

Executive Decision Report

Decision maker and date of meeting or (in the case of individual Cabinet Member decisions) the earliest date the decision will be taken	Leadership Team 9 January 2019 Forward Plan ref: 05370/19/K/A Portfolio: Cllr Mary Weale, Lead Member for Finance and Modernisation	 THE ROYAL BOROUGH OF KENSINGTON AND CHELSEA
Report title (decision subject)	UPDATE TO MEDIUM TERM FINANCIAL PLANNING – 2019/20 BUDGET AND SERVICE PROSPECTS, INCLUDING COUNCIL TAX AND NNDR BASE	
Reporting officer	Executive Director Resources and Assets	
Key decision	YES	
Access to information classification	Public	

1. SUMMARY

- 1.1 This report builds on the Medium Term Financial Strategy (MTFS) report presented to Leadership Team on 13 November 2018. It provides an update of Government funding, new spending pressures, initial feedback from Scrutiny Committees regarding the draft savings proposals for 2019/20 and a draft budget for next year for the Council as a whole based on the latest information.
- 1.2 Members are reminded that the consultation period on the savings proposals remains open until the end of January and as new information emerges over the next few months, this can impact on the budget which will not formally be approved until 6 March at full Council.
- 1.3 The draft budget for 2019/20 presented in this report is for the Council wide position and is set out in Appendix 1.
- 1.4 For Scrutiny Committees in January / February 2019, this will be presented in greater detail - showing spend by service, changes in budget from last year and by spending type – for example, staffing and third party payments. This additional information will ensure that Scrutiny Committees have an opportunity to review the detail of the budgets within the remit of their committee.
- 1.5 This report also provides for Members to note the provisional calculation of the Council's taxbase for 2019/20 at 97,428 as set out in Appendix 2 and which will be finalised by the Section 151 Officer under delegated authority before 31 January 2019. The base has increased from 96,336 in 2018/19 to 97,428 in 2019/20. Every 1% increase in Council Tax will generate £0.87m of revenue income.

- 1.6 The draft Local Government Finance Settlement published on 13 December 2018 sets out Government support for the final year of the four-year settlement for the Council. The announcement was broadly in line with expectations. The social care funding adults and children was confirmed and the second year of the Business Rates pilot. Full details are set out in Section 7 of this report.
- 1.7 Based on all the latest information and subject to any feedback from the last few weeks of the consultation and any new information emerging over the next few weeks, the Council is expected to be in a position to set a balanced budget for 2019/20. The final budget proposals will be brought to Leadership Team in February 2019 for final agreement by Full Council on 6 March 2019 when final figures on London Wide Levies and treasury management are available.
- 1.8 The longer term position remains a more significant challenge as reported in the MTFS on 13 November. Officers are commencing the work to address the budget gap in future years and an update will be included as summary in the report to Leadership Team in February 2019 but in detail early in the new financial year.

2. RECOMMENDATIONS

The Leadership Team is recommended to:

- 2.1 Agree the draft budget for 2019/20 as a basis for consultation with Scrutiny Committees. Scrutiny Committees will receive detailed budgets by service area and the proposed fees and charges for discussion and feedback.
- 2.2 Approve the overall level of expenditure for the London Boroughs Grants Scheme of £6.909m in 2019/20 and agree the Council's contribution to the London Boroughs Grants Scheme for 2019/20 of £117,677.
- 2.3 Note the provisional calculation of the Council's taxbase for 2019/20 at 97,428 as set out in Appendix 2 and to be finalised by the Section 151 Officer under delegated authority.
- 2.4 With regard to the Local Tax Reduction Scheme: continues its current Council Tax Reduction Scheme for 2019/20, amended to ensure the relevant components within the scheme are up rated in line with the Government's annual up-rating of, and changes to Housing Benefit.
- 2.5 Retains the current discount for second homes (zero) and 200 per cent council tax charge for long term empty properties.
- 2.6 Note the provisional estimate for Non Domestic Rates as set out in Section 7.17 and to be finalised by the Section 151 Officer under delegated authority.
- 2.7 Note that the estimated position on the Collection Fund as at 31st March 2019 will be agreed by the Director of Resources and Assets under delegated authority before 31 January as required and the Council's share is likely to be around £3m.
- 2.8 Note the comments received to date from the Scrutiny Committees as set out in Appendix 5 and that consultation on the savings proposals will continue until the end of January 2019.

2.9 Note the proposed fees and charges as set out in Appendix 6 and that these will be considered at Scrutiny Committee before final proposals are put forward as part of the budget on 20 February 2019 for approval.

2.10 Approve the proposed additions to the capital programme totalling £1.380m as set out in Section 13.

In relation to the Business Rates Pool:

2.11 Approve and accept the designation by the Secretary of State as an authority within the London Business Rates Pilot Pool pursuant to paragraph 34(7)(1) of Schedule 7B Local Government Finance Act 1988.

2.12 Continue to participate in the London Business Rates Pilot Pool with effect from 1 April 2019.

2.13 Delegate the Council's administration functions as a billing authority pursuant to the Non Domestic Rating (Rates Retention) Regulations 2013 to the City of London Corporation acting as the Lead Authority.

2.14 Authorise the Lead Authority to sub-contract certain ancillary administrative functions within the Pool to the GLA as it considers expedient.

2.15 Delegate to the Director of Resources and Assets, after consultation with the Lead Member for Finance and Modernisation and the Leader of the Council, the entering into the memorandum of understanding and any other agreement with regard to the Council's participation in the London wide Business rate retention scheme pilot; and

2.16 Note that the Leader will represent the authority in relation to consultations regarding the London Business Rates Pilot Pool as may be undertaken by the Lead Authority pursuant to the Memorandum of Understanding.

3. REASONS FOR DECISION

3.1 The Council is legally required to set a balanced budget and council tax each financial year. This report sets out the context for these decisions. The Council is also required by law to agree the council tax base, council tax support scheme and National Non Domestic Rates forecast by 31 January 2019.

4. INTRODUCTION

4.1 The Medium Term Financial Strategy (MTFS) aims to enable the Council to deliver a balanced budget, year on year against a backdrop of reductions in support from Central Government. A strategic approach to planning the Council's finances is vital to ensuring it continues to focus resources on key priorities and to enable it to plan to meet the challenges of the future with a sustainable and resilient financial strategy.

