

London Borough of Hammersmith & Fulham

Report to: Cabinet

Date: 16/12/2024

Subject: Revenue Budget Review 2024/25 - Month 6 (September 2024)

Report of: Councillor Rowan Ree, Cabinet Member for Finance and Reform

Responsible Director: Sukvinder Kalsi, Executive Director of Finance & Corporate Services

SUMMARY

The Council's Corporate Plan for 2023-26 sets out the Council's strategy for delivering on the ambitions and vision to transform its services and spend and invest money to help protect high quality essential services for its residents.

By being Ruthlessly Financially Efficient, the council will focus on its priorities to:

- Protect essential services
- Reform how the council works and
- Invest in the future

This report presents the second provisional outturn position for 2024/25 at Month 6 (September 2024), following the previous update at month 2 (May 2024). The outcomes of this review continue to reflect the extremely challenging macro-economic conditions and are based on a prudent view. The estimated financial position incorporates known and emerging budget variances and details of known risks.

Overall, there is a forecast General Fund (GF) overspend of £15.645m (7% of the Council's net budget) before the use of corporate contingencies and one-off funding. Mitigations and action plans which could reduce this forecast are set out with each Departments commentaries and work is ongoing to deliver these.

The budget for 2024/25 included £19.9m (9% of the Council's net budget) of investment to mitigate demand and inflationary price pressures but despite this investment, as with many local authorities in the country, Hammersmith and Fulham continues to experience pressures across adult social care, temporary accommodation, and Children's services. A combination of increasing complexity and acuity of need for those in care, an ageing population, and the ongoing cost of living crisis (exacerbated by rapid rises in inflation and interest rates) has placed the council's finances under severe pressure at this time.

This is against a backdrop of uncertainty in medium term financial funding and local authority overall core funding. Funding from central government for Hammersmith and Fulham has reduced by 54% in real terms¹ and 22% in cash terms, from £164m in 2010/11 to £128m in 2024/25².

¹ As per RPI indices - [Retail Prices Index: Long run series: 1947 to 2023: Jan 1974=100 - Office for National Statistics \(ons.gov.uk\)](https://www.ons.gov.uk/retail-prices-index/long-run-series/1947-to-2023-jan-1974=100)

² Funding includes Revenue Support Grant, Business Rates Funding Baseline, Social Care and other general grants.

The Chancellor has announced that there will be an Autumn Budget on the 30th of October which will provide an update on the public finances Ahead of this, London Councils has highlighted priorities to stabilise local authorities' finances and position them to support the government's missions.³

The structural budget deficit on the HRA has been eliminated and a balanced HRA Budget was set for 2024/25 (without the use of balances). The service continues to resolve prior year service issues, and a prudent approach has been adopted in the forecasts for 2024/25. An in-year pressure of £7.684m is forecast (mainly the residual backlog of disrepair claims/works and decanting costs whilst repairs are completed). There are mitigation measures in place to manage this projected pressure and additional details are set out in paragraphs 13 to 15 and Appendix 2.

RECOMMENDATIONS

1. To note the General Fund financial forecast variance at Month 6 and mitigating actions to reduce the overspend forecast variance position (Table 1 and Appendix 1).
2. To note progress on delivering the 2024/25 agreed budget savings (Appendix 3)
3. To note the HRA forecast (paragraph section 13 to 15 and Appendix 2)
4. To approve the proposed budget allocations from s106 funding (Appendix 5).
5. To note and approve the budget movements (Appendix 4).

Wards Affected: All

H&F values	Summary of how this report aligns to the H&F Priorities
Being ruthlessly financially efficient	We need to always confirm that spend fits our council's priorities; challenge how much needs to be spent; and achieve results within agreed budgets. Finance is everyone's business, and every penny counts.
Creating a compassionate council	As the Council's resources have been reduced, we have protected the services on which the most vulnerable residents rely. This budget continues all our previous policies to support residents and proposes new spending on care packages for disabled children and additional resources to help residents through the cost-of-living crisis.
Building shared prosperity	A considerable proportion of services are delivered in partnership with local and national companies, and this will continue to promote all business sectors to the benefit of residents. In addition, there will be increased investment in the Industrial Strategy Delivery

