendations concerning democracy and decision-making; how parks were maintained and used; how they were financed; and how green space and biodiversity were enhanced and protected.

Timothy Prager (Chair of the Parks Commission) noted that a group of residents with mixed perspectives and a wide range of skillsets were appointed by the Council. It was also felt that geographic representation within the Commission would be necessary in help developing its recommendations. He thanked Sharon Lea (Strategic Director of Environment), Steve Hollingworth (Assistant Director Leisure, Sport and Culture) and Jim Cunningham (Climate Policy and Strategy Lead) for the extraordinary support provided by the Council. It was noted that the Commission made a call for evidence from residents during spring 2020. They engaged widely with residents, park users and local communities, despite limitations presented by the Covid-19 pandemic. The Commission spoke to a wide range of stakeholders and was extremely grateful for the wealth of input received.

Timothy Prager (Chair of the Parks Commission) highlighted that two key areas from the Commission's findings needed to be improved and monitored by the Council, these included park affordability and democracy.

Councillor Victoria Brocklebank-Fowler thanked the Commission for their hard work in developing their findings. She enquired of the twenty-two recommendations that were made by the parks Commission, which of these were being considered by the Council. In response Councillor Sharon Holder (Cabinet Member for Strategy) noted that as part of this process tonight's Community Safety and Environment PAC was given the opportunity to provide feedback and comment on the Commission's recommendations, prior to the report being presented at the next Cabinet meeting for final approval.

Councillor Sharon Holder (Cabinet Member for Strategy) welcomed the close working between the Council and Commission. She felt that any issues with the recommendations would aim to be resolved and highlighted that should any of the recommendations require amendment, these would need to be referred back to Cabinet for approval.

Councillor Victoria Brocklebank-Fowler felt that maintenance in parks, including the overgrown grass and wildflowers was a key area of concern. Timothy Prager (Chair of the Parks Commission) explained that a greater sense of oversight and an improved engagement plan would be developed amongst Officers and contractors to monitor and tackle maintenance concerns going forward.

Councillor Sharon Holder (Cabinet Member for Strategy) thanked Tim Prager (Chair of the Parks Commission) and the commissioners for their hard work, time and expertise in developing the report.

The Chair asked if there were any positive experiences that could be shared with the Committee around the inclusivity work that had been carried out by the Commission. In response Tim Prager (Chair of the Parks Commission)

provided a summary of the approach and key engagement methods implemented to support and achieve the findings of the Commission.

The Chair individually acknowledged and thanked all members of the Commission for their dedication and the tremendous work that had been carried out to support the detailed and well thought out report and recommendations.

*Members noted the report.*

Meeting started: 18:30pm  
Meeting ended: 20:06pm

Chair .....

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# Agenda Item 5

## LONDON BOROUGH OF HAMMERSMITH & FULHAM

**Report to:** Community Safety and Environment Policy and Accountability Committee

**Date:** 24/01/2022

**Subject:** Climate and Ecological Emergency programme update

**Report author:** Hinesh Mehta, Strategic Lead for the Climate Emergency

**Responsible Director:** Sharon Lea, Strategic Director of Environment

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### SUMMARY

This briefing paper provides an update on the key initiatives currently underway to deliver on Hammersmith & Fulham's (H&F) Climate and Ecology Strategy, approved by Cabinet in September 2021, and co-produced with a resident-led commission.

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### RECOMMENDATIONS

1. For the Committee to note and comment on the report.

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**Wards Affected:** All

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<b>Our Values</b>	<b>Summary of how this report aligns to the H&amp;F Values</b>
Rising to the challenge of the climate and ecological emergency	This report provides an update on progress to date delivering the council's Climate and Ecology Strategy.

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### Background Papers Used in Preparing This Report

None.

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### DETAILED ANALYSIS

#### Progress on the Climate and Ecology Strategy

1. H&F's Climate and Ecology Strategy was approved by Cabinet in September 2021. This strategy was built on:

- an independent audit of local carbon emissions;
  - the work of over 70 council officers taking part in 10 internal working groups;
  - the report from the resident-led Climate and Ecological Emergency Commission in April 2021.
2. Work by the resident-led commission was key in developing H&F's Climate and Ecology Strategy. Their report recommended the council build knowledge around eight key themes, which have been reflected in the council's strategy.
  3. A Climate Strategy Implementation Group is now in place, including relevant cabinet members, officers, and representation from the resident-led commission. This group meets monthly, reviewing plans and progress for each of the strategy's themes, with revolving attendance based on the subject area.
  4. Significant initiatives underway in each of the eight workstreams of the Climate and Ecology Strategy (five core 'climate challenges' plus three enabling workstreams) are highlighted below.

### **Homes, buildings and energy**

5. **Energy masterplan.** The council has won £75k funding to analyse the borough's energy requirements and opportunities for generating low-carbon heat and energy. This key strategic piece of work will indicate the preferred choice of heat technologies for different areas of the borough, and will underpin future planning policy and the council's own retrofit strategy.
6. **Retrofit strategy for corporate buildings.** Our corporate buildings include offices, service buildings, and maintained schools. These emit 75 per cent of our organisational scope 1 and 2 emissions (those for which we are directly responsible)<sup>1</sup>. H&F is currently working with the Greater London Authority's Retrofit Accelerator for Workplaces to produce a plan to retrofit the council's corporate estate. This will be completed in 2022.
7. **Retrofit strategy for council housing.** Emissions from the council's housing are 17.5 times greater than those from the council's direct emissions<sup>2</sup>. In September 2021 Cabinet approved £106m for housing retrofit in the Housing Revenue Account (HRA) 12-year asset management capital strategy. Retrofitting council housing remains a considerable challenge. Obstacles include cost, maturity of the supply chain, planning regulations, and working with tenants and leaseholders. A housing retrofit strategy is being developed to address these and set out the council's approach. This will be completed in summer 2022.

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<sup>1</sup> The council's scope 1 emissions are those emitted through the direct use of fossil fuels by the organisation (such as gas and diesel). Its scope 2 emissions are those emitted in the production of electricity consumed by the organisation. Scope 3 emissions are all other emissions that occur due to activity within the borough, but that occur elsewhere (such as in the production and transportation of gas consumed within the borough in this instance).

<sup>2</sup> Council housing emissions are estimated as 53,302 tCO<sub>2</sub>e in 2019.

8. **Retrofit pilot projects.** H&F has won significant funding and is undertaking pilot retrofit projects on its corporate and housing stock. This will include two office sites, upgrading 28 council homes to reach zero carbon (using the Energiesprong approach) at the West Kensington estate, and a scheme to fund retrofit measures for fuel-poor private households.
9. **Planning.** An update to the Supplementary Planning Document is being drafted to give detailed guidance on achieving net zero in development proposals, for publication in 2022. Pre-planning advice for solar panels is also now free of charge to residents to encourage uptake.
10. **Council new builds.** A pilot project to build net zero carbon homes within the council's development programme is underway as part of the Hartopp & Lannoy redevelopment.
11. **Renewable energy.** The council has switched to a 100 per cent renewable electricity tariff for its own estate, and has been working with the Greater London Authority through the Solar Together scheme to offer group-buying of solar power to residents.

