

# Policy and Oversight Board Agenda

Tuesday 24 January 2023 at 7.00 pm

Main Hall (1st Floor) - 3 Shortlands, Hammersmith, W6 8DA

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## MEMBERSHIP

Administration	Opposition
Councillor Lisa Homan (Chair) Councillor Jacolyn Daly Councillor Natalia Perez Councillor Helen Rowbottom Councillor Nikos Souslous Councillor Nicole Trehy Councillor Rory Vaughan	Councillor Victoria Brocklebank-Fowler

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### Shortlands

3 Shortlands,  
Hammersmith,  
London W6 8DA

-  Closest Underground Station  
Hammersmith
-  Closest Bus Stop  
Latymer Court (Stop G)

Date Issued: 16 January 2023

# Policy and Oversight Board Agenda

24 January 2023

*If you would like to ask a question about any of the items on the agenda please email [bathsheba.Mall@lbhf.gov.uk](mailto:bathsheba.Mall@lbhf.gov.uk) by 12pm, 23 January 2023*

<u>Item</u>	<u>Pages</u>
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<b>1. APOLOGIES</b>	
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<b>2. DECLARATION OF INTERESTS</b>	
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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.

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.

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.

Councillors are not obliged to withdraw from the meeting where a dispensation to that effect has been obtained from the Standards Committee.

<b>3. MINUTES</b>	
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4 - 13

- (a) To approve as an accurate record and the Chair to sign the minutes of the meeting of the Policy and Oversight Board held on Monday, 12 December 2022; and
- (b) To note the outstanding actions.

**4. 2023 MEDIUM TERM FINANCIAL STRATEGY**

14 - 80

This report sets out proposals for the Medium Term Financial Strategy for the Policy and Oversight Board to consider.

**5. WORK PROGRAMME**

The board to discuss future items for inclusion in the committee's work programme.

**6. DATE OF THE NEXT MEETING**

Monday, 24 April 2023

# Agenda Item 3

London Borough of Hammersmith & Fulham

## Policy and Oversight Board Minutes



Monday 12 December 2022

### **PRESENT**

**Committee members:** Councillors Lisa Homan (Chair), Jacolyn Daly, Natalia Perez, Helen Rowbottom, Nikos Souslous, Rory Vaughan and Victoria Brocklebank-Fowler

**Other Councillors:** Rebecca Harvey, Cabinet Member for Social Inclusion and Community Safety, Bora Kwon, Cabinet Member for Civic Renewal, Rowan Ree, Cabinet Member for Finance and Reform

**Officers:** Veronica Barella, Chief Digital Officer; Nicola Ellis, Assistant Director Stefan Robinson, Head of Policy and PMO; Matthew Sales, Assistant Director - Programmes and Assurance (T); Himesh Mehta, Head of Climate Change (T)

**Guests:** Derec Craig, Chief Executive Officer, Age UK (T); Stephen Wiedmer, Branch Manager, Crosslight; Alan Rides, Chief Executive Officer, West London Local Chambers (T); Shad Haibatan, Deputy Chief Executive Officer, Head of Engagement & Partnerships Sobus

### 1. **APOLOGIES**

Apologies were received from Councillor Nicole Trehy.

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

Councillor Nikos Souslous declared an interest in Agenda Item 4, as a trustee of Hammersmith United Charity, which provided funding to Crosslight. Councillor Natalia Perez declared an interest in Agenda Item 4, as a trustee of Hammersmith United Charity, which provided funding to Crosslight.

### 3. **MINUTES**

#### **RESOLVED**

That the minutes of the previous meeting held on 12 September 2022 were agreed as an accurate record.

#### **4. THE COST-OF-LIVING CRISIS: WORKING TOGETHER TO IMPROVE THE LOCAL RESPONSE**

Stefan Robinson provided an overview of the council's response and related activities to the cost of living (CoL) crisis and how the impact on residents could be mitigated by a range of both local and national measures. Driven by a number of factors including the impact of a global pandemic and post-recovery related activities, it was recognised that the main drivers were high inflation and the continued rise of cost of utilities and food, the expected increase being between £2-3k per household. The overall economic evidence indicated that there would be a significant impact on lower income families and the 51% of residents (above the London average) who rented properties.

Activities offered targeted support to 3500 households identified as the most economically vulnerable and a CoL heat map had been developed which offered an evidenced based insight of the localities expected to be hardest hit. Activities included a cost of living advice and helpline and an advice booklet offering help on accessing support and this would be provided to residents. A strategy for the work was predicated on robust data insight, co-production and good governance. Plans for a borough-wide alliance partnership were being implemented, with two successful events having already taken place and a further event planned for early 2023.

##### Age UK – Derec Craig, Chief Executive Officer

Derec Craig outlined H&F Age UK's response to the CoL crisis, supported by the council to aid the distribution of a £200 cost of living payment to older households, and the provision of lunches subsidised by H&F Giving and Tesco, with the cost of a two course meal being reduced to £2 and available five days per week. Advice and information had also been offered, as many older people were deciding to either "heat or eat" due to a lack of certainty around the cost of energy prices and higher and unpredictable food costs. Characteristically, many older residents who did not struggle previously but might now be experiencing financial difficulties were likely to be asset rich and cash poor, which determined their spending priorities. Outreach work was being undertaken to extend support to those that had been "harder to reach". A shopping service was also available to take people to larger supermarkets.

##### Crosslight - Stephen Wiedmer, Branch Manager

Stephen Wiedmer provided an overview of the debt advice and support work offered by Crosslight. Demand for the service had increased significantly as more people sought advice and assistance in managing their finances. For many whose income was just sufficient, the CoL crisis had pushed them into difficulties. Crosslight offered training on money management to equip people with financial skills, supplementing this with welfare benefit advice. It was essential to maintain a network of partners to ensure support and services were well signposted and accessible.

##### West London Local Chamber of Commerce – Alan Rides, Chief Executive Officer

Alan Rides described the work of the West London Local Chamber of Commerce (WLLCC) as a not for profit charity supporting local businesses. The organisation

had worked hard throughout the pandemic, and now the cost of living crisis to offer networking and business growth opportunities, support and encouragement for local businesses, and advice on a range of issues including business efficiencies, grant funding and utilities. WLLCC had observed changes in the operational patterns of for example retail outlets which had reduced the number of opening hours or only opening on specific days. There was also more office space available with many people working from home and as a consequence, commercial landlords were grappling with issues such as when and for how long to heat buildings.

#### Sobus – Shad Habaitan, Deputy Chief Executive Officer, Head of Engagement & Partnerships

Attending on behalf of Sue Spiller, Chief Executive Officer, Sobus, Shad Habaitan reported on support provided by Sobus as council for voluntary services organisation. Sobus provided co-ordinated support for the Providers of Older Peoples Services forum (POPS) which included organisations such as Age UK, Nubian Life, Fulham Good Neighbours and other key organisations. A standing item on the POPS agenda was the CoL crisis to facilitate discussion and collaboration about how partner organisations could apply for funding and share concerns. Initiatives to tackle food poverty and social isolation and loneliness (SIL) amongst older people were also being explored.

A project on aging well had received funding from Central London Community Healthcare NHS Trust to support SIL outreach activities. A piece of work on the mental health of black and Asian minority ethnic communities from 2020 resulted in a partnership project with West London NHS Trust (WLT) and H&F. Sobus had supported the delivery of a £200k community grant scheme distributing funds to a range of diverse community organisations supporting activities that addressed the mental health of women, children and young people. Specific funding had also been provided to the Listening Space for suicide prevention work, and the Naz Foundation (India) Trust to support their work with the LGBTQIA+ (lesbian, gay, bisexual, trans, queer, (or questioning), intersex, and asexual (or allies) communities, and to the Autism Society. These organisations had identified the long term deterioration of the mental health within their communities as consequence of the pandemic and there were indications that this could be exacerbated by the impact of the CoL crisis.

Councillor Lisa Homan invited contributors to further comment on what they had observed in terms of the increased numbers of families seeking help and how many they had been able to support. Shad Habaitan explained that Sobus was an umbrella organisation which did not provide frontline services, but many organisations had reported concerns about the lack of support from central government and underfunding in local authorities. There were increasing numbers of hardship cases, with more people using foodbanks and stark choices to be made during the winter period to heat or eat. There was in some communities a stigma attached to using foodbanks or individuals did not know how to access them, so a more proactive approach was required to address this. A black and Asian minority ethnic community health equity group on mental health was currently considering the impact of the cost of living crisis but there was a concern about the lack of outcomes following engagement. Speaking as a resident of White City, Shad Habaitan welcomed the commitment and work of the council in offering innovative support to residents and services, recognising that council funding could be applied to leverage

funding from other sources. It was also important to include the voice of residents from affected communities and one way to achieve this was through strong, collaborative partnership working.

Stephen Wiedmer explained that there was increased need and demand for support but there was a delay in money coming into the service. New clients were expected in January, and although their services were not advertised he was aware of a growing need in the community. Salaries in the public and voluntary sector were not high and recruitment was also a growing concern as organisations struggled to resource services. This was not sustainable given the need for business continuity and the importance of building trust with clients. London living costs were higher compared to other areas and hard to recruit sustainably.

Business capacity was highlighted as an issue for WLLCC. Alan Rides reported that there were higher rates of employment but the expected growth rate of 7% had significantly diminished and businesses had pivoted in response. As a not for profit organisation WLLCC had expanded in recent years and staff were paid a London Living Wage (LLW). Primarily based in H&F they provided services and advice across three boroughs. As numbers had grown, requests have increased exponentially.

Derec Craig reported that Age UK had also seen an increase in demand, with a longer wait for appointments due to lack of staff capacity. The CoL crisis had affected the organisation itself with higher operational overheads. Staff were also experiencing difficulties and maintaining a LLW was hard. Grant funding did not increase throughout the year so other sources were being sought.

Councillor Natalia Perez referred to the CoL index (appendix 1 of the report). The heat map indicated higher levels of impact in areas such as College Park and Old Oak and White City. She enquired how the sector was working in partnership at a local level, for example, the referral of complex cases with signposting to other services, and, if the advice pop-ups were in place, in addition to other measures outlined in the report. Stefan Robinson acknowledged that the CoL impact index highlighted a geographical disparity between the north and south areas of the boroughs. Warm hubs would be spaced out across the borough and there would also be a rotation of pop ups to ensure equity and parity of access. Extra copies of the CoL advice booklet were being printed to be distributed to areas where these might be more needed to ensure uptake. Matt Sales emphasised that the activities formed part of a universal offer in response to greater acuity of need. Resources were being specifically targeted, but it was important to recognise that everyone was experiencing the impact of CoL and that this had also shaped how resources were applied. Councillor Rebecca Harvey explained that the pop ups would be located in areas where people might not necessarily seek help and empowering people to do so. Advice and support would also be available at warm hub spaces.

Crosslight confirmed that they would be supporting the pop up provision recognising the importance of collaborative working with Citizens Advice and H&F Law Centre where expertise and advice regarding housing and employment law ensured that clients could receive appropriate specialist advice. Crosslight also worked with vulnerable residents with mental health concerns and who were referred by the

Claybrook Centre (Charing Cross Hospital). Being located in an urban borough with high living costs was a challenge for the organisation with a greater risk of a high turnover of staff. This combined with short term funding meant that successful projects were unsustainable, and staff resourcing was at risk, a significant concern given the importance of building and maintaining client trust. Endorsing this view, Shad Habaitan commented that collaborative cross partnership working was important as was the need to identify and remove cultural barriers. He reported that People Arise Now was currently working with the Somali community to develop good relationships and ensure robust signposting. Social commitment and compassion were integral, but it was becoming harder to recruit as a consequence of CoL and securing housing within the borough was equally challenging.

Councillor Jacolyn Daly posed a range of questions to each of the organisations. She asked WLLCC if businesses received any specific types of support offered during the pandemic that could be offered again in response to CoL. A question to Crosslight asked about what support was being sought from the council and government for residents at this time. Councillor Daly asked Age UK about the £200 payment to older people and how the assessment process for this worked, how residents received the payment and what the money might be used for. In a fourth question for Sobus, Councillor Daly referred to her role as Chair of the Housing and Homelessness Policy and Accountability Committee, she was aware that mould and damp housing conditions led to poor mental and physical health conditions and asked how the third sector and NHS could co-ordinate a response to address this.

Alan Rides explained that some businesses had varied their opening hours, Kew Gardens for example now closed at 2pm to avoid additional staff and utility costs, and in 2021, the Department for International Trade had reduced its capacity by 80%. WLLCC had stepped in to provide this support by supporting trade missions and running local events promoting businesses based in H&F, citing the example of one company manufacturing ceramic heaters that could be run on 50p per day.

Derec Craig clarified that the £200 payment was provided to eligible older people aged 60+ and due to the restrictions about the allowance, this was paid directly to the individuals utility provider. Those on a monthly payment scheme were required to evidence residency within the borough and their age. Funds were paid direct into the Age UK bank account, from which the utility provider was paid directly, covering utilities or a debt where this had accumulated or a credit if they were not in debt. If the person was on a key meter, slightly more was paid as these were a more costly way of paying for utilities and usually allocated to those already in debt with their provider.

Stephen welcomed greater clarity as to what support would be offered post-April 2023. Families were concerned about the impact of cold winter weather on health, it was hard to heat space and clearer guidance was needed. A faster determination of benefit applications would help alleviate uncertainty and concern and similarly, decision making around bedroom tax. This took time and it was hard to support residents in downsizing while they remained on the waiting list for a long time. The money available from the Department of Health and Pensions reduced annually and this created a cycle of maintaining the cost of a larger house, with no smaller property available to move to. Citing one residents experience, Stephen Wiedmer

suggested the council considers how new tenants could be supported during the transition from temporary to permanent accommodation where they lacked essential, basic furniture, and needed support to navigate the social welfare system.

Councillor Daly asked about the “no wrong door” approach and how this worked in practice. Nicola Ellis explained that the CoL advice team had been newly established in direct response to an identified need for simpler access to advice about council services relating to CoL. Advice was offered where appropriate or guidance and referral to a suitable service area was initiated as part of a co-ordinated response, rather than just signposting, for example, assistance with applying for council tax or free school meals. Additional funding had been added to the discretionary housing fund and this could and could be allocated in cases of particular hardship.

In response to Councillor Daly’s point regarding the impact of poor housing on health, Shad Habaitan explained that support and guidance on how to treat damp and mould infestation would be welcome as it was difficult to do this with some communities because of language barriers. During the pandemic, Sobus had been able to respond quickly and a similar response to address CoL could be repeated by delivering tempered key messages about how to budget safely without risking health. There was a high correlation between mental health and deprivation in particularly deprived parts of the borough such as White City, where life expectancy was ten years shorter compared to more affluent areas. There had also been a lack of investment in social housing for many years in the UK, which needed to be addressed. Voluntary sector partners welcomed the opportunity to be treated as equal partners with greater involvement in co-designing and co-producing services to build more trust. Citing the decades known issue of higher rates of poor mental health amongst black men, Shad Habaitan encouraged more focus on preventative public health to fundamentally change the way in which mental health services were delivered. The work of DEBK, a local charity was highlighted, which provided hardship grants to people in need. The charity had seen a significant growth in demand for their support.

Councillor Helen Rowbottom asked contributors whether business and organisations had consolidated their office spaces, for example, through the colocation of services, and if guidance and support was being provided in helping residents access lower utility tariffs. Elaborating on Councillor Daly’s point regarding “no wrong door”, Councillor Rowbottom asked if direct contact was made with residents in their homes through for example by proxy or referral.

Matt Sales confirmed that a data sharing agreement was not in place but that this may be something for the proposed alliance partnership to consider. Councillor Rebecca Harvey added that it was difficult for advice agencies to share client details and there were difficulties in establishing case figures, identifying patterns in terms of enquiries. Considering the eligibility for several types of take up was also challenging. Councillor Rowbottom acknowledged that sharing data and referrals could result in delays or lower take up and highlighted the need to explore this, considering for example, the impact of stigma. Visiting a clients home could be an innovative solution to address this.

Focusing on the outputs, Councillor Harvey reported that there had been millions of pounds of unclaimed pension credits that people were entitled to that remained unclaimed. Identifying individuals who were eligible to claim reflected how targeted support and guidance could be invaluable. Shad Habaitan acknowledged that issues around data sharing protocols were a challenge, and that this had been a barrier in their work with WLT in seeking granular, anonymised ethnic breakdown of service figures. The data would do much to help inform better designed services and facilitate improved ways of connecting with communities. Matt Sales added that 50 organisations had participated in two large conferences arranged by the council sharing qualitative data on shared experiences, insights and expertise.

Addressing the point on home visits, Hinesh Mehta reported that these were undertaken as part of the GLA funded Warmer Homes scheme. Houses with a low EPC (Energy Performance Certificate) rating of e, f or g were eligible as they leaked a lot of energy and were therefore more expensive to heat. Help and advice had been offered to help residents to apply for grant funding for up to £25k for home improvements that would help improve the buildings energy efficiency.

