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2022/23 Budgets (as per the budget book)

Expenditure

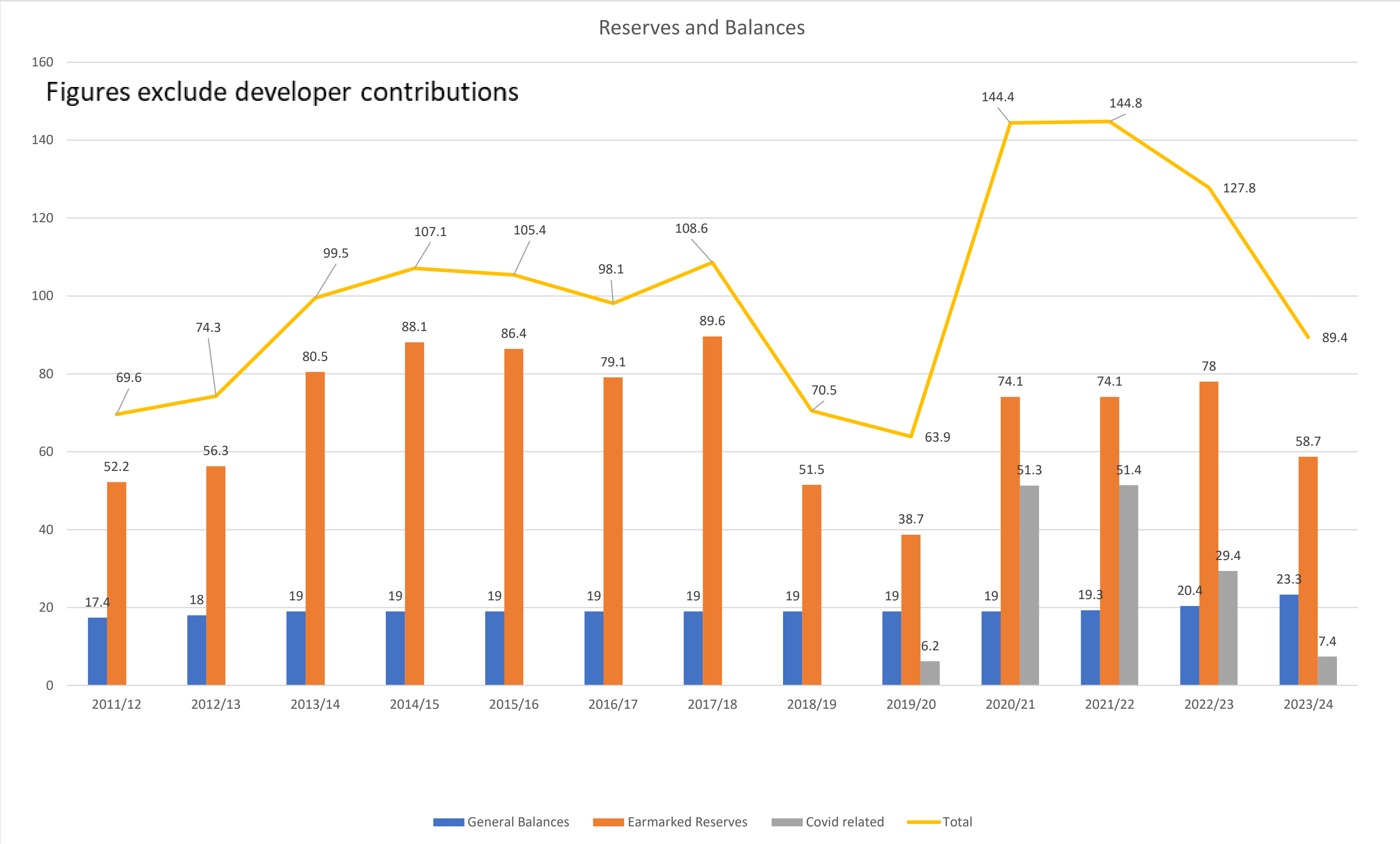
Department	£'m
Adult Social Care	90
Children's Services	113
The Economy Department	48
Public Health	22
The Environment Department	96
Controlled Parking Account	14
Corporate	53
Housing Benefit payments	98
Total	**534**

By type of spend	£'m
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
Total	**534**

Income

Department	£'m
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 Spport Grant	17
Council Tax	67
Business Rates	57
Total	**534**

By type of income	£'m
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
Total	**534**


Reserves and Balances
Figures exclude developer contributions
160
140
120
100
80
60
40
20
0
2011/12
2012/13
2013/14
2014/15
2015/16
2016/17
2017/18
2018/19
2019/20
2020/21
2021/22
2022/23
2023/24
69.6
74.3
99.5
107.1
105.4
98.1
108.6
70.5
63.9
144.4
144.8
127.8
89.4
52.2
56.3
80.5
88.1
86.4
79.1
89.6
51.5
38.7
74.1
74.1
78
58.7
17.4
18
19
19
19
19
19
19
19
19
19.3
20.4
23.3
6.2
51.3
51.4
29.4
7.4
General Balances
Earmarked Reserves
Covid related
Total

5 Year Investment & 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**
Total	**10,300**	**12,900**	**6,700**	**4,851**	**2,924**	**37,675**

DRAFT

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**
Total	**10,800**	**8,300**	**7,900**	**7,434**	**10,651**	**51,585**