### Travel

12. **Cycling infrastructure.** In 2021 the council introduced extensive cycle lanes. The first phase of the Safer Cycle Pathway on King Street was opened in December, with works continuing in early 2022 to extend the route including over Hammersmith Gyratory.
13. **Electric vehicle infrastructure.** The electric vehicle charging point network has continued to expand to 1,049 points by December 2021, including the UK's first all-electric charging station. H&F remains one of the densest networks in the country with plans to reach 2,000 charging points by April 2022.
14. **Reducing through-traffic.** The SW6 traffic, congestion and pollution reduction scheme has reduced traffic in South Fulham by 23 per cent since its launch in July 2020. This has avoided over one tonne of carbon being emitted per day, and has won a Local Government Chronicle award.

### Things we use

15. **Nourish hub.** The hub in White City, which inspires and educates residents on sustainable and healthy food and tackles food waste, was launched in autumn 2021. It was recently awarded two prizes at the New London Awards.
16. **Library of Things.** The council is funding a new Library of Things, due to open in Kings Mall in 2022. This is a lending library of devices designed to reduce residents' reliance on carbon-intensive new purchases.
17. **Food waste collection.** The pilot is underway, collecting an average of ten tonnes per week, increasing recycling rates in the pilot area to 40%, and decreasing the amounts of refuse collected.

- 18. One World Living programme.** H&F is working with London-wide partners on a programme to reduce emissions from the things Londoners consume, leading a workstream on electrical products.

### **Ecology**

- 19. Biodiversity baseline.** The council commissioned a specialist ecological audit of the borough to identify priority areas for action on biodiversity. This has recently been completed and will be reported on shortly.
- 20. Grounds maintenance contract.** This has been recommissioned for parks and housing estate green spaces in 2021. It includes a focus on protecting and improving biodiversity, including provision of an ecologist and mapping of biodiversity-friendly planting.
- 21. 'No Mow May'.** H&F led a highly successful campaign encouraging grass to be left uncut during May 2021. This included pausing cutting in its parks, to allow biodiversity-friendly plants and wildlife to establish. This will be expanded alongside local partners in 2022 to encourage residents to make space for nature.
- 22. Tiny forests.** H&F became home to London's first 'tiny forest', a densely planted area of 600 trees, in Hammersmith Park in March 2021. Plans for further tiny forests are underway and expected to be planted in 2022, on Eel Brook Common and in Normand Park.

### **Adapting to climate change**

- 23. Sustainable urban drainage systems (SUDS).** Work was completed in 2021 on three SUDS projects on the White City estate, adding to various other schemes completed in H&F. Further scheme designs are in train with applications for funding underway.

### **Engagement, education and influence**

- 24. Climate carnival.** The council, together with over 30 community partners, held a successful programme of 65 events in the run-up to COP26. This engaged hundreds of residents on topics covering all aspects of the council's strategy. The feedback survey indicated that 45% of attendees were not already involved in local climate action.
- 25. Climate education.** Twenty-nine schools are involved in H&F's award-winning climate education programme, with 30 teachers trained on a UN-accredited course. The school holiday programme "Summer in the City" was climate and ecology themed, and engaged hundreds of children, young people and families with the topic. In partnership with the Youth Council, the council has set up a weekly meeting of Youth Climate Ambassadors to support youth-led climate action.
- 26. Community outreach.** The council has engaged with hundreds of residents through 8 pop up street conversations around the borough and 18 workshops

with voluntary and community groups. Resident priorities are fed back to relevant council teams.

### **Finance and decision-making**

27. **Climate implications in decision-making.** Since February 2021 the council has included climate and ecological emergency implications in all key decisions.
28. **Procurement policy.** H&F has collaborated with other west London boroughs on a sustainable procurement approach, to be finalised and considered for adoption into policy in 2022.
29. **HRA asset management capital programme.** The council has aligned its 12-year asset management strategy with the climate emergency. £106m has been allocated for housing retrofit, to be available from 2022/23.

### **Green economy**

30. **Industrial strategy.** H&F's Industrial Strategy has supported the growth of the local science and technology sector, including sustainable biotechnology start-ups, with 4,000 new jobs created in science sectors. The climate education programme (see point 25) is preparing schoolchildren for a growing green economy.
31. **Climate Alliance.** The H&F Climate Alliance is a network of local organisations committed to reducing their carbon emissions. This was soft-launched at the council's Climate Summit in November and includes free tools to support small and medium-sized enterprises to measure and reduce their carbon footprints.

### **Embedding a climate-conscious culture within the council**

32. A key recommendation from the Commission was to develop a culture of carbon literacy within the council. Consideration of climate and ecology in all activity is key to the success of the climate strategy.
33. Council officers are now required to consider the climate implications of proposals. This applies to all decisions with values above £300,000 and for all procurement strategies. These draft implications are then refined and verified in dialogue with the climate unit, and considered by councillors. As well as ensuring projects align with net zero, this approach is helping to embed carbon literacy across the organisation and is strengthening collaboration between services and the climate unit. The initiative was recently spotlighted by the Local Government Association's *Pass the Planet* campaign.
34. Every two weeks the climate unit has been holding 'climate cafes', open to all staff, in collaboration with other services. These highlight how different teams across the council are taking action on the climate emergency. Sessions act as a forum for learning and discussion. Online events, including those in H&F



Climate Carnival and London Climate Action Week are open to all staff and have been well attended.

### **Next steps for resident involvement**

35. The council is developing five Climate Co-production Groups to help deliver on the Climate and Ecology Strategy and ensure H&F is 'doing things with residents, not to them'. Residents will be recruited to be representative of local demographics and groups will be expertly facilitated to ensure everyone has a voice.
36. Groups will act as a sounding board to explore the biggest challenges in delivering the strategy. Together the group will discuss constraints and present solutions to be considered as part of the council's usual decision-making processes. The first group, Travel, will be initiated in January 2022.

### **Challenges for delivery**

37. The Climate and Ecology Strategy highlights various challenges to delivery that remain significant. These influence the extent of delivery that the council can achieve against the eight workstreams. Some of the major challenges include:
  - Influencing the 90% of borough emissions that are beyond the council's direct control
  - Achieving sufficient external funding for delivery of initiatives at scale
  - Balancing climate ambition with manageable costs in procurement
  - The scale and maturity of supply chains needed to deliver works such as retrofit
  - Logistical challenges to retrofitting buildings, including disruption to occupants, additional enabling works required, and costs to leaseholders
  - Regulatory challenges, including balancing changes to the built environment with planning policies and conservation
  - Winning residents' support for policy and service changes, such as those around road use and waste
  - Additional complexities and costs associated with external influences including the Covid-19 pandemic, energy price inflation and Brexit
  - Encouraging changes to consumer choices where price and other incentives favour more carbon-intense options
38. The Climate and Ecology Strategy sets out the council's objectives and actions at a high level. As described above, detailed delivery strategies are currently being developed for some of the most critical and challenging aspects, such as retrofitting of council housing and the corporate estate. These plans will give deeper analysis to the challenges listed above, and outline our approach to them.
39. For aspects of the climate and ecology programme such as retrofit, it is likely that the next year will involve programme planning and pilot schemes, with an

acceleration in delivery during the decade as experience and clarity on external funding grows.