4.2 This is the latest update for Members on the 2019/20 Medium Term Financial Strategy, setting out the latest position on budget proposals and the wider economic context, building on the Medium Term Financial Strategy that was agreed at Leadership Team on 13 November. This report is to enable the Leadership Team to develop and initiate the draft budget before Full Council on 6 March 2019 when the budget will be finalised alongside council tax levels. The budget position and the associated assumptions remain under continuous review and the latest financial planning position is set out later in this report.

- 4.3 The November 2018 report to Leadership Team set out the latest information and indicated a forecast gap of £1.8m for 2019/20 if the savings and income generation proposals are agreed following the consultation period.
- 4.4 This report provides details of further changes in the Council's budget planning and an update on progress which suggests that the Council is now in a position to set a balanced budget for 2019/20.

5. 2019/20 BUDGET PLANNING

- 5.1 On 13 November 2018, the Leadership Team approved £6.7m of draft budget savings proposals.
- 5.2 At that stage, there were a number of areas of uncertainty which, after the passage of time, have become clearer. These are as follows:
- The anticipated cost of delivering the Grenfell Recovery Strategy;
 - Government support as published as part of the Draft Local Government Finance Settlement;
 - The officer working assumption on the potential use of reserves;
 - New spending pressures that can now be quantified; and
 - New Government grants.
- 5.3 The Council's main priority since 14 June 2017 and for many years to come will be the Council's response to the Grenfell tragedy. However, the challenge faced now is to ensure that while doing this, the Council continues to deliver good quality and efficient public services to all people who live, work, do business, go to school and college and visit the borough.
- 5.4 As a result, the Council is re-shaping its priorities for the future and is undertaking a series of community conversations and listening events to inform these priorities. These will shape the Council's financial strategy for both revenue spending and capital investment over the next four to five years and will be aligned to the Council's Corporate Plan that will be published early in 2019. The Medium Term Financial Strategy will be updated in July 2019 to ensure it continues to provide a robust financial framework for delivery of the Council's priorities.
- 5.5 In the interim period whilst these priorities are being defined, the budget process for 2019/20 has been shaped by the need to deliver savings to produce a balanced budget and as a result much of the savings proposed focus mainly on internal efficiencies.

6. Grenfell

- 6.1 In July 2018, the Council's Leadership Team agreed *Our Commitments to those affected by the Grenfell Tragedy*.¹ This document and a subsequent report to the Grenfell Recovery Scrutiny Committee on 27 October 2018, acknowledged the need to move from emergency response to long-term recovery, developing a vision for the future in partnership with the bereaved, survivors and the wider community.

¹ *Our Commitments to those affected by the Grenfell Tragedy* (July 2018): <http://tiny.cc/rmd30y>.

- 6.2 Specifically, the Council committed to developing a dedicated service with the bereaved and survivors and to working with the wider community to develop a plan for recovery which meet the needs of the diverse communities in the local area. An extensive range of consultation and engagement activity has been underway since July and a final overarching Grenfell Recovery Strategy is published as a separate agenda item for the Leadership Team to consider.
- 6.3 To date, the Grenfell response has been funded by a combination of RBKC funds and support from central Government. The bulk of the response-related revenue expenditure has been on emergency and temporary accommodation, hardship payments and on the provision of care and support services to those affected This is in addition to the capital funds that have been spent acquiring properties for former residents of Grenfell Tower and Grenfell Walk.
- 6.4 The Recovery Strategy will have very different resourcing implications. Recovery will be a whole Council effort and much of it will be funded through mainstream Council services. However, the Council recognises the need to make additional resources available to support recovery.
- 6.5 As part of the substantive report on the Grenfell Recovery Strategy, the Leadership Team is asked to commit £50m of revenue funding for the core elements of Grenfell recovery, including
- A dedicated service for bereaved and survivors;
 - Some additional housing services for survivors;
 - A community programme for the local area; and
 - Additional commissioned support for those affected by the Grenfell tragedy.
- 6.6 On 29 November, Government announced that it will be formally taking over the operational and financial liability of the site. Any ongoing costs of managing the site have now been excluded from the Council's financial plans.

7. Government Support

- 7.1 On 13th December Government announced the Provisional Local Government Finance Settlement for 2019/20.

Settlement Funding Assessment

- 7.2 The Settlement Funding Assessment is the level of financial support that the Council receives from Government through nonspecific grants and is determined mainly by levels of need in the borough as defined through a national formula. In the past, this has consisted of various different grants but over the years, both the number and value of these grants has reduced and a greater reliance is placed on locally generated income.
- 7.3 The 2019/20 Settlement also included details of specific grants and these are set out in the next few paragraphs.

Social Care Grant

- 7.4 In the 2018 Budget, the Chancellor of the Exchequer announced additional funding of £650m for adults and children's social care for 2019/20. The Council's allocation was confirmed as part of the settlement as £2.347m in total for 2019/20. This includes

£0.866m for winter pressures in adult social care and which is ring fenced through the Better Care Fund and £1.481m that although is not ring fenced it is proposed be used to fund pressures across both adult and children's services.

New Homes Bonus

- 7.5 The New Homes Bonus is a grant paid by Government to encourage housing growth. Over the last few years, the methodology for determining this grant has changed in terms of both the number of years it will be paid and also the introduction of a threshold of 0.4% - this means the grant will only be received for housing growth over this threshold.
- 7.6 The Council's allocation for 2019/20 was confirmed as part of the settlement as £1.736m. Although this is £0.750m less than in 2018/19, it is £0.5m higher than officers have been predicting in financial plans.

Core Spending Power

- 7.7 With declining grants, Government increasingly looks at a Council's Core Spending Power when determining levels of resources available to fund local services and which incorporates some locally generated income.

Table 1 – Core Spending Power

	2018/19	2019/20	Change
Core Spending Power	158.840	160.746	1.2%
<i>Of which:</i>			
Settlement Funding Assessment	66.998	61.830	
Assumed Council Tax	81.421	86.571	
New Homes Bonus	2.521	1.737	
Compensation for Business Rates multiplier	1.162	1.691	
iBCF	5.329	6.570	
Winter Pressures (Adults)	0.867	0.867	
Social Care Grant (Adults)	0.542	-	
Social Care Grant (Adults and Childrens)		1.481	

- 7.8 It is important to note that these figures include a number of assumptions made by Government that remain subject to local decision making – for example Council Tax levels and the Council Tax base of which and further details are set out from Section 7.19 below.
- 7.9 The 2019/20 settlement is the final year of a four-year agreement that the Council, along with many others signed up to in 2016/17. There is no certainty beyond 2020 in terms of Government financial support for Local Authorities and officers continue to plan for a range of different scenarios, of which there are many different external

factors, including the outcome of the Fair Funding Review and Business Rates reform, both of which have been published for consultation as part of the settlement.

