

# **COUNCIL BUDGETS**

2015-2016



## WANDSWORTH BOROUGH COUNCIL – BUDGET BOOK 2015/16

Foreword by the Director of Finance – Chris Buss.

Since being formed in 1965 the Council has published a budget book providing details of its approved expenditure and income plans for all aspects of the services provided by the Council to its residents. This year the format of the book has changed to reflect the austerity regime that Local Government is undergoing and to which Wandsworth is not immune.

The reader and user of the budget book will note that this year the budget book is a compilation of the original committee reports to members approving the key elements of the Council's budget included in four separate reports. The first of these is the Council tax report which includes details of the revenue budget by service, a summary of the schools budget and the approved capital programme. Linked to the latter is the Council's Treasury management and capital funding regime. The third paper is Housing rent setting paper with the housing capital programme which details the HRA expenditure plans and lastly the Pension fund budget is included for information.

These four papers contain the essentials of the Council's spending plans for the year.

### CONTENTS

	<u>Pages</u>
Council Tax Report and technical appendices	3-36
Revenue budget by Service	38-88
Capital Programme	89-108
Treasury Management	109-127
Housing Budgets	129-169
Pension Fund	171-177



## SECTION 1 COUNCIL'S REVENUE BUDGET AND COUNCIL TAX

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This section sets out how the 2015/16 revenue budget, council tax, and budget framework were developed from the previous year's budget. It is based on reports considered by the Finance and Corporate Resources Overview and Scrutiny Committee on the 22nd January 2015 and 19th February 2015, and by the Council on the 4th March 2015. The section contains appendices summarising the budgetary effect of developments and of repricing from November 2013 to 2014, levies from other public bodies, special reserves, and the council tax base.



AS PROVIDED FOR UNDER SECTION 100B(4)(b) OF THE LOCAL GOVERNMENT ACT 1972, THE CHAIRMAN OF THE COMMITTEE IS OF THE OPINION THAT THIS REPORT SHOULD BE CONSIDERED AT THE MEETING AS A MATTER OF URGENCY, BY REASON OF SPECIAL CIRCUMSTANCES WHICH ARE THAT THE COUNCIL IS REQUIRED TO CALCULATE ITS BUDGET REQUIREMENT AND THE AMOUNTS OF COUNCIL TAX FOR EACH CATEGORY OF DWELLINGS IN ITS AREA BEFORE 11TH MARCH 2015.

PAPER NO: **15-114**

WANDSWORTH BOROUGH COUNCIL

FINANCE AND CORPORATE RESOURCES OVERVIEW AND SCRUTINY  
COMMITTEE – 19TH FEBRUARY 2015  
EXECUTIVE – 23RD FEBRUARY 2015

Report by the Director of Finance on the Council Tax Requirement and Council Tax for 2015/16

SUMMARY

The Cabinet Member's recommendation indicates a Council Tax Requirement and total tax amounts for 2015/16 as shown in bold below. The recommended budget framework then implies the average band D tax amounts increasing to £956.42 and £1,145.88 in 2016/17 and 2017/18 respectively. These sums are before any further reductions in expenditure or use of balances and reserves.

	<u>2014/15</u>	<u>2015/16</u>	<u>2016/17</u>	<u>2017/18</u>
	£m	£m	£m	£m
Council Tax Requirement	45.444	<b>46.846</b>	82.880	107.001
Average Band D Tax amount:	£	£	£	£
Council	388.42	<b>388.42</b>	680.42	869.88
Greater London Authority	299.00	<b>295.00</b>	276.00	276.00
TOTAL	687.42	<b>683.42</b>	956.42	1,145.88
Total for majority of Borough	681.77	<b>677.65</b>	950.53	1,139.87
Total for Conservators' area	709.15	<b>704.57</b>	978.26	1,168.43

GLOSSARY

BID	-	Business Improvement District
DCLG	-	Department for Communities and Local Government
EDO	-	Economic Development Office
EPCR	-	Employer's Pension Contribution Reserve
FCR	-	Finance and Corporate Resources

*(Paper No. 15-114)*

## *Budget and Council Tax*

GLA	-	Greater London Authority
LEP	-	Local Enterprise Partnership
LPFA	-	London Pension Fund Authority
NNDR	-	National Non-Domestic Rate
PRSS	-	Performance Related Salary Supplement
RSG	-	Revenue Support Grant
SFA	-	Settlement Funding Assessment
TfL	-	Transport for London
W&PCC	-	Wimbledon and Putney Commons' Conservators

## **RECOMMENDATIONS**

1. The Finance and Corporate Resources Overview and Scrutiny Committee are recommended to support the recommendations of the Cabinet Member for Corporate Resources, shown in paragraph 2. If they approve any views, comments or recommendations on this report, they will be submitted to the Executive for their consideration.
2. The Cabinet Member for Finance and Corporate Resources recommends the Executive as follows: -
  - (a) to approve the budget variations and further spending requirements shown in paragraphs 6, 6, 8 and 9 and in Appendix D;
  - (b) to endorse the proposals for reserves as described in paragraphs 17, 18 and 19;
  - (c) to approve accordingly the proposed council tax requirement and the proposed council tax amounts for 2015/16 as described in paragraphs 24 and 28;
  - (d) to recommend the Council, in the form shown in Appendices G and H, to give effect to the council tax requirement and council tax amounts for 2015/16 so determined;
  - (e) to recommend the Council to adopt the budget framework shown in Appendix K, subject to any variations subsequently approved by the Executive within the overriding restrictions that unearmarked reserves should not be forecast to fall below £7 million in 2015/16, nor the council tax band D forecast for the next two years rise by more than a further £57.47 (paragraph 36);
  - (f) to approve the Council's revised General Fund capital programme and related funding as set out in Appendix L; and
  - (g) to agree that, should it be necessary following the meeting of the Greater London Authority (GLA) on 23rd February, the Director of Finance be authorised to update the content of this report for any changes to the GLA's band D council tax and related GLA budget reported within this report, for the approval of full Council at its meeting on 4th March 2015.



## INTRODUCTION

3. Section 32 of the Local Government Finance Act 1992 requires the Council to calculate its budget requirement before 11th March, and Section 30 requires that by the same date the Council sets amounts of council tax for each category of dwellings in its area. The Council's Constitution requires the Executive to submit to the Council, in February or early March, after having regard to the advice of the Director of Finance, its estimates in relation to revenue budgets for the current financial year, the revenue budgets for future financial years including allocation to different services and projects, and reserves for specified and general contingencies for the forthcoming financial year, the budget requirement and basic amounts of tax.
4. For these calculations, this paper updates the revenue budget for 2015/16, approved in January in Paper No.15-26, to include the latest estimates of expenditure and notified levies and precepts. The revenue budget is set out in paragraph 12. The financial reserves appropriate for specific purposes are reviewed in paragraph 17. Paragraph 19 refers to the need for a general reserve appropriate to meet contingencies. The calculation of the council tax requirement is described in paragraph 24. Paragraphs 26-30 present the calculations of the Council's share of council tax, and discuss the risks of the requirement for a council tax referendum. Paragraphs 31-33 set out the requirements of the Greater London Authority. The results for taxpayers in 2015/16, allowing for this precept, are set out in paragraphs 34-35. The prospects for taxpayers in subsequent years and the recommended revenue budget framework are discussed in paragraph 36. Appendix A shows the number of taxpayers in each valuation band (as in the tax-base calculation by the Director of Finance under delegated authority), and the impact on taxpayers (before benefit) of each £1 million added to the budget requirement.

## COUNCIL NET REVENUE EXPENDITURE

### Service Revenue Budgets

5. In January 2015 the Executive approved an aggregate budget for 2015/16 of £189.641 million at November 2014 prices after allowing for certain budget variations (Paper No. 15-26). A copy of the report by the Director of Finance on the Council's Budget Plans for 2015/16 and future years, was placed on the Economic Development Office Business home page on the Council's web site. Written comments were invited by 9th February in order to be considered by the Finance and Corporate Resources Overview Committee and the Executive. A copy of the report is shown in Appendix J. No comments had been received at the time of writing this report.
6. The bodies empowered to make levies or charges upon the Council have largely issued their requirements for 2015/16. In some cases, the body concerned has yet to formally approve the levy or charge concerned. The details of all the levies and charges are given in Appendix C, requiring an increased budget provision of £0.293 million, of which a reduction of £0.019 million is in relation to levying bodies. Most bodies have broadly held their charges to 2014/15 levels, or made modest adjustments, although the impact of the change in tax bases of the constituent authorities has had a redistributive effect.

*Budget and Council Tax*

7. The allowance recommended for inflation from November 2014 prices through to 2015/16 outturn is £2.27 million. Further increases for 2016/17 and 2017/18 of £6.76 million and £6.71 million respectively are also recommended.
8. Budget variations at committee meetings in this cycle, together with budget variations approved under Standing Order procedures are detailed in Appendix D.
9. As agreed in Paper No. 15-100, an additional £1.0m budget is proposed to accommodate the costs of restructuring in preparation for the merger of staffing and services with Richmond upon Thames Council. This will be funded from the Service Transformation Fund and will therefore have no effect on Council Tax. A £2.0m budget is proposed in 2015/16, and £2.75m in future years to address spending pressures on Homelessness, since this cannot be contained within existing budgets. Additionally, a budget of £120,000 is proposed for changes to the iTrent system to accommodate the revised terms and conditions being considered in Paper No 15-119.

	<u>2015/16</u>	<u>2016/17</u>	<u>2017/18</u>
	£000	£000	£000
Service Transformation	1,000	-	-
Homelessness	2,000	2,750	2,750
iTrent system modifications	120	-	-
	<u>3,120</u>	<u>2,750</u>	<u>2,750</u>

The Cabinet Member for Finance and Corporate Resources has also been consulted and recommends that the above budget variations be approved.

10. The methodology used in the calculation of bad debt provisions within the overall budget is currently being reviewed and the outcome of this review will be reflected in the final outturn position reported to this Committee in June.
11. Capital budget variations have also been approved in this cycle of committee meetings, and further General Fund capital budget variations in relation to school repairs are included in the Programme following the announcement of Government grant on 9th February. The Executive is asked to approve the revised General Fund capital programme together with the related funding as set out in Appendix L. The revenue effects of the Council's capital programme are included within service revenue budgets.

**Council's Revenue Expenditure**

12. Subject to approval of the revenue budget variations, the Council's net expenditure for 2015/16 through to 2017/18 is as follows:

	<u>2015/16</u>	<u>2016/17</u>	<u>2017/18</u>
	<u>£m</u>	<u>£m</u>	<u>£m</u>
Committee budgets approved in Paper No. 15-26	189.641	187.906	188.970
Budget variations - Appendix D and paras.8 and 9	2.878	0.325	0.387
Effect of notified levies and charges (Appendix C)	0.293	0.293	0.293
Provision for inflation (paragraph 7)	2.266	9.029	15.743
Revised committee budgets	195.078	197.553	205.394
New Homes Bonus (paragraph 14)	-6.493	-7.757	-8.245
Non-Service Specific Grants	-2.819	-2.000	-1.800
Council Net Expenditure	<u>185.766</u>	<u>187.797</u>	<u>195.349</u>

13. The committee budgets total for 2015/16 is analysed by committee and by income and expenditure categories in Appendix B. The total is £11.46 million less than the equivalent figure for 2014/15. The Executive approved the aggregate budget (Paper No 15-26), consolidating budget variations approved during the year, developments and budget transfers. The net effect of inflation, excluding levies is £2.3 million. An increase in the cost of levies and charges (£0.293m) is outlined in paragraph 6. Further developments are recommended in paragraph 8, 9 and Appendix D (£0.3 million in 2015/16) and paragraph 9 (£3.1 million in 2015/16).

**New Homes Bonus and Council Tax Freeze Grant**

14. The New Homes Bonus was introduced in 2011 and provides a Government grant equivalent to the increase in council tax revenues that would otherwise be generated from new housing stock, but calculated using the national council tax charges. The grant is payable on cumulative growth in housing stock for 6 years from 2011/12. For 2015/16 the grant payable is £9.1 million, including payments in respect of the previous years. It should be noted that nationally the New Homes Bonus is a top-slice from overall Government support to local authorities and that in the event that New Homes Bonus is not fully allocated nationally, a return of funding may be payable. For budgetary purposes, 1,200 new homes per year have been assumed in both the Council tax base and the value of New Homes Bonus payable. However, £2.6 million of the New Homes Bonus will be paid over to the Greater London Local Enterprise Partnership from 2015/16 in line with the announcement in the December 2013 Autumn Statement. This sum has not been included within expenditure budgets either in terms of the payment to the LEP or in any repatriation of this sum to the Borough as set out in Paper No 15-102 elsewhere on this agenda.
15. The Government has indicated that authorities that freeze or reduce their element of the basic amount of council tax for 2015/16 will be eligible to receive additional funding equivalent to 1% of the basic amount of council tax set for 2014/15, multiplied by the tax base for 2015/16 excluding the reduction for the council tax reduction scheme (in effect this increases the value of the freeze grant in percentage terms). The grant for the 2015/16 freeze is £519,122.

**GENERAL FUND REVENUE RESERVES**

16. The calculation of the Council's requirements has to include the amount of financial reserves which it will be appropriate to raise or use in the financial year. The Council has no need for reserves for two of the purposes which it is obliged to consider: to cover deficits remaining from any earlier financial year (as there are none), and to cover 2016/17 expenditure to be incurred before revenues for that year are available (as this can be met within the Council's temporary borrowing limit).

**Special Reserves**

17. The special reserves are those appropriate for meeting future expenditure in performing the Council's functions. The existing and proposed special reserves are shown in Appendix E, although those relating to the Housing Revenue Account and schools are not directly relevant.

- (a) Finite Services Fund. Provision has been made in the Finite Services Fund to pre-finance fully the cost of certain schemes of limited duration. The use of the Fund over the next three years is anticipated to be as follows:

	<u>2014/15</u>	<u>2015/16</u>	<u>2016/17</u>	<u>2017/18</u>
	<u>£m</u>	<u>£m</u>	<u>£m</u>	<u>£m</u>
Aspirations programme	-0.341	-0.048	-	-

- (b) Renewals Fund. The Fund is for "loans" to services with unusually large requirements for building refurbishment, energy conservation schemes, investment in IT schemes and vehicle and plant replacements. The sum of £2.8m has been transferred from the General Fund in 2014/15 to fund the charges made to the Reserve following demands in that year. The use of the Fund over the next three years is anticipated to be as follows:

	<u>2014/15</u>	<u>2015/16</u>	<u>2016/17</u>	<u>2017/18</u>
	<u>£m</u>	<u>£m</u>	<u>£m</u>	<u>£m</u>
Contributions to Fund	3.223	0.449	0.449	0.449
Charges from Fund	-4.367	-0.410	-0.172	-0.172
Net Fund movement	<u>-1.144</u>	<u>0.039</u>	<u>0.277</u>	<u>0.277</u>

- (c) Specific Grant Reserve. This reserve is retained for over-estimates and potential exposure to loss of General Fund Government specific grants.
- (d) Insurance Reserve. This reserve was established to meet certain non-specific liability and property claims where the Council does not insure externally. The adequacy of the reserve continues to be subject to periodic external reviews.

- (e) Employer's Pensions Contributions Reserve. This reserve was established to mitigate the impact of future increases in employer's pension contributions. In April 2014 the Executive approved Paper No. 14-255 which concerned the results of the triennial valuation of the Council's Pension Fund. Following that report, the Executive agreed to consider, as part of Council Tax setting, the use of the Employer's Pension Contributions Reserve (EPCR) to offset the cost of deficit contribution payments to the General Fund. Having reviewed the situation it is proposed to fund the deficit contributions from the EPCR.

	<u>2014/15</u>	<u>2015/16</u>	<u>2016/17</u>	<u>2017/18</u>
	<u>£m</u>	<u>£m</u>	<u>£m</u>	<u>£m</u>
Charges from Fund	-	-1.900	-1.900	-

- (f) Service Transformation Reserve. This reserve was established in 2010/11 to mitigate the impact of the restructuring of services with particular regards to redundancy and other costs of service restructuring. In the light of the planned merging of services with Richmond upon Thames Council, this reserve will be enhanced by a transfer of balances of £10 million in 2014/15 in order to enable the Council to manage the service transformation that will be required over the short to medium term. In addition, this reserve will be used to fund part of the deficit arising from the shortfall in Government funding in future years.

	<u>2014/15</u>	<u>2015/16</u>	<u>2016/17</u>	<u>2017/18</u>
	<u>£m</u>	<u>£m</u>	<u>£m</u>	<u>£m</u>
Contributions to Fund	10.000			
Charges from Fund	-	-1.000	-	-
	<u>10.000</u>	<u>-1.000</u>	<u>-</u>	<u>-</u>

- (g) Business Rate Volatility Reserve. This reserve was established in 2011/12 in recognition of the volatility of the new arrangements for future Council funding. The reserve is used to meet the shortfall in Business Rate yield compared with that included in the SFA, together with an appropriation in respect of the estimated surplus or deficit arising on the Collection Fund in respect of Business Rates.

	<u>2014/15</u>	<u>2015/16</u>	<u>2016/17</u>	<u>2017/18</u>
	<u>£m</u>	<u>£m</u>	<u>£m</u>	<u>£m</u>
Business Rates	0.218	0.322	-	-
Collection Fund Business Rates Deficit/(Surplus)	0.022	- 0.009	-	-
	<u>0.241</u>	<u>0.313</u>	<u>-</u>	<u>-</u>

The Cabinet Member for Finance and Corporate Resources has been consulted and supports the proposed changes to these specific reserves.

Budget and Council Tax

**General Reserves**

18. The general reserves at 31st March 2015, on the basis of previous reports and the current outlook for 2014/15, would then be:

**Estimated GF balance**

		<u>£m</u>	<u>£m</u>
General Fund Balance	01/04/14		34.485
<b><u>Plus:</u></b>			
Increased net appropriations from the Renewals Fund			
Original		1.786	
Revised		<u>1.144</u>	-0.642
<b><u>Plus:</u></b>			
Increase in net appropriations from the Finite Services Fund			
Original		0.341	
Revised		<u>0.341</u>	0.000
<b><u>Plus:</u></b>			
Increase in net appropriations from the Business Rate Volatility Reserve			
Original		0.241	
Revised		<u>0.241</u>	0.000
<b><u>Less:</u></b>			
Contribution to Service Transformation Reserve			
Original		0.000	
Revised		<u>10.000</u>	-10.000
<b><u>Plus:</u></b>			
Reduction in Committee budgets 2014/15			
Original		-197.224	
Revised		<u>-193.502</u>	3.722
<b><u>Plus:</u></b>			
Government grants not notified or anticipated			
			0.220
<b><u>Less:</u></b>			
Planned contribution to general reserves			
			-3.976
Estimated General Fund Balance	31/03/15		<u><u>23.809</u></u>
<b><u>Less:</u></b>			
Recommended for contingencies for 2015/16			
			-14.000
Excess over required contingency			<u><u>9.809</u></u>

19. The Council must make an appropriate prudent allowance for contingencies for the forthcoming year. In addition, under Section 25 of the Local Government Act 2003, the Council's Chief Financial Officer must report to the Council on the following matters:
- (a) The robustness of the estimates made for the purposes of the calculations, and,
  - (b) The adequacy of the proposed financial reserves, having considered the proposals within this paper.

The Director of Finance considers the estimates to be robust and that it would be prudent to retain a general reserve for contingencies of all kinds of about £14.0 million, the same as last year. The budget provision for pay awards already allows for the National Single Status award of 2.2% from January 2015, including some one-off non-consolidating amounts. The provision for non-staff costs is 1.9% (except where specific contract price indexation applies), based on an average of private sector forecasts published by HM Treasury, and where an additional 0.5% would add £0.82 million in 2015/16. The full range of uncertainties in the next financial year is indicated by the items shown in Appendix E. With the General Fund balance estimated to be £23.81 million at 31st March 2015, £9.81 million is available to reduce the council tax requirement for 2015/16. The Cabinet Member for Finance and Corporate Resources has been consulted and concurs with this view.

## USE OF RESERVES

The Council's net expenditure is reduced by drawing on reserves as follows:

### Use of Reserves

	<u>2015/16</u>	<u>2016/17</u>	<u>2017/18</u>
	£m	£m	£m
Council's Net Expenditure (para.12)	185.766	187.797	195.349
Contribution from General Reserves (para.18)	-9.809		
Contribution (from)/to Renewals Fund (para.17)	0.039	0.277	0.277
Contribution from the Finite Services Fund (para.17)	-0.048	0.000	0.000
Contribution from Business Rate Volatility Reserve (para.17)	-0.313	0.000	0.000
Contribution from Service Transformation Fund (para.17)	-1.000	0.000	0.000
Contribution from Employers Pension Contribution Reserve (para.17)	-1.900	-1.900	0.000
Council's Net Expenditure after Drawings on Reserves	<u>172.735</u>	<u>186.174</u>	<u>195.626</u>

## LOCAL AUTHORITY FINANCE SETTLEMENT

### Settlement Funding Assessment (SFA)

20. From 2013/14, the Government significantly amended the methodology for Central Government support for Local Government, consolidating most previous specific grants into the new funding model, and reallocating the total through three separate funding streams: retained Business Rates (the Council retains 30% of local business rates), a Business Rates top-up (recognising the lower amount receivable under this methodology when compared with the assessed funding base level), and Revenue Support Grant (RSG), to arrive at the SFA for 2015/16 totalling £124.1 million. No formal indication of the settlement for 2016/17 and 2017/18 has been made by the Government but, using a model available to all London boroughs, it is possible to project the SFA for Wandsworth. This projection, based on a cautious view of future settlements of £103.3 million for 2016/17 and £88.6 million for 2017/18 has been used for budget planning purposes.
21. The SFA includes the Council's share of retention of Business Rates which based on Government assumptions would amount to £31.36 million. The position on the Council's estimated Business Rates yield for 2015/16, as calculated on the statutory return (NNDR1), indicates the yield to be £103.461 million, with the Council's 30% share being £31.038 million. The NNDR1 calculation is the basis for payments from the Collection Fund to the Council's General Fund (30%), the GLA (20%) and the DCLG (50%). The shortfall in the estimated yield compared with the DCLG's SFA will be met from the Business Rate Volatility Reserve (paragraph 17 (g)).

### Small Business and other Rate Reliefs

22. The Government announced a continuation of the increased relief for small businesses that impact on the Council's business rate yield. This will be compensated by grant from DCLG and is unlikely to have any material overall effect on the Council.

## CALCULATION OF COUNCIL TAX AMOUNTS

### Collection Fund

23. The tax requirements of the Council are aggregated with those of the precepting authorities within the Collection Fund. The Council's part represents its budget requirement less its share of retained Business Rates and RSG, and any Collection Fund surplus or deficit. With regard to the council tax element, it is estimated that the Collection Fund will have a surplus of £3.713 million at 31st March 2015. Of this amount £2.097 million will be credited to the Council's General Fund in 2015/16. The remainder is passed to the Greater London Authority. Local Business Rates due are credited to the Collection Fund and are shared between the Council (30%), the GLA (20%) and the DCLG (50%). The estimated surplus on the Collection Fund in respect of Business Rates is £29,385, of which the Council's share is £8,516. This surplus will be transferred to the Business Rate Volatility Reserve to meet any future deficits or shortfalls in rate yield compared to that assumed in the SFA.



**Wandsworth Council Tax Requirement**

24. After taking account of Business Rates and central Government support, the amount that this Council needs to raise from council tax for its own purposes is as follows:

	<u>2014/15</u>	<u>2015/16</u>	<u>2016/17</u>	<u>2017/18</u>
	£m	£m	£m	£m
Council's Net Expenditure after use of reserves (para.19)	190.881	172.735	186.174	195.626
Less: Collection Fund Surplus (para.23)	-1.380	-2.107		
	<u>189.502</u>	<u>170.628</u>	<u>186.174</u>	<u>195.626</u>
Less:				
Retained Business Rates	-30.554	-31.038	-32.013	-32.928
Business Rates top-up	-35.053	-35.723	-36.467	-37.509
Revenue Support Grant	-78.451	-57.020	-34.814	-18.188
	<u>-144.058</u>	<u>-123.782</u>	<u>-103.294</u>	<u>-88.625</u>
<b>Wandsworth Council Tax Requirement</b>	<b><u>45.444</u></b>	<b><u>46.846</u></b>	<b><u>82.879</u></b>	<b><u>107.001</u></b>

The statutory form of calculation by the Council is shown in [Appendix H](#), with details in [Appendix G](#).

25. Section 25 of the Local Government Act 2003 requires that when a local authority is making its budget calculations, the Director of Finance must report to it on the robustness of the estimates made for the purposes of the calculations, and the adequacy of the proposed financial reserves. The Director of Finance considers that the estimates are sufficiently robust for the purposes of the calculations and that the proposed financial reserves are adequate.

**Council Tax Base**

26. The Council tax bases are calculated annually by the Director of Finance following delegation of the determination by the Council at its meeting on 4th February 2004. These have now been determined as 120,607 for the borough as a whole, and 25,867 for the Wimbledon and Putney Commons Conservators' (WPCC) area. The figures for 2014/15 were 116,996 and 24,145. Growth of 1,200 properties per annum has been assumed for future years. The tax base figures incorporate the effect of Council Tax Support on the tax base.

**Wimbledon and Putney Commons Conservators**

27. The Council is required to treat as a special expense the levy of the WPCC, and formally resolved to do so for successive financial years at its meeting on 10th March 1993. For 2015/16 this levy amounts to £696,473.54, an increase of £35,385.27 on the levy for 2014/15. As a special expense it must be charged only to taxpayers within the Conservators' area, who will therefore have tax amounts £26.93 (£27.38 in 2014/15) higher than elsewhere in the Borough at band D (applying the 25,867 tax base figure for the Conservators' area and after allowing for roundings in calculations), with proportionate differences in other bands. The Conservators' total levies, including those parts of their area in other boroughs, amounts to £1,029,888.00 in 2015/16, an increase of £39,610.90 (4%). Although

## Budget and Council Tax

the levy has increased, the amount paid by council taxpayers has decreased slightly due to an increase in the tax base (paragraph 26).

28. The Council has to calculate first an average band D tax element (dividing the tax needs shown in paragraph 24 by the 120,607 tax base figure), and then separate amounts for the majority of the Borough (excluding the special expenses) and for the Conservators' levy area. The statutory form of statement is shown in Appendix H and the amounts are:

	Average £	Majority £
2015/16	388.42	382.65
2014/15	388.42	382.77

29. Having calculated band D amounts, the Council has to calculate for each part of its area the amounts of tax for valuation bands other than D. The calculation is made by applying the statutory proportion for each band to the relevant band D amount. The amounts are shown in Appendix H part (d)(viii).

### Council Tax Referenda

30. The Localism Act 2011 replaced the capping regime for excessive council tax increases with local referenda, and on 3rd February 2015, the Government confirmed the council tax referendum thresholds for 2015/16. The DCLG has confirmed that the increase in the relevant amount of council tax that is considered to be excessive is 2% or more, and is the level at which a referendum must be held.

### Greater London Authority

31. As well as GLA core services, in 2015/16 the GLA has responsibility for four functional bodies: the Mayor's Office for Policing and Crime, Transport for London, the London Fire and Emergency Planning Authority, and the London Legacy Development Corporation (for which there are no net costs). The GLA has set a provisional council tax requirement for its core activities and its functional bodies for 2015/16 of £776.3 million. The GLA is due to consider its final budget on 23<sup>rd</sup> February 2015, i.e. after the meetings of both this Committee and the Executive, but before the meeting of the full Council meeting. Should the GLA change their provisional budget and/or council tax requirement, the relevant changes will be incorporated in this report for consideration by the Council when considering the council tax requirement.

	2014/15 £ million	2015/16 £ million	Increase(+)/ Decrease(-) £ million	Increase(+)/ Decrease(-) %
Mayor's Office for Policing and Crime	564.20	564.20	0.00	0.0%
London Fire and Emergency Planning Authority	138.20	138.20	0.00	0.0%
Other Services (incl. GLA, LLDC and TfL)	82.30	39.20	-43.10	-52.4%
Collection Fund	2.20	34.70	+32.50	1477.3%
Total GLA Group	786.90	776.30	-10.60	-1.3%

32. After general Government grants, and the use of Collection Fund surpluses and reserves, the GLA band D precept amounts are:

	<u>2014/15</u> Band D Amounts £	<u>2015/16</u> Band D Amounts £	<u>Increase(+)/</u> <u>Decrease(-)</u> £	<u>Increase(+)/</u> <u>Decrease(-)</u> %
Mayor's Office for Policing and Crime	214.52	214.52	0.00	0.00%
Other Services	84.48	80.48	-4.00	-4.73%
<b>Total GLA</b>	<b>299.00</b>	<b>295.00</b>	<b>-4.00</b>	<b>-1.34%</b>

33. There is a £4.00 reduction in the Mayor's band D council tax in 2015/16. Indicative reductions have been included in this report to reflect the Mayor's stated objective of a 10% reduction in council tax between 2012 and 2016 on council tax, reducing the band D council tax to £276 in 2016/17.

#### COUNCIL TAX AMOUNTS

34. Combining this Council's tax amount with that of the GLA produces total band D amounts as follows for 2015/16:

	<b>Average</b> £	<b>Majority</b> £	<b>Conservators' Area</b> £
Wandsworth Council	388.42	382.65	409.57
Greater London Authority	295.00	295.00	295.00
	<b>683.42</b>	<b>677.65</b>	<b>704.57</b>

The amounts for all valuation bands are shown in Appendix H part (f). The amounts for 2015/16 should remain the lowest average Council tax in the country.

#### Council Tax Bills

35. The consequential bills for each valuation band, and the increases compared with 2014/15, are shown in Appendix I. After taking account of discounts, exemptions and the distribution of properties over valuation bands, the average bill for all dwellings in the Borough is estimated to be around £609.

#### FUTURE YEARS BUDGET FRAMEWORK

36. The budget variations, inflation allowances, and grant assumptions described earlier in this report, imply that the average band D tax amounts for the Council element would be £680 in 2016/17 and £870 in 2017/18. These represent increases of 75.2% and 27.8% respectively, compared with the preceding year. If Government referendum criteria required increases of no more than 2%, the

## *Budget and Council Tax*

council tax requirement would have to be reduced by £34.6 million in 2016/17 and £57.3 million in 2017/18 based upon current assumptions on Government support. With the assumed GLA precept decreases, the total average band D amount would rise to £956 in 2016/17 and £1,146 in 2017/18. The budget framework showing these amounts is given in Appendix K. In accordance with the Council's constitution, the Council should be recommended to adopt the framework in Appendix K on the basis that the Executive may then approve budget variations within the overriding restrictions that unearmarked reserves should not be forecast to fall below £7 million (50% of that set aside for contingencies) in 2015/16, nor the council tax band D forecast for the next two years rise by more than a further £57.47.

37. The detailed budget by Overview and Scrutiny Committee for 2014/15 to 2017/18 is available on the Members' On Line Library and will be published as part of the Budget Book.
38. The gap indicated between available resources and expenditure highlighted in paragraph 36 will need to be addressed by the Council in the Medium Term Financial Strategy due to be published in June 2015. However, any proposed use of reserves or reductions in expenditure will be based upon a prediction of Government support rather than certainty as any future Government support will not be known until after the Comprehensive Spending Review later in the year. However, the Council should assume that the expenditure gap quoted in paragraph 36 is more likely than not to occur and should plan accordingly.

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The Town Hall,  
Wandsworth,  
SW18 2PU

CHRIS BUSS  
Director of Finance

16th February 2015

### **Background Papers**

The following background papers were used in the preparation of this report:

1. The Council's Budget Publication
2. Budget Variations Approved by the Executive in this financial year
3. Service committees' budget variation requests in this cycle
4. Local Authority Finance Settlement notification
5. GLA precept and levying bodies' documents.

All reports to Overview and Scrutiny Committees, regulatory and other committees, the Executive and the full Council can be viewed on the Council's website ([www.wandsworth.gov.uk/moderngov](http://www.wandsworth.gov.uk/moderngov)) unless the report was published before May 2001, in which case the Committee Secretary (Mr G Collins – 020 8871 6021; email [gcollins@wandsworth.gov.uk](mailto:gcollins@wandsworth.gov.uk)) can supply it if required.

***(Paper No. 15-114)***

**IMPACT OF EACH ADDITIONAL £1 MILLION COUNCIL TAX**

<u>Circumstances/Band</u>	<u>Major Part</u>	<u>No. of Dwellings W&amp;PCC Levy Area</u>	<u>Borough</u>	<u>Increase per Household Before Council Tax Support £</u>
<b>2+ Adults</b>				
A	2,343	1,092	3,435	<b>5.53</b>
B	4,284	1,598	5,882	<b>6.45</b>
C	18,474	4,524	22,998	<b>7.37</b>
D	18,944	4,298	23,242	<b>8.29</b>
E	13,190	3,154	16,344	<b>10.13</b>
F	9,601	2,017	11,618	<b>11.97</b>
G	8,180	2,632	10,812	<b>13.82</b>
H	1,289	1,040	2,329	<b>16.58</b>
	(76,305)	(20,355)	(96,660)	
<b>1 Adult</b>				
A	1,831	1,327	3,158	<b>4.15</b>
B	4,756	1,756	6,512	<b>4.84</b>
C	10,810	2,295	13,105	<b>5.53</b>
D	7,095	1,856	8,951	<b>6.22</b>
E	3,949	1,175	5,124	<b>7.60</b>
F	2,282	676	2,958	<b>8.98</b>
G	1,139	498	1,637	<b>10.37</b>
H	160	95	255	<b>12.44</b>
	(32,022)	(9,678)	(41,700)	
Exempt A-H	-2,130	-689	-2,819	<b>NIL</b>
<b>TOTALS</b>	<b>106,197</b>	<b>29,344</b>	<b>135,541</b>	

ANALYSIS OF SERVICE BUDGETS 2015/16

£'000	ADULT CARE & HEALTH SERVICES	COMMUNITY SERVICES	EDUCATION & CHILDREN'S SERVICES	FINANCE & CORPORATE RESOURCES	HOUSING & REGENERATION	GENERAL FUND TOTAL	DEDICATED SCHOOLS BUDGET	HOUSING REVENUE ACCOUNT	TOTAL
<b>EXPENDITURE - at November 2014 prices for General Fund</b>									
Salaries	15,264	14,009	20,868	8,235	2,214	60,590	121,458	5,344	187,392
Wages	-	-	-	-	-	-	2,359	-	2,359
Indirect Employee Expenses	281	145	5,515	81	19	6,041	2,822	66	8,929
Premises	46	8,897	629	461	113	10,146	12,746	40,952	63,844
Use of Transport	1,571	351	3,301	16	36	5,275	657	35	5,967
Concessionary Fares	-	14,666	-	-	-	14,666	-	-	14,666
Supplies and Services	1,452	152	5,324	833	34	7,795	6,702	-	14,497
- Funding to Voluntary Bodies	2,894	7,033	5,867	11,251	454	27,499	18,399	3,641	49,539
- Other	-	-	-	-	-	-	-	-	-
Third Party Payments	-	14,928	1,509	458	-	16,895	1,104	-	17,999
- Precepts, Levies and Charges	112,552	39,168	15,121	1,258	6,795	174,894	29,377	16,685	220,956
- Other	-	-	-	-	-	-	-	-	-
Transfer Payments	-	135	-	203,216	3,800	207,151	55	1,000	208,206
- Housing Benefits etc	8,463	7,009	14,187	10,200	574	40,433	2,590	5,975	48,998
Central & Technical Support	122	7,916	4,057	485	2	12,582	-	23,750	36,332
Depreciation and Impairment	-	-	-	-	-	-	-	-	-
Capital Financing Charges	-	-	-	-	-	-	-	46,905	46,905
- Capital Charges to Users	-	-	-	-	-	-	-	23	23
- Leasing Charges	-	-	-	-	-	-	-	-	-
<b>TOTAL</b>	<b>142,645</b>	<b>114,409</b>	<b>76,378</b>	<b>236,494</b>	<b>14,041</b>	<b>583,967</b>	<b>198,269</b>	<b>144,376</b>	<b>926,612</b>

**ANALYSIS OF SERVICE BUDGETS 2015/16 (Continued)**

£'000	ADULT CARE & HEALTH SERVICES	COMMUNITY SERVICES	EDUCATION & CHILDREN'S SERVICES	FINANCE & CORPORATE RESOURCES	HOUSING & REGENERATION	GENERAL FUND TOTAL	DEDICATED SCHOOLS BUDGET	HOUSING REVENUE ACCOUNT	TOTAL
<b>INCOME - at November 2014 prices for General Fund</b>									
Government Grants	47,003	40	8,722	203,759	3,143	262,667	170,391	-	433,058
Rents	211	979	-	1,668	73	2,931	-	116,601	119,532
Fees/Charges & Other Income	15,591	69,473	1,444	24,163	4,679	115,350	27,878	25,655	168,883
Interest Received	-	-	-	10,191	16	10,207	-	2,120	12,327
<b>TOTAL</b>	<b>62,805</b>	<b>70,492</b>	<b>10,166</b>	<b>239,781</b>	<b>7,911</b>	<b>391,155</b>	<b>198,269</b>	<b>144,376</b>	<b>733,800</b>
<b>NET EXPENDITURE</b>	<b>79,840</b>	<b>43,917</b>	<b>66,212</b>	<b>-3,287</b>	<b>6,130</b>	<b>192,812</b>	<b>-</b>	<b>-</b>	<b>192,812</b>
New Homes Bonus Funding						-6,493			
Non-Service Specific Grants						-2,819			
General Fund inflation from November 2014 to end of 2015/16						2,266			
<b>Net Committee Budgets</b>						<b>185,766</b>			

**APPENDIX C**

**SUMMARY OF LEVIES AND CHARGES**

	<u>Existing</u> <u>Budget</u> £'000	<u>Change in</u> <u>Requirement</u> £'000	<u>2015/16</u> <u>Budget</u> £'000
<b>Levies</b>			
Western Riverside Waste Authority - levy	2,227	-52	2,175
Environment Agency - Flood Defence	270	6	276
London Pensions Fund Authority			
- Greater London	458	0	458
- Inner London	1,510	-1	1,509
Lee Valley Regional Park Authority	368	-6	362
Wimbledon and Putney Commons Conservators	662	34	696
Total Levies	<u>5,495</u>	<u>-19</u>	<u>5,476</u>
<b>Charges</b>			
Western Riverside Waste Authority - charges	11,024	0	11,024
London Councils			
- Concessionary Fares	14,047	392	14,439
- London Lorry Ban	4	-4	0
TFL - Traffic Technology	446	-76	370
Port of London Authority - river debris clearance	6	0	6
London Pensions Fund Authority			
- Deficit	54	0	54
Total Charges	<u>25,581</u>	<u>312</u>	<u>25,893</u>
Total Levies and Charges	<u>31,076</u>	<u>293</u>	<u>31,369</u>



**APPENDIX D****REQUESTS FOR REVENUE BUDGET VARIATIONS**

	<u>2014/15</u>	<u>2015/16</u>	<u>2016/17</u>	<u>2017/18</u>
	£'000	£'000	£'000	£'000
<b><u>ADULT CARE AND HEALTH OVERVIEW AND SCRUTINY COMMITTEE - 4th February 2015</u></b>				
Review of Charges (15-47)	0	-89	-89	-89
LD staff mutual (15-46)	0	-60	-133	-168
Specialist Day Services (15-45)	0	-465	-620	-620
Care Act implementation costs (15-44)	0	1,100	0	0
Voluntary Sector Funding (15-43)	0	-43	-43	-43
<b><u>COMMUNITY SERVICES OVERVIEW AND SCRUTINY COMMITTEE - 10th February 2015</u></b>				
Winstanley Regeneration Battersea Sports Centre (15-8)	0	0	-100	-100
Battersea Arts Centre (15-58)	0	0	-11	-21
<b><u>EDUCATION AND CHILDREN'S SERVICES OVERVIEW AND SCRUTINY COMMITTEE - 12th February 2015</u></b>				
Leaving Care Services (15-81)	0	-32	-32	-32
Review of Charges (15-88)	0	-20	-20	-20
Adoption reform grant (15-86)	100	284	0	0
Youth Service Market Test (15-80)	0	-340	-487	-487
<b><u>FINANCE AND CORPORATE RESOURCES OVERVIEW AND SCRUTINY COMMITTEE - 19th February 2015</u></b>				
London Councils Grants Committee (15-24)	0	-5	-5	-5
Revenue effect of capital bids (15-25)	0	31	140	246
Finance department review (15-101)	0	-715	-1,137	-1,165
EDO staffing review (15-102)	0	-30	-30	0
Wandsworth Discretionary Fund (15-107)	0	290	290	290
Cessation of PRSS (15-120)	0	-45	-45	-45
Postal services (FCR448)	0	-67	-67	-67
Business Support & contracts team (FCR451)	0	-36	-36	-36
<b>TOTAL REVENUE</b>	<b>100</b>	<b>-242</b>	<b>-2,425</b>	<b>-2,362</b>

**APPENDIX E**

**EXAMPLES OF CONTINGENCIES WHICH COULD INCREASE  
GENERAL FUND EXPENDITURE**

- (a) Changes in application of legislation and the conditions for Government specific grants.
- (b) Increase in inflation above the levels anticipated when setting the budget.
- (c) The application of higher than anticipated inflation indices to contracted-out services, where increases are contractually based on the inflation index for specified calendar months.
- (d) Retendering of service contracts at higher costs due to factors such as the Working Time Directive, the statutory minimum wage, and less competitive markets.
- (e) Unforeseen difficulties in recovering arrears, requiring additional provision to be made for doubtful debts.
- (f) Other unforeseen demands, and opportunities for service improvements in line with the Council's general policies, which could not be accommodated within approved budgets.
- (g) Utilisation of specific grants already consolidated into the budget.
- (h) Budgetary pressures facing adult social services and housing, especially for people with learning disabilities arising from changes in local demographics, and homelessness.
- (i) Shortfalls in capital receipts, adding to the net interest borne by the General Fund.
- (j) Cost of a local disaster not covered by Government grant under the Bellwin Scheme.
- (k) Transferred responsibilities from health authorities to local authorities.
- (l) Reduction in income streams due to the continuing economic difficulties.
- (m) Additional costs arising from auto-enrolment of staff into the pension scheme.
- (n) Potential increase in costs arising from Welfare Reform implementation.
- (o) Differences in levy or charge from that estimated before formal notice issued by levying body.