### **Measuring progress**

- 40.** A baseline carbon footprint for the council and borough was published as part of the council's Climate and Ecology Strategy in September 2021. This footprint is in the process of being updated for the most recent reporting period and will be reported shortly.
- 41.** A set of quantitative proxy measures for progress against key aspects of the strategy will be implemented from 2022/23. This will give a more detailed understanding of the borough's trajectory towards net zero, expressed in measures that are more easily understood by most audiences than tonnes of CO<sub>2</sub>e.

### **LIST OF APPENDICES**

None.

**Report to:** Community Safety & Environment Policy & Accountability Committee

**Date:** 24/01/2022

**Subject:** Prototype Containerisation and Food Waste Collection Service

**Report author:** Richard Shwe, Assistant Director Environment

**Responsible Director:** Sharon Lea, Strategic Director of Environment

### SUMMARY

The report provides an update on the Council's prototype wheeled bin and food waste collection service in the borough and shows the positive impact that it has had on recycling levels. The Council has also been assisted by the prototype service to further improve its excellent performance on waste reduction and now stands in 5<sup>th</sup> place nationally in the amount of waste produced (per person) by residents.

### RECOMMENDATIONS

1. For the Committee to note the analysis of the prototype service over the last 12 months and that further feedback and co-production work with residents takes place before any extension of the scheme be considered.

**Wards Affected:** College Park & Old Oak, Askew, Addison, Ravenscourt Park, Fulham Reach, Parsons Green & Walham

Our Values	Summary of how this report aligns to the H&F Values
Building shared prosperity	Hammersmith & Fulham is a connected community that's on the up. The prototype provides a modern waste collection service, meeting the demands of residents and providing the associated benefits of a cleaner environment where businesses want to invest and opportunities for local jobs.
Creating a compassionate council	The prototype places great emphasis on engagement, compassion and providing a bespoke flexible service that accommodates needs of residents.
Doing things with local residents, not to them	Rather than using available legislative powers (s46 Environmental Protection Act 1990) to carry out a blanket imposition of containers on residents, we are carrying out a prototype service and working with residents to identify the bins that best suit their property type and waste requirements, and to allow residents to experience and comment on how the new service operates.
Being ruthlessly financially efficient	The prototype scheme reduces the council's waste disposal costs, allowing more money to be made

	available for other public services
Taking pride in H&F	The prototype scheme collects household waste and recycling in containers rather than bags, reducing litter spillage and keeping our streets cleaner.
Rising to the challenge of the climate and ecological emergency	The prototype allows residents to recycle food waste, increase recycling and reduce waste, which could reduce greenhouse gas emissions by 39%.

## Background Papers Used in Preparing This Report

None

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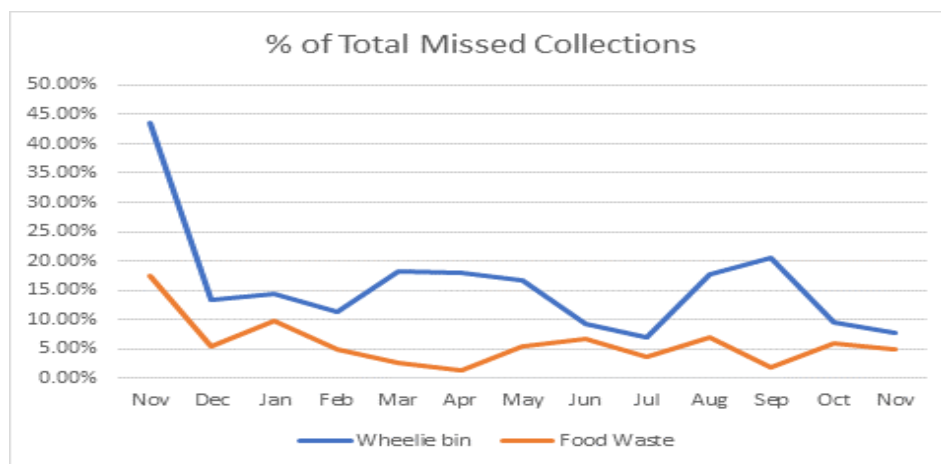
### DETAILED ANALYSIS

1. The prototype collection service for food waste and wheeled bin household waste and recycling commenced on 9<sup>th</sup> November 2020.
2. This report sets out how the scheme areas were selected, the communications with residents and stakeholders prior to collections commencing, the consultation that has been ongoing throughout the roll out of the service, and the planned consultation that will take place to gauge residents' experience of the scheme.
3. The proposal to carry out a prototype service was brought forward within a report to the Cabinet regarding the extension of the waste, street cleansing and recycling contract. The report was approved by Cabinet on 7<sup>th</sup> October 2019.
4. As with any prototype service of this size, officers were conscious that some properties that were assessed as suitable for inclusion may need to be reassessed. A standard bin configuration of 1 x 140 litre refuse bin and 1 x 240 litre recycling bin was deemed appropriate based on estimates of household waste capacity across the 4,600 properties.
5. Using the Council's value of doing things with residents and not to them, officers devised a range of co-production options and container sizes to offer to residents. Residents could choose a refuse or recycling container of 140L, 240L or 360L following appropriate assessment. Where space was limited, a popular option was to agree to shared containers. On the rare occasions where it was evident that a property was wholly unsuitable for the prototype service, the bins were removed.

### Performance in the prototype area

6. Since November 2020 over 791,000 collections have been completed.
7. The recycling rate in the prototype area has risen and remained at 40% compared borough-wide to 26%.

