

Medium Term Financial Forecast	2024/25 £'000s	2025/26 £'000s	2026/27 £'000s	2027/28 £'000s
<b>General Fund Base Budget</b>	<b>191,959</b>	<b>191,959</b>	<b>191,959</b>	<b>191,959</b>
Contract and Pay Inflation	13,742	19,742	25,942	32,042
Additional Investment in Key Services and Priorities	10,722	16,722	22,722	28,722
Net Cost of Borrowing (revenue cost of capital programme)	1,000	1,000	1,000	1,000
Savings and change proposals	(8,069)	(9,809)	(10,709)	(10,709)
Other (concessionary fares, income recognition and collection fund)	(4,260)	20	120	120
Interest Receivable (one-off)	(5,000)	0	0	0
<b>Budget requirement</b>	<b>200,094</b>	<b>219,634</b>	<b>231,034</b>	<b>243,134</b>
<b>RESOURCES</b>				
<b>Government:</b>				
General grants (including new homes bonus)	(37,220)	(35,726)	(36,356)	(36,567)
Revenue Support Grant	(21,540)	(21,971)	(22,410)	(22,858)
<b>Hammersmith and Fulham:</b>				
- Business rates (net of Tariff)	(62,509)	(63,759)	(65,034)	(65,034)
- Council tax	(78,825)	(79,511)	(80,198)	(80,884)
<b>Total forecast resources</b>	<b>(200,094)</b>	<b>(200,967)</b>	<b>(203,999)</b>	<b>(205,344)</b>
<b>Budget Gap</b>	<b>0</b>	<b>18,667</b>	<b>27,035</b>	<b>37,790</b>

Social Care

Change and Savings Proposals				Budget Change			
Ref Nos	Service	Title & Theme	Summary	2024-25 Budget Change Cumulative (£000's)	2025-26 Budget Change Cumulative (£000's)	2026-27 Budget Change Cumulative (£000's)	2027-28 Budget Change Cumulative (£000's)
Firm Change and Savings Proposals							
1	Independent living, Quality, Performance and Safeguarding	Reform - Commissioning Market Opportunities	Review care costs with NHS (CHC) as people with very high needs are discharged from hospital.	(200)	(250)	(300)	(300)
2	Independent living, Quality, Performance and Safeguarding	Reform - Continuous improvement of services	Supporting resident independence though better integration of council services with community networks	(150)	(350)	(350)	(350)
3	Independent living, Quality, Performance and Safeguarding	Reform - Continuous improvement of services	Further increased take-up of Direct Payments for choice and control for residents and increasing wellbeing and coproducing as part of the Direct Payment steering group.	(200)	(400)	(600)	(600)
4	Specialist Support and Independent Living	Cross Cutting - Continuous improvement of services	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 Homes available for residents, ensuring new builds are co-produced with disabled residents and make good Housing voids.	(200)	(200)	(400)	(400)
5	Independent living, Quality, Performance and Safeguarding	Transformation - Continuous improvement of Services	Maximising adaptations in people's homes through use of Disabled Facilities Grant. Review Occupational Therapy service delivery across the department with a view to undertake joint care assessment. This increases a person's independence and reduces the need for longer-term care.	(200)	(200)	(200)	(200)
6	Independent living, Quality, Performance and Safeguarding	Reform - Service redesign	Better use of equipment to improve independence of residents with sensory disability.	(100)	(150)	(200)	(200)
7	All Divisions	Artificial Intelligence - 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).	(250)	(450)	(550)	(550)
8	Commissioning	Reform - Commissioning Market Opportunities	Review of commissioning contracts in line with the third sector strategy. This will be managed by adjusting the available contingencies within this budget (it will not affect existing contracts or the Fast Track allocations and inflation will be allocated to contracts in 2024/25).	(100)	(100)	(100)	(100)
9	All Divisions	Reform - Service redesign	Reshaping the department as an all-age adults service and over a medium term neighbourhood resident focus.	(200)	(500)	(500)	(500)
Total Firm Change and Savings Proposals				(1,600)	(2,600)	(3,200)	(3,200)
Investment, Demand and Demographic Growth				Budget Change			
Ref Nos	Service	Title & Theme	Summary	2024-25 Budget Change Cumulative (£000's)	2025-26 Budget Change Cumulative (£000's)	2026-27 Budget Change Cumulative (£000's)	2027-28 Budget Change Cumulative (£000's)
Firm Investment, Demand and Demographic Growth							
1	Independent living, Quality, Performance and Safeguarding & Specialist Support.	Home Care	Home Care and Independent Living procurement award for 6 borough-based new contracts (these contracts are for the Patch and Bridging Service and Home Care spot demand pressures).	4,200	4,200	4,200	4,200
2	Specialist Support and Independent Living	Learning Disability Transitions	The integrated Learning Disabilities (LD) Transition Team	603	603	603	603
Total Firm Investment, Demand and Demographic Growth Proposals				4,803	4,803	4,803	4,803

Public Health

Change and Savings Proposals				Budget Change			
Ref Nos	Service	Title & Theme	Summary	2024-25 Budget Change Cumulative (£000's)	2025-26 Budget Change Cumulative (£000's)	2026-27 Budget Change Cumulative (£000's)	2027-28 Budget Change Cumulative (£000's)
Firm Change and Savings Proposals							
1	Public Health	Rough Sleeping	Review of Rough Sleeper Public Health Contribution to support residents with independent living.	(100)	(100)	(100)	(100)
2	Public Health	Environmental Health	Review of Environmental Health Contributions to manage and support the health protection and outbreak prevention.	(100)	(100)	(100)	(100)
3	Public Health	Community Safety	Review the impact of targeted provision with underserved groups to improve community engagement.	(72)	(72)	(72)	(72)
4	Public Health	Transformation	Review of Community Champions Programme and Reprovision of Services to align services with resident needs and support the Councils response to the cost of living.	(250)	(250)	(250)	(250)
Total Firm Change and Savings Proposals				(522)	(522)	(522)	(522)

Children’s Services and Education

Change and Savings Proposals				Budget Change			
Ref Nos	Service	Title & Theme	Summary	2024-25 Budget Change Cumulative (£000's)	2025-26 Budget Change Cumulative (£000's)	2026-27 Budget Change Cumulative (£000's)	2027-28 Budget Change Cumulative (£000's)
Firm Change and Savings Proposals							
1	Children and Young Peoples Services	Placement service income generation	This proposal aligns the budget to the current profile of placements where there is joint health funding. There will be no impact on children and young people.	(325)	(325)	(325)	(325)
2	Children and Young Peoples Services	Client related non-placement spend	Reform care support via a targeted line by line review to identify efficiency opportunities to secure high quality packages at optimal cost, including capitalising on opportunities for external funding to invest in creating our own provision	(100)	(100)	(100)	(100)
3	Children and Young Peoples Services	Post 19 Housing Pathways	Through collaboration with Housing, to enable care leavers to transition into the Housing Pathway earlier, with increased floating support to ensure the transition is successful.	(100)	(100)	(100)	(100)
4	Children's Commissioning	Early Intervention Commissioning	It is proposed to align the budgets to current expenditure following the recommission. There is no proposed change to delivery	(137)	(137)	(137)	(137)
5	Food Poverty	Holiday food provision	Embedding long-term holiday food provision offer using the council’s bulk purchasing power to more effectively procure long-term holiday food	(900)	(900)	(900)	(900)
Total Firm Change and Savings Proposals				(1,562)	(1,562)	(1,562)	(1,562)

Investment, Demand and Demographic Growth				Budget Change			
Ref Nos	Service	Title & Theme	Summary	2024-25 Budget Change Cumulative (£000's)	2025-26 Budget Change Cumulative (£000's)	2026-27 Budget Change Cumulative (£000's)	2027-28 Budget Change Cumulative (£000's)
Firm Investment, Demand and Demographic Growth							
1	Education Special Educational Needs	Travelcare and Support - Education and Health Care Plan Demand Led Growth	Investment reflects the increased demand of children and young people accessing travel care and support services, whilst maintaining the same high-level quality of provision.	1,271	1,769	2,326	2,884
2	Children and Young Peoples Services	Development of Family Hubs - Full Year effect Investment 2024-25	Investment in launching Family Hubs which will act as a single point of access to help families navigate and receive the support they need when they need it.	260	260	260	260
Total Firm Investment, Demand and Demographic Growth Proposals				1,531	2,029	2,586	3,144

The Environment

Change and Savings Proposals				Budget Change			
Ref Nos	Service	Title & Theme	Summary	2024-25 Budget Change Cumulative (£000's)	2025-26 Budget Change Cumulative (£000's)	2026-27 Budget Change Cumulative (£000's)	2027-28 Budget Change Cumulative (£000's)
Firm Change and Savings Proposals							
1	All	Review fees and charges	Non-residential fees and charges	(200)	(200)	(200)	(200)
2	Public Protection	Environmental Public Protection (Noise and Nuisance)	Use of alternative funding (through developers contributions)	(200)	(200)	(200)	(200)
3	Street Environment	Review waste collections	Further efficiencies from rollout of wheeled bins	(250)	(250)	(250)	(250)
4	All	Service transformation savings	Resident Experience and Access Programme (REAP) enabled savings	(250)	(250)	(250)	(250)
5	Street Environment	New waste collection services	Introduction of garden waste subscription service (this assumes sign up of 10,000 properties)	(650)	(650)	(650)	(650)
Total Firm Change and Savings Proposals				(1,550)	(1,550)	(1,550)	(1,550)

Investment, Demand and Demographic Growth				Budget Change			
Ref Nos	Service	Title & Theme	Summary	2024-25 Budget Change Cumulative (£000's)	2025-26 Budget Change Cumulative (£000's)	2026-27 Budget Change Cumulative (£000's)	2027-28 Budget Change Cumulative (£000's)
Firm Investment, Demand and Demographic Growth							
1	Street Environment	New waste collection services	Additional collection costs for garden waste subscription service	278	278	278	278
2	Cultural Services	Continuation of Community and Cultural Events Programme	Realignment of service costs to ensure that programmes are fully funded and delivered	150	150	150	150
3	Cultural Services	Contribution to new H&F Black History Cultural Centre	Funding to allow the permanent establishment of this centre as part of the Council's culture strategy.	60	60	60	60
Total Firm Investment, Demand and Demographic Growth Proposals				488	488	488	488

## The Economy

Change and Savings Proposals			Budget Change			
Ref Nos	Service	Summary	2024-25 Budget Change Cumulative (£000's)	2025-26 Budget Change Cumulative (£000's)	2026-27 Budget Change Cumulative (£000's)	2027-28 Budget Change Cumulative (£000's)
<b>Firm Change and Savings Proposals</b>						
1	Planning	New fee flexibilities and cost reductions from fewer volumes	(350)	(350)	(350)	(350)
2	Property and Asset Management	Review of expenditure (6% reduction)	(200)	(200)	(200)	(200)
3	Housing Solutions	Efficient commissioning of Temporary Accommodation	(100)	(100)	(100)	(100)
4	Housing Solutions	Review of Housing Solutions team	(150)	(150)	(150)	(150)
5	Housing Solutions	Acquisition of housing for Temporary Accommodation	(200)	(200)	(200)	(200)
6	Property and Asset Management	Corporate Accommodation savings	(400)	(400)	(400)	(400)
7	Property and Asset Management	Non-domestic portfolio master plan	0	(100)	(400)	(400)
<b>Total Firm Change and Savings Proposals</b>			<b>(1,400)</b>	<b>(1,500)</b>	<b>(1,800)</b>	<b>(1,800)</b>