Councillor Rory Vaughan invited contributors to share what they regarded as a potential gap in the support being offered and what the opportunities there were for businesses to work with residents. Alan Rides responded that businesses were in a state of flux, citing the example of GlaxoSmithKline moving from Brentford to Oxford Street, the HSBC bank workforce were not returning to offices in Canary Wharf and working from home (there were no branches in H&F, the nearest one being Bond Street). Councillor Rowbottom acknowledged that this significant shift to digital services was a business decision based on sustainability but had spanned multiple industries and sectors. Commenting on a suggestion to co-locate services in a shared space Derec Craig felt that funding was an issue. Funding became easier to leverage if a recipient organisation was grant funded by the council but establishing a consortium, for example such as Sobus, as vehicle for group funding could alleviate some of the pressures.

Stephen Wiedmer observed that the CoL crisis had impacted on the next generation. Participation in activities and sports offered an outlet that helped to prevent or alleviate mental health pressures for young people and their families. It was important to utilise warm spaces, for example and there was a communication point around how communities could be better informed about these activities. To illustrate, the Youth Zone was unaffordable for many families on low income. Shad Habaitan recognised many of these issues as being first highlighted as a consequence of the pandemic. Working from home had meant that some young people had missed opportunities that would have supported their social development skills. Collaboration was improved through face to face contact which had been significantly reduced as a result of the pandemic. A similar consequence might be manifested due to the impact of the CoL crisis on young and older people and guidance about how to address this was welcome. It was suggested that a solution could be greater collaboration between businesses and the voluntary sector, on for example issues such as offering a warm space. Local businesses were a vibrant part of the community and had much to offer in terms of utilising opportunities to address community needs.

Councillor Nikos Souslous stated that the council's administration had committed to supporting a third sector strategy and invited contributors to share their views about their interactions with the council, what had worked well and what had not. Sobus outlined that one of the challenges had been the high turnover of key staff at the council and that greater continuity was needed. A second point was expressed about having meaningful engagement and the third sector being treated as equal partners. It was recognised that council staff offered a high degree of commitment and goodwill and that the council had done a great deal to invest locally and made progress through their commitment to co-design and coproduction. Criticisms lay with central government having reduced the power of local authorities to support vulnerable communities.

Councillor Perez recognised the importance of building economic resilience and asked contributors about what the council could do to support new start-ups such as the North End Road market supporting independent businesses. Alan Rides referred to the business incubator hub at White City as an example of how growth in small businesses could be nurtured and supported. Public private partnerships could be more sustainable with longer term funding with a greater chance of achieving growth.

Councillor Harvey encapsulated the central issues, explaining that co-ordinated activities such as advice to improve benefit take up, applying for fuel vouchers and the advice booklet aimed to empower residents to seek help. Fast track funding grants had helped support projects that would sustain vulnerable groups. The advice line had "upskilled" staff to deliver a "no wrong front door" approach and this would be taken forward and positively built on by an alliance partnership. There were about 60k people in the borough looking for work and businesses with recruitment issues so it was feasible to try and to put in place support to address this. Projects such as the foodbank and the Nourish project reflected a desire to utilise resources more efficiently to ensure that communities received the help and support they need.

Councillor Homan summarised the key points of the discussion, suggestions and areas that required further exploration or action.

- There were a range of activities being undertaken to support housing residents and tenants associations and borough residents;
- Two conferences involving business and third sector organisations from across the borough had taken place, with a number of actions being delivered as outputs, including a plan to establish an alliance partnership;
- Digital exclusion (an issue considered at the previous meeting of the committee) and how residents were impacted by the closure of local, high street banks;
- Effective community engagement and the co-production and the co-design of services informed by the views and needs of residents, this was a key council commitment and integral to how the council delivered services;
- To consider how the council could help to address data sharing issues across different organisations;
- To provide more agile support for residents by enabling faster decision making and assessments;

- Staffing and recruitment at the council – this was noted as a challenge for all organisations compounded by the prohibitive cost of living in London and the pandemic;
- Mental health service provision for young and older people and how this had been exacerbated by the CoL;
- Further information to be sought about low cost ceramic heaters; and
- Further details about the location of the CoL pop ups to be made available.

Councillor Homan thanked all the participants for their contributions and participation in the discussion.

## **5. DEVELOPING OUR DIGITAL INCLUSION STRATEGY**

Nicola Ellis provided an update and feedback on actions that arose from the previous meeting. There had been continued engagement with the Digital Action Group (DAG) which had identified barriers to digital inclusion and possible solutions which would be included in the final digital strategy. There had also been a successful event held in Lyric Square.

The use of Wi-Fi was clarified, there was no charge for this but there was a charge to use a desktop computer and a fee was charged for the first hour of this. Libraries were identified as a valuable resource as staff were able to assist residents with technical advice. Nicola Ellis added that work was ongoing to ensure that residents could access social tariffs for Wi-Fi and that 145 King Street would re-open in January 2023 to offer face to face services.

In response to the query regarding adult learning course, more work was required but a team had been identified to support this. Collaborative partnership work with the Mayor of London's Chief Digital Officer, LOTI (London Office of Technology & Innovation) and Good Things Foundation ensure the development of a strong digital ecosystem that was being built.

Councillor Victoria Brocklebank-Fowler welcomed the update and the commitment to resolving issues and clarified that her query had been about free access to Wi-Fi rather than desktops.

Councillor Jacolyn Daly also welcomed the update. Referencing an education project with St Mungo's being delivered in hostels, she asked officers if digital skills were being offered as part of this provision, and if it was not could this be suggested. It was noted that there would be continued work with adult learning to explore the wider benefits of including digital skills in the adult learning curriculum.

Councillor Lisa Homan requested that members be sent a link to the CoL council advice pages and noted that these were live but that there would be ongoing work to make the site more user friendly, expected to be completed in January 2023. Councillor Homan welcomed the progress to date on addressing potential gaps in provision and noted that there was a follow up action on digital inclusion and access to financial services.

Councillor Natalia Perez enquired how representative the DAG group were of the community. Nicola Ellis responded that the group was diverse and representative and included a number of younger residents. The work on developing the DAG had drawn upon coproduction work and so the group reflected a good balance of officers and diverse representatives from the community. Some members of the group had left and there was a process of recruiting new members to the group.

**RESOLVED**

That the report was noted.

**6. POLICY AND ACCOUNTABILITY COMMITTEE CHAIR'S UPDATE**

Councillor Victoria Brocklebank-Fowler asked why the Children's Services and Education Policy and Accountability Committee had not reported on positive exam results in the borough obtained in the previous academic year. It was noted that the announcement of exam results may not have aligned with the timing of meetings, but was an item that the committee usually considered. It was agreed that this would be followed up by officers after the meeting.

**RESOLVED**

That the report was noted.

**7. WORK PROGRAMME**

Councillor Lisa Homan confirmed that the substantive item for the next meeting of the committee would be the council's medium term financial strategy.

**8. DATE OF NEXT MEETING**

It was confirmed that the date of the meeting would be rescheduled\*.

*(\*This was later confirmed as 24 January 2023)*

Meeting started: 7.25pm  
Meeting ended: 9.45pm

Chair .....

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# Agenda Item 4

## London Borough of Hammersmith & Fulham

**Report to:** Policy and Oversight Board

**Date:** 24 January 2023

**Subject:** 2023 Medium Term Financial Strategy (MTFS)

**Report author:** Andre Mark, Head of finance (Strategic planning and investment)  
Alex Pygram, Head of finance (Corporate services)

**Responsible Director:** Sukvinder Kalsi, Director of Finance

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### SUMMARY

Cabinet will present their revenue budget and Council Tax proposals to Budget Council on 23 February 2023. In the face of worsening economic conditions and tightening financial constraints, the budget protects council services, particularly those that support the poorest and most vulnerable in society.

The London Borough of Hammersmith & Fulham (LBHF) is unique in providing free breakfasts to school children, abolishing home care charges, establishing a local Law Enforcement Team to keep our streets safe and clean, maintaining weekly bin collections across the borough, and stopping the use of bailiffs to collect Council Tax debt. Despite unprecedented levels of inflation eroding council spending power, the budget protects these key services.

The cost-of-living crisis is affecting residents across the borough. With rising inflation, energy bills, and food costs many residents will be struggling to get by, and in need of additional support. This is why the budget includes new provisions of nearly a million pounds to help tackle the increasing cost of living.

The Local Government Finance Act 1992 obliges the council to set a balanced budget, and this is what is proposed. Government resource assumptions that are used to calculate Government grant for LBHF, model the council increasing Council Tax by 2.99% in 2023/24. Over the last eight years, the council has cut or frozen Council Tax five times, with the Band D charge has reducing by 10% in real terms. As a result, Council Tax in LBHF is 35% lower than the London average. The council proposes to apply the 2.99% increase for 2023/24.

The government has modelled an adult social care precept since 2016/17. Government funding modelling assumes that this has been applied every year since its inception despite LBHF choosing to apply it for only two of the past eight years. Due to the continued high levels of demand and inflationary pressures in the social care market and the government's continued failure to propose a long-term funding solution to social care funding, the council proposes to apply the 2% adult social care levy for 2023/24.

This report sets out the budget proposals for the services covered by the Policy and Oversight Board. An update is also provided on any proposed changes in fees and charges in the budget.

## RECOMMENDATIONS

1. That the Policy and Oversight Board 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.

**Wards Affected:** All

Our Values	Summary of how this report aligns to the H&F Values
Building shared prosperity	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.
Creating a compassionate council	As the council's resources have been reduced we have protected the services on which the most vulnerable residents rely. This budget continues all our previous policies to support residents and also proposes new spending on care packages for disabled children and additional resources to help residents through the cost of living crisis.
Doing things with local residents, not to them	A significant proportion of services are delivered in partnership with local and national companies, and this will continue to promote all business sectors to the benefit of residents. In addition, there will be increased investment in the Industrial Strategy delivery and the development and promotion of the STEAM sector strategy.
Being ruthlessly financially efficient	The use of co-production across the council is embedded and all service matters are developed with the engagement of residents. The council is continuing the REAP Programme to

	improve residents' access to the services.
Taking pride in H&F	The budget proposals include significant investment in public realm services especially waste collection, street cleaning and open/park spaces. Our new waste contract includes provisions to tackle fly-tipping and collection of food waste.
Rising to the challenge of the climate and ecological emergency	The council has established a Climate Change team and the team has developed a Climate and Ecology strategy (and is making a significant contribution to the international and national policy debates). It is also securing grants from national programmes to help with improvements of the thermal efficiency of council properties and homes).

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## Background Papers Used in Preparing This Report

None.

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## DETAILED ANALYSIS

### The Budget Requirement and Gap

1. The gross General Fund budget<sup>1</sup> rolled forward from 2022/23 to 2023/24 is £539.6m of which a **net budget requirement of £166.6m** is funded from council resources (such as Council Tax and business rates) and general government grant.

**Table 1 – Budget rolled forward from 2022/23**

<b>2022/23 Budgeted Expenditure</b>	<b>£m</b>
Housing benefit payments	91.2
Social care and public health	118.1
Children's services	123.6
Economy	49.4
Environment (includes parking)	108.1
Corporate (Finance, Resources and council wide)	49.2

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

<b>Gross budgeted expenditure</b>	<b>539.6</b>
Less:	
Specific government grants (including housing benefits and dedicated schools grant)	(239.8)
Fees and charges	(68.0)
Contributions (e.g. health)	(47.0)
Other income (e.g. investment interest, rentals, and recharges)	(18.2)
<b>Budget requirement rolled forward from 2022/23</b>	<b>166.6</b>

2. The budget proposals for 2023/24, and forecast to 2026/27, are summarised in Table 2. A balanced budget is projected for 2023/24 based on several key assumptions regarding resources and expenditure.

**Table 2 – Budget summary**

	<b>2023/24</b>	<b>2024/25</b>	<b>2025/26</b>	<b>2026/27</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>
<b>Base budget</b>	<b>166.6</b>	<b>164.9</b>	<b>163.2</b>	<b>161.5</b>
Pay and price inflation	13.6	21.6	27.6	33.6
Additional pay inflation (on-going effect of award in 2022/23)	3.8	3.8	3.8	3.8
Additional investment in key services and priorities	10.7	16.7	22.7	28.7
Contribution to cost-of-Living support (one-off) / Council Tax support scheme	0.9	0	0	0
Increase in the net cost of borrowing	0.6	1.0	1.0	1.0
Concessionary fares demand	(2.2)	1.1	3.1	3.1
Recognition of current income projection	(2.0)	(2.0)	(2.0)	(2.0)
Income from investment of cash balances (one off in 23/24)	(5.0)	0	0	0
Employee budget management	(2.5)	(2.5)	(2.5)	(2.5)
Reversal of employers National Insurance Contributions (1.25%)	(1.3)	(1.3)	(1.3)	(1.3)
Efficiencies and Savings Proposals	(2.9)	(4.0)	(4.8)	(5.5)
Contribution to contingencies	5.3	5.3	5.3	5.3
<b>Gross budget requirement</b>	<b>185.6</b>	<b>204.7</b>	<b>216.2</b>	<b>225.8</b>
General grants	(53.0)	(54.1)	(54.7)	(55.2)
Locally retained business rates	(59.4)	(59.5)	(60.7)	(61.9)
Council Tax (4.99% increase in Year 1 assumed then freeze)	(73.3)	(73.9)	(74.6)	(75.2)
<b>Gross budget gap – cumulative</b>	<b>0.0</b>	<b>17.1</b>	<b>26.1</b>	<b>33.2</b>

## **Budget assumptions**

### **Inflation**

3. The Consumer Price Index (CPI) for October 2022 is 11.1%, its highest level for 40 years, in part due to the recovery from the pandemic, the impact of Brexit and recent global events such as the invasion of Ukraine. The Office of Budget Responsibility is forecasting inflation of 7.4% during 2023 which will impact both

Hammersmith and Fulham staff costs and suppliers. The 2023/24 budget includes a **£13.6m provision for inflation**. This allows for:

- Contract and external services inflation of £7.6m.
  - £6.0m provision for a 2023/24 pay award (this equates to a 5.0% pay award)
  - Beyond 2023/24, headroom of £8m per annum is modelled for future inflation in 2024/25 and a further £6m in 2025/26 and 2026/27.
4. The on-going impact of the pay award from April 2022 will cost £3.8m (this was funded from the one-off use of policy contingencies in 2022/23).
  5. In September 2022, a previously agreed 1.25% increase in employers' National Insurance Contributions was withdrawn by the Chancellor of the Exchequer, with effect from the 6th of November. The impact of this for the council is a reversal of the £1.3m set aside in the MTFS from 2023/24.
  6. A reduction of £2.5m is proposed on our employee spend (this is 2% of total estimated spend and represents about 40 posts). It is expected that this will be managed through natural turnover, management of recruitment and review of the use of agency staff. It is not expected that this will require any voluntary or compulsory redundancies.

### **Fees and Charges**

7. For **fees and charges** levied by the council, the inflation assumption is:
  - They are frozen for Adult Social Care, Children's Services and Housing in line with administration policy.
  - Commercial services that are charged on a for-profit basis, will be reviewed on an ongoing basis in response to market conditions and changed as appropriate, with due authorisations according to the Council constitution.
  - Parking charges and fines are to be set in line with transport policy objectives and not considered as part of the budget process.
  - A standard uplift of 10% is applied for other non-commercial and non-parking fees. The RPI indication for October 2022 was 14.2%.

There are no exceptions to these assumptions for this Committee.

### **Other Measures**

8. In addition, further short-term contributions of £2.2m are expected to arise from lower than budgeted contributions to the concessionary fares (freedom pass) scheme. This is due to the impact of passenger usage on public transport in response to the pandemic and changes to ways of working. This is not expected to continue beyond 2023/24 as demand is forecast to return to pre pandemic levels and fares increase.
9. A further one-off saving £5.0m relating to income from investing cash balances as favourable interest rates is assumed (cash balances are expected to be a minimum

of £250m during 2023/24 and lower than current levels of more than £300m). This income will be used to balance the budget in 2023/24 and is not expected to continue beyond 2023/24.