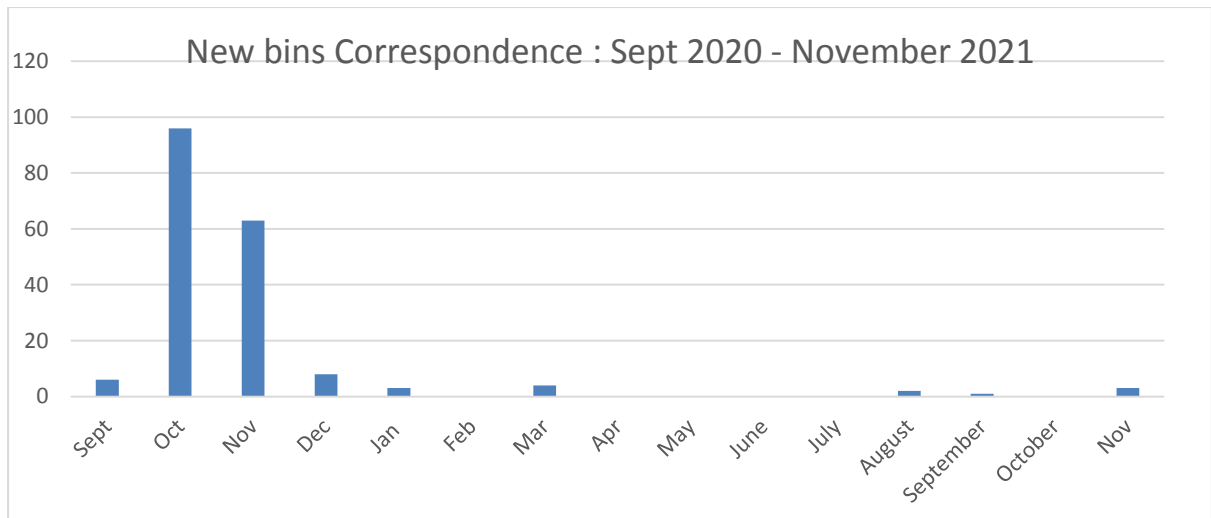
8. The service has collected over 1,000 tonnes of dry recycling material and 450 tonnes of food waste.
9. The service has performed well with less than 48 (0.0006%) complaints over the past 12 months, mostly regarding container returns to properties.
10. The graph below shows the percentage trend of missed collections for the wheeled bin and food waste collection service. The high level of missed bins initially reflects the bedding in period in November 2020 when both operatives and residents were getting used to the new service. Overall, it demonstrates that using bins reduces missed collections. The temporary increase in August and September is directly attributed to national HGV driver shortages and use of agency staff.



11. A fortnightly meeting is held with Serco and this continues to address ongoing problems experienced with residents' late presentation or the crews and this is demonstrated by the overall downward trend.

### Resident engagement

12. Throughout the prototype period officers have been working with the Council's corporate communications team to engage with residents via social media.
13. The dedicated mailbox has remained live throughout with officers checking the mailbox on a regular daily basis. Most of the correspondence has been clarification requests and property re-assessments. Please see graph on the next page.



14. Officers conducted approximately 1,000 face-to-face interactions with householders from 2<sup>nd</sup> November to 7<sup>th</sup> December 2020 during the initial new service delivery. These included property reassessments, container exchanges and assessments for assisted collections.
15. Beginning in June 2021, a borough wide engagement plan commenced to support residents, our collection crews and to drive service performance. The need to prevent the spread of Covid-19 and to keep residents and colleagues safe restricted the project to written or telephone communication beyond July 2021.
16. Since the launch of the new service, the complaints received about the service are minimal and the cleanliness of the streets within the prototype area has improved which has been highlighted by residents who have received this new service.
17. Where queries have been raised regarding the new containers and their impacts on conservation areas, officers have consulted with colleagues in Planning and provided feedback to residents on the specific queries raised.

Planning advise:

*“Notwithstanding the environmental benefits of the new refuse/recycling collection scheme in increasing take-up of recycling in the Borough, the revised refuse/recycling scheme is not considered to detract from the character and appearance of our Conservation Areas overall. The provision by the Council of refuse bins/recycling containers as part of the scheme may also assist in resolving a number of untidy land issues which can occur within these areas and reduce incidents involving the spillage of waste from split refuse bags.”*

18. At the start of a new service, a small minority of residents objected to the wheeled bins, either on aesthetic grounds or on grounds of perceived convenience, even where they have enough space to store the containers.
19. Rather than a blanket imposition of the council’s powers granted under Section 46 of the Environmental Protection Act 1990, officers engaged positively with

these residents to encourage them to trial the new service and hopefully see the positive outcomes arising from it over the past year.

20. As well as the regular monitoring of feedback received, the next steps to measure resident views on the service will be survey work in the prototype service areas in June and July 2022. We will do this door-to-door to ensure we capture as accurate a picture of resident views as is possible (rather than needing people to proactively contact or respond to us). The timing of this work will mean that residents will have had over a full year to use the service (important given the seasonal nature of waste) and will run at a time of year when any impact from Covid-19 is likely to be minimised to ensure safety and improve participation.

### **Updated New Service Analysis**

21. The average household recycling rate across the borough is approximately 26%, which is regrettably within the bottom quartile for London, whereas the recycling rate is 40% in the prototype area.
22. Approximately one third of residual household waste is food waste and, outside the prototype area, this currently goes to an Energy from Waste plant. The separately collected food waste in the prototype area, however, can be recycled. The process being used creates a fuel from food waste and, in addition, can separate off carbon dioxide for use in a range of applications.
23. For the food waste collection service to be successful it is best practice for it to be part of a containerised waste collection system. Wheeled bins help residents to segregate their waste, which fosters waste reduction behavior to improve re-use and recycling levels while limiting the total amount of refuse generated.
24. Furthermore, by separating food waste residents can actually visualise the volumes they are throwing away and this drives further reductions in food being wasted and its disposal.
25. Similarly, by having limited refuse capacity, this drives recycling into the recycling container. Having a permanent container option to dispose of recycling outside of the home with a reasonable capacity further encourages residents to recycle more and to reduce their waste.
26. We have actively seen these behavior changes practiced within the prototype area: We have not collected more waste, but the recycling rate has increased to 40% because residents have recycled more and reduced their waste production. This reduces waste disposal costs and helps us towards our ambition to be a greener borough and supports tackling the climate emergency. Waste and resource management is an integral component in meeting the global COP26 commitment to limit global warming to 1.5 degrees above pre-industrial levels.
27. As the table below shows H&F has constantly reduced the amount of waste produced since 2018 and now has improved its position and achieved 5<sup>th</sup> best in the country, this is partly due to the new service being piloted over the past year.

<b>Year</b>	<b>Collected household waste per person (kg) (Ex BVPI 84a)</b>	<b>National League table</b>
2020-2021	247.4	5th
2019-2020	246.1	6th
2018-2019	253.7	6th
2017-2018	262.5	7th

### **Key learning factors**

28. The smaller 140L recycling bin can be offered to a greater range of properties as their default standard container.
29. Bin sharing is popular and should therefore be encouraged widely.
30. It is important to offer a flexible range of containers and enable residents to change to the most appropriate size.
31. Property reassessments in partnership with residents are essential to achieve successful outcomes and must continue to be offered. This has been important for resident satisfaction and coproduction of the service.
32. Further work will be developed with our co-production team to make the service more inclusive. Consideration will be made to provide a notch or brail on bins as identifiers.
33. The prototype service was introduced during the Covid-19 pandemic and it is therefore important that the prototype service continues to be evaluated in the coming months as waste behaviours may continue to evolve with greater or lower levels of home working and online shopping, for example.
34. As part of the H&F Vision, the views of residents, elected members, and co-production with residents will form part of any recommendations put forward for any future extension of the scheme as well as considerations relating to the specification for our new waste management contract from 2023 onwards.

### **LIST OF APPENDICES**

None.