Investment, Demand and Demographic Growth			Budget Change			
Ref Nos	Service	Summary	2024-25 Budget Change Cumulative (£000's)	2025-26 Budget Change Cumulative (£000's)	2026-27 Budget Change Cumulative (£000's)	2027-28 Budget Change Cumulative (£000's)
<b>Firm New Investment, Demand and Demographic Growth Requests</b>						
1	Economic Development Learning & Skills	Specialist and sectorial expertise to support development of the Strategy, content, design, marketing, engagement etc	(25)	(50)	(50)	(50)
2	Economic Development Learning & Skills	Specialist consultancy support for the development of STEAM sector strategies and their promotion	(25)	(25)	(25)	(25)
3	Housing Solutions	An increase in homeless presentations combined with a reductions in supply of rehousing solutions is resulting in additional client numbers	1,500	1,500	1,500	1,500
<b>Total Firm New Investment, Demand and Demographic Growth Requests Proposals</b>			<b>1,450</b>	<b>1,425</b>	<b>1,425</b>	<b>1,425</b>

Corporate (Finance, Corporate Resources, Council Wide)

Change and Savings Proposals				Budget Change			
Ref Nos	Service	Title & Theme	Summary	2024-25 Budget Change Cumulative (£000's)	2025-26 Budget Change Cumulative (£000's)	2026-27 Budget Change Cumulative (£000's)	2027-28 Budget Change Cumulative (£000's)
Firm Change and Savings Proposals							
1	Procurement and Commercial	Digital Advertising	An increase in digital advertising rental income.	(150)	(150)	(150)	(150)
2	Audit, Fraud, Risk and Insurance	Internal Audit externally contracted work	Reduction in Internal Audit budget for contracted out audit days.	(50)	(50)	(50)	(50)
3	Managed Services	Hampshire Partnership Finance System	Reduction in LBHF share of the Hampshire Finance System costs.	(200)	(200)	(200)	(200)
4	Digital	Network and Telephony contract	Reduction in costs arising from the network and telephony procurement strategy and contract award.	(125)	(125)	(125)	(125)
5	Digital	SQL migration	Remove the need for server licencing and reduce support costs for smaller applications following migration to Microsoft Azure platform.	(60)	(80)	(80)	(80)
6	Coroners and Mortuary	Mortuary Income increase	Additional income from contract based on RPI.	(80)	(80)	(80)	(80)
7	ALL	Senior organisational structure review	An organisational review of the senior chief officer structures of the Council	(250)	(1,000)	(1,000)	(1,000)
8	ALL	Parking projects	Discontinuing annual contribution to reserves and utilising in year revenue resources	(275)	(275)	(275)	(275)
9	ALL	Street column replacements	Discontinuing annual contribution to reserves and utilising in year revenue resources	(245)	(245)	(245)	(245)
Total Firm Change and Savings Proposals				(1,435)	(2,205)	(2,205)	(2,205)
Investment, Demand and Demographic Growth							
Ref Nos	Service	Title & Theme	Summary	2024-25 Budget Change Cumulative (£000's)	2025-26 Budget Change Cumulative (£000's)	2026-27 Budget Change Cumulative (£000's)	2027-28 Budget Change Cumulative (£000's)
Firm Investment, Demand and Demographic Growth							
1	Digital Services	Digital cyber security	Enhancing the Council's cyber security through extending the Microsoft Enterprise Agreement and delivery of a robust out of hours support service.	250	250	250	250
2	ALL	Housing Services	A realignment of the charges between the General Fund and the Housing Revenue Account	1,700	1,700	1,700	1,700
3	ALL	Civic Campus programme	Anticipated pressures from the completion of the programme and award of operating leases	500	500	500	500
Total Firm Investment, Demand and Demographic Growth Proposals				2,450	2,450	2,450	2,450

**Children's Services Risk/Challenges**

Department & Division	Short Description of Risk	Mitigation
Children's Services		
Education and SEND	Sustained travel care growth across all client groups (Special Educational Needs and Disabilities and Children Looked After) in excess of current growth.	Robust assurance processes, route optimisations and transport sharing opportunities.
Children and Young Peoples Services	Increased presentation of need / cost, and subsequent growth in referrals and staff capacity to meet need.	Current additional fourth Contact and Assessment Team to support managing throughput of need, undertaking risk assessments, close monitoring of need.



## Social Care Risks/ Challenges

Department & Division	Short Description of Risk	Mitigation
<b>Social Care</b>		
Learning Disabilities	<b>Learning Disabilities Transitions:</b> 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 126 more young people by 2027/28 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	<b>Demographic Pressures:</b> The Social Care budget is under severe pressure due to increasing demand 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 1.52% over the period 2023 to 2026.	Tight monitoring of the budget on a monthly basis, reprioritising as required.
All Divisions	<b>Better Care Fund (BCF) Health Pressures:</b> 1) Reduced allocation in hospital discharges 2) Review of all services in preparation for 24/25 by NWL Health	Tight monitoring of the budget and joint work with Health on the BCF review.
All Divisions	<b>Equipment contract:</b>	Monitored as part of the contract negotiations and any additional funding to be managed over the lifetime of the contract. However, the consortium is also working through other options and will be updating Boroughs when they've received legal advice. These options may mean that we may not need to make additional payments.

## The Environment Department Risk/Challenges

Department & Division	Short Description of Risk	Mitigation
<b>Environment</b>		
Climate Change	Significant funding requirements for addressing the Climate and Ecological Emergency and achieving the Council's net zero carbon target.	Financial strategy has been developed to ascertain level of required investment and funding options. Officers will continue to pursue and lobby for external funding
Highways	Hammersmith Bridge works are being undertaken at risk, pending confirmation of funding contributions from the Department for Transport and Transport for London. If the full strengthening and restoration project does not go ahead, some capital costs to date may need to be charged back to revenue	Continue to work with the Department for Transport and Transport for London
Street Environment Services	Waste disposal savings from the new wheeled bin waste collection service may be insufficient to cover the new service costs	Impact of roll out will be monitored and assessed. Expected to deliver longer term reductions in waste disposal tonnages and costs.
Street Environment Services	The new garden waste service may not fully recover its cost (insufficient take up and/or insufficient waste disposal savings)	Impact of roll out will be monitored and assessed. Expected to deliver longer term reductions in waste disposal tonnages and costs.

## The Economy Department Risk/Challenges

Department & Division	Short Description of Risk	Mitigation
<b>The Economy Department</b>		
Housing Solutions	Overall Benefit Cap (OBC) & Discretionary Housing Payments (DHP)	Support and enable residents to gain exemption from the Benefit Cap or meet the shortfall through: <ul style="list-style-type: none"> <li>- Training and qualifying employment</li> <li>- Disability/Carers benefit where possible</li> <li>- Resettlement into affordable housing</li> <li>- Personal budgeting</li> </ul>
Housing Solutions	Cost of Living Crisis and End of Eviction Ban	Help new TA tenants (PRS evictees) manage rent shortfalls from tapered income (non-Benefits Cap) through: <ul style="list-style-type: none"> <li>- Personal budgeting</li> <li>- Welfare benefit advice</li> </ul>
Housing Solutions	Increase in bad debt provision on Temporary Accommodation (Bed & Breakfast and Private Sector Leasing) rent arrears because of reductions in personal income due to Cost of Living Crisis	Robust but sensitive TA Income collection processes post pandemic.
Housing Solutions	There is a risk of a further increase in the number of households in Temporary Accommodation - based on an additional 100 households this year above the current forecast	Increase access to private rented accommodation as outlined and agreed in Council's Housing Allocation Scheme.
Housing Solutions	Inflationary pressures on Temporary Accommodation landlord costs, based on an extra 1.5% rental inflation above the current forecast	Reducing expensive Temporary Accommodation is likely to mean procuring additional units outside of this borough. The Council is collaborating with Capital Letters to increase supply.
Housing Solutions	There is a risk of large families being accommodated in B&B due to unsuitable accommodation available	Procure Temporary Accommodation for larger families. Potential to split households on a voluntary basis.
Housing Solutions	Domestic Abuse Act - increase in households in temporary accommodation - extra 70 households next year above the current forecast	Increase access to private rented accommodation as outlined and agreed in Council's Housing Allocation Scheme. Working closely with Capital Letters to increase supply.
Property	Non domestic portfolio - increase in repairs and maintenance costs and reduction in rental income	Review of existing lease arrangements, and a review of the capital maintenance programme.
Planning	Planning application fees income	Service to continue to pursue opportunities to maximise income through Planning Performance Agreements and reviewing fees and charges.

## **Finance and Resources Risk/Challenges**


<b>Department &amp; Division</b>	<b>Short Description of Risk</b>	<b>Mitigation</b>
<b>Corporate</b>		
Council wide	Contract and pay inflation in excess of current budget assumptions	The budget proposals include a retained contingency reserve for inflationary risk.
Council wide	Uncertainty over medium term future government and partnership funding and continuation of existing funded programmes (e.g. TfL, Household Support Fund, Homelessness Prevention, Market Sustainability and Improvement Fund)	Continue to work proactively with our partners and highlight the major outcomes being achieved through the grant funded programmes. Develop alternative funding strategies as practical.
Council wide	Increasing risks on IT systems (cyber security)	The budget proposes additional investment in cyber security processes and infrastructure, plus maintain a strong level of General Balances. There will also continue to be regular cyber security updates to staff as appropriate.
Council wide	Abortive costs for development and other capital schemes which cannot be capitalised and therefore would need to be funded by revenue resources.	Continue to work with service contractors to manage within existing budgets

# **Hammersmith & Fulham Fees & Charges**

Exceptions to the standard uplift

**2024/25**

Fee Description	2023/24 Charge (£)	2024/25 Charge (£)	Proposed Variation (%)	Total Estimated Income Stream for 2023/24 (£)	Total Estimated Income Stream for 2024/25 (£)	Reason For Variation Not At Standard Rate
Private Sector Leasing						
Private Sector Leasing Water Charges	Varies	Varies		£12,000	£12,000	The charge is determined by the annual increase set by the water companies. This is expected in January 2024.
Private Sector Leasing Rent (average per week)	£264.39	£262.95	↓ -0.5%	£12,657,200	£15,095,400	Since April 2012, the PSL rent threshold has been based on the January 2011 Local Housing Allowance (LHA). The threshold formula was 90% of LHA plus £40 and subject to a cap of £500 on Inner London and Outer South West London Broad Rental Market Areas (BRMA) and a cap of £375 on other BRMAs. From April 2017, the £40 has been removed and replaced by MHCLG’s flexible homelessness support grant. The new threshold is 90% of January 2011 LHA and subject to a cap of £460 on Central and Inner London and Outer South West London BRMA and a cap of £335 on the other BRMAs. PSL tenants living in a UC area have had their rent threshold based on 100% of the April 2015* LHA but since 11 April 2018, the housing cost element of UC has no longer been available to new claims from temporary accommodation. Those UC claimants already getting the UC housing cost element for their temporary accommodation must switch their claim to HB when there is a change in their rent liability after 11 April 2018.  *By October 2023, 1.0% of the Council's PSL tenants are still claiming UC and their rents are set to the April 2015 LHA.
	£264.39 as at 28th October 2022	£262.95 as at 13th November 2023		£12.6m (2023/24 Estimates, based on 959 units with 4% void at the weekly rent of £264.39)	£15.1m (2024/25 Estimates, based on 1150 units with 4% void at the weekly rent of £262.95)	
Bed and Breakfast Temporary Accommodation						
B & B Rent Single/Family (Average per week)	£225.34	£223.80	↓ -0.7%	£1,394,400	£1,803,800	This fee is the LHA threshold for one bedroom properties.
	£225.34 as at 24th October 2022	£223.80 as at 13th November 2023		£1.4m (2023/24 Estimates, based on 119 tenants at a weekly rent of £225.34)	£1.8m (2024/25 Estimates, based on 155 tenants at a weekly rent of £223.80)	Since April 2012, the B&B rent threshold has been based on the January 2011 Local Housing Allowance (LHA). From April 2017, the B&B rent threshold will be based on the April 2015 LHA for benefit claims made through Universal Credit(UC).  Since 11 April 2018, the housing cost element of UC has no longer been available to new claims from temporary accommodation – UC claimants already getting the UC housing cost element for their temporary accommodation must switch their claim to HB when there is a change in their rent liability for such accommodation. The LHA varies according to changes in market rents, the location of the property and its bedroom size.
B & B Amenity Charges - Single Adult	£11.76	£12.55	↑ 6.7%	£72,800	£101,200	These charges are not eligible for Housing Benefit.
B & B Amenity Charges - Single Adult & Children	£12.40	£13.23	↑ 6.7%	(2023/24 Estimates, based on 119 tenants)	(2024/25 Estimates, based on 155 tenants)	
B & B Amenity Charges - Two Adults	£15.04	£16.05	↑ 6.7%			
B & B Amenity Charges - Two Adults and Children	£15.66	£16.71	↑ 6.7%			
B & B Amenity Charges - Three Adults and Children	£19.06	£20.34	↑ 6.7%			
B & B Amenity Charges - Four Adults and Children	£22.20	£23.69	↑ 6.7%			
B & B Amenity Charges - any additional adult	£3.24	£3.46	↑ 6.7%			