Budget Requirement before Savings - Trend Data

DRAFT

	2019/20	2020/21	2021/22	2022/23	2023/24
	£000's	**£000's**	**£000's**	**£000's**	**£000's**
Base Budget	**151,800**	**154,400**	**156,902**	**160,416**	**166,608**
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 effecct 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
	165,600	**175,000**	**170,781**	**176,656**	**188,542**
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
Budget Gap Before Savings	**10,300**	**12,900**	**6,700**	**4,401**	**2,924**

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
Total	**10,400**	**12,800**	**6,700**	**4,851**	**2,924**

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	-
Total	**10,700**	**8,300**	**7,900**	**7,434**	**10,651**

Investment - Overview

Department	2022/23 Controllable Budget £000's	2023/24 Proposed Savings £000's	2023/24 Proposed Savings %	2023/24 Proposed Investment £000's	2023/24 Proposed Investment %
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%
Total	**166,609**	**- 2,924**	2%	**10,651**	6%

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

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

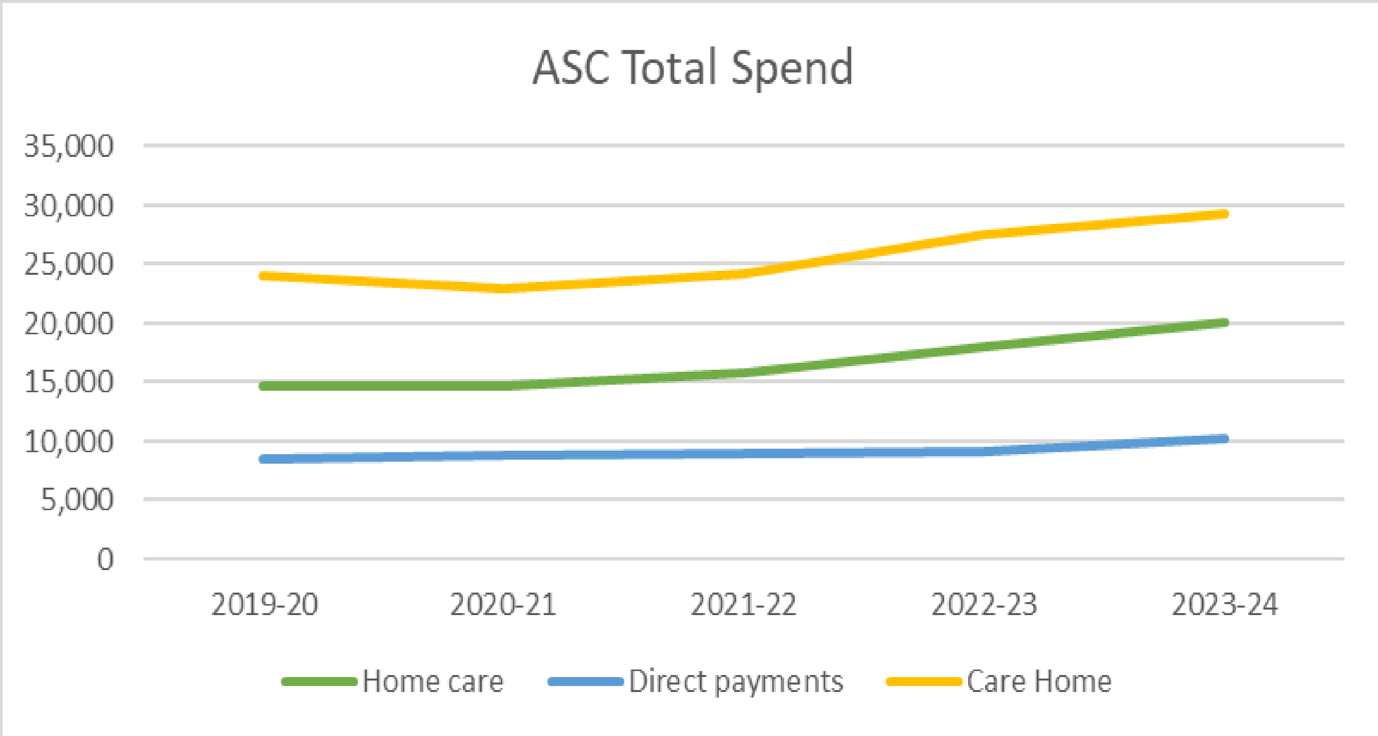
Department	Forecast Outturn Variance	Potential Value of Action Plan Mitigations	Forecast Outturn Variance After mitigations
	£m	£m	£m
Children's Services	(0.048)	0.000	(0.048)
The Economy Department	0.380	0.000	0.380
The Environment Department	3.873	(0.138)	3.736
Controlled Parking Account	0.028	0.000	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)
Total	**5.023**	**(2.893)**	**2.130**
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)
TOTAL	**3.530**	**(2.893)**	**637**