**SPECIAL RESERVES**

All these reserves are legally part of the Council's General Fund, though earmarked for specific purposes. The reserves, their purposes, and the expected change in their balances, under existing policies, are summarised below:

**General Fund Revenue Reserves**

	Balance 1st April <u>2014</u> £'000	Budgeted Change <u>2014/15</u> £'000	Budgeted Change <u>2015/16</u> £'000	Balance 1st April <u>2016</u> £'000
1 <u>Renewals Fund</u>				
Net use - Revenue		-4,367	-410	
Net use - Capital		-560	0	
Net use - Other		46	46	
Increase in Fund		3,223	449	
	30,147	-1,658	85	28,574

This fund is for "loans" to services with unusually large requirements for building refurbishment, energy conservation schemes, computer software and vehicle and plant replacements. The planned expenditure is chiefly for IT hardware and software. The additional contributions are to fund IT Hardware, replacement Pay and Display machines and energy conservation measures.

2 <u>Finite Services Fund</u>	1,818	-341	-48	1,429
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This reserve provides for some pre-financing of identified costs of limited duration, now chiefly the Council's Aspirations programme.

3 <u>Specific Grant Reserve</u>	2,400	0	0	2,400
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This reserve is for potential over-estimates or losses of specific Government grants for General Fund services, such as housing benefits.

4 <u>Services Transformation Reserve</u>	23,484	10,000	-1,000	32,484
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This reserve was established to meet the short-term costs of service restructuring including redundancy.

5 <u>Insurance Reserve</u>	7,389	0	0	7,389
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This reserve was established to meet certain non-specific liability and property claims where the Council does not insure externally. The adequacy of the reserve will continue to be subject to periodic external reviews.

Budget and Council Tax

	Balance 1st April <u>2014</u> £'000	Budgeted Change <u>2014/15</u> £'000	Budgeted Change <u>2015/16</u> £'000	Balance 1st April <u>2016</u> £'000
6 <u>Employer's Pensions</u>				
<u>Contributions Reserve</u>	41,400	0	-1,900	39,500
This reserve was established to mitigate the impact of future increases in employer's pension contributions. £1.9 million is being transferred to the General Fund to mitigate the deficit funding element identified in the last triennial review of the Pension Fund.				
7 <u>Enhanced Pension Fund</u>	2,704	0	0	2,704
This Fund provides for pensions enhancements which fall outside statutory pension schemes, and mainly relates to teachers.				
8 <u>Business Rates Volatility Reserve</u>	5,000	-241	-313	4,446
This reserve was established in 2011/12 in recognition of the volatility of the new arrangements for future local government funding.				
9 <u>LPFA Deficit Funding Reserve</u>	4,661	1,211	1,211	7,083
This reserve was established in recognition of a claim from the LPFA for funding of prior years pension deficit funding. The claim has been challenged by the Council.				
10 <u>Public Health Reserve</u>	200	0	0	200
This reserve was established in 2013/14 for the carry forward of unused Public Health grant.				
11 <u>Other Balances</u>	6,471	0	0	6,471
<b>TOTAL REVENUE RESERVES AVAILABLE FOR COUNCIL TAX PURPOSES</b>	<b>125,674</b>	<b>8,971</b>	<b>-1,965</b>	<b>132,680</b>
12 <u>Housing Revenue Account (HRA)/ Housing Repairs Account</u>	234,495	27,276	-2,151	259,620
The HRA is maintained under statutory provisions and the balances relating to this account are ring-fenced and cannot be used for General Fund purposes.				
13 <u>Education Balances</u>	23,644	0	0	23,644
Schools generally have statutory rights to carry forward unspent balances of delegated budgets so these are not available for any other purposes.				
<b>TOTAL USABLE REVENUE RESERVES</b>	<b>383,813</b>	<b>36,247</b>	<b>-4,116</b>	<b>415,944</b>

(Paper No. 15-114)

**APPENDIX G**

**Amounts to be calculated by the Council for the purposes of**  
**Section 31A of the Local Government Finance Act 1992**  
**For the year 2015/16**

	<u>£'000</u>	<u>See Note</u>
(a) The expenditure the Council estimates it will incur in the year in performing its functions and will charge to a Revenue Account , other than a BID revenue account, for the year in accordance with proper practices;	916,408	1
(b) Such allowance as the Council estimates will be appropriate for contingencies in relation to expenditure to be charged to a revenue account for the year in accordance with proper practices;	14,000	
(c) The financial reserves which the Council estimates it will be appropriate to raise in the year for meeting its estimated future expenditure;	NIL	
(d) Such financial reserves as are sufficient to meet so much of the amount estimated by the Council to be a revenue account deficit for any earlier financial year as has not already been provided for;	NIL	
(e) Any amounts which it estimates will be transferred in the year from its General Fund to its Collection Fund in accordance with section 97(4) of the Local Government Finance Act 1988; and	NIL	
(f) Any amounts which it estimates will be transferred from its General Fund to its Collection Fund pursuant to a direction under section 98(5) of the Local Government Finance Act 1988 and charged to a revenue account for the year.	NIL	
SUB-TOTAL	930,408	
 <u>LESS</u>		
(a) The income which it estimates will accrue to it in the year and which it will credit to a revenue account, other than a BID Revenue Account, for the year in accordance with proper practices;	822,917	1

Budget and Council Tax

	<u>£'000</u>	<u>See Note</u>
(b) Any amounts which it estimates will be transferred in the year from its Collection Fund to its General Fund in accordance with section 97(3) of the Local Government Finance Act 1988;	33,614	
(c) Any amounts which it estimates will be transferred from its Collection Fund to its General Fund pursuant to a direction under section 98(4) of the Local Government Finance Act 1988 and will be credited to a revenue account for the year; and	NIL	
(d) The amount of the financial reserves which the Authority estimates that it will use in order to provide for the items mentioned in (a), (b), (e) and (f) above.	27,031	2
SUB-TOTAL	883,562	
DIFFERENCE (Council Tax Requirement)	46,846	

Note 1

	<u>Expenditure</u> £'000	<u>Income</u> £'000
Gross Expenditure/Income as in Appendix B	929,172	745,673
Central Government Funding and Localised Business Rates		92,743
less internal recharges	-15,172	-15,172
plus inflation to end of 2015/16	2,408	142
less credit from Collection Fund shown separately		-469
	916,408	822,917

Note 2

	£'000
General reserves available (para.18)	23,809
Less drawings from special reserves (Appendix F)	3,222
	27,031

**FORM OF COUNCIL RESOLUTION**

- (a) That the revised revenue estimates for the year 2014/15 referred to in Paper No.15-26 and the revenue estimates for 2015/16 as summarised in Appendix B of this paper be approved;
- (b) That the details of the council tax requirement for the year 2015/16, as set out in Appendix G of this paper, be approved;
- (c) That it be noted that the following amounts for the year 2015/16 have been calculated in accordance with the delegation made by the Council on 4th February 2004 and with regulations made under Section 33(5) and 34(4) of the Local Government Finance Act 1992:
- (i) 120,607 being the amount calculated by the Council, in accordance with regulation 3 of the Local Authorities (Calculation of Council Tax Base) Regulations 1992, as its council tax base for the year; and
  - (ii) 25,867 being the amount calculated by the Council, in accordance with Regulation 6 of the Regulations, as the amount of its council tax base for the year for dwellings in the Wimbledon and Putney Commons Conservators' Levy Area;
- (d) That it be noted in accordance with Section 25 of the Local Government Act 2003 that the Director of Finance has reported that the estimates are sufficiently robust for the purposes of the calculations and that the proposed financial reserves are adequate, and the following amounts be now calculated by the Council for the year 2015/16 in accordance with Sections 31 to 36 of the Local Government Finance Act 1992:
- (i) £930,408,445 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A of the Act;
  - (ii) £883,562,211 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of the Act;
  - (iii) £46,846,234 being the amount by which the aggregate at d(i) above exceeds the aggregate at (d)(ii) above, calculated by the Council in accordance with Section 31A(4) of the Act as its Council Tax requirement for the year;

*Budget and Council Tax*

- (iv) £388.4205 being the amount at (d)(iii) divided by the amount at (c)(i) above, calculated by the Council in accordance with Section 33(1) of the Act as the basic amount of its council tax for the year;
- (v) £696,473.54 being the aggregate amount of all special items referred to in Section 34(1) of the Act, namely the levy of the Wimbledon and Putney Commons Conservators;
- (vi) £382.6458 being the amount at (d)(iv) above less the result given by dividing the amount at (d)(v) above by the amount at (c)(i) above, calculated by the Council in accordance with Section 34(2) of the Act as the basic amount of its council tax for the year for dwellings in those parts of its area to which no special item relates;
- (vii) £409.5710 being the amount given by adding to the amount at (d)(vi) above the amount of the special item at (d)(v) above divided by the amount at (c)(ii) above, calculated by the Council in accordance with Section 34(3) of the Act as the basic amount of its council tax for the year for dwellings in that part of its area to which the special item relates; and
- (viii)

<u>Valuation Band</u>	<b>Wimbledon and Putney Commons Conservators' Levy Area</b>	<b>All other parts of the Council's Area</b>
	£	£
A	273.05	255.10
B	318.55	297.61
C	364.06	340.13
D	409.57	382.65
E	500.59	467.68
F	591.60	552.71
G	682.62	637.74
H	819.14	765.29

being the amounts given by multiplying the amounts at (d)(vi) and (d)(vii) above by the number which, in the proportion set out in Section 5(1) of the Act, is applicable to dwellings listed in a particular valuation band divided by the number which in that proportion is applicable to dwellings listed in valuation Band D, calculated by the Council in accordance with Section



36(1) of the Act as the amounts to be taken into account for the year in respect of categories of dwellings listed in different valuation bands;

- (e) That it be noted that for the year 2015/16 the Greater London Authority has stated the following amounts in precepts issued to the Council, in accordance with Section 40 of the Local Government Finance Act 1992, for each of the categories of dwellings shown below:

<u>Valuation Band</u>	<b>Greater London Authority</b> £
A	196.67
B	229.44
C	262.22
D	295.00
E	360.56
F	426.11
G	491.67
H	590.00

- (f) That having calculated the aggregate in each case of the amounts at (d)(viii) and (e) above, the Council, in accordance with Section 30(2) of the Local Government Finance Act 1992, hereby sets the following amounts as the amounts of council tax for the year 2015/16 for each of the categories of dwellings shown below:

<u>Valuation Band</u>	<b>Wimbledon and Putney Commons Conservators' Levy Area</b> £	<b>All other parts of the Council's Area</b> £
A	469.72	451.77
B	547.99	527.05
C	626.28	602.35
D	704.57	677.65
E	861.15	828.24
F	1,017.71	978.82
G	1,174.29	1,129.41
H	1,409.14	1,355.29

**APPENDIX I**

**COUNCIL TAX BILLS**

<u>Band</u>	<u>No. of Households</u>	<u>Council Tax</u> £	<u>Change</u> £
2+ Adults Major Part of the Borough			
A	2,343	451.77	-2.74
B	4,284	527.05	-3.22
C	18,474	602.35	-3.67
D	18,944	677.65	-4.12
E	13,190	828.24	-5.03
F	9,601	978.82	-5.96
G	8,180	1,129.41	-6.87
H	1,289	1,355.29	-8.25
2+ Adults W&PCC Part			
A	1,092	469.72	-3.04
B	1,598	547.99	-3.58
C	4,524	626.28	-4.08
D	4,298	704.57	-4.58
E	3,154	861.15	-5.58
F	2,017	1,017.71	-6.62
G	2,632	1,174.29	-7.62
H	1,040	1,409.14	-9.16
1 Adult Major Part of the Borough			
A	1,831	338.83	-2.05
B	4,756	395.29	-2.41
C	10,810	451.76	-2.75
D	7,095	508.24	-3.09
E	3,949	621.18	-3.77
F	2,282	734.11	-4.47
G	1,139	847.06	-5.15
H	160	1016.47	-6.18

*Budget and Council Tax*

<u>Band</u>	<u>No. of Households</u>	<u>Council Tax</u> £	<u>Change</u> £
1 Adult W&PCC Part			
A	1,327	352.29	-2.28
B	1,756	410.99	-2.69
C	2,295	469.71	-3.06
D	1,856	528.43	-3.43
E	1,175	645.86	-4.19
F	676	763.28	-4.97
G	498	880.72	-5.71
H	95	1056.85	-6.87

**APPENDIX J**

WANDSWORTH BOROUGH COUNCIL

Consultation with the Local Business Community

Report by the Director of Finance  
on the Council's Budget Plans for 2015/16 and future years

**SUMMARY**

The Council wishes to continue its regular consultation with the local business community about its budget plans for future years. This report provides an overview of these plans and invites views to be taken into account when decisions are made on the council tax for 2015/16 and budgets for future years. Comments on the Council's budget plans can be received up until Monday 9<sup>th</sup> February 2015.

**RECOMMENDATION**

1. Local businesses are invited to make comments on the Council's budget plans, for consideration by the Finance and Corporate Resources Overview and Scrutiny Committee on 19th February 2015 and the Executive on 23rd February 2015 before deciding upon recommendations to the full Council for setting the council tax for 2015/16 and budget frameworks for future years.

**BACKGROUND MATERIAL**

2. Statutory guidelines determine much of the content of the papers that are available for consultation. Wandsworth Business Partnership members may wish to refer to the following background material:

- the Statement of Accounts for 2013/14
- the September 2014 reviews of the capital programme
- the Housing Revenue Account for 2014-2018; and
- the Council's draft revenue framework for 2014-2018.
- General Fund Capital Bids 2014-17
- General Fund Capital Bids 2014-17 (appendix)

## MAIN FEATURES OF BUDGET PLANS FOR 2014/15 AND FUTURE YEARS

### 3. Capital and Major Works Programmes

For council housing, the repairs and improvements works continue with a programme of £27.2 million in 2015/16 and £26.7 million in 2016/17. In addition another £28.7 million is being invested into environmental improvements, new build and regeneration projects in 2015/16 and £26.6 million in 2016/17 all of which contribute to the combined Housing Revenue Account capital programme totalling £68.5 million in 2015/16 and £65.9 million in 2016/17. About £24 million a year is covered by contributions from the Housing Revenue Account equivalent to the depreciation charged in year with the rest financed by capital receipts, borrowing, and capital reimbursements including service charges and grants or reserves built up over previous years. Wandsworth Business Partnership members may wish to refer to the following background material:

- (b) Capital expenditure for other services is financed by grants and by realising the invested proceeds of the sale of council assets. Total expenditure in the current year is £89.9 million; this includes £40.5 million of spending on schools and youth facility refurbishment and buildings. The programme for 2015/16 is £77.4 million, which includes a further £46 million spending on schools and youth facilities, and for 2016/17 £32.4 million which includes £8.9 million on schools and youth facilities. These figures include new schemes for 2015/16 and future years.

### 4. Revenue Budget and Council Tax

- (a) The Mayor of London has issued a consultation document on the GLA budget requirement and precepts for 2015/16. This shows the total GLA precept reducing from £299 to £295 for 2015/16. For the purposes of the budget framework indicative reductions have been shown to reflect the Mayor's stated objective of a 10% reduction in Council tax between 2012 and 2016 on Council Tax for 2015/16.
- (b) The Council's Share of Council Tax. The draft revenue budget framework suggests Wandsworth Council's element of the average band D council tax would increase to £460 in 2015/16 or 18.5%. The Government's Settlement Funding Assessment (SFA) for 2015/16 totals £123.7million. This is £22.2 million less than the 2014/15 Settlement. The settlement assumes a slight increase in our locally retained business rates and associated top up of £1.5m to bring it to £67.1 million. The Council retains 30% of local business rates yield and thus any increase or decrease in business rates yield impinges on the Council's income.
- (c) An 18.5% increase in average band D council tax is above the 2% limit set by the Secretary of State which would trigger a local referendum under the Localism Act. This will require earmarked reserves to be re-evaluated, in combination with the possibility of using in-year balances or bringing forward savings proposals, to reduce the level of Council tax required down to the 2% increase. The Council would have to plan a nil increase in average band D council tax to qualify for the Government's offer of a one year Council Tax Freeze Grant of £0.5m in 2015/16.

- (d) School Budgets. The Dedicated Schools' Budget is presently met in full by the ring-fenced Dedicated Schools Grant (DSG), Pupil Premium, Sixth Form Grant, and other specific grants. Full details of the Schools' Budget will be presented to the March 2015 committee cycle. The current DSG (including Pupil Premium) for 2014/15 is approximately £176 million and represents the majority of the total Dedicated Schools' Budget. Whilst the DSG for 2015/16 is still to be finalised it is currently estimated to be £163 million.
- (e) The draft revenue budget framework. The power of the Council to significantly vary its expenditure upwards is limited in each of its financial frameworks due to factors such as the provision for local referenda introduced within the Government's Localism Act, the need to legally balance the Housing Revenue Account, the rules on the schools budget and the level of capital receipts available. Therefore any decision to reorder spending priorities is in reality based on the competing needs of services for current budgeted expenditure.

## 5. Rents and Charges

- (a) Parking charges were reviewed in July 2014 to take account of increased costs and a reassessment of the relative financial contribution of customers in the context of constant and increasing pressures on the parking resource. This resulted in increased and new parking charges with effect from 1<sup>st</sup> October 2014. Following this review it is proposed to increase some of the charges in accordance with inflation based index and retain others at their current level. Wandsworth Business Partnership members may wish to refer to the following background material:
- <http://ww3.wandsworth.gov.uk/moderngov/documents/s32460/Paper%20No.%2014-378.pdf>
  - Review of Highway Charges
- (b) Rents for Council social rented stock will increase from April 2015 by 2.2 per cent in line with the Consumer Price Index (CPI) This level of rent increase maintains a financially viable Housing Revenue Account business plan based upon current assumptions and gives an average rent in Wandsworth, inclusive of tenants' service charges, of £134.78 per week from April 2015. Wandsworth Business Partnership members may wish to refer to the following background material:
- <http://ww3.wandsworth.gov.uk/moderngov/documents/s35734/Housing%20Revenue%20Account%20Rents%20and%20Service%20Charges%20for%20Council%20Dwellings%20and%20Non-residential%20Charges.pdf>
- (c) All other charges have been increased broadly by 1% above inflation.

**TIMETABLE**

6. Written comments, received by Monday 9<sup>th</sup> February 2015, will be considered by the Finance and Corporate Resources Overview and Scrutiny Committee on 19th February and the Executive on 23<sup>rd</sup> February. Responses can be emailed to [financeconsultation@wandsworth.gov.uk](mailto:financeconsultation@wandsworth.gov.uk). The Executive will then present recommendations to the full Council (at a special meeting on 4th March) for setting the Council's council tax for 2015/16 and revenue budget framework for future years.

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CHRIS BUSS  
Director of Finance

The Town Hall,  
Wandsworth,  
SW18 2PU.  
28 January 2015

**APPENDIX K****GENERAL REVENUE BUDGET FRAMEWORK**

	<u>2014/15</u> <u>Revised</u> £m	<u>2015/16</u> £m	<u>2016/17</u> £m	<u>2017/18</u> £m
Committee Budgets at 2014 prices				
Adult Care & Health	82.343	79.840	78.512	78.477
Education & Children's Services	66.172	66.212	65.291	65.291
Community Services	47.257	43.917	43.112	43.227
Housing and Regeneration	6.140	6.130	6.130	6.130
Finance & Corporate Resources	1.794	-3.287	-4.521	-3.474
New Homes Bonus	-6.522	-6.493	-7.757	-8.245
Non-Service Specific Grants	-3.682	-2.819	-2.000	-1.800
Total	193.502	183.500	178.767	179.606
Inflation to outturn prices		2.266	9.029	15.743
Contributions to(+)/drawings from(-) General, and Specific Reserves	-2.401	-13.031	-1.623	0.277
Net Expenditure after drawings from reserves	191.101	172.734	186.174	195.626
Less:				
Collection Fund surplus	-1.379	-2.107	0.000	0.000
Retained Business Rates	-30.554	-31.038	-32.013	-32.928
Business Rates "Top-up"	-35.053	-35.723	-36.467	-37.509
Revenue Support Grant	-78.451	-57.020	-34.814	-18.188
Council Tax Requirement	45.664	46.846	82.880	107.001
Band D Council Tax	£	£	£	£
Wandsworth Council	388.42	388.42	680.42	869.88
Greater London Authority	299.00	295.00	276.00	276.00
Total	687.42	683.42	956.42	1,145.88
Increase in Wandsworth council tax		0.0%	75.2%	27.8%
Budget reductions or use of reserves needed in future years to maintain Wandsworth "relevant basic amount" increases to within 2%			<b>34.625m</b>	<b>57.302m</b>



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## SUMMARY OF SERVICE BUDGETS

	<u>2014/15 REVISED BUDGET</u>				<u>2015/16 BUDGET</u>		
	<u>2014/15</u>	<u>INFLATION</u>	<u>DEVEL-</u>	<u>TOTAL</u>	<u>INFLATION</u>	<u>DEVEL-</u>	<u>TOTAL</u>
	<u>BUDGET</u>						
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Salaries	55,383	436	1,312	57,131	1,006	4,201	60,590
Indirect Employee Expenses	5,366	30	873	6,269	79	596	6,041
Premises	11,963	217	-1,625	10,555	192	-2,009	10,146
Use of Transport	5,015	8	270	5,293	2	258	5,275
Concessionary Fares	14,362	-	-88	14,274	-	304	14,666
Supplies and Services							
- Grants to Voluntary Bodies	7,895	4	118	8,017	4	-104	7,795
- Other	27,491	104	2,385	29,980	61	-53	27,499
Third Party Payments							
- Precepts, Levies and Charges	17,325	6	-1	17,330	6	-436	16,895
- Other	144,119	1,072	2,374	147,565	1,594	29,181	174,894
Transfer Payments - Hsg Benefits etc.	212,322	5	-3,450	208,877	2	-5,173	207,151
Central and Technical Support	42,672	283	2,639	45,594	628	-2,867	40,433
Depreciation and Impairment	12,733	-	-151	12,582	-	-151	12,582
<b>GROSS EXPENDITURE</b>	<b>556,646</b>	<b>2,165</b>	<b>4,656</b>	<b>563,467</b>	<b>3,574</b>	<b>23,747</b>	<b>583,967</b>
Government Grants	-241,876	-	-2,528	-244,404	-	-20,791	-262,667
Rents	-3,179	-1	402	-2,778	-1	249	-2,931
Fees, Charges and Other Income	-99,961	-155	-2,712	-102,828	-130	-15,259	-115,350
Interest Received	-8,584	-	-1,167	-9,751	-	-1,623	-10,207
<b>INCOME</b>	<b>-353,600</b>	<b>-156</b>	<b>-6,005</b>	<b>-359,761</b>	<b>-131</b>	<b>-37,424</b>	<b>-391,155</b>
<b>NET EXPENDITURE</b>	<b>203,046</b>	<b>2,009</b>	<b>-1,349</b>	<b>203,706</b>	<b>3,443</b>	<b>-13,677</b>	<b>192,812</b>
<b>REVENUE EXPENDITURE BY SERVICE</b>							
Adult Care and Health Services	84,218	608	-2,483	82,343	1,423	-5,801	79,840
Community Services	47,095	700	-538	47,257	788	-3,966	43,917
Education and Children's Services	66,207	493	-528	66,172	737	-732	66,212
Finance and Corporate Resources	1,420	163	211	1,794	330	-5,037	-3,287
Housing and Regeneration	4,106	45	1,989	6,140	165	1,859	6,130
<b>NET EXPENDITURE</b>	<b>203,046</b>	<b>2,009</b>	<b>-1,349</b>	<b>203,706</b>	<b>3,443</b>	<b>-13,677</b>	<b>192,812</b>

## SUMMARY OF SERVICE BUDGETS

	<u>2014/15</u> £'000	<u>2015/16</u> £'000	<u>2016/17</u> £'000	<u>2017/18</u> £'000
2014/15 ORIGINAL BUDGET at November 2013 price levels	203,046	203,046	203,046	203,046
INFLATION TO NOVEMBER 2014	2,009	3,443	3,443	3,443
2014/15 ORIGINAL BUDGET REPRICED	<u>205,055</u>	<u>206,489</u>	<u>206,489</u>	<u>206,489</u>
<b>DEVELOPMENTS</b>				
Adult Care and Health Services	-2,483	-5,801	-7,129	-7,164
Community Services	-538	-3,966	-4,771	-4,656
Education and Children's Services	-528	-732	-1,653	-1,653
Finance and Corporate Resources	211	-5,037	-6,271	-5,224
Housing and Regeneration	1,989	1,859	1,859	1,859
NET EFFECT OF DEVELOPMENTS	<u>-1,349</u>	<u>-13,677</u>	<u>-17,965</u>	<u>-16,838</u>
NET EXPENDITURE at November 2014 Prices	<u>203,706</u>	<u>192,812</u>	<u>188,524</u>	<u>189,651</u>
<b>ANALYSIS BY SERVICE</b>				
Adult Care and Health Services	82,343	79,840	78,512	78,477
Community Services	47,257	43,917	43,112	43,227
Education and Children's Services	66,172	66,212	65,291	65,291
Finance and Corporate Resources	1,794	-3,287	-4,521	-3,474
Housing and Regeneration	6,140	6,130	6,130	6,130
NET EXPENDITURE at November 2014 Prices	<u>203,706</u>	<u>192,812</u>	<u>188,524</u>	<u>189,651</u>
New Homes Bonus	-6,522	-6,493	-7,757	-8,245
Non-Service Specific Grants	-3,682	-2,819	-2,000	-1,800
Inflation to outturn prices	-	2,266	9,029	15,743
NET EXPENDITURE with inflation to outturn	<u>193,502</u>	<u>185,766</u>	<u>187,796</u>	<u>195,349</u>

WANDSWORTH BOROUGH COUNCIL

FINANCE AND CORPORATE RESOURCES OVERVIEW AND SCRUTINY  
COMMITTEE – 19TH FEBRUARY 2015

EXECUTIVE – 23RD FEBRUARY 2015

Detailed Budgets by Overview and Scrutiny Committee 2014/15- 2017/18

As mentioned in paragraph 37 of Paper No. 15-114, the following pages outline the detailed budget by Overview and Scrutiny Committee for 2014/15 – 2017/18.

Summary of Service Budgets

	<u>2014/15</u> <u>Revised</u> £'000	<u>2015/16</u> £'000	<u>2016/17</u> £'000	<u>2017/18</u> £'000
Committee Budgets at 2014 prices				
Adult Care & Health	82,343	79,840	78,512	78,477
Community Services	47,257	43,917	43,112	43,227
Education & Children's Services	66,172	66,212	65,291	65,291
Finance & Corporate Resources	1,794	-3,287	-4,521	-3,474
Housing and Regeneration	6,140	6,130	6,130	6,130
Net Expenditure at November 2014 prices	<u>203,706</u>	<u>192,812</u>	<u>188,524</u>	<u>189,651</u>



**ADULT CARE AND HEALTH SERVICES OVERVIEW AND SCRUTINY COMMITTEE  
SUMMARY**

	2014/15 REVISED BUDGET				2015/16 BUDGET			
	2014/15 ORIGINAL BUDGET	INFLATION TO NOV. '14	DEVELOPMENTS	TOTAL	INFLATION TO NOV. '14	DEVELOPMENTS	TOTAL	
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
Salaries	13,758	105	286	14,149	270	1,236	15,264	
Indirect Employee Expenses	137	-	144	281	1	143	281	
Premises	133	3	-21	115	1	-88	46	
Use of Transport	1,314	-	257	1,571	-	257	1,571	
Supplies and Services								
- Contracts with Voluntary Bodies	1,821	3	-199	1,625	3	-372	1,452	
- Other	3,806	11	-961	2,856	6	-918	2,894	
Third Party Payments	100,994	556	-818	100,732	1,074	10,484	112,552	
Central and Technical Support	8,349	84	116	8,549	199	-85	8,463	
Depreciation and Impairment	130	-	-8	122	-	-8	122	
Government Grants	-25,665	-	-200	-25,865	-	-21,338	-47,003	
Rents	-211	-	-	-211	-	-	-211	
Other Income	-20,348	-154	-1,079	-21,581	-131	4,888	-15,591	
<b>NET EXPENDITURE</b>	<b>84,218</b>	<b>608</b>	<b>-2,483</b>	<b>82,343</b>	<b>1,423</b>	<b>-5,801</b>	<b>79,840</b>	
<b>REVENUE EXPENDITURE BY SERVICE</b>								
Older People and Physical Disability	38,233	217	-2,583	35,867	591	-6,791	32,033	
Learning Disability	37,418	242	1,283	38,943	547	1,269	39,234	
Mental Health	7,824	29	285	8,138	126	546	8,496	
Other Services	21,299	100	-1,619	19,780	107	-853	20,553	
Public Health	-20,556	20	151	-20,385	52	28	-20,476	
<b>NET EXPENDITURE</b>	<b>84,218</b>	<b>608</b>	<b>-2,483</b>	<b>82,343</b>	<b>1,423</b>	<b>-5,801</b>	<b>79,840</b>	

**ADULT CARE AND HEALTH SERVICES OVERVIEW AND SCRUTINY COMMITTEE  
SUMMARY**

	<u>2014/15</u> £'000	<u>2015/16</u> £'000	<u>2016/17</u> £'000	<u>2017/18</u> £'000
2014/2015 ORIGINAL BUDGET at November 2013 price levels	84,218	84,218	84,218	84,218
INFLATION TO NOVEMBER 2014	608	1,423	1,423	1,423
<b>2014/2015 ORIGINAL BUDGET REPRICED</b>	<b>84,826</b>	<b>85,641</b>	<b>85,641</b>	<b>85,641</b>
<b>DEVELOPMENTS</b>				
Older People and Physical Disability	-2,583	-6,791	-6,946	-6,946
Learning Disability	1,283	1,269	1,196	1,161
Mental Health	285	546	546	546
Other Services	-1,619	-853	-1,953	-1,953
Public Health	151	28	28	28
<b>NET EFFECT OF DEVELOPMENTS</b>	<b>-2,483</b>	<b>-5,801</b>	<b>-7,129</b>	<b>-7,164</b>
<b>NET EXPENDITURE</b> at November 2014 prices	<b>82,343</b>	<b>79,840</b>	<b>78,512</b>	<b>78,477</b>
<b>ANALYSIS BY SERVICE</b>				
Older People and Physical Disability	35,867	32,033	31,878	31,878
Learning Disability	38,943	39,234	39,161	39,126
Mental Health	8,138	8,496	8,496	8,496
Other Services	19,780	20,553	19,453	19,453
Public Health	-20,385	-20,476	-20,476	-20,476
<b>NET EXPENDITURE</b> at November 2014 prices	<b>82,343</b>	<b>79,840</b>	<b>78,512</b>	<b>78,477</b>

**ADULT CARE AND HEALTH SERVICES OVERVIEW AND SCRUTINY COMMITTEE  
OLDER PEOPLE AND PHYSICAL DISABILITY**

	<u>2014/15</u> £'000	<u>2015/16</u> £'000	<u>2016/17</u> £'000	<u>2017/18</u> £'000
2014/2015 ORIGINAL BUDGET at November 2013 price levels	38,233	38,233	38,233	38,233
INFLATION TO NOVEMBER 2014	217	591	591	591
2014/2015 ORIGINAL BUDGET REPRICED	38,450	38,824	38,824	38,824
<b>DEVELOPMENTS</b>				
<b><u>Prior to March 2014 Council Tax Setting</u></b>				
11-306 (Apr 11) Framework Agreement - Domiciliary Home Care	-	-205	-205	-205
13-594 (Sep 13) Independent Mental Health Advocacy Service	-	-50	-50	-50
14-181 (Feb 14) Education and Social Services Merger	-31	-31	-31	-31
<b><u>This Year Budget Variations</u></b>				
14-322 (Jun 14) Workforce Development Review	-26	-44	-44	-44
14-347 (Jul 14) Council-wide Outturn Report	-250	-250	-250	-250
14-439 (Sep 14) Keep Independent Through Enablement (KITE)	-15	-30	-30	-30
15-43 (Feb 15) Grants	-	-39	-39	-39
15-45 (Feb 15) Specialist Day Services	-	-465	-620	-620
15-47 (Feb 15) Charges	-	-89	-89	-89
15-101 (Feb 15) Review of Finance Department	-	-41	-41	-41
<b><u>Transfers between Committees</u></b>				
Depreciation Adjustment	9	9	9	9
Finance Manager Post	34	34	34	34
Training and Development	-205	-187	-187	-187
<b><u>Other Technical/Volume Adjustments</u></b>				
2014/15 Increase in Social Care Health Grant	-1,572	-1,572	-1,572	-1,572
Central Support Services Respread	36	-6	-6	-6
Administrative Buildings Realignment	-	-12	-12	-12
14-516 (Oct 14) Legal Services	-	-1	-1	-1
Negotiate Existing Care Placements	-50	-413	-413	-413
2015/16 Social Care Health Funding	-	3,867	3,867	3,867
2015/16 Better Care Fund :-				
- Grant	-	-20,007	-20,007	-20,007
- Clinical Commissioning Group	-	12,746	12,746	12,746
- Performance	-	497	497	497
2014/15 Helping People Home				
- Grant	-75	-	-	-
- Expenditure	75	-	-	-
Transfers within Committee	-513	-502	-502	-502
<b>NET EFFECT OF DEVELOPMENTS</b>	<b>-2,583</b>	<b>-6,791</b>	<b>-6,946</b>	<b>-6,946</b>
<b>NET EXPENDITURE at November 2014 prices</b>	<b>35,867</b>	<b>32,033</b>	<b>31,878</b>	<b>31,878</b>
<b>ANALYSIS BY SERVICE</b>				
Access Team	661	660	660	660
Older People and Physical Disability East Area Team	2,781	3,006	3,006	3,006
Older People and Physical Disability West Area Team	1,940	2,041	2,041	2,041
Occupational Therapy	326	394	394	394
Purchasing - Older People	22,297	23,032	22,877	22,877
Purchasing - Physical Disability	4,989	5,296	5,296	5,296
Contracts with Voluntary Bodies and Better Care	685	-5,542	-5,542	-5,542
Older People Commissioning - JCU, Public Health	363	363	363	363
Other Services	1,825	2,783	2,783	2,783
<b>NET EXPENDITURE at November 2014 prices</b>	<b>35,867</b>	<b>32,033</b>	<b>31,878</b>	<b>31,878</b>



**ADULT CARE AND HEALTH SERVICES OVERVIEW AND SCRUTINY COMMITTEE**  
**LEARNING DISABILITY**

	<u>2014/15</u> £'000	<u>2015/16</u> £'000	<u>2016/17</u> £'000	<u>2017/18</u> £'000
2014/2015 ORIGINAL BUDGET at November 2013 price levels	37,418	37,418	37,418	37,418
INFLATION TO NOVEMBER 2014	242	547	547	547
2014/2015 ORIGINAL BUDGET REPRICED	<u>37,660</u>	<u>37,965</u>	<u>37,965</u>	<u>37,965</u>
<b>DEVELOPMENTS</b>				
<b><u>Prior to March 2014 Council Tax Setting</u></b>				
14-02 (Jan 14) Learning Disability Day Care Service	-	-130	-130	-130
<b><u>This Year Budget Variations</u></b>				
14-347 (Jul 14) Council-wide Outturn Report - former ASSD efficiencies	-250	-250	-250	-250
14-347 (Jul 14) Council-wide Outturn Report - Renewals Fund	32	-	-	-
15-43 (Feb 15) Grants	-	-3	-3	-3
15-46 (Feb 15) LD Service and Development of Staff Mutual	-	-61	-134	-169
15-101 (Feb 15) Review of Finance Department	-	-6	-6	-6
<b><u>Transfers between Committees</u></b>				
Finance Manager Post	12	12	12	12
Depreciation Adjustment	-28	-28	-28	-28
Training and Development	-48	-52	-52	-52
<b><u>Other Technical/Volume Adjustments</u></b>				
Carbon Reduction Commitment	-1	-1	-1	-1
2014/15 Social Care Health Grant	1,679	1,679	1,679	1,679
Central Support Services Respread	-	-15	-15	-15
Administrative Buildings Re-alignment	-	-2	-2	-2
14-516 (Oct 14) Legal Services	-	-1	-1	-1
Negotiate Existing Care Placements	-50	-200	-200	-200
2015/16 Social Care Health Funding	-	670	670	670
Specific Grant Changes :-				
- Local Reform and Community Voices reduction	-	60	60	60
- Social Care in Prisons	-	-296	-296	-296
Transfers within Committee	-63	-107	-107	-107
<b>NET EFFECT OF DEVELOPMENTS</b>	<u>1,283</u>	<u>1,269</u>	<u>1,196</u>	<u>1,161</u>
<b>NET EXPENDITURE at November 2014 prices</b>	<u>38,943</u>	<u>39,234</u>	<u>39,161</u>	<u>39,126</u>
<b>ANALYSIS BY SERVICE</b>				
Learning Disability Teams	38,570	38,844	38,771	38,736
Learning Disability Management	298	299	299	299
Contracts with Voluntary Bodies	26	43	43	43
Retained Costs - Transferred Services	49	48	48	48
<b>NET EXPENDITURE at November 2014 prices</b>	<u>38,943</u>	<u>39,234</u>	<u>39,161</u>	<u>39,126</u>

**ADULT CARE AND HEALTH SERVICES OVERVIEW AND SCRUTINY COMMITTEE  
MENTAL HEALTH**

	<u>2014/15</u>	<u>2015/16</u>	<u>2016/17</u>	<u>2017/18</u>
	£'000	£'000	£'000	£'000
2014/2015 ORIGINAL BUDGET at November 2013 price levels	7,824	7,824	7,824	7,824
INFLATION TO NOVEMBER 2014	29	126	126	126
2014/2015 ORIGINAL BUDGET REPRICED	<u>7,853</u>	<u>7,950</u>	<u>7,950</u>	<u>7,950</u>
<b>DEVELOPMENTS</b>				
<b><u>Prior to March 2014 Council Tax Setting</u></b>				
13-24 (Jan 13) Independent Professional Advocacy Services	-	83	83	83
<b><u>This Year Budget Variations</u></b>				
15-101 (Feb 15) Review of Finance Department	-	-15	-15	-15
<b><u>Transfers between Committees</u></b>				
Finance Manager Post	6	6	6	6
Training and Development	-84	-84	-84	-84
<b><u>Other Technical/Volume Adjustments</u></b>				
2014/15 Increase in Social Care Health Grant	-210	-210	-210	-210
Central Support Services Respread	14	-1	-1	-1
Administrative Buildings Re-alignment	-	-5	-5	-5
2015/16 Social Care Health Funding	-	210	210	210
Transfers within Committee	559	562	562	562
NET EFFECT OF DEVELOPMENTS	<u>285</u>	<u>546</u>	<u>546</u>	<u>546</u>
NET EXPENDITURE at November 2014 prices	<u>8,138</u>	<u>8,496</u>	<u>8,496</u>	<u>8,496</u>
<b>ANALYSIS BY SERVICE</b>				
Mental Health Teams	5,036	5,322	5,322	5,322
Purchasing Management	162	163	163	163
Specialist Teams	2,098	2,108	2,108	2,108
Contracts with Voluntary Bodies	420	478	478	478
Other Services	422	425	425	425
NET EXPENDITURE at November 2014 prices	<u>8,138</u>	<u>8,496</u>	<u>8,496</u>	<u>8,496</u>

**ADULT CARE AND HEALTH SERVICES OVERVIEW AND SCRUTINY COMMITTEE  
OTHER SERVICES**

	<u>2014/15</u>	<u>2015/16</u>	<u>2016/17</u>	<u>2017/18</u>
	£'000	£'000	£'000	£'000

2014/2015 ORIGINAL BUDGET	21,299	21,299	21,299	21,299
at November 2013 price levels				
INFLATION TO NOVEMBER 2014	100	107	107	107
	21,399	21,406	21,406	21,406

**DEVELOPMENTS**

**This Year Budget Variations**

14-347 (Jul 14) Council-wide Outturn Report - former ASSD efficiencies	-574	-574	-574	-574
14-347 (Jul 14) Council-wide Outturn Report - Renewals Fund	69	-	-	-
14-516 (Oct 14) Administration Department Review	-62	-58	-58	-58
15-43 (Feb 15) Grants	-	-1	-1	-1
15-44 (Feb 15) Care Act	-	1,100	-	-
15-101 (Feb 15) Review of Finance Department	-	-4	-4	-4
FCR 448 Postage	-	-3	-3	-3

**Transfers between Committees**

Public Health Schemes	-30	-30	-30	-30
Departmental Budget realignment	102	102	102	102
Depreciation Adjustment	11	11	11	11
Training and Development	-8	-8	-8	-8