Fee Description	2023/24 Charge (£)	2024/25 Charge (£)	Proposed Variation (%)	Total Estimated Income Stream for 2023/24 (£)	Total Estimated Income Stream for 2024/25 (£)	Reason For Variation Not At Standard Rate
Home Buy						
Discount Market Sale Home Buy Fee	£160.00	£200.00	 25%	£4,000	£5,000	The previous fee does not currently cover the Council's costs in providing the service.

**LICENSING**

Fee Description	2023/24 Charge (£)	2024/25 Charge (£)	Proposed Variation (£)	Proposed Variation (%)
<b>ANIMAL LICENCES - Part A Application Fees</b>				
Animal Boarding Establishments - dogs & cats (NEW)	£530.50	£541.10	£10.60	2%
Animal Boarding Establishments - dogs & cats (RENEWAL)	£391.40	£399.20	£7.80	2%
Dog breeding kennels (NEW)	£539.00	£549.80	£10.80	2%
Dog breeding kennels (RENEWAL)	£392.50	£400.40	£7.90	2%
Dog breeding - Domestic (NEW)	£458.80	£468.00	£9.20	2%
Dog breeding - Domestic (RENEWAL)	£314.40	£320.70	£6.30	2%
Animal Boarding Establishments - single species (NEW)	£450.30	£459.30	£9.00	2%
Animal Boarding Establishments - single species - renewal	£314.40	£320.70	£6.30	2%
Dangerous Wild Animals (NEW - Commercial)	£539.00	£549.80	£10.80	2%
Dangerous Wild Animals (RENEWAL - Commercial)	£394.60	£402.50	£7.90	2%
Dangerous Wild Animals (NEW - Domestic)	£458.80	£468.00	£9.20	2%
Dangerous Wild Animals (RENEWAL - Domestic)	£314.40	£320.70	£6.30	2%
Performing Animals (NEW)	£366.80	£374.10	£7.30	2%
Performing Animals (RENEWAL)	£300.60	£306.60	£6.00	2%
Pet Sales (NEW)	£530.50	£541.10	£10.60	2%
Pet Sales (RENEWAL)	£392.50	£400.40	£7.90	2%
Riding Establishments (based on 1 - 21 horses)	£705.90	£720.00	£14.10	2%
Home Boarders/daycare (up to 6 dogs)	£351.80	£358.80	£7.00	2%
Home Boarders/daycare (up to 6 dogs) renewal	£250.30	£255.30	£5.00	2%
Dog Day Care (NEW)	£351.80	£358.80	£7.00	2%
Dog Day Care (RENEWAL)	£314.40	£320.70	£6.30	2%
PART B - Ongoing costs (visits, enforcement etc)	£183.20	£195.50	£12.30	7%
Application total	£522.20	£557.20	£35.00	7%
PART A - More than 10 dogs	New Charge	£554.54	New charge	New charge
PART B - More than 10 dogs	New Charge	£195.50	New charge	New charge
Application total	New Charge	£750.04	New charge	New charge
<b>ENVIRONMENTAL PUBLIC PROTECTION</b>				
<b>High hedges</b>				
Preliminary investigation of complaints	N/A	£168.00	New Charge	New Charge
Formal investigation - Remedial Notice	N/A	£504.00	New Charge	New Charge
<b>Collection of Noise Monitoring Equipment</b>				
Late Penalty Charges	N/A	£55.00	New Charge	New Charge
Daily Charge - Extended use	N/A	£20.00	New Charge	New Charge



Fee Description	2023/24 Charge (£)	2024/25 Charge (£)	Proposed Variation (£)	Proposed Variation (%)
1 day per week (Standard Stall)	£22.80	£22.80	£0.00	0%
1 day per week (Extended)	£33.10	£33.10	£0.00	0%
2 days per week (Standard)	£30.80	£30.80	£0.00	0%
2 days per week (Extended)	£46.80	£46.80	£0.00	0%
3 days per week (Standard)	£48.00	£48.00	£0.00	0%
3 days per week (Extended)	£68.50	£68.50	£0.00	0%
4 days per week (Standard)	£60.50	£60.50	£0.00	0%
4 days per week (Extended)	£90.20	£90.20	£0.00	0%
5 days per week (Standard)	£76.50	£76.50	£0.00	0%
5 days per week (Extended)	£111.90	£111.90	£0.00	0%
6 days per week (Standard)	£93.60	£93.60	£0.00	0%
6 days per week (Extended)	£134.80	£134.80	£0.00	0%
Additional charge per day payable for trading on Friday and/or Saturday	£11.00	£11.00	£0.00	0%
2 days per week for start-up businesses in North End Road Market	£11.00	£11.00	£0.00	0%
<b>PRIVATE MARKET OPERATOR LICENCES</b>				
Private Market Operator Licence (6 months) 5 to 9 stalls	New Charge	£610.60	New Charge	New Charge
Private Market Operator Licence (6months) 10 to 20 stalls	New Charge	£1,011.00	New Charge	New Charge
Private Market Operator Licence (6months) 21 to 50 stalls	New Charge	£2,103.00	New Charge	New Charge
Private Market Operator Licence (6months) 50 to 100 stalls	New Charge	£3,923.00	New Charge	New Charge

Fee Description	2023/24 Charge (£)	2024/25 Charge (£)	Proposed Variation (£)	Proposed Variation (%)
<b>BULKY HOUSEHOLD WASTE COLLECTIONS</b>				
<i>20% discount applied for charities</i>				
Standard - up to 10 items of household bulky waste	£30.00	£45.00	£15.00	50%
Standard - each additional item	£3.00	£4.50	£1.50	50%
Special fee – rubble sacks - for up to 5 sacks	£33.68	£50.00	£16.32	48%
Special fee – rubble sacks - each additional item	£3.30	£5.00	£1.70	52%
Special fee – bathroom suites - for up to 5 items	£33.68	£50.00	£16.32	48%
Special fee – bathroom suites - each additional item	£6.50	£5.00	£-1.50	-23%
Special fee – fencing - for up to 5 panels	£39.27	£50.00	£10.73	27%
Special fee – fencing - each additional item	£6.50	£5.00	£-1.50	-23%
Special fee – broken down sheds - per shed	£68.11	£75.00	£6.89	10%
<b>GARDEN WASTE</b>				
Annual Garden Waste Subscription	New Charge	£65.00	New Charge	New Charge
<b>COMMERCIAL WASTE</b>				
Fee Description	2023/24 Charge (£)	2024/25 Charge (£)	Proposed Variation (£)	Proposed Variation (%)
<b>WASTE AND RECYCLING COLLECTIONS - charge per sack/empty</b>				
<i>20% discount applied for charities. Officers can apply discretion over commercial discounts</i>				
Recycling Sacks	£2.15	£2.30	£0.15	7%
Waste Sacks	£3.00	£3.30	£0.30	10%
360 Ltr Recycling Bin	£7.70	£8.50	£0.80	10%
360 Ltr Waste Bin	£13.10	£14.40	£1.30	10%
660 Ltr Recycling Bin	£10.90	£12.00	£1.10	10%
660 Ltr Waste Bin	£17.15	£18.90	£1.75	10%
940 Ltr Waste Bin	£23.80	£26.20	£2.40	10%
1100 Ltr Waste Bin	£23.80	£26.20	£2.40	10%
1100 Ltr Waste Bin (heavy)	£25.90	£28.50	£2.60	10%
1280 Ltr Recycling Bin	£16.00	£17.60	£1.60	10%
1280 Ltr Recycling Bin (heavy)	£17.70	£19.50	£1.80	10%
Compactors	£561.40	£617.50	£56.10	10%
<b>DOMESTIC BIN HIRE - charge per bin per week</b>				
360 Ltr Euro Bin	£1.60	£1.80	£0.20	13%
660 Ltr Bin	£2.40	£3.50	£1.10	46%
940 Ltr Bin	£2.40	£2.60	£0.20	8%
1100 Ltr Euro Bin	£3.10	£3.80	£0.70	23%
1280 Ltr Euro Bin	£3.10	£3.80	£0.70	23%
<b>CONTAINER REPLACEMENT - charge per bin</b>				
360 Ltr Bin	£140.90	£169.10	£28.20	20%
660 Ltr Bin	£374.20	£449.00	£74.80	20%
940 Ltr Palladin Bin	£393.90	£472.70	£78.80	20%
940 Ltr Chamberlain	£393.90	£472.70	£78.80	20%
1100 Ltr Euro Bin	£388.00	£465.60	£77.60	20%
1280 Litre Euro Bin	£490.50	£588.60	£98.10	20%

Fee Description	2023/24 Charge (£)	2024/25 Charge (£)	Proposed Variation (£)	Proposed Variation (%)
<b>COMMERCIAL RECYCLING CONTAMINATION CHARGE</b>				
Orange Sack - Customer not removing contamination - 1 contaminated sack	£35.00	£50.00	£15.00	43%
Orange Sack - Customer not removing contamination - additional sacks	£35.00	£50.00	£15.00	43%
360 Ltr Euro Bins - Customer not removing contamination - 1 contaminated container	£33.60	£50.00	£16.40	49%
360 Ltr Euro Bins - Customer not removing contamination - additional containers	£33.60	£50.00	£16.40	49%
360 Ltr Euro Bins - Customer removes contamination and requires additional collection - 1 contaminated container	£33.60	£50.00	£16.40	49%
360 Ltr Euro Bins - Customer removes contamination and requires additional collection - additional containers	£33.60	£50.00	£16.40	49%
660 Ltr Euro Bins - Customer not removing contamination - 1 contaminated container	£33.60	£50.00	£16.40	49%
660 Ltr Euro Bins - Customer not removing contamination - additional containers	£33.60	£50.00	£16.40	49%
660 Ltr Euro Bins - Customer removes contamination and requires additional collection - 1 contaminated container	£33.60	£50.00	£16.40	49%
660 Ltr Euro Bins - Customer removes contamination and requires additional collection - additional containers	£33.60	£50.00	£16.40	49%
1100 Ltr Euro Bins - Customer not removing contamination - 1 contaminated container	£33.60	£50.00	£16.40	49%
1100 Ltr Euro Bins - Customer not removing contamination - additional containers	£33.60	£50.00	£16.40	49%
1100 Ltr Euro Bins - Customer removes contamination and requires additional collection - 1 contaminated container	£33.60	£50.00	£16.40	49%
1100 Ltr Euro Bins - Customer removes contamination and requires additional collection - additional containers	£33.60	£50.00	£16.40	49%
1280 Ltr Euro Bins - Customer not removing contamination - 1 contaminated container	£33.60	£50.00	£16.40	49%
1280 Ltr Euro Bins - Customer not removing contamination - additional containers	£33.60	£50.00	£16.40	49%
1280 Ltr Euro Bins - Customer removes contamination and requires additional collection - 1 contaminated container	£33.60	£50.00	£16.40	49%
1280 Ltr Euro Bins - Customer removes contamination and requires additional collection - additional containers	£33.60	£50.00	£16.40	49%

