

Medium Term Budget Requirement

	Year 1 2014/15 £'000	Year 2 2015/16 £'000	Year 3 2016/17 £'000
2013/14 Net General Fund Base Budget	189,640	189,640	189,640
Non-domestic rates tariff payment to Government	2,913	2,986	3,046
One off budget adjustments from 2013/14	(1,903)	(1,903)	(1,903)
Drawdown from Efficiency Delivery Reserve	(752)	0	0
2014/15 Net General Fund Base Budget	189,899	190,724	190,783
Contract and Income Inflation	2,800	5,600	8,400
Growth	4,156	5,515	5,515
Efficiency Savings ¹	(18,157)	(40,751)	(50,515)
General Contingency (pay)	900	1,800	4,050
Gross Budget Requirements	179,597	162,888	158,233
Less			
New Homes Bonus Grant	(3,773)	(3,065)	(3,672)
Other unringfenced specific grants	(4,534)	(4,442)	(4,442)
Council Tax Freeze Grant	(626)	(1,252)	(1,252)
Contribution to General Balances	1,105	0	0
Revenue Grants	(7,828)	(8,759)	(9,366)
Net Budget Requirement	171,769	154,129	148,867
Funded By			
Revenue Support Grant	65,300	46,572	39,874
Localised Element of Non Domestic Rates	54,313	55,838	56,924
Council Tax (3% Reduction in Year 1 then a freeze for planning purposes)	51,369	51,369	51,369
Increase in Council Tax Base	0	350	700
One off collection fund surplus	787	0	0
Gross Resources	171,769	154,129	148,867
Adjusted Net Budget Gap	0	0	0

Notes

1) In addition, an efficiency of £150k has been built in to the Council Tax Base, relating to Single Person Discount savings. These savings are planned to be achieved through the Business Intelligence programme.

Adult Social Care Budget Proposals

Service	Description	2014-15 Budget Change (£,000's)	2015-16 Budget Change Cumulative (£,000's)	2016-17 Budget Change Cumulative (£,000's)
Tri Borough	Commissioning, Finance and In-house Services	(48)	(480)	(480)
Tri Borough	Overheads (Training, Project Management)	(65)	(252)	(252)
Tri Borough	Tri-borough initiative to manage prices in residential & nursing placements.	(135)	(135)	(135)
Tri Borough	Reduced admissions into residential and nursing homes through better support in the community	(475)	(475)	(475)
Operations	Customer Journey for Operational Services	(185)	(335)	(535)
Procurement and Business Intelligence	Extension of Framework I contract inline with Tri Borough Partners	(127)	(127)	(127)
Joint Commissioning with Health	Whole Systems Integration with Health (Community Budgets)	0	0	(200)
Operations & Provided Services	Review of high cost placements, supported at home packages & Direct Payments.	(910)	(910)	(910)
Operations & Provided Services	Efficiencies to be achieved from the home care procurement exercise and new operating model.	(118)	(235)	(235)
Operations & Provided Services	Personalisation - Changing the approach to an outcome based on the new operating model for Direct Payment Clients.	(115)	(230)	(230)
Provided Services & Mental Health	Review Intensive support contract	(50)	(50)	(50)

Service	Description	2014-15 Budget Change (£,000's)	2015-16 Budget Change Cumulative (£,000's)	2016-17 Budget Change Cumulative (£,000's)
Tri Borough	Increase capacity in extra care and sheltered accommodation by 50 units (including LD accommodation strategy)	0	(400)	(400)
Provided Services & Mental Health	Review of Older People Day-Care Services	(35)	(35)	(35)
Operations	Decommissioning of Learning Disabilities Day Services and closure of in-house day provision, allowing people to use direct payments in order to meet their needs.	0	(253)	(253)
Provided Services & Mental Health	Review of Community Access Team	(22)	(22)	(22)
Commissioning	Review of third sector payments within the Older People Commissioning sector.	(38)	(38)	(38)
Commissioning	Review of the arrangements for both the service model and charging for the delivered meals service	0	(108)	(108)
Provided Services & Mental Health	Review of Learning Disability: Residential supported living	(108)	(145)	(145)
Provided Services & Mental Health	Learning Disabilities supported living review (Community Support Service).	(43)	(43)	(43)
Commissioning	Procurement of Learning Disabilities supported living contract (Yarrow).	(324)	(324)	(324)
Operations	Protect community transport provision by encouraging the use of travel methods such as taxi cards, blue badges and freedom passes through the Travel Support Strategy plan.	(45)	(45)	(45)
Commissioning	Provide statutory advocacy services and withdraw non-statutory advocacy support and funding.	(165)	(165)	(165)
Commissioning	Reprovide all funding for employment and training services and review of Learning Disabilities Development fund	(111)	(111)	(111)
Commissioning	Review of Mental Health commissioned services.	(22)	(22)	(22)

Service	Description	2014-15 Budget Change (£,000's)	2015-16 Budget Change Cumulative (£,000's)	2016-17 Budget Change Cumulative (£,000's)
Commissioning	Supporting People - Reprocurring of contracts by negotiating with providers and decommissioning of services.	(875)	(875)	(875)
Provided Services & Mental Health	Mental Health social work costs	(183)	(183)	(183)
Commissioning	Integrated commissioning with health.	(200)	(460)	(460)
Commissioning	Review of Elgin Resource centre contract	(25)	(25)	(25)
Finance	Recruitment Budget	(40)	(40)	(40)
Finance	Improve outcomes and reduce dependency amongst residents through better joint services with the NHS.	(103)	(103)	(103)
Commissioning	Procurement savings from Olive House contract.	(28)	(28)	(28)
Commissioning	Procurement savings from Elm Grove & Elgin Close contract.	(70)	(70)	(70)
	Total Efficiencies	(4,664)	(6,724)	(7,124)
Growth	Increase in demand for learning disabled people placements and care packages.	205	410	410
	Growth totalled	205	410	410