- 7.10 The settlement remains provisional at this stage and subject to consultation. Officers will review in further detail over the next few weeks and submit a response by the deadline of 10 January 2019.

Fair funding and business rates consultations

- 7.11 In addition to the announcements affecting 2019/20 the Government has issued two consultation documents as part of the provisional settlement. The deadline for responses is 21 February 2019.

Fair Funding Review - The government has published the consultation paper “A review of local authorities’ relative needs and resources - Technical consultation on the assessment of local authorities’ relative needs, relative resources and transitional arrangements”. The consultation outlines:

- Proposals to simplify the assessment of local authorities’ relative needs by introducing a simple Foundation Formula, alongside several ‘service-specific’ formulas. This includes a focus on the structure of the needs assessment, the weighting between services, weighting of cost drivers, Area Cost Adjustments and future proofing the needs assessment.
- The type of adjustment that will be made to an authority’s relative needs assessment to take account of the relative resources available to them to fund local services, such as council tax.
- A set of principles that will be used to design transitional arrangements and examines how the baseline for the purposes of transition should be established.

Business Rates Retention – The government has also published the consultation paper “Business Rates Retention Reform - Sharing risk and reward, managing volatility and setting up the reformed system”, a consultation on the proposed 2020/21 Redesign and Reset of the Business Rates Retention (BRR) scheme. The consultation outlines further proposals to:

- Update the balance of risk and reward to better reflect the wider context for local authorities in 2020. It suggests a future approach to resets that would smooth potential ‘cliff edges’ in income, proposes reforms to the levy that would allow more authorities to keep more of their business rates growth, and reaffirms the Government’s commitment to a safety net to protect authorities from sudden reductions in income.
- Mitigate volatility in income and simplify the system.
- Set up the new business rates retention system in April 2020 – specifically, inviting views from local authorities on the operational steps that may be necessary to set accurate Business Rates Baselines.

- 7.12 Over the next few months, officers will consider the implications of these technical consultations and prepare responses that protect the interests and reflect the concerns of Kensington and Chelsea and London as a whole. Responses will be

submitted to Government by the deadline of 21 February 2019 after appropriate consultation with the Lead Member.

Business Rates

- 7.13 In 2018/19, the Council is part of a Pan London pilot for 100% business rates retention. This means around £350m of additional business rates has been retained in London compared to in previous years.
- 7.14 London Council Leaders' agreed in principle that the pool should continue for a further year in 2019/20 and this was confirmed in the draft Local Government Finance Settlement that was published on 13 December. The overall principles of the pool will remain in line with the Memorandum of Understanding that was signed by the 33 London Boroughs and the GLA back in February 2018. The key difference in this second year of the pilot is that only 75% of additional rates collected will remain in London compared to 100% in the current year. This is in line with Government's intentions to implement 75% business rates retention across the Council from 2020/21. In line with the principles of the pool, the additional benefit will be shared across all London Boroughs and the expected share for Kensington and Chelsea is £1.6m. This additional money is not assumed within financial plans at this stage because it remains an estimate until the 2019/20 accounts are closed in summer 2020.
- 7.15 Similar to previous years, 15% of the additional income will be held in a pan London strategic investment pot which will be dedicated to projects that contribute to the sustainable growth of London's economy, and which attract match funding from other private or public sources. In 2018/19, £46.83m of investment was made across London, of which £20m directly benefited the local area.
- 7.16 Similar to year 1, since the underlying principle of the scheme is that there is no net loss to the Council, the scheme is recommended to be supported. It is recommended that the Council agree to enter the second year of the pilot and that the Director of Resources and Assets, following consultation with the Lead Member for Finance and Modernisation and the Leader of the Council, be authorised to agree the memorandum of understanding and the final agreement on behalf of the Council, subject to the Council not being detrimentally affected.
- 7.17 Linked to the pool, the Council is required by 31 January 2019 to approve the National Non-Domestic Rates (NNDR) forecast for 2019/20 and which will form the basis of the statutory NNDR1 form. The latest estimate is that the NNDR base for 2019/20 will be £61.8m. However, as in previous years, the timescale for statutory reporting and the requirement to report to the Leadership Team means that the figure as reported is only an estimate. As in previous years, and as agreed by Council in March 2018, the Section 151 Officer has delegated authority to vary the final version of this forecast that is submitted to Government through the NNDR1 return at the end of January 2019.
- 7.18 Linked to business rates and the amount retained by Kensington and Chelsea is the funding formula which the Government uses to assess local needs and therefore funding requirements for the borough. This formula is currently subject to review by Government as highlighted above and it is unclear how this will affect the allocation of funding and how it will be redistributed between local authorities from 2020 onwards.

Council Tax

- 7.19 Council Tax is a key source of income. In 2018/19, £81.4m will be collected and the average Band D level is £828.84 per annum.
- 7.20 The annual increase in Council Tax is a local decision. There has been no change to the Council Tax Referendum limits, which will remain at 3%. In line with 2018/19, the Council can increase Council Tax by 2.99% without the need to hold a referendum.
- 7.21 The Adult Social Care precept remains and the Council can increase Council Tax by 2% in 2019/20 to contribute towards meeting the demand for adult social care services.

GLA precept

- 7.22 The Mayor of London issued his draft budget for consultation on 20 December. The proposals would see the GLA precept Band D equivalent rise from £294.23 to £320.51 a year, an overall increase of £26.28 (8.9%). The Mayor's Budget will be considered by the London Assembly on 24 January and final decisions made on Monday 25th February.

Garden Squares

- 7.23 The Council has over a hundred garden squares. Forty six of the garden squares raise an annual levy which is collected as part of the council tax due from residents whose properties form part of the garden. The charge added to their council tax bill is called a garden charge. The Council Tax bases for 2019/20 are set out in Appendix 2 and the charges for 2019/20 will be included in the Council Tax report to Leadership Team on 20 February 2019.