**HIGHWAYS**

Fee Description	2023/24 Charge (£)	2024/25 Charge (£)	Proposed Variation (£)	Proposed Variation (%)
<b>Other</b>				
Provision of General Highways Information	£500.00	£550.00	£50.00	10%
Crossover Application fee	£300.00	£330.00	£30.00	10%
Canopy Fee - One off charge	£300.00	£330.00	£30.00	10%
Canopy Fee - Renewal	£150.00	£165.00	£15.00	10%
<b>Table and Chairs Licences</b>				
Tables and Chairs Licence - Pedestrian Squares	£600.00	£660.00	£60.00	10%
Tables and Chairs Licence - Town Centres	£900.00	£990.00	£90.00	10%
Tables and Chairs Licence - Other streets	£600.00	£660.00	£60.00	10%
Advertising Board Licence	£200.00	£220.00	£20.00	10%
<b>Scaffolding / Hoarding Licences</b>				
Damage deposit for all for scaffold & hoarding licences (refundable on completion following verbal or written confirmation & satisfactory site inspection).	£750.00+	£750.00+	£0.00	0%
Scaffolding / Hoarding Licence Commercial Single Frontages (and residential sites measuring up to 15m)	£380.00	£420.00	£40.00	11%
Scaffolding / Hoarding Licence (Any site measuring more than 15m )	£800.00	£960.00	£160.00	20%
<b>Crane Licences</b>				
Major crane Application	£500.00	£1,000.00	£500.00	100%
Minor Crane Operations	£250.00	£500.00	£250.00	100%
<b>Skips &amp; Builder's Materials Licences (14 day duration)</b>				
Damage deposit for skips and builders materials.	£750.00+	£750.00+	£0.00	0%
Skip & Builders' Materials Licences	£125.00	£130.00	£5.00	4%
- Each additional month	£125.00	£130.00	£5.00	4%
Mini Skip, two weeks	New Charge	£100.00	New Charge	New Charge
Applications for highway licences, where applicable, also require payment for the suspension of a parking bay				

Fee Description	2023/24 Charge (£)		Proposed Variation (£)	Proposed Variation (%)
<b>Other Highways Licences (14 day duration)</b>				
Magazine Dispensers	£1,050.00	£1,155.00	£105.00	10%
Storage Containers (developments, stadiums, etc.)	£1,000.00	£1,100.00	£100.00	10%
Cellar Doors - One off license fee	£400.00	£440.00	£40.00	10%
Cellar Doors - Renewal fee	£200.00	£220.00	£20.00	10%
Portaloos	£100.00	£110.00	£10.00	10%
Site huts	£300.00	£330.00	£30.00	10%
- Each additional fortnight	£300.00	£330.00	£30.00	10%
Accident Data	£100.00	£200.00	£100.00	100%
Call outs (for first day - not including additional costs)	£200.00	£220.00	£20.00	10%
- Each additional day	£75.00	£82.50	£7.50	10%
<b>Highways Inspection Data</b>				
Application	£500.00	£550.00	£50.00	10%
<b>Highways Land Enquires</b>				
Text Based	£100.00	£120.00	£20.00	20%
Drawing	£200.00	£240.00	£40.00	20%
<b>Costs of Traffic Surveys</b>				
4 Arm Junction	£700.00	£770.00	£70.00	10%
Single Carriageway	£700.00	£770.00	£70.00	10%
Other Junctions	£700.00	£770.00	£70.00	10%
<b>Street Naming and Numbering</b>				
Initial new addressable Unit	£200.00	£400.00	£200.00	100%
Additional Addressable Unit	£70.00	£140.00	£70.00	100%
New building name	£140.00	£280.00	£140.00	100%
New Street name	£140.00	£280.00	£140.00	100%
Address verification	£90.00	£0.00	£-90.00	-100%
Copies of Documentation	£50.00	£0.00	£-50.00	-100%
Research Time	£90.00	£180.00	£90.00	100%

**ENVIRONMENTAL QUALITY**

Fee Description	2023/24 Charge (£)	2024/25 Charge (£)	Proposed Variation (£)	Proposed Variation (%)
Demolition Notice S80 Building Act (VAT not included)	£300.00	£360.00	£60.00	20%
<b>Environmental Searches for Contaminated Land Enquiries (Environmental Information Regulations 2004)</b>				
Residential Property*	£200.00	£240.00	£40.00	20%
Commercial Property*	£200.00	£240.00	£40.00	20%
*A scaled increase is applied to these charges for bespoke searches, large sites or adjacent properties. The Environmental Quality team should be contacted for an estimate in all cases. VAT is not included.				

## CEMETERIES

Fee Description	2023/24 Charge (£)	2024/25 Charge (£)	Proposed Variation (£)	Proposed Variation (%)
<b>GRAVE PURCHASE - HAMMERSMITH &amp; FULHAM</b>				
Grave Purchase & Grant - North Sheen / Mortlake - Resident	£3,055.00	£3,666.00	£611.00	20%
Grave Purchase & Grant - North Sheen / Mortlake	£6,110.00	£7,332.00	£1,222.00	20%
<b>INTERMENT OF CREMATED REMAINS</b>				
<i>The interment cost for residents' children up to 18 years of age are waived</i>				
Scattering of Ashes - Resident	£120.00	£128.00	£8.00	7%
Scattering of Ashes - Non-Resident	£208.00	£128.00	£-80.00	-38%
<b>REGISTER SEARCH FEE</b>				
1 Search	£30.00	£30.00	£0.00	0%
2 Searches	£50.00	£50.00	£0.00	0%
3 Searches	£60.00	£60.00	£0.00	0%
<b>CHANGE OF OWNERSHIP</b>				
Registering change of ownership & new Deed	£117.00	£117.00	£0.00	0%
As above but statutory declaration required	£200.00	£200.00	£0.00	0%
<b>PARKS</b>				
Professional Dog Walker Licence - Resident (annual)	£199.80	£210.00	£10.20	5%
Professional Dog Walker Licence - Non Resident (annual)	£342.50	£410.00	£67.50	20%

Fee Description	2023/24 Charge (£)	2024/25 Charge (£)	Proposed Variation (£)	Proposed Variation (%)
<b>SWIMMING LESSONS</b>				
Junior - Better Junior Member (30 minute lesson)	£6.50	£7.15	£0.65	10%
Junior - Better Junior Member (45 minute lesson)	£9.80	£10.80	£1.00	10%
<b>LEISURE IN PARKS</b>				
<b>FOOTBALL (GRASS PITCHES) - LBHF</b>				
<i>Inclusive of Changing Rooms when available &amp; Nets/Flags</i>				
Per Pitch Per Hour - Out of Borough & Private Schools	£84.00	£100.00	£16.00	19%
<b>11-A-SIDE ALL-WEATHER PITCHES (11AWP)</b>				
<i>Inclusive of Pitch Hire Only</i>				
Per Pitch Per Hour - Out of Borough & Private Schools	£84.00	£100.00	£16.00	19%
<b>5-A-SIDE ALL-WEATHER PITCHES (5AWP)</b>				
<i>Inclusive of Pitch Hire Only</i>				
Per Pitch Per Hour - Out of Borough & Private Schools	£51.00	£61.00	£10.00	20%
<b>RUGBY / GAELIC FOOTBALL / LA CROSSE / HOCKEY / AUSTRALIAN RULES</b>				
<i>Inclusive of Changing Rooms</i>				
Per Pitch Per Hour - Out of Borough & Private Schools	£84.00	£100.00	£16.00	19%
<b>CRICKET PITCH - LBHF</b>				
<i>Wormwood Scrubs only (Inclusive of Changing Rooms)</i>				
Per pitch - Out of Borough and Private School	£84.00	£100.00	£16.00	19%
<b>CRICKET (NETS)</b>				
<i>South Park Only (Inclusive of Net Hire only, where requested without a pitch).</i>				
Per pair - Out of Borough and Private School - H	£19.30	£23.00	£3.70	19%
<b>ROUNDERS/BASEBALL/SOFTBALL</b>				
<i>Wormwood Scrubs only (Inclusive of Changing Rooms)</i>				
Per Pitch Per Hour - Out of Borough & Private Schools	£79.50	£95.00	£15.50	19%
<b>TOUCH/TAG RUGBY</b>				
<i>Inclusive of Pitch Hire Only</i>				
Per Pitch Per Hour - Out of Borough & Private Schools	£84.00	£100.00	£16.00	19%
<b>ATHLETICS &amp; SPORTS DAYS - HURLINGHAM PARK &amp; SOUTH PARK</b>				
<i>Inclusive of Line Markings (100m Track) (No Changing Rooms)</i>				
Per Space Per Hour - Out of Borough & Private Schools	£84.00	£100.00	£16.00	19%
<b>ATHLETICS &amp; SPORTS DAYS - All Other Sites</b>				
<i>Inclusive of Pitch Hire Only</i>				
Per Space Per Hour - Out of Borough & Private Schools	£52.90	£64.00	£11.10	21%
<b>NETBALL - LBHF</b>				
Per Court Per Hour - Out of Borough & Private Schools	£29.80	£36.00	£6.20	21%
Netball - Per Court Per Hour - Out of Borough & Private Schools - Floodlit	£35.60	£43.00	£7.40	21%
<b>HURLINGHAM PARK TRAINING AREA</b>				
<i>Inclusive of Changing Rooms &amp; Floodlights (Where Available)</i>				
Training Area Per Hour - Out of Borough & Private Schools	£67.20	£81.00	£13.80	21%
<b>BISHOPS PARK, BROOK GREEN, EEL BROOK COMMON, LILLIE ROAD, NORMAND PARK &amp; SOUTH PARK TRAINING AREAS</b>				
<i>Inclusive of Pitch Hire Only</i>				
Training - Out Of Borough And Private School and General	£34.20	£41.00	£6.80	20%
<b>Running Track Hire</b>				
Training - Out Of Borough And Private School and General	£78.00	£94.00	£16.00	21%
Sports Day - Out Of Borough And Private School and General (Each additional hour)	£104.60	£126.00	£21.40	20%
<b>11-a-side all weather pitch</b>				
<i>Bookings for 10 or more games are exempt from VAT - Inclusive of changing rooms if desired</i>				
Per Pitch - Out Of Borough And Private School	£85.70	£103.00	£17.30	20%
<b>5-a-side all weather pitch</b>				
<i>Inclusive of changing rooms if desired</i>				
Per Pitch - Out Of Borough And Private School	£42.60	£51.00	£8.40	20%
<b>Baseball Batting Cages</b>				
Per Cage - Out Of Borough And Private School	£19.90	£24.00	£4.10	21%