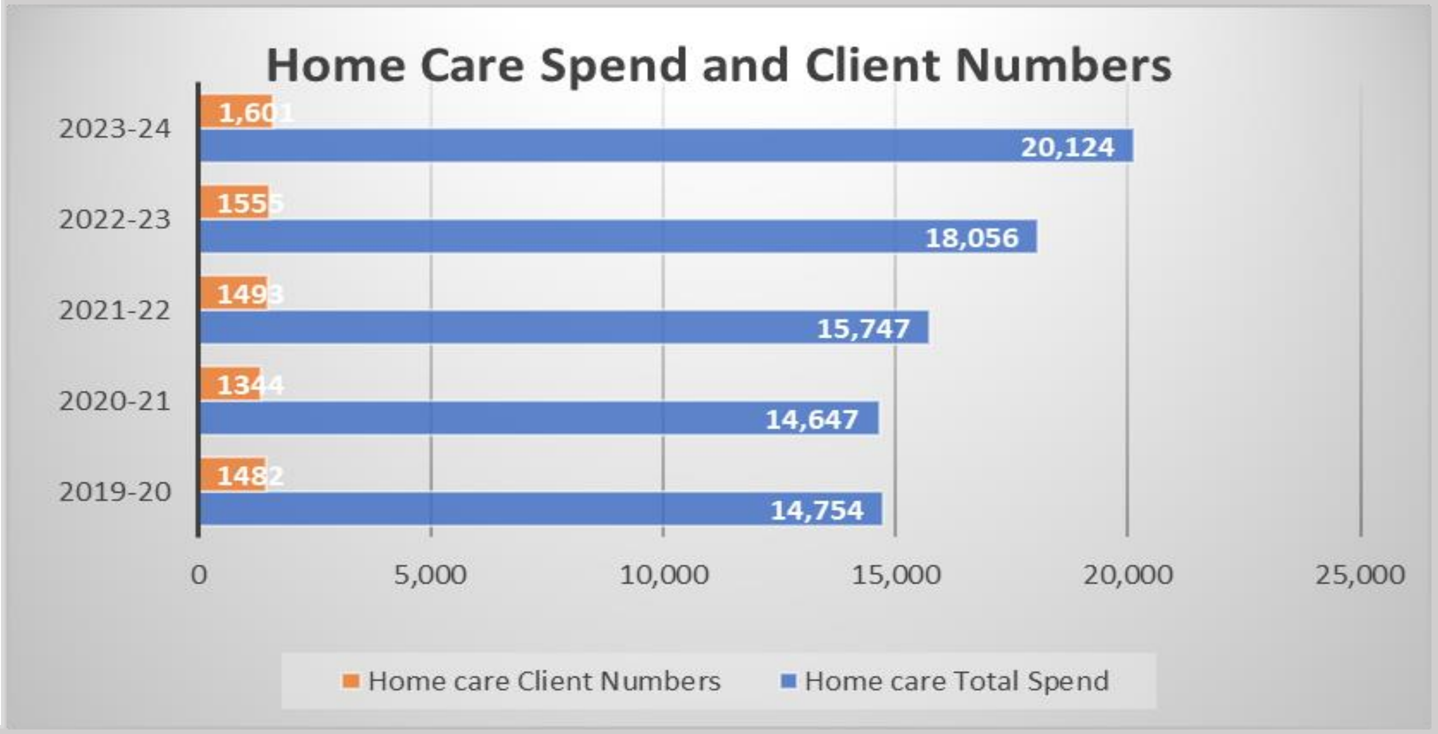
Social Care - Cost and Trend Analysis 10

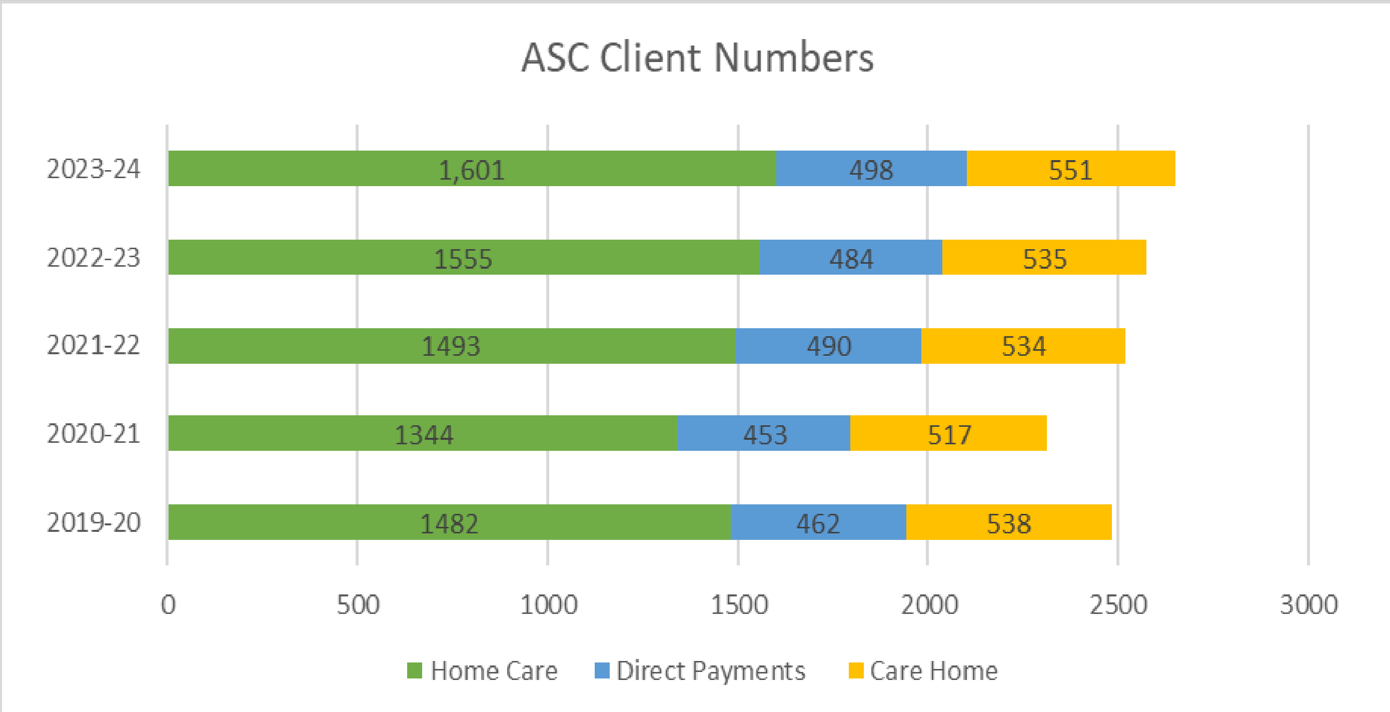
SOCIAL CARE PERFORMANCE INDICATORS	Source	2018-19 Full Year	2019-20 Full year	2020-21 Outturn	2021-22 Outturn	2022-23 Projection at Month 8	2023-24 Estimates	Notes and Comments2023/24
Delivery Cost								
Total Spend	**Social Care NHS Finance Return**	**£000's**	**£000's**	**£000's**	**£000's**	**£000's**	**£000's**	
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.
Total		**45,341**	**47,409**	**46,401**	**48,952**	**54,757**	**59,637**	
Unit Cost of Activity								
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 reprocuring 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.
Resident Numbers								