³ <https://www.londoncouncils.gov.uk/news-and-press-releases/2024/london-councils-budget-representation-2024>

	and the development and promotion of the STEAM sector strategy.
Doing things with residents, not to them	The use of co-production across the Council is embedded and all service matters are developed with the engagement of residents. The Council is continuing the REAP (Resident Experience and Access Programme) Programme to improve residents' access to the services.
Taking pride in H&F	The budget includes significant investment in public realm services especially waste collection, street cleaning and open/park spaces. Our new waste contract includes provisions to tackle fly-tipping and collection of food waste.
Rising to the challenge of the climate and ecological emergency	The Council has established a Climate Change Team, and the team has developed a Climate and Ecology Strategy (and is making a significant contribution to the international and national policy debates). It is also securing grants from national programmes to help with improvements of the thermal efficiency of Council properties and homes).

Financial Impact

All the issues set out in this report are of a financial nature.

Andre Mark, Head of Finance (Strategic planning and investment), 18 of October 2024 and verified by James Newman, Assistant Director of Finance, 24 of October 2024.

Legal Implications

The Council has a statutory duty under s151 of the Local Government Act 1972 to arrange for the proper administration of its financial affairs as well as a common law fiduciary duty to taxpayers with regards to its use of and accounting for public monies. This report assists in the discharge of those duties.

There are no other legal implications for this report.

Verified by Jade Monroe, Chief Solicitor, Legal Services, 23 October 2024

Background Papers Used in Preparing This Report - None

REVENUE SUMMARY

1. A summary position of the 2024/25 GF financial position is shown in **Table 1 and 2**, with a breakdown by individual variance in **Appendix 1**.

Table 1 – Month 6 (Sept 2024): General Fund forecast (underspends in brackets)

Directorate	Budget	Forecast Outturn Variance
	£m	£m
People	133.697	5.735
Place	32.734	7.783
Housing Solutions	13.665	6.353
Finance and Corporate Services	14.537	0.006
Total Directorates:	194.632	19.877
Centrally Managed Budgets	29.062	(4.232)
Total General Fund Services:	223.694	15.645
Corporately held Contingencies		(9.000)
Sub Total		6.645
Release of Collection Fund surpluses		(3.200)
Total		3.445

Table 2 – Month 6 (Sept 2024): General Fund Forecast (by expenditure type)

Directorate	Budget	Forecast Outturn Variance
	£m	£m
Employees	145.548	0.524
Non-employees	542.633	17.406
Income	(464.487)	(2.285)
Total General Fund Services	223.694	15.645

2. Further management actions are required to deliver a significant downward movement in directorate overspend positions by the end of the financial year. **Potential service mitigations of £2.000m** have been identified at this stage and set out within the directorate sections below.
3. Should these and other mitigating actions not materialise, and the reported position fail to improve throughout the year through further management action, then the budget will need to be balanced using earmarked reserves. Reserves can only be used once therefore would not address any ongoing financial pressures, and any reduction in reserve balances will deteriorate the council's financial resilience for any unexpected shocks and pressures that may come.

GENERAL FUND

People Directorate (Adult Social Care, Children's and Education and Public Health)

The main variances for the People Directorate are summarised in the below table (and detailed in Appendix 1):

Service Area	Forecast Variance £000	Commentary
Travel Care and Support	374	Cost pressure exceeding contract inflation allowance in the budget, plus £0.119m travel care and support for young people placed Out of Borough.
Disabled and Children's Services	(221)	Disabled Children's placements and short breaks underspend of which £0.181m favourable on activity led underspend on The Haven staffing in-year only.
Looked After and Leaving Care Placements	(395)	Children Looked After and Care Leavers underspend including fostering activity underspend. Higher cost to lower cost block provision and placements ended.
Client Related Non Placement Spend	455	Pressures on Section 17 family support, client travel and parenting assessments.
Staffing variance in Children and Young People's services (including Performance and Improvement)	443	Children and Young Peoples Services staffing adverse including vacancy factor target £0.371m and £0.105m Performance and Improvement staffing due to agency reviewer cost.
Strategic Commissioning and Transformation	(424)	£0.187m staffing underspend on vacancies held being recruited, £0.174 where grant income is meeting expenditure and £0.084m contract underspend.
Other Children's Services Minor Variances	57	
Residential and Nursing Placements	1,741	Net increase of 18 new residents since April, partly offset by additional contributions of (£0.811m) due to the increase in residents.
Supported Living and Extra Care	2,704	Demographic pressures combined with an additional 10 supported living placements since last financial year and an increase of over 6% in unit costs over the past year.
Home Care	(75)	New home care contracts implemented
Learning Disabilities and Physical Services	659	Direct payments overspends related to 59 new residents supported since the start of the financial year.
Other Care Services and Commissioning	418	Overspends in a range of care services (£439k) offset by underspend in employee costs (£21k)
Total	5,736	