Council Tax Base and Council Tax Support Scheme

- 7.24 The second factor impacting on Council Tax levels is the Council Tax base – the number of chargeable dwellings. The tax base is calculated by multiplying the number of dwellings in each band by the proportions set out above to arrive at a total of “band D equivalents”. The Council is required, under the Local Government Finance Act 1992, to establish its council tax base for the forthcoming financial year by no later than 31 January. On 25 January 2018, this approval was delegated to the Council's Section 151 Officer. Using the latest figures from the Valuation Office, projections of new dwellings in the year and adjustments for exemptions, the Council tax base as calculated for 2019/20 under delegated authority is 97,428 “band D equivalents” (an increase of 1,092 on the 2018/19 figure of 96,336).
- 7.25 One element which feeds into the 2019/20 council tax base is the element of council tax support. At present, the Council operates the former national arrangements which applied to council tax benefit prior to localisation in 2013. The Council is required to formerly determine it by 31 January. It is proposed that the Council continues its current Council Tax Reduction Scheme for 2019/20 but amended to ensure that the relevant components within the scheme are up-rated in line with the Government's annual up-rating of, and changes to, Housing Benefit. Any other proposed changes to the local scheme would need to be consulted upon.

Collection Fund

- 7.26 Variations in both Council Tax and NNDR during 2018/19 are expected to result

in a surplus balance on the Collection Fund. This surplus is shared with the GLA and the Government but the increased level of income has created an opportunity to bring more of this surplus, currently estimated at £3m, into the General Fund Budget for 2019/20. The detailed calculations are being finalised and will be agreed under delegated authority by 31 January 2019 as required.

Revenue Reserves

- 7.28 Following the fire at Grenfell Tower on 14 June 2017, much of the Council's reserves were used to fund the support and new homes provided. The balance on the reserves reduced from £171m at 1 April 2017 to £125m on 1 April 2018. A review by CIPFA in early 2018 found that the level of Council's financial reserves remain prudent.
- 7.29 Reserves need to be considered in the context of their need to protect the Council's good financial standing and in the context of the overall risks that the Council faces during a continuing period of economic uncertainty. The MTFS reflects the Council's need to ensure an adequate level of reserves which will enable it to manage the risks associated with delivery of the budget and unforeseen events.
- 7.30 All use of reserves is subject to formal approval by the Leadership Team. The Section 151 Officer will report on the adequacy of the Council's reserves as required and the Leadership Team will need to consider this as part of the Council Tax setting report in February 2019. This will include a full outline of the Council's reserves, the current balance and known commitments.

8 Public Health

- 8.1 The Public Health Grant is £20.899m in the current year and is a separate ring fenced grant. The provisional allocation for next year is £20.347m, although this has not yet been confirmed. The future of this grant remains unknown and there is speculation that the ring fenced will be removed as part of Business Rates reform from 2020 but this remains unknown at this stage.

9. Schools Funding

- 9.1 On 17th December the Secretary of State for Education announced additional revenue funding in 2018/19 and 2019/20, and extra capital funding in 2019-20, to provide support for children and young people with special educational needs and disabilities (SEND). The 2019/20 Dedicated Schools Grant (DSG) allocations to local authorities (LAs) were also announced.

Additional Funding for Children and Young People with SEND

- 9.2 Concerns have been raised by schools, colleges and LAs about the pressures on high needs budgets where the costs are rising. Additional high needs funding allocations were announced across all local authorities, of £125 million in each of 2018-19 and 2019/0. The allocation for Kensington and Chelsea is £0.290m for both years which contribute towards the current 2018/19 annual forecast overspend on the high needs block of £1.8m.
- 9.3 A further £100 m top-up to the Special Provision Capital Fund in 2019/20 was announced. This additional funding will provide more SEND places in schools or colleges. This could also pay for more state-of-the-art facilities, such as sensory rooms and specialist equipment.

- 9.4 The Secretary of State will engage with LAs, health providers, families, schools and colleges to better understand what is driving the cost pressures on high needs budgets, and to work with the sector to help manage them. They will write to all LAs to outline plans for supporting them in their role of providing strategic leadership and oversight of the provision for children and young people with SEND.
- 9.5 To support LAs in carrying out their statutory EHC plan assessment process and to support schools and colleges in their work with families, funding was announced for training more Educational Psychologists (EPs) to reflect increased demand. Classroom teachers and those in training will also have a greater focus on supporting children with SEND, as the upcoming Teacher Recruitment and Retention Strategy will make sure all teachers are equipped with the knowledge and skills to meet the needs of all pupils.
- 9.6 The Department for Education (DfE) is also commissioning SEN Futures: a package of long-term research and analysis to provide evidence on the impact of current SEN provision on children and young people's outcomes, and to assess the value for money of SEN provision in England. Procurement for the first pieces of work in this programme has begun today.
- 9.7 In addition and in order to better understand the financial incentives that influence how schools, colleges and councils support children and young people with special educational needs, the DfE will be gathering more evidence early in 2019. This will include looking at the first £6,000 schools pay for special educational provision before accessing additional funding from local high needs budgets.

DFE Settlement 2019/20

- 9.8 The distribution of the DSG to local authorities is set out in four blocks for each authority:
- Schools block;
 - High needs block;
 - Early years block; and
 - Central school services block.
- 9.9 The provisional allocations for the high needs block and central school services block published in July 2018 have now been updated with the latest pupil numbers to show how much each local authority will receive in 2019/20. The initial allocations for the early year's block were also announced.
- 9.10 The pupil premium per pupil amounts will be protected at the current rates.
- 9.11 The table below shows the published final 2019/20 allocations of Schools Block funding, Central Schools Services block funding, early years funding and High Needs block funding compared to 2018/19.

Table 2 Provisional NFF and DSG in 2019/20

Block	2018/19 £'m	2019/20 £'m	Change £'m	% Change
Schools	67.868	69.642	+1.774	+2.61 / -0.5 per pupil
High Needs *	16.338	16.348	+0.010	+0.06

Additional High Needs Funding 17/12/18	0.290	0.290	-	All additional funding
Central School Services	0.976	0.976	-	0
Early Years**	11.410	11.532	+0.122	+1.07
Total	96.882	98.788	+1.906	+1.97
Allocation is before deduction for academies *before deductions for High Needs Places ** Early years 2019/20 allocation is the initial allocation				

- 9.12 The provisional schools block funding is £69.642m based on 11,499 pupils which is an increase of 276 pupils. This is a 0.5% per pupil funding reduction. Primary schools with falling rolls will need to consider how to set balanced budgets and the education finance team will support them.
- 9.13 Funding for growth in individual schools from September 2019 will need to continue to be funded within the final 2019/20 schools block.
- 9.14 The 2018 teachers' pay award will see a 3.5% uplift to the main pay range, a 2% uplift for the upper pay range and a 1.5% uplift for the leadership pay range. This will be funded through a separate teachers' pay grant, covering the difference between the award and the cost of the 1% award that schools would have anticipated under the previous public sector pay cap. The DfE have now published the funding available for each school.