Fee Description	2023/24 Charge (£)	2024/25 Charge (£)	Proposed Variation (£)	Proposed Variation (%)
<b>LIBRARIES</b>				
Photographic permit (reproduction)	£5.50	£6.00	£0.50	9%
Internet charges per half hour after first hour	£0.60	£0.70	£0.10	17%
Memory stick	£9.00	£10.00	£1.00	11%
Lost / damaged membership cards - under 15	£1.00	£1.00	£0.00	0%
Lost / damaged membership cards - over 15	£3.00	£3.00	£0.00	0%
<b>Room / Space hire</b>				
<b>Groups</b>				
Community groups room hire during library hours (per hour)	£25.00	£28.00	£3.00	12%
Community groups room hire outside library hours (per hour)	£75.00	£83.00	£8.00	11%
Other groups room hire during library hours (per hour)	£40.00	£44.00	£4.00	10%
Other groups room hire outside library hours (per hour)	£90.00	£100.00	£10.00	11%
Other groups room hire during library hours (per day)	£210.00	£231.00	£21.00	10%
Community groups room hire during library hours (per hour)	£10.00	£11.00	£1.00	10%
Community groups room hire outside library hours (per hour)	£30.00	£33.00	£3.00	10%
Other groups room hire during library hours (per hour)	£15.00	£17.00	£2.00	13%
Other groups room hire outside library hours (per hour)	£45.00	£50.00	£5.00	11%
Other groups room hire during library hours (per day)	£75.00	£83.00	£8.00	11%
Community groups room hire during library hours (per hour)	£15.00	£17.00	£2.00	13%
Community groups room hire outside library hours (per hour)	£45.00	£50.00	£5.00	11%
Other groups room hire during library hours (per hour)	£25.00	£28.00	£3.00	12%
Other groups room hire outside library hours (per hour)	£75.00	£83.00	£8.00	11%
Other groups room hire during library hours (per day)	£130.00	£143.00	£13.00	10%
Flip Chart pad	£6.00	£7.00	£1.00	17%
Flip Chart pens (4 pack)	£3.00	£4.00	£1.00	33%
Projector & Screen	£20.00	£22.00	£2.00	10%
Screen only	£5.00	£6.00	£1.00	20%
50" Display Screen*	£50.00	£54.00	£4.00	8%
Chiavari Chairs (each)	£3.00	£4.00	£1.00	33%
<b>Weddings</b>				
Weddings - Fulham - Monday to Thursday	£400.00	£450.00	£50.00	13%
Weddings - Fulham - Friday	£500.00	£550.00	£50.00	10%
Weddings - Fulham - Saturday to Sunday	£600.00	£650.00	£50.00	8%
Weddings - Fulham Ref Office - Monday to Thursday	£200.00	£250.00	£50.00	25%
Weddings - Fulham Ref Office - Friday	£300.00	£350.00	£50.00	17%
Weddings - Fulham Ref Office - Saturday to Sunday	£400.00	£450.00	£50.00	13%
<b>Exhibitions</b>				
Exhibition space - preparation day	£120.00	£135.00	£15.00	13%
Exhibition space - per day	£170.00	£190.00	£20.00	12%



## **Draft Equalities Impact Assessment (EIA) 2024/25**

Decision makers should have due regard to the public sector equality duty in making their decisions. The equalities duty is a continuing legal duty and is not a duty to secure a particular outcome. Where appropriate the equalities impact will be revisited on each of the projects and/or savings proposals as they are developed. Consideration of the duty should precede the decision to implement them.

The statutory grounds of the public sector equality duty are found at Section 149 of the Equality Act 2010 and are as follows: A public authority must, in the exercise of its functions, have due regard to the need to:

- eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act.
- advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it.
- Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

Having due regard to the need to advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it involves having due regard to the need to:

- remove or minimise disadvantages suffered by persons who share a relevant protected characteristic that are connected to that characteristic.
- take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of persons who do not share it.
- Encourage persons who share a relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.

The steps involved in meeting the needs of Disabled persons that are different from the needs of persons who are not disabled include steps to take account of Disabled persons' impairment or long-term health condition.

Having due regard to the need to foster good relations between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to:

- Tackle prejudice,
- Promote understanding.

Compliance with the duties in this section may involve treating some persons more favourably than others; but that is not to be taken as permitting conduct that would otherwise be prohibited by or under this Act.

The relevant protected characteristics are:

- Age
- Disability
- Gender reassignment
- Pregnancy and maternity
- Race
- Religion or belief
- Sex
- Sexual orientation
- Marriage and Civil partnership

In addition to the above, the Council also recognise those who are 'care experienced' as being a protected characteristic.

The Council must give due regard to its equalities duties, in particular with respect to general duties arising pursuant to Section 149 of the Equality Act 2010.

When making any decisions about growth, savings, and investment the Council must have due regard to the need to advance equality, in particular, to the need to remove or minimise disadvantages suffered by persons who share a relevant protected characteristic that are connected to that characteristic.

An analysis of the proposal to increase Council Tax levels is detailed below.

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

Council departments that have outlined efficiencies around staffing, these are centred around residents not experiencing any decline in services. They 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 to date will be built upon and the impact will be assessed further and any mitigating measures identified, where appropriate, to prevent negative impact on any groups that share protected characteristics.

## **Analysis of the impact of Council Tax increase and applying Adult Social Care precept**

A 2.99% increase in Council Tax is proposed and the application of a 2% adult social care precept. These increases are modelled by the government in their spending power calculations for local government. This will take Band D Council Tax from £871.86 to £915.37.

By increasing Council Tax, the Council can prevent reductions in services to residents and in so doing can continue to mitigate against adverse impacts facing individual households.

The percentage increase will be applied to all bands of council tax, as required by law. This will impact on all residents who are eligible to pay Council Tax. The average increase in cost per week on a Band D property is £0.85p. Since Council Tax is applicable to all properties it is not considered that the increase targets any one group; rather it is an increase that is applied across the board. At the same time because the increase is applied to all properties it is not possible to exempt any group.

The impact of Council Tax could be mitigated through the Local Council Tax Support scheme and other exemptions and discounts.

### **Council Tax Exemptions and Discounts**

Some properties are exempt, or qualify for a discount, from Council Tax. The different classes of exemptions/discounts are listed below.

#### Occupied Properties with only the following residents:

- a) full time students (they must complete an application form and return it to us with a council tax certificate from their place of study).
- b) severely mentally impaired people.
- c) a foreign diplomat who would normally have to pay Council Tax.
- d) people who are under 18.
- e) members of a visiting force who would normally have to pay Council Tax.
- f) elderly or disabled relatives of a family who live in the main property, in certain annexes and self-contained accommodation.

If there is only one other resident in the property who does not fall into one of the above categories, then the property will receive a 25% discount rather than be exempt. If there are more than two such residents, then the property will neither be exempt nor receive a discount.

#### Unoccupied properties

- g) owned by a charity are exempt for up to six months.
- h) empty due to resident receiving care in a hospital or home elsewhere.
- i) empty as resident has been sent to prison.
- j) empty as resident has moved to care for someone else.
- k) empty awaiting probate and for six months after probate is granted.

- l) has been repossessed.
- m) is the responsibility of a bankrupt's trustee.
- n) is waiting for a minister of religion to move in,
- o) empty by a student whose term-time address is elsewhere,
- p) empty because it is against the law to live there, including from 1st April 2007 where a planning condition prevents occupation.
- q) empty as it forms part of another property and may not be let separately.

Pitch or mooring

- r) that doesn't have a caravan or boat on it is also exempt.

Those who are care experienced up to the age of 25 are now exempt from having to pay Council Tax. As part of the budget proposals for 2024/25, the Council will now provide exemptions for in-house foster carers and special guardians. This is in addition to over 13,000 households who currently receiving Council Tax support in Hammersmith and Fulham.

Those who feel they are entitled to an exemption are encouraged to contact the Council and information on how to do that is provided by the Council when Council Tax Bills are issued. Support for people struggling with their Council Tax Bill is also offered through advice centres.

The liability for Council Tax is summarised below:

Total dwellings in the borough	94,177	100%
Reductions:		
Exemptions (mainly students, includes care leavers and vacant properties)	(3,415)	(4%)
Council Tax support claimants (elderly & working age on low income)	(10,087)	(11%)
Single person discount (25% discount)	(26,143)	(27%)
<b>Dwellings liable for 100% of Council Tax</b>	<b>54,532</b>	<b>58%</b>

### The Business Rates Retention Scheme for Hammersmith and Fulham

		2023/24 £m	2024/25 £m
Step 1	<b>Business rates baseline</b> Notification from the government of the business Rates they expect Hammersmith & Fulham to collect	84.369	78.101
Step 2	<b>Tariff</b> Payable to government	(14.022)	(10.524)
Step 3	<b>Funding baseline</b> The income from business rates that government modelling assumes Hammersmith & Fulham will retain	64.171	67.577
Step 4	<b>Actual Hammersmith &amp; Fulham forecast of business rates income</b> Includes the Hammersmith & Fulham share of section 31 grant regarding retail, hospitality and leisure rate relief.	59.358	
Step 5	<b>Safety net threshold</b> The safety net threshold is set at 92.5% of the funding baseline and is the minimum amount of funding guaranteed by government.	57.757	62.509
Step 6	<b>Safety net compensation</b> Sum receivable by Hammersmith & Fulham to bring it to the safety net threshold (Step 5 less step 4).	1.643	

The London Borough of Hammersmith & Fulham share of business rates income included in the 2024/25 budget is £62.5m. This is the minimum sum guaranteed by the safety net threshold. This is £5m lower than the funding baseline (step 3) assumed by the government.

## **APPENDIX H - 2024/25 RESERVES STRATEGY AND FORECAST**

### **Summary**

The Council continues to operate in an environment of considerable uncertainty and financial challenge. Firstly, there is the cumulative impact of 13 years of budget reductions, since the onset of the austerity era in 2010. Secondly the ongoing uncertainty of the future of the over-arching Local Government funding regime, and what in recent years has been the persistence of one-year funding settlements, limiting the sector's ability to plan with certainty beyond a one-year window. Finally, national economic conditions continue to be oppressive, with high inflation and interest rates increasing costs for delivering services, reducing commercial income, increasing the cost of investment plans and increasing the demand for public services. As a result, continued action is required to ensure that reserves remain adequate to meet the pressures facing the Council over the medium term and deal with future unexpected events.

The reserves strategy acknowledges the challenges facing the Council. It is supported by an action plan that proposes measures which improve the medium-term outlook. The measures taken since the action plan was approved in 2019/20 have already improved the reserves forecast by £27.6m.

Hammersmith & Fulham will carry forward a budgeted general balance of £21.3m and estimated earmarked reserves of £72.0m at the start of 2024/25. Based on the most recent comparative data (the start of 2022/23) the Council's reserves are slightly above average, as a percentage of net revenue expenditure, for a London Borough. After considering future commitments, ear marked reserves are expected to reduce by 22% over the next four years.

The Council is already committed to use reserves to fund several major initiatives and priorities. These include Civic Campus, homelessness prevention, regeneration schemes, Adult Social Care and the Dedicated Schools Grant "Safety Valve" agreement. It also faces significant current and future financial pressures and risks and potential costs of future service improvements. The Council receives a good level of contributions from s106 and CIL agreements. These are subject to a separate monitoring process.

### **Detailed analysis**

1. Reserves play a crucial role in good public financial management. They enable investment in service transformation and provide resilience against unexpected events or emergent needs. As one-off resources they can only be spent once.
2. Hammersmith & Fulham holds reserves for two main purposes:
  - As a contingency to cushion the impact of unexpected events or emergencies – this forms part of general balances. The lack of an appropriate safety net has resulted in several councils, including Thurrock, Slough, Bexley, Croydon and Northamptonshire, running into financial difficulties.
  - To build up funds for known or predicted requirements; these specific reserves are known as earmarked reserves.

3. For 2023/24 Hammersmith and Fulham carried forward General Fund reserves and balances of £119.6m. Forecast balances to 2027/28 is set out below in Table 1.

