

Medium Term Budget Requirement

	Year 1 2012/13 £'000	Year 2 2013/14 £'000	Year 3 2014/15 £'000
2011/12 Net General Fund Base Budget	209,430		
Reduction in Drawdown from Earmarked Reserves:			
Community Services Balances and Reserves	1,794		
Area Based Grant Transition Reserve	2,217		
Exclusion of Prior Year Unsupported Transformation Projects	1,143		
Adjusted Gross Expenditure	214,584	214,584	214,584
Contract and Income Inflation	3,617	7,234	10,851
Growth	3,441	5,171	6,634
Departmental Efficiencies	(22,687)	(38,045)	(57,204)
Additional General Contingencies	4,270	8,111	11,825
Release of Unallocated Core Revenue Grant Contingencies	(2,408)	(2,408)	(2,408)
Headroom	0	1,500	3,000
Gross Expenditure	200,817	196,147	187,282
Resources Received			
Council Tax Freeze Grant (2012/13 only) /New Homes Bonus Grant	5,066	4,341	5,241
Core Revenue Grants (2012/13 confirmed, then adjusted in line with Spending Review less floor adjustment of 2%)	18,256	17,572	16,172
Formula Grant (2012/13 confirmed, then adjusted in line with Spending Review less floor adjustment of 2%)	114,921	111,660	103,295
Council Tax	62,574	62,574	62,574
Gross Resources	200,817	196,147	187,282

Risks

9,471

25,021

31,158

Growth

Appendix 2

Children's Services				
Existing Growth		2012/13	2013/14	2014/15
Title	Description	£'000	£'000	£'000
New Growth				
Childrens' Social Care	Growth related to reduction in UKBA (Unaccompanied Asylum Seekers) grant funding	200	200	200
		200	200	200
		200	200	200
Community Services				
Existing Growth		2012/13	2013/14	2014/15
Title	Description	£'000	£'000	£'000
Adult Social Care	Increase in demand for disabled people placements and care packages	0	205	410
Adult Social Care	Increase in demand for all aged people with care placements and care packages	0	900	900
		0	1,105	1,310
New Growth				
Adult Social Care	Allow more time for review of personal support Planning	300	300	300
Adult Social Care	Sustain Home Support for Out of Borough Placements for Mental Health Placements	150	0	0
Quality Commissioning & Procurement	Support to SP (Supporting People) Careline	144	144	144

Growth

Quality Commissioning & Procurement	Support Framework Contracts	150	50	50
Adult Social Care	Develop Prevention Strategy	150	150	150
Adult Social Care	Increase in demand, due to demographic and other factors, for care placements and packages.	0	0	900
		894	644	1,544
		894	1,749	2,854
Environment Services				
New Growth		2012/13	2013/14	2014/15
Title	Description	£'000	£'000	£'000
Highways and Engineering	New Flood Responsibilities	172	172	172
		172	172	172
Finance & Corporate Services				
Existing Growth		2012/13	2013/14	2014/15
Title	Description	£'000	£'000	£'000
H&F Direct	Freedom Passes- Introduction of a new apportionment basis which shifts costs from Outer to Inner London and cost increase	326	665	665
		326	665	665
New Growth				
H&F Direct	Concessionary Fares Settlement Growth	374	374	374
		374	374	374
		700	1,039	1,039

Regeneration & Housing				
Growth		2012/13	2013/14	2014/15
Title	Description	£'000	£'000	£'000
		0	0	0
Residents Services				
New Growth				
Title		2012/13	2013/14	2014/15
New Growth	Description	£'000	£'000	£'000
Residents Services	Additonal Gardening requirements at Fulham Palace Gardens.	40	40	40
Residents Services	WRWA Growth	535	921	1,129
		575	961	1,169
Corporate				
Existing Growth	Description	2012/13	2013/14	2014/15
Existing Growth		£'000	£'000	£'000
Office Accommodation	Rental and service charges increases	150	300	450
		150	300	450

Growth

Corporate (cont'd..)				
New Growth				
Asset Disposals	Provision for costs arising from the disposal programme	250	250	250
Corporate Growth	Efficiency Delivery Reserve	500	500	500
		750	750	750
		900	1,050	1,200
Hammersmith and Fulham - Summary				
		2012/13	2013/14	2014/15
		£'000	£'000	£'000
		476	2,070	2,425
		2,965	3,101	4,209
		3,441	5,171	6,634