**Other Technical/Volume Adjustments**

2014/15 Increase in Social Care Health Grant	-1,200	-1,200	-1,200	-1,200
2014/15 Care Bill Implementation Costs	95	-	-	-
2014/15 Care Bill Implementation Grant	-125	-	-	-
14-516 (Oct 14) Legal Services	-	-24	-24	-24
Central Support Services Respread	2	1	1	1
Administrative Buildings Re-alignment	-	-1	-1	-1
2015/16 Social Care Health Funding	-	1,200	1,200	1,200
2015/16 New Burdens - Care Act	-	-1,094	-1,094	-1,094
Substance Misuse Contracts	-	-400	-400	-400
Transfers within Committee	101	130	130	130
<b>NET EFFECT OF DEVELOPMENTS</b>	<b>-1,619</b>	<b>-853</b>	<b>-1,953</b>	<b>-1,953</b>

NET EXPENDITURE at November 2014 prices	19,780	20,553	19,453	19,453
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**ANALYSIS BY SERVICE**

Contracts with Voluntary Bodies and New Burdens	43	78	-1,022	-1,022
Supporting People	4,919	6,119	6,119	6,119
Sexual Health Commissioning - JCU, Public Health	7,784	7,784	7,784	7,784
Substance Misuse Commissioning - JCU, Public Health	5,318	4,919	4,919	4,919
Other Commissioning - JCU, Public Health	550	553	553	553
Other Services	1,166	1,100	1,100	1,100

NET EXPENDITURE at November 2014 prices	19,780	20,553	19,453	19,453
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**ADULT CARE AND HEALTH SERVICES OVERVIEW AND SCRUTINY COMMITTEE  
PUBLIC HEALTH**

	<u>2014/15</u>	<u>2015/16</u>	<u>2016/17</u>	<u>2017/18</u>
	£'000	£'000	£'000	£'000
2014/2015 ORIGINAL BUDGET NOVEMBER 2013 PRICES	-20,556	-20,556	-20,556	-20,556
INFLATION TO NOVEMBER 2014	20	52	52	52
2014/2015 ORIGINAL BUDGET REPRICED	-20,536	-20,504	-20,504	-20,504
<b>DEVELOPMENTS</b>				
<b><u>Prior to March 2014 Council Tax Setting</u></b>				
13-242 (Apr 13) Aspirations Programme	-	-131	-131	-131
Public Health Dispersal	-	111	111	111
<b><u>This Year Budget Variations</u></b>				
14-347 (Jul 14) Aspirations Programme	34	-	-	-
<b><u>Transfers between Committees</u></b>				
Footsteps	18	18	18	18
Contribution to IDVA	40	-	-	-
LARC Prescribing Costs	130	130	130	130
Central Support Recharge Spread	5	-21	-21	-21
Public Mental Health Strategy	-14	-14	-14	-14
<b><u>Other Technical/Volume Adjustments</u></b>				
14-516 (Oct 14) Legal Services	21	21	21	21
Administration Buildings Re-alignment	-	-3	-3	-3
Transfers within Committee	-83	-83	-83	-83
NET EFFECT OF DEVELOPMENTS	151	28	28	28
NET EXPENDITURE at November 2014 prices	-20,385	-20,476	-20,476	-20,476
<b>ANALYSIS BY SERVICE</b>				
Public Health Advice	2,602	2,603	2,603	2,603
Children 5-19 years	80	80	80	80
NHS Health Checks	573	573	573	573
Health Protection	10	10	10	10
Physical Activity	30	30	30	30
Sexual Health	568	568	568	568
Smoking and Tobacco	345	346	346	346
Substance Misuse	-111	-	-	-
Miscellaneous	949	745	745	745
Public Health Grant	-25,431	-25,431	-25,431	-25,431
NET EXPENDITURE at November 2014 prices	-20,385	-20,476	-20,476	-20,476



**COMMUNITY SERVICES OVERVIEW AND SCRUTINY COMMITTEE  
SUMMARY**

	<u>2014/15 REVISED BUDGET</u>				<u>2015/16 BUDGET</u>		
	<u>2014/15 ORIGINAL BUDGET</u>	<u>INFLATION TO NOV.'14</u>	<u>DEVEL- OPMENTS</u>	<u>TOTAL</u>	<u>INFLATION TO NOV.'14</u>	<u>DEVEL- OPMENTS</u>	<u>TOTAL</u>
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Salaries	14,676	118	-194	14,600	200	-867	14,009
Indirect Employee Expenses	136	-	22	158	-	9	145
Premises	9,592	195	-886	8,901	187	-882	8,897
Use of Transport	391	6	-37	360	-	-40	351
Concessionary Fares	14,362	-	-88	14,274	-	304	14,666
Supplies and Services							
- Contracts with Voluntary Organisations	185	-	-30	155	-	-33	152
- Other	6,905	54	1,186	8,145	37	91	7,033
Third Party Payments	22,096	301	224	22,621	310	16,762	39,168
Precepts and Levies	15,358	6	-1	15,363	6	-436	14,928
Transfer Payments	122	-	30	152	-	13	135
Central and Technical Support	6,867	22	1,101	7,990	48	94	7,009
Depreciation and Impairment	8,102	-	-186	7,916	-	-186	7,916
Government Grants	-97	-	-107	-204	-	57	-40
Rents	-1,031	-1	54	-978	-1	53	-979
Other Income	-50,569	-1	-1,626	-52,196	1	-18,905	-69,473
<b>NET EXPENDITURE at November 2014 prices</b>	<b>47,095</b>	<b>700</b>	<b>-538</b>	<b>47,257</b>	<b>788</b>	<b>-3,966</b>	<b>43,917</b>

**REVENUE EXPENDITURE BY SERVICE**

Community Safety	1,790	21	6	1,817	18	-570	1,238
Environmental Services	3,432	24	-315	3,141	50	-573	2,909
Waste Management	24,017	270	-56	24,231	282	-318	23,981
Leisure Shadow Mutual	4,997	158	312	5,467	97	201	5,295
Libraries and Leisure Centres	4,159	56	22	4,237	52	-504	3,707
Parking & Traffic Management	-19,882	38	-325	-20,169	68	-1,448	-21,262
Planning Services	2,278	26	114	2,418	60	-286	2,052
Infrastructure Maintenance	6,000	102	-160	5,942	150	-443	5,707
Planning and Transport Administration	20,304	5	-136	20,173	11	-25	20,290
<b>NET EXPENDITURE at November 2014 prices</b>	<b>47,095</b>	<b>700</b>	<b>-538</b>	<b>47,257</b>	<b>788</b>	<b>-3,966</b>	<b>43,917</b>

**COMMUNITY SERVICES OVERVIEW AND SCRUTINY COMMITTEE  
SUMMARY**

	<u>2014/15</u> £'000	<u>2015/16</u> £'000	<u>2016/17</u> £'000	<u>2017/18</u> £'000
2014/15 ORIGINAL BUDGET AT at November 2013 Price Level	47,095	47,095	47,095	47,095
INFLATION TO NOVEMBER 2014	700	788	788	788
2014/15 ORIGINAL BUDGET REPRICED	<u>47,795</u>	<u>47,883</u>	<u>47,883</u>	<u>47,883</u>
<b>DEVELOPMENTS</b>				
Community Safety	6	-570	-570	-570
Environmental Services	-315	-573	-660	-660
Waste Management	-56	-318	-337	-337
Leisure Shadow Mutual	312	201	80	70
Libraries and Leisure Centres	22	-504	-1,057	-932
Parking & Traffic Management	-325	-1,448	-1,456	-1,456
Planning Services	114	-286	-286	-286
Infrastructure Maintenance	-160	-443	-452	-452
Planning and Transport Administration	-136	-25	-33	-33
NET EFFECT OF DEVELOPMENTS	<u>-538</u>	<u>-3,966</u>	<u>-4,771</u>	<u>-4,656</u>
NET EXPENDITURE at November 2014 prices	<u>47,257</u>	<u>43,917</u>	<u>43,112</u>	<u>43,227</u>
<b>REVENUE EXPENDITURE BY SERVICE</b>				
Community Safety	1,817	1,238	1,238	1,238
Environmental Services	3,141	2,909	2,822	2,822
Waste Management	24,231	23,981	23,962	23,962
Leisure Shadow Mutual	5,467	5,295	5,174	5,164
Libraries and Leisure Centres	4,237	3,707	3,154	3,279
Parking & Traffic Management	-20,169	-21,262	-21,270	-21,270
Planning Services	2,418	2,052	2,052	2,052
Infrastructure Maintenance	5,942	5,707	5,698	5,698
Planning and Transport Administration	20,173	20,290	20,282	20,282
NET EXPENDITURE at November 2014 prices	<u>47,257</u>	<u>43,917</u>	<u>43,112</u>	<u>43,227</u>

**COMMUNITY SERVICES OVERVIEW AND SCRUTINY COMMITTEE  
COMMUNITY SAFETY**

	<u>2014/15</u> £'000	<u>2015/16</u> £'000	<u>2016/17</u> £'000	<u>2017/18</u> £'000
2014/15 ORIGINAL BUDGET AT at November 2013 Price Level	1,790	1,790	1,790	1,790
INFLATION TO NOVEMBER 2014	21	18	18	18
2014/15 ORIGINAL BUDGET REPRICED	1,811	1,808	1,808	1,808
<b>DEVELOPMENTS</b>				
<b><u>Prior to March 2014 Budget Setting</u></b>				
<b><u>This Year Budget Variations</u></b>				
14-499 (Oct 14) Review of Community Safety	-	-212	-212	-212
14-629 (Nov 14) Policing of Parks & Open Spaces	-	-170	-170	-170
<b><u>Other Technical/Volume adjustments</u></b>				
Central/Departmental Support Apportionments	1	-2	-2	-2
14-516 (Oct 14) Legal Services	-	-3	-3	-3
<b><u>Transfers Between Committees</u></b>				
14-629 (Nov 14) Policing of Parks & Open Spaces	-	-188	-188	-188
Depreciation	5	5	5	5
<b>Transfers within committee</b>				
NET EFFECT OF DEVELOPMENTS	6	-570	-570	-570
NET EXPENDITURE at November 2014 prices	1,817	1,238	1,238	1,238
<b>REVENUE EXPENDITURE BY SERVICE</b>				
CCTV Maintenance and Retail Radio	509	434	434	434
Domestic Violence Co-ordinator	55	56	56	56
Community Safety General	895	748	748	748
Parks Police Contract	358	-	-	-
NET EXPENDITURE at November 2014 prices	1,817	1,238	1,238	1,238



**COMMUNITY SERVICES OVERVIEW AND SCRUTINY COMMITTEE  
ENVIRONMENTAL SERVICES**

	<u>2014/15</u> £'000	<u>2015/16</u> £'000	<u>2016/17</u> £'000	<u>2017/18</u> £'000
2014/15 ORIGINAL BUDGET AT at November 2013 Price Level	3,432	3,432	3,432	3,432
INFLATION TO NOVEMBER 2014	24	50	50	50
2014/15 ORIGINAL BUDGET REPRICED	<u>3,456</u>	<u>3,482</u>	<u>3,482</u>	<u>3,482</u>
<b>DEVELOPMENTS</b>				
<b><u>Prior to March 2014 Budget Setting</u></b>				
13-562 (Oct 13) Departmental Staffing Review	-	-5	-5	-5
13-627 (Oct 13) Departmental Management	-	-12	-12	-12
<b><u>This Year Budget Variations</u></b>				
14-634 (Nov 14) Environmental Services Staffing Review	-	-261	-335	-335
<b><u>Other Technical/Volume adjustments</u></b>				
Central/Departmental Support Apportionments	-274	-291	-291	-291
14-516 (Oct 14) Legal Services	-21	-19	-19	-19
Electric Car point	-13	13	-	-
<b><u>Transfers Between Committees</u></b>				
Depreciation	-7	-7	-7	-7
<b>Transfers within committee</b>				
	-	9	9	9
NET EFFECT OF DEVELOPMENTS	<u>-315</u>	<u>-573</u>	<u>-660</u>	<u>-660</u>
NET EXPENDITURE at November 2014 prices	<u>3,141</u>	<u>2,909</u>	<u>2,822</u>	<u>2,822</u>
<b>REVENUE EXPENDITURE BY SERVICE</b>				
Food and Health & Safety	976	873	873	873
Trading Standards	528	487	487	487
Licensing	251	188	188	188
Coroners Court and Mortuary	451	447	447	447
General Environmental Services	935	914	827	827
NET EXPENDITURE at November 2014 prices	<u>3,141</u>	<u>2,909</u>	<u>2,822</u>	<u>2,822</u>

**COMMUNITY SERVICES OVERVIEW AND SCRUTINY COMMITTEE  
WASTE MANAGEMENT**

	<u>2014/15</u> £'000	<u>2015/16</u> £'000	<u>2016/17</u> £'000	<u>2017/18</u> £'000
2014/15 ORIGINAL BUDGET AT at November 2013 Price Level	24,017	24,017	24,017	24,017
INFLATION TO NOVEMBER 2014	270	282	282	282
2014/15 ORIGINAL BUDGET REPRICED	<u>24,287</u>	<u>24,299</u>	<u>24,299</u>	<u>24,299</u>
<b>DEVELOPMENTS</b>				
<b><u>Prior to March 2014 Budget Setting</u></b>				
13-562 (Oct 13) Departmental Staffing review	-	-6	-6	-6
13-627 (Oct 13) Departmental Management	-	-14	-14	-14
<b><u>This Year Budget Variations</u></b>				
14-579 (Nov 14) Charges Review	-	-58	-58	-58
14-585 (Nov 14) Departmental Staffing Review	-	-96	-115	-115
14-585 (Nov 14) Review of Departmental Support	-5	-5	-5	-5
14-585 (Nov 14) Review of Dog Control	-106	-114	-114	-114
15-114 (Feb 15) WRWA Levy	-	-52	-52	-52
FCR448 (Feb 15) Postal Services	-	-1	-1	-1
<b><u>Other Technical/Volume adjustments</u></b>				
Central/Departmental Support Apportionments	42	28	28	28
14-516 (Oct 14) Legal Services	7	-	-	-
Administrative Buildings Apportionment	-	-2	-2	-2
<b><u>Transfers Between Committees</u></b>				
Departmental Support Recharges	4	4	4	4
Depreciation	-3	-3	-3	-3
14-523 (Oct 14) Wandsworth Grants Fund	-	-4	-4	-4
<b>Transfers within committee</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>5</b>
NET EFFECT OF DEVELOPMENTS	<u>-56</u>	<u>-318</u>	<u>-337</u>	<u>-337</u>
NET EXPENDITURE at November 2014 prices	<u>24,231</u>	<u>23,981</u>	<u>23,962</u>	<u>23,962</u>
<b>REVENUE EXPENDITURE BY SERVICE</b>				
Refuse & Recycling	18,824	18,635	18,626	18,626
Street Cleansing	5,341	5,286	5,276	5,276
Dog Control and Enforcement	66	60	60	60
NET EXPENDITURE at November 2014 prices	<u>24,231</u>	<u>23,981</u>	<u>23,962</u>	<u>23,962</u>

**COMMUNITY SERVICES OVERVIEW AND SCRUTINY COMMITTEE  
LEISURE SHADOW MUTUAL**

	<u>2014/15</u> £'000	<u>2015/16</u> £'000	<u>2016/17</u> £'000	<u>2017/18</u> £'000
2014/15 ORIGINAL BUDGET AT at November 2013 Price Level	4,997	4,997	4,997	4,997
INFLATION TO NOVEMBER 2014	158	97	97	97
2014/15 ORIGINAL BUDGET REPRICED	5,155	5,094	5,094	5,094
<b>DEVELOPMENTS</b>				
<b><u>Prior to March 2014 Budget Setting</u></b>				
13-553 (Oct 13) Living Wandle - Heritage Lottery Fund	-	20	20	-67
Living Wandle Grant Income	-	-20	-20	67
13-562 (Oct 13) Departmental Staffing Review	-	-3	-3	-3
14-46 (Jan 14) Revenue Effects of Capital Expenditure	-	-26	-26	-26
14-149 (Feb 14) Disability Arts Contracts	-	-2	-2	-2
14-152 (Feb 14) Leisure and Culture Mutual	-	-150	-160	-160
Battersea Park Concessions	-	-49	-49	-49
<b><u>This Year Budget Variations</u></b>				
14-363 (July 14) Heritage Lottery Fund	222	51	-	-
14-364 (July 14) Garratt Green Site	-	-3	-3	-3
14-366 (July 14) Battersea Arts Centre	-	-20	-20	-20
15-8 (Feb 15) Closure of Battersea Sports Centre	-	-	-100	-100
15-58 (Feb 15) Battersea Arts Centre Funding	-	-	-11	-21
15-114 (Feb 15) Wimbledon&Putney Conservators Levy	-	35	35	35
15-114 (Feb 15) Lee Valley Park Levy	-	-6	-6	-6
FCR448 (Feb 15) Postal Services	-	-1	-1	-1
<b><u>Other Technical/Volume adjustments</u></b>				
Tennis Court Contract	10	10	10	10
14-363 (July 14) Heritage Lottery Fund Grant Income	-222	-51	-	-
Central/Departmental Support Apportionments	-88	-103	-103	-103
14-516 (Oct 14) Legal Services	-7	-22	-22	-22
Wimbledon and Putney Conservators Levy	-1	-1	-1	-1
Carbon Reduction Commitment	-4	-	-	-
Revenue Allocation to Capital	-13	-	-	-
NESCB budgets	91	95	95	95
Adventure Playgrounds Maintenance	-	-54	-54	-54
<b><u>Transfers Between Committees</u></b>				
Playgrounds Maintenance Budgets	129	129	129	129
14-629 (Nov 14) Policing of Parks & Open Spaces	-	188	188	188
Depreciation	84	84	84	84
14-523 (Oct 14) Wandsworth Grants Fund	-	-65	-65	-65
<b>Transfers within committee</b>	<b>111</b>	<b>165</b>	<b>165</b>	<b>165</b>
<b>NET EFFECT OF DEVELOPMENTS</b>	<b>312</b>	<b>201</b>	<b>80</b>	<b>70</b>
<b>NET EXPENDITURE at November 2014 prices</b>	<b>5,467</b>	<b>5,295</b>	<b>5,174</b>	<b>5,164</b>
<b>REVENUE EXPENDITURE BY SERVICE</b>				
Parks and Open Spaces	1,739	1,698	1,698	1,698
Bereavement Services	-1,450	-1,465	-1,465	-1,465
Sports Services	547	502	402	402
Security, Arts and Public Events	-99	-109	-120	-130
Mutual Retained Costs	4,730	4,669	4,659	4,659
<b>NET EXPENDITURE at November 2014 prices</b>	<b>5,467</b>	<b>5,295</b>	<b>5,174</b>	<b>5,164</b>

**COMMUNITY SERVICES OVERVIEW AND SCRUTINY COMMITTEE  
LIBRARIES AND LEISURE CENTRES**

	<u>2014/15</u> £'000	<u>2015/16</u> £'000	<u>2016/17</u> £'000	<u>2017/18</u> £'000
2014/15 ORIGINAL BUDGET AT at November 2013 Price Level	4,159	4,159	4,159	4,159
INFLATION TO NOVEMBER 2014	56	52	52	52
2014/15 ORIGINAL BUDGET REPRICED	4,215	4,211	4,211	4,211
<b>DEVELOPMENTS</b>				
<b><u>Prior to March 2014 Budget Setting</u></b>				
13-562 (Oct 13) Departmental Staffing Review	-	-1	-1	-1
Wandsworth Museum Rent	-	-200	-200	-200
<b><u>This Year Budget Variations</u></b>				
14-362 (July 14) Leisure Centres Contract	120	-293	-846	-721
14-585 (Nov 14) Review of Departmental Support	-5	-5	-5	-5
<b><u>Other Technical/Volume adjustments</u></b>				
Central/Departmental Support Apportionments	-62	-72	-72	-72
14-516 (Oct 14) Legal Services	-	-7	-7	-7
Contract saving from changes to NNDR Discretionary Relief	-38	-77	-77	-77
Renewals Fund Contribution	100	100	100	100
Administrative Buildings Apportionment	-	-2	-2	-2
Carbon Reduction Commitment	-4	-4	-4	-4
<b><u>Transfers Between Committees</u></b>				
Departmental Support Recharges	-2	-2	-2	-2
Rent at 38 West Hill	-	200	200	200
Depreciation	28	28	28	28
<b>Transfers within committee</b>	-115	-169	-169	-169
NET EFFECT OF DEVELOPMENTS	22	-504	-1,057	-932
NET EXPENDITURE at November 2014 prices	4,237	3,707	3,154	3,279
<b>REVENUE EXPENDITURE BY SERVICE</b>				
Libraries	4,674	4,621	4,621	4,621
Leisure Centres	-437	-914	-1,467	-1,342
NET EXPENDITURE at November 2014 prices	4,237	3,707	3,154	3,279

**COMMUNITY SERVICES OVERVIEW AND SCRUTINY COMMITTEE  
PARKING & TRAFFIC MANAGEMENT**

	<u>2014/15</u> £'000	<u>2015/16</u> £'000	<u>2016/17</u> £'000	<u>2017/18</u> £'000
2014/15 ORIGINAL BUDGET AT at November 2013 Price Level	-19,882	-19,882	-19,882	-19,882
INFLATION TO NOVEMBER 2014	38	68	68	68
2014/15 ORIGINAL BUDGET REPRICED	-19,844	-19,814	-19,814	-19,814
<b>DEVELOPMENTS</b>				
<b><u>Prior to March 2014 Budget Setting</u></b>				
13-541 (Oct 13) Parking Enforcement Contract	-	-93	-93	-93
13-562 (Oct 13) Departmental Staffing Review	-	-3	-3	-3
13-627 (Oct 13) Departmental Management	-	-33	-33	-33
<b><u>This Year Budget Variations</u></b>				
14-347 (July 14) Renewals Fund Expenditure	200	-	-	-
14-378 (July 14) Review of Parking Charges	-225	-450	-450	-450
14-579 (Nov 14) Charges Review	-9	-35	-35	-35
14-585 (Nov 14) Departmental Staffing Review	-	-42	-50	-50
14-585 (Nov 14) Review of Departmental Support	-20	-20	-20	-20
14-637 (Nov 14) Vehicle Removal Contract	-	-69	-69	-69
FCR448 (Feb 15) Postal Services	-	-9	-9	-9
15-101 (Feb 15) Review of Finance Department	-	-146	-146	-146
<b><u>Other Technical/Volume adjustments</u></b>				
Central/Departmental Support Apportionments	-43	-59	-59	-59
14-516 (Oct 14) Legal Services	-	-27	-27	-27
Administrative Buildings Apportionment	-	-4	-4	-4
Review of Parking Budgets	-	-230	-230	-230
<b><u>Transfers Between Committees</u></b>				
Departmental Support recharges	5	5	5	5
<b>Transfers within committee</b>	-233	-233	-233	-233
<b>NET EFFECT OF DEVELOPMENTS</b>	-325	-1,448	-1,456	-1,456
<b>NET EXPENDITURE at November 2014 prices</b>	-20,169	-21,262	-21,270	-21,270
<b>REVENUE EXPENDITURE BY SERVICE</b>				
Parking Administration	3,612	3,266	3,266	3,266
Parking Income Collection	-23,295	-23,813	-23,821	-23,821
Parking Zone Projects and Reviews	305	75	75	75
Bus Lane and Traffic Enforcement	-1,101	-1,100	-1,100	-1,100
Traffic Management	310	310	310	310
<b>NET EXPENDITURE at November 2014 prices</b>	-20,169	-21,262	-21,270	-21,270

**COMMUNITY SERVICES OVERVIEW AND SCRUTINY COMMITTEE  
PLANNING SERVICES**

	<u>2014/15</u> £'000	<u>2015/16</u> £'000	<u>2016/17</u> £'000	<u>2017/18</u> £'000
2014/15 ORIGINAL BUDGET AT at November 2013 Price Level	2,278	2,278	2,278	2,278
INFLATION TO NOVEMBER 2014	26	60	60	60
2014/15 ORIGINAL BUDGET REPRICED	2,304	2,338	2,338	2,338
<b>DEVELOPMENTS</b>				
<b><u>Prior to March 2014 Budget Setting</u></b>				
13-562 (Oct 13) Departmental Staffing Review	-	-10	-10	-10
13-627 (Oct 13) Departmental Management	-	-35	-35	-35
<b><u>This Year Budget Variations</u></b>				
14-338 (July 14) Senior Management Review	-38	-77	-77	-77
14-347 (July 14) Renewals Fund Expenditure	140	-	-	-
14-516 (Sept 14) Legal Budget Reductions	-10	-10	-10	-10
14-579 (Nov 14) Charges Review	-1	-54	-54	-54
14-585 (Nov 14) Review of Departmental Support	-15	-15	-15	-15
FCR448 (Feb 15) Postal Services	-	-1	-1	-1
<b><u>Other Technical/Volume adjustments</u></b>				
Central/Departmental Support Apportionments	61	52	52	52
14-516 (Oct 14) Legal Services	-	-110	-110	-110
Administrative Buildings Apportionment	-	-3	-3	-3
<b><u>Transfers Between Committees</u></b>				
Departmental Support recharges	7	7	7	7
Depreciation	-30	-30	-30	-30
NET EFFECT OF DEVELOPMENTS	114	-286	-286	-286
NET EXPENDITURE at November 2014 prices	2,418	2,052	2,052	2,052
<b>REVENUE EXPENDITURE BY SERVICE</b>				
Development Planning and Control	2,139	1,799	1,799	1,799
Building Control	49	30	30	30
Transportation planning	230	223	223	223
NET EXPENDITURE at November 2014 prices	2,418	2,052	2,052	2,052

**COMMUNITY SERVICES OVERVIEW AND SCRUTINY COMMITTEE  
INFRASTRUCTURE MAINTENANCE**

	<u>2014/15</u> £'000	<u>2015/16</u> £'000	<u>2016/17</u> £'000	<u>2017/18</u> £'000
2014/15 ORIGINAL BUDGET AT at November 2013 Price Level	6,000	6,000	6,000	6,000
INFLATION TO NOVEMBER 2014	102	150	150	150
2014/15 ORIGINAL BUDGET REPRICED	<u>6,102</u>	<u>6,150</u>	<u>6,150</u>	<u>6,150</u>
<b>DEVELOPMENTS</b>				
<b><u>Prior to March 2014 Budget Setting</u></b>				
13-562 (Oct 13) Departmental Staffing Review	-	-1	-1	-1
14-193 (Feb 14) Carriageway Repairs	-	-500	-500	-500
<b><u>This Year Budget Variations</u></b>				
14-338 (July 14) Senior Management Review	-5	-10	-10	-10
14-516 (Sept 14) Legal Budget Reductions	-2	-2	-2	-2
14-585 (Nov 14) Departmental Staffing Review	-	-44	-53	-53
<b><u>Other Technical/Volume adjustments</u></b>				
Central/Departmental Support Apportionments	13	12	12	12
Pothole Repair Grant from Department of Transport	-164	-	-	-
14-516 (Oct 14) Legal Services	-	-22	-22	-22
Advertising Revenue from Wandsworth roundabout (transfer)	-	176	176	176
Carbon Reduction Commitment	-2	-2	-2	-2
Street Lighting Costs	-	-50	-50	-50
<b><u>Transfers Between Committees</u></b>				
<b>Transfers within committee</b>				
NET EFFECT OF DEVELOPMENTS	<u>-160</u>	<u>-443</u>	<u>-452</u>	<u>-452</u>
NET EXPENDITURE at November 2014 prices	<u>5,942</u>	<u>5,707</u>	<u>5,698</u>	<u>5,698</u>
<b>REVENUE EXPENDITURE BY SERVICE</b>				
Bridges, Structures and Drainage	212	212	212	212
Footway and Carriageway Maintenance	3,624	3,405	3,396	3,396
Street Lighting and Furniture	2,106	2,090	2,090	2,090
NET EXPENDITURE at November 2014 prices	<u>5,942</u>	<u>5,707</u>	<u>5,698</u>	<u>5,698</u>

**COMMUNITY SERVICES OVERVIEW AND SCRUTINY COMMITTEE  
PLANNING AND TRANSPORT ADMINISTRATION**

	<u>2014/15</u> £'000	<u>2015/16</u> £'000	<u>2016/17</u> £'000	<u>2017/18</u> £'000
2014/15 ORIGINAL BUDGET AT at November 2013 Price Level	20,304	20,304	20,304	20,304
INFLATION TO NOVEMBER 2014	5	11	11	11
2014/15 ORIGINAL BUDGET REPRICED	20,309	20,315	20,315	20,315
<b>DEVELOPMENTS</b>				
<b><u>Prior to March 2014 Budget Setting</u></b>				
13-562 (Oct 13) Departmental Staffing Review	-	-1	-1	-1
13-627 (Oct 13) Departmental Management	-	-14	-14	-14
<b><u>This Year Budget Variations</u></b>				
14-516 (Sept 14) Legal Budget Reductions	-4	-4	-4	-4
14-579 (Nov 14) Charges Review	-11	-45	-45	-45
14-585 (Nov 14) Departmental Staffing Review	-	-42	-50	-50
14-585 (Nov 14) Review of Departmental Support	-4	-4	-4	-4
15-114 (Feb 15) Flood Defence Levy	-	6	6	6
15-114 (Feb 15) Traffic Technology Levy	-	-76	-76	-76
15-114 (Feb 15) London Lorry Ban Admin Levy	-	-4	-4	-4
15-114 (Feb 15) Concessionary Fares	-	392	392	392
15-101 (Feb 15) Review of Finance Department	-	-42	-42	-42
<b><u>Other Technical/Volume adjustments</u></b>				
Central/Departmental Support Apportionments	2	-	-	-
14-516 (Oct 14) Legal Services	-	-72	-72	-72
<b><u>Transfers Between Committees</u></b>				
Departmental Support Recharges	-90	-90	-90	-90
Depreciation	-261	-261	-261	-261
<b>Transfers within committee</b>	232	232	232	232
NET EFFECT OF DEVELOPMENTS	-136	-25	-33	-33
NET EXPENDITURE at November 2014 prices	20,173	20,290	20,282	20,282
<b>REVENUE EXPENDITURE BY SERVICE</b>				
Concessionary Fares	14,274	14,624	14,624	14,624
Other Precepts and Levies	6,325	6,251	6,251	6,251
Wandsworth Community Transport	248	248	248	248
Engineering Services	242	156	156	156
Highway Licensing	-1,067	-1,141	-1,149	-1,149
School Crossing Patrols	28	29	29	29
Other Administrative and Support Services	123	123	123	123
NET EXPENDITURE at November 2014 prices	20,173	20,290	20,282	20,282





**EDUCATION AND CHILDREN'S SERVICES OVERVIEW AND SCRUTINY COMMITTEE  
SUMMARY**

	<u>2014/15 REVISED BUDGET</u>			<u>2015/16 BUDGET</u>			
	<u>2014/15 ORIGINAL BUDGET</u>	<u>INFLATION TO NOV. '14</u>	<u>DEVEL- OPMENTS</u>	<u>TOTAL</u>	<u>INFLATION TO NOV. '14</u>	<u>DEVEL- OPMENTS</u>	<u>TOTAL</u>
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Salaries	16,867	131	1,177	18,175	335	3,666	20,868
Indirect Employee Expenses	4,993	30	707	5,730	78	444	5,515
Premises	1,444	4	-671	777	3	-818	629
Use of Transport	3,253	2	54	3,309	2	46	3,301
Supplies and Services							
- Contracts with Voluntary Bodies	5,295	-	103	5,398	-	29	5,324
- Other	5,653	30	171	5,854	12	202	5,867
Third Party Payments							
- Levies	1,509	-	-	1,509	-	-	1,509
- Other	15,021	193	925	16,139	89	11	15,121
Central and Technical Support	13,427	103	1,476	15,006	218	542	14,187
Depreciation and Impairment	3,971	-	86	4,057	-	86	4,057
Government Grants	-3,886	-	-4,499	-8,385	-	-4,836	-8,722
Rents	-	-	-	-	-	-	-
Other Income	-1,340	-	-57	-1,397	-	-104	-1,444
<b>NET EXPENDITURE at November 2014 prices</b>	<b>66,207</b>	<b>493</b>	<b>-528</b>	<b>66,172</b>	<b>737</b>	<b>-732</b>	<b>66,212</b>

**REVENUE EXPENDITURE BY SERVICE**

Specialist Services	24,410	296	85	24,791	348	699	25,457
Prevention & Intervention	20,481	91	-469	20,103	174	-1,209	19,446
Education, Performance & Planning	21,316	106	-144	21,278	215	-222	21,309
<b>NET EXPENDITURE at November 2014 prices</b>	<b>66,207</b>	<b>493</b>	<b>-528</b>	<b>66,172</b>	<b>737</b>	<b>-732</b>	<b>66,212</b>

**EDUCATION AND CHILDREN'S SERVICES OVERVIEW AND SCRUTINY COMMITTEE  
SUMMARY**

	<u>2014/15</u> £'000	<u>2015/16</u> £'000	<u>2016/17</u> £'000	<u>2017/18</u> £'000
2014/2015 ORIGINAL BUDGET at November 2013 price levels	66,207	66,207	66,207	66,207
INFLATION TO NOVEMBER 2014	493	737	737	737
2014/2015 ORIGINAL BUDGET REPRICED	66,700	66,944	66,944	66,944
<b>DEVELOPMENTS</b>				
Specialist Services	85	699	414	414
Prevention & Intervention	-469	-1,209	-1,355	-1,355
Education, Performance & Planning	-144	-222	-712	-712
NET EFFECT OF DEVELOPMENTS	-528	-732	-1,653	-1,653
NET EXPENDITURE at November 2014 prices	66,172	66,212	65,291	65,291
<b>ANALYSIS BY SERVICE</b>				
Specialist Services	24,791	25,457	25,172	25,172
Prevention & Intervention	20,103	19,446	19,300	19,300
Education, Performance & Planning	21,278	21,309	20,819	20,819
NET EXPENDITURE at November 2014 prices	66,172	66,212	65,291	65,291

**EDUCATION AND CHILDREN'S SERVICES OVERVIEW AND SCRUTINY COMMITTEE  
SPECIALIST SERVICES**

	<u>2014/15</u> £'000	<u>2015/16</u> £'000	<u>2016/17</u> £'000	<u>2017/18</u> £'000
2014/2015 ORIGINAL BUDGET at November 2013 price levels	24,410	24,410	24,410	24,410
INFLATION TO NOVEMBER 2014	296	348	348	348
<b>2014/2015 ORIGINAL BUDGET REPRICED</b>	<b>24,706</b>	<b>24,758</b>	<b>24,758</b>	<b>24,758</b>
<b>DEVELOPMENTS</b>				
<b><u>Prior to March 2014 Council Tax Setting</u></b>				
13-630 (Oct 13) Review Departmental Finance Functions	-	-100	-100	-100
<b><u>This Year Budget Variations</u></b>				
14-322 (Jun 14) Workforce Development Review	-92	-159	-159	-159
14-592 (Nov 14) Staying Put Arrangements for Care Leavers	18	-	-	-
15-86 (Jan 15) 14/15 Unringfenced Adoption Reform Grant	100	285	-	-
<b><u>Transfers between Committees</u></b>				
14-181 (Feb 14) Department of Education & Social Services	-65	-65	-65	-65
Public Mental Health Strategy	14	14	14	14
Admin Buildings Realignment	-	-12	-12	-12
Central Support Services Realignment	-34	-62	-62	-62
Training and Development Budget Realignment	345	344	344	344
<b><u>Other Technical/Volume Adjustments</u></b>				
Carbon Reduction Commitment	-2	-2	-2	-2
Staying Put Grant	-18	-	-	-
Adoption Reform Grant	-528	-	-	-
Transfers within Committee	347	456	456	456
<b>NET EFFECT OF DEVELOPMENTS</b>	<b>85</b>	<b>699</b>	<b>414</b>	<b>414</b>
<b>NET EXPENDITURE at November 2014 prices</b>	<b>24,791</b>	<b>25,457</b>	<b>25,172</b>	<b>25,172</b>
<b>ANALYSIS BY SERVICE</b>				
Children in Need	6,794	6,777	6,777	6,777
Children Looked After and External Placements	8,509	9,238	8,953	8,953
Family & Community	2,487	2,508	2,508	2,508
Fostering	3,854	3,832	3,832	3,832
Safeguarding	1,092	1,103	1,103	1,103
Service Development & Training	2,055	1,999	1,999	1,999
<b>NET EXPENDITURE at November 2014 prices</b>	<b>24,791</b>	<b>25,457</b>	<b>25,172</b>	<b>25,172</b>

**EDUCATION AND CHILDREN'S SERVICES OVERVIEW AND SCRUTINY COMMITTEE  
PREVENTION AND INTERVENTION**

	<u>2014/15</u> £'000	<u>2015/16</u> £'000	<u>2016/17</u> £'000	<u>2017/18</u> £'000
2014/2015 ORIGINAL BUDGET at November 2013 price levels	20,481	20,481	20,481	20,481
INFLATION TO NOVEMBER 2014	91	174	174	174
<b>2014/2015 ORIGINAL BUDGET REPRICED</b>	<b>20,572</b>	<b>20,655</b>	<b>20,655</b>	<b>20,655</b>
<b>DEVELOPMENTS</b>				
<b><u>Prior to March 2014 Council Tax Setting</u></b>				
13-183 (Feb 13) Council Tax (FRP)	-	-295	-295	-295
13-242 (Apr 13) Aspirations (Ending Gang & Youth Violence)	-	-50	-50	-50
14-46 (Jan 14) Additions to the Capital Programme	-	-16	-16	-16
14-114 (Feb 14) Bridge House	-	-100	-100	-100
<b><u>This Year Budget Variations</u></b>				
14-347 (Jul 14) Financial Results (Renewals Fund)	104	-	-	-
14-516 (Oct 14) Administration Review	-5	-16	-16	-16
14-591 (Nov 14) Troubled Families and FRP	-	951	951	951
15-81 (Jan 15) Re-tendering of "leaving care services"	-	-33	-33	-33
15-88 (Jan 15) Revision of Charges	-	-20	-20	-20
15-80 (Jan 15) Youth Marketing Testing	-	-340	-487	-487
<b><u>Transfers between Committees</u></b>				
14-181 (Feb 14) Department of Education & Social Services	-2	-2	-2	-2
Playground Infrastructure	-133	-133	-133	-133
Public Health Schemes	30	30	30	30
Admin Buildings Realignment	-	-20	-20	-20
Central Support Services Realignment	-55	-97	-97	-97
Facilities Management Centralisation	290	290	290	290
14-523 (Oct 14) Wandsworth Grant Fund	-	-202	-202	-202
Training and Development Budget realignment	-	-2	-2	-2
<b><u>Other Technical/Volume Adjustments</u></b>				
Family Recovery Project Income	-310	-	-	-
Carbon Reduction Commitment	-1	-1	-1	-1
Troubled Families Grant Income	-	-655	-655	-655
Transfers within Committee	-387	-498	-497	-497
<b>NET EFFECT OF DEVELOPMENTS</b>	<b>-469</b>	<b>-1,209</b>	<b>-1,355</b>	<b>-1,355</b>
<b>NET EXPENDITURE at November 2014 prices</b>	<b>20,103</b>	<b>19,446</b>	<b>19,300</b>	<b>19,300</b>
<b>ANALYSIS BY SERVICE</b>				
Early Years Services	7,776	7,724	7,724	7,724
Family Recovery Project and Troubled Families	1,212	1,486	1,486	1,486
Lifelong Learning	71	62	62	62
Play and Extended Schools	2,933	2,913	2,914	2,914
Youth Support & Youth Offending Team	6,733	6,258	6,258	6,258
Youth Work Service	1,378	1,003	856	856
<b>NET EXPENDITURE at November 2014 prices</b>	<b>20,103</b>	<b>19,446</b>	<b>19,300</b>	<b>19,300</b>