**Table 1 – The general balance and earmarked reserves 2023/24 to 2027/28 forecast**

	<b>April</b>	<b>April</b>	<b>April</b>	<b>April</b>	<b>April</b>
	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>
General balances (recommended range £19m - £23m)	21.3	21.3	21.3	21.3	21.3
Earmarked reserves	98.3	72.0	62.0	68.7	70.2
<b>Sub Total</b>	<b>119.6</b>	<b>93.3</b>	<b>83.4</b>	<b>90.0</b>	<b>91.6</b>
Developer contributions (Subject to separate monitoring and approval)	48.9				

4. The level of reserves increased significantly in 2020/21. In part this related to the carry forward of £51.4m regarding the financial impact of Covid-19. The majority of this was not new money for the council to spend, it was required to fund existing liabilities regarding business rates reliefs (£41m) and business grants (£3.9m). These reserves have now been utilised.
5. The reserves include, in line with accounting practice, £48.9m relating to developer contributions. The use, and monitoring of such contributions, is subject to a separate approval and monitoring process which ensure the conditions within the relevant s106 legal agreements and Community Infrastructure Levy requirements are met.
6. A comparison between Hammersmith & Fulham and the London borough average, based on the most recent data (the start of 2022/23), is set out in Table 2. The final row of the table (General Fund and non-schools earmarked general fund reserves as a percentage of service revenue expenditure) is the more illuminating, as it takes into account the Council's smaller size compared to most other London boroughs.

**Table 2 – Comparison to other London Boroughs as of 31 March 2022**

Measure	Hammersmith & Fulham	Average for London Boroughs	Ranking relative to another London Boroughs (/32)
Total general fund and non-schools earmarked general fund reserves	£127.8m	£142.5m	18
General fund and non-schools earmarked general fund reserves as a percentage of gross service revenue expenditure (%)	21.33%	59%	14

7. The Council has put in place a reserves strategy to ensure effective oversight regarding the level and use of reserves and has established an action plan to maintain reserves at an appropriate level.

## **RESERVES STRATEGY**

8. The Council's reserves strategy is based on the following key principles:
- General Balances are reviewed annually as part of the Council Tax and Budget report.
  - Those reserves no longer required for their intended purpose are identified and made available for other defined priorities.
  - The level of reserves and forecast should be re-assessed every 6 months to ensure their adequacy.
  - The risk assumptions to be reviewed every 6 months. A detailed analysis of risk assumptions is attached in **Appendix 1**.
  - A long-term view will be used when assessing the use of reserves to ensure that existing commitments and agreed priorities can be delivered.
  - Being 'ruthlessly financial efficient' will underpin any request for use of reserves. Internal bids for one-off funding will be peer challenged and clear business cases presented so that using reserves is agreed in exceptional cases. The 'one-off nature' and funding solution/ outcome will be rigorously assessed during the funding term and at the end of life. Use of reserves will only be progressed once agreed with the Director of Finance, the Chief Executive and the Cabinet Member for Finance and Reform.
  - Reserves can only be used once, and the required future service transformation is significant given the expected future financial challenges. In accordance with proper accounting practice, and subject to affordability, the draw down from reserves will be minimised through consideration of government provisions for the flexible use of capital receipts, securing an appropriate contribution from partners and non-General Fund services, revenue contributions and regular balance sheet review.
  - When the Council is in receipt of one-off and non-recurrent resources it should aim to utilise them to replenish and top-up reserves.
  - The reserves strategy is supported by an action plan, that is updated regularly, that aims to ensure the adequacy of reserves over the medium-term.



## Planned use of reserves

### General balances

8. Under Section 25 of the Local Government Act 2003, the Strategic Director of Finance is required to include, in budget reports, views on the adequacy of Council's balances and reserves.
9. General balances cover unforeseen financial risks and provide cover for unexpected or unavoidable additional costs. 2023/24 Budget Council agreed that the medium-term recommended range for general balances is between £19m and £23m. For 2024/25 the budgeted general balance is £21.3m.
10. Whilst use of the general balance can be part of a plan to ease future budget reductions, and to allow longer term savings to come to fruition, it is not a prudent use to draw down from the general balance with no clear plan on how any future budget gap will be bridged. Should general balances be anticipated to fall below the recommended range then concerns may arise regarding the Council's financial resilience and sustainability.

### Earmarked reserves

11. Earmarked reserves are held for several purposes:
  - sums set aside for major schemes, such as the decant from the Town Hall as part of the Civic Campus programme.
  - insurance reserves
  - service transformation
  - to meet one-off pressures
  - unspent revenue grants, held for specific purposes.
12. A detailed list of the Council's earmarked reserves and their purpose is attached in **Appendix 2**. As set out in **Table 3**, the level of General Fund earmarked reserves carried forward at the start of 2023/24 was **£98.3m**. In accordance with the reserves strategy the intended purpose, and level of such reserves has been reviewed. The proposed balances carried forward after in year contributions and commitments is £71m.

13.

**Table 3 - Earmarked Reserves Opening Balance 2023-24 and Proposed Closing Balance After Commitments and Contributions (as at CRM6 2023/24)**

	Opening Balance 1st April 2023	Forecast Movement	Forecast Closing Balance 31st March 2024
<b>Ear Marked Reserves</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>
Corporate Demands and Pressures	(37.4)	8.2	(29.1)
Insurance Fund	(4.5)	0.0	(4.5)
Inflation Risk	(4.8)	0.0	(4.8)
Civic Campus	(1.4)	1.4	0.0
Digital	(5.9)	3.9	(2.0)
Invest to save	(2.7)	2.6	(0.1)
Parking	(2.8)	2.8	(0.0)
DSG	(15.1)	0.0	(15.1)
Unallocated Contingency	(1.5)	0.7	(0.9)
Pre-Development Costs	(5.0)	0.0	(5.0)
Planning Reserve	(1.7)	0.7	(1.0)
Other Service Reserves	(8.9)	4.0	(4.9)
Other Corporate Reserves	(6.7)	2.1	(4.6)
<b>Sub Total General Fund Ear-Marked Reserves</b>	<b>(98.3)</b>	<b>26.4</b>	<b>(72.0)</b>

13. An earmarked reserve of **£15.1m** is held regarding the cumulative Dedicated Schools Grant (DSG) high needs deficit. The deficit is expected to reduce further in future years following the Council securing additional government funding and continuing to manage its DSG recovery plan. As the deficit reduces as grant is received, resources will be freed up for transfer to the corporate demands and pressures reserve.
14. **Appendix 3** summarises the current forecast drawdowns from, and planned contributions to, earmarked reserves. The major commitments include:
- £0.8m regarding investment in the Contact and Assessment Service to support and protect vulnerable children and families.
  - £0.5m provision for Children's High Needs block
  - £0.2m provision for Early Years Inclusion Team
  - Further investment to undertake an area-based prototypes for an **alternative waste collection scheme** and for contract procurement of a new waste, recycling and street cleansing contract. Prototype collection schemes relating to, for example, separate food waste collection and wheeled bin containers need to be carried out to inform the Council's requirements for the services going forward. In Hammersmith & Fulham a 1% shift from general waste to recycling equates to a saving of approximately £70,000 per year in waste disposal fees.

- £3.3m Parking Reserve – The current capital programme assumes the reserve will be fully released in 2023/24 for the Clean Air Neighbourhoods Programme. The scheme has been delayed so this expenditure may slip to 2024/25. An update will be provided at Q3.

### **Reserves adequacy and future risk / priorities**

15. A detailed analysis of the budget assumptions and management assessment of the impact on the financial position is set out in **Appendix 1**. The reserves cashflow forecast detailed in **Appendix 3** is for financial modelling purposes and significant uncertainty remains regarding the timing of expenditure and income flows. The forecast excludes any movement in developer contributions. Allowance is made for the 2023/24 forecast budget overspend (reported in Corporate Revenue Monitor month 6) of £4.0m after mitigations.

**Table 5 – Cash flow (general balances, earmarked and restricted reserves)**

	<b>2023/24 £m</b>	<b>2024/25 £m</b>	<b>2025/26 £m</b>	<b>2026/27 £m</b>
<b>Opening balance</b>	<b>(119.7)</b>	<b>(93.3)</b>	<b>(83.5)</b>	<b>(90.2)</b>
Forecast movement	26.4	9.8	(6.6)	(1.6)
<b>Closing balance</b>	<b>(93.3)</b>	<b>(83.5)</b>	<b>(90.2)</b>	<b>(91.7)</b>
Developer contributions	48.9			

16. The Council faces several potential risks whilst indicative plans for further service transformation highlight possible further calls on reserves. Such risks include:
- Discussions are on-going regarding the future of Hammersmith Bridge and the Council is incurring revenue and capital costs at risk until government funding is confirmed.
  - An upturn in inflation and the cost-of-living crisis.
  - Cuts to government funding and the impact on London of the ‘levelling-up’ agenda
  - The impact of, and tackling, climate change
  - Any write-off of pre-development costs should it not be possible to take forward planned capital schemes - the updated reserves strategy incorporates an earmarked reserve of £5m as mitigation against this risk.
17. **The future risks forecast highlights that action continues to be required to ensure that reserves remain adequate over the medium-term.** The current action plan is set out in Table 6.

**Table 6 – Reserves action plan**

<b>Ref</b>	<b>Action</b>
1	Relocate back to the new Civic Campus at the earliest opportunity and capitalisation of appropriate programme costs (£1.5m to date).
2	New ways of working following the learning from the Covid-19 pandemic may enable other accommodation savings to be made.
3	Manage in-year council spend within budget to enable additional contributions to reserves.
4	Prepare and consider a programme of asset disposals to deliver capital receipts to fund invest to save and IT investment costs through the flexible use of capital receipts. The regulations require expenditure to be incurred by the end of 2024/25 and £4.3m of receipts are earmarked within the capital programme mainly for REAP, see point 5 below.
5	Review of future requests to use reserves, such as the Resident Experience and Access Programme, to identify potential use of capital receipts.
6	Ensure all Council budgets (such as the Housing Revenue Account/ Pension Fund) and partners pay a fair share of costs falling on reserves. The actions taken to date include an HRA contribution to the Civic Campus.
7	Peer challenge by the Chief Executive and Strategic Director of Finance of all existing commitments.
8	Balance sheet review to establish if further reserves can be freed up (relating to Business Rates and the Collection Fund).
9	Release the Dedicated Schools Grant (DSG) support reserve in line with the DSG recovery plan
10	Review external funding opportunities and developer contributions.
11	Assess the IT funding requirement over the medium-term.
12	Review existing commitments and the purpose for which all reserves are held on a twice-yearly basis, including those that are restricted, to ensure they are required for their intended purpose. Actions taken included above.
13	Consider additional contributions to reserves as part of annual revenue budget setting process.

## **Appendices**

**Appendix 1 - Budget Assumptions and Risk**

**Appendix 2 - Earmarked Reserves Description**

**Appendix 3 - General Fund reserves forecast to 31st March 2027**

## Appendix 1 - Budget assumptions and Risk

The Codes of Audit Practice in England, Wales, Scotland and Northern Ireland make it clear that it is the responsibility of the audited body to identify and address its operational and financial risks, and to develop and implement proper arrangements to manage them, including adequate and effective systems of internal control. The financial risks should be assessed in the context of the authority's overall approach to risk management.