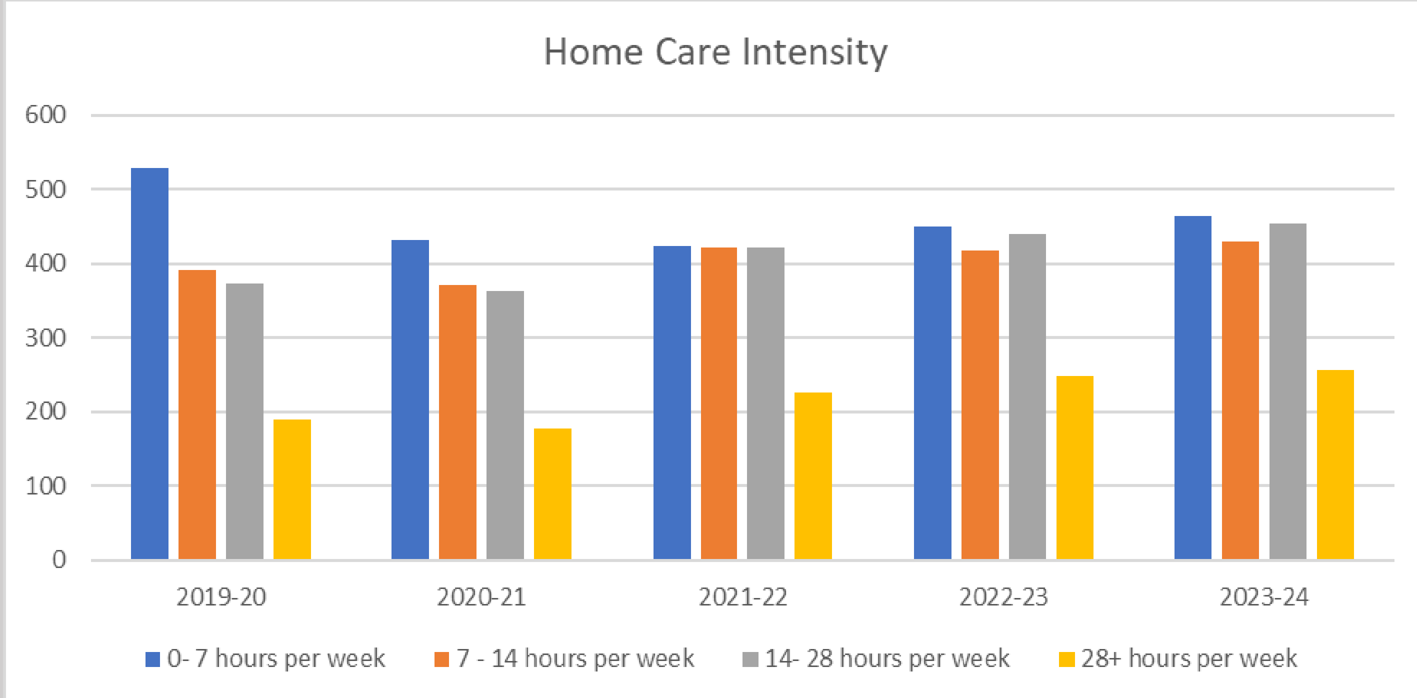
SOCIAL CARE PERFORMANCE INDICATORS	Source	2018-19 Full Year	2019-20 Full year	2020-21 Outturn	2021-22 Outturn	2022-23 Projection at Month 8	2023-24 Estimates	Notes and Comments2023/24
Home Care	Mosaic	1,392	1,482	1,344	1,493	1,555	1,601	Residents supported with home care services continues and will continue 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.
Home Care Package Intensity								
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	
Total number of Clients		**1392**	**1482**	**1344**	**1493**	**1555**	**1601**	