**EDUCATION AND CHILDREN'S SERVICES OVERVIEW AND SCRUTINY COMMITTEE**  
**EDUCATION, PERFORMANCE & PLANNING**

	<u>2014/15</u> £'000	<u>2015/16</u> £'000	<u>2016/17</u> £'000	<u>2017/18</u> £'000
2014/2015 ORIGINAL BUDGET at November 2013 price levels	21,316	21,316	21,316	21,316
INFLATION TO NOVEMBER 2014	106	215	215	215
<b>2014/2015 ORIGINAL BUDGET REPRICED</b>	<b>21,422</b>	<b>21,531</b>	<b>21,531</b>	<b>21,531</b>
<b>DEVELOPMENTS</b>				
<b><u>Prior to March 2014 Council Tax Setting</u></b>				
13-212 (Apr 13) Departmental Restructure	-	-129	-129	-129
13-660 (Nov 13) Implementation of SEN Reforms	-	-110	-110	-110
14-46 (Jan 14) Additions to the Capital Programme	-	-7	-7	-7
<b><u>This Year Budget Variations</u></b>				
14-251 (Apr 14) SEN Reform Grant	323	215	-	-
14-347 (Jul 14) Financial Results (Renewals Fund)	15	-	-	-
14-459 (Sep 14) SEN Reforms	88	178	-	-
14-516 (Oct 14) Administration Review	-69	-73	-73	-73
14-589 (Nov 14) Education, Performance & Planning	-44	-137	-137	-137
14-590 (Nov 14) Special Needs, Disability & Psychology Service	-	-368	-465	-465
15-101 (Feb 15) Review of Finance Department	-	-122	-122	-122
15-120 (Jan 15) Removal PRSS	-	-37	-37	-37
<b><u>Transfers between Committees</u></b>				
14-181 (Feb 14) Department of Education & Social Services	-13	-13	-13	-13
Centralisation of Property Services	349	349	349	349
14-516 (Oct 14) Legal Services	-	14	14	14
Departmental Budget Realignment	-102	-102	-102	-102
Depreciation Adjustments	271	271	271	271
Admin Buildings Realignment	-	-13	-13	-13
Facilities Management Centralisation	-	-167	-167	-167
Central Support Services Realignment	-70	-138	-138	-138
FCR448 Postage	-	-2	-2	-2
Training and Development Budget realignment	-	-12	-12	-12
<b><u>Other Technical/Volume Adjustments</u></b>				
SEN Reform Grant	-538	-	-	-
Miscellaneous HR Efficiencies	-	-34	-34	-34
SALT charge to DSB and Reduced Supervision	-130	-130	-130	-130
Education Welfare Increased Income	-	-5	-5	-5
DSG Contribution to BSF	-	384	384	384
Short Breaks Budgets	-53	-106	-106	-106
SEN Implementation Grant	-266	-	-	-
Transfers within Committee	95	72	72	72
<b>NET EFFECT OF DEVELOPMENTS</b>	<b>-144</b>	<b>-222</b>	<b>-712</b>	<b>-712</b>
<b>NET EXPENDITURE at November 2014 prices</b>	<b>21,278</b>	<b>21,309</b>	<b>20,819</b>	<b>20,819</b>
<b>ANALYSIS BY SERVICE</b>				
14-19	245	245	245	245
Capital Building & Development	-	-124	-124	-124
Education Welfare Service	461	466	466	466
Financial and Other Services	2,798	2,737	2,737	2,737
ICT and Office Services	3,489	3,498	3,498	3,498
Inclusion Service	596	603	603	603
Performance & Standards	1,474	1,304	1,304	1,304
Special Needs and Disabled Children	8,725	9,090	8,600	8,600
Dedicated School Budget Funded by General Fund	3,490	3,490	3,490	3,490
<b>NET EXPENDITURE at November 2014 prices</b>	<b>21,278</b>	<b>21,309</b>	<b>20,819</b>	<b>20,819</b>



**FINANCE AND CORPORATE RESOURCES OVERVIEW AND SCRUTINY COMMITTEE  
SUMMARY**

	<u>2014/15 REVISED BUDGET</u>				<u>2015/16 BUDGET</u>			
	<u>2014/15</u>	INFLATION TO NOV.'14	DEVEL- OPMENTS	TOTAL	INFLATION TO NOV.'14	DEVEL- OPMENTS	TOTAL	
	<u>ORIGINAL</u> <u>BUDGET</u> £'000							£'000
Salaries	7,861	64	127	8,052	156	218	8,235	
Indirect Employee Expenses	81			81			81	
Premises	581	10	-45	546	-	-120	461	
Use of Transport	20	-	-4	16	-	-4	16	
Supplies and Services								
- Grants to voluntary bodies	561	-	244	805	-	272	833	
- Other	10,951	8	1,936	12,895	6	294	11,251	
Third party payments								
- Precepts, Levies and Charges	458	-	-	458	-	-	458	
- Other	1,606	10	38	1,654	10	-358	1,258	
Transfer Payments	208,705	-	-3,480	205,225	-	-5,489	203,216	
Central and Technical Support	13,431	71	-71	13,431	158	-3,389	10,200	
Depreciation and Impairment	528	-	-43	485	-	-43	485	
Government Grants	-209,355	-	2,278	-207,077	-	5,596	-203,759	
Rents	-1,866	-	349	-1,517	-	198	-1,668	
Fees, Charges and Other Income	-23,574	-	48	-23,526	-	-589	-24,163	
Interest Received	-8,568	-	-1,166	-9,734	-	-1,623	-10,191	
<b>NET EXPENDITURE</b>	<b>1,420</b>	<b>163</b>	<b>211</b>	<b>1,794</b>	<b>330</b>	<b>-5,037</b>	<b>-3,287</b>	

**REVENUE EXPENDITURE BY SERVICE**

General Services							
- Administration Department	8,187	51	-366	7,872	115	-1,267	7,035
- Finance Department	-14,567	-	-619	-15,186	-1	-836	-15,404
Council Tax and Rate Collection	1,993	34	93	2,120	66	-10	2,049
Property Services	1,320	11	550	1,881	-	-2,623	-1,303
Housing and Council Tax Benefits	2,692	50	217	2,959	115	84	2,891
Economic Development	1,795	17	336	2,148	35	-385	1,445
<b>NET EXPENDITURE</b>	<b>1,420</b>	<b>163</b>	<b>211</b>	<b>1,794</b>	<b>330</b>	<b>-5,037</b>	<b>-3,287</b>



**FINANCE AND CORPORATE RESOURCES OVERVIEW AND SCRUTINY COMMITTEE  
SUMMARY**

	<u>2014/15</u> £'000	<u>2015/16</u> £'000	<u>2016/17</u> £'000	<u>2017/18</u> £'000
2014/15 ORIGINAL BUDGET AT NOVEMBER 2013 PRICES	1,420	1,420	1,420	1,420
INFLATION TO NOVEMBER 2014	163	330	330	330
<b>2014/15 ORIGINAL BUDGET REPRICED</b>	<b>1,583</b>	<b>1,750</b>	<b>1,750</b>	<b>1,750</b>
<b>DEVELOPMENTS</b>				
General Services				
- Administration Department	-366	-1,267	-1,386	-1,386
- Finance Department	-619	-836	-872	145
Council Tax and Rate Collection	93	-10	-10	-10
Property Services	550	-2,623	-3,702	-3,702
Housing Benefits	217	84	84	84
Economic Development	336	-385	-385	-355
<b>NET EFFECT OF DEVELOPMENTS</b>	<b>211</b>	<b>-5,037</b>	<b>-6,271</b>	<b>-5,224</b>
<b>NET EXPENDITURE</b> with inflation to November 2014	<b>1,794</b>	<b>-3,287</b>	<b>-4,521</b>	<b>-3,474</b>
<b>ANALYSIS BY SERVICE</b>				
General Services				
- Administration Department	7,872	7,035	6,916	6,916
- Finance Department	-15,186	-15,404	-15,440	-14,423
Council Tax and Rate Collection	2,120	2,049	2,049	2,049
Property Services	1,881	-1,303	-2,382	-2,382
Housing and Council Tax Benefits	2,959	2,891	2,891	2,891
Economic Development	2,148	1,445	1,445	1,475
<b>NET EXPENDITURE</b> with inflation to November 2014	<b>1,794</b>	<b>-3,287</b>	<b>-4,521</b>	<b>-3,474</b>

**FINANCE AND CORPORATE RESOURCES OVERVIEW AND SCRUTINY COMMITTEE**  
**GENERAL SERVICES - ADMINISTRATION**

	<u>2014/15</u>	<u>2015/16</u>	<u>2016/17</u>	<u>2017/18</u>
	£'000	£'000	£'000	£'000
2014/15 ORIGINAL BUDGET AT NOVEMBER 2013 PRICES	8,187	8,187	8,187	8,187
INFLATION TO NOVEMBER 2014	51	115	115	115
2014/15 ORIGINAL BUDGET REPRICED	8,238	8,302	8,302	8,302
<b>DEVELOPMENTS</b>				
<b><u>Prior to March 2014 Council Tax Setting</u></b>				
12-645 (Oct 12) Aspirations Programme	-	-17	-17	-17
13-242 (Apr 13) Aspirations Programme	-	-9	-27	-27
13-456 (June 13) Aspirations Programme	-	-30	-60	-60
13-717 (November 13) HR Review	-	-236	-252	-252
14-39 (Jan 14) Review of Decision Making Process	-	21	21	21
14-179 (Feb 14) Review of Administration Department	-	-37	-37	-37
14-186 (Feb 14) Review of Finance Department	-	-2	-2	-2
Dispersal of Public Health Budgets	-	-111	-111	-111
Cost of 2014 Local Election	-	-400	-400	-400
<b><u>This Year Budget Variations</u></b>				
14-255 (Apr 14) Members LGPS	-106	-127	-127	-127
14-347 (July 14) Aspirations Programme	4	-	-	-
14-516 (Oct 14) Review of Administration Department	-250	-310	-365	-365
FCR 384 Shared Communications	-40	-53	-53	-53
15-120 (Feb 15) R&R Performance Related Supplements	-	-8	-8	-8
FCR 448 Postage	-	-3	-3	-3
FCR 451 Administration Support Services Review	-	-36	-36	-36
<b><u>Transfers between Committees</u></b>				
14-516 Review of Administration Department	199	172	172	172
14-39 Review of Decision Making Process	-	-29	-29	-29
Contribution to IDVA	-40	-	-	-
Footsteps	-18	-18	-18	-18
Administrative Bldgs Apportionment	-	-4	-4	-4
Central Support Recharge Spread	154	459	459	459
Dispersal of Public Health Budgets	-149	-183	-183	-183
Depreciation	-87	-87	-87	-87
<b><u>Other Technical / Volume Adjustments</u></b>				
14-342 (July 14) Members Allowances	-24	-50	-50	-50
14-516 (Oct 14) Legal Services	-21	-103	-103	-103
<b>Transfers within committee</b>	12	-66	-66	-66
NET EFFECT OF DEVELOPMENTS	-366	-1,267	-1,386	-1,386
NET EXPENDITURE with inflation to November 2014	7,872	7,035	6,916	6,916
<b>ANALYSIS BY SERVICE</b>				
Registration of Electors	713	709	709	709
Land Charges	-1	-3	-3	-3
Emergency Planning	197	198	198	198
Corporate Management Costs	6,715	5,871	5,752	5,752
Registration of Births, Deaths and Marriages	53	65	65	65
Other	195	195	195	195
NET EXPENDITURE with inflation to November 2014	7,872	7,035	6,916	6,916

**FINANCE AND CORPORATE RESOURCES OVERVIEW AND SCRUTINY COMMITTEE  
GENERAL SERVICES - FINANCE DEPARTMENT**

	2014/15 £'000	2015/16 £'000	2016/17 £'000	2017/18 £'000
2014/15 ORIGINAL BUDGET AT NOVEMBER 2013 PRICES	-14,567	-14,567	-14,567	-14,567
INFLATION TO NOVEMBER 2014	-	-1	-1	-1
2014/15 ORIGINAL BUDGET REPRICED	-14,567	-14,568	-14,568	-14,568
<b>DEVELOPMENTS</b>				
<b><u>Prior to March 2014 Council Tax Setting</u></b>				
13-182 (Feb 13) & 14-46 (Jan 14) Revenue Effects of Capital Bids	-	68	81	81
12-749 (Nov 12) Internal Audit review	-	-25	-25	-25
13-184 (Feb 13) Streamlining of Council Processes	-	-250	-250	-250
Notified non-ringfenced Government grants	-	96	201	201
GF interest from HRA Subsidy Buyout	-	145	290	290
13-251 (Apr 13) Microsoft Licences	-	-	-238	-238
13-714 (Nov 13) Auto call technology	-	-24	-24	-24
14-45 (Jan 14) London Councils Grants Committee	-	30	30	30
14-184 (Feb 15) Review of IT Services	-	-83	-83	-83
Tenancy Fraud Grant	-	75	75	75
<b><u>This Year Budget Variations</u></b>				
14-347 (June 14) IT Risk Management	180	-	-	-
14-347 (June 14) Single Sign on Implementation	81	-	-	-
14-347 (June 14) HR/ Payroll System	300	-	-	-
14-347 (June 14) Provision for replacement of Laptop Computers	250	-	-	-
14-347 (June 14) Future Directions Programme	140	-	-	-
14-347 (June 14) Wandsworth Big Society & Discretionary Fund slippage	244	-	-	-
14-347 (June 14) Channel Shift	460	-	-	-
14-347 (June 14) Financial Information Systems (P2P)	86	-	-	-
14-611 (Nov 14) Central Procurement Review	-	-91	-91	-91
15-24 (Jan 15) London Councils Grants Committee	-	-5	-5	-5
15-25 (Jan 15) Revenue effects of Capital Bids	-	31	140	246
15-101 (Feb 15) Review of Finance Department	-	-91	-515	-543
15-114 (Feb 15) Council Tax report	-	1,120	-	-
<b><u>Transfers between Committees</u></b>				
14-516 (Oct 14) Review of Administration Department	-18	-18	-18	-18
Central Support Recharge Spread	106	159	159	159
Depreciation	39	39	39	39
14-523 (Oct 14) Wandsworth Grant Fund	-	272	272	272
<b><u>Other Technical / Volume Adjustments</u></b>				
Weekly Waste collection grant	-1,193	-	-	-
Revised forecast for interest on Retained Capital Receipts	-68	-271	-175	-165
Revised forecast for interest on General Fund reserves	-756	-700	-138	266
Property income	-200	-1,269	-525	-
Care Act Funded Expenditure	30	-	-	-
Temporary Welfare Posts	-123	-	-	-
Council Tax Support New Burdens Grant	-19	-	-	-
LPFA Provision now an appropriation	-102	-102	-102	-102
Wandsworth Grant Fund Administration	10	30	-	-
<b>Transfers within committee</b>	-66	28	30	30
<b>NET EFFECT OF DEVELOPMENTS</b>	-619	-836	-872	145
<b>NET EXPENDITURE</b>	-15,186	-15,404	-15,440	-14,423
with inflation to November 2014				
<b>ANALYSIS BY SERVICE</b>				
General Services Finance	-2,084	-1,178	-2,744	-2,666
Voluntary Organisations	1,178	1,250	1,220	1,220
Capital Financing Account				
- Interest Payable	5,961	5,473	5,473	5,473
- Charge to Housing Revenue Account	-5,956	-5,469	-5,469	-5,469
- Depreciation charge	-13,581	-13,581	-13,568	-13,568
- Interest received on Capital Receipts	-704	-1,899	-352	587
<b>NET EXPENDITURE</b>	-15,186	-15,404	-15,440	-14,423
with inflation to November 2014				

**FINANCE AND CORPORATE RESOURCES OVERVIEW AND SCRUTINY COMMITTEE  
COUNCIL TAX AND RATE COLLECTION**

	<u>2014/15</u> £'000	<u>2015/16</u> £'000	<u>2016/17</u> £'000	<u>2017/18</u> £'000
2014/15 ORIGINAL BUDGET AT NOVEMBER 2013 PRICES	1,993	1,993	1,993	1,993
INFLATION TO NOVEMBER 2014	34	66	66	66
2014/15 ORIGINAL BUDGET REPRICED	<u>2,027</u>	<u>2,059</u>	<u>2,059</u>	<u>2,059</u>
<b>DEVELOPMENTS</b>				
<b><u>Prior to March 2014 Council Tax Setting</u></b>				
14-186 (Feb 14) Review of Finance Department	-	-21	-21	-21
<b><u>This Year Budget Variations</u></b>				
FCR 370 Northgate Hosting & Support	-36	-39	-39	-39
15-101 (Feb 15) Review of Finance Department	-	-12	-12	-12
FCR 448 Postage	-	-40	-40	-40
<b><u>Transfers between Committees</u></b>				
Administrative Bldgs Apportionment	-	-3	-3	-3
Central Support Recharge Spread	3	-15	-15	-15
Frontline Service Budget Realignment	96	96	96	96
14-181 (Feb 14) Staff transfers	40	40	40	40
<b><u>Other Technical / Volume Adjustments</u></b>				
14-516 (Oct 14) Legal Services	-	-6	-6	-6
<b>Transfers within committee</b>	<b>-10</b>	<b>-10</b>	<b>-10</b>	<b>-10</b>
NET EFFECT OF DEVELOPMENTS	<u>93</u>	<u>-10</u>	<u>-10</u>	<u>-10</u>
NET EXPENDITURE with inflation to November 2014	<u>2,120</u>	<u>2,049</u>	<u>2,049</u>	<u>2,049</u>
<b>ANALYSIS BY SERVICE</b>				
Council Tax and Rate Collection	2,120	2,049	2,049	2,049
NET EXPENDITURE with inflation to November 2014	<u>2,120</u>	<u>2,049</u>	<u>2,049</u>	<u>2,049</u>

**FINANCE AND CORPORATE RESOURCES OVERVIEW AND SCRUTINY COMMITTEE  
PROPERTY SERVICES**

	<u>2014/15</u> £'000	<u>2015/16</u> £'000	<u>2016/17</u> £'000	<u>2017/18</u> £'000
2014/15 ORIGINAL BUDGET AT NOVEMBER 2013 PRICES	1,320	1,320	1,320	1,320
INFLATION TO NOVEMBER 2014	11	-	-	-
2014/15 ORIGINAL BUDGET REPRICED	1,331	1,320	1,320	1,320
<b>DEVELOPMENTS</b>				
<b><u>Prior to March 2014 Council Tax Setting</u></b>				
Removal of Welbeck House from OAS	-	750	750	750
12-267 (Apr 12) Office Accom. Strategy Expenditure	-	-1,024	-1,024	-1,024
12-267 (Apr 12) Slippage on savings from disposals	-	-	-428	-428
13-182 (Feb 13) Capital Programme - Asst Bor Valuer posts	-	-165	-165	-165
13-252 (Apr 13) WIFI Income	-	-2	-3	-3
13-572 (Oct 13) Capital Review - STC rental income	-	225	300	300
14-179 (Feb 14) Review of Administration Department	-	-31	-31	-31
14-183 (Feb 14) Review of Property Services	-	-48	-48	-48
Reprofiling of Office Accommodation Strategy	-	-1,500	-1,500	-1,500
<b><u>This Year Budget Variations</u></b>				
14-347 (June 14) Property Redevelopment	147	-	-	-
14-347 (June 14) Preparations for Future Property Disposals	250	-	-	-
15-101 (Feb 15) Review of Finance Department	-	-8	-8	-8
<b><u>Transfers between Committees</u></b>				
Administrative Buildings Apportionment	-	259	259	259
Central Support Recharge Spread	-	128	128	128
Rent 38 West Hill	-	-200	-200	-200
Depreciation	-13	-13	-13	-13
<b><u>Other Technical / Volume Adjustments</u></b>				
13-459 (June 13) Advertising Site Income	50	-635	-1,360	-1,360
14-516 (Oct 14) Legal Services	-	14	14	14
Realignment of Rental Income	67	-214	-214	-214
Office Accommodation Strategy	-	-191	-191	-191
<b>Transfers within Committee</b>	49	32	32	32
NET EFFECT OF DEVELOPMENTS	550	-2,623	-3,702	-3,702
NET EXPENDITURE with inflation to November 2014	1,881	-1,303	-2,382	-2,382
<b>ANALYSIS BY SERVICE</b>				
Operational Properties	2,141	262	-166	-166
Commercial Properties	-957	-1,777	-2,428	-2,428
Properties Pending Disposal	697	212	212	212
NET EXPENDITURE with inflation to November 2014	1,881	-1,303	-2,382	-2,382

**FINANCE AND CORPORATE RESOURCES OVERVIEW AND SCRUTINY COMMITTEE  
HOUSING BENEFITS**

	<u>2014/15</u>	<u>2015/16</u>	<u>2016/17</u>	<u>2017/18</u>
	£'000	£'000	£'000	£'000
2014/15 ORIGINAL BUDGET AT NOVEMBER 2013 PRICES	2,692	2,692	2,692	2,692
INFLATION TO NOVEMBER 2014	50	115	115	115
2014/15 ORIGINAL BUDGET REPRICED	<u>2,742</u>	<u>2,807</u>	<u>2,807</u>	<u>2,807</u>
<b>DEVELOPMENTS</b>				
<b><u>Prior to March 2014 Council Tax Setting</u></b>				
14-186 (Feb 14) Review of Finance Department	-	-50	-50	-50
13-440 (Jun 13) Welfare Reform	-	-28	-28	-28
<b><u>This Year Budget Variations</u></b>				
FCR 370 Northgate Hosting & Support	-36	-39	-39	-39
15-101 (Feb 15) Review of Finance Department	-	-226	-226	-226
15-107 (Feb 15) Discretionary Social Fund	-	290	290	290
FCR 448 Postage	-	-5	-5	-5
<b><u>Transfers between Committees</u></b>				
Administrative Bldgs Apportionment	-	-4	-4	-4
Central Support Recharge Spread	35	7	7	7
Frontline Service Budget Realignment	-25	-25	-25	-25
14-181 (Feb 14) Staff transfers	22	22	22	22
<b><u>Other Technical / Volume Adjustments</u></b>				
Housing Benefit Subsidy	83	85	85	85
Localised Council Tax Support Admin Subsidy	-	48	48	48
14-516 (Oct 14) Legal Services	-	-6	-6	-6
14-186 (Feb 14) Grant funded Welfare Reform staff	123	-	-	-
<b>Transfers within Committee</b>	<u>15</u>	<u>15</u>	<u>15</u>	<u>15</u>
<b>NET EFFECT OF DEVELOPMENTS</b>	<u>217</u>	<u>84</u>	<u>84</u>	<u>84</u>
<b>NET EXPENDITURE</b>	<u>2,959</u>	<u>2,891</u>	<u>2,891</u>	<u>2,891</u>
with inflation to November 2014				
<b>ANALYSIS BY SERVICE</b>				
Housing and Council Tax Benefits	2,959	2,891	2,891	2,891
<b>NET EXPENDITURE</b>	<u>2,959</u>	<u>2,891</u>	<u>2,891</u>	<u>2,891</u>

**FINANCE AND CORPORATE RESOURCES OVERVIEW AND SCRUTINY COMMITTEE  
ECONOMIC DEVELOPMENT INCL TOWN CENTRES**

	<u>2014/15</u>	<u>2015/16</u>	<u>2016/17</u>	<u>2017/18</u>
	£'000	£'000	£'000	£'000
2014/15 ORIGINAL BUDGET AT NOVEMBER 2013 PRICES	1,795	1,795	1,795	1,795
INFLATION TO NOVEMBER 2014	17	35	35	35
2014/15 ORIGINAL BUDGET REPRICED	<u>1,812</u>	<u>1,830</u>	<u>1,830</u>	<u>1,830</u>
<b>DEVELOPMENTS</b>				
<b><u>Prior to March 2014 Council Tax Setting</u></b>				
13-456 (June 13) Nine Elms	-	-150	-150	-150
14-38 (Jan 14) Alton Area Masterplan	-	-55	-55	-55
14-185 (Feb 14) Review of EDO	-	-171	-171	-171
<b><u>This Year Budget Variations</u></b>				
14-347 (June 14) Nine Elms & Borough wide Employment	191	-	-	-
14-382 (June 14) Nine Elms Bridge Competition	125	-	-	-
15-102 (Feb 15) EDO Staffing Review	-	-30	-30	-
FCR 448 Postage	-	-3	-3	(3)
<b><u>Transfers between Committees</u></b>				
Central Support Recharge Spread	36	58	58	58
Depreciation	-16	-16	-16	-16
<b><u>Other Technical / Volume Adjustments</u></b>				
14-516 (Oct 14) Legal Services	-	-18	-18	-18
<b><u>Transfers within Committee</u></b>				
NET EFFECT OF DEVELOPMENTS	<u>336</u>	<u>-385</u>	<u>-385</u>	<u>-355</u>
NET EXPENDITURE with inflation to November 2014	<u>2,148</u>	<u>1,445</u>	<u>1,445</u>	<u>1,475</u>
<b>ANALYSIS BY SERVICE</b>				
Town Centres	473	207	207	237
Economic Development	1,675	1,238	1238	1238
NET EXPENDITURE	<u>2,148</u>	<u>1,445</u>	<u>1,445</u>	<u>1,475</u>

**FINANCE AND CORPORATE RESOURCES OVERVIEW AND SCRUTINY COMMITTEE  
CENTRAL SUPPORT SERVICES SUMMARY**

	2014/15 REVISED BUDGET				2015/16 BUDGET		
	2014/15						
	<u>ORIGINAL</u> <u>BUDGET</u> <u>£'000</u>	<u>INFLATION</u> <u>TO NOV.'14</u> <u>£'000</u>	<u>DEVEL-</u> <u>OPMENTS</u> <u>£'000</u>	<u>TOTAL</u> <u>£'000</u>	<u>INFLATION</u> <u>TO NOV.'14</u> <u>£'000</u>	<u>DEVEL-</u> <u>OPMENTS</u> <u>£'000</u>	<u>TOTAL</u> <u>£'000</u>
Salaries	23,720	205	1,804	25,729	508	19	24,247
Indirect Employee Expenses	825	1	12	838	-	33	858
Premises	5,116	35	3,306	8,457	22	1,960	7,098
Use of Transport	378	2	11	391	-	10	388
Supplies and Services	8,976	50	282	9,308	24	9	9,009
Third Party Payments	2,544	1	329	2,874	-	293	2,837
Central and Technical Support	19	-	-7	12	-	3	22
Income	-5,528	-	-616	-6,144	-	-401	-5,929
<b>NET EXPENDITURE</b>	<b>36,050</b>	<b>294</b>	<b>5,121</b>	<b>41,465</b>	<b>554</b>	<b>1,926</b>	<b>38,530</b>
Administrative Buildings	5,864	42	156	6,062	37	-1,066	4,835
Central Services							
- Administration	8,223	55	32	8,310	120	-337	8,006
- Finance	13,630	126	5,080	18,836	288	3,872	17,790
Information and Communication Technology	5,689	62	21	5,772	89	58	5,836
Democratic Representation	2,644	9	-168	2,485	20	-601	2,063
<b>NET EXPENDITURE</b>	<b>36,050</b>	<b>294</b>	<b>5,121</b>	<b>41,465</b>	<b>554</b>	<b>1,926</b>	<b>38,530</b>



**FINANCE AND CORPORATE RESOURCES OVERVIEW AND SCRUTINY COMMITTEE  
CENTRAL SUPPORT SERVICES SUMMARY**

	<u>2014/15</u> £'000	<u>2015/16</u> £'000	<u>2016/17</u> £'000	<u>2017/18</u> £'000
2014/15 ORIGINAL BUDGET AT NOVEMBER 2013 PRICES	36,050	36,050	36,050	36,050
INFLATION TO NOVEMBER 2014	294	554	554	554
<b>2014/15 ORIGINAL BUDGET REPRICED</b>	<b>36,344</b>	<b>36,604</b>	<b>36,604</b>	<b>36,604</b>
<b>DEVELOPMENTS</b>				
Administrative Buildings	156	-1,066	-1,066	-1,066
Central Services				
- Administration	32	-337	-406	-406
- Finance	5,080	3,872	3,450	3,448
Information and Communication Technology	21	58	58	58
Democratic Representation	-168	-601	-601	-601
<b>NET EFFECT OF DEVELOPMENTS</b>	<b>5,121</b>	<b>1,926</b>	<b>1,435</b>	<b>1,433</b>
<b>REVISED BUDGET TOTALS</b>	<b>41,465</b>	<b>38,530</b>	<b>38,039</b>	<b>38,037</b>
<b>REVENUE EXPENDITURE BY SERVICE</b>				
Administrative Buildings	6,062	4,835	4,835	4,835
Central Services				
- Administration	8,310	8,006	7,937	7,937
- Finance	18,836	17,790	17,368	17,366
Information and Communication Technology	5,772	5,836	5,836	5,836
Democratic Representation	2,485	2,063	2,063	2,063
<b>REVISED BUDGET TOTALS</b>	<b>41,465</b>	<b>38,530</b>	<b>38,039</b>	<b>38,037</b>

**FINANCE AND CORPORATE RESOURCES OVERVIEW AND SCRUTINY COMMITTEE  
ADMINISTRATIVE BUILDINGS**

	<u>2014/15</u> £'000	<u>2015/16</u> £'000	<u>2016/17</u> £'000	<u>2017/18</u> £'000
2014/15 ORIGINAL BUDGET AT NOVEMBER 2013 PRICES	5,864	5,864	5,864	5,864
INFLATION TO NOVEMBER 2014	42	37	37	37
2014/15 ORIGINAL BUDGET REPRICED	<hr/> 5,906	<hr/> 5,901	<hr/> 5,901	<hr/> 5,901
DEVELOPMENTS				
<b><u>Prior to March 2014 Council Tax Setting</u></b>				
Office Accommodation Strategy	-	-1,750	-1,750	-1,750
<b><u>Transfers between Committees</u></b>				
Facilities Management Centralisation	247	1,133	1,133	1,133
Repairs Management Centralisation	-106	-156	-156	-156
	-	-	-	-
<b><u>Other Technical / Volume Adjustments</u></b>				
Office Accommodation Strategy	-101	-405	-405	-405
Freezing of Charges for Staff Parking Permits	55	55	55	55
Depreciation	61	57	57	57
NET EFFECT OF DEVELOPMENTS	<hr/> 156	<hr/> -1,066	<hr/> -1,066	<hr/> -1,066
NET EXPENDITURE	<hr/> 6,062	<hr/> 4,835	<hr/> 4,835	<hr/> 4,835
with inflation to November 2014				

**FINANCE AND CORPORATE RESOURCES OVERVIEW AND SCRUTINY COMMITTEE  
CENTRAL SERVICES - ADMINISTRATION DEPARTMENT**

	<u>2014/15</u> £'000	<u>2015/16</u> £'000	<u>2016/17</u> £'000	<u>2017/18</u> £'000
2014/15 ORIGINAL BUDGET AT NOVEMBER 2013 PRICES	8,223	8,223	8,223	8,223
INFLATION TO NOVEMBER 2014	55	120	120	120
<b>2014/15 ORIGINAL BUDGET REPRICED</b>	<b>8,278</b>	<b>8,343</b>	<b>8,343</b>	<b>8,343</b>
<b>DEVELOPMENTS</b>				
<b><u>Prior to March 2014 Council Tax Setting</u></b>				
13-456 (June 12) Aspirations Programme	-	-39	-87	-87
13-717 (Nov 13) HR Review	-	-319	-340	-340
14-179 (Feb 14) Administration Department Review	-	-47	-47	-47
<b><u>This Year Budget Variations</u></b>				
14-347 (June 14) Aspirations Programme	4	-	-	-
14-516 (Oct 14) Review of Administration Department	-	-15	-15	-15
FCR 384 Shared Communications	-45	-60	-60	-60
FCR 448 Postage	-	-2	-2	-2
FCR 451 Administration Support Services Review	-	-36	-36	-36
<b><u>Transfers Between Committees</u></b>				
14-516 (Oct 14) Legal Services	14	53	53	53
Depreciation	-4	-4	-4	-4
<b><u>Other Technical / Volume Adjustments</u></b>				
Transfers within committee	63	132	132	132
<b>NET EFFECT OF DEVELOPMENTS</b>	<b>32</b>	<b>-337</b>	<b>-406</b>	<b>-406</b>
<b>NET EXPENDITURE with inflation to November 2014</b>	<b>8,310</b>	<b>8,006</b>	<b>7,937</b>	<b>7,937</b>
<b>REVENUE EXPENDITURE BY SERVICE</b>				
Staff Training Centre/I.T. Training	354	355	355	355
Policy Unit	631	580	532	532
Press Office	299	282	282	282
Central Personnel	2,468	2,173	2,152	2,152
General Office/Directorate	997	986	986	986
Legal	2,491	2,590	2,590	2,590
Despatch Service	292	285	285	285
Graphics	452	456	456	456
Professional Services Divisional Support	326	299	299	299
<b>NET EXPENDITURE with inflation to November 2014</b>	<b>8,310</b>	<b>8,006</b>	<b>7,937</b>	<b>7,937</b>

**FINANCE AND CORPORATE RESOURCES OVERVIEW AND SCRUTINY COMMITTEE  
CENTRAL SERVICES - FINANCE DEPARTMENT**

	<u>2014/15</u> £'000	<u>2015/16</u> £'000	<u>2016/17</u> £'000	<u>2017/18</u> £'000
2014/15 ORIGINAL BUDGET AT NOVEMBER 2013 PRICES	13,630	13,630	13,630	13,630
INFLATION TO NOVEMBER 2014	126	288	288	288
2014/15 ORIGINAL BUDGET REPRICED	13,756	13,918	13,918	13,918
<b>DEVELOPMENTS</b>				
<b><u>Prior to March 2014 Council Tax Setting</u></b>				
12-749 (Nov 12) Internal Audit Service	-	-25	-25	-25
13-254 (Apr 13) Tenancy Fraud Officers	-	-75	-75	-75
13-440 (June 13) Welfare Reform	-	-9	-9	-9
13-714 (Nov 13) Auto Call Technology	-	-27	-27	-27
14-186 (Feb 14) Finance Department Review	-	-77	-77	-77
Centralisation of Finance Application Support	-	2	2	2
Fixed Term Assistant Borough Valuer Post	-	-104	-104	-104
<b><u>This Year Budget Variations</u></b>				
14-611 (Nov 14) Central Procurement Review	-	-91	-91	-91
15-101 (Feb 15) Review of Finance Department	-	-857	-1,279	-1,281
<b><u>Transfers Between Committees</u></b>				
Frontline Service Budget Realignment	1,041	1,041	1,041	1,041
14-181 (Feb 14) Staff transfers	62	62	62	62
14-16 (Jan 14) Financial Inclusion Officers	63	-	-	-
Centralisation of Property services	855	1,040	1,040	1,040
Repairs Management Centralisation	2,912	2,832	2,832	2,832
Depreciation	-13	-13	-13	-13
<b><u>Other Technical / Volume Adjustments</u></b>				
14-516 (Oct 14) Legal Services	-	14	14	14
Repairs budget realignment	-	-54	-54	-54
Transfers within Committee	160	213	213	213
<b>NET EFFECT OF DEVELOPMENTS</b>	<b>5,080</b>	<b>3,872</b>	<b>3,450</b>	<b>3,448</b>
<b>NET EXPENDITURE</b> with inflation to November 2014	<b>18,836</b>	<b>17,790</b>	<b>17,368</b>	<b>17,366</b>
<b>REVENUE EXPENDITURE BY SERVICE</b>				
Finance Directorate and General Services	650	610	462	608
Treasury and Capital Management	213	215	215	215
Pension Fund Accounting	120	122	122	122
Accounting including Cashiers	1,442	1,473	1,473	1,402
Audit and Benefit Fraud	1,637	1,197	1,197	1,197
Procurement	707	624	624	624
Financial Control	877	872	872	872
Mortgages	62	63	63	63
Payroll	859	693	640	640
Income Collection Service	609	604	604	604
Pensions Administration	451	362	362	362
Support Services	211	213	213	213
Finance Consultants	144	146	146	146
Bank Charges	127	127	127	127
External Audit Fees	263	263	263	263
Rent Collection/Accounting	1,613	1,551	1,531	1,531
Property Accounts	233	234	234	234
Business Support Unit	278	280	280	280
Customer Services Call Centre	1,615	1,555	1,469	1,469
Reception Services	804	813	813	813
Concessionary Fares Administration	177	137	137	137
Repairs Management Service	3,543	3,456	3,341	3,264
Schools Capital Team	723	802	802	802
Valuers	1,077	975	975	975
Printing	401	403	403	403
<b>NET EXPENDITURE</b> with inflation to November 2014	<b>18,836</b>	<b>17,790</b>	<b>17,368</b>	<b>17,366</b>

**FINANCE AND CORPORATE RESOURCES OVERVIEW AND SCRUTINY COMMITTEE  
ICT SERVICES**

	<u>2014/15</u> £'000	<u>2015/16</u> £'000	<u>2016/17</u> £'000	<u>2017/18</u> £'000
2014/15 ORIGINAL BUDGET AT NOVEMBER 2013 PRICES	5,689	5,689	5,689	5,689
INFLATION TO NOVEMBER 2014	62	89	89	89
2014/15 ORIGINAL BUDGET REPRICED	<hr/> 5,751	<hr/> 5,778	<hr/> 5,778	<hr/> 5,778
<b>DEVELOPMENTS</b>				
<b><u>Prior to March 2014 Council Tax Setting</u></b>				
14-182 (Feb 14) Review of IT Services	-	-97	-97	-97
<b><u>This Year Budget Variations</u></b>				
15-101 (Feb 15) Review of Finance Department	-	110	110	110
<b><u>Transfers Between Committees</u></b>				
14-516 (Oct 14) Legal Services	-	14	14	14
Depreciation	-43	-43	-43	-43
<b><u>Other Technical / Volume Adjustments</u></b>				
Transfers within Committee	64	74	74	74
NET EFFECT OF DEVELOPMENTS	<hr/> 21	<hr/> 58	<hr/> 58	<hr/> 58
NET EXPENDITURE with inflation to November 2014	<hr/> 5,772	<hr/> 5,836	<hr/> 5,836	<hr/> 5,836
<b>REVENUE EXPENDITURE BY SERVICE</b>				
ICT Services	5,392	5,458	5,458	5,458
Telecommunication Services	380	378	378	378
NET EXPENDITURE with inflation to November 2014	<hr/> 5,772	<hr/> 5,836	<hr/> 5,836	<hr/> 5,836

**FINANCE AND CORPORATE RESOURCES OVERVIEW AND SCRUTINY COMMITTEE  
DEMOCRATIC REPRESENTATION**

	<u>2014/15</u> £'000	<u>2015/16</u> £'000	<u>2016/17</u> £'000	<u>2017/18</u> £'000
2014/15 ORIGINAL BUDGET AT NOVEMBER 2013 PRICES	2,644	2,644	2,644	2,644
INFLATION TO NOVEMBER 2014	9	20	20	20
2014/15 ORIGINAL BUDGET REPRICED	2,653	2,664	2,664	2,664
<b>DEVELOPMENTS</b>				
<b><u>Prior to March 2014 Council Tax Setting</u></b>				
14-39 (Jan 14) Review of Decision Making Processes	-	5	5	5
2014 Local Election	-	-400	-400	-400
<b><u>This Year Budget Variations</u></b>				
14-255 (Apr 14) Members LGPS	-124	-149	-149	-149
<b><u>Transfers Between Committees</u></b>				
<b><u>Other Technical / Volume Adjustments</u></b>				
14-342 (July 14) Members Allowances	-24	-49	-49	-49
Transfers within Committee	-20	-8	-8	-8
NET EFFECT OF DEVELOPMENTS	-168	-601	-601	-601
NET EXPENDITURE with inflation to November 2014	2,485	2,063	2,063	2,063
<b>REVENUE EXPENDITURE BY SERVICE</b>				
Mayoralty	189	190	190	190
Committee Support	605	562	562	562
Members' Support/Expenses	1,271	1,291	1,291	1,291
Election Expenses	420	20	20	20
NET EXPENDITURE with inflation to November 2014	2,485	2,063	2,063	2,063



**HOUSING AND REGENERATION OVERVIEW AND SCRUTINY COMMITTEE  
SUMMARY**

2014/15 REVISED BUDGET

2015/16 BUDGET

	<u>2014/15</u>			<u>2015/16</u>			
	<u>ORIGINAL</u>	<u>INFLATION</u>	<u>DEVEL-</u>	<u>TOTAL</u>	<u>INFLATION</u>	<u>DEVEL-</u>	<u>TOTAL</u>
	<u>BUDGET</u>	<u>TO NOV.'14</u>	<u>OPMENTS</u>		<u>TO NOV.'14</u>	<u>OPMENTS</u>	
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Salaries	2,221	18	-84	2,155	45	-52	2,214
Indirect Employee Expenses	19	-	-	19	-	-	19
Premises	213	5	-2	216	1	-101	113
Use of Transport	37	-	-	37	-	-1	36
Supplies and Services							
- Contracts with Voluntary Organisations	33	1	-	34	1	-	34
- Other	176	1	53	230	-	278	454
Third Party Payments	4,402	12	2,005	6,419	111	2,282	6,795
Transfer Payments	3,495	5	-	3,500	2	303	3,800
Central and Technical Support	598	3	17	618	5	-29	574
Depreciation and Impairment	2	-	-	2	-	-	2
Government Grants	-2,873	-	-	-2,873	-	-270	-3,143
Rents	-71	-	-1	-72	-	-2	-73
Other Income	-4,130	-	2	-4,128	-	-549	-4,679
Interest Received	-16	-	-1	-17	-	-	-16

<b>NET EXPENDITURE</b>	<b>4,106</b>	<b>45</b>	<b>1,989</b>	<b>6,140</b>	<b>165</b>	<b>1,859</b>	<b>6,130</b>
at November 2014 prices							

**REVENUE EXPENDITURE BY SERVICE**

Private Sector Housing	655	6	-	661	14	-73	596
Homelessness and Asylum Seekers	3,017	28	1,994	5,039	137	2,230	5,384
Other Housing Services	434	11	-5	440	14	-298	150

<b>NET EXPENDITURE</b>	<b>4,106</b>	<b>45</b>	<b>1,989</b>	<b>6,140</b>	<b>165</b>	<b>1,859</b>	<b>6,130</b>
at November 2014 prices							



**HOUSING AND REGENERATION OVERVIEW AND SCRUTINY COMMITTEE  
SUMMARY**

	<u>2014/15</u> £'000	<u>2015/16</u> £'000	<u>2016/17</u> £'000	<u>2017/18</u> £'000
2014/15 ORIGINAL BUDGET AT at November 2013 Price Level	4,106	4,106	4,106	4,106
INFLATION TO NOVEMBER 2014	45	165	165	165
2014/15 ORIGINAL BUDGET REPRICED	<u>4,151</u>	<u>4,271</u>	<u>4,271</u>	<u>4,271</u>
<b>DEVELOPMENTS</b>				
Private Sector Housing	-	-73	-73	-73
Homelessness and Asylum Seekers	1,994	2,230	2,230	2,230
Other Housing Services	-5	-298	-298	-298
NET EFFECT OF DEVELOPMENTS	<u>1,989</u>	<u>1,859</u>	<u>1,859</u>	<u>1,859</u>
NET EXPENDITURE at November 2014 prices	<u>6,140</u>	<u>6,130</u>	<u>6,130</u>	<u>6,130</u>
<b>REVENUE EXPENDITURE BY SERVICE</b>				
Private Sector Housing	661	596	596	596
Homelessness and Asylum Seekers	5,039	5,384	5,384	5,384
Other Housing Services	440	150	150	150
NET EXPENDITURE at November 2014 prices	<u>6,140</u>	<u>6,130</u>	<u>6,130</u>	<u>6,130</u>