## **Government Grant Funding**

10. **General government grant funding** of £53.0m is forecast for 2023/24. This is an increase of £7.8m from 2022/23, however historically, government funding has reduced by £48m from 2010/11 to 2023/24, which represents in real terms a cut of 56%. £5.1m of the increase is not new money but compensation for the government decision not to increase business rates. The level of compensation is linked to the standard CPI rate of inflation. The Revenue Support Grant has increased by £2.2m.
11. No grant allocations are confirmed beyond 2023/24 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.
12. Ringfenced grants, which can only be used for a specific purpose, are currently forecast to have increased by £3.245m from 2022/23 to 2023/24. This forecast will be updated as further announcements are confirmed. It is assumed that such grants will have a neutral impact on the budget requirement as they will be matched against spend commitments, particularly given the current inflation risks.
13. The 'services grant' which was first allocated in 2022/23 has reduced by over 44% in 2023/24. For modelling purposes the future grant forecast assumes that the services grant will be reduced for future years also. The future of the new homes bonus grant scheme is also uncertain, and the council's allocation has reduced by 43% in 2023/24 compared to 2022/23 and by 77% compared to 2021/22.
14. As part of the LGFS, the government calculated that Hammersmith & Fulham spending power will increase by 9.5% in 2023/24. The government spending power calculation also assumes that authorities will increase Council Tax (including the adult social care precept) by 4.99% and that business rates collection is not adversely impacted by rating appeals or lower collection rates experienced during the Covid-19 pandemic. Taking these into account the Hammersmith & Fulham calculation is that spending power has increased by 2.5%

## **Council Tax**

15. The Council is proud to have the third lowest Council Tax in the country, and to have cut or frozen Council Tax in five of the last eight years. LBHF also has one of the most progressive Council Tax support schemes in the country, with almost half of residents not paying the full amount, and those least able to pay facing no charge at all.
16. The current major national fiscal conditions of high inflation and interest rates have made a Council Tax increase in 2023/24 unavoidable and a 2.99% increase in the LBHF element of Council Tax is proposed. This level of Council Tax increase

reflects the assumption that has been made by the government in the Autumn Statement on the 17 November by the Chancellor and assumed in the funding settlement for local authorities. The additional income will fund increasing costs and support investment in, and protect, key services for residents and strengthen future financial resilience. The increase is equivalent to £25 for 2023/24 (at Band D). The Council Tax charge for LBHF is the third lowest in the country and 35% below the London average charge.

17. The council is also proposing to levy a 2% adult social care precept (again in line with government funding assumptions). The increase is equivalent to £16 per annum for 2023/24 (at Band D) and will be used to support Adult Social Care services. The continued delay in the national review of the funding of adult social care is a major concern and the government is continuing with its strategy of using an adult social care precept (since 2016/17). In the first years of the levy, the council were determined not to apply the levy despite the fact the council's funding from the government was modelled on the assumption that it would. Due to the continued high levels of inflation and instability in the social care market, the impact of the Covid-19 pandemic and the government's continued failure to propose a long-term funding solution to social care funding, the council accepted the need for a 3% adult social care levy for 2021/22 but it was not applied in 2022/23.
18. As set out in table 4 below, it is estimated that 47% of residents will not be required to pay the full increase (as they will be supported through the single person household discounts, Council Tax support and exemptions).
19. 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 and 2022/23. A 97% collection rate is modelled for 2023/24. For years beyond 2023/24 a tax freeze is modelled with the tax base increasing in line with trend data for increases in dwelling numbers.

**Table 4: Liability for Council Tax at October 2022**

Total dwellings in the borough	93,165
Reductions:	
Exemptions (mainly students, includes care leavers and vacant properties)	(3,871)
Council Tax support claimants (elderly & working age on low income)	(10,143)
Single person discount (25% discount)	(29,505)
<b>Dwellings liable for 100% of Council Tax</b>	49,646
	53%

### **Business Rates**

20. The current estimate for business rates assumes that the business rates income will be the minimum guaranteed within the business rates retention system (the safety net threshold). The government have confirmed that they will compensate local authorities for all changes they make to the business rates system.

21. The forecast assumes that LBHF will receive the minimum amount guaranteed, the safety net threshold, by government. This is £59.4m for 2023/24. For years beyond 2023/24 a 2% inflationary increase to the safety net is modelled.
22. As part of the Autumn Statement the Chancellor of the Exchequer announced that a new temporary 50% business rates relief will apply for eligible retail, hospitality and leisure properties. 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 2023/24 (no increase in line with the multiplier). Local authorities will be compensated by the government for the resultant loss of income from these measures.

### Investment, savings and risks

23. 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. This PAC are also invited to comment on the wider budget proposals for all council departments. To assist this process a supplementary analysis of trend and cost data is provided in Appendix 4. This identifies:

- Investment, savings and inflation as a percentage of departmental budgets.
- A summary of the current year projection
- Trend unit cost data in key service areas.

### Investment

24. Additional investment of £10.7m is being provided following budget setting and review process. The investment proposals for this PAC are set out in Appendix 1 to this report and summarised in Tables 5 and 6.

**Table 5: 2023/24 Investment Proposals**

Proposal	£'m
Social Care (including hospital discharge and demographic growth)	4.1
Waste collection (fly tipping and food waste)	1.7
Free breakfasts (and extension for secondary schools)/Out of term support	1.7
Homelessness services (temporary accommodation)	0.9
Disabled children care packages/Care leavers and family hubs	0.5
Other policy priorities	1.3
Other unavoidable pressures (loss of advertising income, audit fees)	0.5
	<b>10.7</b>

**Table 6: Categorisation of investment proposals**

<b>Analysis of Investment</b>	<b>£m</b>
Increase in demand / demographic growth	6.9
Resident priority	2.4
Budget pressure	1.0
Government related/Other Public Bodies	0.4
<b>Total</b>	<b>10.7</b>

25. A provision of £0.9m has been set aside to support residents on the cost-of-living pressures and to consider further developing the Council Tax support scheme for those least able to afford Council Tax.

### **Savings and Income Generation**

26. 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 been able to find these. In the future, the council must consider all available options to operate within the funding available to it.
27. The proposed savings (including additional income) for 2023/24 are set out in Table 7. The savings proposals for this PAC are set out in Appendix 1 to this report.

**Table 7: 2023/24 firm savings and additional income**

<b>Proposal</b>	<b>£m</b>
Improving commissioning of children's services	(0.7)
Greater use of digital technologies to improve support and services in social care (e.g. timely return of equipment)	(0.5)
Working with NHS to improve hospital discharge and independent living)	(0.4)
Resident Engagement and Access Programme	(0.2)
Lower waste tonnages (impact of awareness programmes)	(0.2)
Joint commissioning of extra care services	(0.2)
Other (mainly social care procurement, Direct Payments)	(0.7)
<b>Total savings</b>	<b>(2.9)</b>

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

**Table 8: Categorisation of 2023/24 savings**

<b>Savings categories</b>	<b>£m</b>
Commercialisation / income	(0.1)
Procurement / commissioning	(0.9)
Service reconfiguration	(1.5)
Service rationalisation/budget reduced in line with spend	(0.2)
Prevention	(0.2)
<b>Total savings</b>	<b>(2.9)</b>

**Risk and financial resilience**

29. An updated reserves strategy and action plan will be included within the suite of finance reports presented to Budget Council.
30. The current reserves forecast is set out in Table 9 and models overall general fund reserves and balances to £76.1m by 2027/28. This assumes a balanced budget is set each year with no further call on reserves.

**Table 9 – Reserves and general balances - cash flow forecast to 2027/28**

	<b>April 2023 £m</b>	<b>April 2024 £m</b>	<b>April 2025 £m</b>	<b>April 2026 £m</b>	<b>April 2027 £m</b>
<b>Opening Balances</b>					
General balance (recommended range £19m - £25m)	23.3	23.3	23.3	23.3	23.3
Earmarked reserves – unrestricted	41.7	40.7	43.2	43.2	43.2
Earmarked reserves – restricted	7.5	7.5	7.5	7.5	7.5
<b>Sub-total</b>	<b>72.5</b>	<b>71.5</b>	<b>74.0</b>	<b>74.0</b>	<b>74.0</b>
Covid related	2.3	2.1	2.1	2.1	2.1
<b>Total</b>	<b>74.8</b>	<b>73.6</b>	<b>76.1</b>	<b>76.1</b>	<b>76.1</b>
<i>Developer contributions</i>	46.0				

31. 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 over recent years, including Thurrock, 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 £23.3m at the start of 2023/24 which represents 4.3% (equivalent to 16 days spend) of the Council's gross spend of £539.6m. The Director of Finance has recommended that the optimal range for the general balance is between £19m and £25m.

## Key Risks

32. The key financial risks that face the Council have been identified and are set out below:
- The Covid-19 recovery and addressing pent-up demand
  - An upturn in inflation post Brexit and Covid-19
  - Higher pay inflation particularly given current labour shortages
  - The stabilisation and restoration of Hammersmith Bridge, with the Council incurring revenue and capital costs at risk until government funding is confirmed
  - 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.
33. 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 Director of Finance and the Director of Resources on the budget proposals

### Budget Summary

34. Corporate services are proposing a net budget before capital and corporately managed budgets of £25.654m. Within the departments there are many services which support frontline Council business. As such £17.908m of the budget is expected to be recovered as corporately controlled income (Table 10).

**Table 10 – Corporate budgets 2023/24**

Directorate	Expenditure £000's	Income £000's	Net £000's
Digital Services	12,640	0	12,640
Democratic, Registration & Coroner's Services	4,976	-2,366	2,609
Finance	3,802	-442	3,361
Transformation, Talent and Inclusion	2,742	-277	2,464
Legal Services	2,704	-2,992	-289
Managed Services	2,132	0	2,132
Assurance, Programmes & Analytics	1,449	-15	1,433
Audit, Fraud, Risk and Insurance	1,128	-43	1,086
Comms and Communities	834	-60	774
Procurement and Commercial	698	-2,423	-1,725
Corporate Services	832	0	832
Members Support	336	0	336
<b>Total budget before capital and corporately Managed budgets</b>	<b>34,272</b>	<b>-8,618</b>	<b>25,654</b>
Corporately managed budgets <sup>2</sup>	4,856	-23,440	-18,584
Capital charges	676	0	676
<b>Total capital and corporately managed budgets</b>	<b>5,532</b>	<b>-23,440</b>	<b>-17,908</b>
<b>Total corporate budgets</b>	<b>39,804</b>	<b>-32,058</b>	<b>7,746</b>

### Work over the past year

35. The work over the past year in corporate services include the Hello Hybrid Future programme which is successfully transforming the way we work to better meet the needs of our residents.

<sup>2</sup> Corporately managed budgets include recharged income budgets for the distribution of corporate service costs to departments across the Council. Here they are shown as below the line service level agreement expenditure budgets to report the full cost of delivery in each front-line service

36. The restructure of the finance team was completed to deliver £0.450m of savings, embrace business intelligence developments to improve insights and productivity, and better align to and support services.
37. Corporate services provide a business intelligence team that continues to innovate and develop new products to improve use of data across the council as well as an elections service that delivered successfully and within budget. Furthermore, digital services have enabled the transformation in the way we work and the storage and safekeeping of our data within budget.
38. Through work in transformation, talent and inclusion, the council currently have 41 apprentices providing job opportunities with an accompanying assessment and skills development programme, as well as over 60 internal employees completing apprenticeships.

### **Savings and Investments**

39. Corporate is proposing savings of £0.020m in 2023/24 which is from a review of the current civic services operating model. Further pipeline savings are in development with £0.400m to be firmed up for delivery in 2024/25.
40. Investment of £0.691m is proposed for 2023/24. Included is funding to increase the budget for audit fees, democratic and governance costs, counter-fraud resources, and to realign the digital advertising income budgets following a post pandemic reduction in income

### **Future plans, risks and opportunities**

41. Digital advertising budgets have a £2.400m income target which generates income used to fund front line service priorities. This income has been affected by Covid restrictions and contracted site rental values are under pressure. Council officers are negotiating to re-let sites where contracts have expired and are exploring new opportunities to increase income.
42. There is a £2.100m budget in corporate services for the Managed services partnership. The budget covers the core Integrated Business Centre (IBC) services plus on-going system development, system licences as well as variable direct charges such as those for advertising and recruitment. This is being reviewed and opportunities for savings explored.
43. The digital services budget for IT systems, applications, storage, and support contracts is £7.500m. Inflation will be a key risk and cost increases will need to be kept to a minimum. The service will commence 'Tech-tonic 2', a project for a modern desktop service and device refresh and complete projects to migrate to a cloud-based hosting platform.

## **Equality Implications**

A draft Equality Impact Analysis (EIA), which assesses the impacts on equality of the main items in the budget proposals relevant to this PAC, is attached as Appendix 3. A final EIA will be reported to Budget Council in February 2023.

## **LIST OF APPENDICES**

Appendix 1 – Savings and investment proposals

Appendix 2 – Risks

Appendix 3 – Draft Equality Impact Assessment

Appendix 4 – Trend data

Social Care

Change and Savings Proposals				Budget Change			
Ref Nos	Service	Title & Theme	Summary	2023-24 Budget Change Cumulative (£000's)	2024-25 Budget Change Cumulative (£000's)	2025-26 Budget Change Cumulative (£000's)	2026-27 Budget Change Cumulative (£000's)
1	Independent living, Quality, Performance and Safeguarding	Commissioning market opportunities	Review care costs with NHS as people with very high needs are discharged from hospital.	(150)	(200)	(250)	(350)
2	Independent living, Quality, Performance and Safeguarding	Continuous improvement of services	Model to further support independent living	(250)	(400)	(600)	(600)
3	Independent living, Quality, Performance and Safeguarding	Continuous improvement of services	Further Increased take-up of Direct Payments for choice and control for residents and increasing wellbeing	(200)	(400)	(600)	(800)
4	Specialist Support and Independent Living	Continuous improvement of services	Joint commissioning steering group with The Economy department on implementing the disabled people's housing strategy and reducing voids. This will be done through reviewing the extra care available for residents, ensuring new builds are co-produced with disabled residents and make good housing voids	(200)	(400)	(400)	(600)
5	Independent living, Quality, Performance and Safeguarding	Continuous improvement of Services	Maximising adaptations in people's homes through use of Disabled Facilities Grant. This increases a person's independence and reduces the need for longer-term care, as appropriate.	(50)	(100)	(200)	(250)
6	Independent living, Quality, Performance and Safeguarding	Continuous improvement of services	Reviews of care support for people with a sensory disability encouraging the use of equipment, as appropriate, to increase a person's independence.	(50)	(150)	(200)	(250)
7	All Divisions	Improve access to and support provided from our front door	Improved support and information for residents and make better use of digital technologies (such as care cubed, use of resident portal, timely return of equipment) and review of Joint equipment low item ordering	(500)	(750)	(950)	(1,050)
8	Commissioning	Commissioning Market Opportunities	Smarter procurement for better outcomes for carers and review of supporting people services	(70)	(70)	(70)	(70)
9	Commissioning	Commissioning Market Opportunities	Renegotiate Nursing care home contract- subject to more work with Department of Health and Social Care	0	(100)	(100)	(100)
10	Public Health	Reframe and redesign services	Delivery of agreed savings on 0-19 Public Health Nursing. Savings from year 2 through procurement of new health visiting and school nursing contract. Service quality has remained the same with savings achieved through improved service through procurement and contract monitoring.	(60)	(60)	(60)	(60)
11	Public Health	Reframe and redesign services	Re-tendering of Substance Misuse and Drugs contracts with efficiencies in commissioning and contracting with a plan to reduce overheads and to modernise in line with clinical standards.	(50)	(50)	(50)	(50)
12	Public Health	Reframe and redesign services	Review of community champion contracts and redesign into an outreach model	(50)	(50)	(50)	(50)
13	Public Health	Reframe and redesign services	Adult Weight Management - Targeted Operating Model working to improve the leisure offer for residents and linking with the Council's food strategy	(40)	(40)	(40)	(40)
<b>Total Change and Savings Proposals</b>				<b>(1,670)</b>	<b>(2,770)</b>	<b>(3,570)</b>	<b>(4,270)</b>
Investment and Covid Recovery				Budget Change			
Ref Nos	Service	Title & Theme	Summary	2023-24 Budget Change Cumulative (£000's)	2024-25 Budget Change Cumulative (£000's)	2025-26 Budget Change Cumulative (£000's)	2026-27 Budget Change Cumulative (£000's)
1	Public Health	Re-Investment	Reinvestment into Long Acting Reversible Contraception (LARC). Current tariff is making it unsustainable for GPs to carry out this essential work, creating a postcode lottery for women in the borough. Need for higher tariff and investment in ongoing training and accreditation.	50	50	50	50
2	Quality, Safety & performance and Learning Disabilities, Mental Health and In-House	Demographic growth	The social care budget is under severe pressure due to demand from hospital discharges with a 40% increase in support at home, greater acuity of need, an ageing population and increasingly complex needs resulting from specialist services. For H&F demographic pressures relating to the increased numbers of older and disabled people requiring social care is forecast to be an average of 2.07% over the period 2022 to 2027 and equates in monetary terms to a cumulative total of £5.967m	1,397	2,831	4,368	5,967

Investment and Savings

3	Specialist Support and Independent Living	Hospital discharge & Learning Disability Transitions	As part of the Hospital Discharge to Access policy, there are greater number of residents discharged and increasing acuity of need, putting pressure on the social care budget. Additional funding is required for the LD budgets to fund the increasing number of disabled young people transitioning into adult services. We have estimated that there are likely to be 65 more young people by 2026/27 creating a cost pressure on an already overspending budget	2,705	2,878	3,007	3,115
<b>Total Investment and Covid Recovery</b>				<b>4,152</b>	<b>5,759</b>	<b>7,425</b>	<b>9,132</b>