*ASC FR - Adult Social Care Finance Return

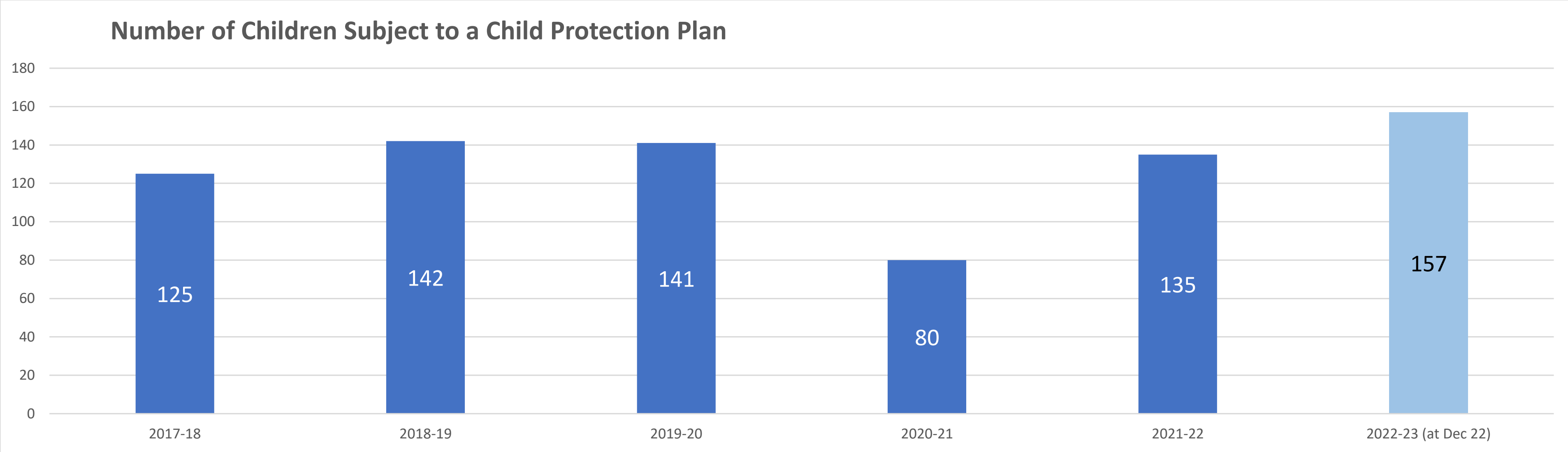

ASC Total Spend
35,000
30,000
25,000
20,000
15,000
10,000
5,000
0
2019-20
2020-21
2021-22
2022-23
2023-24
Home care
Direct payments
Care Home

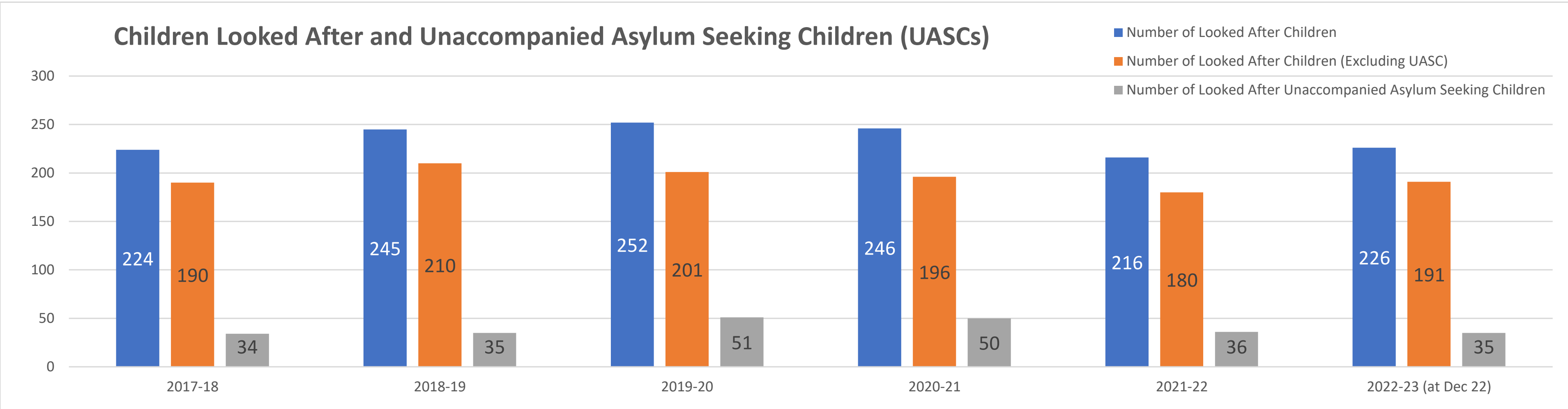

Home Care Spend and Client Numbers
2023-24
2022-23
2021-22
2020-21
2019-20
1,601
20,124
1555
18,056
1493
15,747
1344
14,647
1482
14,754
0
5,000
10,000
15,000
20,000
25,000
Home care Client Numbers
Home care Total Spend