The People Department is developing mitigation plans for these pressures including reviewing care packages, maximising contributions from the NHS and identifying efficiencies in externally contracted services.

The Department will also continue to face legislative/demand/cost pressures from service providers across all service areas including placements, hospital discharges, travel support, transition services, delivery of prior year savings and operational buildings

Dedicated Schools Grant

4. Dedicated Schools Grant (DSG) is paid in support of local authority schools' and is the main source of income for the schools' budget. It is split between central expenditure and the individual schools' budget (ISB) in conjunction with the local schools' forum.
5. Funding for the High Needs Block (HNB) continues to be under pressure with the latest forecast by the end of the financial year of a surplus of £0.400m which will go towards reducing the cumulative deficit, along with safety valve funding of £0.960m. The overall cumulative deficit is forecast to reduce to £1.356m by year end.
6. The additional Government funding forecast is subject to the council managing its DSG recovery plan as part of the grant conditions and close monitoring by the DfE (Department for Education). The council holds earmarked reserves against the cumulative deficit which is released as the deficit is managed down. This is set out in Table 3 below:

Table 3 - High Needs Block (HNB) Deficit

	£000
High Needs Block DSG deficit brought forward from prior years	2,400
In Year High Needs Block forecasted surplus less Early Years carry forward deficit	(84)
2024-25 High Needs Block Safety Valve funding (subject to monitoring and conditions)	(960)
Forecast High Needs deficit after Safety Valve funding	1,356

This service will also continue to face risks on SEND transport, transitional services and other general tuition/therapy services.

Place Directorate

The main variances for the Place Directorate are summarised in the below table:

Service Area	Forecast Variance £000	Commentary
Public Realm (Waste Collection, Street Cleaning, Waste Disposal, Highways)	2,565	Contractual pressures relating to inflation, pay and pensions and fuel. The costs of new wheeled bin waste collection services are not expected to be immediately mitigated in full by offsetting waste disposal savings (from behavioural changes).
Parking	4,063	<p>The council has waived fines and introduced business visitor permits and visitors to support the local economy. There has also been a better than anticipated change in driver behaviours leading to a reduction in traffic volumes and forecast income.</p> <p>The Parking department have implemented a review of all CPZ (Controlled Parking Zones) within the borough to ensure current policies are still fit for purpose. The current camera network is also being expanded to ensure driver compliance with the Council's driver related policies.</p>
Corporate Property and Facilities Management	600	Delayed savings pending review of corporate accommodation.
Other Place Budgets	555	Lower than budgeted income from corporate rental properties and revenue costs no longer chargeable to capital. Increasing prices for energy and water (street lighting, libraries, parks).
Sub-Total	7,783	

8. There are a number of potential risks including Corporate Property and Facilities Management (increasing repairs, maintenance and energy costs), Parking (changes in motorists habits may lead to reduction income), low uptake of new green waste subscription service, reduction in external funding for Highway projects and Planning fees. Mitigations will continue to be developed and implemented.

Finance and Corporate Services (including Housing Solutions)

The main variances for Finance and Corporate Services are summarised in the below table:

Service Area	Forecast Variance £000	Commentary
Residents Services	421	Delay in the delivery of prior year employee savings targets due to increased demand and pressures on the service.
Managed Services	260	Shared Service Contract (Hampshire) for Finance and HR IT systems.
Democratic Services	(262)	Favourable variance on Registrar's fees and charges and an underspend on staffing in the coroners' service due to in year vacancies.
Assurance, Programmes and Analytics	(265)	Underspend due to part year staffing vacancies.
Other Budgets	(148)	Better than budgeted income forecast for digital advertising, and underspends across Digital services.
Total	6	