## Children's Services and Education

Change and Savings Proposals				Budget Change			
Ref Nos	Service	Title & Theme	Summary	2023-24 Budget Change Cumulative (£000's)	2024-25 Budget Change Cumulative (£000's)	2025-26 Budget Change Cumulative (£000's)	2026-27 Budget Change Cumulative (£000's)
1	Early Intervention Services Children and Young Peoples Services and Education Services	Early Intervention Services Review	A single commissioning process to ensure families receive the right service at the right time; to intervene early and prevent escalation.	(700)	(700)	(700)	(700)
<b>Total Change and Savings Proposals</b>				<b>(700)</b>	<b>(700)</b>	<b>(700)</b>	<b>(700)</b>
Investment and Covid Recovery				Budget Change			
Ref Nos	Service	Title & Theme	Summary	2023-24 Budget Change Cumulative (£000's)	2024-25 Budget Change Cumulative (£000's)	2025-26 Budget Change Cumulative (£000's)	2026-27 Budget Change Cumulative (£000's)
1	Education - Children with Disability	Health contributions to Disabled Children's Care Packages	Likely expected impact from NHS standardising funding contributions across local authorities in the sector.	350	350	350	350
2	Children and Young Peoples Services	Care Leavers Hub	Critical Investment into services for corporate parenting	77	77	77	77
3	Education	Performance and Quality Assurance	Longer term funding required to support key services to achieve a successful SEND Ofsted inspection. Key areas to focus on include, quality assurance, development of data infrastructure and longer term support for key teams such as the EHCP team and school improvement	250	250	250	250
4	Children's Services and Education	Free breakfasts in all primary Schools	Protect the borough's free breakfasts in all primary schools	450	450	450	450
5	Children's Services and Education	Free school lunches	Maintain free lunches in the schools we operate the scheme in.	100	100	100	100
6	Children's Services and Education	Feeding children during school holidays	Do even more to feed children who need support outside of school term time, making sure they get two good, nutritious meals a day	1,200	1,800	1,800	1,800
4	Education	Education inequalities	Tracking of delivery required through a nuanced role to encourage positive engagement from schools.	25	25	25	25
8	Education	Digital exclusion - Extension of existing schemes in schools	Co-produce a Digital Inclusion strategy for H&F schools	25	25	25	25
9	Children and Young Peoples Services	Family hubs	Develop family hubs to make it simpler for families to access a wide range of council services.	60	250	250	250
10	Children and Young Peoples Services	Twinned municipalities	Act with our twinned municipalities to enrich and improve the lives of our residents by: Developing programmes for children and young people to share in sport competitions and artistic and cultural projects, and cooperating around youth mayors, youth parliaments and other democratic initiatives.	60	60	60	60
<b>Total Investment and Covid Recovery</b>				<b>2,597</b>	<b>3,387</b>	<b>3,387</b>	<b>3,387</b>

## Corporate (Finance, Resources, Council Wide)

Change and Savings Proposals				Budget Change			
Ref Nos	Service	Title & Theme	Summary	2023-24 Budget Change Cumulative (£000's)	2024-25 Budget Change Cumulative (£000's)	2025-26 Budget Change Cumulative (£000's)	2026-27 Budget Change Cumulative (£000's)
1	Civic Services	Review of current operating model	Realign services to provide greater efficiencies and support for member responsibilities	(20)	(20)	(20)	(20)
<b>Total Change and Savings Proposals</b>				<b>(20)</b>	<b>(20)</b>	<b>(20)</b>	<b>(20)</b>

Investment and Covid Recovery				Budget Change			
Ref Nos	Service	Title & Theme	Summary	2023-24 Budget Change Cumulative (£000's)	2024-25 Budget Change Cumulative (£000's)	2025-26 Budget Change Cumulative (£000's)	2026-27 Budget Change Cumulative (£000's)
1	Commercial services	Advertising revenues - digital advertising	Realignment of income target regarding underlying income shortfall following the pandemic	205	205	205	205
2	Corporate and Democratic Core	Audit Fees	Expected increases in Audit fees as advised by the Public Sector Audit Appointments body. Increase on 2022/23 fees of 150% predicted.	300	300	300	300
3	Democratic Services	Democratic and Governance costs	Additional corporate democratic and core costs	106	106	106	106
4	Shared Service Corporate Anti-Fraud Service	NFI London Counter Fraud Hub	The Hub brings together datasets from across London to prevent and detect fraud.	25	25	25	25
5	Shared Service Corporate Anti-Fraud Service	Increased fraud capacity to better tackle tenancy fraud	Increase the counter-fraud resources to better tackle tenancy fraud by recovering a greater number of misused affordable housing units - tougher stance on crime	55	55	55	55
<b>Total Investment and Covid Recovery</b>				<b>691</b>	<b>691</b>	<b>691</b>	<b>691</b>

## The Environment Department

Change and Savings Proposals				Budget Change			
Ref Nos	Service	Title & Theme	Summary	2023-24 Budget Change Cumulative (£000's)	2024-25 Budget Change Cumulative (£000's)	2025-26 Budget Change Cumulative (£000's)	2026-27 Budget Change Cumulative (£000's)
1	Resident Experience and Access	Improved resident experience and access through increased use of technology	Continuation of the Resident Experience and Access Programme, driving further improvements in Council Tax, Housing Benefits, Accessible Transport and the Contact Centre.	(237)	(237)	(237)	(237)
2	Street Environment Services	Reduce waste disposal tonnages	Sustained reductions in waste disposal tonnages, for both general waste and recycling.	(150)	(150)	(150)	(150)
3	Environment Department	Review non-resident fees and charges	Increases in fees and charges that do not affect residents.	(133)	(133)	(133)	(133)
<b>Total Change and Savings Proposals</b>				<b>(520)</b>	<b>(520)</b>	<b>(520)</b>	<b>(520)</b>

Investment and Covid Recovery				Budget Change			
Ref Nos	Service	Title & Theme	Summary	2023-24 Budget Change Cumulative (£000's)	2024-25 Budget Change Cumulative (£000's)	2025-26 Budget Change Cumulative (£000's)	2026-27 Budget Change Cumulative (£000's)
1	Street Environment Services	Enhanced waste management and street cleansing	New investment to provide additional services (such as food waste collection), to reflect the increased number of properties in the borough, and to maintain current collection services in light of increasing operational costs.	1,700	1,700	1,700	1,700
<b>Total Investment and Covid Recovery</b>				<b>1,700</b>	<b>1,700</b>	<b>1,700</b>	<b>1,700</b>

## The Economy Department

Change and Savings Proposals				Budget Change			
Ref Nos	Service	Title & Theme	Summary	2023-24 Budget Change Cumulative (£000's)	2024-25 Budget Change Cumulative (£000's)	2025-26 Budget Change Cumulative (£000's)	2026-27 Budget Change Cumulative (£000's)
	Economic Development Learning & Skills	Review of General Fund and use of Section 106	Review of the staffing budgets charged to the General Fund.	(14)	(14)	(14)	(14)
<b>Total Change and Savings Proposals</b>				<b>(14)</b>	<b>(14)</b>	<b>(14)</b>	<b>(14)</b>

Investment and Covid Recovery				Budget Change			
Ref Nos	Service	Title & Theme	Summary	2023-24 Budget Change Cumulative (£000's)	2024-25 Budget Change Cumulative (£000's)	2025-26 Budget Change Cumulative (£000's)	2026-27 Budget Change Cumulative (£000's)
1	Housing Solutions	Increase in Temporary Accommodation client numbers	An increase in homeless presentations combined with a reduction in supply of rehousing solutions is resulting in additional client numbers in temporary accommodation.	939	939	939	939
2	Economic Development Learning & Skills	Industrial Strategy Delivery	Specialist and sectorial expertise to support development of the Strategy, content, design, marketing, engagement etc	125	100	75	75
3	Economic Development Learning & Skills	STEAM	Specialist consultancy support for the development of STEAM sector strategies and their promotion	40	15	15	15
4	Planning	Town Centre Strategies & Mgt Plans	Manifesto commitment to support changing role and vitality of town centres - specialist support for co-production of strategies and action plans for 3 main centres and 7-10 local centres	95	95	95	95
5	Planning	Climate Change SPD	Specialist support (Graphics and IT) to provide practical illustrations of positive interventions e.g PVs, Air source heat pumps, insulations etc for annotation of the SPD & webpages	161	161	161	161
6	Planning	Property Transformation Team	Investment to align budget with spend	151	151	151	151
<b>Total Investment and Covid Recovery</b>				<b>1,511</b>	<b>1,461</b>	<b>1,436</b>	<b>1,436</b>

**Children's Services Risk/Challenges**

Department & Division	Short Description of Risk	Mitigation
<b>Children's Services</b>		
Children and Young Peoples Services	Increased demand as a result of the service being needs led	Targeting of earlier intervention through use of family group conferences, involvement of Family Assist services and monitoring of trends
Children and Young Peoples Services	Greater demand on services as more families experience prolonged duress and the impact of economic downturn due to the pandemic	Undertaking risk assessments and monitoring.
Education	Travel Care is determined by the needs of children with SEND and the extent to school placements are made out of borough and at a considerable distance from the child's home. Demand for Travel Care continues to rise.	The SEN Sufficiency Review commissioned for early 2022/23 will identify further opportunities for local SEN educational provision and inform how local provision can be developed in order to increase the number of children with SEN being able to access both local mainstream and special school places.
All Children's and Education Services	Contractual and Statutory inflation more than budgeted	Seek to minimise inflationary uplifts as far as possible, noting these are often legally enforceable contract clauses. Set aside corporate inflationary contingency
<b>Children's Services Total</b>		

**Social Care Risks/ Challenges**

Department & Division	Short Description of Risk	Mitigation
<b>Social Care</b>		
All divisions	Cost of Living - Current retail price index (RPI) are 14% and consumer price index (CPI) is 9.3% (Both November 2022) and the Office of Budget Responsibility is anticipating RPI to be 9.1% and CPI to be 7.4% in 2023. Inflation has been assumed for 23/24 at 5% and if Social Care providers are settled at 10% (including London Living Wage increases) there will be a cost pressure of £3.4m.	Commissioning and Finance will assess each individual provider request for additional uplift and present any variation after assessment. The department has submitted the workings through the Fair Cost of Care exercise as part of the remaining Social Care Reforms. Any inflationary increases will be as part of moving towards this rate (subject to budget availability) and a new ringfenced market sustainability grant will assist support funding of the settlement.
All divisions	Support at home (Homecare) procurement of new service contract model.	Outcome to be known as part of procurement exercise. As part of the social care reforms, there is a fair cost of care exercise has been undertaken and initial indications suggest the hourly home care rate is likely to be higher than the current assumed modelling for the home care procurement exercise (subject to budget availability).
All divisions	The local policy is for the direct payment rate to be consistent with the Home Care hourly rate (spot market.) As the Home Care rate is to be re-procured there is a likelihood that the direct payment hourly rate will also increase	Outcome to be known as part of procurement exercise.
Learning Disability	Additional funding is required for the LD budgets to fund the increasing number of disabled young people transitioning into adult services. We have estimated that there are likely to be 63 more young people by 2026/27 creating a cost pressure on an already overspending budget.	Regular and robust review of residents' care is needed to ensure that care plans accurately reflect current assessed care needs.
All divisions	Social Care Reform - Impact of income tariff changes by raising the upper capital limit from £23,350 to £100,000 and the lower capital limit from £14,250 to £20,000. Means capping will be a proposed introduction of an £86,000 cap on personal care costs from October '25. (In LBHF this will be for residents who receive residential and nursing care services in care homes)	Local authorities to lobby for additional funding for the Social Care income related reforms.
All divisions	Covid-19 impact on mental health services, isolation, increasing drugs and alcohol and obesity will place further pressure on adult social care budget. Further modelling will be undertaken to estimate the financial risks involved.	Tight monitoring of the budget on a monthly basis, reprioritising and changing support as appropriate and as required.
<b>Social Care Total</b>		

**The Environment Department Risk/Challenges**

<b>Department &amp; Division</b>	<b>Short Description of Risk</b>	<b>Mitigation</b>
<b>Environment</b>		
Climate Change	Significant funding requirements for addressing the Climate and Ecological Emergency and achieving the Council's net zero carbon target by 2030	Financial strategy being developed to ascertain level of required investment and funding options
Highways	Hammersmith Bridge works are being undertaken at risk, pending confirmation of funding contributions from the Department for Transport and Transport for London	Continue to work with the Department for Transport and Transport for London
Street Environment Services	Provisional waste collection services are not yet agreed as part of the new contract (these are required to meet the Council's targeted 40% recycling rate)	Impact of waste collection prototypes being assessed. Expected to deliver longer term reductions in waste disposal tonnages and costs.
All divisions	Significant national inflationary pressures impacting on service spend and current service contracts (such as rising energy, fuel and materials costs)	Continue to work with service contractors to manage within existing budgets
All divisions	Potential national public finance pressures impacting specific grant funded services (such as Transport for London funded highways projects)	Plan for projects that can be scaled to match funding as far as possible
All divisions	Continued pressure on service demand and income due to the cost of living crisis	Continue to signpost residents to cost of living support. Closely monitor income performance, taking remedial action in year as required
All divisions	Ongoing pressure and challenges to secure funding for the Corporate Business Plan objectives	Continue to explore funding opportunities, both internally and externally to the council. Manage within existing resources as far as possible
<b>The Environment Department Total</b>		-

**Finance and Resources Risk/Challenges**

Department & Division	Short Description of Risk	Mitigation
<b>Corporate</b>		
Council wide	Contract and pay inflation in excess of current budget assumptions	
<b>Corporate Total</b>		

## Draft Equalities Impact Assessment (EIA) 2023/24

### Social Care Savings Proposals

#### **Review care costs with NHS as people with very high needs are discharged from hospital – savings proposal of £0.150m**

This proposal should have a **positive** impact on groups that share protected characteristics as ensuring that the discharge of patients to the community, where appropriate, is assisting with a person's independent living. Adult Social Care will negotiate and enter disputes within existing escalation governance Adult Social Care is not bearing NHS costs and operating 'ultra vires'.

#### **Model to further support independent living - savings proposal of £0.250m**

It is believed that this proposal has a **positive** impact on groups that share protected characteristics as the service re-design to promote independent living through implementing therapeutic and strength-based intervention when assessing, care planning and promoting direct payments. This will primarily operate at the 'front door' of Adult Social Care and will be championed by the outstanding Reablement Team

#### **Further increased take-up of Direct Payments for choice and control for residents and increasing wellbeing – savings proposal of £0.200m**

It is believed that this proposal has a **positive** impact on groups that share protected characteristics as Direct Payments (DPs) are key enablers for Independent Living giving people choice and control over how they meet their assessed needs. The approach to DPs in H&F has been co-produced with residents in line with recommendations of the Disabled People's Commission (2017) and an independent review of DPs in H&F (2018).

#### **Joint commissioning steering group with Economy department on implementing the Disabled People's Housing Strategy and reducing voids. This will be done through reviewing the Extra Care available for residents, ensuring new builds are co-produced with disabled residents and make good Housing Voids – savings proposal of £0.200m**

This proposal should have a **positive** impact on groups that share protected characteristics as a commissioning group has been established to focus on residents with Learning Disabilities, Mental Health issues, those transitioning from Children's Services to Adult Services and those with Autism. This group is aligned to the H&F Health and Care Partnership Campaign on Mental Health and associated Council governance (Children's Board and SEND Delivery Group) to avoid duplication and maximise pace.

The work of the Housing and Independent Living Workstream is not only focused on expanding our local offer of supported housing but also exploring how we can utilise voids, bring existing buildings back into use, maximise section 106 arrangements, explore Shared Lives and ensure that commissioning and procurement negotiations support all residents into independence within our borough.

**Maximising adaptations in people's homes through use of Disabled Facilities Grant. This increases a person's independence and reduces the need for longer-term care, as appropriate – savings proposal of £0.050m.**

It is believed that this proposal has a **positive** impact on groups that share protected characteristics as it will enable residents to be independent through the provision of adaptations in the home and manages safety in carry out activities of daily living.

**Reviews of care support for people with a Sensory Disability encouraging the use of equipment, as appropriate, to increase a person's independence – savings proposal of £0.050m**

This proposal should have a **positive** impact on groups that share protected characteristics by engaging community stakeholders to better support residents with sensory needs as part of integrated working. This will be through community equipment or accessing services and support which mitigate against an over-reliance on traditional models of 'care', promote independence and give residents choice and control over their lives.