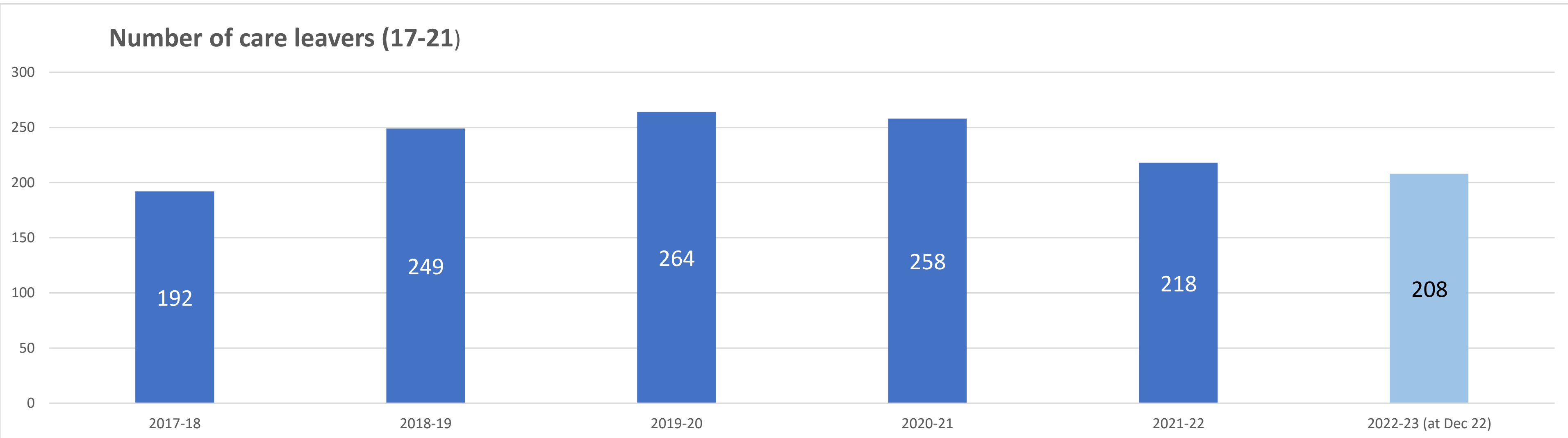

ASC Client Numbers
2023-24
1,601
498
551
2022-23
1555
484
535
2021-22
1493
490
534
2020-21
1344
453
517
2019-20
1482
462
538
0
500
1000
1500
2000
2500
3000
Home Care
Direct Payments
Care Home

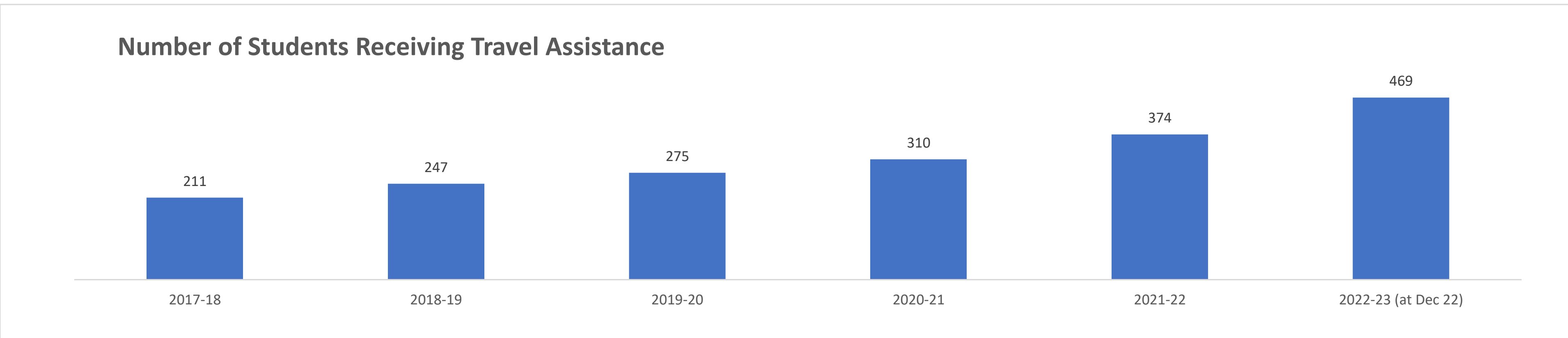

Home Care Intensity
600
500
400
300
200
100
0
2019-20
2020-21
2021-22
2022-23
2023-24
0- 7 hours per week
7 - 14 hours per week
14- 28 hours per week
28+ hours per week

Key Activity Data -Children's Services and Education





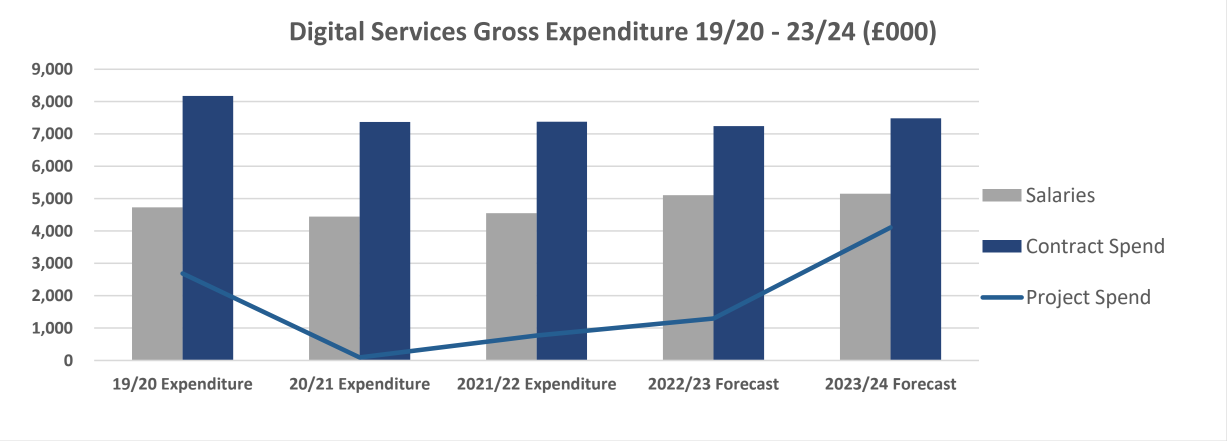




Digital Services Expenditure

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
Subtotal	**12,908**	**11,813**	**11,937**	**12,349**	**12,640**
Project Spend	2,688	93	768	1,297	4,109
Total Spend	**15,596**	**11,906**	**12,705**	**13,646**	**16,749**