**HOUSING AND REGENERATION OVERVIEW AND SCRUTINY COMMITTEE  
PRIVATE SECTOR HOUSING**

	<u>2014/15</u> £'000	<u>2015/16</u> £'000	<u>2016/17</u> £'000	<u>2017/18</u> £'000
2014/15 ORIGINAL BUDGET AT at November 2013 Price Level	655	655	655	655
INFLATION TO NOVEMBER 2014	6	14	14	14
2014/15 ORIGINAL BUDGET REPRICED	<u>661</u>	<u>669</u>	<u>669</u>	<u>669</u>
<b>DEVELOPMENTS</b>				
<b><u>Prior to March 2014 Budget Setting</u></b>				
13-631 (Oct 13) Housing Dept staffing review	-	-27	-27	-27
<b><u>This Year Budget Variations</u></b>				
14-579 (Nov 14) HCS Charges report	-	-1	-1	-1
<b><u>Other Technical/Volume adjustments</u></b>				
14-516 (Oct 14) Legal Services	-	-43	-43	-43
Administrative Buildings apportionment	-	-2	-2	-2
NET EFFECT OF DEVELOPMENTS	<u>-</u>	<u>-73</u>	<u>-73</u>	<u>-73</u>
NET EXPENDITURE at November 2014 prices	<u>661</u>	<u>596</u>	<u>596</u>	<u>596</u>
<b>REVENUE EXPENDITURE BY SERVICE</b>				
Home Improvement Agency	58	49	49	49
Private Housing	603	547	547	547
NET EXPENDITURE at November 2014 prices	<u>661</u>	<u>596</u>	<u>596</u>	<u>596</u>

**HOUSING AND REGENERATION OVERVIEW AND SCRUTINY COMMITTEE  
HOMELESSNESS AND ASYLUM SEEKERS**

	<u>2014/15</u> £'000	<u>2015/16</u> £'000	<u>2016/17</u> £'000	<u>2017/18</u> £'000
2014/15 ORIGINAL BUDGET AT at November 2013 Price Level	3,017	3,017	3,017	3,017
INFLATION TO NOVEMBER 2014	28	137	137	137
2014/15 ORIGINAL BUDGET REPRICED	<u>3,045</u>	<u>3,154</u>	<u>3,154</u>	<u>3,154</u>
<b>DEVELOPMENTS</b>				
<b><u>Prior to March 2014 Budget Setting</u></b>				
13-383 (Feb 13) Homelessness costs	-	-500	-500	-500
13-631 (Oct 13) Housing Dept staffing review	-	-7	-7	-7
<b><u>This Year Budget Variations</u></b>				
14-347 (July 14) Homelessness costs	750	750	-	-
14-580 (Nov 14) Homelessness costs	1,250	-	-	-
15-114 (Feb 15) Homelessness pressures	-	2,000	2,750	2,750
<b><u>Other Technical/Volume adjustments</u></b>				
14-516 (Oct 14) Legal Services	-	-2	-2	-2
Administrative Buildings apportionment	-	-5	-5	-5
Central/Departmental support apportionments	-6	-6	-6	-6
NET EFFECT OF DEVELOPMENTS	<u>1,994</u>	<u>2,230</u>	<u>2,230</u>	<u>2,230</u>
NET EXPENDITURE at November 2014 prices	<u>5,039</u>	<u>5,384</u>	<u>5,384</u>	<u>5,384</u>
<b>REVENUE EXPENDITURE BY SERVICE</b>				
Homelessness	4,445	4,791	4,791	4,791
Asylum Seekers	594	593	593	593
NET EXPENDITURE at November 2014 prices	<u>5,039</u>	<u>5,384</u>	<u>5,384</u>	<u>5,384</u>

**HOUSING AND REGENERATION OVERVIEW AND SCRUTINY COMMITTEE**  
**OTHER HOUSING SERVICES**

	<u>2014/15</u> £'000	<u>2015/16</u> £'000	<u>2016/17</u> £'000	<u>2017/18</u> £'000
2014/15 ORIGINAL BUDGET AT at November 2013 Price Level	434	434	434	434
INFLATION TO NOVEMBER 2014	11	14	14	14
2014/15 ORIGINAL BUDGET REPRICED	445	448	448	448
<b>DEVELOPMENTS</b>				
<b><u>Prior to March 2014 Budget Setting</u></b>				
<b><u>This Year Budget Variations</u></b>				
14-579 (Nov 14) HCS Charges report	-	-2	-2	-2
14-585 (Nov 14) Graffiti Service Review	-	-131	-131	-131
15-15 (Jan 15) Wandsworth Housing Strategy	-	96	96	96
<b><u>Other Technical/Volume adjustments</u></b>				
14-516 (Oct 14) Legal Services	-	-1	-1	-1
Central/Departmental support apportionments	-2	-3	-3	-3
Section 106 Affordable Housing receipts applied	-	-177	-177	-177
Income from Housing Associations	-	-41	-41	-41
Running costs for Travellers' site	-	-24	-24	-24
Review of Telecare costs	-	-13	-13	-13
Other technical adjustments	-3	-2	-2	-2
NET EFFECT OF DEVELOPMENTS	-5	-298	-298	-298
NET EXPENDITURE at November 2014 prices	440	150	150	150
<b>REVENUE EXPENDITURE BY SERVICE</b>				
Graffiti Removal	281	144	144	144
Travellers Site	-15	-39	-39	-39
House Purchase and Leaseholder advances	-20	-19	-19	-19
Affordable Housing and Service Strategy	57	-65	-65	-65
Warden Services	137	129	129	129
NET EXPENDITURE at November 2014 prices	440	150	150	150

## **CAPITAL RESOURCES (GENERAL)**

### **Financing the Programme**

1. The Council's ability to finance capital spending is restricted only by its own view on affordability, subject to the Government's possible imposition of limits on local authority borrowing for macro-economic reasons.
2. The potential sources of finance for the Council's capital expenditure are: -
  - (a) grants and reimbursements earmarked for particular schemes or services, and obtained only on condition that a corresponding addition is made to the programme;
  - (b) Government capital grants not earmarked for particular schemes or services;
  - (c) Community Infrastructure Levy (CIL) and Section 106 payments;
  - (d) realisation of investments of usable capital receipts and reserves;
  - (e) borrowing; and
  - (f) contributions from Council revenue accounts.
3. Not all of these resources are currently relevant, however. Borrowing is financially disadvantageous compared with the alternative of investment realisation, as long as the Council has substantial investments available for this purpose - except in the limited circumstances of 'spend-to-save' schemes in schools. Moreover, the Government has the powers to impose a national limit on local authorities' borrowing, so borrowing could not be relied upon to finance a medium-term capital programme, currently. Contributions from Council revenue accounts are rarely available for the general capital programme, because of the impact on council tax, although some limited funding is available including the Renewals Fund, amounting to £1.2 million in the current year.
4. Currently then, the major sources of finance for the Council's capital expenditure are grants and realisation of investments. These are discussed in more detail below.

### **Capital Grants**

5. Capital grants are often given for specific projects but, occasionally, grants are unearmarked as "Supported Capital Expenditure (Capital) Single Capital Pot". Some Children's Services capital grants are now described as 'within the Single Capital Pot'.
6. Grants and reimbursements expected to support the programme over the three years exceed £112 million. The most significant are Government grants for education schemes totalling around £47.2 million, and schemes funded through Section 106 Reimbursements of around £48.7 million. Other major schemes are TfL grant of £5.8 million.

7. CIL is a levy which local authorities can charge on new developments and use to fund infrastructure in the local area. This levy came into force in Wandsworth in November 2012. The CIL is a standard charge based on development size and location. After deduction of an amount set aside for administration CIL income will be treated as capital resources to fund capital works. CIL income arising within the Vauxhall Nine Elms Opportunity Area will be subject to separate arrangements as set out in Paper No. 13-135 where the payments will be used to pay for relevant infrastructure within the opportunity area. Other CIL income is not ring-fenced to the area of the development and therefore can be spent on infrastructure throughout the Borough. The Council may carry forward CIL income to fund future identified infrastructure schemes. Grants and reimbursements currently include £4.7 million for existing capital schemes to be financed from CIL in 2014/15 and 2015/16. Approval for schemes funded by CIL in later years will be requested at later dates once amounts are confirmed.

### **Borrowing**

8. Schools Borrowing – The Education and Children’s Services Overview and Scrutiny committee have considered the need for an expansion in the Council’s special needs school capacity. There is no specific government funding available for this type of expenditure. The alternative is to purchase places in the independent sector which would be an ongoing revenue cost to the DSG. The Wandsworth Schools Forum have been consulted on a number of options to fund future, urgently needed, special school places in the borough, and have agreed to apply Dedicated Schools Grant (DSG) contributions of £8 million toward the scheme to develop Greenmead/Ronald Ross Schools. The total cost of the scheme is £16.5 million with the Ronald Ross school element being funded by the Council. The DSG contribution will only go towards the costs for Special Educational Needs provision.
9. The £8 million DSG contribution will be split, with £1 million to be met from current DSG underspend and a further £7 million from borrowing. This is allowed under the regulations governing the use of DSG as it is in effect a spend to save scheme as the purchase of independent places would present a higher ongoing cost to the DSG. A number of options have been considered, and it has been agreed with the schools forum that the £7 million will be internally borrowed over 9 years at the equivalent of the appropriate PWLB rate.

### **Realisation of Investments**

10. The amount of the Council's investments at any time reflects daily variations in routine cashflows as well as capital spending, debt redemption, and new capital receipts. The overall outlook for investments is reviewed in the context of the treasury management policy. The Council’s Treasury Management Strategy for 2015/16 shows total investments expected to be around £450 million by 31st March 2015. But these relate almost entirely to current liabilities and to General Fund reserves for contingencies and specific purposes. The only investments available specifically for financing the general capital programme are those arising from the capital receipts, which are neither payable to the Government nor used within the Housing Revenue Account and specific elements within the renewals fund which were previously set aside to finance capital projects.

11. The use of HRA receipts for capital spending in the General Fund is in the most cases restricted by regulation, forecast capital receipts include mainly estimates relating to sales of General Fund sites already identified as surplus, amounting to £25.8 million in 2014/15, £24.8 million in 2015/16, and £9.5 million in 2016/17. A limited sum of HRA receipts able to be used freely for General Fund purposes has been included within the overall receipt totals. This may increase in later years, particularly for any General Fund regeneration schemes, but these will be added in as appropriate in due course. Due to the current uncertainties in the property market, the total estimates for site sales have been reduced by 20% to reflect the risks associated with the level and timing of their receipt.

## GENERAL CAPITAL BUDGET FRAMEWORK

12. The table below compares the estimated capital grants and receipts with the capital payments to be financed. The £63.2 million usable receipts at the start of 2014/15, after increasing to £73.5 million by the end of 2014/15, will decrease to £60.8 million at the end of 2015/16 and then reduce further to £47.7 million at the end of 2016/17.

	<u>2014/15</u>	<u>2015/16</u>	<u>2016/17</u>
	£'m	£'m	£'m
<b>Usable Capital Receipts at start of year</b>	63.2	73.5	60.8
Add: Grants and reimbursements	65.0	37.5	9.8
Add: Borrowing	0.0	5.0	2.0
Add: Renewals Fund	1.2	0.0	0.0
Add: New capital receipts (net of adjustment)	28.6	27.1	11.5
Less: Total General Capital Payments (after slippage)	-84.5	-82.3	-36.4
<b>Usable Capital Receipts at end of year</b>	<b>73.5</b>	<b>60.8</b>	<b>47.7</b>

13. The table in paragraph 12 forms part of the revised general (non-HRA) capital budget framework adoption by the Council. The previous capital framework dated back to 2000 and is from the era when the Council did not consider self-development of schemes and capital receipts were primarily used to fund the maintenance or enhancement of existing assets, rather than the creation of a new asset base. As such, the existing framework has been revised to reflect the change in circumstances that the Council finds itself in whereby capital expenditure is being incurred on the acquisition of sites so that the Council can, at a later date, accrue a larger capital receipt. The timescale of the capital framework has increased from three to five years and the available resources limit has been amended so that annually the Council may commit to capital expenditure in a similar way to within the HRA whereby a minimum level of capital receipts has to be retained. The proposed limit for 2015/16 is £15 million. The additional full year annual impact of such a reduction in capital receipts in 2015/16 would be equivalent to about £3.15 on band D council tax.

### **Revenue Effects**

14. Capital payments have no revenue effect to the extent that they are financed by capital grant, provided that the grant is not significantly delayed. Payments financed by the realisation of investments entail loss of interest on those investments. While the Council is expected to remain at the Revenue Support Grant "floor" for the foreseeable future, the Government support for capital spending through the Revenue Support Grant system offers no benefit.
15. The revenue effects, based on the loss of investment interest at the current budgeted rate, of the revised General Capital Programme shown in the table in paragraph 12 have a full annual impact of £694,796 equivalent to £5.76 band D council tax.



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**APPENDIX L TO PAPER NO. 15-114**

**SUMMARY OF GENERAL FUND CAPITAL PROGRAMME 2014/15 - 2016/17**

	<u>2014/15</u> £'000	<u>2015/16</u> £'000	<u>2016/17</u> £'000
<b><u>ADULT CARE AND HEALTH SERVICES</u></b>			
Adult Care	529	60	60
	<hr/> 529	<hr/> 60	<hr/> 60

**COMMUNITY SERVICES**

Leisure Centres and Sports Services	1,801	2,582	1,060
Public Halls/Community Centres	186	44	-
Parks and Open Spaces	291	1,230	250
Environmental Services	72	-	-
Crime Reduction Strategy	-	505	-
Libraries and Heritage	35	-	155
Highways Services	34,571	10,420	11,483
Schemes Funded by CIL	720	-	-
Depots	207	-	-
Planning Services	80	-	-
	<hr/> 37,963	<hr/> 14,781	<hr/> 12,948

**EDUCATION AND CHILDREN'S SERVICES**

Secondary Education	17,539	10,761	-
Primary Education	17,404	28,225	500
Special Schools	3,372	10,663	7,590
Other Education Funded Schemes	1,238	687	837
Other Children's Services	570	254	-
	<hr/> 40,123	<hr/> 50,590	<hr/> 8,927

**SUMMARY OF GENERAL FUND CAPITAL PROGRAMME 2014/15 - 2016/17**

	<u>2014/15</u> £'000	<u>2015/16</u> £'000	<u>2016/17</u> £'000
<b><u>FINANCE AND CORPORATE RESOURCES</u></b>			
Administrative Buildings	348	93	900
IT Services	695	379	369
Property Services	6,678	11,425	9,025
Economic Development	987	350	-
	<u>8,708</u>	<u>12,247</u>	<u>10,294</u>

**HOUSING AND REGENERATION**

Loans to Leaseholders	175	175	175
Sub-regional Private Sector Grants	694	220	-
Renovation Grants	555	500	-
Other Housing Schemes	771	3,750	-
	<u>2,195</u>	<u>4,645</u>	<u>175</u>

**TOTAL GENERAL FUND CAPITAL PROGRAMME**

	<u>89,518</u>	<u>82,323</u>	<u>32,404</u>
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**RELEVANT IN-YEAR GENERAL FUND RESOURCES**

	<u>2014/15</u> £'000	<u>2015/16</u> £'000	<u>2016/17</u> £'000
Usable Capital Receipts at Start of Year	63,232	68,496	55,740
Add Grants Reimbursements	64,973	37,489	9,840
Add Borrowing	-	4,954	2,046
Add Revenue/Renewals Fund	1,211	-	-
Add Capital Receipts	28,598	27,124	11,521
Less Total General Fund Payments (Before slippage)	-89,518	-82,323	-32,404
Usable Capital Receipts at End of Year	<u>68,496</u>	<u>55,740</u>	<u>46,743</u>

*Budget and Council Tax*

**ADULT CARE AND HEALTH SERVICES**

CAPITAL SCHEMES

	<u>2014/15</u> £'000	<u>2015/16</u> £'000	<u>2016/17</u> £'000
<u>ADULT CARE</u>			
Adaptations for Disabled	89	60	60
Autism Innovation - Garden Cabin	19	-	-
Better Days Programme			
- Learning Disabilities Additional Minibus	33	-	-
- Tooting Community Base (Graveney)	36	-	-
- Wandsworth Community Base (Fairfield)	53	-	-
Complex Needs Hub (Graveney) - Remodelling	188	-	-
Electronic Monitoring of Homecare	14	-	-
Randall Close Day Centre (St Mary's Park) - Replacement Windows	90	-	-
2 Wardley Street (Earlsfield) - Remodelling	7	-	-
<b>TOTAL ADULT CARE AND HEALTH SERVICES</b>	<b>529</b>	<b>60</b>	<b>60</b>

## COMMUNITY SERVICES

## CAPITAL SCHEMES

	<u>2014/15</u> £'000	<u>2015/16</u> £'000	<u>2016/17</u> £'000
<u>LEISURE CENTRES AND SPORTS SERVICES</u>			
Balham Leisure Centre (Bedford)			
- Pool Roof Renewal	-	-	100
Barn Elms - Resurfacing of Tennis Courts	-	-	200
Battersea Park (Queenstown)			
- Millennium Arena Fitness Suite	65	-	-
- Resurfacing Athletics Track	5	-	-
Leisure Centre Contract	1,150	2,057	120
Putney Leisure Centre (Thamesfield)			
- Changing Rooms	158	-	-
- Pool Roof Renewal	-	-	275
Tooting Bec Lido (Bedford)			
- Pavilion	150	525	35
- Poolside Surface Refurbishment	-	-	50
Tooting Leisure Centre (Tooting)			
- Fire Alarm Renewal	-	-	120
- UV Disinfection System	-	-	60
Wandle Leisure Centre (Southfields)			
- Roof Renewal and Sports Hall Cladding	-	-	100
Leisure Centre Contract - Places for People	158	-	-
Upgrade of Sports Pitches	115	-	-
<b>TOTAL LEISURE CENTRES AND SPORTS SERVICES</b>	<b>1,801</b>	<b>2,582</b>	<b>1,060</b>

PUBLIC HALLS/COMMUNITY CENTRES

Civic Suite (Fairfield)			
- Renewal of Roof Covering	50	24	-
- Renewal of Passenger Lift	64	20	-
Wilditch Community Centre (Latchmere) - Renew Boiler	72	-	-
<b>TOTAL PUBLIC HALLS/COMMUNITY CENTRES</b>	<b>186</b>	<b>44</b>	<b>-</b>

## Budget and Council Tax

### COMMUNITY SERVICES

#### CAPITAL SCHEMES

	<u>2014/15</u> £'000	<u>2015/16</u> £'000	<u>2016/17</u> £'000
<u>PARKS AND OPEN SPACES</u>			
Battersea Park (Queenstown)			
- Renewal of Heating Boilers and Controls	66	-	-
- Resurface Tennis Courts	78	-	-
- Winter Garden	-	30	-
Falcon Park (Latchmere) - New 3G Pitch	-	1,200	100
Fishponds Playing Fields (Tooting) - Renewal of Heating Boiler and Controls	15	-	-
Neal's Lodge (Wandsworth Common) - Renewal of Roof Covering	83	-	-
St Mary's Church Boundary Wall (St Mary's Park)			
- Essential Repairs	30	-	-
Wandsworth Common - Resurface Pathways	19	-	-
Paths Resurfacing in Parks	-	-	150
TOTAL PARKS AND OPEN SPACES	<u>291</u>	<u>1,230</u>	<u>250</u>

#### ENVIRONMENTAL SERVICES

Air Quality Grant	25	-	-
Battersea Cemetery - Renewal of Roof Covering	47	-	-
TOTAL ENVIRONMENTAL SERVICES	<u>72</u>	<u>-</u>	<u>-</u>

#### CRIME REDUCTION STRATEGY

Boroughwide CCTV (Phase 1) - Replacement of 67 Cameras	-	505	-
TOTAL CRIME REDUCTION STRATEGY	<u>-</u>	<u>505</u>	<u>-</u>

#### LIBRARIES AND HERITAGE

TARA Arts Loan	35	-	-
Battersea Library (Shaftesbury) - Public Toilets	-	-	55
Tooting Library (Graveney) - Waterproofing of Basement Area	-	-	100
TOTAL LIBRARIES AND HERITAGE	<u>35</u>	<u>-</u>	<u>155</u>

Budget and Council Tax

COMMUNITY SERVICES

CAPITAL SCHEMES

	<u>2014/15</u> £'000	<u>2015/16</u> £'000	<u>2016/17</u> £'000
<u>Council Funded Highway Services</u>			
Blocked Gullies	95	50	50
Capitalised Repairs			
- Carriageways	3,402	2,000	2,000
- Footways	1,975	1,000	1,000
- Additional Carriageway Funding	164	-	-
Street LED Lighting	25	400	-
Town Centre Streetscape Projects	24	-	-
Traffic Management Schemes	101	-	-
	5,786	3,450	3,050
<u>Transport for London Funded Schemes</u>			
Corridors/Neighbourhoods -			
Bus Stop Accessibility Programme	50	-	-
Bus Stand Remodelling and Improvement	50	-	-
Car Club - Support for Expansion	10	9	-
Clapham Junction Exemplar	665	-	-
Clarence Lane Roundabout	14	105	-
Cycle Parking Programme	58	29	-
Decluttering	-	38	-
Fountain Road Junction with Garratt Lane	11	71	-
Improved Access to River Services	48	29	-
Inventory Mapping Pedestrian and Cycle Routes	-	48	-
Key Transport Data and Indicator Collection	-	48	-
Lavender Hill Streetscape Design	48	-	-
Legible London - Tooting Town Centre	67	67	-
Local Cycle Routes	60	286	-
Local Shopping Street Improvement	340	424	-
Mitcham Road Corridor	50	95	-
Nantes Close and Tours Passage CCTV	38	-	-
Neighbourhood Schemes - 20 MPH Limits	-	190	-
Neighbourhood Schemes - Traffic Movement Proposals	343	-	-
Northcote Road Streetscape Design	48	-	-
Park Gateways	-	48	-
Putney Bridge	71	-	-
Putney High Street Air Quality Improvement	-	67	-
Putney High Street/Bridge Junction	24	-	-
Regeneration Infrastructure Fund	-	95	-
Road Safety Priorities	-	95	-
Roehampton Transport Improvement	50	-	-
Safe Routes to Schools - Investigation and Implementation	95	95	-
Station Access Improvements	48	95	-
Street Trees - Addition of Trees Across the Borough	24	24	-
Tooting - Gating Schemes	5	-	-
Woodlands Way/Fawe Park Road	48	-	-
Winstanley/York Road Estates	29	-	-
	2,294	1,958	-

*Budget and Council Tax*

**COMMUNITY SERVICES**

CAPITAL SCHEMES

	<u>2014/15</u> £'000	<u>2015/16</u> £'000	<u>2016/17</u> £'000
Principal Road Maintenance - Resurfacing of Carriageways on Principal Roads	344	340	-
Other Schemes -			
Flexible Funding	-	50	-
Mayor's Cycle Hire Scheme	431	-	-
Mayor's Transport Strategy - Flexible Funding	50	-	-
Putney Bridge Deck Replacement	286	-	-
	<hr/> 767	<hr/> 50	<hr/> -
 TOTAL TRANSPORT FOR LONDON SCHEMES	 <hr/> 3,405	 <hr/> 2,348	 <hr/> -

Section 106 Agreements under the Town & Country Planning Act 1990  
Contributions in Nine Elms

Project Development Fees	175	210	-
Northern Line Extension 1	16,020	-	-
Contribution to Northern Line Extension from Other Schemes	2,800	-	-
Riverwalk	400	1,000	-
Strategic Link (Excluding River Walk)	-	250	-
Utilities	205	164	164
Queens Circus Roundabout	1,386	-	-
Increase Bus Capacity and Pump Priming New Services	-	348	305
Improvements to Battersea Park Station	-	-	5,464
Nine Elms Highways, Pedestrian and Public Realm	-	500	1,000
Pedestrian Bridge	-	500	1,500
	<hr/> 20,986	<hr/> 2,972	<hr/> 8,433



Budget and Council Tax

COMMUNITY SERVICES

CAPITAL SCHEMES

	<u>2014/15</u> £'000	<u>2015/16</u> £'000	<u>2016/17</u> £'000
<u>Section 106 Agreements under the Town &amp; Country Planning Act 1990</u>			
<u>Other Schemes</u>			
Alton Road 3-5, SW15	20	-	-
Arton Wilson House, 85 Roehampton Lane, SW15	100	-	-
ASDA Clapham Junction	81	-	-
Caius House Open Space Area	102	-	-
Chartfield 4-8	10	-	-
Eltringham Depot and York Road Footway Works	164	-	-
Enterprise Way - Wandsworth Park Play Area	35	-	-
Falcon Wharf - TfL London Buses	65	-	-
Griffon & Lanner House, Winstanley Road, SW11	24	-	-
Hardwicks Way 1-9 and 2-6	28	-	-
Humpherson/York Road	31	-	-
IMA House, 20 Northfields, SW18	143	-	-
Magdalen Road	11	-	-
Merton Road 249-251	36	-	-
Parkview - Queens Circus	20	-	-
Peabody Clapham Junction Crossing and Footway	225	-	-
Putney Bridge Road 50-52, Former South Thames College	61	-	-
Putney Bridge Road 118	14	-	-
Queen Mary's Hospital, Roehampton Lane, SW15	25	-	-
St Georges Grove - TfL London Buses	155	-	-
South Thames College, Wandsworth Site, SW18	21	-	-
The Plough Public House, St John's Hill	19	-	-
Upper Richmond Road 77-83	100	-	-
Upper Richmond Road 84-88	104	-	-
Wandsworth Business Village, 3-9 Broomhill Road	138	-	-
Wandsworth Enterprise Park	49	-	-
Winstanley Road 50	25	-	-
Wandsworth One Way System	-	1,500	-
Other Schemes	238	-	-
	2,044	1,500	-
<u>Other Highway Schemes</u>			
Putney Bridge Refurbishment	1,350	150	-
Replace Parking Meters	1,000	-	-
	2,350	150	-
<b>TOTAL HIGHWAYS SERVICES</b>	<b>34,571</b>	<b>10,420</b>	<b>11,483</b>

*Budget and Council Tax*

**COMMUNITY SERVICES**

CAPITAL SCHEMES

	<u>2014/15</u> £'000	<u>2015/16</u> £'000	<u>2016/17</u> £'000
<u>SCHEMES FUNDED BY CIL</u>			
Neighbourhood Projects	100	-	-
St John Bosco Fixtures and ICT Suite	620	-	-
<b>TOTAL SCHEMES FUNDED BY CIL</b>	<b>720</b>	<b>-</b>	<b>-</b>

DEPOTS

Frogmore House (Fairfield)			
- Renew Roof Covering and Insulation	140	-	-
Transport Workshop - Replacement Doors	20	-	-
Hilden House (Fairfield)			
- Renew Roof to Rear of Building	47	-	-
<b>TOTAL DEPOTS</b>	<b>207</b>	<b>-</b>	<b>-</b>

PLANNING SERVICES

Conservation/Enhancement Grants	80	-	-
<b>TOTAL PLANNING SERVICES</b>	<b>80</b>	<b>-</b>	<b>-</b>

<b>TOTAL COMMUNITY SERVICES</b>	<b>37,963</b>	<b>14,781</b>	<b>12,948</b>
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*Budget and Council Tax*  
**EDUCATION AND CHILDREN'S SERVICES**

CAPITAL SCHEMES

	<u>2014/15</u>	<u>2015/16</u>	<u>2016/17</u>
	£'000	£'000	£'000
<b><u>SECONDARY EDUCATION</u></b>			
Building Schools for the Future			
- Burntwood (Earlsfield)	676	-	-
- Southfields (Southfields)	630	300	-
Bolingbroke Academy (Northcote)	1,233	-	-
Ark Putney Academy (formerly Elliott School) (West Putney)	15,000	9,961	-
John Bosco College (West Hill) - Redevelopment	-	500	-
<b>TOTAL SECONDARY EDUCATION</b>	<b>17,539</b>	<b>10,761</b>	<b>-</b>
<b>BASIC NEEDS - PRIMARY PLACES</b>			
Albemarle (West Hill) - Primary Expansion	1,000	2,434	-
Allfarthing (Fairfield) - Primary Expansion	200	243	-
Atheldene (Earlsfield) - Primary School	4,484	2,600	-
Chesterton (Latchmere)	138	-	-
Earlsfield (Earlsfield) - Mobile Classroom	61	-	-
Granard (West Putney) - Primary Expansion	900	1,846	-
Hillbrook (Tooting)	2,910	2,500	-
Penwortham 2014 (Furzedown)	134	-	-
Penwortham (Furzedown)	650	650	-
Putney Hospital Site (Thamesfield)	1,000	617	500
Riversdale (Southfields)	2,294	-	-
Shaftesbury Park (Shaftesbury)	53	-	-
Sheringdale (Southfields) - Expansion	675	2,984	-
Smallwood (Tooting)	100	-	-
Smallwood (Tooting) - Mobile	259	-	-
	<b>14,858</b>	<b>13,874</b>	<b>500</b>

*Budget and Council Tax*

**EDUCATION AND CHILDREN'S SERVICES**

CAPITAL SCHEMES

	<u>2014/15</u>	<u>2015/16</u>	<u>2016/17</u>
	£'000	£'000	£'000
<b>OTHER PRIMARY SCHEMES</b>			
Albemarle (West Hill) - Heating	-	230	-
Beatrix Potter (Wandsworth Common)			
- Replacement of Boilers Serving Heating and Hot Water, Controls, Pipe Works and Radiators	-	158	-
- Roof	-	82	-
Chesterton (Latchmere) - Kitchen	-	225	-
Earlsfield School (Earlsfield) - Wall	-	366	-
Fircroft (Tooting) - Alterations	-	253	-
Franciscan (Graveney) - Replacement Windows	25	-	-
Granard School (West Putney) - Windows	-	152	-
Heathmere (Roehampton)			
- Renovation Works	592	-	-
- Nursery Play Surfacing/Reinstatement	-	130	-
- Roof - Infant Building	-	125	-
- Windows Phase 2	-	53	-
Highview - Window Replacement/Re-roofing	539	-	-
John Burns (Shaftesbury) - Improvements	170	-	-
Primary School Land Costs	-	12,257	-
Riversdale (Southfields) - Drainage Repairs/Downpipe Replacement	-	50	-
Smallwood ASD (Tooting)	122	-	-
Smallwood (Tooting)			
- Kitchen	532	-	-
- Windows	-	270	-
Smallwood Nursery (Tooting) - Heating	129	-	-
Free School Meals	437	-	-
	<u>2,546</u>	<u>14,351</u>	<u>-</u>
<b>TOTAL PRIMARY EDUCATION</b>	<u>17,404</u>	<u>28,225</u>	<u>500</u>

*Budget and Council Tax*  
**EDUCATION AND CHILDREN'S SERVICES**

CAPITAL SCHEMES

	<u>2014/15</u> £'000	<u>2015/16</u> £'000	<u>2016/17</u> £'000
<u>SPECIAL SCHOOLS</u>			
Bradstow - New Residential	500	2,800	-
Nightingale (Wandsworth Common)			
- Remodelling	1,522	-	-
- Kitchen	-	210	-
Francis Barber PRU (Graveney) - Drama Studio	390	-	-
Greenmead/Ronald Ross (West Putney/West Hill)			
- Initial Feasibility	371	-	-
- School Places	56	5,900	7,590
Greenmead (West Putney) - Additional Classrooms	385	100	-
Linden Lodge (West Hill)			
- Family Centre	-	1,149	-
- Renewal of Existing Platform (Scissor) Lift	-	115	-
Paddock (Roehampton)			
- Kitchen Refurbishment	148	-	-
- Roof	-	389	-
<b>TOTAL SPECIAL SCHOOLS</b>	<b>3,372</b>	<b>10,663</b>	<b>7,590</b>
 <u>OTHER EDUCATION FUNDED SCHEMES</u>			
Early Years Centre, 1 Siward Road (Earlsfield)			
- Rewiring/Fire Alarm	40	40	-
- Renewal of Heating Boiler and Controls	85	-	-
- 2-Year Old Places	90	47	-
King George's Park (Southfields) - 2-Year Old Places	523	-	-
Schools Devolved Capital	500	600	837
<b>TOTAL OTHER EDUCATION FUNDED SCHEMES</b>	<b>1,238</b>	<b>687</b>	<b>837</b>
 <b>TOTAL EDUCATION</b>	<b>39,553</b>	<b>50,336</b>	<b>8,927</b>

*Budget and Council Tax*

**EDUCATION AND CHILDREN'S SERVICES**

CAPITAL SCHEMES

	<u>2014/15</u> £'000	<u>2015/16</u> £'000	<u>2016/17</u> £'000
<u>OTHER CHILDREN'S SERVICES</u>			
Alma Road Youth Information and Resource Centre (Fairfield)			
- Renewal of Radiators/Pipe Work	51	-	-
Leaders Gardens (Thamesfield) - Playground	25	-	-
Tooting Hub (Tooting) - Renewal of Heating Boiler and Controls	137	-	-
Conversion/Extension Foster Carers' Properties	-	154	-
Smallwood Family Centre (Tooting) - Renewal of Heating System	138	-	-
Wandsworth Independent Living Scheme - Renewal of Heating Boiler and Controls	22	-	-
Various Final Accounts	197	100	-
<b>TOTAL OTHER CHILDREN'S SERVICES</b>	<u>570</u>	<u>254</u>	<u>-</u>
<b>TOTAL EDUCATION AND CHILDREN'S SERVICES</b>	<u>40,123</u>	<u>50,590</u>	<u>8,927</u>

*Budget and Council Tax*  
**FINANCE AND CORPORATE RESOURCES**

CAPITAL SCHEMES

	<u>2014/15</u> £'000	<u>2015/16</u> £'000	<u>2016/17</u> £'000
<u>ADMINISTRATIVE BUILDINGS</u>			
Town Hall (Fairfield)			
- Demolish Prefabs and Boiler House for Parking	-	87	-
- Renewal of Lift S005	84	6	-
Town Hall Extension (Fairfield)			
- Replace Radiators and Heating Pipework	34	-	-
- Renew Window Pivots and Upgrade to Double Glazing	230	-	-
- Renew Roof Covering to Roof A	-	-	350
Wentworth House - Internal Refurbishment	-	-	550
<b>TOTAL ADMINISTRATIVE BUILDINGS</b>	<b>348</b>	<b>93</b>	<b>900</b>
<u>IT SERVICES</u>			
E5 Web Solution	60	-	-
Forensic Software	33	-	-
HR Payroll System	47	-	-
ICT Infrastructure	266	350	369
Rocc/Forest and Frameworki IT Systems	80	-	-
Self Service Portal for Council Tax and Parking Permits	209	29	-
<b>TOTAL IT SERVICES</b>	<b>695</b>	<b>379</b>	<b>369</b>
<u>PROPERTY SERVICES</u>			
Acquisition of Atheldene and Surrounding Sites	1,000	5,300	8,200
Acquisition of Depot and Offices - Watergate Wharf, SW18	339	-	-
Acquisition of Properties	5,000	5,000	-
Bedford House - EE Lease Surrender	70	-	-
Bolingbroke Site - Doctors Surgery	93	-	-
Thames Tideway Tunnel	151	-	-
Wood House and Palladino House	-	1,100	800
Works to Land and Property Prior to Sale	25	25	25
<b>TOTAL PROPERTY SERVICES</b>	<b>6,678</b>	<b>11,425</b>	<b>9,025</b>
<u>ECONOMIC DEVELOPMENT</u>			
Balham Improvement Scheme	987	-	-
Balham and Mitcham Lane Public Realm	-	350	-
<b>TOTAL ECONOMIC DEVELOPMENT</b>	<b>987</b>	<b>350</b>	<b>-</b>
<b>TOTAL FINANCE AND CORPORATE RESOURCES</b>	<b>8,708</b>	<b>12,247</b>	<b>10,294</b>

*Budget and Council Tax*

**HOUSING AND REGENERATION**

CAPITAL SCHEMES

	<u>2014/15</u> £'000	<u>2015/16</u> £'000	<u>2016/17</u> £'000
<u>HOUSING (non-HRA)</u>			
Loans to Leaseholders	175	175	175
Sub-Regional Private Sector Grants			
- Empty Property Grants	694	220	-
Renovation Grants			
- Disabled Facilities Grants	555	500	-
Other Housing Schemes			
- Section 106 Contribution to Extra Care Housing	521	-	-
- Wandsworth Affordable Housing Programme	250	3,750	-
	<u>771</u>	<u>3,750</u>	<u>-</u>
<b>TOTAL HOUSING AND REGENERATION (GENERAL FUND)</b>	<u><u>2,195</u></u>	<u><u>4,645</u></u>	<u><u>175</u></u>







WANDSWORTH BOROUGH COUNCIL

FINANCE AND CORPORATE RESOURCES OVERVIEW AND SCRUTINY  
COMMITTEE - 19TH FEBRUARY 2015

EXECUTIVE – 23RD FEBRUARY 2015

Report by the Director of Finance on the Council's Treasury Policy for 2015/16

SUMMARY

This report reviews the Treasury Management activities so far during 2014/15 and makes proposals for 2015/16 for approval by the full Council, in accordance with CIPFA's revised Treasury Management Code, the Council's Treasury Policy Statement and the Local Government Act 2003.

Short-term interest rates have been stable throughout 2014/15, and confidence in financial institutions has not improved. In order to mitigate the low Council interest rates changes in Treasury Policy have been made during the year, whilst being very mindful of safeguarding the Council's investments. Any changes have been reported to this Committee, the Executive and the full Council.

Approval is now sought for an updated Treasury Policy Statement for 2015/16, including the determination of the Council's affordable borrowing limit and operational boundary, and the minimum revenue provision policy for the financial year 2015/16.

Investments increased during 2014/15 from £397 million to £457 million at the end of December, and interest rates averaged 0.76%. Investments are expected to remain at similar levels. Debt has reduced from £195 million to £185 million reflecting repayments of PWLB debt.

GLOSSARY

CCLA	– Charities, Church of England, Local Authorities
CIPFA	– Chartered Institute of Public Finance and Accountancy
DCLG	– Department of Communities and Local Government
DMADF	– Debt Management Account Deposit Facility
DSG	– Dedicated Schools Grant
Fitch	– Fitch Ratings Ltd (the international credit ratings agency)
HRA	– Housing Revenue Account
LIBID	– London Inter Bank Bid Rate
MMF's	– Money Market Funds
Moody's	– the international credit ratings agency

MRP – minimum revenue provision  
PWLB – Public Works Loan Board  
Standard & Poor's – the international credit ratings agency

## RECOMMENDATIONS

1. The Finance and Corporate Resources Overview and Scrutiny Committee are recommended to support the recommendations to the Executive in paragraph 2. If they approve any views, comments or recommendations on the report, these will be submitted to the Executive for consideration.
2. The Executive is recommended to recommend the Council -
  - (a) to authorise the Director of Finance to determine the Council's Treasury Policy Statement for 2015/16 on the basis of the most recently approved Statement for 2014/15, updated as proposed in paragraphs 9 to 11 of this report (Appendix A);
  - (b) to approve, as required under Section 3 of Part 1 of the Local Government Act 2003, for the financial year 2015/16 an affordable borrowing limit and operational boundary of £185 million as shown in paragraph 11; and
  - (c) to approve, as recommended under Guidance issued under the Local Government Act 2003, an MRP of nil for 2015/16, as shown in paragraphs 12 and 13.

## INTRODUCTION

3. The Council's Treasury Policy Statement defines both the overall arrangements for treasury management and the expectations for the ensuing financial year. These arrangements are in accordance with the 'Treasury Management Code' issued by CIPFA in 2002, and revised in late 2011. They also have regard to the 'Prudential Code,' issued by CIPFA, and considered by the Council on the basis of Paper No. 04-129 in January 2004, and to Investment Guidance issued under Section 15 of the Local Government Act 2003 by the DCLG.
4. The overall arrangements for Treasury Management include provision for review and updating of the Statement at about this time of year. The last annual review of the Statement was in March 2014 in Paper No. 14-191, but it was updated more recently in Paper No 14-614 in November 2014. This Statement is attached as Appendix A to this report. Subsequent paragraphs comment on experience to date in 2014/15, and policy for 2015/16 and later years.

## GENERAL TREASURY MANAGEMENT EXPERIENCE IN 2014/15

5. Short-term interest rates have been stable at historically low levels during 2014/15 and confidence in the security of financial institutions has worsened for some institutions and not improved for the remainder. An independent review of the Council's Treasury Management policies was carried out earlier in the

year by Treasury Management advisers. Changes to the Council's investment policies were approved in April 2014 in Paper No. 14-258 and more recently in November 2014 in Paper No. 14-614 in order to achieve some increase in rates of interest. The Director of Finance is however very mindful of safeguarding the Council's investments and the Council's investment policy continues to be very restrictive. Since November 2014 the level of investment placed for longer than 364 days but for no longer than two years has increased from £100 million to £140 million with rates of between 0.97% and 1.19%. The investment in the CCLA Property Fund has also increased from £5 million to £10 million. It is not proposed to make any further changes to the Council's Treasury Policy Statement at the current time.