**Improved support and information for residents and make better use of digital technologies (such as care cubed, use of resident portal, timely return of equipment) and review of Joint Equipment low item ordering – savings proposal of £0.500m**

It is believed that this proposal has a **positive** impact on groups that share protected characteristics by adopting the processes and introducing new digital capabilities to deliver a new, modern digitally capable adult social care system. This will further promote independence and give people greater control over their lives. This will enable service enhancements, cost reduction and improved demand management by:

- Establishing cross-cutting digital solutions for staff, residents and partners aligning to innovation across Health and Social Care
- Implement technical solutions identified and co-designed with services and residents which support the realisation of benefits for whole-system change
- Build on and maximise innovation of local, regional and national partners and trailblaze innovation at a local level
- Exploiting opportunities to join-up data, scale solutions and improve sustainability of services. This will be enabled by developing a number of the

capabilities and dimensions of a digital Council; online/web, automation/Artificial Intelligence/Robotics including Care-bots, information and insights from data and analytics, tech/app enabled new business, tech-enabled services for residents, social media platforms and content

- Workforce development framework to support new ways of working and training for competent and confident social care workforce
- Digital access and training programmes available for residents including digital hubs supporting community access and innovation.

### **Smarter procurement for better outcomes for carers and review of supporting people services – savings proposal of £0.070m**

It is believed that this proposal has a **neutral** impact on groups that share protected characteristics for the following reasons:

Working with corporate procurement colleagues and incorporating core values around climate change.

Co-producing the design of all new services, including the Carers Strategy, informed by the Survey of Adult Carers in England (SACE).

### **Social Care Investment Proposals**

Throughout the 2023/24 MTFS process, the department has presented evidence-based Adults Social Care (ASC) demand and demographic pressures of £4.1m. This proposed funding will have a **positive** impact for residents requiring assessed needs with physical support, learning disability and mental health needs and their carers as there is additional funding to meet the new care needs.

### **Demographic growth – investment proposal of £1.397m**

The Social Care budget is under severe pressure due to greater demand with a 40% increase in support at home, greater acuity of need, an ageing population and increasingly complex needs resulting from specialist services.

As residents age their needs become more complex or their informal care arrangements often break down, as unpaid carers can no longer support their relatives and friends.

These demographic pressures need to be factored into ASC service plans, as they represent a clear cost pressure that will impact on services. Whilst the numbers receiving support from Council may not increase significantly, the cost of care packages will increase reflecting more complex needs, including supporting individual in their own homes. For Hammersmith & Fulham demographic pressures relating to the increased numbers of older and disabled residents requiring social

care is forecast to be an average increase of 2.07% over the period 2023 to 2027 and equates in monetary terms to a cumulative total of £5.9m.

### **Hospital discharge & Learning Disability (LD) Transitions – investment proposal of £2.705m**

Following Covid, the Government decided that any patients discharged from hospital whose discharge support package has been paid for by the NHS will need to be assessed and moved to core NHS, ASC or self-funding arrangements. Therefore, ASC has seen and will continue to see a high number of residents that are discharges made from hospital into health settings and be reassessed into the social care market. Currently, there are 73 of these new placements. Numbers are likely to continue to increase, which will add to the budget pressures in ASC.

The financial consequences are likely to be more significant in 2023/24 estimated at £2.549m as we will have the full year cost of residents that are assessed and transferred to LBHF. Growth received for 2022/23 to cover the hospital discharge additional costs was one off only, but this was not enough to cover cost pressures, as Covid lasted much longer than anyone first thought it would.

Additional funding is required for the LD budget to fund the increasing number of children with special educational needs and disabilities (SEND) transitioning into ASC and particularly those with more complex needs. Children with SEND transfer to ASC without any budget provision, so they create a cost pressure on an already overspending budget.

There are several factors causing cost pressures in LD, which include:

- Increasing volume of children with SEND transitioning into adult services, reflecting the fact that more children with complex disabilities live to become adults
- Increasing acuity of need
- People with LD now have a life expectancy which is not particularly shorter than the general population
- As people with LD age, so does the age of their parents, who may no longer be able to provide the care and support they used to, which results in increased demand for support from ASC
- Increasing numbers of care packages/direct payments against LD budget for those not meeting eligibility for LD, but who have assessed needs under the Care Act 2014, we have a growth in the number of young people with a diagnosis of autism.

For 2023/24 the estimated pressure is £0.156m for new LD residents to be assessed for social care.

### **Public Health Savings Proposals**

**Savings from year 2 through procurement of new 0-19 Public Health visiting and school nursing contract. Service quality has remained the same with**

### **savings achieved through improved service through procurement and contract monitoring – saving proposal of £0.060m**

It is believed that this proposal has a **positive** on groups that share protected characteristics for the following reasons:

The reduction in contract value has not resulted in a reduction in the service offer and all services offered previously have been continued in the new contract.

The new contract offers areas of enhanced delivery such as the Maternal Early Childhood Sustained Home- visiting (MECSH) programme. MECSH operates under a license agreement and provides prevention and early intervention for vulnerable families and their children. MESCH offers a structured program of sustained nurse home visiting for families at risk of poorer maternal and child health and development outcomes of families with children aged 0-2. It is offered as part of the integrated 0-5 health visiting offer.

### **Re-tendering of Substance Misuse and Drugs contracts with efficiencies in commissioning and contracting with a plan to reduce overheads and to modernise in line with clinical standards – savings proposal of £0.050m**

It is believed that this proposal has a **neutral** impact on groups that share protected characteristics for the following reasons:

- Savings are being made through efficiencies in the number of contracts rather than reductions in front line services.
- A service specification has been produced that maintains and enhances the current levels of outcomes and KPIs and those with protected characteristics will not be affected.

### **Review of community champion contracts and redesign into an outreach model – savings proposal of £0.050m**

It is believed that this proposal has a **positive** impact on groups that share protected characteristics for the following reasons:

The savings will not create a reduction in service delivery. The community champions seven services will end in March 23. However, the services are also being reviewed and subsequent redesign of the programme will ensure that there is an up-to-date model that is fit for purpose. No protective characteristics will be affected, and the model of delivery will continue to focus on the improved health and wellbeing of all residents.

### **Adult Weight Management- Targeted Operating Model working to improve the leisure offer for residents and linking with the Council's food strategy – savings proposal of £0.040m**

It is believed that this proposal has a **positive** impact on groups that share protected characteristics for the following reasons:

The new targeting operating model will improve the current offer available to residents (a tier 2 adult weight management programme) through joint work with sports and leisure ensuring that pathways and existing partnerships that support adult weight management such as physical activity and healthy eating are rolled into one programme of activity. The new offer will be more inclusive for residents who do not want to take up the offer of a structured 12-week tier 2 weight management programme whilst still offering tier 2 for those who choose to engage in structured support.

### **Public Health reinvestment - proposals**

**Reinvestment into Long-Acting Reversible Contraception (LARC). Current tariff is making it unsustainable for GPs to carry out this essential work, creating a postcode lottery for women in the borough. Need for higher tariff and investment in ongoing training and accreditation - £0.050m**

It is believed that this proposal has a **positive** impact on groups that share protected characteristics for the following reasons:

Increasing the tariff on LARC in line with the increases in delivery across the borough will have a positive impact on women's' health and access to contraception. This supports public health outcomes around reducing unwanted pregnancies and abortions.

### **Children's Services Savings Proposals**

**Early Intervention Services Review - A single commissioning process to ensure families receive the right service at the right time; to intervene early and prevent escalation - £0.700m**

It is believed that this proposal has a positive impact on groups that share protected characteristics for the following reasons:

- This procurement embeds the principle of the Early Intervention strategy to ensure every child, young person and family is happy, healthy and can thrive, supported by an effective community network.
- The approach adopts inclusion in its widest sense, including children and young people with SEND.
- The procurement aims to support families from pre-birth through the Child and Family support contract. There is also an expectation within the contract to support integration with health services including pre-natal support.

The procurement aims to address disproportionality and for services to be fully inclusive. Services commit to value and demonstrate respect for diversity, and to reach into communities to deliver support in the right way for all families to encourage greater engagement.

### **Children's Services Investment Proposals**

#### **Investment in Disabled Children's care packages - £0.350m**

A neutral equalities impact is expected as proposed budget growth ensures budget to meet assessed need and does not represent any change in service offered to young people.

#### **Investment in SEND quality assurance, data infrastructure, Education and Health Care Assessment functions and school improvement - £0.250m**

It is believed that this proposal has a positive impact on groups that share protected characteristics for the following reasons:

The proposal will enable better analysis of data in relation to SEND including the associated quality assurance monitoring of services and provision to ensure the continued delivery of high-quality services to children and young people with SEND, including those that share protected characteristics.

The proposal will improve the layers of support that we can provide within the education service and will benefit all children and young people with SEND, including those that share protected characteristics.

The proposal will improve access to services by strengthening the coordination of referrals and information that is available to parents/carers and education, health and social care partners across the local area in regard to what is expected to be ordinarily available.

#### **Care leavers Hub - £0.077m**

The hub will act as a space where our care experienced young people can seek advice, support and guidance and be somewhere where they choose to spend time. It is believed that this proposal has a neutral impact on groups that share protected characteristics for the following reasons:

It is anticipated that there would be no impact in relation to the protected characteristics as the services will remain in place and under management by the Children's Social Work department.

Social workers will operate within the service and facilitate actions to support hard to reach groups.

### **Family Hubs - £0.060m**

Investment in Family Hubs to make it simpler for families to access a wide range of council services. It is believed that this proposal has a positive impact on groups that share protected characteristics for the following reasons:

Family Hubs are an integrated service model. Beyond being just a physical space, Family Hubs refer to a way of working which centres around service integration and inclusion in its widest sense. The aim is to support all children and young people from pre-birth to adulthood, and their families, through earlier intervention. Family Hubs act as a single point of access to help families navigate and receive the support they need when they need it, which may be wider than their initially presenting need.

### **Twinned municipalities - £0.060m**

Investment to act with our twinned municipalities to enrich and improve the lives of our residents by: Developing programmes for children and young people to share in sport competitions and artistic and cultural projects, and cooperating around youth mayors, youth parliaments and other democratic initiatives.

It is believed that this proposal has a positive impact on groups that share protected characteristics. By developing programmes for children and young people to share in sport competitions and artistic and cultural projects, and cooperating around youth mayors, youth parliaments and other democratic initiatives.

### **Investment into tackling education inequalities and digital exclusion in partnership with schools - £0.050m**

It is believed that this proposal has a positive impact on groups that share protected characteristics by supporting our schools to reduce education inequality which arose during the pandemic to narrow and erase the gap through a range of interventions, including additional tutoring and digital learning programmes as well as the coproduction and delivery of a Digital Inclusion Strategy with schools that will increase accessibility for those most impacted.

### **Investment with respect to supporting young people with food - £1.750m**

The proposals focus on £1.200m of investment will ensure work can continue to feed children who need support outside of school term time, making sure they get two good, nutritious meals a day. Further investment of £0.550m in the free breakfast offer in primary Schools and free lunch offer in schools where this currently operates.

It is believed that this proposal has a neutral impact on groups that share protected characteristics as it represents a continuation of the offer provided over recent years.

### **Corporate savings proposals**

**Civic Services - £0.020m**

The proposal focuses on realigning services to provide greater efficiencies and support for member responsibilities. It is believed that this proposal has a neutral impact.

**Corporate Investment Proposals****Audit Fees - £0.300m**

The proposal focuses on realigning budgets to match expected increases in audit fees as advised by the Public Sector Audit Appointments body. An increase on 2022/23 fees of 150% predicted. It is believed that this proposal has a neutral impact.

**Digital advertising income - £0.205m**

The proposal focuses on realigning income targets to match current income levels. It is believed that this proposal has a neutral impact

**Increased fraud capacity - £0.080m**

The proposal will increase counter-fraud resources and bring together data from across London to prevent and detect fraud within the capital. The NFI Fraud Hub will identify fraud by comparing datasets. This protects public funds and public services. Investment in counter-fraud resources will tackle tenancy fraud by recovering a greater number of misused affordable housing units and taking a tougher stance on crime.

It is believed the proposal will have a positive impact as taking council properties back from fraudsters has a positive effect on everyone in the community including those groups who share protected characteristics.

**Democratic and Governance costs - £0.106m**

The proposal will provide investment in corporate and democratic core services to support governance. It is believed that this proposal has a neutral impact.

**Economy savings proposals**

No material proposals to report.

**Economy Investment proposals****Temporary Accommodation - £0.939m**

This growth bid relates to establishing funding for additional client numbers in temporary accommodation. An increase in homeless presentations combined with a

reduction in supply of rehousing solutions is resulting in a greater volume of clients for the council. It is believed that this proposal has a positive impact because people with protected characteristics are more likely to experience homelessness than the general population. Therefore, the additional funding provided will enable the provision of an interim housing solution on their pathway to a secure, permanent home.

The expected increase in the number of clients in temporary accommodation will result in the need to provide an average of an additional 10 units of Bed & Breakfast and 166 units of Private Sector Leased accommodation during 23/24, when compared to the 22/23 budget. Based on an assumed net cost to the Council of £3,870 and £5,420 per unit of accommodation per annum respectively, it is expected that additional funding of £39,000 for Bed & Breakfast and £900,000 for Private Sector Leased accommodation will be required in 23/24

### **Industrial Strategy Delivery - £0.125m**

This growth bid relates to provision of specialist and sectorial expertise to support development of the strategy, content, design, marketing, engagement. Work to deliver the wider industrial strategy for the borough which would include consultation and third-party specialist research and reporting.

It is believed that this proposal has a **neutral** impact on those with protected characteristics as this proposal relates to supporting the development of the Industrial Strategy, content, design, marketing, engagement. Analysis of the proposed activities in relation to the industrial strategy delivery, have not raised any potential for impacts on individuals or groups with protected characteristics, and an ambition of our Industrial Strategy refresh will be to strengthen our approach to inclusive growth including access to employment and higher value employment.

### **H&F Promotion & Economic Internationalisation - £0.040**

This growth bid is focused on promoting the H&F internationally, which includes the development of a strategy, content, design, marketing and engagement. This would involve promoting the borough as a global node of innovation, a place where international companies should locate and invest, especially in knowledge-based sectors.

It is understood that these proposals will have a neutral impact on those with protected characteristics as its focused on promoting the H&F internationally, which includes the development of a strategy, content, design, marketing and engagement. Analysis of the activities relating to the promotion and economic internalisation have not raised any potential for impacts on individuals or groups with protected characteristics.

### **High Streets Strategies & Management Plans - £0.095m**

This growth bid relates to supporting a plan for the changing role and vitality of town centres and includes recruitment of staff to support secondary high streets. Activities to enhance the borough's high streets and revitalise their offer to protect the role of the high street.

This proposal is envisaged to have a neutral impact on those with protected characteristics as it relates to the long-term sustainability of the H&F's high streets. This includes promotion, engagement, and marketing, which will help further the economic growth of the area. Analysis of the proposed activities involving the improvement to the borough's high streets, have not raised any potential for impacts on individuals or groups with protected characteristics.

### **Property Transformation Team - £0.151m**

This growth bid relates to establishing a team to deliver additional income streams from commercial, corporate and community assets.

This proposal is expected to have a neutral impact on those with protected characteristics as this growth bid relates to providing staffing resource to deliver additional income streams from commercial, corporate and community assets. The Property Transformation team is driving social, environmental and financial benefits. Social benefits will deliver enhanced benefit for equalities. An example would be delivering in borough accommodation for care leavers, improving young people's outcomes whilst reducing the cost of their placements.

### **Decarbonisation Programme Team - £0.161m**

This growth bid relates to establishing a team that will support the delivery of the Council's decarbonisation plans for corporate buildings.

This proposal is expected to have a neutral impact on those with protected characteristics as this growth bid relates to establishing a team that will support the delivery of the Council's decarbonisation plans for corporate buildings. Decarbonisation will reduce the running costs of properties operated in the interests of vulnerable residents, thereby having a positive (albeit indirect) benefit for equalities.

### **Environment Savings**

#### **Improved resident experience and access through increased use of technology - £0.237m**

This saving is an incremental uplift of savings proposed as part of the 2022/23 budget setting process. The Resident Experience and Access Programme will transform the way residents interact with the council by centralising customer contact and maximising our use of technology. It will ensure all services are fully accessible via digital channels and introduce efficient processes that standardise the resident's journey. This means greater efficiency and financial savings are possible. The

budgetary savings for 2023/24 are to be delivered from a continuation of Tranche 1a of the programme, which focusses on transforming the resident experience in the following services: Council Tax, Housing Benefits, Accessible Transport and the Council Contact Centre.

It is believed that this proposal has a neutral impact on groups that share protected characteristics as all service users will have equitable and improved access and ability to interact with Council services through a variety of channels, including by phone, online and face to face. To ensure that sections of the population are not digitally excluded, the Council will deploy an 'Assisted Digital' service to support residents with specific support or access requirements and those who are unable to access online services. Support will be provided to residents to access our services digitally when they interact with us on the telephone or face-to-face through either remote assistance (over the telephone) or 'floor walkers' in face-to-face access locations. The Council will adopt a digital inclusion strategy which will underpin our approach to Assisted Digital. The strategy will seek to support Residents to develop digital skills so they can take advantage of digital technology in all aspects of their lives, whether managing their household finances, doing online shopping, or staying in touch with family and friends. Although we are committed to high levels of digital accessibility, the Council will maintain the option of face-to-face contact with qualified and capable staff in suitable offices and/or libraries. Additionally, services are being co-designed with input from service users across all protected characteristics, evidencing the Council's commitment to "doing things with residents, not to them." Finally, it is expected that this service transformation will provide for an improved experience for all service users.