Housing Solutions

The main variances for Housing Solutions summarised in the below table:

Service Area	Forecast Variance £000	Commentary
Bed and Breakfast	6,112	An additional 185 people placed in bed and breakfast (now 340 in total) at more costly marginal rates. Out of hours (OOH) placements and pre-booked accommodation numbers have increased including use of commercial hotels. There are also cost pressures on Private Sector Leasing.
Homelessness Prevention Grant	(435)	One-off grant top up
Cost Avoidance Payments	550	Cost increase to minimise the need for more costly emergency housing solutions
Other Housing Services	126	
Total	6,353	

A Working Group has been established to develop a mitigation strategy to manage these pressures and the actions will include options to secure additional national grants, controls of operational expenditure, clear pathway and move on options, consideration of policy changes on discharge to private sector, nomination rights to RPs and out of borough placements.

Centrally Managed Budgets

Service Area	Forecast Variance £000	Commentary
Cost of Borrowing (Net)	(4,783)	Interest on cash balances remains higher than budgeted due to continuing high interest rates (plus lower interest payments on outstanding loans). As a Ruthlessly Financially Efficient council, there has not been any new prudential borrowing undertaken
Levies	(406)	Reimbursement of concessionary fares contributions due to TfL price freeze on tube fares.
Other Corporate and Democratic Core Services	957	Increased cost of insurance premiums and claims
Total	(4,232)	

There continue to be risks that will need to be monitored especially interest on cash balances and also with regard to the National Pay Award (the budget for 2024/25 includes a 3% provision).

Collection Fund

- 9 Council Tax and National Non-Domestic Rates (NNDR) income, alongside grant funding, are the main sources of the council's overall funding. Income collected from Council tax is shared with the GLA and the council is forecast to retain 67% of this income with the GLA retaining remaining share. For NNDR, this is shared between the council, the GLA and Central Government. The council is forecast to retain 30% of this income (GLA retained 33% and central government retain 37%)
- 10 Retained income from Council Tax and NNDR together are budgeted to represent 65% of the councils net budget requirement 24/25 (£141.3m) and is held within a ring-fenced account known as the Collection Fund. The overall collection fund surplus/deficit in-year is affected by the number of variables such as movements in the gross taxbase (e.g., the number of properties in the borough and for business rates the impact on business rates appeals), offsetting deductions to bills (e.g. single person discount and Council Tax support council tax and mandatory charitable relief full business rates) and the collection rate.
- 11 Any forecast surplus or deficit on the Collection Fund will not impact the council's budget until the following financial year due to accounting regulations. An estimate of the surplus or deficit on the collection fund is made annually in January and factored into the budget setting estimates the subsequent financial year. Should the outturn position be an improvement on the estimated position, then this is factored into the in-year position for the following year.
- 12 A review of the Collection Fund is being finalised with an expectation that there will be a surplus of £3.2m, which can further mitigate the service position at Month 6.

HOUSING REVENUE ACCOUNT (HRA)

- 13 A balanced budget was set for the HRA for 2024/25 (and without the use of reserves).
- 14 The strategic operating environment of the Housing Revenue Account continues

to be challenging (as is the General Fund) with continuing legislative/demographic pressures and high interest rates.

15 The overall assessment of the current forecasts is summarised in Table 4 below.

Table 4: Housing Revenue Account Forecast Outturn

Service Area	Forecast Variance £000	Commentary
Decants	1,500	Additional spend on decants (whilst repairs are completed) and disturbance allowance costs
Disrepair Spend	3,000	Resolution of outstanding historic claims (includes tenant compensation, all legal costs and repairs)
Voids and Repairs	3,000	Additional investment to deliver the repairs improvement plan
Other Services	184	A net overall underspend across all other services
Total	7,684	

Several mitigations are being developed including the use of unallocated contingencies, spending controls, releasing reserves that may not be required (regarding the refund of water commission charges), capital programme management and potential further capitalisation.

Housing Revenue Account (General Reserve)	£000's
Balance as of 31 March 2024	(5,376)
Pressures Reported at Month 6	7,684
Mitigations (as outlined above)	(7,684)
Balance as of 31st March 2025	(5,376)

EQUALITIES IMPLICATIONS

As required by Section 149 of the Equality Act 2010, the Council has considered its obligations regarding the Public Sector Equality Duty and it is not anticipated that there will be any direct negative impact on groups with protected characteristics, as defined by the Act, from the adjustments to the budgets required because of this report.