6. A full report on the 2014/15 treasury management record will be made in June 2015, in accordance with the arrangements prescribed in the Policy Statement. Meanwhile, Appendix B charts the movements in short-term interest rates during 2014. This shows the rate on the Council's own investments, together with the 7 Day LIBID rate used as a benchmark, and the 3 Month LIBID rate as an example of a slightly longer term rate. The Council's rate has shown some increase reflecting the changes in policy earlier in the year and is comfortably above the benchmark, whereas the benchmark rates have remained very stable throughout the year. The average interest rate earned on the Council's investments has been 0.76%, compared to 0.52% for the equivalent time period in 2013/14 and compared to a benchmark (7 Day LIBID rate) of 0.35%. The actual base rate has remained at 0.5% since February 2009.
7. Investments The Council began the year with short-term investments of £397 million, and amounted to £457 million at the end of December. The level of investment has never fallen below £397 million, and on average has been around £455 million. The size and composition of the Council's investments at 31st March 2014 and 31st December 2014 is shown in Appendix C.
8. Debt The size and composition of the Council's debt at 31st March 2014 and 31st December 2014 is shown in Appendix D. Gross debt has reduced from £195 million to £185 million reflecting repayments of PWLB debt. A further repayment will be made before the end of 2014/15. No new long-term borrowing has been undertaken, and none is expected for the remainder of the year.

#### **TREASURY MANAGEMENT STRATEGY FOR 2015/16**

9. The strategy for 2015/16 considers the outlook for investment and debt levels for the period 2015/16 to 2017/18, taking into account estimates of major cash flow movements. These estimates are shown in the table in paragraph 4.1 in Appendix A.
10. The Council is expected to begin the year with investments of around £450 million. Repayments of the remaining £3.5 million of old long-term debt fall due over the next year from April 2015, together with £17.2 million of new PWLB loans taken up for the HRA on 28th March 2012. The estimated movements for the following two years based upon current cash flows show that investments are likely to remain above the £300 million level. These cash flows do not

currently allow for potential expenditure relating to regeneration schemes in Roehampton and Battersea.

11. Affordable Borrowing Limit and Operational Boundary for 2015/16 The Council has to set an affordable borrowing limit and operational boundary for 2015/16 under Section 3 of Part 1 of the Local Government Act 2003. This limit refers only to gross borrowing, ignoring investments, and it is intended that it reflect the maximum amount that a local authority decides that it can afford to borrow. This limit was set at £200 million in February 2014 for 2014/15, reflecting the existing long-term borrowing of £195 million at 1 April 2014, and allowing for the possibility of borrowing for a “spend-to-save” scheme, and short-term fluctuations in cash flows, including deposit facilities offered to other bodies and external funds, such as the North East Surrey Crematorium Board. Long-term borrowing is expected to be £176 million at 1 April 2015 and no new long-term borrowing is currently planned. A limit of £185 million is therefore proposed for the affordable borrowing limit and operational boundary for 2015/16, reflecting the existing borrowing, and allowing for other possible requirements.
12. MRP Statement for 2015/16 Regulations issued under the Local Government Act 2003 require local authorities to calculate an annual amount of MRP to be set aside from revenue for the repayment of debt that is “prudent”. Accompanying guidance, to which local authorities should have regard, recommends the preparation of an annual statement of policy on making MRP, for approval by full Council. The MRP should not take account of capital expenditure on housing assets.
13. For Wandsworth the MRP for 2015/16 is nil, reflecting the fact that the Council’s debt relates to the Housing Revenue Account. As the Council has not undertaken any new General Fund borrowing, a “prudent” MRP for 2015/16 of nil is proposed for approval by the Council.
14. Paper No. 15-25 reported to this Committee on 28 January 2015 detailed plans for £7 million of internal borrowing in 2015/16 and 2016/17 towards the cost of the scheme to develop Greenmead/Ronald Ross schools. The scheme will be partly funded by internal borrowing by the Dedicated Schools Grant (DSG) and repaid over nine years, with the resulting revenue provision being charged against the DSG and commencing in 2016/17. This will be reflected in the MRP Statement for 2016/17.

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The Town Hall  
Wandsworth  
SW18 2PU  
11th February 2015

CHRIS BUSS  
Director of Finance

**Background Papers**

No background papers were used in the preparation of this report:-

All reports to the Overview and Scrutiny Committees, regulatory and other committees, Executive and the full Council can be viewed on the Council website ([www.wandsworth.gov.uk/moderngov](http://www.wandsworth.gov.uk/moderngov)) unless the report was published before May 2001 in which case the Committee Secretary (Mr Graham Collins – 020 8871 6021; mail to: [gcollins@wandsworth.gov.uk](mailto:gcollins@wandsworth.gov.uk)) can supply a copy if required.

## APPENDIX A

### WANDSWORTH BOROUGH COUNCIL

#### TREASURY POLICY STATEMENT - FEBRUARY 2015

#### 1. SCOPE OF CORPORATE TREASURY MANAGEMENT

- 1.1 Treasury management activities are defined as the 'management of the Council's cash flows, banking, money market and capital market transactions, the effective control of the risks associated with those activities, and the pursuit of optimum performance consistent with those risks, supporting the achievement of the Council's business and service objectives.'
- 1.2 All cash, bank balances, financial assets, borrowings and credit arrangements held or made by any person in the course of their employment by the Council fall within the scope of Corporate Treasury Management, apart from items specifically excepted for this purpose by the Executive. The current exceptions are:
- (i) Funds held as cash and as bank balances, and managed by officers of the Education and Youth Services for the purposes of school journey grants, and voluntary funds;
  - (ii) Funds held as cash and as bank balances and managed by officers of Education and Social Services Department's Care Establishments for small items of expenditure and on behalf of residents;
  - (iii) Funds held in bank accounts for school disbursements and managed by officers in schools that have exercised their right to use different bankers from the Council; and
  - (iv) Pension Fund investments and balances under the control of investment managers appointed by the Pensions Committee.

#### 2. ADMINISTRATION

- 2.1 The Director of Finance's responsibilities for Treasury Management are prescribed in the Council's Financial Regulations. Corporate Treasury Management is part of the statutory responsibility of the Director of Finance under Section 151 of the Local Government Act 1972, and no other Council, or school employee is authorised to borrow or make credit arrangements on behalf of the Council.
- 2.2 Subject to 2.3 below, the Director of Finance has delegated authority in relation to Treasury Management as follows:
- (i) To invest any surplus balances of the Council's funds other than the Pension Fund and to sell investments for the purpose of re-investment or to meet the needs of a particular fund;



- (ii) to administer the Council's external debt within the ambit of any policy as to borrowing which the Council may have from time to time determined, and specifically:
    - (a) to raise, repay, renew and otherwise vary the terms of the loans; and
    - (b) to enter into any collateral agreements necessary to facilitate effective debt management; and
  - (iii) to negotiate and enter into leasing agreements in order to finance the acquisition of vehicles, plant and equipment and to enter into any collateral agreements necessary to facilitate an effective leasing policy.
- 2.3 The Director of Finance shall submit for the approval of the full Council by 31st March of each year, a Treasury Policy Statement defining the overall arrangements and strategy for the ensuing financial year, a report on the exercise of his delegated authority by 30th September in the following financial year, and a mid-year review report. Such statements and reports will have regard to good professional practice and relevant codes such as the CIPFA Guide to Treasury Management in the Public Services. The Policy Statement shall distinguish between general strategy, which shall be followed without exception, and strategy specific to the circumstances foreseen for the coming year, from which the Director may depart if changed circumstances so require provided that the departure shall be reported to the next available meeting of the Finance and Corporate Resources Overview and Scrutiny Committee, the Executive and the Council. The Director may depart from the policy to act upon the lowest credit rating of the three credit rating agencies when making investment decisions, following consultation with the Cabinet Member for Finance and Corporate Resources, if circumstances become such that investment opportunities under this policy are so restricted that it is not possible to place investments other than with the DMADF.
- 2.4 Day-to-day Treasury Management responsibilities shall be handled by the Corporate Finance Division of the Finance Department, in accordance with a Treasury Systems Document reviewed annually by the Director. The Treasury Systems Document shall contain details of the Council's Treasury Management Practices, including how the Council manages and controls the relevant activities.
- 2.5 Treasury Management activities and issues shall be reviewed at least monthly at the Financial Planning meeting within the Finance Department chaired by the Director, and attended by the Heads of Corporate Finance, Service Finance, Audit and Pensions, Payments and Support. This meeting makes strategic decisions relating to items such as structure of investments and timing of long-term borrowing. The Director of Finance or, in his absence, either the Head of Corporate Finance or the Head of Service Finance may authorise changes in strategy previously defined at a monthly meeting if circumstances require.
- 2.6 Treasury Management advisers shall be appointed at least once within the lifetime of each Council to carry out an independent review of the Council's Treasury Management activities.

3. GENERAL STRATEGY

3.1 Corporate Treasury Management will be conducted in a manner that regards the successful identification, monitoring, and control of risk as of prime importance, and accordingly the analysis and reporting of treasury management will include a substantial focus on the risk implications, and employ suitable performance measurement techniques within the context of effective risk management.

3.2 Investment:

3.2.1 Cash Balances. The Council shall not borrow in order to make financial investments. Investment of the Council's surplus cash balances (other than the exceptions listed under longer term investments) shall be for up to 364 days through brokers in the sterling money market, through an investment firm in Certificates of Deposit (CDs), directly through the Government's Debt Management Account Deposit Facility (DMADF), or directly with sterling AAA rated money market funds. Investments may also be placed directly with institutions where more attractive interest rates can be obtained than by investing through brokers. Where money market funds are used, the choice of fund shall be determined at the monthly Financial Planning meeting within the Finance Department, as described in paragraph 2.5 above. Around £80 million of the portfolio shall be invested for 3 months or less, and the remaining balance shall be invested for periods of between 3 months and 364 days, except in the case of longer-term investments referred to in paragraph 3.2.4.

3.2.2 Investments shall, subject to the exceptions listed under long term investments in paragraph 3.2.4, be placed with institutions in accordance with the following criteria shown in the table and sub-paragraphs below:

<u>Policy para 3.2.2</u>	<u>Short-term rating</u>	<u>Long-term rating</u>	<u>Short-term outlook</u>	<u>Institution</u>	<u>Maximum Investment</u>	<u>Maximum Investment &gt; 6 months</u>
UK ONLY						
(a) (i)	F1+	AA-	Not Negative	In former UK Government credit guarantee scheme	£50m	£30m
(a) (ii)	F1+	A	Not Negative	In former UK Government credit guarantee scheme	£50m	£15m
(b)				UK Local Authority or precepting authority	£100m	£100m
(c)	F1+	AA	Not Negative	UK	£40m	£20m
(d)	F1+	AA	Negative	UK	£20m	nil
(e)	F1+	A	Not Negative	UK	£15m	£15m
(f)	F1+	A	Negative	UK	£10m	nil
(g)	F1	A+	Not Negative	UK	£10m	£10m
(h)	F1	A+	Negative	UK	£5m	nil
(i)	F1	A	Not Negative	UK	£5m	£5m
(j)				Royal Bank of Scotland/Nat West PLC	£50m	Overnight only

NON-UK with Sovereign Credit Rating of Country of Origin of at least AA+

(k)	F1+	AA-	Not Negative	Non-UK	£50m	£30m
(l)	F1+	AA-	Negative	Non-UK	£20m	nil
(m)	F1+	A+	Not Negative	Non-UK	£20m	£20m
(n)	F1+	A+	Negative	Non-UK	£5m	nil

For UK institutions only:

- (a) in relation to those institutions that were eligible for the Government's credit guarantee scheme:
- (i) up to £50 million with UK institutions with a Fitch credit rating of at least F1+ short-term, AA- long-term, and a short-term outlook that is not negative, (or equivalent under Moody's or Standard and Poor's), and where generally no more than £30 million is placed for periods longer than 6 months; and
  - (ii) up to £50 million with UK institutions with a Fitch credit rating of at least F1+ short-term, A long-term, and a short-term outlook that is not negative, (or equivalent under Moody's or Standard and Poor's), and where generally no more than £15 million is placed for periods longer than 6 months;
- (b) up to £100 million with other UK local authorities or precepting authorities (subject to any investments in Scottish authorities maturing before the referendum on independence);
- (c) up to £40 million with UK institutions with a Fitch credit rating of at least F1+ short-term, AA long-term, and a short-term outlook that is not negative (or equivalent under Moody's or Standard and Poor's), where generally no more than £20 million is placed for periods longer than 6 months;
- (d) up to £20 million for a maximum of 6 months with UK institutions with a Fitch credit rating of at least F1+ short-term, AA long-term, and a short-term outlook that is negative (or equivalent under Moody's or Standard and Poor's);
- (e) up to £15 million with UK institutions with a Fitch credit rating of at least F1+ short-term, A long-term, and a short-term outlook that is not negative (or equivalent under Moody's or Standard and Poor's);
- (f) up to £10 million for a maximum of 6 months with UK institutions with a Fitch credit rating of at least F1+ short-term, A long-term, and a short-term outlook that is negative (or equivalent under Moody's or Standard and Poor's);
- (g) up to £10 million with UK institutions with a Fitch credit rating of at least F1 short-term, A+ long-term, and a short-term outlook that is not negative (or equivalent under Moody's or Standard and Poor's);

## Treasury Policy Statement

- (h) up to £5 million for a maximum of 6 months with UK institutions with a Fitch credit rating of at least F1 short-term, A+ long-term, and a short-term outlook that is negative (or equivalent under Moody's or Standard and Poor's);
- (i) up to £5 million with UK institutions with a Fitch credit rating of at least F1 short-term, A long-term, and a short-term outlook that is not negative (or equivalent under Moody's or Standard and Poor's); and
- (j) up to £50 million with Royal Bank of Scotland/Nat West PLC overnight only.

For non-UK institutions from a country with a sovereign Fitch credit rating of at least AA+ (or equivalent under Moody's or Standard and Poor's):

- (k) up to £50 million with institutions with a Fitch credit rating of at least F1+ short-term, AA- long-term, and a short-term outlook that is not negative (or equivalent under Moody's or Standard and Poor's), and where generally no more than £30 million is placed for periods longer than 6 months;
- (l) up to £20 million for a maximum of 6 months with Fitch credit rating of at least F1+ short-term, AA- long-term, and a short-term outlook that is negative (or equivalent under Moody's or Standard and Poor's);
- (m) up to £20 million with Fitch credit rating of at least F1+ short-term, A+ long-term, and a short-term outlook that is not negative (or equivalent under Moody's or Standard and Poor's); and
- (n) up to £5 million for a maximum of 6 months with institutions with a Fitch credit rating of at least F1+ short-term, A+ long-term, and a short-term outlook that is negative (or equivalent under Moody's or Standard and Poor's).

The credit ratings from Fitch, Moody's and Standard and Poor's shall be reviewed on a monthly basis and before any investment is placed, and the lowest of the three will be used.

The above investment criteria shall be regarded as maximum levels and due regard shall be had to market conditions. Restrictions on the above limits may be placed from time to time on a temporary basis by the Director of Finance or in his absence the Head of Corporate Finance or the Head of Service Finance. Any such temporary restrictions applied shall be reported to the next available meeting of the Finance and Corporate Resources Overview and Scrutiny Committee, the Executive and the Council.

3.2.3 Money Market Funds. Investments may also be placed directly in commercial sterling money market funds (MMFs) with AAA ratings. Investments shall be placed in accordance with the following criteria:-

- a) MMFs may be either short dated funds with daily liquidity or slightly longer dated funds with a short notice period. The choice of fund is to be determined at the monthly Financial Planning meeting within the Finance Department, as described in paragraph 2.5 above. Daily operation of the funds will be managed by the Treasury Management Team within the Corporate Finance Division.

**(Paper No. 15-113)**

- b) The maximum overall limit for the use of MMFs shall be £200 million, or 50% of total investments, whichever is the lower.
- c) The maximum limit for each counterparty shall be £50 million.
- d) Each MMF shall have as a minimum AAA credit rating from one of the three main credit rating agencies and, if the Fund has more than one rating, each rating shall be AAA.

3.2.4 Longer Term Investments. Investments for periods longer than 364 days must be authorised by the Director of Finance and placed in accordance with the following criteria:-

- a) Investments shall be for no longer than two years, unless specifically identified as one of the exceptions under b) below. The amount that can prudently be invested for longer than 364 days, but for no longer than two years must relate to forecasts of investments taking into account foreseeable net spending needs and allowing for adequate reserves and contingencies. As investment levels are expected to exceed £300 million for the next two years, a prudent limit for the maximum amount to be invested for longer than 364 days but for no longer than two years is £150 million. Investments over 364 days shall not exceed £50 million with any individual counterparty.
- b) Investments may be placed for periods longer than two years as follows. Any such investments will not count against the £150 million limit in a) above.
  - (i) Up to £10 million may be placed in a Property Fund that is set up under a scheme approved by HM Treasury so that it does not count as capital expenditure.
  - (ii) The investment of amounts set aside from HRA reserves for repayment of long-term PWLB loans which may be invested for longer periods, as long as the maturity date is no later than the maturity date of the long-term PWLB loan.

3.3 No credit arrangements shall be undertaken except -

- (a) leases of land and buildings approved by the Executive or under powers delegated to the Head of Property or another officer; and
- (b) finance leases for vehicles, plant, and equipment on terms more favourable than realisation of investments.

3.4 Generally, at least 90%, and always at least 80%, of the Council's borrowing shall be taken in the form of loans raised for a period in excess of one year and, if practicable, with an average original period of at least six years. Long-term loans shall be taken up either through brokers in the sterling money market, the Public Works Loan Board (PWLB), or by the issuing of a bond.

Treasury Policy Statement

4. STRATEGY FOR 2015/16.

4.1 The following table considers the outlook for investment and debt levels for the period 2015/16 to 2017/18, taking into account estimates of major cash flow movements.

	<u>2015/16</u>	<u>2016/17</u>	<u>2017/18</u>
	£'m	£'m	£'m
Estimated investments 1st April	450.0	397.4	330.1
Estimated debt 1st April	-175.5	-154.8	-137.6
Deposit facilities for other bodies and funds	-1.1	-0.3	-0.3
Net investments/debt 1st April	<u>273.4</u>	<u>242.3</u>	<u>192.2</u>
Deduct			
Capital payments – general	-82.3	-36.4	-4.0
Capital payments – HRA	-68.5	-65.9	-16.3
Payment of capital receipts to Government	-2.5	-2.6	-2.6
Reduction in net creditors	0.0	-3.0	-5.0
Add			
Capital receipts	36.0	16.2	5.4
Capital grants	43.7	15.5	5.2
Net movement in funds, reserves & provisions	-21.2	-55.3	-37.5
Revenue provisions for capital and credit liabilities	63.7	81.4	55.7
In-Year net cash movement before loans	<u>-31.1</u>	<u>-50.1</u>	<u>0.9</u>
Net investments/debt 31st March	<u>242.3</u>	<u>192.2</u>	<u>193.1</u>
Estimated investments 31st March	397.4	330.1	313.9
Estimated debt 31st March	-154.8	-137.6	-120.4
Deposit facilities for other bodies	-0.3	-0.3	-0.4
Repayment of PWLB debt	20.7	17.2	17.2
Change in use of deposit facilities	0.8	0.0	-0.1

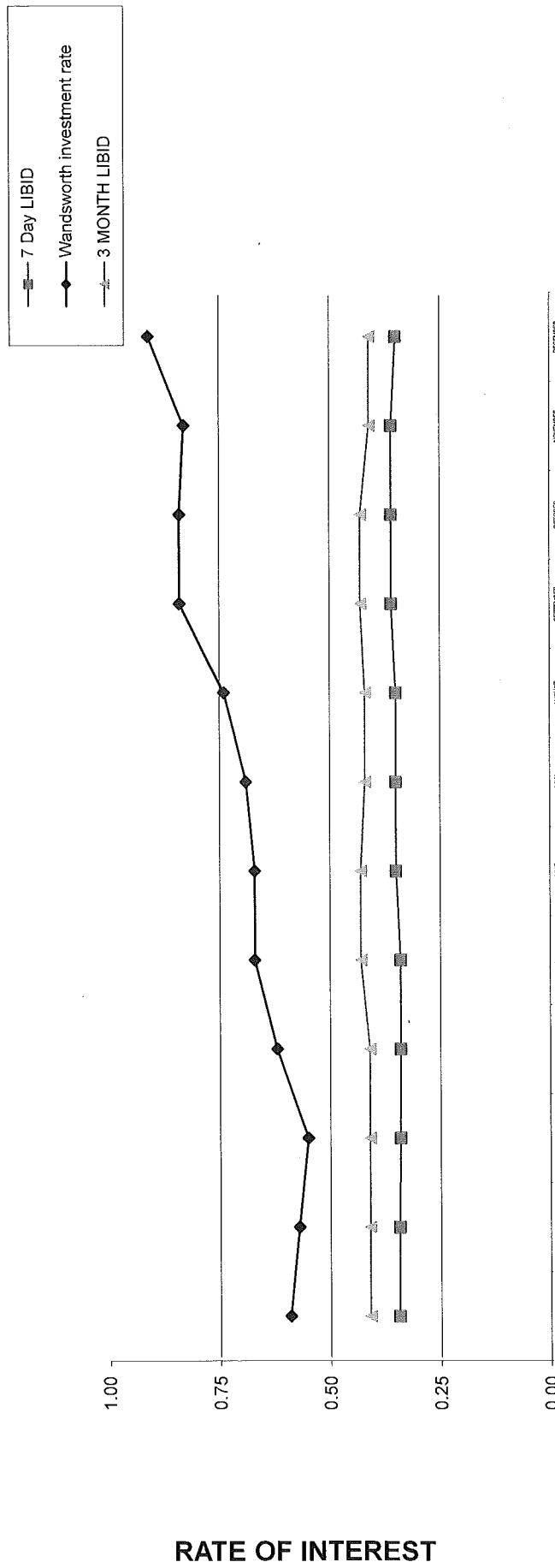
4.2 The Council is expected to begin the year with investments of £450 million. Repayments of the remaining £3.5 million of old long-term debt fall due during the year from April 2015, together with £17.2 million repayments of new PWLB loans taken up for the HRA on 28th March 2012. The estimated movements for the following two years based upon current cash flows show that investments are likely to remain above the £300 million level. These cash flows do not currently allow for potential expenditure relating to regeneration schemes in Roehampton and Battersea.

- 4.3 Affordable Borrowing Limit and Operational Boundary for 2015/16 The Council has to set an affordable borrowing limit and operational boundary for 2015/16 under Section 3 of Part 1 of the Local Government Act 2003. This limit refers only to gross borrowing, ignoring investments, and it is intended that it reflect the maximum amount that a local authority decides that it can afford to borrow. This limit was set at £200 million in February 2014 for 2014/15, reflecting the existing long-term borrowing of £195 million at 1 April 2014, and allowing for the possibility of borrowing for a “spend-to-save” scheme and short-term fluctuations in cash flows, including deposit facilities offered to other bodies and external funds, such as the North East Surrey Crematorium Board. Long-term borrowing is expected to be £176 million at 1 April 2015 and no new long-term external borrowing is currently planned. A limit of £185 million is therefore proposed for the affordable borrowing limit and operational boundary for 2015/16, reflecting the existing borrowing and allowing for other possible requirements.

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The Town Hall  
Wandsworth  
SW18 2PU  
11th February 2015

# INTEREST RATES 2014





**TOTAL INVESTMENTS**

**31st DECEMBER 2014**

	<b>INTEREST AMOUNT</b>		<b>FITCH RATING</b>		
	<b>RATE</b>	<b>£'m</b>	<b>Long-term</b>	<b>Short-term</b>	<b>S-T Outlook</b>
	<b>%</b>				

**OVERNIGHT**

Royal Bank of Scotland	0.25	0.1			
		<b>0.1</b>			

**MONEY MARKET FUND**

	variable				
Federated Global Sterling (CNAV)	0.46	10.9		AAA rating	
Ignis Liquidity Fund (CNAV)	0.47	9.8		AAA rating	
Morgan Stanley (CNAV)	0.42	1.0		AAA rating	
Insight Liquidity Plus (VNAV)	0.75	40.0		AAA rating	
Ignis Liquidity (VNAV)	0.64	40.0		AAA rating	
		<b>101.7</b>			

**SHORT FIXED < 3 MONTHS**

Wolverhampton City Council	0.67	5.0			
Nationwide Building Society	0.82	5.0	A	F1	Not Negative
Rabobank	0.85	15.0	AA-	F1+	Not Negative
Barclays Bank	0.85	5.0	A	F1	Not Negative
Lancashire County Council	0.65	10.0			
Rabobank	0.76	10.0	AA-	F1+	Not Negative
Rabobank	0.85	5.0	AA-	F1+	Not Negative
		<b>55.0</b>			

**SHORT FIXED > 3 MONTHS**

Santander UK	0.75	5.0	A	F1	Not Negative
Commonwealth Bank of Australia	0.65	20.0	AA-	F1+	Not Negative
Lancashire County Council	0.67	20.0			
Lancashire County Council	0.73	10.0			
		<b>55.0</b>			

**SHORT FIXED > 6 MONTHS**

DBS London	0.62	20.0	AA-	F1+	Not Negative
Svenska Handelsbanken	0.80	20.0	AA-	F1+	Not Negative
Svenska Handelsbanken	0.80	10.0	AA-	F1+	Not Negative
Nordea Bank	0.70	10.0	AA-	F1+	Not Negative
OCBC	0.85	20.0	AA-	F1+	Not Negative
Rabobank	0.95	20.0	AA-	F1+	Not Negative
		<b>100.0</b>			

**SHORT FIXED > 1 YEAR**

Greater London Authority	1.12	50.0			
Lancashire County Council	1.16	20.0			
Commonwealth Bank of Australia	1.19	30.0	AA-	F1+	Not Negative
Glasgow City Council	0.97	30.0			
Lancashire County Council	1.00	10.0			
		<b>140.0</b>			

CCLA Property Fund		<b>10.0</b>			
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less amount invested on behalf of WRWA		<b>-5.1</b>			
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<b>TOTAL INVESTMENT</b>		<b>456.7</b>			
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**TOTAL INVESTMENTS****31ST MARCH 2014****INTEREST AMOUNT****FITCH RATING****RATE****Long-****Short-****S-T Outlook****%****£'m****term****term****OVERNIGHT**

Royal Bank of Scotland

0.25

1.1

**1.1****MONEY MARKET FUND**

MS Sterling Liquid Fund

0.37

41.0

AAA rating

GS Sterling Liquidity Reserve

0.37

24.5

AAA rating

Federated Sterling Prime Fund

0.40

30.0

AAA rating

Federated Cash Plus Fund

0.58

19.9

AAA rating

**115.4**

HSBC Evergreen Notice Account

0.47

**50.0**

AA-

F1+

Not Negative

**SHORT FIXED < 3 MONTHS**

Nordea Bank

0.54

10.0

AA-

F1+

Not Negative

Glasgow City Council

0.55

5.6

**15.6****SHORT FIXED > 3 MONTHS**

Svenska Handelsbanken

0.70

10.0

AA-

F1+

Not Negative

Rabobank

0.70

5.0

AA-

F1+

Not Negative

Nordea Bank Finland

0.52

20.0

AA-

F1+

Not Negative

Lloyds Bank

0.56

10.0

A

F1

Not Negative

Glasgow City Council

0.60

10.0

Rabobank

0.50

15.0

AA-

F1+

Not Negative

Glasgow City Council

0.56

15.0

DBS

0.54

20.0

AA-

F1+

Not Negative

**105.0****SHORT FIXED > 6 MONTHS**

Nordea Bank

0.57

20.0

AA-

F1+

Not Negative

Cornwall County Council

0.57

5.0

Wolverhampton City Council

0.67

5.0

Nationwide Building Society

0.82

5.0

A

F1

Not Negative

Rabobank

0.85

15.0

AA-

F1+

Not Negative

Barclays Bank

0.85

5.0

A

F1

Not Negative

Lancashire County Council

0.65

10.0

Rabobank

0.76

10.0

AA-

F1+

Not Negative

Rabobank

0.85

5.0

AA-

F1+

Not Negative

DBS

0.62

30.0

AA-

F1+

Not Negative

**110.0****TOTAL INVESTMENT****397.1**

TOTAL DEBT

	<b>Maturity Date</b>	<b>Rate of interest %</b>	<b>Balance 31.12.14 £'000</b>	<b>Balance 31.3.14 £'000</b>
<b><u>Long-Term Debt</u></b>				
<b>PWLB EIP Loans</b>	28/03/2025	1.69	<b>180,618</b>	<b>189,219</b>
<b>PWLB Maturity Loans</b>	24/08/2014	9	0	1,214
	30/09/2014	9.25	0	708
	20/04/2015	9.75	2,652	2,652
	11/09/2015	11.5	521	521
	11/09/2015	11.5	326	326
	<b>sub-total</b>		<b>3,499</b>	<b>5,421</b>
<b><u>Total Long-Term Debt</u></b>			<b><u>184,117</u></b>	<b><u>194,640</u></b>
<b><u>Deposit Facilities for other Bodies</u></b>				
NESCB			983	603
<b><u>TOTAL DEBT</u></b>			<b><u>185,100</u></b>	<b><u>195,243</u></b>



**SECTION 3**  
**COUNCIL HOUSING BUDGETS**

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WANDSWORTH BOROUGH COUNCILHOUSING AND REGENERATION OVERVIEW AND SCRUTINY COMMITTEE – 21ST  
JANUARY 2015EXECUTIVE – 26TH JANUARY 2015COUNCIL – 28TH JANUARY 2015Joint Report by the Director of Finance and the Director of Housing and Community Services on  
the Housing Revenue Account Rents and Service Charges for Council Dwellings and Non-  
Residential Charges in the Housing Revenue AccountSUMMARY

In January or February each year the Council has a duty under the Local Government and Housing Act 1989 to formulate proposals for expenditure and income for its housing stock for the following financial year which will ensure that no debit balance occurs for that year on the Housing Revenue Account (HRA). Consequently, this report reviews various matters appertaining to the HRA, including Council housing rents and charges, the housing capital programme and the overall HRA budget framework for the years 2014/15 to 2017/18.

The report first recommends additions to the capital programme of £53.992 million as set out in Appendix B to this report before turning to proposals for expenditure and income. Insofar as proposals for income are concerned, the Council has a duty to review Council housing rents and, as usual, the report contains information on rent levels in Wandsworth.

Taking account of all relevant factors the Cabinet Member for Housing recommends that an average 2.2% rent increase is applied to the social rented stock from the first Monday in April 2015, distributed as an inflationary increase of 0.5% plus a transition step for those not at target rent set at the higher of 4% of the current rent or £8 per week, that existing affordable rents for Council-let properties be increased by 2.2% in line with the Consumer Price Index, that the policy for setting rents for newly acquired temporary accommodation properties both in and out of borough be approved and proposes increases in non-residential charges of 3.5% from the first Monday in April 2015.

Finally, Appendix E shows the revised budget framework that reflects the proposals in this report and Appendix F graphically reflects the revised HRA business plan over 10 and 30 years. The framework demonstrates that the Council continues to be in a position to finance future expenditure plans and maintain the Decent Homes standard.

GLOSSARY

CPI	Consumer Price Index
HRA	Housing Revenue Account

## **RECOMMENDATIONS**

1. The Housing and Regeneration Overview and Scrutiny Committee are recommended to support the recommendations in paragraph 3.
2. If the Overview and Scrutiny Committee approve any views, comments or recommendations on this report, these will be submitted to the Executive for their consideration.
3. The Cabinet Member for Housing recommends the Executive to recommend to the Council as follows:-
  - (a) that the capital programme additions totalling £53.992 million as set out in Appendix B to the report be approved and that accordingly the total programme over the HRA budget framework period summarised in Appendix C to the report be adopted;
  - (b) that the rent for the Council's social rented stock be increased by an average of £2.90 per week (or 2.2% equivalent to CPI + 1%) distributed as an inflationary increase of 0.5% across the whole stock (excluding those properties with rents at or above £225 per week) plus a transition step for those not at target rent set at the higher of 4% of the current rent or £8 per week, with no decreases, to apply from Monday 6th April 2015;
  - (c) that existing affordable rents for Council-let properties be increased by 2.2% in line with Government guidance of CPI + 1%, to apply from Monday 6th April 2015;
  - (d) that rents for newly purchased temporary accommodation properties in borough are set at capped affordable rent levels and are reviewed in line with the annual rent increase applied to the Council's affordable rents;
  - (e) that rents for newly purchased temporary accommodation properties out of borough are set at the lower of 80% of market rent or 45% of the total welfare benefit cap and are reviewed in line with the annual rent increase applied to the Council's social rents, with downwards adjustments made on re-let if necessary to remain at 80% of market rent;
  - (f) that the Director of Finance, in conjunction with the Director of Housing and Community Services, be authorised to reduce rents of individual properties in the limited circumstances outlined in paragraph 27;
  - (g) that the Director of Housing and Community Services be authorised to serve notices upon tenants of HRA dwellings, advising that the increase in rents will be applied from Monday 6th April 2015 where applicable;
  - (h) that the non-residential charges as set out in Appendix D to the report be approved with effect from Monday 6th April 2015;



- (i) that the estimates shown in Appendix E to the report for the HRA for the financial years 2014/15 to 2017/18 be adopted as the HRA budget framework, subject to any variations subsequently approved by the Executive within the overriding restriction that the HRA reserves shown for 31st March 2018 should not be forecast by the Director of Finance to reduce by more than £25 million; and
- (j) that the Director of Finance be authorised to prepare the statutory HRA statement for 2015/16 showing the estimates made on the basis of the foregoing proposals.

## **HOUSING REVENUE ACCOUNT AND BUSINESS PLAN REVIEW**

4. Under Part VI of the Local Government and Housing Act 1989, each local authority is required to keep a Housing Revenue Account (HRA) in accordance with proper practices and detailed directions by the Secretary of State. The Act also requires that:-
- (a) during January or February each year, the Council must formulate proposals for expenditure and income for its housing for the following year, which will ensure, on the best assumptions that can be made at that time, that the HRA for that year does not show a debit balance;
  - (b) these proposals must be implemented and monitored to ensure that the HRA will not show a debit balance; and
  - (c) within a month of formulating its proposals, a statement must be prepared, showing these proposals and the estimated HRA income and expenditure. This statement must be made available for public inspection until the end of the year following the year to which the statement relates.
5. This report has been prepared to enable the Council to meet the statutory requirement outlined in (a) above for 2015/16, but more importantly in the context of the HRA business planning process, that the Council has prepared longer-term plans for the management of its housing stock that are affordable. The requirement for monitoring, described in (b) above is delegated to the Director of Housing and Community Services. The requirement to make available the statement referred to in (c) above is met by including it within the Council's budget publication, which is then available for reference in public libraries in the borough and on the Council's website.

### **HRA Estimates and Business Plan – proposals for capital**

6. The HRA capital expenditure estimates have been based on the current cash flows for the approved capital programme adjusted for slippage as approved in the HRA Business Plan update (Paper No. 14-578) in November 2014 and any budget variations approved since as summarised in Appendix A to this report.
7. The HRA Business Plan includes funding for assumed levels of capital spend over the next 30 years based on a stock condition survey. The stock condition survey is a statistically based estimate used to inform assumptions within the business plan on the future level of capital resources required to maintain the Council's stock to the

*(Paper No. 15-10)*

Decent Homes standard. An update of the survey was completed in 2013, the results of which inform the current assumptions within the business plan on future levels of capital spend.

8. The updated stock condition survey identified that on average £25 million (at 2012 prices) would need to be invested in the stock each year to maintain Council owned housing stock and the wider estates at a basic decency standard. This equates to an average expenditure of approximately £1,500 per property per annum for the tenanted stock or £45,000 per property over the life of the 30 year business plan.
9. In accordance with the HRA business plan, the Director of Finance and the Director of Housing and Community Services propose additions totalling £53.992 million as set out in Appendix B for consideration by the Executive which includes all foreseeable works derived from the current stock condition survey, both in terms of meeting and maintaining the Decent Homes standard over the 30 year business planning period, but also meeting other essential maintenance, at a total cost of £25.152 million. Significant levels of additional spend beyond this are proposed, including £2 million for environmental improvements on estates and significant increases in resources for both the temporary accommodation property acquisition programme (£20 million) and the House Purchase Grant scheme (£4.5 million).
10. Significant repairs and improvement schemes include £3.58 million for kitchens and bathrooms boroughwide, £2.089 million for phase 2 window renewals on the Alton Estate (Roehampton) and £1.917 million for phase 1 roof renewals on the Patmore Estate (Queenstown). Also proposed are two new build schemes being developed by the Council utilising retained Right to Buy one-for-one replacement receipts at Streatham Park and Aldrington South (both Furzedown) totalling £2.04 million which will create a total of 14 additional units.
11. The resulting capital programme over the HRA budget framework period is shown in summary and detail in Appendix C. The additional cost to the HRA, net of amounts which should be charged to leaseholders, is estimated at £48.672 million. The total additional amount that would be chargeable to leaseholders is £5.32 million. The actual amount and timing of recharges to leaseholders as part of their annual service charge bills is subject to consultation and will depend on the incidence of spending on these major works on different housing properties.
12. On existing policies, the financing of the HRA capital programme comes from the following sources:-
  - (a) A revenue charge for depreciation, as defined by regulations, continues to be put into the HRA's capital reserve and is used to fund capital works. The charge, which takes into account actual inflation levels, stock movements and depreciation on non-dwellings such as garages, is estimated to contribute £23.750 million in 2015/16 to fund future capital works. The government's intention is to change the basis of the depreciation charge to a life cycle assessment of the differing components in each type of property. Work is currently ongoing to capture the detailed information required for this methodology, which must be implemented by 2016/17 and it is not yet clear what effect, if any, this methodology change will have on available resources;

- (b) Current government regulations allow any housing capital receipts resulting from sales other than statutory Right to Buy sales to be retained by the Council. Current projections are that usable receipts of £22.9 million will be generated in 2014/15 which includes the receipts received in the current year and the balance of unapplied capital receipts from previous years. The business plan assumes an ongoing level of receipts from the disposal of minor sites at around £1 million per year reducing as the scope for continuing to identify such disposal opportunities declines;
- (c) Capital receipts from Right to Buy sales are covered by a voluntary agreement between the Council and the Department for Communities and Local Government whereby retained receipts from Right to Buy sales over an assumed level must be utilised to fund no more than 30% of the development cost of re-provision of affordable housing within three years of receiving those receipts. The business plan assumes therefore that 30% of the Right to Buy re-provision expenditure (£12.579 million) is funded from Right to Buy one-for-one retained receipts with the balance (£29.348 million) funded by short term borrowing as per the agreement;
- (d) Where capital expenditure is incurred in relation to properties previously sold on long leases the costs are chargeable to the leaseholder as part of the annual service charge bill. The estimated level of leaseholder contributions is £6.675 million in 2014/15 and £5.886 million in 2015/16. In addition to the contributions from leaseholders the HRA is estimated to receive capital grants and other reimbursements totalling £0.743 million during 2014/15 and £0.36 million in 2015/16 primarily from the Homes and Communities Agency for properties developed under the Affordable Housing Programme and the Mayor's Building the Pipeline. There are currently no further anticipated capital grants receivable however opportunities to capture grant will continue to be explored as potential funding streams arise; and
- (e) The HRA's capital and revenue reserves, which totalled £234.495 million at the beginning of 2014/15, insofar as these are available.

## **HRA Estimates and Business Plan – proposals for revenue expenditure**

### **Management and maintenance expenditure**

- 13. The updated business plan allows for inflation in 2015/16 of 2.33% on salaries and 2.1% on general running costs except where those costs are linked to specific contracts. The budgeted level for management and maintenance costs in 2015/16 is £3,109 per dwelling after adjusting for leasehold and tenants' service charges. This average management and maintenance cost for 2015/16 includes all budget variations approved by the Executive in this year to date and other budget variations proposed this cycle.

14. Going forward, expenditure at broadly these levels (in real terms) have been anticipated in the HRA business plan, although this element of spend must be kept under review to ensure the long-run viability of the business plan. An increase in expenditure of £100,000 per annum from 2015/16 would reduce the estimated overall reserves after 30 years by £5.03 million when taking into account the future loss of interest on this additional expenditure. An increase of 1% in the underlying level of inflation assumed in future years for pay and prices over the duration of the plan would result in additional costs of £709,000 per annum.

### **Servicing of debt**

15. 2012/13 saw an end to the unpopular HRA subsidy system which saw a quarter of all Wandsworth rents pass to other local authorities. The subsidy system was replaced with self-financing. Self-financing required the Council to take on a lump sum of debt as the necessary price of "buying out" of the HRA subsidy system and in lieu of all future negative subsidy payments. The final settlement figure for Wandsworth required a one off buyout cash payment to the government of £434 million. This was funded by borrowing from the government's Public Works Loan Board (£224 million to be fully repaid over 13 years) and using £210 million of Council reserves.
16. Based on the interest rates borrowed at this, together with the ongoing servicing of the existing debt in the HRA and the financing of new borrowing for the Right to Buy re-provision is estimated to cost the HRA £5.451 million in interest and require principal repayments totalling £41.426 million during 2015/16.
17. Included in this is £32 million of assumed borrowing in future years of the framework that relates to the potential need to fund the buy out of leasehold/freehold interests in the regeneration areas and is the first call on the £100 million borrowing provision made within the HRA business plan. The HRA's cash flow position, including the likely scale of buy backs each year and the level of cash resources available, will be reviewed before any such borrowing is undertaken.