## London Borough of Hammersmith & Fulham

**Report to:** Community Safety and Environment Policy and Accountability Committee

**Date:** 24 January 2022

**Subject:** 2022 Medium Term Financial Strategy (MTFS)

**Report author:** Andrew Lord – Head of Strategic Planning and Monitoring  
Kellie Gooch – Head of Finance (Environment)

**Responsible Director:** Sharon Lea - Strategic Director of Environment  
Emily Hill - Director of Finance

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### SUMMARY

Cabinet will present their revenue budget and council tax proposals to Budget Council on 24 February 2022. A balanced budget will be set in accordance with the Local Government Finance Act 1992.

In recognition of the significant increases in the cost of living of residents due to inflation and Government tax increases, the administration proposes to freeze council tax and not to apply the government modelled 1% adult social care precept increase. Despite this freeze, council savings and other areas of income will fund over £5m of increased investment in adult social care and public health.

This report sets out the budget proposals for the services covered by this Policy and Accountability Committee (PAC). An update is also provided on any proposed changes in fees and charges in the budget.

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### RECOMMENDATIONS

1. That the Policy and Accountability Committee (PAC) considers the budget proposals and makes recommendations to Cabinet as appropriate.
  2. That the PAC considers the proposed changes to fees and charges and makes recommendations as appropriate.
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**Wards Affected:** All

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<b>Our values</b>	<b>Summary of how this report aligns to the H&amp;F values</b>
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Being ruthlessly financially efficient	We need to always confirm that spend fits our Council's priorities; challenge how much needs to be spent; and achieve results within agreed budgets. Finance is everyone's business and every penny counts.
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## **Background Papers Used in Preparing This Report**

Not Applicable

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## PROPOSALS AND DETAILED ANALYSIS

### The budget requirement and gap

1. The gross General Fund budget<sup>1</sup> rolled forward from 2021/22 to 2022/23 is £533.5m of which a **net budget requirement of £160.4m** is funded from council resources (such as council tax and business rates) and general government grant.

**Table 1 – Budget rolled forward from 2021/22**

<b>2021/22 budgeted expenditure</b>	<b>£m</b>
Housing benefit payments	98.0
Social care and public health	112.0
Children's services	113.0
Economy	48.0
Environment (includes parking)	110.0
Corporate (Finance, Resources and Council wide)	52.5
<b>Gross budgeted expenditure</b>	<b>533.5</b>
Less:	
Specific government grants (including housing benefits and dedicated schools grant)	(242.0)
Fees and charges	(67.0)
Contributions (e.g. health, other boroughs)	(47.0)
Other income (e.g. investment interest, rentals and recharges)	(17.1)
<b>Budget requirement rolled forward to 2022/23</b>	<b>160.4</b>

2. The budget proposals for 2022/23, and forecast to 2025/26, are summarised in Table 2. A balanced budget is projected for 2022/23 with a contribution to reserves and balances of £2.1m. A council tax freeze is modelled, and the Council will step in to fund significant social care growth rather than applying the Government's modelled increase in the adult social care precept.

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<sup>1</sup> Figures exclude capital charges and internal service level agreements. These have a net nil impact on the budget.

**Table 2 – Budget summary**

	<b>2022/23 £m</b>	<b>2023/24 £m</b>	<b>2024/25 £m</b>	<b>2025/26 £m</b>
<b>Base budget rolled forward</b>	<b>160.4</b>	<b>160.4</b>	<b>160.4</b>	<b>160.4</b>
Provision for inflation	10.0	16.0	22.0	28.0
Investment	4.8	10.8	16.8	22.8
Covid-19 impact	2.7			
Net cost of borrowing	0.4	1.7	2.1	2.1
Savings and additional income	(4.9)	(5.3)	(5.3)	(5.4)
One-off Covid contingency	1.5			
Increase in the unallocated contingency	0.5	0.5	0.5	0.5
Covid-19 impact on concessionary fares	(2.3)			
Recognition of current year income projection	(3.4)	(3.4)	(3.4)	(3.4)
Contribution to reserves and balances	2.1			
<b>Budgeted expenditure</b>	<b>171.8</b>	<b>180.7</b>	<b>192.9</b>	<b>204.8</b>
Government resources	(44.45)	(40.9)	(40.9)	(40.9)
Business rates (net of tariff)	(57.2)	(59.3)	(60.7)	(61.9)
Council tax	(68.45)	(69.1)	(69.7)	(70.3)
Use of developer contributions for law enforcement team and gangs unit	(1.7)	(1.7)	(1.7)	(1.7)
<b>Budgeted resources</b>	<b>(171.8)</b>	<b>(171.0)</b>	<b>(173.0)</b>	<b>(174.8)</b>
<b>Budget gap</b>	<b>0</b>	<b>9.7</b>	<b>20.1</b>	<b>30.2</b>

### **Budget assumptions**

3. Supply constraints, driven by Covid-19 and Brexit, have led to higher prices and pressure on wages. The Consumer Price Index has reached 5.1% in the 12 months to November 2021 and the government<sup>2</sup> forecast that it will still be 4.4% in the second quarter of 2022. The pressure on wages is compounded by the Government's introduction of the health and social care levy which will increase employer national insurance costs by 1.25%. This will impact on both Hammersmith & Fulham staff costs and suppliers. The 2022/23 budget includes a **£10m provision for inflation**. This allows for:
- contract inflation of £3.15m.
  - catch up inflation of £1.75m regarding 2021/22 pay - a wage freeze was assumed in the 2021/22 budget but the latest national pay offer is for a 1.75% increase.

<sup>2</sup> Autumn 2021 budget statement.

- £1.25m regarding the 1.25% increase in employer national insurance contributions (the health and social care levy).
- £2.35m provision for a 2022/23 pay award (this equates to a 2.3% pay award).
- A retained contingency of £1.5m as mitigation against additional inflationary risk.

Beyond 2022/23 headroom of £6m per annum is modelled for future inflation.

4. For **fees and charges**, levied by the Council, the inflation assumption is:

- Frozen for Adult Social Care, Children's Services and Housing.
- Commercial services that are charged on a for-profit basis, will be reviewed on an ongoing basis in response to market conditions and varied up and down as appropriate, with proper authorisations according to the Council Constitution.
- Parking charges and fines are set in line with transport policy objectives and not considered as part of the budget process.
- A standard uplift of 3.8% to be applied, based on the July 2021 Retail Price Index, for other non-commercial and non-parking fees.

There are no exceptions to these assumptions for this Committee.

5. Allowance is made within the budget for an increase in the **net cost of borrowing** in line with the 2022/23 capital programme commitments. Whilst the current low interest rate environment enables Hammersmith & Fulham to borrow at low rates it also means that minimal returns are earned on the Council's cash balances.

6. The Council has determined that a key priority area for the investment of available **developer contributions**, with general purposes, is to support the Law Enforcement Team and Gangs Unit. An on-going investment of £1.7m per annum is included within the financial forecast **and** this can be met from receipts currently in hand.

7. **General government grant funding** of £44.45m is forecast for 2022/23. This is an increase of £6.2m from 2021/22. £1.8m of the grant increase is not new money but compensation for the government decision not to increase business rates in 2022/23. The extra grant is also meant to recompense local authorities for the extra costs that will arise from the Government's 1.25% increase in employer national insurance contributions (estimated at £1.25m for H&F staff costs). Historically, government funding has reduced by £58m from 2010/11 to 2022/23. The 2022/23 grant funding includes an extra £2.7m for social care support. This has part funded the new investment in children's and adult social care of £5.6m and contributed toward inflationary pressures.

