



Budget 2024/25

Introduction

- Outlining Our Strategic Operating Environment
- Objectives of Our Financial Plans and Delivery Strategy
- Proposed Budget 2024/25
- Over the Medium-Term Forward Look

Strategic Operating Environment

- Continuing economic turbulence (inflation, interest rates)
- Pressures on household budgets (unemployment, fall in real incomes)
- New legislative burdens (Environment Act, Social Regulation Act)
- Increasing regulation (OfLog, CQC, Ombudsman)
- Uncertainty and reforms of local government funding (Business Rates, Fair Funding, Social Care Reform)
- Major Regeneration Projects that need to be completed (Civic Campus, Hammersmith Bridge, Housing Developments)

Objectives of Our Financial Plans

- Protecting our statutory services
- Delivering services valued by residents/businesses/visitors
- Ensuring the safety of our residents/businesses/visitors
- Promoting the prosperity of the Borough
- Agile, modern and innovative Council
- Strong financial governance and resilience

Our Strategy to Deliver Our Financial Plans

- Delivery of Efficiencies (£118m since 2014/15)
- Generation of CIL/S106 Resources (more than £100m)
- Recovery of Service Delivery Costs from Fees/Charges (£60m)
- Securing Resources through National Programmes
- Collaborative Working Across the Public Sector
- Greater Use of Modern IT Systems
- Need To Maximise Use of New Technologies e.g. AI, Analytics

Proposed Budget Strategy 2024/25

Key Principles

- Pay (3%) & Price Inflation (5%)
- Investment for the Delivery of Council Priorities
- Council Tax Proposed of 4.99%
- National Revenue Grant Settlement
- Anticipated Growth in Properties
- Maintaining Resilience (Retaining Contingencies)
- Costs of Planned Borrowing (to fund Capital Programme)

Council Tax Considerations

- One of the Lowest Nationally (Band D £871 in 2023/24)
- 1% Change estimated at £8.70 per annum per household
- Estimated 93,000 dwellings/households
 - 4% Exempt (students, care leavers, vacant properties)
 - 11% will be fully protected through Council Tax Support Scheme
 - 27% will receive Single Person Discount (equivalent to 25%)
 - 58% will be expected to pay in full
- National Government assumptions of 5% Council Tax until 27/28

Summary of Proposed Revenue Budget 2024/45

	£'m
Base Budget Gap 2023/24 (Balanced)	-
Pay and Price Inflation	13.7
Investment in Services	10.7
Efficiencies and Savings	(8.1)
Other (e.g. Borrowing Costs/Interest/Concessionary Fares)	(12.3)
Council Tax Requirement	(4.0)
Base Budget Gap 2024/25 (Balanced)	-

Savings Proposals (by Service)

	£'m
Adult Social Care (mainly improved commission and use of alternative funding streams)	2.1
Children Services (redesign of holiday food provision, better commissioning and targeted support)	1.6
Environment Services (improved use of IT, new charges and alternative funding sources e.g. S106)	1.5
Economy (property rationalisation, planning fees flexibilities)	1.4
Finance and Corporate Services (Shared IT Services, External Commissioned Services, Commercial Advertising, Corporate Redesign)	1.5
Total	8.1

Growth Allocations (Major)

	£'m
Social Care (Home Care)	4.2
Transition Services (Childrens to Adults)	0.6
Homelessness	1.5
Childrens School Transport	1.3
Housing Services	1.7
Family Hubs	0.3
Other (Cyber Security, Waste Services, Major Projects)	1.1
Total	10.7

Reserves Summary

- Adequate Reserves Essential (In Current Times)
- Comparable to London Authorities
- Recommended Minimum General Balance (£19m - £25m)
- Earmarked Reserves Being Applied in 2024/25 (e.g. IT Upgrade)

Medium Term Forward Look

- Continuing Difficult Operating Environment
- Increasing National Regulation/Inspections
- Continuing Local Demographic Pressures
- Forecast Budget Gap of £10m per annum over the next 3 years

Next Steps

- Policy and Oversight Board (23 January)
- PAC Committees (end of January/early February)
- Cabinet (12 February)
- Full Council (28 February)