### **Reduce waste disposal tonnages - £0.150m**

This budgetary saving is to be delivered through a sustained reduction in waste disposal tonnages, for both general waste and recycling. It is believed that this proposal has a neutral impact on groups that share protected characteristics, as the Council collects waste and recycling from every household in the borough.

### **Review non-resident fees and charges - £0.133m**

This budgetary saving is to be delivered through a review of commercial income across the Environment department (looking at fees and charges). It is believed that this proposal has a neutral impact on groups that share protected characteristics. Across the Environment department, fees and charges are applied equitably to service users, with the exception of charitable/community discounts in some areas (e.g. in Commercial Waste and Events).

### **Environment Investment.**

#### **New waste and street cleansing contract - £1.700m**

The Council is entering a new waste and street cleansing contract following expiration of the existing contract. This requires additional investment of £1.7m. Service costs have increased due to a number of factors, including inflationary pressures on all operational costs, extra resource requirements from additional services (e.g. food waste collections) and growth in the number of properties in the borough (meaning increased waste collection requirements).

It is believed that this proposal has a neutral impact on groups that share protected characteristics as the Council's waste and street cleansing contract ensures the borough is kept clean and tidy and provides benefit to all residents, businesses and visitors.

## **Summary on impact on the budget**

### **Social Care**

The 2023/24 proposals are detailed in this report. The proposals generally centre around promoting independence and early intervention. These will be achieved without any anticipated adverse impact on people who use the services. All the proposals therefore will have a neutral and/or positive equalities impact.

### **Children's Services**

The savings proposals for these vital services to vulnerable children and young people will be delivered through promoting greater independence, more access to support within the community and increasing the number of in-borough placements. Together with a bigger emphasis on recoupment of unused direct payment balances, these proposals will realise cost savings whilst ensuring a positive impact on groups that share protected characteristics.

The requests for growth funding are primarily to protect the borough's free school meals and to align budgets with the demand led growth in numbers that services are experiencing. These proposals will ensure that we continue to achieve a positive impact for these children and young people.

### **Economy**

The majority of the investment proposals from this department are associated with the increase in temporary accommodation client numbers and the realignment of budgets to support decarbonisation and property accommodation teams. These proposals are expected to result in a positive equalities impact.

The savings proposals relate to the use of external funding to offset staffing costs. These proposals are expected to result in a neutral equalities impact.

### **Environment**

Savings will be realised through increased use of technology, reduced waste disposal volumes and a review of commercial charges. Investment in services

centres around enhanced waste management and street cleansing. These proposals are expected to result in a neutral equalities impact.

### **Corporate**

The majority of savings from this department relate to reviewing the operating model for providing support for member responsibilities. As such there are no adverse equality implications for any, residents and employees who share protected characteristics. Where proposals affect staff, more detailed equality impact assessment will follow in line with the Human Resources policies and procedures.

The majority of investment proposals are associated with expected increases in audit fees as advised by the Public Sector Audit Appointments body, investment in corporate and democratic core services to support governance and realignment of digital advertising income targets following the Covid-19 pandemic. These proposals are expected to result in a neutral equalities impact.

### **Conclusion**

*Overall, these collective budget proposals are likely to result in either a neutral or positive impact on groups that share protected characteristics, under the Equality Act 2010.*

*Where Council departments have outlined efficiencies around staffing, residents will not experience any decline in services. Efficiencies are anticipated to be realised through 'natural wastage' and the reduction in agency staff, avoiding compulsory redundancies. For any proposed restructure, an Equality Impact Assessment will be undertaken as part of the reorganisation process.*

*As proposals are developed further, the assessment will be built upon and the impact will be assessed further. Mitigating actions will be identified and implemented , to prevent negative impacts on groups that share protected characteristics.*

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**2022/23 Budgets (as per the budget book)****Expenditure**

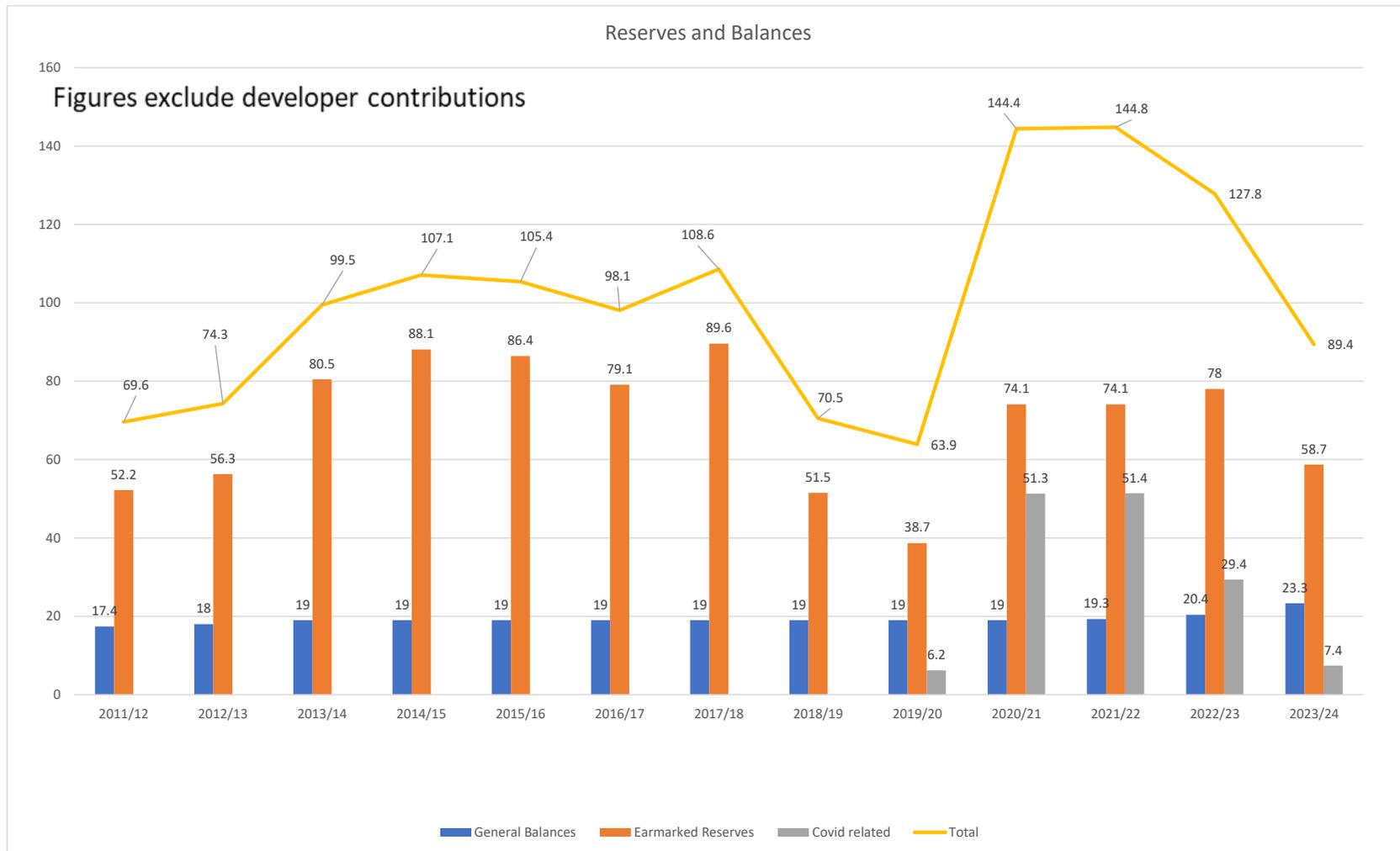
<b>Department</b>	<b>£'m</b>
Adult Social Care	90
Children's Services	113
The Economy Department	48
Public Health	22
The Environment Department	96
Controlled Parking Account	14
Corporate	53
Housing Benefit payments	98
<b>Total</b>	<b>534</b>

<b>By type of spend</b>	<b>£'m</b>
Employees	108
Transfer payments (eg schools)	48
Supplies and services	51
Borrowing/miscellaneous	6
Premises	12
Transport	1
Third party payments (eg commissioned services)	210
Housing benefit payments	98
<b>Total</b>	<b>534</b>

**Income**

<b>Department</b>	<b>£'m</b>
Adult Social Care	30
Children's Services	104
The Economy Department	28
Public Health	22
The Environment Department	28
Parking	40
Corporate	22
Housing Benefit Grant	98
General Grants	21
Revenue Support Grant	17
Council Tax	67
Business Rates	57
<b>Total</b>	<b>534</b>

<b>By type of income</b>	<b>£'m</b>
Business rates	57
Council tax	67
Revenue Support Grant	17
Other unringfenced grants	21
One-off funding	2
Housing benefit grant	98
Developer contributions	2
Specific grants (eg public health)	57
Education grants	82
Miscellaneous (eg recharges)	17
Fees and charges	67
Contributions (eg health)	47
<b>Total</b>	<b>534</b>



## 5 Year Investment &amp; Savings by Department

Saving by Department	2019/20	2020/21	2021/22	2022/23	2023/24	Cumulative
	£000's	£000's	£000's	£000's	£000's	£000's
Children's Services	1,300	800	700	533	700	4,033
Corporate	1,900	7,500	1,000	1,229	20	11,649
Public Services Reform	800	300	-	-	-	1,100
The Economy Department	800	800	1,100	235	14	2,949
The Environment Department	2,400	1,000	1,100	1,184	520	6,204
Social Care and Public Health	3,100	2,500	2,800	1,670	1,670	11,740
<b>Total</b>	<b>10,300</b>	<b>12,900</b>	<b>6,700</b>	<b>4,851</b>	<b>2,924</b>	<b>37,675</b>

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Investment by Department	2019/20	2020/21	2021/22	2022/23	2023/24	Cumulative
	£000's	£000's	£000's	£000's	£000's	£000's
Children's Services	3,300	5,500	1,600	534	2,597	15,331
Corporate	1,200	1,500	1,600	341	691	7,032
Public Services Reform	2,600	100	0	0	0	2,700
Economy	100	0	1,200	650	1,511	4,861
Environment	0	500	1,000	878	1,700	4,478
Social Care and Public Health	3,600	800	2,400	5,031	4,152	17,183
<b>Total</b>	<b>10,800</b>	<b>8,300</b>	<b>7,900</b>	<b>7,434</b>	<b>10,651</b>	<b>51,585</b>

## Budget Requirement before Savings - Trend Data

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	2019/20	2020/21	2021/22	2022/23	2023/24
	£000's	£000's	£000's	£000's	£000's
<b>Base Budget</b>	<b>151,800</b>	<b>154,400</b>	<b>156,902</b>	<b>160,416</b>	<b>166,608</b>
Contract & Pay Inflation	3,000	4,300	4,132	10,000	13,600
Growth/Investment	10,800	8,300	5,235	4,793	10,651
Impact of Covid-19/ Economic Downturn	0	0	2,650	2,641	0
Employee Costs (on going effect of pay award in 22/23)					3,800
Net Cost of Borrowing	0	0	800	400	600
Recognition of current income projection				-3,400	-2,000
One off cost of living / Council tax support scheme					900
Income from investment of cash balances					-5,000
One off savings (Concessionary fares)	0	0	-1,100	-2,300	-2,245
Covid-19 Contingency	0	0	1,096	1,500	0
One-Off Contribution to reserves / contingencies	0	7,200	1,100	2,106	5,378
Employee Budget Management					-2,500
Reversal of Employers National Insurance Contributions (1.25%)					-1,250
	<b>165,600</b>	<b>175,000</b>	<b>170,781</b>	<b>176,656</b>	<b>188,542</b>
New Homes Bonus and Other Revenue Grants	-15,200	-16,800	-20,772	-26,402	-32,792
Revenue Support Grant	0	-17,400	-17,500	-18,046	-20,198
Business rates	-74,200	-57,200	-57,217	-57,217	-59,358
Council Tax Income	-60,600	-63,700	-67,331	-68,440	-73,270
One-Off Resources/Developer Contributions	-5,300	-7,000	-1,300	-2,150	0
<b>Budget Gap Before Savings</b>	<b>10,300</b>	<b>12,900</b>	<b>6,700</b>	<b>4,401</b>	<b>2,924</b>

### 5 Year Savings and Investment Categotisation Savings by Category

	2019/20 Savings	2020/21 Savings	2021/22 Savings	2022/23 Savings	2023/24 Proposed Savings
	£000's	£000's	£000's	£000's	£000's
Budget reduced in line with spend	1,900	3,000	-	-	-
Commercialisation / Income	600	2,000	500	650	147
Outside investment secured (i.e. Section 106, NHS)	-	-	-	35	-
Prevention	-	1,500	1,000	-	250
Procurement / Commissioning	1,600	800	1,400	1,828	880
Service reconfiguration	4,100	900	1,100	892	1,497
Staffing / Productivity	2,200	2,200	1,600	1,446	-
Pension triennial valuation	-	2,100	-	-	-
Debt reduction and restructuring	-	300	-	-	-
Service rationalisation / budget reduced in line with spend	-	-	1,100	-	150
<b>Total</b>	<b>10,400</b>	<b>12,800</b>	<b>6,700</b>	<b>4,851</b>	<b>2,924</b>

### Investment by Category

	2019/20 Investment	2020/21 Investment	2021/22 Investment	2022/23 Investment	2023/24 Proposed Investment
	£000's	£000's	£000's	£000's	£000's
Government related	-	-	-	1,137	441
Increase in demand/demographic growth	6,300	6,400	2,400	2,311	6,846
Resident priority	1,000	1,900	500	690	2,358
Budget pressure	3,400	-	2,300	655	1,006
Impact of Covid-19 / economic downturn	-	-	2,700	2,641	-
<b>Total</b>	<b>10,700</b>	<b>8,300</b>	<b>7,900</b>	<b>7,434</b>	<b>10,651</b>

**Investment - Overview**

	<b>2022/23 Controllable Budget</b>	<b>2023/24 Proposed Savings</b>	<b>2023/24 Proposed Savings</b>	<b>2023/24 Proposed Investment</b>	<b>2023/24 Proposed Investment</b>
<b>Department</b>	<b>£000's</b>	<b>£000's</b>	<b>%</b>	<b>£000's</b>	<b>%</b>
Children's Services	47,021	- 700	1%	2,597	6%
Corporate	26,521	- 20	0%	691	3%
Economy	5,458	- 14	0%	1,511	28%
Environment/Parking	37,178	- 520	1%	1,700	5%
Social Care & Public Health	50,431	- 1,670	3%	4,152	8%
<b>Total</b>	<b>166,609</b>	<b>- 2,924</b>	<b>2%</b>	<b>10,651</b>	<b>6%</b>

The Controllable budget is expenditure less capital charges and internal recharges.