8. No grant allocations are confirmed beyond 2022/23 following the government decision to announce a single year local government finance settlement (LGFS). The lack of future certainty continues to undermine effective medium-term financial planning and the risk of future funding reform and levelling up remains with the government making clear that the new 2022/23 'services grant' of £4.234m will be potentially subject to significant redistribution in 2023/24. The government have stressed that authorities should not assume that 2022/23 funding allocations will be fully protected in 2023/24.

9. As part of the LGFS, the government calculated that Hammersmith & Fulham spending power will increase by 6.3% in 2022/23. This is below the London average increase (6.7%) and national average increase (6.9%). The government spending power calculation assumes that authorities will increase council tax (including the adult social care precept) by 3%, which the Council is proposing to freeze, and that business rates collection is not adversely impacted by rating appeals or lower collection rates experienced during the Covid-19 pandemic. Should Budget Council confirm a council tax freeze the Hammersmith & Fulham calculation is that spending power will increase by 2.1%.

### Council Tax and Business Rates

10. A freeze in the Hammersmith & Fulham element of **council tax** is proposed for 2022/23. This is proposed by the administration in recognition of the significant increases in costs faced by residents due to inflation and Government tax increases. This includes not levying a 1% 'adult social care precept' increase or increasing council tax by 2% as assumed by central government in their spending power calculations. A tax freeze will provide a balanced budget whilst not increasing the burden on local taxpayers. The council tax freeze has been delivered despite the upturn in inflation with the November 2021 Consumer Price Index standing at 5.1% causing significant pressure on Council costs.
11. Due to the anticipated impact of Covid-19 the budgeted council tax collection rate reduced from 97.5% in 2020/21 to 97% in 2021/22. A 97% collection rate continues to be modelled for 2022/23. For years beyond 2022/23 a tax freeze is modelled with the tax base increasing in line with trend data for increases in dwelling numbers. As set out below, only 52% of households are liable for 100% council tax, with the remainder receiving discounts or council tax support from the council.

**Table 4: Liability for council tax**

Total dwellings in the borough	92,148
Reductions:	
Exemptions (mainly students, includes care leavers)	(3,780)
Council tax support claimants (elderly & working age on low income)	(10,819)
Single person discount (25% discount)	(30,060)
<b>Dwellings liable for 100% of council tax</b>	<b>47,489</b>

12. As part of the Autumn 2021 Budget, the Chancellor of the Exchequer announced that a new temporary 50% **business rates** relief will apply for eligible retail, hospitality and leisure properties for 2022/23. In addition, a new 100% improvement relief will be available where eligible improvements increase rateable value. There will also be a business rates freeze in 2022/23 (no increase in line with the multiplier). Local authorities will be compensated by the government for the resultant loss of income from these measures.
13. The detail of the business rates changes has yet to be confirmed. For financial planning purposes the budget assumes that Hammersmith & Fulham will receive the minimum amount guaranteed, the safety net threshold, by government. This is £57.2m for

2022/23. The safety net threshold is £4.6m less than that assumed by the government in their spending power calculation. For years beyond 2022/23 a 2% inflationary increase to the safety net is modelled.

## Investment, savings and risks

14. Investment in services (increasing the available budget) and savings proposals (reducing the available budget) for the services covered by this PAC are set out in Appendix 1 with budget risks set out in Appendix 2.

### Investment

15. Investment is required to fund expenditure on priority areas and/ or to meet the costs associated with demographic or demand led pressures. Growth is also required to fund the new additional costs arising from government reform (such as the impact on suppliers of the increase in employer national insurance contributions). Investment in services is summarised by department in Table 4 and by category in Table 5. Beyond 2022/23 headroom of £6m per annum is modelled to fund new investment.

**Table 5: 2022/23 investment proposals**

Department	£m
Children's Services	0.534
Social Care and Public Health	5.031
Economy	0.650
Environment	0.878
Corporate (Finance, Resources and Council wide)	0.341
<b>Total</b>	<b>7.434</b>

**Table 6: Categorisation of investment proposals**

Investment categories	£m
Increase in demand / demographic growth	2.311
Resident priority	0.690
Budget pressure	0.655
New burden / government pressure	1.137
Impact of Covid-19 / economic downturn	2.641
<b>Total</b>	<b>7.434</b>

### Savings and Income Generation

16. After ten years of austerity it is increasingly difficult to identify and deliver substantive savings. However, further savings are necessary if the financial challenge of real terms government funding cuts, unfunded burdens, inflation, and demand and growth pressures is to be met and the Council has to consider all available options to operate within the funding available to it.

17. The proposed savings (including additional income) for 2022/23 are set out in Table 7. London Councils have also indicated that a further short-term saving of £2.3m for 2022/23 will arise from the reduced cost of the concessionary fares scheme (freedom pass). This is due to lower usage of the pass during lockdown and more broadly in response to the Covid-19 pandemic. As a short-term saving the majority of this sum will be added to reserves and general balances in line with the Council's reserves strategy.

**Table 7: 2022/23 firm savings and additional income**

<b>Department</b>	<b>£m</b>
Children's Services	(0.533)
Social Care and reinvestment in Public Health	(1.670)
Economy	(0.235)
Environment	(1.184)
Corporate (Finance, Resources and Council wide)	(1.229)
<b>Total savings</b>	<b>(4.851)</b>

18. The saving proposals are categorised by type in Table 8.

**Table 8: Categorisation of 2022/23 savings**

<b>Savings categories</b>	<b>£m</b>
Commercialisation / income	(0.650)
Outside investment	(0.035)
Procurement / commissioning	(1.828)
Service reconfiguration	(0.892)
Staffing / productivity	(1.446)
<b>Total savings</b>	<b>(4.851)</b>

### **Risk and financial resilience**

19. An updated reserves strategy and action plan will be included within the suite of finance reports presented to Budget Council.
20. The current reserves forecast is set out in Table 9 and models a fall in overall general fund reserves and balances to £97.0m by 2025/26. This assumes a balanced budget is set each year with no further call on reserves. Allowance is made for the forecast (month 6) 2021/22 underspend of £4.7m and a budgeted 2022/23 contribution of £2.1m.