### Budget Assumptions and Management Assessment of Impact on Financial Position

Budget Assumption	Value of Risk	Adequacy of Reserve
The treatment of inflation and interest rates	£1.7m	<p><i>The overall financial position of the authority (level of borrowing, debt outstanding, Council Tax collection rates etc).</i></p> <p><i>Rises in the prices of some commodities, Eg fuel and energy, highlight the relevance of using several inflation rates in the budget and financial strategy, and considering whether general reserves are adequate to deal with unexpected increases.</i></p> <p><i>Volatility in the financial markets also points to the need to consider investment and borrowing risks and their impact on income.</i></p> <p>The value of risk is the impact of a 1% increase in inflation on the forecast for contract inflation.</p> <p>The inflation reserve balance of £4.8m is adequate to meet this pressure in the short term.</p>
Estimates of the level and timing of capital receipts		<p><i>The authority's track record in budget and financial management including the robustness of the medium-term plans.</i></p> <p><i>Authorities will also need to consider changes in the property market and adjust estimates and assumptions for reserves accordingly.</i></p> <p><i>Dispensation for flexible use of capital receipts for REAP expenditure expires FY 2024/25.</i></p> <p>There is currently a nil future forecast for General Fund receipts.</p>

	£0.400m	<p>HRA - £16m restricted receipts (affordable housing) – the Council is liable for interest on repayments. £1.2m estimated for 23/24.</p> <p>This is adequately provided for within Capital receipts reserve. This could be funded from capital receipts or borrowing (which would incur a revenue cost of borrowing of 5.2%)</p>
The treatment of demand led pressures		<p><i>The authority's capacity to manage in-year budget pressures, and its strategy for managing both demand and service delivery in the longer term.</i></p> <p>The Council holds an earmarked Corporate Demands and Pressures reserve, current balance of £37.4m to mitigate for fluctuations in demand.</p>
The treatment of planned efficiency/savings/productivity gains	£1.450m	<p><i>The strength of the financial information and reporting arrangements.</i></p> <p><i>The authority should also be able to activate contingency plans should the reporting arrangements identify that planned savings or gains will either not be achieved or be delayed.</i></p> <p>In year savings plans of £2.9m were assumed in the 2023/24 budget.</p> <p>If 50% of the target became unachievable, the shortfall could be met by the Corporate Demands and Pressure reserve in the short term.</p>
The financial risks inherent in any significant new funding partnerships, major outsourcing arrangements or major capital developments		<p><i>The authority's virement and end of year procedures in relation to budget under/overspends at authority and department/directorate level.</i></p> <p><i>Risk management measures in relation to partnerships, including consideration of risk allocation.</i></p> <p><i>Contract provisions designed to safeguard the authority's position in the event of problems arising from outsourcing arrangements.</i></p>

	<p>£0.950m</p> <p>Reserves may also need to be established to manage commercial risks where authorities have invested in commercial properties.</p> <p>Civic Campus – risks around profit share. The profit share assumed on completion is currently £9.5m. If this forecast decreased by 10%, this would reduce the forecast level of reserves.</p>
	<p>£0.630m</p> <p>Education City - risks attached to loan arrangement. If interest rates go up by 1%, the impact would be £0.630m additional cost of borrowing. This could be met by reserves in the short term.</p> <p>£5m is set aside in the Pre-Development reserve to mitigate against risks within capital strategy and initiatives.</p>
The availability of reserves, government grants and other funds to deal with major contingencies and the adequacy of provisions	<p><i>The adequacy of the authority's insurance arrangements to cover major unforeseen risks.</i></p> <p><i>When considering insurance cover, the structure of the cover as well as the overall level of risk should be considered. Risk assessments should be used when balancing the levels of insurance premiums and reserves.</i></p> <p>The Council currently holds an earmarked Insurance reserve of £4.5m. Claims reviews are carried out every month and as well as periodical actuarial reviews. The most recent actuarial review gave assurance that reserves levels were adequate.</p>
The general financial climate to which the authority is subject to.	<p><i>External factors, such as future funding levels expected to be included in Spending Reviews and expected referenda principles and limits, will influence an authority's ability to replenish reserves once they have been used.</i></p> <p><i>Any plans for using reserves will need to consider the need and ability of the authority to replenish the reserves, and the risks to which the authority will be exposed whilst replenishing the reserves.</i></p>

	£1.500m	<p>This is the balance available in the unallocated contingency reserve to mitigate against short term pressures.</p> <p>The Council's general balance for 2023/24 is £21.3m. This equates to 4.1% (15 days spend) of the council's gross budget of £565.1m.</p> <p>This is within the medium-term optimal range of £19m to £23m.</p> <p>General balances are forecast to remain within the optimum range in 2024/25.</p>
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## Appendix 2 – Earmarked Reserves Description

Earmarked Reserves are amounts set aside for specific purposes. The main purpose of each earmarked reserve is explained below.

	Reserve Name	Description
1	Corporate Demands and Pressures	To meet unbudgeted demands and pressures.
2	Insurance Fund	Underwrites a proportion of the Council's insurable risks.
3	Inflation	To provide for risks associated with inflationary pressures
4	Civic Campus	Can only be used to fund the costs of implementing the Civic Campus redevelopment
5	Digital	Can be used to provide for costs of the Council's digital works programme.
6	Invest to Save (Efficiency Projects)	To fund future revenue expenditure and capital investment that will provide future revenue savings.
7	Controlled Parking Fund	The surplus from the running of the Controlled Parking operations within the Borough is accumulated in this Fund. In the past, this reserve had to be used to meeting expenditure on transport and highways related activities.
8	Dedicated Schools Grant Reserves – a) DSG Support Reserve  b) DSG Early Years Block	a) DSG Support Reserve –This reserve offsets the DSG Unusable Reserve Deficit to ensure that the expenditure incurred to date can be fully funded in light of continuing pressures and in the event that the deficit recovery plan is unable to recover the current cumulative position. Overall the DSG reserve (deficit and deficit set-aside) is nil as the cumulative deficit is matched by the reserve set aside.  b) DSG High Needs Block Deficit Reserve Parliament has approved the Local Authorities (Capital Finance and Accounting)

	c) DSG High Needs Block	<p>(England) (Amendment) Regulations 2020 in November 2020 which amends the 2003 Regulations by establishing new accounting practices in relation to the treatment of local authorities' schools budget deficits which must now be recorded in a separate account established solely for the purpose of recording deficits relating to school's budget and account for the cumulative Dedicated Schools Grant deficit in unusable reserves. As the statutory requirement is time limited, it continues to set aside reserves to match the High Needs Block deficit until such time as the cumulative deficit is eliminated.</p> <p>c) DSG (Schools &amp; Early years Block) Reserve This reserve records the cumulative balance on the Schools and Early years block. Grant deficit to unusable reserves.</p>
9	Unallocated Contingency	A reserve held to mitigate against unforeseen costs to the Council
10	Pre-Development	This reserve is to provide for the risk associated with the council's general fund capital strategy and initiatives.
11	Planning Reserve	This reserve is to support funding of CIL related projects.
12	Other Service Reserves	This comprises several smaller reserves, which are held to fund various projects and potential future commitments that are managed by service areas.
13	Other Corporate Reserves	Comprises several smaller reserve balances, which are held to fund projects that are being managed by corporately
14	HRA Reserves	This reserve provides a working balance for the Housing Revenue Account, for which transactions are ring-fenced under the provisions of the Local Government and Housing Act 1989.

15	Schools Balances	Reserves held to fund projects related to Schools
16	Collection Fund	Billing authorities have a statutory obligation to maintain a separate Collection Fund in relation to collections from Council tax and NNDR and the distribution of these funds to Local Authorities and the Government.
17	S106 / CIL (Community Infrastructure Levy)	These reserves exist to fund various projects and potential future commitments in line with the requirements of the agreements

### Appendix 3 - General Fund reserves forecast to 31st March 2027

Appendix 3 - General Fund reserves forecast to 31 <sup>st</sup> March 2027	31st March 2023	31st March 2024	31st March 2025	31st March 2026	31st March 2027
<b>Earmarked Reserves</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>
Corporate Demands and Pressures	(37.4)	(29.1)	(22.9)	(21.5)	(21.5)
Insurance Fund	(4.5)	(4.5)	(4.5)	(4.5)	(4.5)
Inflation Risk	(4.8)	(4.8)	(4.8)	(4.8)	(4.8)
Civic Campus	(1.4)	0.0	0.0	(9.5)	(9.5)
Digital	(5.9)	(2.0)	(2.4)	(1.6)	(2.4)
Invest to save	(2.7)	(0.1)	(0.9)	(1.6)	(2.4)
Parking	(2.8)	(0.0)	(0.0)	(0.0)	(0.0)
DSG	(15.1)	(15.1)	(14.8)	(14.8)	(14.8)
Unallocated Contingency	(1.5)	(0.9)	(1.3)	(1.3)	(1.3)
Pre-Development Costs	(5.0)	(5.0)	(5.0)	(5.0)	(5.0)
Planning Reserve	(1.7)	(1.0)	(1.0)	(1.0)	(1.0)
Other Service Reserves	(8.9)	(4.9)	(1.5)	(0.4)	(0.4)
Other Corporate Reserves	(6.7)	(4.6)	(3.1)	(2.9)	(2.9)
<b>Sub Total General Fund EM Reserves</b>	<b>(98.3)</b>	<b>(72.0)</b>	<b>(62.2)</b>	<b>(68.8)</b>	<b>(70.4)</b>
<b>General Balances</b>	<b>(21.3)</b>	<b>(21.3)</b>	<b>(21.3)</b>	<b>(21.3)</b>	<b>(21.3)</b>
<b>Total General Fund Reserves</b>	<b>(119.6)</b>	<b>(93.3)</b>	<b>(83.5)</b>	<b>(90.2)</b>	<b>(91.7)</b>
HRA Reserves and Balances	(21.3)	(16.3)	(16.3)	(16.3)	(16.3)
Schools Balances	(0.3)	(0.6)	(0.6)	(0.6)	(0.6)
Collection Fund Reserve	(3.4)	(3.4)	(3.4)	(3.4)	(3.4)
s106 / CIL	(2.2)	0.0	0.0	0.0	0.0
<b>Total</b>	<b>(146.8)</b>	<b>(113.6)</b>	<b>(103.8)</b>	<b>(110.4)</b>	<b>(112.0)</b>

# APPENDIX I - LONDON BOROUGH OF HAMMERSMITH AND FULHAM (LBHF) CIPFA FM CODE REVIEW 2024-25

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## **SUMMARY**

1. The tightening fiscal landscape of recent years has placed the finances of local authorities under intense pressure. Therefore, it is crucial to have robust financial management embedded as part of the organisation to ensure that local service provision is sustainable.
2. The CIPFA Financial Management Code (FM Code) is designed to support good practice in financial management and to assist local authorities in demonstrating their financial sustainability. The FM Code sets out the standards of financial management for local authorities.
3. The underlying principles set out in the code are:
  - Organisational leadership
  - Accountability
  - Financial management is undertaken with transparency at its core.
  - Adherence to professional standards
  - Sources of assurance are recognised.
  - The long-term sustainability of local services is at the heart of all financial management processes.
4. Whilst budgets are set on an annual basis, the Code emphasises that financial sustainability requires a longer-term perspective. Local authorities have been required to apply the Code from April 2020.
5. This report sets out how LBHF demonstrates the application of the CIPFA financial management standards. A “Red Amber Green” (RAG) summary of the Council’s self-assessment against the seven sections of the code is set out as follows:

## **Self- Assessment Conclusion**

	Green	Amber	Red
Leadership Team and CFO Role			
Governance and Financial Management Style			
Long to Medium Term Financial Management			
The Annual Budget			
Stakeholder Engagement and Business Plans			
Monitoring Financial Planning			
External Financial Reporting			

## **FINANCIAL MANAGEMENT CODE – SELF ASSESSMENT ANALYSIS**

### **Section 1 – the responsibilities of the chief financial officer and leadership team**

*A – The leadership team is able to demonstrate that the services provided by the authority provide value for money.*

*B – The authority complies with the CIPFA Statement on the Role of the Chief Finance Officer in Local Government.*

6. At LBHF there are various processes and structures in place to ensure that our services provide value for money. These include:
- The annual budget setting process, incorporating:
    - Internal budget challenge meetings.
    - Scrutiny via Policy and Accountability Committees (PACs); and
    - approval by Budget Council.
  - Corporate Revenue Monitoring (CRM) and Capital monitoring.
  - Preparation of the annual accounts and critical review of annual outturns.
  - Longer-term financial planning through the Medium-Term Finance Strategy (MTFS); and
  - Contracts Assurance Board (CAB).
7. These structures and processes ensure all financial decisions are reviewed and challenged if needed.
8. The role of Chief Finance Officer (CFO) complies with the CIPFA statement as the role specification is as defined in the financial regulations.