Efficiencies

Children's Services				
Division	Description of Saving	2012/13	2013/14	2014/15
		£000s	£000s	£000s
Social Care	Following reduced demand, removing the additional financial support for more staffing provided to enable the Family Support and Child Protection [FSCP], Contact and Assessment [C&A], and Safeguarding services to manage the increased demand for services following the Baby Peter surge in demand in the period 2008 to 2011	(300)	(300)	(300)
Social Care	More efficient procurement of the workers providing support in the home for disabled children and their families thereby reducing agency costs.	(75)	(150)	(150)
Social Care	Reorganisation of C&A and FSCP will result in fewer handovers and yield efficiencies in relation to staffing without impact on the quality of child protection service. This will result in fewer 'handovers' of cases, improving the quality of the service	(175)	(175)	(175)
Social Care	It is anticipated that following the publication of the Munro Review it will be possible to deliver process efficiencies, reducing staffing requirements.	0	(250)	(250)
Social Care	Senior management/ senior business support - delayering of management tiers.	(25)	(230)	(230)
Social Care	Continuing to reduce the population of children in care with better preventative services [see Locality teams] and more timely permanent placements [Adoption/Special Guardianship/Residence]; thereby reducing placement costs	(320)	(640)	(640)
Social Care	Transport costs reduced as a result of there being fewer children in care	(60)	(120)	(120)
Social Care	Independent Reviewing Officer costs being reduced as a result of there being fewer children in care	0	(50)	(50)
Social Care	More efficient procurement of placements for children in care from Independent Fostering Agencies and from Private & Voluntary Residential Care Services arising from joint working and joint negotiating with the other Local Authorities forming the West London Alliance.	0	(128)	(128)
Social Care	Reduced expenditure on leaving care services resulting from there being fewer children in care	(60)	(120)	(120)
Total Departmental Savings		(1,015)	(2,163)	(2,163)

Efficiencies

Division	Description of Saving	2012/13	2013/14	2014/15
		£000s	£000s	£000s
Transformation Savings				
Market Management	Possible stretch related to merger - Traded Services More work is required to better understand the nature of these mergers and the developing strategies, although a further stretch of £175k on traded services if Royal Borough of Kensington and Chelsea is involved seems reasonable.	(50)	(150)	(150)
Market Management	Transfer of Traded Services relating to schools into a 'Mutual'/Social Enterprise. Efficiencies as expected to be achieved through further commercialisation of the services.	(50)	(100)	(100)
Market Management	Social Enterprise - School Resources	(103)	(119)	(223)
Total Childrens' Services Savings in Market Management Portfolio		(203)	(369)	(473)
Tri Borough	School Improvement - Reducing Senior Management overheads and business support Deletion of 2 principal adviser posts and reduction in AD costs of 30% due to shared role in merger.	(200)	(200)	(200)
Tri Borough	Sharing of education services with WCC / RBKC with a potential to review and revise the statutory delivery component to more efficient ways, and better use of joint commissioning and sharing of overhead, management and support costs	(150)	(500)	(500)
Tri Borough	BSF Core Funding & Schools Resourcing Reorganisation following the ending of the BSF and Primary Capital programmes and a further reorganisation following the completion of the merger work	(50)	(100)	(100)
Tri Borough	Possible stretch related to merger - Traded Services More work is required to better understand the nature of these mergers and the developing strategies, although a further stretch of £175k on traded services if RBKC is involved seems reasonable.	(50)	(150)	(150)

Efficiencies

Division	Description of Saving	2012/13	2013/14	2014/15
		£000s	£000s	£000s
Tri Borough	Transfer of Traded Services relating to schools into a 'Mutual'/Social Enterprise. Efficiencies as expected to be achieved through further commercialisation of the services.	(50)	(150)	(150)
Tri Borough	Senior management/ senior business support - delayering of management tiers.	(90)	(90)	(90)
Tri Borough	Merging the Looked After Children [LAC] and Young Peoples Service [YPS] to create one 0 - 18 service for children in care, reducing handovers of cases, so improving the service quality for children, their families and carers.	(125)	(250)	(250)
Tri Borough	Savings in foster care costs as a result of there being fewer children in care, and subsequent possible reprovision as part of 3 Borough working	(50)	(300)	(300)
Tri Borough	More efficient procurement of placements for children in care from Independent Fostering Agencies and from Private & Voluntary Residential Care Services arising from joint working and joint negotiating with the other Local Authorities forming the West London Alliance.	(225)	(397)	(397)
Tri Borough	Single Mgt Team - joint appointments of Executive team, directors and more efficient use of overheads through shared support	(410)	(610)	(610)
Tri Borough	Single Youth Offending Team - joint appointments for some posts including Head of Service, Court Team and ISS team.	(270)	(270)	(270)
Tri Borough	Single Local Children's Safeguarding Board. Merging of Tri-borough LSCBs into one enabling sharing of multi-agency training, independent chair and allow a reduction in admin and support costs	(70)	(70)	(70)
Tri Borough	Sharing of education services with WCC / RBKC with a potential to review and revise the statutory delivery component to more efficient ways, and better use of joint commissioning and sharing of overhead, management and support costs	0	(370)	(370)
Tri Borough	Commissioning staff - a single joint commissioning team across 3 boroughs allowing efficiencies in staffing and achieving best value contracts through rationalisation	(200)	(700)	(700)