**Table 9 – Reserves and general balances - cash flow forecast to 2025/26**

	2021 £m	2022 £m	2023 £m	2024 £m	2025 £m
<b>Opening balance</b>					
General balances	19.3				
Earmarked reserves – unrestricted	63.7				
Covid-19 related	51.4				
Earmarked reserves – restricted	10.4				
<b>Subtotal</b>	<b>144.8</b>	<b>93.1</b>	<b>85.0</b>	<b>84.4</b>	<b>97.0</b>
Forecast movement	(56.4)	(10.2)	(0.6)	12.6	
Forecast 2021/22 underspend	4.7	0	0	0	
2022/23 new contribution	0	2.1	0	0	
<b>Closing balance</b>	<b>93.1</b>	<b>85.0</b>	<b>84.4</b>	<b>97.0</b>	
Revenue developer contributions	46.0	Subject to separate monitoring and approval			

21. The Covid-19 pandemic has emphasised that councils need an adequate safety net to manage increased levels of financial risk. The experience of several councils, including Croydon and Bexley in London, has shown the difficulties that can arise when reserves are not maintained at a sufficient level. The Council's reserve forecast includes a general balance of £20.4m which represents 3.8% (equivalent to 14 days spend) of the Council's gross spend of £533.5m. As part of the 2022/23 budget, consideration will be given to increasing the general balance by £0.6m to £21m. The Director of Finance has recommended that the optimal range for the general balance is between £19m and £25m.
22. The key financial risks that face the Council have been identified and quantified and total £13.4m. Other substantive risks include:
- The Covid-19 recovery and addressing pent-up demand
  - An upturn in inflation post Brexit and Covid-19
  - The future impact on London of the government's 'levelling-up' agenda and wider local government finance reform (such as business rates)
  - The impact of the wider economy on major Council development projects and future contributions from developers
  - The impact of, and costs of tackling, climate change
  - The challenge of identifying further significant future savings that balance the budget over the longer-term.

Departmental risks of £3.5m for the services covered by this PAC are set out in Appendix 2.

23. Reserves are also a key enabler for future service transformation. The financial challenge facing the Council will require investment to deliver future efficiencies to enable the council to balance the budget in future years.

## Comments of the Strategic Director of Environment on the budget proposals

### Strategic Service Context

24. The Environment Department is responsible for the delivery of a wide range of universal services to the residents of Hammersmith & Fulham including:
- Public Realm - Highways, Transport, Parking, Waste Collections, Street Cleaning, Climate Change
  - Safer Neighbourhoods and Regulatory Services - Community Safety, Regulatory Services, Building Control
  - Leisure, Sport and Culture - Libraries, Parks, Leisure Centres, Events; and
  - Resident Services - Customer Services, Benefits and Revenues
25. The Environment Department has already implemented a number of major service changes to reflect the Council priorities and these are designed to ensure the effective and efficient delivery of services. Some notable examples are highlighted below:
- reviewing and re-organising some of our major external service contracts e.g. Waste Services (a saving of almost 9% per annum was secured for the duration of the contract extension to January 2023), Leisure Centres and Grounds Maintenance (providing enhanced service standards from February 2022 at reduced cost)
  - continuing our programmes to improve services e.g. Resident Experience and Access Programme, establishing the new Law Enforcement Team and Gangs Unit; and restructuring a number of other services such as Highways, Transport and Resident Services.
26. The Environment Department is actively working corporately with the Digitalisation Board and Commercial Board. This will continue to deliver and embed further changes that will make a major contribution to the significant medium-term financial challenges that the Council is facing.

### Financial Performance

27. The Environment Department continues to have a strong financial management record including reacting to in-year spending pressures as necessary. The outturn for 2020/21 was a £1.3m underspend compared to the budget (excluding Parking Services), allowing for a positive contribution to reserves specifically earmarked for environmental initiatives (such as Climate Change). For 2021/22 the department is continuing to face financial challenges relating to the Covid-19 pandemic (particularly in the recovery of commercial services) and officers are working hard to balance the year-end outturn in line with budget (forecast overspend of less than 1% at month 6). It is expected that the pandemic will continue to have a major impact on both the demand for the department's services and its budget in 2022/23.

### Budget 2022/23

28. The Environment Department budget for 2022/23 is summarised at directorate level in the table below.

**Table 10 – Environment Department budget 2022/23**

<b>Service</b>	<b>Expenditure £000</b>	<b>Income £000</b>	<b>Net Budget £000</b>
Public Realm	47,543	(11,051)	36,492
Safer Neighbourhoods and Regulatory Services	17,774	(7,441)	10,333
Leisure, Sport and Culture	10,889	(3,916)	6,973
Resident Services	18,855	(6,336)	12,520
<b>Total</b>	<b>95,500</b>	<b>(29,182)</b>	<b>66,318</b>

29. The net budget is £66.318m and will ensure the continued investment of resources in key services for residents. In particular, the following matters should be noted:
- additional investment of £0.878m will be made in services (details in Appendix 1) – the major elements include enhanced flood management and mitigation (£0.175m), winter maintenance (£0.100m), reducing violence against women and girls (£0.100m), ending modern slavery and exploitation (£0.085m) and temporary relief for loss of commercial income relating to the Covid-19 pandemic (£0.248m).
  - contractual inflation on externally provided services has been allowed for in the budget (£0.892m in total). It should be noted that inflation is continuing to rise at unprecedented levels, and so a significant budget risk exists in relation to this for 2022/23. The Council will continue to work with contractors and suppliers to minimise any adverse impact and secure agreement to temporarily vary contract conditions where possible.
  - savings of £1.184m will contribute to the setting of a balanced budget for the Council (details in Appendix 1). These are intended to preserve and improve front line services and will be delivered through the transformation and reconfiguration of services and increased income generation.

### Fees and Charges

30. The Environment Department provides an extensive range of services to local businesses and residents that are chargeable e.g. Commercial Waste, Building Control, Licensing and Leisure Centres. In line with long-standing Council policy, the department is proposing an inflationary uplift of up to 3.8% on fees and charges from April 2022, with the exception of any statutory charges which the department cannot influence.

### **Parking Services**

31. The Parking Service teams are fully focused on continuing to deliver a high-quality service that delivers the Council's priorities in relation to climate change and maintains the highway/transport infrastructure, as well as fulfils the statutory enforcement duties of the Council.

**Table 11 – Controlled Parking Account budget 2022/23**

<b>Parking</b>	<b>Expenditure £000</b>	<b>Income £000</b>	<b>Net Budget £000</b>
Controllable Budget	10,709	(43,749)	(33,040)
Non-Controllable Budget	3,001	0	3,001
<b>Total</b>	<b>13,710</b>	<b>(43,749)</b>	<b>(30,039)</b>

**Equality Implications**

32. A draft Equality Impact Analysis (EIA), which assesses the impacts on equality of the main items in the budget proposals relevant to this Committee, is attached as Appendix 3. A final EIA will be reported to Budget Council.