### **HRA Estimates and Business Plan – proposals for revenue income**

18. Paper No. 14-577 approved changes to the Council's current rent setting policy for its social housing stock and the rent increase now being proposed is the first year where these parameters will be implemented. That paper recommended:-
- a) that the current policy of setting rents in line with market values be continued;
  - b) that where the actual rent for a property is under the target rent for that property that the rent is transitioned towards the target rent at a rate of the higher of 5% of the difference or £10 per week unless other transition parameters are determined as part of the annual rent setting process;
  - c) that the Council's average weekly rent (excluding service charges) be set at no higher than the limit rent for the Council;
  - d) that the average rent increase for inflation is set at no more than the Consumer Price Index + 1% in each of the next 10 years;

- e) that the market values used in the calculation of target rents be anchored at the 2015 valuation exercise levels to remove fluctuations due to relative market value changes;
- f) that rents above £225 per week are frozen at their current levels and that no inflationary increases are applied until such time as the total welfare benefit cap is increased; and
- g) that tenants' service charges continue to be calculated on an estimated basis and that all unpooled service charges are treated as a notional element of the rent charge for a property from April 2015.

### **Rent levels**

- 19. The average Council dwelling rent in Wandsworth is currently £125.00 per week. In addition average service charges of £6.88 per week are charged to tenants, creating a total average 'rent envelope' of £131.88 all of which is eligible for housing benefit, where applicable. There are significant variations in actual rents around this average ranging from £38.50 to £409.95 per week.
- 20. The Rent Officer currently sets, for Housing Benefit purposes, Local Housing Allowance rates to set the level of benefit payments made to tenants in the private rented sector. As a comparison, in Wandsworth these currently range from £207.69 for a one bedroom property to £412.89 for 4 bedrooms or more depending on where the property is situated.

### **Previous rent increases**

- 21. The April 2013 rent increase was an average of 2.7% or £3.34 per week on actual rents capped at a maximum increase of 4% with no decreases. This was lower than assumed in the business plan and therefore used some of the headroom available as a concession to affordability for tenants, although still remained affordable within the 30 year business plan over the period of debt repayment.
- 22. Following the identification of ongoing spending reductions within the HRA, a decision was taken in January 2014 to freeze rents from April 2014, providing a direct benefit to tenants and holding rents at their existing levels pending full review. Critically, this rent freeze left sufficient resources in the HRA business plan to maintain its viability over the period of debt repayment.

### **Rent proposal**

- 23. The annual update of the HRA Business Plan, reported to committee in November (Paper No. 14-578) showed projected business plan reserves of £1,658 million at the end of the 30 year period. Whilst the projected reserves in the HRA are based upon a raft of assumptions that can have a significant impact on projected balances if varied it is clear that the underlying factor behind the decision on the level of rent increase to apply for 2015/16 is the ability to maintain a viable business plan over the short to medium term, in particular the period of self-financing debt repayment, rather than the longer term.

24. Paragraph 18(d) details the commitment to an average rent increase of no more than CPI + 1% each year which, using September's CPI of 1.2%, equates to an average increase for 2015/16 of no more than 2.2% or £2.90 per week. Taking all relevant matters into account, including future projections of HRA reserve balances, an average rent increase of 2.2% (equivalent to £2.90 per week) is considered appropriate.

#### **Distribution of rent increase**

25. The rent policy review also approved, as shown in paragraph 18(b) above, transition steps of the higher of 5% or £10 per week unless other transition parameters are determined as part of the annual rent setting process. Effectively, the review accepted that factors influencing rent setting may change year on year and should be taken in conjunction with any decision taken about inflationary rent increases, having regard to the objective aim of standardising rents for similar properties and maintaining a viable 30 year HRA Business Plan relative to that plan's priorities.
26. As a result of the relatively low levels of inflationary increase being applied, it is proposed to split the total 2.2% average increase between a transition step and an inflationary increase. All properties with rents not currently at or above £225 per week would receive a 0.5% inflationary increase, with the remaining 1.7% of rent income being collected via the transition step only on those properties not yet at target rent. To recover the rent required, transition step parameters set at the higher of 4% of the current rent or £8 per week, are now recommended for approval.
27. Rent levels are generally subject to no decreases except where necessary to achieve a transfer that substantially reduces under-occupation of a larger property or where there would be different rents for almost identical properties in the same location as a result of changes in valuation from time to time and the rate at which the rents of such properties move towards the valuation rent. It is proposed that in such limited and other exceptional circumstances the Director of Finance, in conjunction with the Director of Housing and Community Services, continue to be authorised to harmonise rents at the lower level.

#### **Tenants' service charges**

28. In addition to their rent, tenants may also pay a service charge. Rents are generally taken to include all charges associated with the occupation of a dwelling, such as maintenance and general housing management services where a service charge usually reflects additional services which may not be provided to every tenant, or may be connected with communal facilities rather than particular occupation of a dwelling. Different tenants may receive different types of service reflecting their housing circumstances.
29. Individual service charges for tenants were introduced from 2004/05 on an equivalent calculation for leaseholders, but restricted to charges for cleaning in blocks, communal electricity in blocks and the hire of paladins as being eligible for housing benefit on the same basis as for rents. A further unpooling of service charges relating to garden maintenance, aerials, entrycall and estate cleaning was approved from 2010/11. In addition 2011/12 saw a further unpooling of service charges for the Sheltered Wardens service. Following the recent rent policy review

all of these service charges are now deemed to be a notional element of rent and therefore do not require a separate Executive decision on annual increases.

### **Affordable rents**

30. Guidance on affordable rents was set out in the Government's revised guidance on social housing rent setting published in May 2014. The circumstances when affordable rents can be applied, the setting of rent levels and increases remains the same as set out in the guidance. Affordable rents are intended to provide income to in particular support new development with the ability to set such rents at up to 80% of market rents. Whilst the guidance does not set maximum rents above which local authorities should not charge for affordable rent properties, authorities should have regard to the local market context, including the relevant Local Housing Allowance for the Broad Rental Market Area in which the property is located, when setting affordable rents. Local authorities should increase rents for properties let on affordable rent terms by no more than CPI + 1% each year. CPI should be taken as at September of the previous year. Following London Mayor Guidance the Affordable Housing Update Report (Paper No. 14-318) identified two guideline rates setting affordable rents for new build properties.
31. The first was a capped rate which worked on the basis of one and two bedroom property rents being uprated in line with Local Housing Allowance rent levels by 2% with three and four bedroom properties not being increased, given the rates set. The weekly rent levels in this respect are: 1 bed £198, 2 bed £215, 3 bed £224 and 4 bed £230. These properties the Mayor identified would be targeted at meeting the housing needs of those with some form of priority for social housing (e.g. homeless households and those households identified in one of the reasonable preference categories). He also envisaged that 50% of new homes built would be designated as this form of housing.
32. The second was the discounted rate where rents would be set higher with such units being targeted for instance to working households and those not affected by some of the welfare benefit changes such as the total welfare benefit cap. These weekly rents are: 1 bed £228, 2 bed £260, 3 bed £272 and 4 bed £288. The rationale for charging rents at this level on the other 50% of new social housing delivered was to maximise income to support new affordable housing development and also to provide more housing options for working households in particular. The Affordable Housing Update Report made it clear that any discussion and decision on rent levels set for new developments needed to be agreed with the local council to ensure that rents met the parameters set and that a balance of discounted and capped rents were established. The committee should note that these rent levels will apply until the Affordable Housing Update Report is produced for June 2015 when guidance rents will again be reviewed. It should also be noted that both the capped and discounted affordable rent levels are inclusive of any tenants' service charges that may be due.
33. In respect to setting rents for Council new build properties and affordable rent relets it is recommended that the capped rates should be applied given that the majority of these moves will involve transfers and priority moves. There may be circumstances where discounted rates will be set given local letting arrangements that are established or to maximise income, although these arrangements are not envisaged to apply to any homes the Council is due to complete in 2015/16. Rent levels for

*(Paper No. 15-10)*

Council affordable rent new build and relet properties will be revised as appropriate after approval of recommendations arising from the Affordable Housing Update report in June 2015.

34. It is now recommended that existing affordable rents for Council-let properties are increased in line with Government guidance at CPI + 1% from the first Monday in April 2015, equivalent to a 2.2% increase and in line with that being recommended for the general housing stock.

#### **Temporary accommodation rents for newly acquired properties**

35. Significant budgets for the purchase of properties to be used as temporary accommodation (both in and outside the borough) have been established within the HRA, including £20 million proposed as part of the HRA capital additions report elsewhere on this agenda. It is therefore necessary to establish a rent setting policy for these properties beyond current policies that might be applicable.
36. The purchase of these properties is to be part funded (30%) through the application of Right to Buy (RTB) receipts under the terms of the RTB one for one replacement agreement, with the remainder of the costs (70%) funded by HRA borrowing.
37. In order to remain affordable to the tenant, to align with current local and national rent setting policy and to maximise income and therefore reduce the impact of the ongoing additional borrowing costs on the HRA it is recommended that the rents for newly purchased temporary accommodation properties in borough are set at capped affordable rent levels. This follows existing rent setting policy for newly developed dwellings which, similar to acquisitions, are net additions to the existing council low cost rented stock.
38. However, as affordable rent levels that the Council sets reference local market values, these rent levels are not considered appropriate for properties located outside of the borough. It is therefore recommended that the rents for newly purchased temporary accommodation properties out of borough are set at the **lower** of 80% of market rents **or** 45% of the total welfare benefit cap (currently equivalent to £225 per week).
39. It is recommended that rents for all such properties are reviewed in line either with the annual rent increase applied to affordable rents (for in borough properties) or social rents (for out of borough properties), with downwards adjustments made on re-let to out of borough properties if necessary to remain at 80% of market rent.

#### **Limit rent**

40. The Secretary of State sets annually a "limit rent" for each authority and will reimburse the cost of paying out housing benefit to Council tenants only up to that limit. Wandsworth's limit rent for 2014/15 was £125.63 per week. The Department for Work and Pensions has yet to set the 2015/16 limit rent for each individual authority. However, assuming no change to its existing methodology, it is anticipated that the 2014/15 figure will be increased by 2.2% representing assumed inflation of 1.2% plus a 1% real-terms increase, equivalent to £128.39.



41. The Council's revised rent setting policy makes a commitment to keep the Council's actual average weekly rent below the limit rent shown in paragraph 18(c) above, demonstrating the Council's commitment to setting fair rents which are intended to be affordable to those households on lower incomes. As a result, the cost incurred by the Council in paying out housing benefits to its own tenants will be reimbursed in full by the Government, with none of this cost falling to the HRA.

#### **Impact of welfare reform on housing benefit claimants**

42. In previous years any increase in rents for those tenants on housing benefit was fully covered by a corresponding increase in housing benefit. However, as a result of the government's welfare reforms, with absolute maximum weekly benefit caps and benefit reductions for those Council tenants deemed to be underoccupying, this is no longer the case. From 2013/14 onwards corresponding increases in housing benefit to cover the Council's rent increase have depended on each individual household's circumstances. 71% of Council tenants are currently on housing benefit, with 41% having their rent fully met by housing benefit and 30% already making some contribution to their rent.

#### **HRA NON-RESIDENTIAL CHARGES**

43. The current policy on the setting of non-residential charges for garages, parking lots and storerooms was approved by the Executive on 1st July 2002 (Paper 02-594), with charging criteria established with the aim of ensuring charges reflect relative quality and desirability of sites and are sensitive and responsive to market demand. The average "take-up" of lettable garages remains consistent with that reported at the previous review at around 72% of garages currently let. In the absence of any evidence of general falling demand for sites, it is proposed that charges for all garages be increased by an average 3.5%, in line with the Council's current charging policy, with effect from the first Monday in April 2015. The current and proposed new weekly net rent price banding for garages are shown in Appendix D, Table 1. Some garages have a supply of running water and/or drainage connected to the mains sewers, for which a charge, currently £0.46 per week, is made. This will be revised in accordance with increases as advised by Thames Water which are yet to be confirmed.
44. Charges for storerooms were banded in January 2005 (Paper No. 05-94), again to ensure charges reflect relative desirability. As with garages it is proposed that charges for all categories be increased by an average 3.5%. It is proposed also that prices for motorcycle garages, parking lots and cycle lockers be increased on the same basis. These charges, as set out in Appendix D, Table 2, are recommended to take effect from the first Monday in April 2015.
45. There are a number of other charges made for replacement permits, keys and door entry fobs, as well as a charge the Council levies for pre-assignment enquiries in respect of leaseholders selling their property. It is proposed that with effect from the first Monday in April 2015, these prices be increased by 3.5%, as set out in Appendix D, Table 3.

46. The total estimated increase in budgeted income arising from the proposed non-residential charges is £74,440 in 2015/16 and subsequent years and has been incorporated in the HRA budget framework presented for approval.

## **HRA BUDGET FRAMEWORK**

47. The HRA business plan and budget framework is set by the Council each year together with a controlling parameter to limit the annual expenditure and the consequential reduction in the forecast capital and revenue reserve levels that the Executive can commit to within each framework period. In January 2014 this was set at a level of £10 million (Paper No. 14-71). The £10 million parameter has been in place for a number of years and was set at a time when HRA reserves were significantly lower than they are now and when achieving the Decent Homes standard in all stock was a priority. Now that the large estate regeneration schemes are progressing which will incur significant up front expenditure, and with a move towards more new build and other projects as part of the Right to Buy one for one replacement scheme, it is considered appropriate to increase the trigger level to £25 million over the framework period.
48. The HRA business plan and budget framework reported to this committee and the Executive in November (Paper No. 14-578) has been adjusted to take account of the recommendations in this report, including the additions to the capital programme, the recommended position on rents and the increase in non-residential charges together with other budget variations being recommended for approval this cycle. Appendix E to this report sets out a HRA budget framework that reflects the proposals in this report covering the period to 31st March 2018, before which time predicted HRA reserves must not be reduced by more than £25 million from the presently predicted £251.163 million.
49. The November HRA business plan update showed a projected £1,658 million of reserves at the end of the 30 year period (at outturn prices). The forecast position, now updated, shows an estimated reserve balance of £1,552 million, a reduction of £107 million over the 30 year period. This reduction is primarily due to the £100 million borrowing provision made within the HRA business plan to fund the purchase of the leasehold/freehold interests in the regeneration areas.
50. The HRA business plan graphs provide an overview of HRA trends for the coming years and the latest forecast of reserves is shown at Appendix F. The plan currently assumes annual rent increases beyond 2015/16 and takes into account the latest estimates of revenue spend and capital expenditure in line with an updated assumption on the stock condition survey. Significant levels of future surpluses are forecast by the end of the 30 year business planning period which begin to materialise after the self-financing settlement debt has been fully repaid in 2024/25. These forecast surpluses involve a raft of assumptions on future spend and income levels which if varied can have a significant effect on available resources. In addition, the Localism Act 2011 includes provision for the Secretary of State to re-open the self-financing settlement "if there has been a change in any matter that was taken into account" in the settlement; quite what circumstances this could cover is not certain. There is therefore a risk of over-reliance on future potential headroom which could throw the HRA business plan out of balance and necessitate additional borrowing, higher rents or reduced service provision in future years.

51. The Director of Finance and the Director of Housing and Community Services consider that this HRA business plan and framework similarly updated would demonstrate that the Council is in a strong position to finance future expenditure plans and to continue to maintain the decent homes standard.

## **CABINET MEMBER FOR HOUSING**

52. The Cabinet Member for Housing has been consulted and, taking all matters into account, considers an average rent increase of 2.2%, equivalent to CPI + 1% or £2.90 per week, to be appropriate to be distributed as proposed in this report. The Cabinet Member also considers that, for affordable rents in the borough, increases of 2.2%, equivalent to CPI + 1% and the proposals for setting rents for newly acquired properties for use as temporary accommodation both in and out of borough are also appropriate. Finally, the Cabinet Member considers that the increases in non-residential charges as set out in Appendix D to this report are appropriate. These increases will be effective from the first Monday in April 2015.
53. The Cabinet Member for Housing proposes that the Council should be recommended to adopt the revised HRA budget framework as detailed in Appendix E and the HRA business plan shown graphically in Appendix F to this report.

## **CONCLUSION**

54. Taking into account the previously approved Rent Setting Policy (Paper No. 14-577) and September's CPI at 1.2% it is now recommended that a 2.2% increase be applied to the Council's social rents with effect from the first Monday in April 2015. It is proposed to split the total 2.2% average increase between a transition step and an inflationary increase, with all properties (excluding those properties with rents at or above £225 per week) receiving a 0.5% inflationary increase. The remaining 1.7% of rent income will be collected via a transition step only on those properties not yet at target rent. To recover the additional rent required, transition step parameters set at the higher of 4% of the current rent or £8 per week, are recommended for approval. It is also recommended that existing affordable rents for Council-let properties are increased by 2.2% and that non-residential charges are increased by, on average 3.5%, with effect from the first Monday in April 2015.
55. Significant levels of future surpluses are forecast by the end of the HRA business plan, however these need to be viewed with caution as they are in no way guaranteed. The business plan is based on a raft of assumptions on future spend and income levels which if varied can have a significant effect on available resources. In addition, the self-financing settlement could be re-opened at some point in the future. There is therefore a risk of over-reliance on future potential headroom which could throw the HRA business plan out of balance.

56. The graphical representation of balances in Appendix F shows that whilst the HRA is projected to be in significant surplus at the end of the 30 year planning period in the short to medium term the position remains much more finely balanced. As a result, any demand for additional expenditure or reduction in assumed income levels will need to continue to be mitigated elsewhere within the HRA business plan to maintain viability.
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CHRIS BUSS  
Director of Finance

BRIAN REILLY  
Director of Housing and Community  
Services

The Town Hall  
Wandsworth  
SW18 2PU

13th January 2015

### **Background Papers**

The following papers were used in the preparation of this report:

1. The Council's budget book publication 2014/15
2. The government's Guidance on Rents for Social Housing

All reports to Overview and Scrutiny Committees, regulatory and other committees, the Executive and the full Council can be viewed on the Council's website ([www.wandsworth.gov.uk/moderngov](http://www.wandsworth.gov.uk/moderngov)) unless the report was published before May 2001, in which case the relevant Committee Secretary (Thayyiba Shaah -Tel 020 8871 6039, e-mail: [tshaah@wandsworth.gov.uk](mailto:tshaah@wandsworth.gov.uk)) can supply a copy if required.

**APPENDIX A****Housing Revenue Account - Approved Capital Programme**

	<u>2014/15</u>	<u>2015/16</u>	<u>2016/17</u>	<u>2017/18</u>
	<u>£ '000</u>	<u>£ '000</u>	<u>£ '000</u>	<u>£ '000</u>
MAJOR REFURBISHMENT OF ESTATES	11,597	17,591	12,176	3,339
RE-LIFTING	1,404	1,577	1,108	-
RE-WIRING	722	674	1,167	231
HEATING IMPROVEMENTS	1,853	2,323	81	-
HEATING REPAIRS	1,608	443	709	-
SPECIAL REPAIRS	1,321	876	-	-
SHELTERED HOUSING	918	384	189	-
ADAPTATIONS FOR DISABLED	1,550	1,550	-	-
ENTRYCALL & CCTV	214	77	-	129
<b>TOTAL REPAIRS AND IMPROVEMENTS</b>	<b>21,187</b>	<b>25,495</b>	<b>15,430</b>	<b>3,699</b>
ENVIRONMENTAL & ESTATE IMPROVEMENTS	1,262	113	-	-
HIDDEN HOMES & SITE DEVELOPMENTS	1,746	7,702	6,672	600
REGENERATION PROJECTS	4,685	4,584	191	-
<b>TOTAL ENVIRONMENTAL, NEW BUILD &amp; REGENERATION</b>	<b>7,693</b>	<b>12,399</b>	<b>6,863</b>	<b>600</b>
HOUSE PURCHASE GRANTS	1,500	500	-	-
PURCHASE OF PROPERTIES	9,800	-	-	-
PURCHASE OF VEHICLES	245	-	-	-
<b>TOTAL HOUSING REVENUE ACCOUNT</b>	<b>40,425</b>	<b>38,394</b>	<b>22,293</b>	<b>4,299</b>

## **APPENDIX B**

### **Housing Revenue Account - Proposed Additions to the Capital Programme**

	<b><u>2015/16</u></b>	<b><u>2016/17</u></b>	<b><u>2017/18</u></b>	<b><u>2018/19</u></b>
	<b><u>£ '000</u></b>	<b><u>£ '000</u></b>	<b><u>£ '000</u></b>	<b><u>£ '000</u></b>
<b><u>MAJOR REFURBISHMENT OF ESTATES</u></b>				
<b>Althorpe Grove Estate (St Mary's Park)</b> Sunbury Lane, Battersea Church Road, Granfield Street Window renewals	120	6	-	-
<b>Alton Estate (Roehampton)</b> Chilcombe House, Crondall House, Farnborough House, Kimpton House, Rushmere House and Crondall House Phase 2 Window renewals	-	209	1,776	104
<b>Arndale Estate (Southfields)</b> Eliot & Wentworth Court Renewal of suspended ceilings to communal areas	-	32	82	6
<b>Ashburton South Estate (West Putney)</b> Cortis Road 6-20, 22-88, 90-184, 186-244, 246-274, 280-308, 281-311, 317, 363 (not 1-67) Cortis Terrace 1-16 Roof renewals	-	51	783	17
<b>Doddington West (Latchmere)</b> Battersea Park Road 287, 291-299 Roof renewal	-	16	118	-
<b>Carnie Lodge (Bedford)</b> Refurbishment	-	40	57	3
<b>Ethelburga Estate (St Mary's Park)</b> Maskelyne Close 1-42, 43-72, Rosenau Road 30-76 Watford Close 1-69, 2-52, Ethelburga Street 7 & 9, Searles Close 66 Phase 1 Roof renewals	-	192	1,213	55
<b>Falcon Estate (Latchmere)</b> Communal Walkway Reconstruction	-	29	254	7
<b>Nightingale Square (Nightingale)</b> Sprinkler System	-	217	145	-
<b>Patmore Estate (Queenstown)</b> Crampton House, Cudworth House, Martley House, Bonsor House, Beattie House, Stroudley House Phase 1 Roof renewals	-	160	1,702	55
<b>Kitchens and Bathrooms (Boroughwide)</b> Falcon & Somerset Estates, Gravenal Gardens, Tooting Grove Bevill Allen Close, Newlands, Colson Way, Faylands, Streatham Park, The Alders, Phase 7	-	931	2,649	-
<b>External decorations conversions to renewals</b>	1,000	-	-	-
<b>TOTAL MAJOR REFURBISHMENT OF ESTATES</b>	<b>1,120</b>	<b>1,883</b>	<b>8,779</b>	<b>247</b>

	<u>2015/16</u> £ '000	<u>2016/17</u> £ '000	<u>2017/18</u> £ '000	<u>2018/19</u> £ '000
<b><u>RELIFTING</u></b>				
<b>Ashburton South Estate (West Putney)</b> Cortis Road 22-244	-	98	403	-
<b>Aldrington South Estate (Furzedown)</b> Grierson House, Shenstone House,	-	49	286	-
<b>Edwin Trayfoot Lodge (Latchmere)</b>	-	40	42	-
<b>Glenthorpe (West Putney)</b>	-	51	36	-
<b>Nimrod Road 243,F1-F21 (Furzedown)</b>	-	50	36	-
<b>Streatham Park Estate (Furzedown)</b> Busby House, Boyce House	-	49	286	-
<b>Southlands Estate (St Mary's Park)</b> Gaitskell Court	-	84	289	-
<b>TOTAL RELIFTING</b>	-	421	1,378	-
<b><u>REWIRING</u></b>				
<b>Individual Rewires</b>	-	225	-	-
<b>Bellamy House (Tooting)</b> Individual rewires & communals	-	67	4	-
<b>Boroughwide</b> Smoke detector replacement	-	42	8	-
<b>Carey Gardens (Queenstown)</b> Phase 2 Individual rewires	-	160	178	-
<b>Doddington Estate (Queenstown)</b> Connor Court Fittings LED lighting with motion controlled dimmers	-	40	51	-
<b>William Willison Estate (West Hill)</b> Keevil Drive Lateral Mains, Distribution Boards, Communal lighting & Individual rewires Phase 2	-	74	414	5
<b>TOTAL REWIRING</b>	-	608	655	5
<b><u>HEATING IMPROVEMENTS</u></b>				
<b>Individual installations</b>	-	337	-	-
<b>Western Area (Putney &amp; Roehampton)</b> Replacement of obsolete boilers	-	1,328	41	-
<b>Central Area (Wandsworth, Balham &amp; Tooting)</b> Replacement of obsolete boilers	-	415	13	-
<b>Eastern Area (Battersea)</b> Replacement of obsolete boilers	-	569	18	-
<b>TOTAL HEATING IMPROVEMENTS</b>	-	2,649	72	-

	<u>2015/16</u> £ '000	<u>2016/17</u> £ '000	<u>2017/18</u> £ '000	<u>2018/19</u> £ '000
<b><u>HEATING REPAIRS</u></b>				
<b>Alton Estate (Roehampton)</b>				
Ryefield Path, Timsbury Walk, Foxcombe Road & Highcross Way				
Replacement of communal heating system	-	1,250	28	-
<b>Arndale Estate (Southfields)</b>				
Sudbury House				
Replacement of communal heating system	-	949	21	-
<b>Sclater Close (West Putney)</b>				
Grosse Way 1-34				
Replacement of communal heating system	-	289	7	-
<b>TOTAL HEATING REPAIRS</b>	-	2,488	56	-
<b><u>SPECIAL REPAIRS</u></b>				
Extensions / Conversions future schemes	250	-	-	-
Provision for future years	-	300	-	-
<b>Acquired Properties</b>				
Roofs, decorations, damp proofing	-	350	-	-
<b>Asbestos Removal</b>				
	-	50	-	-
<b>Minor Environmental Schemes</b>				
	-	300	-	-
<b>TOTAL SPECIAL REPAIRS</b>	250	1,000	-	-
<b><u>SHELTERED HOUSING</u></b>				
<b>Boroughwide Sheltered Schemes</b>				
Abyssinnia Close, Chelverton Court, Yew Tree Lodge, Doris Emerton Court, Holmleigh Court, James Searles Lodge, Glenthorpe				
Phase 6 Installation of overhead showers	-	384	654	-
Photovoltaic Panels	350	136	-	-
<b>TOTAL SHELTERED HOUSING</b>	350	520	654	-
<b><u>ADAPTATIONS FOR THE DISABLED</u></b>				
Conversion of vacant properties	-	850	-	-
Future years provision	-	700	-	-
<b>TOTAL ADAPTATIONS FOR THE DISABLED</b>	-	1,550	-	-



	<u>2015/16</u>	<u>2016/17</u>	<u>2017/18</u>	<u>2018/19</u>
	<u>£ '000</u>	<u>£ '000</u>	<u>£ '000</u>	<u>£ '000</u>
<b><u>ENTRYCALL &amp; CCTV</u></b>				
<b><u>Controlled Entry</u></b>				
<b>Battersea Park Estate (Latchmere)</b>				
Replacement of Door Entry System	-	106	248	-
<b>Streatham Park Estate (Furzedown)</b>				
Salter House				
Replacement of Door Entry System	-	13	-	-
<b>TOTAL ENTRYCALL &amp; CCTV</b>	<b>-</b>	<b>119</b>	<b>248</b>	<b>-</b>
<b><u>ENVIRONMENTAL &amp; ESTATE IMPROVEMENTS</u></b>				
Environmental Improvements	-	2,000	-	-
Future Playground Refurbishment	-	100	-	-
<b>TOTAL ENVIRONMENTAL &amp; ESTATE IMPROVEMENTS</b>	<b>-</b>	<b>2,100</b>	<b>-</b>	<b>-</b>
<b><u>HIDDEN HOMES &amp; SITE DEVELOPMENTS</u></b>				
<b>Aldrington South (Furzedown)</b>				
Site Development	100	776	25	-
<b>Streatham Park (Furzedown)</b>				
Site Development	110	889	140	-
Feasibility Studies	100	-	-	-
<b>TOTAL HIDDEN HOMES &amp; SITE DEVELOPMENTS</b>	<b>310</b>	<b>1,665</b>	<b>165</b>	<b>-</b>
<b>HOUSE PURCHASE GRANTS</b>	<b>2,000</b>	<b>2,500</b>	<b>-</b>	<b>-</b>
<b>PURCHASE OF PROPERTIES</b>	<b>10,100</b>	<b>10,100</b>	<b>-</b>	<b>-</b>
<b>TOTAL ADDITIONS</b>	<b>14,130</b>	<b>27,603</b>	<b>12,007</b>	<b>252</b>

## APPENDIX C

### Housing Revenue Account - Revised Capital Programme

	<u>2014/15</u>	<u>2015/16</u>	<u>2016/17</u>	<u>2017/18</u>
	<u>£ '000</u>	<u>£ '000</u>	<u>£ '000</u>	<u>£ '000</u>
MAJOR REFURBISHMENT OF ESTATES	11,597	18,711	14,059	12,118
RE-LIFTING	1,404	1,577	1,529	1,378
RE-WIRING	722	674	1,775	886
HEATING IMPROVEMENTS	1,853	2,323	2,730	72
HEATING REPAIRS	1,608	443	3,197	56
SPECIAL REPAIRS	1,321	1,126	1,000	-
SHELTERED HOUSING	918	734	709	654
ADAPTATIONS FOR DISABLED	1,550	1,550	1,550	-
ENTRYCALL & CCTV	214	77	119	377
<b>TOTAL REPAIRS AND IMPROVEMENTS</b>	<b>21,187</b>	<b>27,215</b>	<b>26,668</b>	<b>15,541</b>
ENVIRONMENTAL & ESTATE IMPROVEMENTS	1,262	113	2,100	-
HIDDEN HOMES & SITE DEVELOPMENTS	1,746	8,012	8,337	765
REGENERATION PROJECTS	4,685	20,584	16,191	-
<b>TOTAL ENVIRONMENTAL, NEW BUILD &amp; REGENERATION</b>	<b>7,693</b>	<b>28,709</b>	<b>26,628</b>	<b>765</b>
HOUSE PURCHASE GRANTS	1,500	2,500	2,500	-
PURCHASE OF PROPERTIES	9,800	10,100	10,100	-
PURCHASE OF VEHICLES	245	-	-	-
<b>TOTAL HOUSING REVENUE ACCOUNT</b>	<b>40,425</b>	<b>68,524</b>	<b>65,896</b>	<b>16,306</b>

	<u>2014/15</u> <u>£ '000</u>	<u>2015/16</u> <u>£ '000</u>	<u>2016/17</u> <u>£ '000</u>	<u>2017/18</u> <u>£ '000</u>
<b>MAJOR REFURBISHMENT OF ESTATES</b>				
<b>Aboyne Estate (Earlsfield)</b>				
Window renewal (conversion from decs)	817	21	-	-
<b>Aldrington South Estate (Furzedown)</b>				
Grierson House, Shenstone House, Tyers House Roof renewal	369	15	-	-
<b>Althorpe Grove Estate (St Mary's Park)</b>				
Sunbury Lane, Battersea Church Road, Granfield Street Window renewals	-	120	6	-
<b>Alton Estate (Roehampton)</b>				
D Blocks D1-5 & 36 Ibsley Gardens 81-103, 105-127, 110-148 Alton Road 28-58, Fontley Way 1-20, 21-25 Window renewal	189	-	-	-
<b>E BLOCKS</b>				
Allenford House, Bramley House, Penwood House, Shalden House and Tatchbury House Phase 1 Roof renewal and part window renewal	-	200	1,000	63
Allbrook House Roof renewal	-	-	-	60
Danebury Avenue 245-255 Odd Roof renewal (Sheltered)	16	-	-	-
Chilcombe House, Crondall House, Farnborough House, Kimpton House, Rushmere House and Crondall House Phase 2 Window renewals	-	-	209	1,776
<b>Antrim House (Shaftesbury)</b>				
Window renewal	149	20	-	-
<b>Anderson House (Tooting)</b>				
Window renewal	8	-	-	-
<b>Argyle Estate (West Hill)</b>				
Glen Albyn 41-87o, 2a, 2-58e, 60-106e, 108-152e, 154-200e Phase 1 Renewal of pitched roof covering	113	6	-	-
Chobham Gardens 37-65, 37a, 66-95 Thursley Gardens 8-25 cons, 26a, 26-42 cons Phase 2 Renewal of pitched roof covering	365	40	-	-
Esher Gardens 1-16, 17-46, 47a, 47-75, 76-105 Phase 3 Renewal of pitched roof covering	3	34	295	5
<b>Arndale Estate (Southfields)</b>				
Eliot & Wentworth Court Renewal of suspended ceilings to communal areas	-	-	32	82
<b>Ashburton South Estate (West Putney)</b>				
Cortis Road, Cortis Terrace, Boyd Court, Westleigh Avenue 63-125o, 135-165o Tildesley Road 89-201 Odd Phase 1 Window renewals	20	-	-	-
Carslake Road 1-99, 109-167, 169-177, 2-80, 82-110 Innes Gardens 1-22, 117-156, 23-52, 53-64, 65-94, 95-116 Phase 2 Window renewals	1,547	50	-	-
Hayward Gardens Pullman Gardens Phase 3 Window renewal	108	2,049	55	-

	<u>2014/15</u>	<u>2015/16</u>	<u>2016/17</u>	<u>2017/18</u>
	<u>£ '000</u>	<u>£ '000</u>	<u>£ '000</u>	<u>£ '000</u>
Tildesley Road All blocks window renewal excluding 89-201 All blocks roof renewal excluding 102-164, 2-100 Phase 4 Window & roof renewal	20	3,822	345	-
Tildesley Road 2-100 Roof renewals	7	-	-	-
Carslake Rd 109-167o, 1-99, 2-80 Roof renewals	-	70	671	16
Cortis Road 6-20, 22-88, 90-184, 186-244, 246-274, 280-308, 281-311, 317, 363 (not 1-67) Cortis Terrace 1-16 Roof renewals	-	-	51	783
<b>Ashburton Chartfield Estate (East Putney)</b> Whole estate, excluding 34 Westleigh Avenue, 29a Mildmay House & 1a Mullens House Window renewal	501	-	-	-
<b>Badric Court (St Mary's Park)</b> Roof renewal	328	10	-	-
<b>Battersea High Street Estate (St Mary's Park)</b> Pritchard Court, Meecham Court, Clancy Court, Lindsay Court, Humphrey Court, Coles Court Morgan Court decorations only Window renewal	1,060	50	-	-
<b>Battersea Park Road 259 (Queenstown)</b> Refurbishment of short term lets	250	360	-	-
<b>Carlton Drive 24 &amp; 25 (East Putney)</b> Renewal of roof coverings	52	-	-	-
<b>Carnie Lodge (Bedford)</b> Refurbishment	-	375	40	57
<b>Clarence Lane (Roehampton)</b> Window renewal	30	-	-	-
<b>Convent Estate (Fairfield) Co-op</b> Window renewals	5	701	30	-
<b>Cornford Grove 45-89 (Bedford)</b> Roof renewal	-	25	142	-
<b>Dawes House (Latchmere)</b> Hostel conversion	3	-	-	-
<b>Doddington West (Latchmere)</b> Battersea Park Road 287, 291-299 Roof renewal	-	-	16	118
<b>Eastwood Estate (West Putney)</b> Clipstone House Window renewals & roof renewal	299	8	-	-
<b>Edgecombe Hall Estate (West Hill)</b> 45-55 Augustus Road, 25 Manningtree Close Window renewal	5	-	-	-
<b>Ethelburga Estate (St Mary's Park)</b> Maskelyne Close 1-42, 43-72, Rosenau Road 30-76 Watford Close 1-69, 2-52, Ethelburga Street 7 & 9, Searles Close 66 Phase 1 Roof renewals	-	-	192	1,213
<b>Falcon Estate (Latchmere)</b> Communal Walkway Reconstruction	-	-	29	254

	<u>2014/15</u> <u>£ '000</u>	<u>2015/16</u> <u>£ '000</u>	<u>2016/17</u> <u>£ '000</u>	<u>2017/18</u> <u>£ '000</u>
<b>Faylands Estate (Furzedown)</b>				
Window renewal	5	-	-	-
<b>Fitzhugh Estate (Wandsworth Common)</b>				
Window renewal	25	-	-	-
<b>Hazelhurst Estate (Tooting)</b>				
Alfred Hurley House, Foss Road, Newbridge Court, Pangbourne Court, Sutton Courtney House Whitchurch Court, Wimbledon Road Phase 3 Window renewals	103	-	-	-
<b>Heslop Court (Nightingale)</b>				
Roof renewal	41	40	-	-
<b>Latchmere Estate (Latchmere)</b>				
Window renewals	-	300	1,400	558
Dampness eradication tenanted units only	1	-	-	-
<b>Lochinvar Estate (Balham)</b>				
Window renewal	271	20	-	-
<b>Magdalen Park Estate (Wandsworth Common)</b>				
Brightman Road / Fieldview Phase 1 Roof renewal	250	393	-	-
Godley Road, Tilehurst Road, Gunners Road Phase 2 Roof renewal	10	2,324	62	-
<b>McCarthy Court (St Mary's Park)</b>				
Window renewal	50	-	-	-
<b>Morris Gardens Estate (Southfields)</b>				
Window renewal	232	511	-	-
<b>Nightingale Square (Nightingale)</b>				
Sprinkler System	-	-	217	145
<b>Patmore Estate (Queenstown)</b>				
Crampton House, Cudworth House, Martley House, Bonsor House, Beattie House, Stroudley House Phase 1 Roof renewals	-	-	160	1,702
<b>Ryde Vale Estate (Bedford)</b>				
Homemead & Hitherlands Window renewal	115	-	-	-
Little Dimmocks 1-12, Four Acres 1-12 Roof renewal	88	10	-	-
<b>Savona Estate (Queenstown)</b>				
Ascalon House, Seldon House, Thessaly House 1-65 & Wenham House Window renewal	279	-	-	-
<b>Sheringham Court (Earlsfield)</b>				
Roof renewal	2	-	-	-
<b>Shoreham Close (Fairfield)</b>				
Roof renewal (conversion from decs?)	-	-	200	-
<b>Somerset Estate (St Mary's Park)</b>				
Window renewal	36	-	-	-
<b>Streatham Park Estate (Furzedown)</b>				
Window renewal (conversion from decs)	506	15	-	-

	<u>2014/15</u>	<u>2015/16</u>	<u>2016/17</u>	<u>2017/18</u>
	<u>£ '000</u>	<u>£ '000</u>	<u>£ '000</u>	<u>£ '000</u>
<b>Surrey Lane Estate (St Mary's Park)</b>				
Phase 1 Window renewal	130	-	-	-
Phase 2 Window renewal	1,399	57	-	-
Phase 3/4 Window renewal & roof renewal to Gardiner House	100	3,052	300	-
<b>Victoria Drive (West Hill)</b>				
Victoria Drive 101 Flats A-H Window renewal	1	-	-	-
<b>Waylands Road Estate (Latchmere)</b>				
Cavity wall tray investigation	3	-	-	-
<b>Wimbledon Park Estate (West Hill)</b>				
Window renewal	-	150	1,150	91
<b>Winstanley Estate (Latchmere)</b>				
Sporle Court Window renewal	329	-	-	-
<b>Woking Close (Roehampton)</b>				
Environmental works to follow new development	20	156	-	-
<b>Yew Tree Lodge (Furzedown)</b>				
Conversion works	100	208	-	-
<b>York Road Estate (Latchmere)</b>				
Penge House & Inkster House - Refurbishment including windows, overcladding, roof renewal, communal electrics kitchens & bathrooms, communal heating overhaul etc.	50	500	5,000	2,500
<b>Kitchens and Bathrooms - Programme</b>				
Phase 4 William Willison Estate (West Hill)	121	-	-	-
Phase 5 Carey Gardens Estate (Queenstown)	150	999	26	-
Phase 6 Battersea Park Estate (Latchmere)	-	1,000	1,500	46
Phase 7 Boroughwide	-	-	931	2,649
<b>Boroughwide</b>				
Phase 9 Digital Systems	45	-	-	-
Phase 10 Digital Systems	518	-	-	-
Phase 9 Secure Front Entrance Doors	353	-	-	-
<b>External decorations conversions to window renewals</b>	-	1,000	-	-
<b>TOTAL MAJOR REFURBISHMENT</b>	<b>11,597</b>	<b>18,711</b>	<b>14,059</b>	<b>12,118</b>

	<u>2014/15</u> <u>£ '000</u>	<u>2015/16</u> <u>£ '000</u>	<u>2016/17</u> <u>£ '000</u>	<u>2017/18</u> <u>£ '000</u>
<b><u>RE-LIFTING</u></b>				
<b>Ackroydon West Estate (West Hill)</b> Chilworth Court 16-55, Duncombe House, Oatlands Court Phase 2	6	-	-	-
<b>Aldrington South Estate (Furzedown)</b> Grierson House, Shenstone House,	-	-	49	286
<b>Alton Estate (Roehampton)</b> E Blocks Phase 6	1	-	-	-
<b>Ashburton South Estate (West Putney)</b> Hayward Gardens (211-250)	233	10	-	-
Tildesley Road (2-261)	543	120	-	-
Carslake Road 1-99	-	75	300	-
Carslake Road 109-167o, Cortis Road 280-308 246-274	58	273	-	-
Cortis Road 22-244	-	-	98	403
Innes Gardens (1-22)	52	84	-	-
<b>Balham Hill Estate (Balham)</b> Hales House, Graham House Phase 2	30	-	-	-
<b>Doddington Estate (Queenstown)</b> Bank Court	27	-	-	-
<b>Eastwood Estate (West Putney)</b> Andrew House, Cromwell House	6	160	5	-
<b>Edwin Trayfoot Lodge (Latchmere)</b>	-	-	40	42
<b>Ethelburga Estate (St Mary's Park)</b> Ethelburga Tower Phase 1	-	33	130	-
<b>Glenthorpe (West Putney)</b>	-	-	51	36
<b>Nimrod Road 243,F1-F21 (Furzedown)</b>	-	-	50	36
<b>Ranalagh Estate (Thamesfield)</b> Huntingfield House 2 lifts	50	86	-	-
<b>Ryde Vale Estate (Bedford)</b> Homemead & Hitherlands	10	239	10	-
<b>Somerset Estate (St Mary's Park)</b> Sparkford House & Selworthy House	5	-	-	-
<b>Southmead Estate (West Hill)</b> Lifts serving 5 blocks	383	93	-	-
<b>Southlands Estate (St Mary's Park)</b> Gaitskell Court	-	-	84	289
<b>Streatham Park Estate (Furzedown)</b> Busby House, Boyce House	-	-	49	286
<b>Totteridge House (St Mary's Park)</b>	-	50	363	-
<b>Boroughwide</b> Replacement of autodiallers	-	354	300	-
<b>TOTAL RE-LIFTING</b>	<u>1,404</u>	<u>1,577</u>	<u>1,529</u>	<u>1,378</u>