If any such adjustments might lead to a service change and/or changes in staffing structures that could have a negative impact on groups with protected characteristics, then a full Equality Impact Assessment will need to be carried out.

RISK MANAGEMENT IMPLICATIONS

The Council has a statutory duty to arrange for the proper administration of its financial affairs and a fiduciary duty to taxpayers with regards to its use of and accounting for public monies. This report assists in the discharge of those duties.

The report recognises the significant external pressures which are expected to bear down on the Council's costs during 2024/25, including persistently high levels of inflation and increasing interest rates. Detailed risks are set out for departments in the appendices, and include areas overspends are being caused by increased demand for services (particularly social care), better than anticipated change in driver behaviours leading to a reduction in traffic volumes and forecast income, and the prospect that there is further will be further demand going forward in key services (including temporary accommodation), further

increasing pressure on budgets. It is recognised that unallocated contingency has been held and will be applied to reduce the potential overspend for the year, however, this is a short-term mitigation only. Directorates and the central Finance team will need to continue to closely monitor expenditure to ensure it remains within budget and that planned savings are delivered in full or implement alternative mitigating actions to address forecast overspends or savings targets which cannot be delivered.

The report also recognises the significant pressures facing the HRA, so while the structural budget deficit on the HRA has been eliminated and a balanced HRA Budget was set for 2024/25 (without the use of balances), a significant in year deficit is being forecast. Officers must ensure that costs and income are closely monitored and controlled and that corrective actions to protect and maintain the financial stability of the HRA are agreed and embedded.

Implications completed by: *David Hughes, Director of Audit, Fraud, Risk, and Insurance,*
22 October 2024

Appendices:

- Appendix 1 - General Fund Revenue Monitoring by Variance
- Appendix 2 - HRA Revenue Monitoring by Variance
- Appendix 3 - Savings Delivery Tracker
- Appendix 4 – Virement Requests
- Appendix 5 – S106 Funding Allocation Proposals

APPENDIX 1 – GENERAL FUND AND HRA MONITORING BY VARIANCE AS AT MONTH 6

Service Area	Total Budget	Actual Month 6	Total Forecast Variance Month 6	Movement from Prior Period (M2)
	£000	£000	£000	£000
PEOPLE – Variance by Service Area				
Children's and Education Services				
Looked After Children & Care Leavers Placements, Client Related Non-Placement & Care Management	19,976	10,137	18	(703)
Other Statutory Social Work (CYPS)	10,155	5,763	793	(1,991)
Early Intervention Services (CYPS)	2,560	1,684	(239)	(191)
Other Children and Young Peoples Services	1,249	553	(77)	(179)
Travel Care and Support	6,909	2,600	374	103
Special Educational Needs and Disability (SEND)	7,211	20,545	(240)	(32)
Other Statutory Education Services	472	1,786	12	27
Schools and Early Years Funding	4	41,185	(9)	(9)
Strategic Commissioning and Transformation	1,232	787	(78)	(98)
Other Children's & Education Services Budgets	2,537	1,410	(265)	(210)
Sub-Total	52,304	86,450	289	(3,284)
Non Controllable Expenditure (Corporate overheads, capital financing and other technical adjustments)	10,248			0
Total - Children Services	62,552	86,450	289	(3,284)
Adult Social Care and Public Health				
Residential and Nursing Placements	19,642	12,426	1,741	479
Supported Living and Extra Care	12,398	7,858	2,704	800
Home Care	20,291	5,892	(75)	(1,273)

Direct Payments	10,191	8,125	659	632
Other Care Services and Commissioning	2,797	2,690	418	696
Public Health	0	1,191	0	0
Sub-Total - Social Care and Public Health	65,318	38,182	5,447	1,334
Non Controllable Expenditure (Corporate overheads, capital financing and other technical adjustments)	5,828	0	0	0
Total - Social Care and Public Health	71,146	38,182	5,447	1,334
Sub-total People	117,622	124,632	5,736	(1,950)
Non Controllable Expenditure (Corporate overheads, capital financing and other technical adjustments)	16,076	0	0	0
Total - People	133,697	124,632	5,736	(1,950)