**LOCAL GOVERNMENT ACT 2000**  
**LIST OF BACKGROUND PAPERS USED IN PREPARING THIS REPORT**

<b>No.</b>	<b>Description of Background Papers</b>	<b>Name/Ext. of holder of file/copy</b>	<b>Department/ Location</b>
1.	None		

**List of Appendices:**

Appendix 1 – Savings and investment proposals

Appendix 2 – Risks

Appendix 3 – Draft Equality Impact Assessment

Change and Savings Proposals				Budget Change			
Ref Nos	Service	Title & Theme	Summary	2022-23 Budget Change Cumulative (£000's)	2023-24 Budget Change Cumulative (£000's)	2024-25 Budget Change Cumulative (£000's)	2025-26 Budget Change Cumulative (£000's)
1	Resident Services	Resident Experience and Access Programme	Improved resident experience and access through better use of technology	(417)	(693)	(764)	(791)
2	All Environment	Workforce	Review of workforce to deliver efficiency savings	(500)	(500)	(500)	(500)
3	All Environment	Fees and Charges	Review of commerical charges in line with inflation	(200)	(200)	(200)	(200)
4	Leisure	Leisure Contract	Increased income from contractor running leisure contract following council investment in facilities	(67)	(67)	(67)	(67)
<b>Total Change and Savings Proposals</b>				<b>(1,184)</b>	<b>(1,460)</b>	<b>(1,531)</b>	<b>(1,558)</b>

Investment and Covid Recovery				Budget Change			
Ref Nos	Service	Title & Theme	Summary	2022-23 Budget Change Cumulative (£000's)	2023-24 Budget Change Cumulative (£000's)	2024-25 Budget Change Cumulative (£000's)	2025-26 Budget Change Cumulative (£000's)
1	Community safety	Violence against women and girls	Increased investment in reducing violence against women and girls	100	100	100	100
2	Community Safety	Modern Slavery and Exploitation	Investment in ending modern slavery and exploitation	85	85	85	85
3	Building Control	Building Control Income	Align Building Control budget with cost of statutory and non-chargeable services	50	50	50	50
4	Public Realm	Enhanced community safety	Targeted reduction in crime through focussed redesign of public areas	60	60	60	60
5	Highways	Flood management	Enhanced flood management and mitigation	175	175	175	175
6	Highways	Winter maintenance	Align winter maintenance budget with actual spend	100	100	100	100
7	Waste Disposal	Waste processing costs	Phased increase in recycle processing costs over 5 years	60	120	180	240
<b>Total Investment</b>				<b>630</b>	<b>690</b>	<b>750</b>	<b>810</b>
8	Various	Covid related income losses	Temporary loss of commercial income following the Covid-19 pandemic. Assumes full commercial recovery by quarter two	248	0	0	0
<b>Total Investment and Covid Recovery</b>				<b>878</b>	<b>690</b>	<b>750</b>	<b>810</b>

**Environment Risks/Challenges**

Appendix 2

Department & Division	Short Description of Risk	Risk				Mitigation
		2022/23 Value (£000s)	2023/24 Value (£000s)	2024/25 Value (£000s)	2025/26 Value (£000s)	
Environment - All	Pressure on income levels across all chargeable services due to the on-going pandemic	744	992	0	0	Continue to implement recovery plans, work with residents and customers to recover income and to maximise any available government support
Environment - All	Significant national macro-economic inflationary pressures that may impact on service spend and current service contracts	1,784	1,784	1,784	1,784	Continue to work with contractors and suppliers to minimise impacts and secure agreement to temporarily vary contract conditions
Environment - All	Potential national public finance pressures that may impact on our specific grant funded services e.g. MOPAC, Transport for London	1,000	1,000	500	500	Continue to work proactively with our partners and highlight the major outcomes being achieved through the grant funded programmes. Develop alternative funding strategies as practicable
<b>Total Budget Risks/Challenges - The Environment</b>		<b>3,528</b>	<b>3,776</b>	<b>2,284</b>	<b>2,284</b>	

**Budget 2022/23 Equalities Impact Assessment (EIA)**

**Environment Savings Proposals**

**1 – Improved resident experience and access through increased use of technology - £0.417m**

This saving will be delivered by the Resident Experience and Access Programme (REAP); a programme that will transform the way residents interact with the Council by centralising customer contact and maximising our use of technology. REAP will ensure all services are fully accessible via digital channels and introduce efficient processes. This means greater efficiency and vital financial savings are possible.

This proposal has a neutral equalities impact. Additional equality impact assessments will be undertaken for REAP programmes/projects to ascertain the potential impact on groups that share protected characteristics and to ensure services are accessible and do not digitally exclude any groups.

**2 - Review of Environment workforce - £0.5m**

A review of the Environment workforce and rationalisation of posts is expected to reduce staffing costs. This saving will be delivered through a combination of recruitment freeze and structural changes. The resulting changes to the workforce will not impact frontline services.

This proposal has a neutral equalities impact. An equality impact assessment will be undertaken as part of any staff structural changes

**3 - Review of commercial charges - £0.2m**

This saving will be delivered through a review of commercial income across the Environment department. Charges do not vary according to any particular group with protected characteristics.

This proposal has a neutral equalities impact.

**4 - Increased Leisure Contract Income - £0.067m**

This is a year on year increase of an existing saving carried forward from 2019/20 (cumulative budgetary saving of £500,000 to 2022/23).

The current leisure contract has secured better income terms following Council investment in improved facilities at Lillie Road Fitness Centre and Phoenix Leisure Centre. This is expected to increase use of the facilities and therefore increase the amount of income able to be generated by the contractor (of which the Council gets a share). These facilities are public leisure facilities, available for all to use (charged for at the point of use). As such, there is a neutral impact on those with protected characteristics.

This proposal has a neutral equalities impact.

## **Environment Investment and Covid-19 Recovery**

### **5 - Reducing Violence Against Women and Girls - £0.1m**

This is increased investment in reducing violence against women and girls. This will have a positive impact on victims of such crime. It does impact on groups that share protected characteristics (mainly gender) and therefore has a positive equalities impact.

### **6 - Ending Modern Slavery and Exploitation - £0.085m**

This is increased investment in ending modern slavery and exploitation. This will have a positive impact on victims of such crime. It does impact on groups that share protected characteristics (mainly race) and therefore has a positive equalities impact.

### **7 - Building Control Income - £0.050m**

This is the alignment of budgets with actual demand for the statutory and chargeable parts of the service. Building Control is a chargeable service, available for all to use (charged for at the point of use). As such, there is a neutral impact on those with protected characteristics.

### **8 - Public Realm Community Safety Improvements - £0.06m**

This is increased investment to redesign public realm areas to reduce the potential for crime. This will have a positive impact on victims of crime as well as on groups that share protected characteristics such as disability, age, gender and pregnancy and maternity.

### **9 - Highways Flood Management - £0.175m**

This is increased investment in flood mitigation measures. This will have a positive impact on those affected by flooding in the borough and groups that share protected characteristics, in particular those living in disadvantaged areas.

### **10 - Highways Winter Maintenance - £0.1m**

This is the alignment of budgets with the actual cost of highways winter maintenance. This will allow for the continuation of existing maintenance and continue to have a positive impact on the public realm for all, but it does not impact any particular group with protected characteristics and therefore has a neutral equalities impact.

### **11 - Waste Processing Costs - £0.060m**

This is increased spend on the processing of household recyclate, due to increased processing costs. This service is provided to all residents. It does not impact any particular group with protected characteristics and therefore has a neutral equalities impact.

### **12 - Covid Related Income Losses - £0.248m**



This is to temporarily reduce income budgets for those commercial services most adversely affected by the ongoing Covid-19 pandemic. This does not affect the services provided or their fees and charges. The proposal has a neutral equalities impact.