	<u>2014/15</u> <u>£ '000</u>	<u>2015/16</u> <u>£ '000</u>	<u>2016/17</u> <u>£ '000</u>	<u>2017/18</u> <u>£ '000</u>
<b>RE-WIRING</b>				
<b>Badric Court (St Mary's Park)</b> Rewires, communals, laterals	20	-	-	-
<b>Bellamy House (Tooting)</b> Individual rewires & communals	-	-	67	4
<b>Carey Gardens (Queenstown)</b> Phase 1 Individual rewires and distribution boards	-	150	341	-
Phase 2 Individual rewires and distribution boards	-	-	160	178
<b>Fitzhugh Estate (Wandsworth Common)</b> Distribution boards	2	-	-	-
<b>Savona Estate (Queenstown)</b> Rewires and communals	292	-	-	-
<b>Carnie Lodge (Bedford)</b> Rewires and laterals	90	40	-	-
<b>Doddington Estate (Queenstown)</b> Connor Court Fittings LED lighting with motion controlled dimmers	-	-	40	51
<b>Ethelburga Estate (St Mary's Park)</b> Phase 1 Laterals and communals	-	-	80	224
<b>Falcon Estate (Latchmere)</b> Laterals and distribution boards	27	30	-	-
<b>Fernlea Road Estate (Balham)</b> Laterals and distribution boards	14	29	-	-
<b>Gravenal Gardens (Graveney)</b> Rising mains, laterals & rewires	27	50	-	-
<b>Harling Court (Latchmere)</b> Communal lighting	27	-	-	-
<b>Henry Prince Estate (Earlsfield)</b> Lateral distribution boards & individual rewire	-	70	500	7
<b>Powrie House (St Mary's Park)</b> Laterals & distribution boards	21	-	-	-
<b>Spencer Park Estate (Wandsworth Common)</b> Lateral mains	-	25	-	-
<b>The Alders (Furzedown)</b> Rewires and communals	2	-	-	-
<b>William Willison Estate (West Hill)</b> Castlecombe Drive Phase 1 Rising mains, laterals & rewires	-	80	246	-
Keevil Drive Lateral Mains, Distribution Boards, Communal lighting & Individual rewires Phase 2	-	-	74	414
<b>Boroughwide</b> Smoke detector replacement	-	-	42	8
Individual Rewires	200	200	225	-
<b>TOTAL REWIRING</b>	<u>722</u>	<u>674</u>	<u>1,775</u>	<u>886</u>



	<u>2014/15</u>	<u>2015/16</u>	<u>2016/17</u>	<u>2017/18</u>
	<u>£ '000</u>	<u>£ '000</u>	<u>£ '000</u>	<u>£ '000</u>
<b>HEATING IMPROVEMENTS</b>				
<b>Ackroydon East Estate (West Hill)</b>	7	-	-	-
<b>Argyle Estate (West Hill)</b> Phase 1 Esher Gardens, Glen Albyn Road	3	819	20	-
<b>Ashburton South Estate (West Putney)</b> Phase 5 Tildesley Road	11	-	-	-
<b>Edgecombe Hall Estate (West Hill)</b>	799	20	-	-
<b>Morris Gardens (Southfields)</b>	39	2	-	-
<b>Rowditch Lane (Latchmere)</b>	132	3	-	-
<b>Waylands Road (Latchmere)</b>	288	10	-	-
<b>Eastwood Estate North &amp; South (West Putney)</b>	-	792	25	-
<b>Kersfield Road (East Putney)</b> Installation of individual systems at Littecombe Close	-	371	36	-
<b>Western Area (Putney &amp; Roehampton)</b> Replacement of obsolete boilers	-	-	1,328	41
<b>Central Area (Wandsworth, Balham &amp; Tooting)</b> Replacement of obsolete boilers	-	-	415	13
<b>Eastern Area (Battersea)</b> Replacement of obsolete boilers	-	-	569	18
<b>Boroughwide</b>				
Infills back boilers	139	3	-	-
Acquirds back boilers	135	3	-	-
Individual installations	300	300	337	-
<b>TOTAL HEATING IMPROVEMENTS</b>	<b>1,853</b>	<b>2,323</b>	<b>2,730</b>	<b>72</b>

	<u>2014/15</u> <u>£ '000</u>	<u>2015/16</u> <u>£ '000</u>	<u>2016/17</u> <u>£ '000</u>	<u>2017/18</u> <u>£ '000</u>
<b>HEATING REPAIRS</b>				
<b>Alton Estate (Roehampton)</b>				
Stoughton Close, Greatham Walk, Hyacinth Road	20	-	-	-
Ryefield Path, Timsbury Walk, Foxcombe Road & Highcross Way				
Replacement of communal heating system	-	-	1,250	28
<b>Arndale Estate (Southfields)</b>				
Eliot Court, Wentworth Court				
Supply network communal heating	177	-	-	-
Edwyn House, Knowles House				
Pipework Replacement	-	68	101	-
Sudbury House				
Replacement of communal heating system	-	-	949	21
<b>Auckland Road (Northcote)</b>				
18-52 Auckland Road - Individual replacement boilers &				
14 Abyssinia Close - Communal replacement boiler	426	20	-	-
<b>Ashcombe Court (East Putney)</b>	80	5	-	-
<b>Carnie Lodge (Bedford)</b>	76	2	-	-
<b>Doddington Estate (Queenstown)</b>				
Connor Court, Turpin House				
Phase 5	238	48	-	-
<b>McCarthy Court (St Mary's Park)</b>				
Replacement of communal heating	379	10	-	-
<b>Rambler Close (Furzedown)</b>	212	10	-	-
<b>Sclater Close (West Putney)</b>				
Grosse Way 1-34				
Replacement of communal heating system	-	-	289	7
<b>Alton Estate (Roehampton)</b>				
Extractor fans	-	140	408	-
<b>Winstanley Estate (Latchmere)</b>				
Extractor fans	-	140	200	-
<b>TOTAL HEATING REPAIRS</b>	<u>1,608</u>	<u>443</u>	<u>3,197</u>	<u>56</u>

	<u>2014/15</u> £ '000	<u>2015/16</u> £ '000	<u>2016/17</u> £ '000	<u>2017/18</u> £ '000
<b><u>SPECIAL REPAIRS</u></b>				
<b>Acquired Properties</b>				
Roofs, decorations, damp proofing	350	350	350	-
<b>Boyd Court Clubroom (West Putney)</b>				
Roofing works	56	-	-	-
<b>Crestway 70</b>				
Property extension	91	-	-	-
<b>Derinton Road Community Centre (Tooting)</b>				
Refurbishment	22	-	-	-
<b>Ethelburga Street 2-84 (St Mary's Park)</b>				
Roof renewal	80	60	-	-
<b>Evenwood Close (East Putney)</b>				
Roof renewal	25	-	-	-
<b>Longstone Road 21 (Furzedown)</b>				
Loft conversion and ground floor extension	123	9	-	-
<b>Palladino House, Wood House</b>				
Feasibility for short term let	6	-	-	-
<b>Queenstown Road 85/87 (Queenstown)</b>				
C.O.S.T.A - Feasibility refurbishment	9	-	-	-
<b>William Willison Estate (West Hill)</b>				
Dry risers	94	5	-	-
<b>Yew Tree Lodge</b>				
Renewal of alarms	4	-	-	-
<b>York Road Small Initiatives</b>	30	-	-	-
<b>Wayford Street Estate</b>				
Cold bridging	40	-	-	-
<b>Boroughwide</b>				
Asbestos Removal	50	50	50	-
Extensions / Conversions future schemes	-	250	-	-
Minor Environmental Schemes	300	300	300	-
Provision for urgent schemes	41	102	300	-
<b>TOTAL SPECIAL REPAIRS</b>	<u>1,321</u>	<u>1,126</u>	<u>1,000</u>	<u>-</u>

	<u>2014/15</u>	<u>2015/16</u>	<u>2016/17</u>	<u>2017/18</u>
	<u>£ '000</u>	<u>£ '000</u>	<u>£ '000</u>	<u>£ '000</u>
<b>SHELTERED HOUSING</b>				
<b>Doris Emerton Court (Latchmere)</b>				
Lift refurbishment	164	4	-	-
<b>Nursery Close</b>	50	-	-	-
<b>Rambler Close (Furzdown)</b>				
Lift Installation	1	-	-	-
<b>Sclater Road Estate (West Putney)</b>				
Grosse Way 1-34				
Communal window renewal	2	-	-	-
<b>Nursery Close (East Putney)</b>				
Water issues	-	65	-	-
<b>Boroughwide Sheltered Schemes</b>				
Grosse Way, Hepplestone Close, Riplington Court				
Phase 2 Installation of overhead showers	31	-	-	-
Lennox Estate, Alton Estate				
Phase 3 Installation of overhead showers	535	-	-	-
Althorpe Grove, Kirton Lodge, St Margarets Court				
Phase 4 Installation of overhead showers	100	145	-	-
Rambler Close, Hill Lodge, Francis Snary Lodge				
Phase 5 Installation of overhead showers	-	150	189	-
Abyssinnia Close, Chelverton Court, Yew Tree Lodge, Doris Emerton Court, Holmleigh Court, James Searles Lodge, Glenthorpe				
Phase 6 Installation of overhead showers	-	-	384	654
Conversion of VCR machines to DVD at 14 sites	35	20	-	-
Photovoltaic Panels	-	350	136	-
<b>TOTAL SHELTERED HOUSING</b>	<b>918</b>	<b>734</b>	<b>709</b>	<b>654</b>

	<u>2014/15</u> <u>£ '000</u>	<u>2015/16</u> <u>£ '000</u>	<u>2016/17</u> <u>£ '000</u>	<u>2017/18</u> <u>£ '000</u>
<b><u>ADAPTATIONS FOR THE DISABLED</u></b>				
Conversion of Vacant Properties	850	850	850	-
Future Years Provision	700	700	700	-
<b>TOTAL ADAPTATIONS FOR THE DISABLED</b>	<b>1,550</b>	<b>1,550</b>	<b>1,550</b>	<b>-</b>

	<u>2014/15</u> <u>£ '000</u>	<u>2015/16</u> <u>£ '000</u>	<u>2016/17</u> <u>£ '000</u>	<u>2017/18</u> <u>£ '000</u>
<b><u>ENTRYCALL</u></b>				
<b>Controlled Entry</b>				
<b>Abingdon Court, Kilmarnock Court (Graveney)</b>				
Replacement of door entry system	-	25	-	-
<b>Alton Estate (Roehampton)</b>				
Danebury Avenue 3-29				
Replacement of door entry system	-	-	-	35
Bramley House				
Replacement of door entry system	-	21	-	-
<b>Battersea Park Estate (Latchmere)</b>				
Replacement of Door Entry System	-	-	106	248
<b>Faylands Estate (Furzedown)</b>				
Shelburne House				
Replacement of door entry system	21	-	-	-
<b>Fernlea Road 65 A-I (Balham)</b>				
Installation of door entry system	20	1	-	-
<b>Lochinvar Estate (Balham)</b>				
Renewal of door entry system	56	-	-	-
<b>Meecham Court (St Mary's Park)</b>				
Installation of door entry system	46	2	-	-
<b>Morris Gardens (Southfields)</b>				
Installation of door entry system (excluding blocks 19-24, 1-6)	8	-	-	-
<b>Pavilion Chambers / Lavenham Court (Northcote)</b>				
Refurbishment of door entry system	1	-	-	-
<b>Rollo Estate (Queenstown)</b>				
Replacement of door entry system	4	-	-	-
<b>Ryde Vale Estate (Bedford)</b>				
Renewal of door entry system	50	-	-	-
<b>Sheridan House (Latchmere)</b>				
Replacement of door entry system	3	-	-	-
<b>St James's Close 9-38 (Nightingale)</b>				
Replacement of door entry system	1	-	-	-
<b>Shoreham Close 1-12 (Fairfield)</b>				
Installation of door entry system	-	28	-	-
<b>Streatham Park Estate (Furzedown)</b>				
Salter House				
Replacement of Door Entry System	-	-	13	-
<b>The Alders (Furzedown)</b>				
Renewal of door entry system	1	-	-	-
<b>Winstanley Estate (Latchmere)</b>				
Clarke Lawrence Court, Sendall Court, Shaw Court				
Renewal of door entry system	1	-	-	-
<b><u>CCTV</u></b>				
<b>Expansion and Modernisation</b>				
<b>Ryde Vale Estate (Bedford)</b>	1	-	-	-
<b>William Willison Estate (West Hill)</b>				
1-63, 65-127 Keevil Drive				
	1	-	-	-
<b>Allbrook House (Roehampton)</b>	-	-	-	94
<b>TOTAL ENTRYCALL &amp; CCTV</b>	<u>214</u>	<u>77</u>	<u>119</u>	<u>377</u>

	<u>2014/15</u> <u>£ '000</u>	<u>2015/16</u> <u>£ '000</u>	<u>2016/17</u> <u>£ '000</u>	<u>2017/18</u> <u>£ '000</u>
<b><u>ENVIRONMENTAL &amp; ESTATE IMPROVEMENTS</u></b>				
<b>Putney Vale Estate (Roehampton)</b>				
Environmental improvements	1,052	13	-	-
<b>Boroughwide</b>				
Playground Refurbishment	160	100	100	-
Site Clearance	50	-	-	-
Environmental Improvements	-	-	2,000	-
<b>TOTAL ENVIRONMENTAL &amp; ESTATE IMPROVEMENTS</b>	<u>1,262</u>	<u>113</u>	<u>2,100</u>	<u>-</u>

	<u>2014/15</u> <u>£ '000</u>	<u>2015/16</u> <u>£ '000</u>	<u>2016/17</u> <u>£ '000</u>	<u>2017/18</u> <u>£ '000</u>
<b><u>HIDDEN HOMES</u></b>				
Abbott House (Balham)	664	200	-	-
Ashburton Estate (West Putney)	40	223	385	-
Battersea Park Road 103-125 (Queenstown)	400	1,312	-	-
Cambalt Road (East Putney)	10	-	-	-
Castlecombe Drive (West Hill)	11	-	-	-
Clipstone House (West Putney)	2	-	-	-
Doddington Estate (Queenstown)	5	-	-	-
Fitzhugh Estate (Wandsworth Common)	-	-	202	300
Radcliffe Walk (Queenstown)	5	-	-	-
Rollo Estate (Queenstown)	29	-	-	-
Smithwood Close 122/118a (West Hill)	4	-	-	-
Wheeler Court (Latchmere) (St Christophers Clinic)	66	-	-	-
<b><u>SITE DEVELOPMENTS</u></b>				
Aldrington South (Furzedown)	10	100	776	25
Deeley Road (Queenstown)	38	969	1,650	100
Gaskarth Road (Balham)	88	735	407	-
Limpsfield Avenue (West Hill)	45	377	208	-
Moffatt Court (Tooting)	54	455	251	-
Nutwell Street (Graveney)	57	479	264	-
Rowditch Lane (Latchmere)	156	1,304	720	-
Streatham Park (Furzedown)	10	110	889	140
Thessaly Road (Queenstown)	22	678	1,010	100
Tidbury Court (Queenstown)	30	970	1,575	100
Other Schemes / Feasibilities	-	100	-	-
<b>TOTAL HIDDEN HOMES &amp; SITE DEVELOPMENTS</b>	<b>1,746</b>	<b>8,012</b>	<b>8,337</b>	<b>765</b>



	<u>2014/15</u>	<u>2015/16</u>	<u>2016/17</u>	<u>2017/18</u>
	<u>£ '000</u>	<u>£ '000</u>	<u>£ '000</u>	<u>£ '000</u>
<b><u>REGENERATION PROJECTS</u></b>				
Feasibility Studies	50	-	-	-
Procurement of specialist services	2,000	2,000	-	-
Site Assembly Buybacks	2,000	18,000	16,000	-
<b>ROEHAMPTON REGENERATION (Roehampton)</b>				
Master plan process fees	145	246	145	-
Master planning consultants	65	135	-	-
<b>YORK ROAD ESTATE (Latchmere)</b>				
Master plan process fees	175	203	46	-
Master planning consultants	250	-	-	-
<b>TOTAL REGENERATION PROJECTS</b>	<b>4,685</b>	<b>20,584</b>	<b>16,191</b>	<b>-</b>

**APPENDIX D**

**HOUSING REVENUE ACCOUNT NON-RESIDENTIAL CHARGES**

**Table 1 – Garages (per week)**

<b><u>Band</u></b>	<b><u>Current Charge</u></b>	<b><u>Proposed Charge (inclusive of 3.5% increase)</u></b>
	<b>£</b>	<b>£</b>
A+	26.00	26.90
A	23.60	24.40
B	14.00	14.50
C	10.10	10.45
D	7.50	7.75
Water Rate	0.46	TBC by Thames Water

**Table 2 – Other Property (per week)**

	<b><u>Current Charge</u></b>	<b><u>Proposed Charge (inclusive of 3.5% increase)</u></b>
	<b>£</b>	<b>£</b>
<b><u>Store sheds</u></b>		
Band A	2.80	2.90
Band B	2.15	2.25
Band C	1.40	1.45
Motorcycle sheds	5.80	6.00
Parking Lots/Other non-domestic sites	7.70	7.95
Parking lots at Andrew Reed House	5.45	5.65
Cycle lockers	1.40	1.45

**Table 3 – Other Charges**

	<b><u>Current Charge</u></b>	<b><u>Proposed Charge (inclusive of 3.5% increase)</u></b>
	<b>£</b>	<b>£</b>
Replacement door entry fob	16.35	16.90
Replacement resident's parking permit	17.00	17.60
Replacement or additional sets of keys	Cost plus 17.00	Cost plus 17.60
Pre-assignment income	122.40	126.70

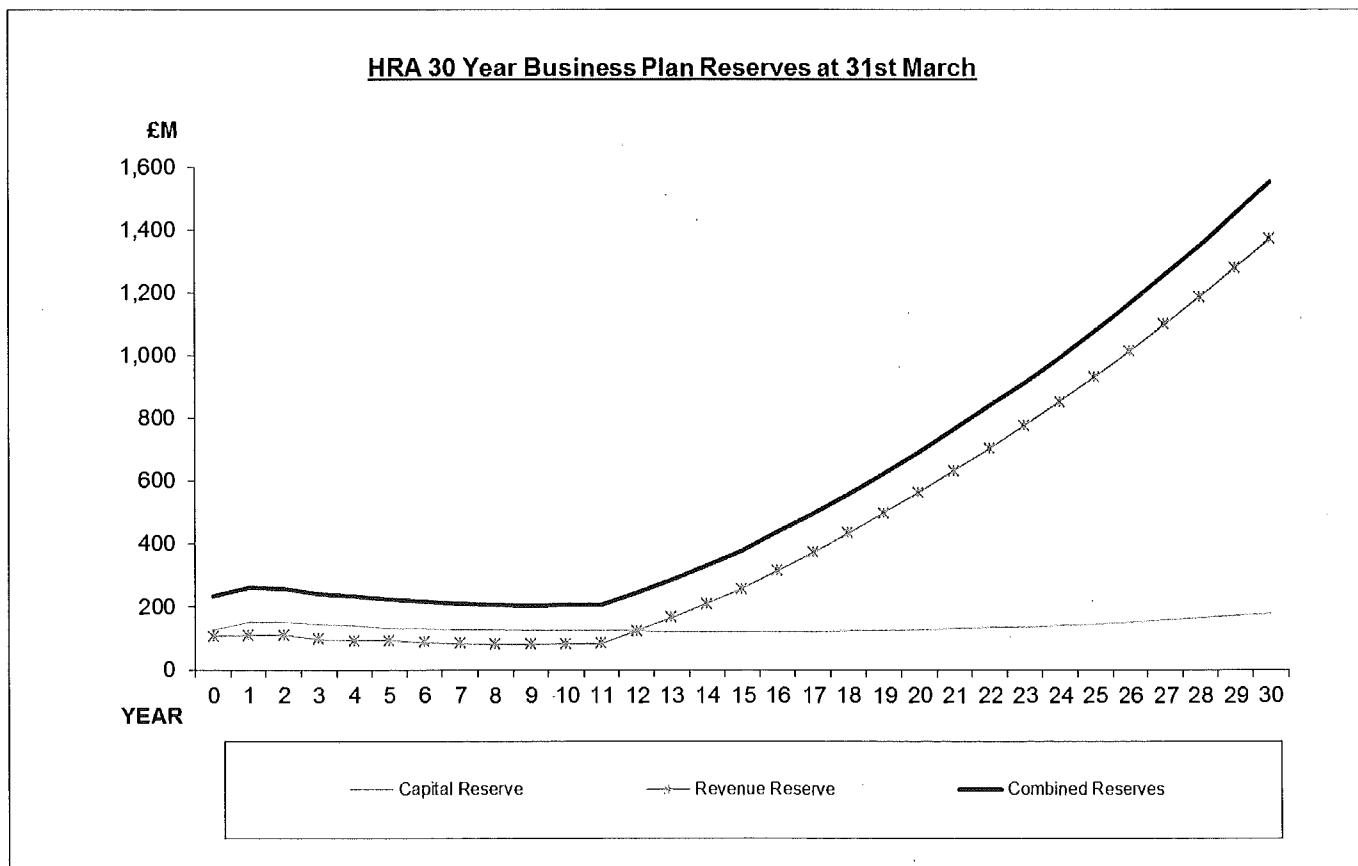
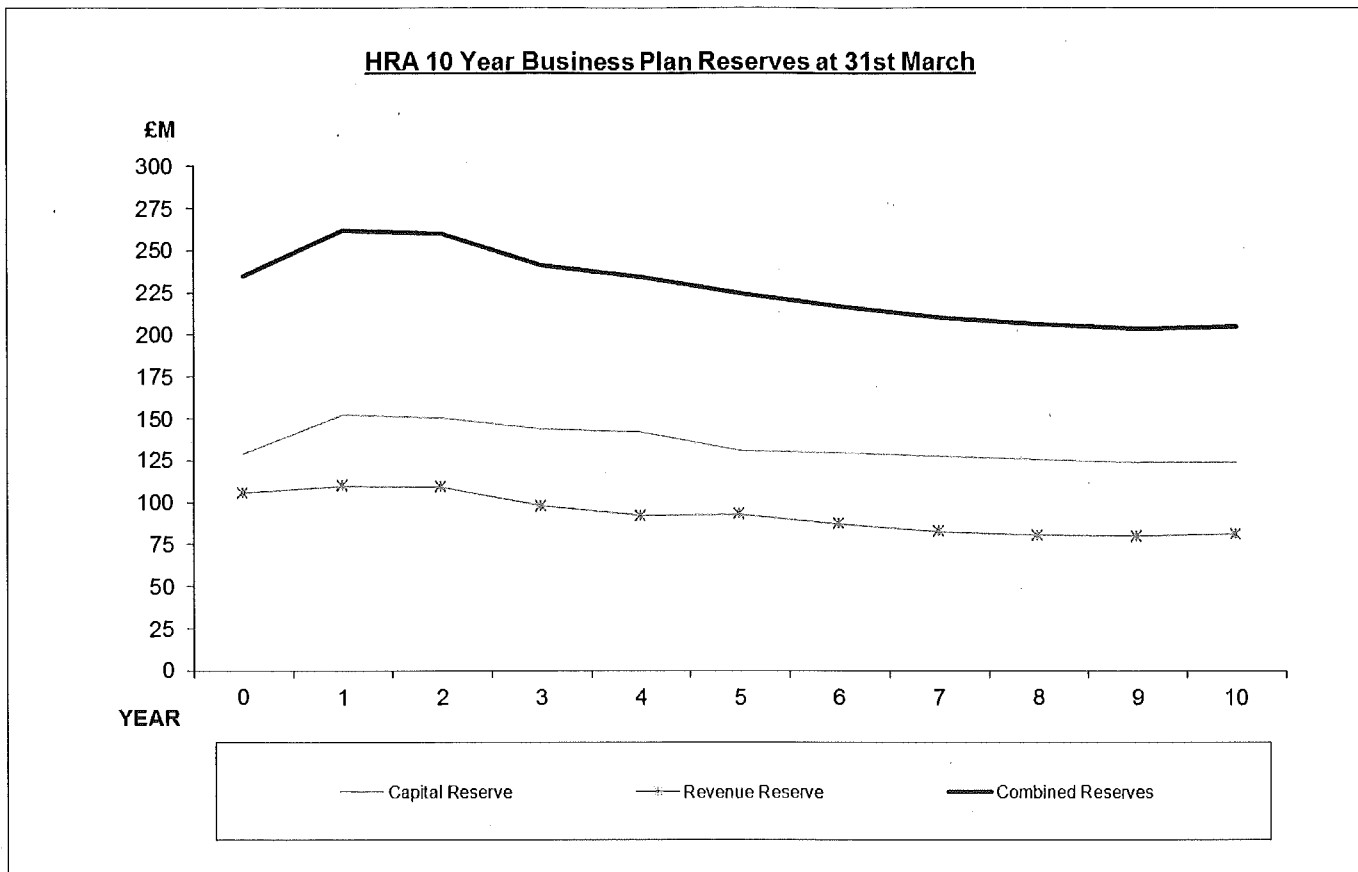
All charges are exclusive of VAT, which needs to be added where applicable. The revised charges are based on the proposed increase, rounded to the nearest 5 pence.

**APPENDIX E**

**COUNCIL HOUSING BUDGET FRAMEWORK**

	Original Budget 2014/15 £'000	Revised Budget 2014/15 £'000	Budget 2015/16 £'000	Budget 2016/17 £'000	Budget 2017/18 £'000
<b>EXPENDITURE</b>					
<b>REVENUE</b>					
Supervision, Management & Maintenance					
Repairs & Maintenance	27,015	27,188	25,534	26,135	26,754
General Management	29,219	29,723	30,431	30,433	31,197
Special Services	14,773	14,845	15,034	15,384	15,724
Cost of Rent Rebates	0	50	0	0	0
Capital Financing Costs	40,174	40,317	46,877	55,065	50,518
Other Expenses	2,548	1,346	1,971	6,231	6,408
Depreciation (Contribution to Capital)	23,270	23,277	23,750	24,538	25,351
<b>TOTAL REVENUE EXPENDITURE</b>	<b>(136,999)</b>	<b>(136,746)</b>	<b>(143,597)</b>	<b>(157,786)</b>	<b>(155,952)</b>
<b>CAPITAL</b>					
Repairs and Improvements	29,214	21,187	27,215	26,668	15,541
Environmental, New Build & Regeneration	2,150	7,693	28,709	26,628	765
House Purchase Grants	1,000	1,500	2,500	2,500	0
Purchase of Properties	50	9,800	10,100	10,100	0
Purchase of Vehicles	245	245	0	0	0
<b>TOTAL CAPITAL EXPENDITURE</b>	<b>(32,659)</b>	<b>(40,425)</b>	<b>(68,524)</b>	<b>(65,896)</b>	<b>(16,306)</b>
	<b>169,658</b>	<b>177,171</b>	<b>212,121</b>	<b>223,682</b>	<b>172,258</b>
<b>INCOME</b>					
<b>REVENUE</b>					
Gross Rents – Dwellings	109,709	110,752	112,660	115,834	118,954
Gross Rents – Non-Dwellings	3,936	4,166	4,006	4,106	4,209
Leaseholder Service Charges	13,224	12,424	12,685	12,972	13,298
Other Income	13,236	13,403	13,634	13,621	13,813
<b>TOTAL REVENUE INCOME</b>	<b>(140,105)</b>	<b>(140,745)</b>	<b>(142,985)</b>	<b>(146,533)</b>	<b>(150,274)</b>
<b>CAPITAL</b>					
Contribution from Revenue (Depreciation)	23,270	23,277	23,750	24,538	25,351
Capital Receipts	1,200	25,937	7,062	4,530	1,050
Capital Reimbursements	1,539	743	360	0	0
Leaseholder Major Works Charges	4,377	6,675	5,886	5,649	5,206
Borrowing	0	7,070	29,927	24,236	116
<b>TOTAL CAPITAL INCOME</b>	<b>(30,386)</b>	<b>(60,702)</b>	<b>(66,985)</b>	<b>(58,953)</b>	<b>(31,723)</b>
	<b>170,491</b>	<b>204,447</b>	<b>209,970</b>	<b>205,486</b>	<b>181,997</b>
Total reserves at beginning of year	232,151	234,495	261,771	259,620	241,424
Surplus / (Deficit) in year	833	27,276	(2,151)	(18,196)	9,739
Total reserves at end of year	232,984	261,771	259,620	241,424	251,163

**APPENDIX F**



## REVISED COUNCIL HOUSING BUDGET FRAMEWORK

	Original Budget 2014/15 £'000	Revised Budget 2014/15 £'000	Budget 2015/16 £'000	Budget 2016/17 £'000	Budget 2017/18 £'000
<b><u>EXPENDITURE</u></b>					
<b>REVENUE</b>					
Supervision, Management & Maintenance					
Repairs & Maintenance	27,015	27,188	25,534	26,135	26,754
General Management	29,219	29,723	30,414	30,369	31,099
Special Services	14,773	14,845	15,024	15,373	15,712
Cost of Rent Rebates	0	50	0	0	0
Capital Financing Costs	40,174	40,317	46,877	55,065	50,518
Other Expenses	2,548	1,346	1,971	6,231	6,408
Depreciation (Contribution to Capital)	23,270	23,277	23,750	24,538	25,351
<b>TOTAL REVENUE EXPENDITURE</b>	<b>(136,999)</b>	<b>(136,746)</b>	<b>(143,570)</b>	<b>(157,711)</b>	<b>(155,842)</b>
<b>CAPITAL</b>					
Repairs and Improvements	29,214	21,187	27,215	26,668	15,541
Environmental, New Build & Regeneration	2,150	7,693	28,709	26,628	765
House Purchase Grants	1,000	1,500	2,500	2,500	0
Purchase of Properties	50	9,800	10,100	10,100	0
Purchase of Vehicles	245	245	0	0	0
<b>TOTAL CAPITAL EXPENDITURE</b>	<b>(32,659)</b>	<b>(40,425)</b>	<b>(68,524)</b>	<b>(65,896)</b>	<b>(16,306)</b>
	<b>169,658</b>	<b>177,171</b>	<b>212,094</b>	<b>223,607</b>	<b>172,148</b>
<b><u>INCOME</u></b>					
<b>REVENUE</b>					
Gross Rents – Dwellings	109,709	110,752	112,660	115,834	118,954
Gross Rents – Non-Dwellings	3,936	4,166	4,006	4,106	4,209
Leaseholder Service Charges	13,224	12,424	12,685	12,972	13,298
Other Income	13,236	13,403	13,634	13,621	13,814
<b>TOTAL REVENUE INCOME</b>	<b>(140,105)</b>	<b>(140,745)</b>	<b>(142,985)</b>	<b>(146,533)</b>	<b>(150,275)</b>
<b>CAPITAL</b>					
Contribution from Revenue (Depreciation)	23,270	23,277	23,750	24,538	25,351
Capital Receipts	1,200	25,937	7,062	4,530	1,050
Capital Reimbursements	1,539	743	360	0	0
Leaseholder Major Works Charges	4,377	6,675	5,886	5,649	5,206
Borrowing	0	7,070	29,927	24,236	116
<b>TOTAL CAPITAL INCOME</b>	<b>(30,386)</b>	<b>(63,702)</b>	<b>(66,985)</b>	<b>(58,953)</b>	<b>(31,723)</b>
	<b>170,491</b>	<b>204,447</b>	<b>209,970</b>	<b>205,486</b>	<b>181,998</b>
Total reserves at beginning of year	232,151	234,495	261,771	259,647	241,526
Surplus / (Deficit) in year	833	27,276	(2,124)	(18,121)	9,850
Total reserves at end of year	232,984	261,771	259,647	241,526	251,376









WANDSWORTH BOROUGH COUNCIL

PENSIONS COMMITTEE – 2ND February 2015

Report by the Director of Finance on the Pension Fund Revenue Budget 2014-2018

SUMMARY

This report summarises income and expenditure in the Pension Fund in the current and future years based on assumptions over pay and inflation.

The Fund's operating cash surplus for 2014/15, excluding increases in investment values is now estimated as £2.7 million compared to a budgeted amount of £8.6 million. This is due to transfers into the scheme and investment income being lower than anticipated and both retirement and death benefits being higher than anticipated. The report proposes noting the estimated outturn for 2014/15, approving the budget for 2015/16 and noting the projected budget for 2016/17 and 2017/18.

GLOSSARY

LGPS	Local Government Pension Scheme
PIA	Pensions Increase Allowance to pensions in payment

**RECOMMENDATIONS**

1. The Committee are recommended to:
  - (a) note the estimated outturn on the Pension Fund Revenue Budget for 2014/15;
  - (b) approve the Pension Fund Budget for 2015/16 and
  - (c) note the projected budget for 2016/17 and 2017/18.

**INTRODUCTION**

2. This report summarises income and expenditure in the Pension Fund in the current and future years. The Pension Fund budget has been re-priced to take account of predictable volume changes and carried forward at outturn prices where significant areas of volatility are probable. This approach provides a definitive trail to

*(Paper No. 15-50)*

*Pension Fund Budget*

variations between budget and outturns and is thus a tool to manage and account for variances in income and expenditure in the Pension Fund.

The estimated outturn for 2014/15, proposed budget for 2015/16 and projected budget for 2016/17 and 2017/18 is shown below.

	<u>2014/15</u> <u>Original</u> £'000	<u>2014/15</u> <u>Estimated</u> <u>Outturn</u> £'000	<u>2014/15</u> <u>Variation</u> %	<u>2015/16</u> £'000	<u>2016/17</u> £'000	<u>2017/18</u> £'000
<b>Contributions</b>						
Contributions Receivable						
Employees	8,322	8,523	2%	8,693	8,867	9,045
Employers Normal	23,057	23,536	2%	24,007	24,487	24,977
Employers Additional	1,376	1,282	-7%	1,308	1,334	1,360
Transfer In	3,927	1,443	-63%	1,443	1,443	1,443
<b>Benefits Payable</b>						
Pensions	-24,614	-25,163	2%	-26,924	-28,809	-30,826
PIA	-10,712	-10,657	-1%	-11,373	-12,139	-12,958
<b>Lump Sum Benefits</b>						
Retirement Benefits	-10,630	-12,478	17%	-12,728	-12,982	-13,242
Death Benefits	-862	-1,513	76%	-788	-788	-788
Transfers Out	-1,906	-1,001	-47%	-1,001	-1,001	-1,001
Establishment	-646	-659	2%	-672	-686	-699
<b>Net Additions/Withdrawals from Dealing with Members</b>	<b>-12,689</b>	<b>-16,687</b>	<b>32%</b>	<b>-18,036</b>	<b>-20,274</b>	<b>-22,689</b>
<b>Returns on Investments</b>						
Investment Income	23,881	22,117	-7%	23,223	24,384	25,603
Investment Management Expenses	-2,437	-2,551	5%	-2,638	-2,510	-2,676
Custody	-70	-74	6%	-70	-70	-70
Legal & Consultancy	-75	-87	16%	-75	-75	-75
<b>Total</b>	<b>8,610</b>	<b>2,718</b>	<b>-68%</b>	<b>2,404</b>	<b>1,455</b>	<b>93</b>

### **Budget Commentary**

3. The Fund surplus for the year is estimated as £2.7 million compared to a budgeted amount of £8.6 million. This is mainly due to transfers into the scheme and investment income being lower than anticipated with both retirement and death benefits being higher than anticipated. It should be noted that investment income is understated due to the use by the Pension Fund of pooled investment vehicles, accounting for 25% of the fund, that reinvest income into those pooled vehicles. A more detailed commentary of estimated outturn variances from budget and budget for future years is set out below:
- (a) Employee and employer contributions for 2014/15 are estimated at 2% above budget. The estimated outturn for employer's additional contributions is 7% (£0.1m) lower than estimated as there have been fewer redundancies requiring capital contributions into the Fund so far this year than expected. Turning to 2015/16 and beyond a 2% rise in pensionable pay and accordingly in the level of contributions is assumed.
  - (b) Transfer value receipts are estimated as being 63% below budget (£2.5m), from 2015/16 these receipts are shown at 2014/15 original budget levels.
  - (c) Pensions are estimated at 2% (0.5m) above budget with pensions increase allowance for 2014/15 estimated as being around budget. Re-pricing of pension payments for 2015/16 and future years represents the 2014/15 outturn plus volume changes from inflation and new retirees as the Fund demographics continue to mature.
  - (d) Lump sum retirement benefits are estimated at 17% (£1.8m) above budget. The budget was based upon evidence in recent years updated for a higher level of retirements. However, it is difficult to predict the extent to which officers who retire will elect for proportionately higher lump sums at the expense of pension. Budgeted amounts for 2015/16 and future years are based on estimated outturn for 2014/15 budget levels plus a 2% per annum positive volume change assumption to reflect recent experience.
  - (e) Death payments are 76% (£0.7m) higher than originally estimated in 2014/15. This is much higher than the previous 6 years. Accordingly, from 2015/16 these elements of expenditure are shown as the average of seven years (including the 2014/15 estimate).
  - (f) Transfers value payments are estimated at 47% (£0.9m) From 2015/16 this element of expenditure is shown at the 2014/15 estimate.
  - (g) Investment income is predicted to be £1.8m (7%) below budget. The estimated outturn is lower due to an allocation switch to lower yielding overseas equities at the expense of UK equities during 2013/14 – at the point of setting the budget the quantum of these effects were unknown as it was not possible to predict which stocks Baillie Gifford would purchase and what their yield might be – it is expected that total return (capital appreciation plus dividends would be superior). For future years investment income is predicted to rise by 5 % per annum from estimated 2014/15 outturn levels.

- (h) Investment management expenses are projected for 2015/16 and future years on the assumption that managers meet their investment targets for out-performance, before any element of performance fees becomes payable. Savings are assumed of £65K for 2015/16 from 1st January 2016, £277k for 2016/17 and £297k for 2017/18 in respect of fee reductions estimated from the London CIV. The passive fund and part of the bond fund are invested in pooled investment funds where all income is retained within the fund rather than being distributed. All income is rolled up within the fund's Net Asset Value which in turn determines the share price. Therefore approximately £6m of income is not included within the £22m 2014/15 and future year figures.
  - (i) Investment management expenses are estimated as being £0.1m above budget although markets rose less than forecast; a £0.3m performance fee is included based on Longview's performance in the year to date. Future year investment management fees are assumed to meet targets before any performance fees become payable.
  - (j) Legal & Consultancy is anticipated higher than budget due to an additional £12,000 being due to Mercer mainly for work and analysis on potential changes to the enhanced bond fund.
4. Profits and losses on investments are not budgeted items as their return is too unpredictable. Additionally Pensions Fund values will go down as well as up and will accordingly affect budget amounts shown for investment income.

#### **Future Prospects.**

5. The Pension Fund is continuing to mature with increasing amounts of investment income required from fund managers to meet benefit payments (shown as the Net Additions/Withdrawals from Dealing with Members). In the longer term this will expose the fund to additional stress if redemptions from investment managers are made when markets are low. The size of these redemptions are key, if they represent too high a percentage of the fund then permanent damage could be inflicted on the Fund's solvency level. This stress could be mitigated by tactically moving some assets into investments that match pension payment cash flow requirements. However this would be expected to reduce future out-performance of assets over liabilities and to increase funding costs. Accordingly, care should be taken to ensure that future liabilities do not exceed those investments. Although the Fund has a framework to match cash flow requirements once 100% funding is achieved, earlier decisions on asset allocation may be required in the medium term, once the budget plan indicates that Net Withdrawals from dealings with members exceeds returns on investments.
6. The actuary will provide a longer-term cashflow projection during 2015 that allows these stresses to be tested in order that risks can be properly assessed.
7. It is proposed that the Committee note the forecast outturn for 2014/15 and approve the budget for 2015/16 and note projections for future years.

The Town Hall  
Wandsworth  
SW18 2PU  
23 January 2015

CHRIS BUSS  
Director of Finance

**Background Papers**

No background papers were used in the preparation of this report.

All reports to Overview and Scrutiny Committees, regulatory and other committees, the Executive and the full Council can be viewed on the Council's website ([www.wandsworth.gov.uk/moderngov](http://www.wandsworth.gov.uk/moderngov)) unless the report was published before May 2001, in which case the Committee Secretary (Mr. M Newton - 020 8871 6488; email: [mnewton@wandsworth.gov.uk](mailto:mnewton@wandsworth.gov.uk)) can supply it if required.





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on (020) 8871 6406 or email  
[corporatefinance@wandsworth.gov.uk](mailto:corporatefinance@wandsworth.gov.uk)

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