10. PROPOSALS AND ISSUES

Savings and Income Proposals

- 10.1 As part of the 2018/19 budget setting process, some savings and income proposals were agreed which have an incremental impact in 2019/20. These savings are set out in Appendix 2 and are assumed to be fully delivered in 2019/20.
- 10.2 In terms of new proposals put forward as part of this year's process, Leadership team received a report on budget savings at its meeting on 13 November 2018 and these were submitted to Scrutiny Committees in the November/December cycle of meetings for comment.
- 10.3 Table 3 below sets out a summary of these new savings proposals by Directorate. The full list is set out in Appendix 4 and for further details please refer to the Leadership Team agenda papers which are available on the Council's website at [Savings Proposals](#)

Table 3 – Saving and Income Proposals 2019/20

Directorate	2019/20 £'000	2020/21 £'000	2021/22 £'000
Chief Executive's	141	-	-
Resources and Assets	1,411	350	205
Children's and Education	1,017	718	333
Adult Social Care	1,500	1,050	-
Environment and Communities	1,845	725	-
Grenfell – General Fund Housing	125	-	-
Total	6,039	2,843	538

- 10.4 The approach to identifying savings for 2019/20 has primarily been to ensure services are efficient and all expenditure is scrutinised to deliver value for money. This activity has yielded efficiencies as well as a number of changes in how we deliver services that has both reduced costs and increased income.
- 10.5 Scrutiny Committees have considered the budget proposals for the individual service areas under their remit. This consultation period will continue until the end of January. The feedback will be considered by Lead Members in preparing the draft budget for approval by Leadership Team on 20 February 2019 and for recommendation to Full Council in March.
- 10.6 A summary of the feedback received to date is set out in Appendix 5. As a result of the feedback received to date, there is one savings proposal that will not be going ahead
- *Resources and Assets Ref HR 2 - Cessation of the printing and mailing of annual household notification letter (£0.015m in 2019/20).*
- 10.7 Since the savings proposals were published on 13 November 2019, the consultation on the review of Youth Services has completed. The re-design of the services will reduce costs by around £1.2m over the next two years.

Spending Pressures

- 10.8 There is a continued pressure on resources as the demand for front line Council services continues to increase, economic conditions are volatile and budgets become tighter. Leadership Team in November 2018 recommended the inclusion of £10.936m of additional funding to be included in the draft budget for 2019/20. A summary by Directorate is set out in Table 4 and for further details please refer to the Leadership Team agenda papers which are available [here](#)

Table 4 – Spending and Income Pressures (as reported in the MTFs on 13 November)

Directorate	2019/20 £'000
Children's Services and Education	3,991
Adult Social Care	1,780
Housing General Fund	2,775
Environment and Communities	890
Corporate	1,500
Total	10,936

- 10.9 Since then work has continued to ensure pressures are identified and the budget is robust and financially sustainable. Further pressures of £1.7m have been identified and details are set out in Table 5 below.

Table 5 - New Pressures since Leadership Team on 13 November 2018

Directorate	Spending Pressure	2019/20 £'000
Children's Services and	Funding of historic costs of Local Authority Teachers through the Teachers' Pension scheme	108

Education		
Resources and Assets	Increase in the Council's Strategic Procurement skills, expertise and capacity	300
Adult Social Care and Public Health	Additional pressures in Adult Social Care	1,300
Total		1,708

Fees and Charges

- 10.10 The approach for agreeing fees and charges has changed since last year. A consolidated schedule of all fees and charges will be agreed as part of the budget setting process. The proposed fee increases for 2019/20 are set out in Appendix 6 and will generate an additional £1.5m of income for the Council. These will be considered by Scrutiny Committees during their January / February cycle of meetings and feedback passed to the Lead Member and approved by Leadership Team for consideration when finalising the budget.
- 10.11 It should be noted, that some fees are set by statute, such as some adult social care charges and planning fees and for which the Council has no control. These are highlighted in Appendix 6. For discretionary fees which the Council can control, the proposal is for a 2% increase in line with the Consumer Price Index. However, there are some exceptions where the increase proposed is different. For example, the Council may want to keep fees and charges at the current level to remain competitive in the market or current levels may be low compared to comparative boroughs and there is an option to increase in excess of 2%. Details are included in Appendix 6.

London Wide Levies

London Boroughs Grants Scheme

- 10.12 London Councils manages the London Boroughs Grants Scheme, which funds voluntary organisations that provide services across London Boroughs. In 2019/20, the value of the scheme will be £6.909m to fund a range of organisations in line with the four priorities of the programme. The contribution from each of the London Boroughs is based on the latest official population estimates and the Council's contribution for 2019/20 has reduced slightly to £117,677 for 2019/20 from £118,925 in 2018/19.
- 10.12 Approval of the budget for 2019/20 is subject to at least 22 boroughs (two thirds) agreeing through their respective decision-making arrangements. Once 22 councils have given their approval, the overall level of expenditure and contributions to it are binding on all constituent councils.
- 10.13 The Council's contribution has been factored into the draft revenue budgets for 2019/20 and is recommended for approval. Leadership Team are asked to approve the Council's contribution in advance of the 1 February 2019 deadline.

Concessionary Fares

- 10.14 The levy for concessionary fares for 2019/20 has been notified by London Councils at £8.758m, a reduction of £0.100m on 2018/19. Currently this budget sits within Adults Social Care, although it is outside of the Council's direct control. Therefore, in line

with other London wide levies it is recommended that this budget be held centrally from 2019/20 onwards.

Other London wide levies

10.15 Notifications of other London wide levies such as the London Pension Fund Authority and the Environment agency are still awaited and will not be received until late January/early February 2019. These are allocated typically upon council tax base and can be subject to variation. In a similar way to the proposal above for concessionary fares it is proposed to hold London wide levies centrally where appropriate.