Digital Services Spend Chart



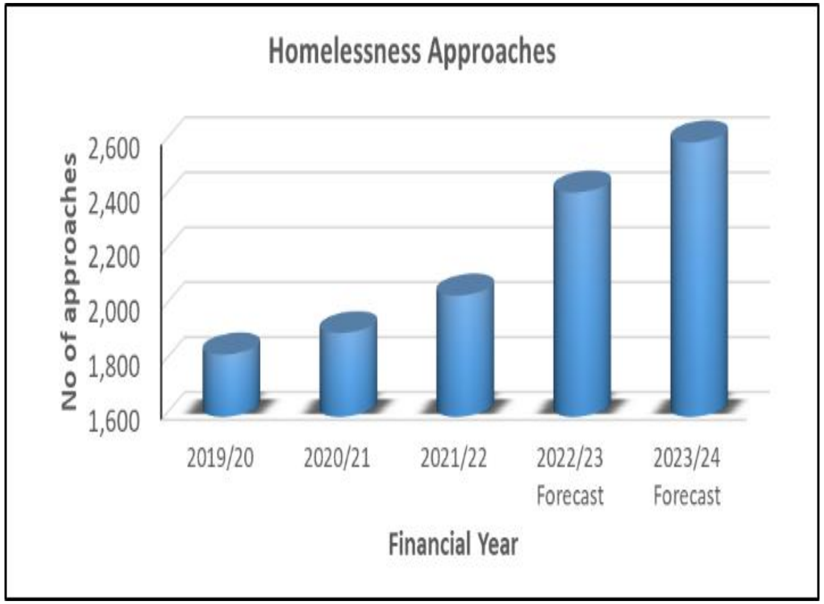
The salaried expenditure of the service reflects an in-house delivery model since the novation of contracts and staff to the Council from the Hammersmith and Fulham Bridge Partnership (HFBP), and disaggregation from shared services with Kensington and Chelsea and Westminster Councils. A revised Target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

Contract spend has decreased since 19/20 after the successful delivery of the Techtonic 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 2018-19	Actual 2019-20	Actual 2020-21	Actual 2021/22	Estimate 2022/23	Estimate 2023/24	Notes
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 .

Hammersmith & Fulham Council

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.

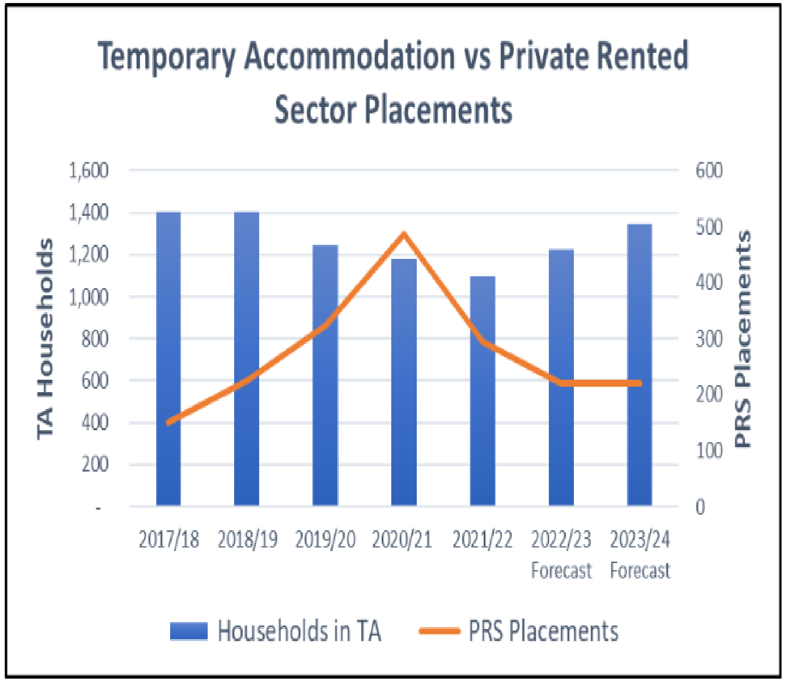
74,230
Households initially assessed as homeless or threatened with homelessness

5.4%
Increase since last year

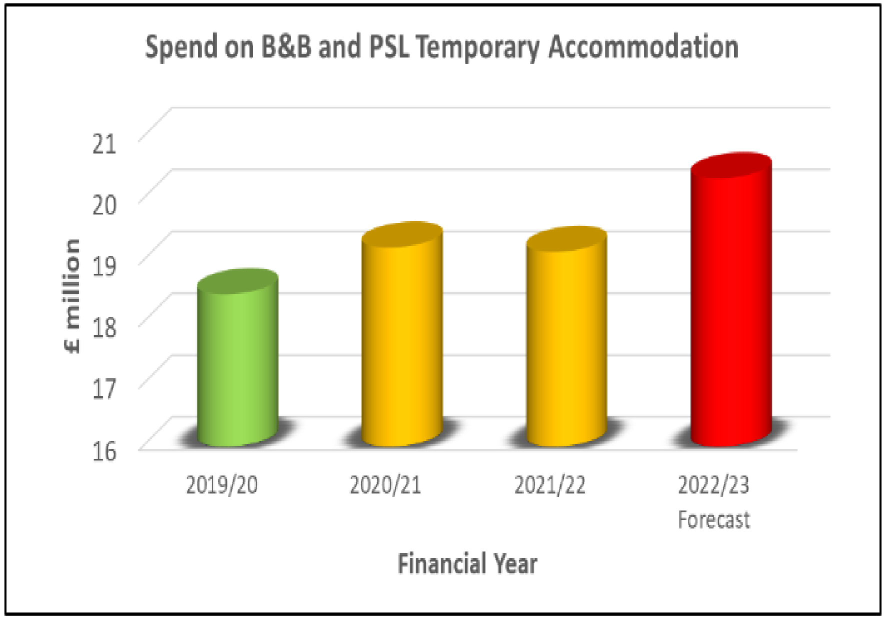
11.4%
increase since October to December 2021