**Summary of net forecast outturn variances after action plans  
(month 6 2022/23)**

Department	Forecast Outturn Variance	Potential Value of Action Plan Mitigations	Forecast Outturn Variance After mitigations
	£m	£m	£m
Children's Services	(0.048)	0.000	(0.048)
The Economy Department	0.380	0.000	0.380
The Environment Department	3.873	(0.138)	3.736
Controlled Parking Account	0.028	0.000	0.028
Finance	(0.143)	0.000	(0.143)
Resources	(0.107)	0.000	(0.107)
Social Care	3.870	(2.755)	1.115
Centrally Managed Budgets	(2.830)	0.000	(2.830)
<b>Total</b>	<b>5.023</b>	<b>(2.893)</b>	<b>2.130</b>
Balance of the unallocated contingency	(3.123)		(3.123)
Additional allowance for pay pressures	2.150		1.150
Reversal of National Insurance employer contributions	(0.520)		(0.520)
<b>TOTAL</b>	<b>3.530</b>	<b>(2.893)</b>	<b>637</b>

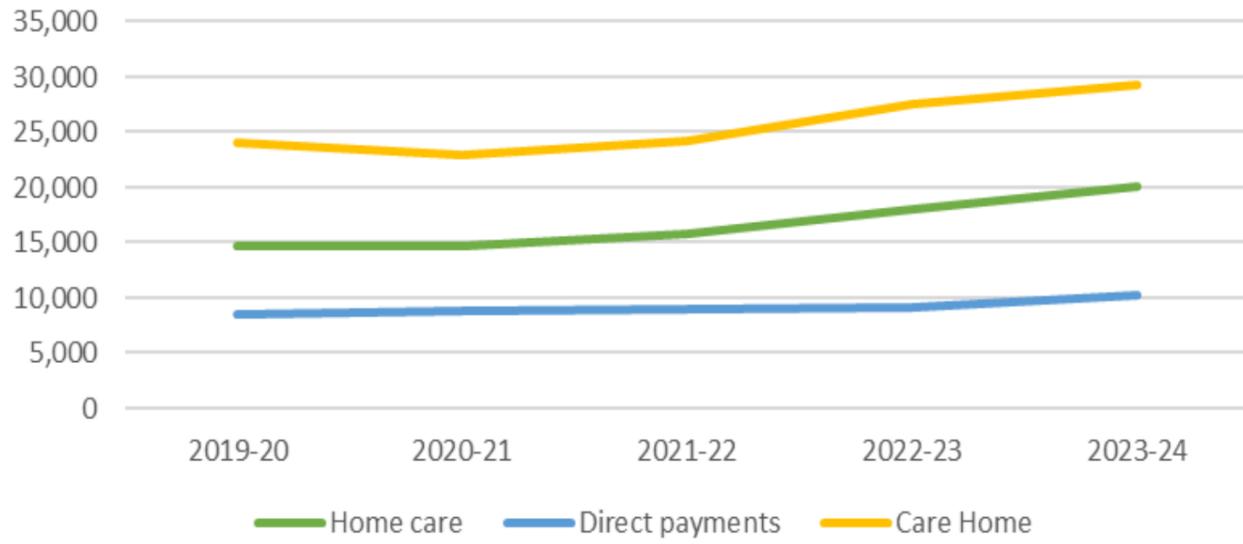
Social Care - Cost and Trend Analysis

SOCIAL CARE PERFORMANCE INDICATORS	Source	2018-19 Full Year	2019-20 Full year	2020-21 Outturn	2021-22 Outturn	2022-23 Projection at Month 8	2023-24 Estimates	Notes and Comments2023/24
<b>Delivery Cost</b>								
<b>Total Spend</b>	<b>Social Care NHS Finance Return</b>	<b>£000's</b>	<b>£000's</b>	<b>£000's</b>	<b>£000's</b>	<b>£000's</b>	<b>£000's</b>	
Home Care	ASC-FR*	13,580	14,754	14,647	15,747	18,056	20,124	The forecast costs for 2023/24 are 11% higher than projected costs for 2022/23. This is due to the policy of discharging residents, who are medically fit, from hospital to continue recovering at home or into residential care, which frees up beds for those in greatest need. It is crucial that health and care systems and providers continue to work together across Health and Social Care to meet the care needs of people and make best use of available resources. Costs will also increase due to inflation and the need for Social Care to move towards paying a "Fair Cost of Care" to providers.
Direct Payment	ASC-FR	8,440	8,550	8,799	8,960	9,183	10,273	The forecast cost for 2023/24 are 12% higher than the projected costs for 2022/23. This is due to Direct Payments being the primary offer to new residents, to enable them to have greater choice and control in meeting their care needs. There is also increasing costs due to acuity of need with the average cost per package increasing. Cost will also increase due to inflation and London Living wage in 2023/24.
Placements	ASC-FR	23,321	24,105	22,955	24,245	27,518	29,239	The forecast costs for 2023/24 are 6% higher than projected costs for 2022/23. This is due to the policy of discharging residents, who are medically fit, from hospital to continue recovering at home or in residential care, which frees up beds for those in greatest need. This includes the use of interim (step down) beds, to support the rehabilitation and reablement of residents with complex needs, on a short term basis. Costs have also increased due to inflation and the need for Social Care to move towards paying a "Fair Cost of Care" to providers.
<b>Total</b>		<b>45,341</b>	<b>47,409</b>	<b>46,401</b>	<b>48,952</b>	<b>54,757</b>	<b>59,637</b>	
<b>Unit Cost of Activity</b>								
Home Care	ASC-FR	17.15	17.22	17.68	17.86	18.57	19.50	Unit cost per hour - based on current residents and 2022/23 block contract rate. 2023/24 estimate is based on block average cost plus an assumed 5% cost increase. We are reprocurring our home care services and the unit cost will be based on the outcome of the tender exercise, expected to commence from 1st October 2023.
Direct Payments	ASC-FR	£335	£341	£360	£324	£350	£368	The outturn for 2021/22 for the average weekly cost of package was lower because of the transfer of high cost packages to Health funding. The average cost per week in 2022/23 has reached 2020/21 costs due to inflationary factors and acuity of need. The estimate for 2023/24 assumes a 5% cost increase.
Placements	ASC-FR	£874	£865	£968	£1,022	£1,125	£1,182	Unit cost per week. The estimate for 2023/24 assumes a 5% cost increase.
<b>Resident Numbers</b>								

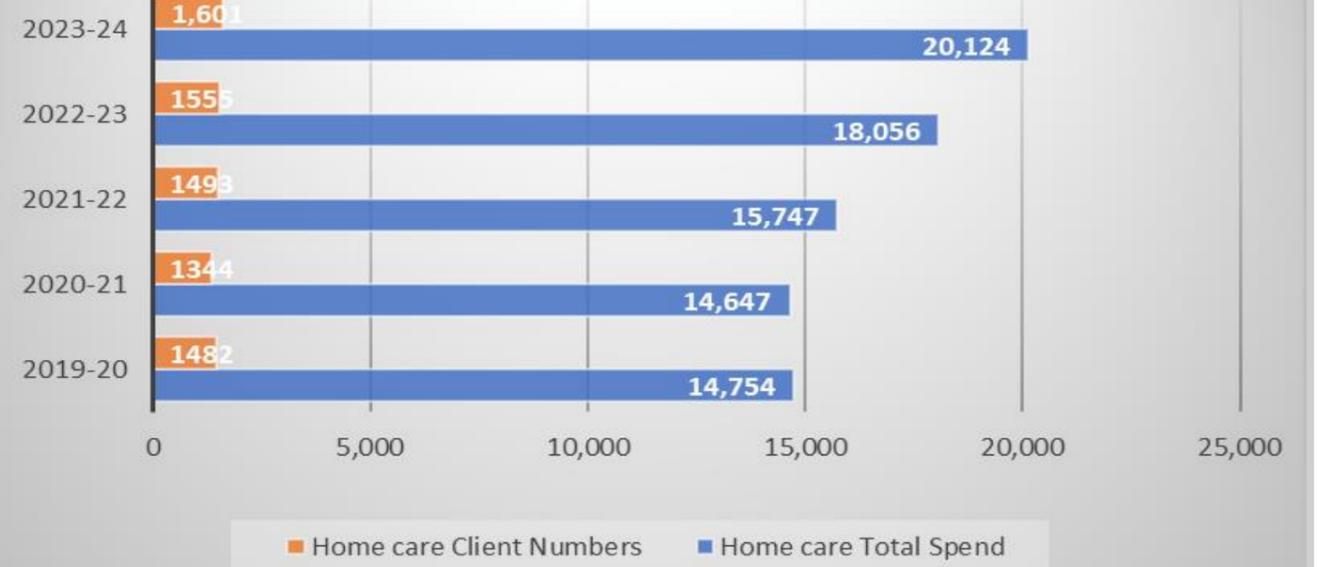
SOCIAL CARE PERFORMANCE INDICATORS	Source	2018-19 Full Year	2019-20 Full year	2020-21 Outturn	2021-22 Outturn	2022-23 Projection at Month 8	2023-24 Estimates	Notes and Comments2023/24
Home Care	Mosaic	1,392	1,482	1,344	1,493	1,555	1,601	Residents supported with home care services continues and will continue to increase due to early hospital discharges of medically fit residents, to be supported primarily at home. The 2023/24 estimate is based on the anticipated demographic growth.
Direct Payment	Mosaic	476	462	453	490	484	498	Direct Payments numbers are expected to increase as it becomes the primary offer to residents.
Placements	Mosaic	536	538	517	534	535	551	Resident numbers have remained fairly stable at 535 as placement levels reach pre-covid times. The projection for 2023/24 is based on residents slightly increasing in new placements in line with the anticipated demographic growth.
<b>Home Care Package Intensity</b>								
0- 7 hours per week	Mosaic	520	529	432	424	450	463	Residents supported with home care services continues and will continue to increase due to early hospital discharges of medically fit residents, to be supported primarily at home, often with complex care needs. Social Care are supporting more residents (9%) with home care hours above 14 hours per week, which demonstrates the greater acuity of residents needs.
7 - 14 hours per week	Mosaic	381	391	371	421	417	429	
14- 28 hours per week	Mosaic	327	373	364	422	440	453	
28+ hours per week	Mosaic	164	189	177	226	248	255	
<b>Total number of Clients</b>		<b>1392</b>	<b>1482</b>	<b>1344</b>	<b>1493</b>	<b>1555</b>	<b>1601</b>	