11 Risks

11.1 The Council faces various financial risks during a continuing period of economic uncertainty. These will be set out in more detail in the Budget Setting report to Leadership Team on 20 February and Full Council on 6 March 2019 and will build on those reported to Leadership Team in November 2018. The main risks known at this stage includes:

- Demographic and demand led pressures on budgets, particularly in social care, housing and homelessness and supporting children with high needs;
- Changes in Government legislation affecting the scope of services and cost implications - some of which can become unfunded burdens.
- The capacity to continue to deliver savings to planned timescales;
- The potential impact of Brexit cannot be forecast with great certainty and the terms under which the UK will leave the EU can have a potential impact on local and wider economy and Local Government – including the ability to generate revenue, the supply and cost of staff, higher prices, local property values, changes to legislation and many more.
- Potential volatility of Business rate income forecasts due to wider economic factors and also the uncertainty around the Government's plans to reform the Business Rates system.
- Further reductions in resources following the Government's Fair Funding Review and indications that London in particular may be negatively impacted.
- The impact of economic conditions, including, increasing inflation which can impact on contract prices and interest rates which makes the cost of borrowing and also investment income less predictable.
- Fluctuations in local income sources as a result of changes in economic conditions, such as fees and charges income and rental income.
- Although the Pension Fund is a separate fund this still poses a risk in terms of employer's contributions.

11.2 The Council's Reserves Policy is a tool for managing these risks and the budget report in February will contain the Section 151 officer's statutory opinion on the Adequacy of Reserves and Robustness of Estimates.

12 REVISED THREE-YEAR FORECAST

12.1 The Council's financial position is volatile and moves to reflect such matters as the changing circumstances faced by the Council, up-dated priorities and ambitions, the latest budget position and a range of external factors such as economic conditions and Government legislation. The position has been updated to reflect the new

information that has emerged since the last update on 13 November. Members are asked to consider the latest financial position beyond 2019/20, noting that the Council, in common with all authorities, continues to face a challenging financial outlook.

- 12.2 Although the budget is broadly balanced for 2019/20, Members must be aware that there remains a further two months until the final budget is put forward and there remains some unknowns, including:
- London wide levies which the Council's contribution remains outstanding. These are unlikely to be confirmed until the New Year.
 - Although the final Local Government Finance Settlement is expected to be in line with the draft published for consultation, final details will not be confirmed until February 2019.
 - The level of Council Tax increase put forward for approval which remains a Member decision in advance of Leadership Team on 20 February 2019.
- 12.3 The Council's overall budget planning position indicates a forecast gap for the period 2020/21 of £25m and a further £15m for 2021/22. Full details are set out in Appendix 7.
- 12.4 Financial planning over the medium term will help meet the challenges in a structured way, ensuring resources are directed to priority areas. Officers are currently working up an approach which will both reduce costs and increase income levels. These proposals will be published in the next Medium Term Financial Strategy in July 2019 and will include the following areas:
- A focus on prevention to keep people independent for longer, reduce and delay the need for high cost statutory services and improve outcomes.
 - Service re-design and transformation that changes the way we deliver services to improve outcomes whilst at the same time reduced costs.
 - Expand existing income streams and identify new ways to increase income levels through local sources, such as fees and charges, rental income, increased trading activity or investment income. This will require the Council to adopt a more commercial outlook.
 - Improved partnership working with other statutory partners, the voluntary sector, business and residents to shape and deliver services across the borough.
 - Exploit the use of technology across services to increase access to services as well as the use of technology to deliver services more efficiently.
 - Improvements in ways of working to ensure internal processes are efficient and offer value for money.
- 12.5 Going forward, it is important that the Council prioritises its limited resources and targets expenditure to the services and facilities that are important to people in the borough. The Borough Wide conversation that is taking place and will determine the Council's priorities and will be published as part the Corporate Plan in Spring 2019. The Medium Term Financial Strategy published in July 2019 will set out the Financial Framework for delivering these priorities over the next four years.

13 CAPITAL PROGRAMME

- 13.1 The Council reviews its capital spending plans each year and sets a Capital Programme The 2019/20 process has been based on an examination of business

cases for new capital schemes which have been put forward for Member approval based on affordability and the Council's priorities. The Council will only undertake capital investment that is prudent, affordable and sustainable. The main test of affordability is that the capital financing costs can be contained within revenue budgets.

13.2 The Council places a priority on capital spending where:

- It attracts external funding
- Produces revenue savings; or
- Investment is required to provide statutory services or is for health and safety reasons

13.3 New capital investment proposals have been considered through the Capital Asset and Management Group. New investment identified to date has been considered by the Corporate and Executive Scrutiny Committee and Leadership Team in December and feedback will be provided to the Lead Member. The final Capital Programme will be subject to review in February 2019 and approved by Full Council in March 2019 as part of the Budget setting process.

13.4 Since the last update to Leadership Team on 12 December 2019, new proposals totalling £1.380m have been put forward and is set out in Table 6 below:

Table 6 – New Capital Investment Proposals (since 12 December 2018)

NEW CAPITAL INVESTMENT SCHEME	2018/19 £'000	2019/20 £'000	2020/21 £'000
Resources & Assets Directorate			
Holland Park House - Structural Works Works to Holland House, Holland House East Wing, Holland Park Café and the Elevated Walkway/s to deal with Health & Safety requirements.	200	1,000	300
Dalgarno Community Centre - Lift Replacement Works are for the replacement of the lift in the building which is out of action and is beyond repair as a result of water ingress which would be addressed as part of the works.	130	0	0
Environment & Communities Directorate			
Street Lighting Column Replacement To bring forward urgent works from future years to address Health and Safety issues.	250	0	(250)
Principal Road Renewal Project Repurposing to fund street lighting works as above	(250)	0	0
Total	330	1,000	50

14 BUDGET TIMETABLE

14.1 Work continues on bringing together the whole package of budget proposals and translating into a budget for 2019/20. These will be presented to Scrutiny Committees at their next meeting and then to Leadership Team on 20 February 2019 in the form of the Council Tax report. This report will include any new updates on spending and/or

resources, together with all consultation feedback. The budget position cannot be finalised until Government funding has been confirmed, the Council Tax base, collection fund figures and treasury management figures have been finalised and final levy notifications have been received. The timetable for the next two months is set out in Table 7.

Table 7 – Budget Timetable

Date	Event
Dec - Feb 2019	Consultation on budget proposals, including with Scrutiny Committees
9 Jan 2019	Leadership Team – draft Budget, update on financial position, note the Council Tax and Business Rates base
Feb 2019	Scrutiny Committees - Draft Budgets
Feb 2019	Final GLA precept approved
Feb 2019	Final Local Government Final Settlement
20 Feb 2019	Leadership Team – recommendation of Budget and Council Tax 2019/20
6 March 2019	Full Council – approval of Budget and Council Tax for 2019/20

15 EQUALITY IMPLICATIONS

- 15.1 Where specific budget proposals have an equalities impact, these are considered and assessed by the relevant services as part of the final decision-making and implementation processes.
- 15.2 The equalities impact of the proposed council tax will be assessed and reported for consideration by the Leadership Team and Council as part of the council tax setting process.