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

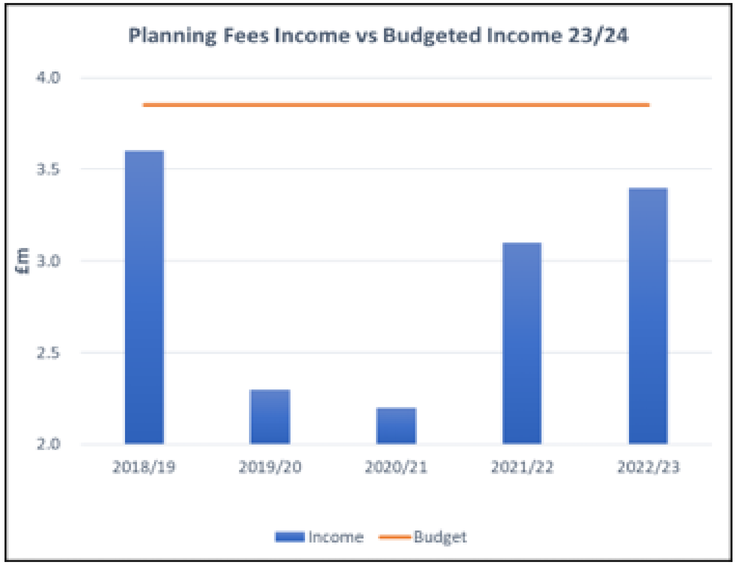
Hammersmith & Fulham Council

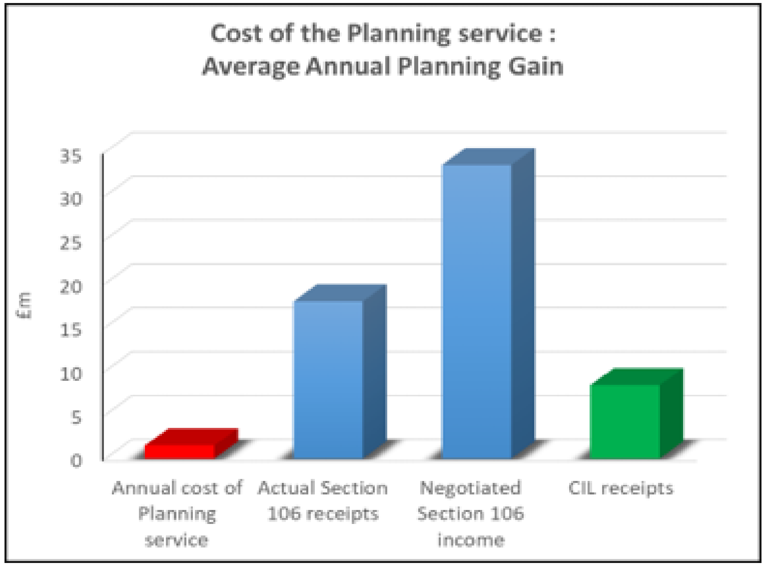


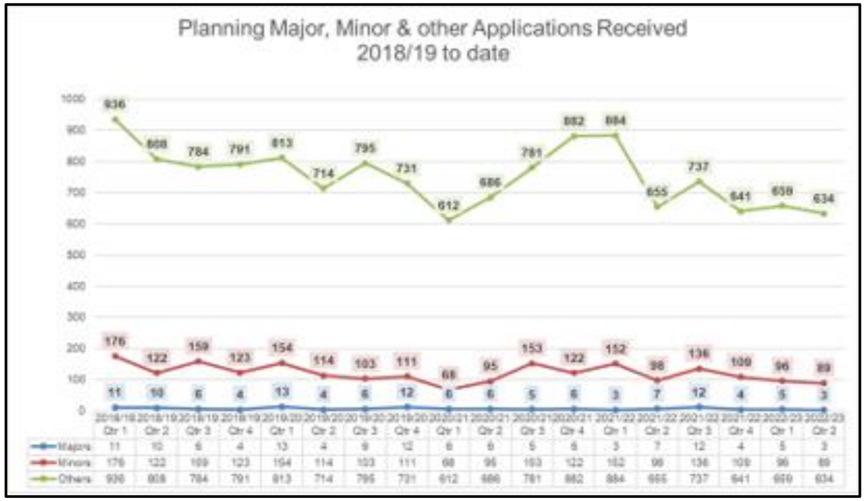
Hammersmith & Fulham Council



Hammersmith & Fulham Council


Planning Fees Income vs Budgeted Income 23/24
£m
4.0
3.5
3.0
2.5
2.0
2018/19
2019/20
2020/21
2021/22
2022/23
Income
Budget


Cost of the Planning service :
Average Annual Planning Gain
£m
35
30
25
20
15
10
5
0
Annual cost of Planning service
Actual Section 106 receipts
Negotiated Section 106 income
CIL receipts


Planning Major, Minor & other Applications Received
2018/19 to date
Majors
Minors
Others


HOW PLANNING IS FUNDED 22/23
(£5.41M)
PPA fees
£1.14m
Pre-app fees
£0.61m
Section 106 & CIL
£0.44m
Other income
£0.03m
General Fund
£1.51m
Application fees
£1.68m