\*ASC FR - Adult Social Care Finance Return

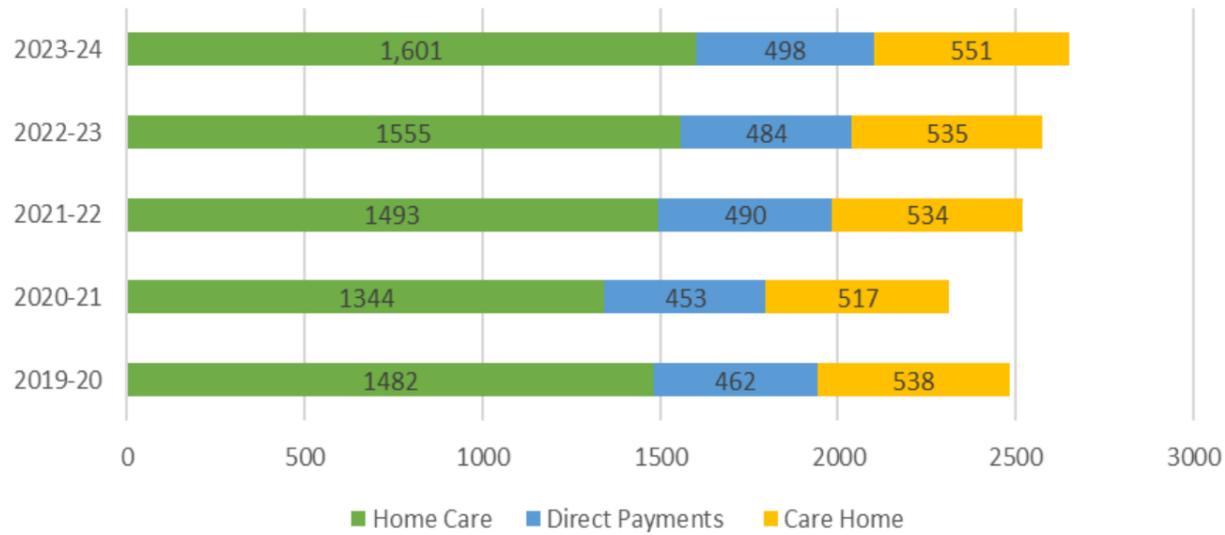
ASC Total Spend



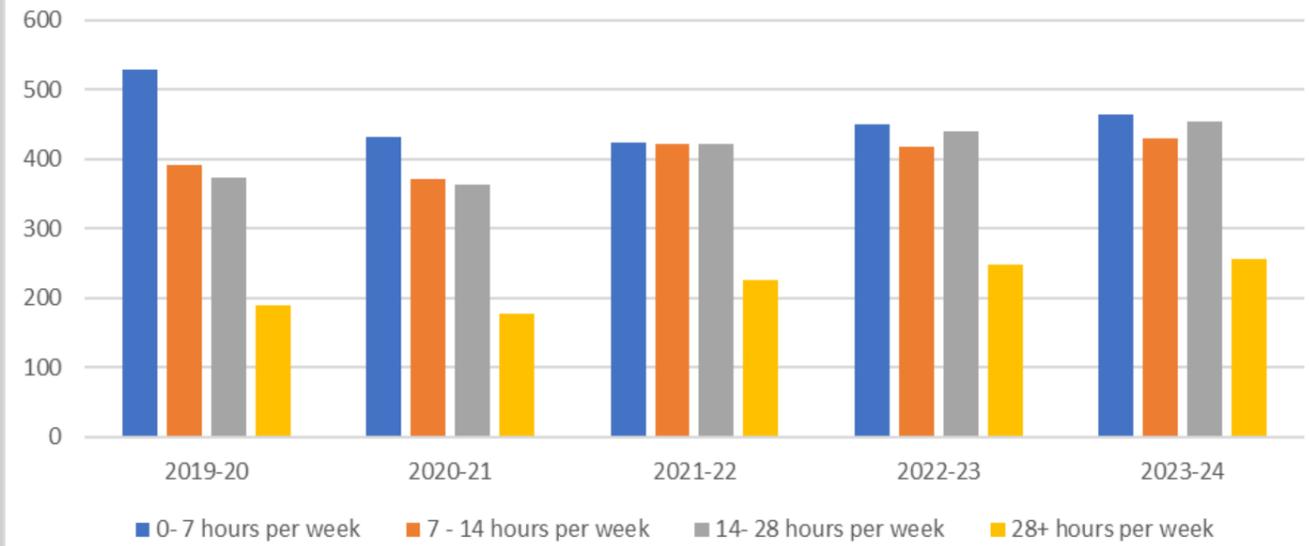
Home Care Spend and Client Numbers



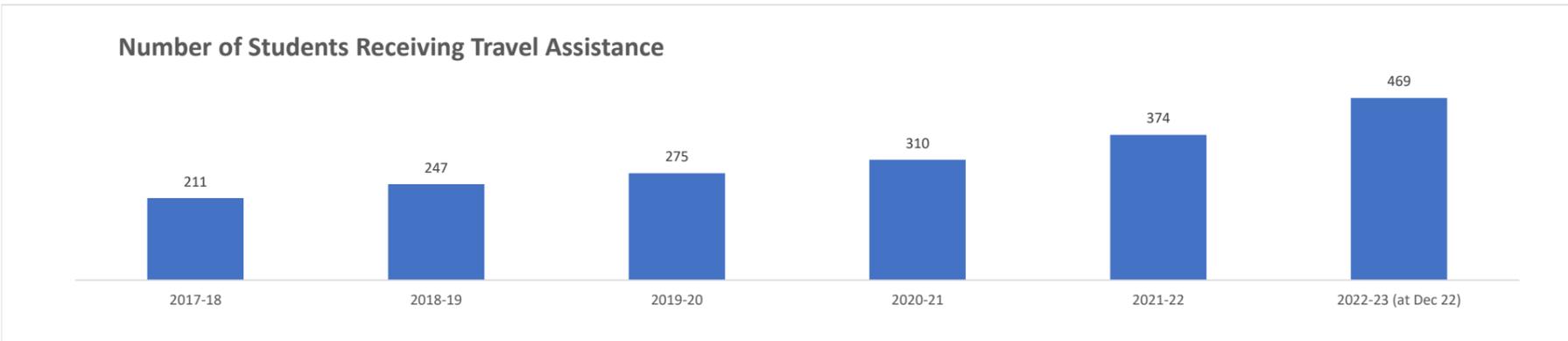
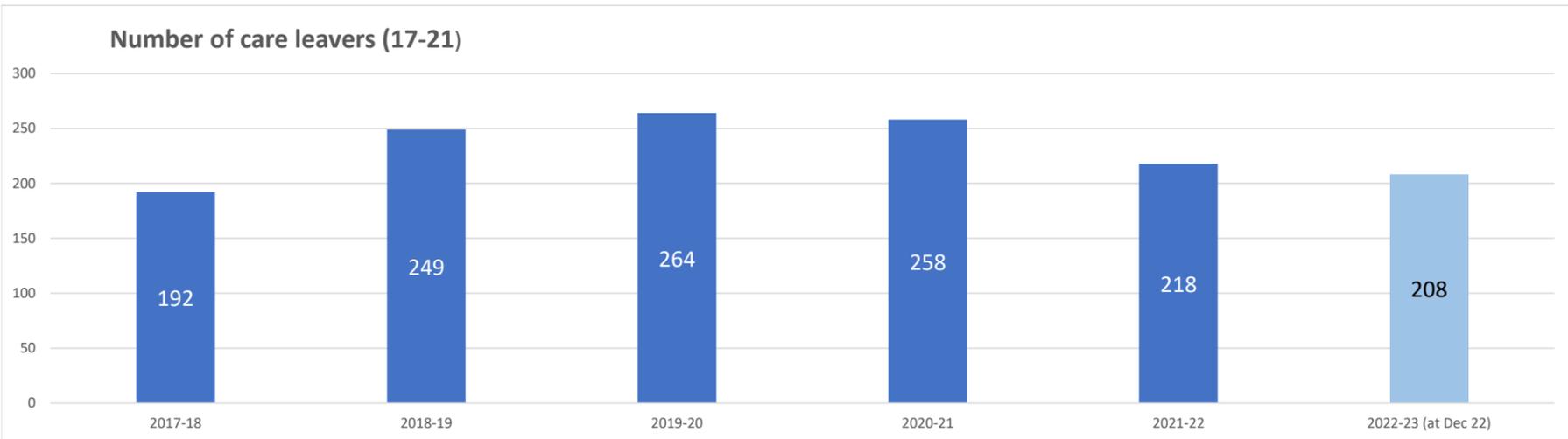
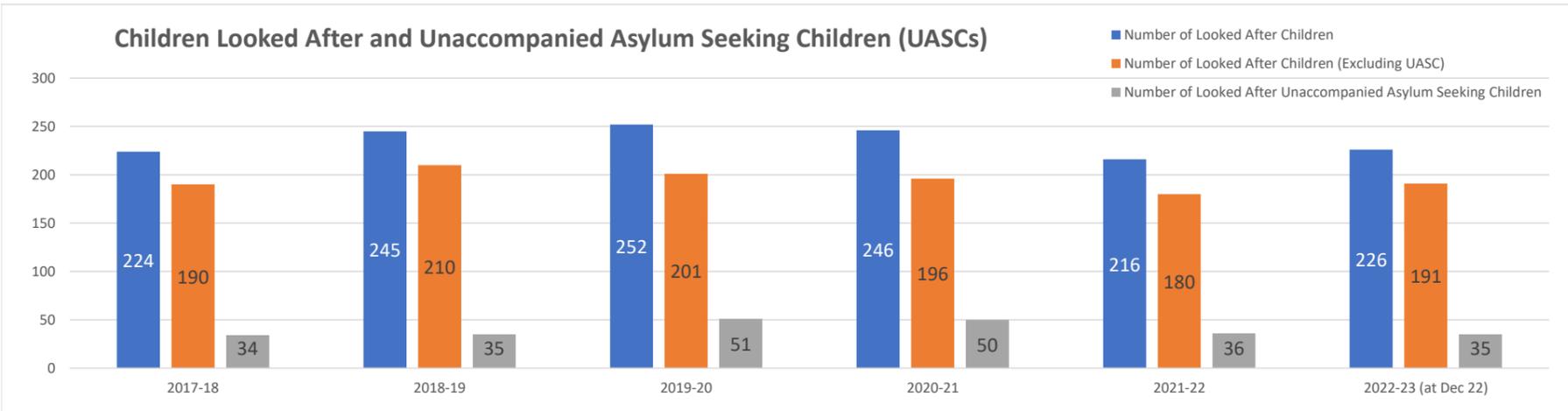
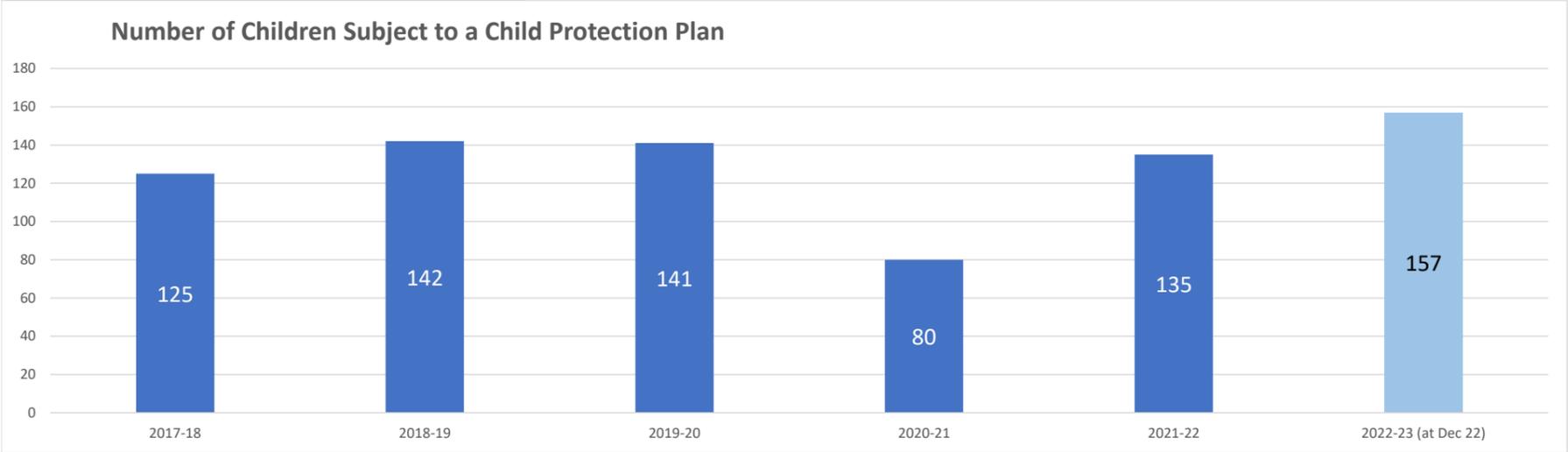
ASC Client Numbers



Home Care Intensity



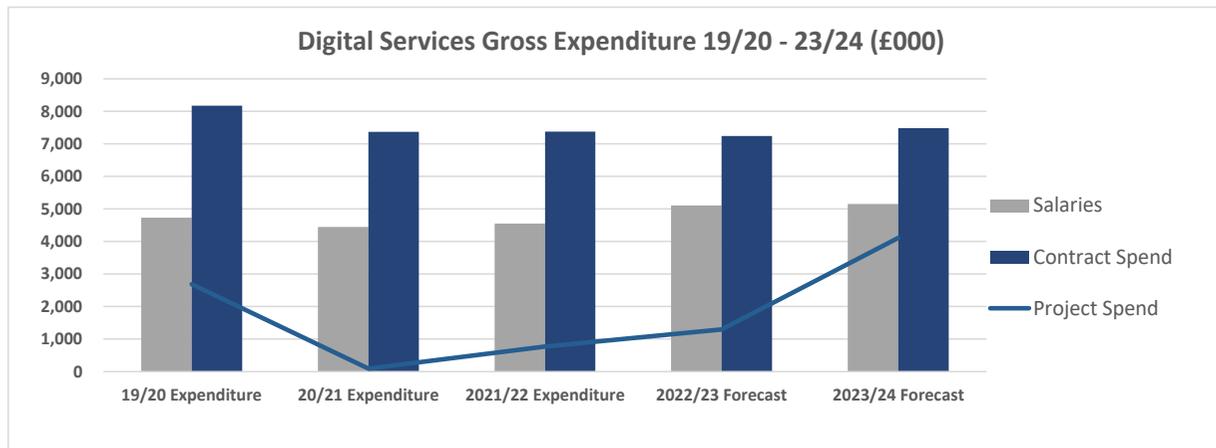
**Key Activity Data -Children's Services and Education**



**Digital Services Expenditure**

Type of Spend	19/20 Expenditure	20/21 Expenditure	2021/22 Expenditure	2022/23 Forecast	2023/24 Forecast
	£000's	£000's	£000's	£000's	£000's
Salaries	4,730	4,443	4,555	5,109	5,153
Contract Spend	8,178	7,370	7,382	7,240	7,487
<b>Subtotal</b>	<b>12,908</b>	<b>11,813</b>	<b>11,937</b>	<b>12,349</b>	<b>12,640</b>
Project Spend	2,688	93	768	1,297	4,109
<b>Total Spend</b>	<b>15,596</b>	<b>11,906</b>	<b>12,705</b>	<b>13,646</b>	<b>16,749</b>

**Digital Services Spend Chart**



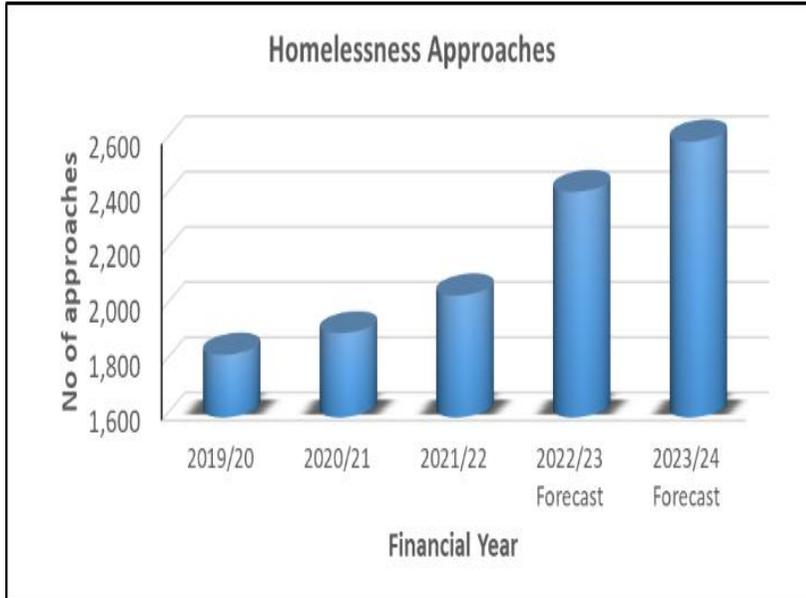
The salaried expenditure of the service reflects an in-house delivery model since the novation of contracts and staff to the Council from the Hammersmith and Fulham Bridge Partnership (HFBP), and disaggregation from shared services with Kensington and Chelsea and Westminster Councils. A revised Target Operating Model was implemented in 21/22.

Contract spend has decreased since 19/20 after the successful delivery of the Tectonic programme (desktop strategy) to replace the former end of life desktop solution, and implement up to date laptop devices which provide better performance to staff, plus support the council's agile working strategy and delivers significant savings. No contract inflation has been factored into the 2023/24 budgets.

As a result of the desktop strategy, project spend has increased to purchase new equipment, plus to develop and improve infrastructure. Investment to move to a modern cloud-based service from 22/23 onwards will align with the Council's Digital and Information strategy plus provide a modern platform that is agile, easily scalable and future proof, as well as with more cost effective technical services. Recent approval for the new modern desktop support service including provision for the upcoming Tech- tonic 2.0 device refresh is included in the large increase in project spend forecast for 2023/24.

**The Environment Department - Unit Costs and Trend Analysis**

Service Area	Service	Unit Measure	Actual	Actual	Actual	Actual	Estimate	Estimate	Notes
			2018-19	2019-20	2020-21	2021/22	2022/23	2023/24	
Grounds Maintenance	Parks Grounds Maintenance Cost - Per Hectare	£	19,733	20,179	21,789	21,250	21,958	21,958	Annual inflationary increases. New zero inflation contract from 2022/23
Grounds Maintenance	Cemeteries Grounds Maintenance Cost - Per Hectare	£	17,538	18,134	18,782	18,898	19,226	19,226	Annual inflationary increases. New zero inflation contract from 2022/23
Sports/Leisure Centres	Number of Visits	No.	422,712	428,128	63,947	262,810	293,239	322,562	Fewer visits from 2020/21 due to Covid-19 pandemic
Waste Collection	Waste and Recycling Collection Cost - Per Domestic Dwelling	£	39.49	39.02	35.57	35.97	40.29	45.53	Annual inflationary uplifts. New contract and new waste collection services for food waste and garden waste from 2023/24
Waste Disposal	General waste tonnages collected per annum	tonnes	57,783	56,034	55,585	55,435	52,483	52,142	General positive downward trend
Waste Disposal	Recycling tonnages collected per annum	tonnes	11,146	11,695	12,573	12,030	11,142	11,185	General positive downward trend
Building Control	Number of chargeable jobs	No.	680	578	443	408	470	470	Reducing service demand due to Brexit and Covid-19 uncertainties. Difficult to predict future number of jobs due to continuing economic uncertainty.
Public Lighting	Public lighting maintenance cost - per column	£	27.39	24.87	24.47	24.62	25.13	26.39	Annual inflationary increases
Highway Maintenance	Carriageways and Footways maintenance cost - Per KM	£	17,609	15,650	8,437	12,441	20,274	15,472	Reduced spend from 2020/21 due to Covid-19 pandemic
Libraries	Visits to libraries	No.	1,012,346	1,123,187	70,248	440,106	537,173	600,000	Fewer visits in 2020/21 due to Covid-19 pandemic and temporary library closures. Visitor numbers are increasing, but have not returned to pre-pandemic levels
Libraries	Volunteer hours	No.	3,800	3,430	60	1,346	2,163	3,000	
Libraries	Event Attendance	No.	72,456	64,540	978	37,735	50,000	60,000	
Libraries	Cost Per Visit (£)	£	2.95	2.71	42.55	5.95	5.78	5.25	
Libraries	No. of physical items issued	No.	376,613	337,534	43,388	173,677	250,000	300,000	
Libraries	Active members	No.	29,006	26,642	18,594	13,701	18,000	25,000	
Resident Services	Business Rates Collection (in year as at 31st March)	%	97.80%	98.70%	98.70%	90.86%	95.00%	97.00%	Covid-19 pandemic impact from 2021/22 and associated temporary suspension of debt recovery action
Resident Services	Council Tax Collection (in year as at 31st March)	%	96.76%	97.50%	93.00%	94.00%	93.00%	97.00%	Covid-19 pandemic impact from 2021/22 and associated temporary suspension of debt recovery action



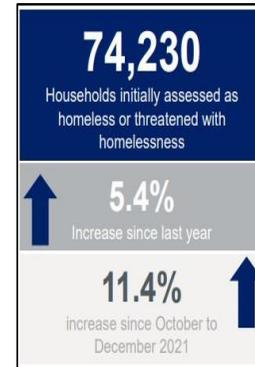
- An exceptional increase caused by many factors including the lifting of the eviction ban post-Covid, the cost of living crisis, the statutory duty towards victims of domestic violence and is at risk of worsening due to the prospect of the ending of refugee funding

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### National and local context

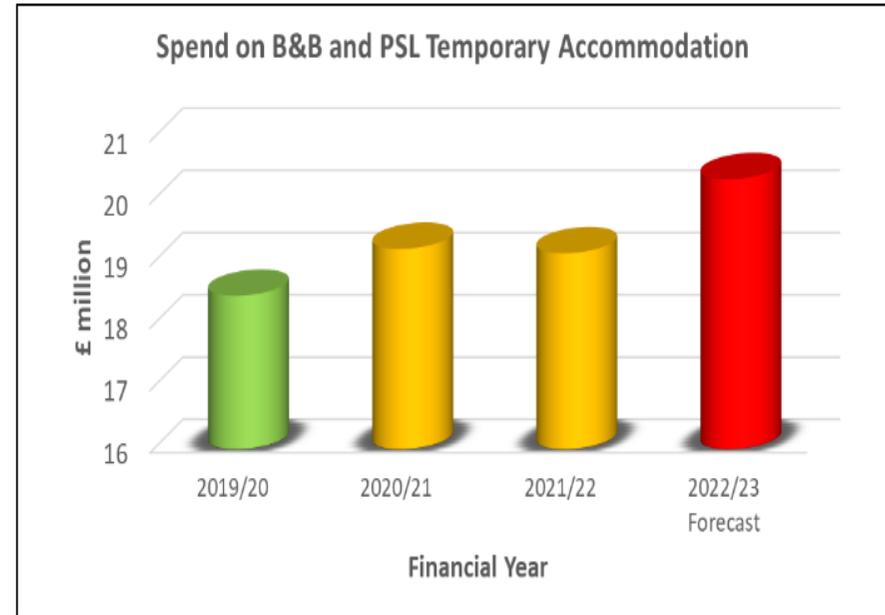
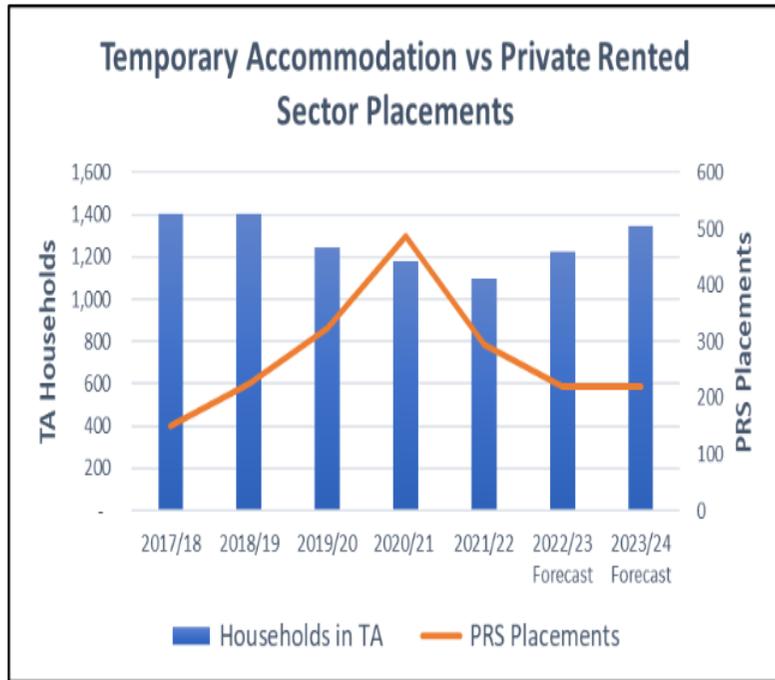


- Rough sleeping in London has increased by 24% in Q2 this year compared to the same period last year, and by 22% in H&F.
- Research by Shelter and Crisis show sharp rises in homelessness with Crisis predicting that across England, over 66,000 more people will become homeless by 2024.
- PRS affordability and availability is getting worse in London; 35% fewer properties advertised on the market in Q1 2022 and only 8.8% are affordable to those impacted by the benefit cap.



Source: DLUHC HCLIC January-March 2022 Quarterly Release. Statistics for England

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