16 LEGAL IMPLICATIONS

- 16.1 The Council is required to set a balanced budget. As part of budget setting and approval, the Chief Finance Officer should project the budget for the medium term, including the impact of capital investment and comment on the level of reserves. This will be included in full in the annual Council Tax and Budget report for the Leadership Team in February 2019.
- 16.2 The Government has the power to limit budget increases if these are deemed to be 'excessive'. Under the provisions of the Local Government Finance Act 1992, and the regulations made under the Act, a referendum is required - the outcome of which is binding - where the billing authority proposes what the Government regards as an excessive council tax increase.
- 16.3 Schedule 7B of the Local Government Finance Act 1988 provides for the local retention of business rates. The Secretary of State has the power under the Act to designate two or more "relevant authorities" as a pool of authorities for the purposes of Schedule 7B. The Secretary of State may only make such a designation if each authority covered by the designation has agreed to it.
- 16.4 Section 13A of the Local Government Finance Act 1992 requires the Council to have a council tax reduction scheme. The scheme must specify the reductions which are to apply to the amounts of council tax to be paid by those the Council consider to be in financial need. Each financial year the Council must consider whether to review its scheme or to replace it with another scheme.

- 16.5 The Secretary of State has made regulations under s11A of the Local Government Finance Act 1992 which allows Councils to reduce the discount for second homes. Under s11B of the 1992 Act the Council may increase the council tax payable in respect of long term empty properties.

[Legal Implications verified by LeVerne Parker, Chief Solicitor 020 7361 2180]

17 FINANCIAL AND RESOURCES IMPLICATIONS

- 17.1 These are addressed throughout the report.

Mike Curtis Executive Director Resources and Assets

Background papers used in the preparation of this report:

Local Government Act 1972, Local Government Finance Act 1992(as amended)
2019/20 budget files

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LP

Cleared by Communications & Community Engagement (officer's initials)

MC

Appendix 1: Draft Budget 2019/20

Appendix 2: 2019/20 Council Tax base calculation

Appendix 3: Previously Approved Savings and Income Generation proposals

Appendix 4: New Savings and Income Generation Proposals

Appendix 5: Feedback from Scrutiny Committees

Appendix 6: Draft Fees and Charges 2019/20

Appendix 7: Three Year Forecast

Draft Budget 2019/20

1

APPENDIX

Item	2018/19 Budget £'000	Inflation £'000	Adjust £'000	Growth £'000	Savings £'000	Fees / Charges £'000	2019/20 Budget £'000
Expenditure							
Services	182,216	4,929	(32,332)	11,894	(8,557)	(1,571)	156,579
Corporate Items	(4,573)		1,457				(3,116)
Levies	3,450		150				3,600
Contingency	5,622		(48)				5,574
London Living Wage	-			1,500			1,500
Transfer to/from reserves	(33,576)		33,076				(500)
Funding							
Retained Business Rates	(69,218)		(249)				(69,467)
New Homes Bonus	(2,500)		764				(1,736)
Social Care Grant			(1,481)				(1,481)
Contribution from Collection Fund			(3,000)				(3,000)
Other Funding Adjustments			(1,500)				(1,500)
Council Tax Requirement	81,421	4,929	(3,163)	13,394	(8,557)	(1,571)	86,453
Estimated Council Tax Income							(86,453)
Budget Gap							-

DRAFT COUNCIL TAX BASE CALCULATION 2019/20

APPENDIX 2a

	Band D Equivalents
Tax base before Council Tax Support and losses on collection	108,364
Council Tax Support	(8,744)
Losses on Collection	(2,241)
Class O exempt dwellings	50
Royal Borough of Kensington and Chelsea 2019/20 Council Tax Base	97,428.9

Movements on 2018/19 tax base

	Band D Equivalents
2018/19 Tax base before Council Tax Support and Losses on Collection	96,335.8
Tax base increase	613
Council Tax Support	505
Losses on Collection	(25)
Royal Borough of Kensington and Chelsea 2019/20 Council Tax Base	97,428.9

Figures are provisional and subject to finalisation

**Council Tax Base – Garden Squares
2b**

Appendix

	Garden Squares	2018-19 Tax Base	2019-20 Tax Base	Change Total
Code	<u>Name</u>	<u>Band D Equivalent</u>	<u>Band D Equivalent</u>	<u>No.</u>
908	ADDISON GARDENS	127.70	125.10	-2.6
913	ARUNDEL GARDENS/LADBROKE GARDENS	249.10	252.60	3.5
936	AVONDALE PARK GARDENS	28.10	28.30	0.2
980	BARKSTON GARDENS	249.80	248.50	-1.3
909	BINA GARDENS (WEST)	179.00	180.60	1.6
978	BOLTON GARDENS	113.10	110.20	-2.9
918	BRAMHAM GARDENS	378.00	382.30	4.3
984	BROMPTON SQUARE	159.80	159.40	-0.4
929	CAMPDEN HILL SQUARE	82.70	82.10	-0.6
960	CAMPDEN HOUSE COURT	216.40	221.40	5.0
925	CLARENDON RD/LANSDOWNE RD	40.30	40.60	0.3
951	COLLINGHAM GARDENS	179.60	180.50	0.9
917	CORNWALL GARDENS	628.20	634.30	6.1
907	COURTFIELD GARDENS (EAST)	218.30	218.40	0.1
930	COURTFIELD GARDENS (WEST)	435.20	423.90	-11.3
961	EARLS COURT SQUARE	294.80	287.40	-7.4
902	EDWARDES SQUARE	243.90	241.30	-2.6
982	GLEDHOW GARDENS	243.60	247.50	3.9
952	HEREFORD SQUARE	75.70	74.70	-1.0
965	HOLLAND RD/RUSSELL RD	174.90	177.10	2.2
942	HORNTON ST/HOLLAND ST	112.70	116.90	4.2
958	IVERNA COURT	209.50	207.90	-1.6
914	KENSINGTON SQUARE	126.00	124.70	-1.3
904	LEXHAM GARDENS	292.20	294.50	2.3
921	MORETON & CRESSWELL GARDENS	100.70	101.90	1.2
906	NEVERN SQUARE	292.60	294.80	2.2
939	NORLAND SQUARE	178.00	174.60	-3.4
945	OVINGTON SQUARE	165.60	159.90	-5.7
981	PEMBRIDGE SQUARE	195.70	192.50	-3.2
900	PHILBEACH GARDENS	320.20	319.30	-0.9
922	ROYAL CRESCENT	184.10	177.00	-7.1
928	ST JAMES'S GARDENS	151.90	152.90	1.0
986	STANLEY CRESCENT	177.40	180.40	3.0