Housing and Regeneration Department Budget Proposals

Service		2014-15 Budget Change (£,000's)	2015-16 Budget Change Cumulative (£,000's)	2016-17 Budget Change Cumulative (£,000's)
Finance & Resources	Additional Pension Fund Service Deficit absorbed by the HRA based on actuarial calculations	(209)	(209)	(209)
Finance & Resources	Reduction in amenity recharge from the HRA	(50)	(50)	(50)
Housing Options, Skills & Economic Development	Reduction in costs and risks associated with Hamlet Gardens	(150)	(150)	(150)
Housing Options, Skills & Economic Development	Reduction in Housing Benefit Subsidy Loss on HALD portfolio	(20)	(20)	(20)
Housing Options, Skills & Economic Development	Cessation of subscription to Locata choice-based letting system	(70)	(70)	(70)
Housing Options, Skills & Economic Development	Minor reorganisation of roles and responsibilities within Housing Options	(40)	(40)	(40)
Housing Options, Skills & Economic Development	Review of income generation opportunities and cost reductions in Adult Learning & Skills Service	(211)	(350)	(490)
	Total Efficiencies	(750)	(889)	(1,029)
Growth	Potential Homelessness Impact of Welfare Reforms	1,545	1,675	1,675
	Growth totalled	1,545	1,675	1,675

ASC Fees & Charges (Exemptions) 2014/15

Adult Care Proposed Fees and Charges 2014/15					
Description of Service	2013/14 Charge (£)	Proposed % Increase in 2014/15	Proposed Charge in 2014/15 (£)	Total Estimated Income Stream for 2014/15 (£)	Reasons for exemptions 2014/15
Meals Service	4.50	0.0%	4.50	140,100	In line with Council policy, the Meal's charge has increased over the last three years. The Meals service has been outsourced since July 2013. The Service User charge per meal was increased to £4.50 with effect from April 2013 with the cost of the Meal at £6.93, leaving a subsidy of £2.43. A review of the arrangements will be undertaken for both the service model and charging for the delivered meals service. The data collection, benchmarking and best practice review will take place early in 2014 with a fuller consultation planned later in the year. Therefore it is proposed not to increase charges in 2014/15, pending the outcome of the review.
Home Care Charging	12.00	0.00%	12.00	441,000	It is proposed that there is no increase to the home care charge of £12.00 per hour between 2013/14 and 2014/15. This is because Cabinet approved that the rate of charge is limited to £12.40 based on the level of assessed needs and cost of service. The home care charge of £12.00 is compared with the average home care purchasing rate of £12.41. In 2014/15 a new home care offer focusing on flexible support and outcomes contracts is proposed and the charge will be reviewed at this particular point. Hammersmith & Fulham will still be amongst the London Boroughs with the lowest contribution towards home care. Unlike nearly all other London Boroughs, a person's savings and property are not taken into account when assessing that person's ability to make a contribution to the cost of home care.

HRD Fees & Charges (Exemptions) 2014/15

Regeneration & Housing					
Fee Description by division	2013/14 Charge (£)	2014/15 Charge (£)	Proposed Uplift (%)	Total Estimated Income Stream for 14/15, or 13/14 projected income.	Reason for uplift
Private Sector Leasing					
Private Sector Leasing Water Charges	Varies	Varies	Subject to water company increase, expected in January 2014	£54,000 for 2014/15; dependent on the number of client units	The charge is determined by the annual increase set by the water companies.
Private Sector Leasing Rent (average per week)	£299.40 as at 2nd April 2013	£301.09 as at 1st September 2013	Nil	£12.6m (2014/15 Estimates, based on 853 units with 4% void at the weekly rent of £301.09)	From April 2014, the PSL rent threshold is based on the January 2014 Local Housing Allowance (LHA). The LHA varies according to changes in market rents, the location of the property and its bedroom size. The threshold formula is 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.
Bed & Breakfast Temporary Accommodation					
B & B Rent Single/Family (Average per week)	£212.18 as at 2nd April 2013	£215.56 as at 1st September 2013	Nil	£3.1m (2014/15 Estimates, based 275 tenants at the weekly rent of £215.56)	From April 2014, the B&B rent threshold is based on the January 2014 Local Housing Allowance (LHA). The LHA varies according to changes in market rents, the location of the property and its bedroom size. This fee is the LHA threshold for one bedroom.
Adult Education & Learning Skills Service					
	(Fee from 1 Sep 2013)	(Fee from 1 Sep 2014)			
Adult Education Class Full Fee per hour Band B	2.20	2.27	3.3%	£700,000 (2014/15 Estimates)	The fees uplift will be implemented at the beginning of the academic year which commences on 1st September 2014.
Adult Education Class Full Fee per hour Band C	3.35	3.46	3.3%		
Adult Education Class Full Fee per hour Band D	4.60	4.75	3.3%		
Adult Education Class Full Fee per hour Band E	5.75	5.94	3.3%		
Adult Education Class Full Fee per hour Band F	11.15	11.52	3.3%		