Service Area	Total Budget	Actual Month 6	Total Forecast Variance Month 6	Movement from Prior Period (M2)
PLACE – Variance by Service Area	£000	£000	£000	£000
Climate Change and Transport	985	1,714	0	0
Public Realm	32,515	10,999	2,683	214
Public Protection	6,739	2,960	221	133
Parking	(38,618)	(10,304)	4,063	(2,649)
Corporate Property and Facilities Management	6,961	4,984	697	606
Planning	240	356	0	0
Economic Development and Skills Service	60	1,459	0	0
Other Place Budgets	346	417	146	26
Sub-Total	9,227	12,583	7,810	(1,671)
Support Services (Corporate overheads, capital financing and other technical adjustments)	23,507	0	0	0
Total	32,734	12,583	7,810	(1,671)

Service Area	Total Budget	Actual Month 6	Total Forecast Variance Month 6	Movement from Prior Period (M2)
HOUSING SOLUTIONS - Variance by Service Area	£000	£000	£000	£000
Temporary Accommodation	8,463	8,886	6,274	(1,331)
Homelessness Prevention and Assessment	1,674	1,371	70	0
Supported Housing	1,396	994	0	0
Other GF Housing Budgets	504	1,184	9	(41)
Sub-Total	12,037	12,435	6,353	(1,372)
Non Controllable Expenditure (Corporate overheads, capital financing and other technical adjustments)	1,490	0	0	0
Total	13,665	12,435	6,353	(1,372)

Service Area	Total Budget	Actual Month 6	Total Forecast Variance Month 6	Movement from Prior Period (M2)
FINANCE AND CORPORATE SERVICES - Variance by Service Area	£000	£000	£000	£000
Finance	3,689	2,080	132	94
Managed Services	2,042	1,435	260	(9)
Audit, Fraud, Risk and Insurance	1,072	342	2	12
Assurance, Programmes and Analytics	4,222	2,308	(265)	(212)
Corporate Procurement	674	352	(64)	(37)
Commercial Advertising	(2,500)	(1,994)	(102)	(57)
Digital Services	13,292	9,721	(136)	(136)
Legal Services	(87)	(35)	30	30
Residents Services	6,125	4,375	421	(121)
People & Talent	2,574	1,172	(63)	(63)
Communications and Communities	949	523	(36)	14
Democratic Services, Coroners & Mortuaries	2,775	1,689	(262)	5
Members Support	328	166	7	6
Other Finance and Corporate Budgets	832	1,870	81	(351)
Sub-Total	35,985	24,003	6	(825)
Non Controllable Expenditure (Corporate overheads, capital financing and other technical adjustments)	(21,449)	0	0	0
Total	14,536	24,003	6	(825)

Service Area	Total Budget	Actual Month 6	Total Forecast Variance Month 6	Movement from Prior Period (M2)
CENTRAL ITEMS	£000	£000	£000	£000
Levies	10,494	4,868	(406)	(14)
Net Cost of Borrowing	(1,035)	(627)	(5,095)	860
Technical items	(378)	19,307	0	0
Other and Corporate Democratic Core Services	2,078	2,389	957	225
Sub-Total	11,159	25,937	(4,544)	1,071
Non Controllable Expenditure (Corporate overheads, capital financing and other technical adjustments)	3,394	3,813	312	(60)
Total	14,554	29,750	(4,232)	1,011
Sub-Total General Fund	223,694	203,459	15,645	(4,835)
Corporate Contingencies and Collection Fund surpluses			(12,200)	(2,408)
Net General Fund			3,445	(7,243)