### **Section 2 – Governance and financial management style**

*C – The leadership team demonstrates in its actions and behaviours responsibility for governance and internal control.*

*D – The authority applies the CIPFA/SOLACE Delivering Good Governance in Local Government: Framework (2016).*

*E – The financial management style of the authority supports financial sustainability.*

9. LBHF demonstrates responsibility for governance and internal control as follows:
- An Audit Committee is in place to oversee LBHF's internal audit functions, the control environment and external financial reporting.
  - The internal audit function undertakes periodic, risk-based internal audits and will oversee audit processes, internal controls, risk, fraud, and compliance with regulations.
  - The Annual Governance Statement (AGS) is reviewed regularly.
  - The Senior Leadership Team (SLT) have dedicated meetings covering both finance and assurance on a periodic cycle.
10. The Annual Governance Statement (AGS) details the application of the CIPFA/SOLACE Framework. The Council's most recent AGS can be found in the annual statement of accounts here:

[Statement of accounts | LBHF](#)

11. One of LBHF's core values is being ruthlessly financially efficient which supports a sustainable financial culture.

### **Section 3 – Long to medium term financial management**

*F – The authority has carried out a credible and transparent financial resilience assessment.*

*G – The authority understands its prospects for financial sustainability in the longer term and has reported this clearly to members.*

*H – The authority complies with the CIPFA Prudential Code for Capital Finance in Local Authorities.*

*I – The authority has a rolling multi-year medium-term financial plan consistent with sustainable service plans.*

12. The authority is subject to external audit every year which includes a going concern assessment as well as recommendations for any improvements. The Audit Committee are provided with regular updates on borrowing and liquidity. LBHF also produces an Annual Reserves Strategy and works to maintain reserves within a target level to provide financial resilience. A balanced budget is set prior to the beginning of the financial year.
13. To ensure financial sustainability in the longer term the authority carries out a Medium-Term Financial Strategy (MTFS) which is reported to Members and provides the basis for setting the annual budget. This includes growth, savings and inflation requests which are reviewed by SLT. This is followed by further review at member challenge meetings and then presented to scrutiny and overview committees.
14. There is a capital programme in place with regular monitoring and reporting to Cabinet. This programme complies with financial reporting requirements including the CIPFA Prudential Code.
15. As above, LBHF has a rolling medium term financial plan covering four years which is revised on a yearly basis through a robust process.

### **Section 4 – The annual budget**

*J - The authority complies with its statutory obligations in respect of the budget setting process.*

*K - The budget report includes a statement by the chief finance officer on the robustness of the estimates and a statement on the adequacy of the proposed financial reserves.*

16. A balanced budget is set each year in line with the Local Government Finance Act 1992 as shown by the budget report for 23/24 linked below:

<http://democracy.lbhf.gov.uk/documents/s119758/Revenue%20Budget%20and%20Council%20Tax%20Report.pdf>

17. In the budget report linked above there is a section titled views of the Strategic Director of Finance which gives an opinion on the robustness of the estimates as required under Section 25 of the Local Government Finance Act 2003.

## Section 5 – Stakeholder engagement and business plans

*L - The authority has engaged where appropriate with key stakeholders in developing its long-term financial strategy, medium-term financial plan and annual budget.*

*M - The authority uses an appropriate documented option appraisal methodology to demonstrate the value for money of its decisions.*

18. The budget process includes a robust consultation process with stakeholders including challenge meetings and cabinet meetings. The Council also engages key external stakeholders through rent consultations and benchmarking.
19. LBHF's use of appropriate documented option appraisal methodologies to demonstrate the value for money of its decisions is evidenced through decision reports, option appraisal and a stringent procurement process.

## Section 6 – Monitoring financial planning.

*N - The leadership team takes action using reports enabling it to identify and correct emerging risks to its budget strategy and financial sustainability.*

*O - The leadership team monitors the elements of its balance sheet that pose a significant risk to its financial sustainability.*

20. The regular Corporate Revenue Monitoring (CRM) and capital monitoring process enables management and decision makers to identify any emerging financial risks and correct them through mitigating actions. LBHF also maintains a risk register which helps the authority to manage significant risks as well as conducting analysis of the political and economic environment to help identify emerging risks.
21. A regular feature of monitoring activity is for leadership to monitor the elements that pose a significant risk to financial sustainability. Examples of this include regular reviews of the debt position, capital monitoring to assess spend on non-current assets and the inclusion of pension and treasury finance managers in regular board and committee meetings.

## Section 7 – External Financial reporting

*P - The chief finance officer has personal and statutory responsibility for ensuring that the statement of accounts produced by the local authority complies with the reporting requirements of the Code of Practice on Local Authority Accounting in the United Kingdom.*

*Q - The presentation of the final outturn figures and variations from budget allows the leadership team to make strategic financial decisions.*

22. The Chief Finance Officer actively reviews both the draft and the final audited versions of the statement of accounts. They meet regularly with officers and auditors to discuss issues arising. They are responsible for producing the narrative report in the accounts and sign the Statement of Responsibilities within the accounts.
23. The final outturn figures are presented to SLT and Cabinet. The statement of accounts includes annual report on financial position, including capital and balance sheet reserves.

**2024/25 Net Expenditure Budget - Objective Summary**

Department	2023/24 Budget £m	Inflation* £m	Investment in Services £m	Savings £m	Corporate Adjustments £m	Proposed 2024/25 Budget £m
Social Care and Public Health	65.8	3.0	4.8	(2.1)	1.6	<b>73.1</b>
Children's Services	57.1	1.8	1.6	(1.6)	3.5	<b>62.4</b>
The Environment	23.6	2.2	0.5	(1.5)	6.4	<b>31.2</b>
Economy	10.3	1.5	1.5	(1.4)	2.2	<b>14.1</b>
Corporate Services	16.8	0.3	0.2	(0.3)	2.6	<b>19.6</b>
Finance	1.4	0.1	0.0	(0.4)	(0.3)	<b>0.8</b>
Other Central Items**	10.5	4.8	2.1	(0.8)	(17.8)	<b>(1.2)</b>
<b>Council Net Budget Requirement</b>	<b>185.6</b>	<b>13.7</b>	<b>10.7</b>	<b>(8.1)</b>	<b>(1.8)</b>	<b>200.1</b>
<b>Financed by:</b>						
Council Tax Income	(73.2)	0.0	0.0	0.0	(5.6)	<b>(78.8)</b>
Retained Business rates	(59.4)	0.0	0.0	0.0	(3.1)	<b>(62.5)</b>
General Government grants	(53.0)	0.0	0.0	0.0	(5.8)	<b>(58.8)</b>
<b>TOTAL</b>	<b>(185.6)</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>(14.5)</b>	<b>(200.1)</b>

**2024/25 Subjective Summary**

	2023/24 Budget £m	Inflation £m	Investment in Services £m	Savings £m	Corporate Adjustments £m	Proposed 2024/25 Budget £m
<b>Gross Expenditure</b>						
Employee Expenses	130.1	4.5	0.9	(0.4)	9.6	144.9
Premises Related Expenditure	14.5	0.6	0.0	0.0	1.2	16.2
Transport Related Expenditure	1.5	0.0	0.0	0.0	0.1	1.6
Supplies and Services	74.7	1.6	1.3	(2.9)	(6.9)	67.7
Third Party Payments	187.8	6.5	7.0	(2.4)	4.5	203.3
Transfer Payments	82.0	0.5	0.0	(0.2)	(0.2)	82.2
Housing Benefits expenditure	90.9	0.0	0.0	0.0	0.0	90.9
Support Service Charges	49.8	0.0	1.5	(0.1)	1.3	52.6
Capital Charges	18.0	0.0	0.0	0.0	2.5	20.5
<b>Total Gross Expenditure</b>	<b>649.3</b>	<b>13.7</b>	<b>10.7</b>	<b>(5.9)</b>	<b>12.1</b>	<b>679.9</b>
Support Service Recharge Income	(54.5)	0.0	0.0	(0.5)	(1.5)	(56.5)
Departmental Grants	(68.9)	0.0	0.0	0.0	(3.7)	(72.6)
Dedicated Schools Grant	(89.1)	0.0	0.0	0.0	0.2	(88.9)
Housing Benefits income	(91.2)	0.0	0.0	0.0	0.0	(91.2)
Fees and Charges	(73.0)	0.1	0.0	(1.1)	(4.3)	(78.4)
Other income	(71.1)	(0.1)	0.0	(0.6)	(1.7)	(73.5)
Capital Financing and other adjustments	(15.9)	0.0	0.0	0.0	(2.8)	(18.7)
<b>Total Gross Income</b>	<b>(463.7)</b>	<b>0.0</b>	<b>0.0</b>	<b>(2.2)</b>	<b>(13.9)</b>	<b>(479.8)</b>
<b>Council Net Budget Requirement</b>	<b>185.6</b>	<b>13.7</b>	<b>10.7</b>	<b>(8.1)</b>	<b>(1.8)</b>	<b>200.1</b>
<b>Financed By:</b>						
Council Tax Income	(73.2)	0.0	0.0	0.0	(5.6)	(78.8)
Retained Business Rates	(59.4)	0.0	0.0	0.0	(3.1)	(62.5)
General Government grants	(53.0)	0.0	0.0	0.0	(5.8)	(58.8)
<b>TOTAL:</b>	<b>(185.6)</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>(14.5)</b>	<b>(200.1)</b>

\*Pay inflation held corporately ahead of 24/25 announcements

\*\*Other Central Items includes contingency, net cost of borrowing, capital financing adjustments



<b>Funding within Core Spending Power</b>	<b>2023/24 £m</b>	<b>2024/25 £m</b>	<b>Change £m</b>	<b>Change %</b>
<b><i>Government grant funding</i></b>				
Revenue Support Grant (part of Settlement Funding Assessment)	20.19	21.54	1.35	7%
New Homes Bonus grant	1.19	1.60	0.41	34%
Social Care Support grant	17.28	22.49	5.21	30%
Multiplier cap compensation	10.93	12.32	1.39	13%
Services grant	2.50	0.59	(1.91)	(76%)
<b>General Grants (excludes cap compensation tariff and housing benefit admin grant)</b>	<b>52.09</b>	<b>58.54</b>	<b>6.45</b>	
<b><i>Ringfenced Social Care grants</i></b>				
Improved better care fund	10.02	10.02	0	0%
ASC Discharge Fund	1.41	2.34	0.93	66%
Market sustainability and Improvement Fund (MSIF) [now includes the MSIF workforce fund]	2.15	4.02	1.87	87%
MSIF Workforce Fund <sup>1</sup>	1.40	0	(1.40)	(100%)
<b><i>Sub-total grant funding</i></b>	<b>67.07</b>	<b>74.92</b>	<b>7.85</b>	
<b><i>Locally generated sources</i></b>				
Baseline Funding Level (part of Settlement Funding Assessment)	64.17	67.58	3.41	5%
Government assumed Council Tax yield (increase of 4.99% including 2% adult social care precept)	73.18	77.95	4.77	7%
<b>Total</b>	<b>204.42</b>	<b>220.45</b>	<b>16.03</b>	<b>8%</b>

<sup>1</sup> This grant was not included in the Core Spending Power for 23/24 but is now rolled into the 24/25 calculations