Efficiencies

Division	Description of Saving	2012/13	2013/14	2014/15
		£000s	£000s	£000s
Tri Borough	Finance Staff. Integrated finance team to support 1 integrated Children's Service executive team and services.	0	0	(170)
Tri Borough	Fostering - Trading with other boroughs.	0	0	(160)
Tri Borough	Further Finance Savings - revised structure for one shared cross-borough finance team	0	0	(80)
Tri Borough	DSG Efficiencies achievable through more efficient procurement of commissioned services and shared overheads	0	0	(620)
Tri Borough	Other Tri Borough	0	0	(200)
	Sub Total Tri Borough Savings as reported in Tri Borough Reports	-1940	-4157	-5387
Market Management	Reported within Market Management - Social Enterprise - Schools Resources	103	119	223
Market Management	Possible stretch related to merger - Traded Services More work is required to better understand the nature of these mergers and the developing strategies, although a further stretch of £175k on traded services if RBKC is involved seems reasonable.	50	150	150
Market Management	Transfer of Traded Services relating to schools into a 'Mutual'/Social Enterprise. Efficiencies as expected to be achieved through further commercialisation of the services.	50	100	100

Efficiencies

Division	Description of Saving	2012/13	2013/14	2014/15
		£000s	£000s	£000s
	DSG Efficiencies achievable through more efficient procurement of commissioned services and shared overheads	0	0	620
	Sub total Management Savings Deducted from Tri Borough figures	203	369	1093
	Total Tri Borough savings for LBHF reporting	(1,737)	(3,788)	(4,294)
Total Transformation Savings		(1,940)	(4,157)	(4,767)
Total CHS Savings- Departmental and Transformational		(2,955)	(6,320)	(6,930)

Community Services				
Division	Description of Saving	2012/13	2013/14	2014/15
		£000s	£000s	£000s
Adult Social Care	Prior year growth for impact of end of Independent Living Fund no longer required.	(461)	(461)	(461)
Adult Social Care	More efficient and timely equipment procurement	(50)	(50)	(50)
Adult Social Care	Alternative home support for out of Borough placements for people with learning disabilities	(310)	(320)	(320)
Adult Social Care	Alternative home support for out of Borough placements for people with mental health conditions	0	(200)	(200)
Quality, Commissioning & Procurement	Reprioritisation of 3rd Sector Investment Funds. The proposal is to review the Councils 3rd sector providers contracts with a reallocation of the investment fund and fast track budget.	(80)	(230)	(230)
Quality, Commissioning & Procurement	London Borough Grant Efficiencies (London Council Levy)	(195)	(195)	(195)
Resources	Maximising revenue from new and existing Careline products - May include differential contributions	(200)	(200)	(200)
ABG Related Savings	Mental Health - Recommissioning of psychological therapies	(36)	(70)	(70)
ABG Related Savings	Drug Intervention Programme - recomm of service with RBKC	(48)	(94)	(94)
ABG Related Savings	Carers Commisioner - sharing management costs with Westminster CC	(34)	(65)	(65)
ABG Related Savings	Supporting People Grant - Reprocuring with other boroughs to reduce prices and share management costs	(1,583)	(1,852)	(1,852)
ABG Related Savings	Review of Mental Health Day services - Under consultation	(290)	(290)	(290)
ABG Related Savings	Review of Support Planning - disestablishing currently vacant posts	(100)	(400)	(400)
ABG Related Savings	Review of Occupational Therapy Services	(50)	(50)	(50)
ABG Related Savings	NHS funding for Social Care	(3,184)	(2,002)	(3,731)
Total Departmental Savings		(6,621)	(6,479)	(8,208)
Transformation Savings				
Tri Borough	Commissioning, Finance and Inhouse Services	(778)	(778)	(1,258)

Community Services				
Division	Description of Saving	2012/13	2013/14	2014/15
		£000s	£000s	£000s
Tri Borough	Overheads (Training, Project management)	0	0	(252)
Tri Borough	Joint Commissioning and support services with GP consortia	0	0	(433)
Tri Borough	Procurement savings	(155)	(260)	(367)
Tri Borough	CLCH Integration - Impact on Demand	0	(1,450)	(2,900)
Tri Borough	CLCH Integration - Management	(93)	(93)	(93)
Total Transformation Savings		(1,026)	(2,581)	(5,303)
Total CSD Savings- Departmental and Transformational		(7,647)	(9,060)	(13,510)