APPENDIX 2 – HOUSING REVENUE ACCOUNT (HRA) MONITORING BY VARIANCE AS AT MONTH 6

HRA Variance by Division				
Category	Total Budget	Actual Month 6	Total Forecast Variance Month 6	Movement from Prior Period (M2)
	£000	£000	£000	£000
Rental income	(83,322)	(40,286)	(0)	0
Service Charge income	(19,880)	(12,420)	(0)	0
Other Income	(3,881)	(2,201)	(0)	0
Void Rent Loss	2,040	975	(250)	(250)
Staff Capitalisation	(11,733)	(2,113)	324	585
Repairs and Voids	34,102	30,010	3,080	1,632
S82 Disrepairs Compensation	645	1,823	2,973	269
Housing Management	17,024	8,570	525	(124)
Decants	200	753	1,492	206
Estate Services	16,455	7,222	70	1
Depreciation	17,376	16,084	(1,292)	2
Interest Payable (Net)	13,947	0	815	130
Other Costs (Contingency, Finance)	10,649	2,515	(48)	(48)
Corporate Services	6,373	0	0	0
Sub-Total	(4)	10,933	7,689	2,409
Non Controllable Expenditure (Corporate overheads, capital financing and other technical adjustments)	4	(5)	(4)	(4)
Total	0	10,928	7,684	2,404

APPENDIX 3 – MTFS SAVINGS MONITOR – UPDATE AT MONTH 6 (September 2024)

Directorate	Previous Dept	MTFS Reference	Description	2024-25 Expected Savings (£000's)	2024-25 Forecast Savings (£000's)	Delivery RAG Rating
People	Social Care and Public Health	Social Care and Public Health -1	Review care costs with NHS (CHC) as people with very high needs are discharged from hospital.	(200)	(200)	Green
People	Social Care and Public Health	Social Care and Public Health -2	Supporting resident independence though better integration of council services with community networks	(150)	(150)	Orange
People	Social Care and Public Health	Social Care and Public Health -3	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)	(200)	Orange
People	Social Care and Public Health	Social Care and Public Health -4	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)	Green
People	Social Care and Public Health	Social Care and Public Health -5	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)	Orange
People	Social Care and Public Health	Social Care and Public Health -6	Better use of equipment to improve independence of residents with sensory disability.	(100)	(100)	Orange

Directorate	Previous Dept	MTFS Reference	Description	2024-25 Expected Savings (£000's)	2024-25 Forecast Savings (£000's)	Delivery RAG Rating
People	Social Care and Public Health	Social Care and Public Health -7	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)	(250)	
People	Social Care and Public Health	Social Care and Public Health -8	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)	
People	Social Care and Public Health	Social Care and Public Health -9	Reshaping the department as an all-age adults service and over a medium term neighbourhood resident focus.	(200)	(200)	
People	Social Care and Public Health	Social Care and Public Health -10	Review of Rough Sleeper Public Health Contribution to support residents with independent living.	(100)	(100)	
People	Social Care and Public Health	Social Care and Public Health -11	Review of Environmental Health Contributions to manage and support the health protection and outbreak prevention.	(100)	(100)	
People	Social Care and Public Health	Social Care and Public Health -12	Review the impact of targeted provision with underserved groups to improve community engagement.	(72)	(72)	
People	Social Care and Public Health	Social Care and Public Health -13	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)	
People	Children's Services	Children's Services-1	This proposal aligns the budget to the current profile of placements where there is joint health	(325)	(325)	

Directorate	Previous Dept	MTFS Reference	Description	2024-25 Expected Savings (£000's)	2024-25 Forecast Savings (£000's)	Delivery RAG Rating
			funding. There will be no impact on children and young people.			
People	Children's Services	Children's Services-2	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)	
People	Children's Services	Children's Services-3	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)	
People	Children's Services	Children's Services-4	It is proposed to align the budgets to current expenditure following the recommission. There is no proposed change to delivery	(137)	(137)	
People	Children's Services	Children's Services-5	Embedding long-term holiday food provision offer using the council's bulk purchasing power to more effectively procure long-term holiday food	(900)	(900)	
Place	The Environment	The Environment-1	Non-residential fees and charges	(200)	(200)	
Place	The Environment	The Environment-2	Use of alternative funding (through developers contributions)	(200)	(200)	
Place	The Environment	The Environment-3	Further efficiencies from rollout of wheeled bins	(250)	(250)	
Place	The Environment	The Environment-4	Resident Experience and Access Programme (REAP) enabled savings	(250)	(250)	
Place	The Environment	The Environment-5	Introduction of garden waste subscription service (this assumes sign up of 10,000 properties)	(650)	(650)	
Place	The Economy	The Economy-1	New fee flexibilities and cost reductions from fewer volumes	(350)	(350)	