979	STANLEY GARDENS (NORTH)	107.90	112.00	4.1
975	STANLEY GARDENS (SOUTH)	158.10	156.50	-1.6
916	SUNNINGDALE GARDENS	27.30	25.90	-1.4
901	WETHERBY GARDENS	330.60	327.90	-2.7
959	ARUNDEL GARDENS/ELGIN CRESCENT	267.20	269.10	1.9
955	BLenheim CRESCENT/ELGIN CRESCENT	258.30	259.10	0.8
962	EMPEROR'S GATE	216.20	220.20	4.0
915	LADBROKE GROVE	51.80	52.50	0.7
977	ROSMEAD	134.20	133.90	-0.3
	LANSDOWNE RD/LANSDOWNE CRESCENT(160.20	159.40	-0.8
933	K/A LANSDOWNE GDNS)			
912	HANOVER	144.60	145.00	0.4
944	MONTPELIER GARDENS	117.20	116.80	-0.4
948	NOTTING HILL	35.50	35.30	-0.2
Totals		8833.90	8827.10	-6.8

Figures are provisional and subject to finalisation

Previously Approved Savings

Appendix 3

The table below shows the savings proposals that were agreed as part of last year's budget setting process but which have increased savings in 2019/20. Financial Plans assume all of the savings will be achieved.

Directorate	2019/20 Saving £000
Family Services and Education	(780)
Resources and Assets	(290)
Chief Executive's Department	(105)
Environment and Communities	(289)
Total	(1,464)

Savings and Income Proposals 2019/20 to 2021/22**Appendix 4**

The table below shows the new savings and income proposals that have been put forward as part of the 2019/20 budget setting process and which have been discussed at Scrutiny Committees during November and December.

Chief Executive's Directorate

Ref	Title	2019/20 £'000	2020/21 £'000	2021/22 £'000
GOV01	Efficiency savings in Governance and Co-ordination	16	-	-
ICT1	ICT efficiencies and cost reductions	105	-	-
LEG1	Legal Services – self serve	20	-	-
	Total	141	-	-

Resources and Assets

Ref	Title	2019/20 £'000	2020/21 £'000	2021/22 £'000
FM1,3-5	Results of Value for Money exercise	285	-	-
FM2, FM7	Review of Finance	310	-	-
FM6	LPFA Pension Contribution	150	-	-
CA01	Introduction of Universal Credit	115	-	-
CA02	Digital Programme - e forms	35	-	-
CA03	Increased income through enforcement	50	-	-
CA04	Increased income through court fees	125	-	-
CA05	Insourcing of the business rates service	-	75	50
CA06	Customer Access – staff efficiencies	-	50	250
CP1	Increase in rental income	300	-	-
HR1	Increased service level agreement income	21	-	-
IA1	External Blue Badge Parking Fraud	20	-	-
	Total	1411	125	300

Children's Services and Education

Ref	Title	2019/20	2020/21	2021/22
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		£'000	£'000	£'000
CHB02	Capitalisation of school place planning staff costs	10		
CHB03	Outsourcing of School Standards Service	25		
CHB05	Development of bi-borough Early Years Service	125		
CHB07	Review of Placement Strategy and Provider Frameworks	250	200	-
CHB08	Review of Early Help	-	100	-
CHB09	Value for Money Review – Section 17	50		
CHB10	Play contract efficiency	16	-	-
CHB11	Youth Services Re-design	333	333	333
CHB12	Voluntary Sector efficiencies	-	60	-
CHB13	Safeguarding review and Quality Assurance configuration	33	-	-
CHB14	Lean operations review	175	25	-
	Total	1,017	718	333

Adult Social Care

Ref	Title	2019/20 £'000	2020/21 £'000	2021/22 £'000
ASC5	Increased income from meals	50		
ASC6	Review of contracts	250	250	-
ASC8	Review of transport provision	100	-	-
ASC10	Improved management of the local market	500	300	-
ASC11	Reviewing of policies and ensuring awareness and compliance	200	100	-
ASC13	Projects to promote independence and the user of the ASC offer	400	400	-
	Total	1,500	1,050	-

Environment and Communities

Ref	Title	2019/20 £'000	2020/21 £'000	2021/22 £'000
ECS1	Review of arts initiatives	50	-	-
ECS6	Too Big for Bins Review	50	-	-
ECS7	Alternatives to Council public toilet provision	40	-	-
ECS8	Increased commercial waste income	100	-	-
ECS9	Value for Money – Cleaner and Greener	5	-	-
ECS10	Targeted increase in recycling	152		
ECS11	Increased income from garden waste	10	-	-
ECS13	Review of business support	26	-	-
ESC15	New income from Wi-Fi	5	-	-
ESC16	Adoption of Income Manager software	150	-	-
ECS17	Replacement of pay and display machines	-	300	-
ECS18	Value for Money – Transport and Highways	5	-	-
ECS19	Increased leisure contract income	25	-	-
ESC20/2 1	Grounds maintenance contract review	62	-	-

ECS23	Value for Money – Leisure, Parks and Transport	501	-	-
ECS37	Private rented housing licensing scheme income	5	-	-
ECS44-46	Value for Money - Environmental Health	80	125	-
ECS43	Value for Money - Libraries	58	-	-
ECS47	Review of contact centre face to face planning meetings	16	-	-
ECS49	Monitoring regime for a wider Code of Practice	50	-	-
ECS50	Review of Community Safety budgets	23	45	-
ECS52	Review of CCTV network charges	27	-	-
ECS53	Increased commercial activity in libraries	105	-	-
ECS54	Introduction of enhanced self service in libraries	50	50	-
ECS55	CREST (Community and resident focussed environmental service transformation)	250	250	-
	Total	1,845	770	-

Housing – General Fund

Ref	Title	2019/20 £'000	2020/21 £'000	2021/22 £'000
HGF01	Home improvements and adaptations	45	-	-
HGF02	Reconfiguration of services previously provided by Home Improvement Agency	20	-	-
HGF03	Reduction in budgets for legal services	50	-	-
HGF04	Reduction in budget for occupancy incentives	10	-	-
	Total	125	-	-