Directorate	Previous Dept	MTFS Reference	Description	2024-25 Expected Savings (£000's)	2024-25 Forecast Savings (£000's)	Delivery RAG Rating
Place	The Economy	The Economy-2	Review of expenditure (6% reduction)	(200)	0	Red
Housing	The Economy	The Economy-3	Efficient commissioning of Temporary Accommodation	(100)	(100)	Green
Housing	The Economy	The Economy-4	Review of Housing Solutions team	(150)	(150)	Green
Housing	The Economy	The Economy-5	Acquisition of housing for Temporary Accommodation	(200)	(200)	Green
Place	The Economy	The Economy-6	Corporate Accommodation savings	(400)	0	Red
Corporate	Corporate	Corporate-1	An increase in digital advertising rental income.	(150)	(150)	Green
Corporate	Corporate	Corporate 2	Reduction in Internal Audit budget for contracted out audit days.	(50)	(50)	Green
Corporate	Corporate	Corporate 3	Reduction in LBHF share of the Hampshire Finance System costs.	(200)	0	Red
Corporate	Corporate	Corporate 4	Reduction in costs arising from the network and telephony procurement strategy and contract award.	(125)	(125)	Green
Corporate	Corporate	Corporate 5	Remove the need for server licencing and reduce support costs for smaller applications following migration to Microsoft Azure platform.	(60)	(60)	Green
Corporate	Corporate	Corporate 6	Additional income from contract based on RPI.	(80)	(80)	Green
Corporate	Corporate	Corporate-8	An organisational review of the senior chief officer structures of the Council	(250)	(90)	Orange
Corporate	Corporate	Corporate-9	Discontinuing annual contribution to reserves and utilising in year revenue resources	(275)	(275)	Green
Corporate	Corporate	Corporate-10	Discontinuing annual contribution to reserves and utilising in year revenue resources	(245)	(245)	Green
		Overall Total		(8,069)	(7,109)	

APPENDIX 4 – Virements AT MONTH 6 (September 2024)

	Opening Budget (£m)	In-year growth (£m)	Redirected resources across departments (£m)	Technical adjustments (£m)	Budget as at Month 6 (£m)
Place	28.28	0.04	-	4.41	32.73
People	136.01	-	(2.69)	0.38	133.70
Finance and Corporate	19.92	-	(5.66)	0.27	14.53
Housing Solutions	13.66	-	-	0.01	13.67
Central Items	19.13	1.92	8.35	(0.34)	29.06
Corporate Budget	(217.00)	(1.96)	-	(4.73)	(223.69)
Total	0	0	0	0	0

Explanations of budget virements to date:

In Year Growth

- Local Government Finance Settlement additional funding – £1.94m
- Draw down of prior year grant funding from reserves – £0.04m

Redirected Resources Across Departments

- Transfer of third sector investment fund services from People to Finance and Corporate Services following restructure – £2.69m
- Transfer of concessionary fares budget to Central Items – £8.35m

Technical Adjustments

- Distribution of Chief Officer pay award provision – £0.34m
- Capital financing - Depreciation and amortisation charges - £4.73m

Technical adjustments to be approved

- Draw down of Homelessness Prevention funding from reserves - £0.14m

In addition to the above virements, there are budget movements within departmental control totals which require Cabinet approval. These are mainly due to realignment of budgets across subjective (type of spend) categories or across teams but have a net nil impact on the control totals. These are as follows:

- Realignment of budgeted grant funding in Housing Solutions - £2.338m

APPENDIX 5 – S106 FUNDING ALLOCATION PROPOSALS

S106 Purpose	Proposal for Allocation	Amount (m)
Central Hammersmith Regeneration Area Fulham Regeneration Area South Fulham Regeneration Area	Funding towards the Law Enforcement Team and Gangs Unit	2.314
Arts & Cultural Projects	Delivery of the Civic Campus Cultural Programme and priority actions within the H&F Cultural Strategy.	0.450
Borough Wide Community Benefits	Mitigate impact of temporary relocation for Avonmore school	0.250
Economic Development	Local employment training and local procurement activities to be delivered in 2025/26	3.180
Environmental Improvements	Energy Efficiency Grants for low-income residents and SMEs.	0.450
Total		6.644