

COUNCIL BUDGETS

2019-2020



WANDSWORTH BOROUGH COUNCIL – BUDGET BOOK 2019/20

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SECTION 1

COUNCIL'S REVENUE BUDGET AND COUNCIL TAX

This section sets out how the 2019/20 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 16th January 2019 and 13th February 2019, and by the Council on the 25th February 2019. The section contains appendices summarising the budgetary effect of developments and of repricing from November 2017 to 2018, levies from other public bodies, special reserves, and the council tax base.

WANDSWORTH BOROUGH COUNCIL

FINANCE AND CORPORATE RESOURCES OVERVIEW AND SCRUTINY
COMMITTEE – 13TH FEBRUARY 2019

EXECUTIVE – 25TH FEBRUARY 2019

Report by the Director of Resources on the Council Tax Requirement and
Council Tax for 2019/20

SUMMARY

The Cabinet Member's recommendation indicates a Council Tax Requirement and total tax amounts for 2019/20 as shown in bold below. The recommended budget framework (Appendix F) then implies the average Band D tax amounts increasing as shown in italics below. These sums are before any further reductions in expenditure or use of balances and reserves.

	<u>2018/19</u>	<u>2019/20</u>	<u>2020/21</u>	<u>2021/22</u>
	£m	£m	£m	£m
Council Tax Requirement	55.987	59.921	81.485	95.479
Average Band D Tax amount:	£	£	£	£
Council	428.42	449.80	603.53	697.87
Greater London Authority	294.23	320.51	326.92	333.45
TOTAL	722.65	770.31	930.45	1,031.32
Total for majority of Borough	716.50	764.09	924.16	1,024.95
Total for Conservators' area	745.80	793.99	954.81	1,056.37

GLOSSARY

MHCLG	-	Ministry for Housing, Communities and Local Government
GLA	-	Greater London Authority
NNDR	-	National Non-Domestic Rate
RSG	-	Revenue Support Grant
SFA	-	Settlement Funding Assessment
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 Finance and 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 General Fund budget variations and further spending requirements shown in paragraphs 5 and 11 and in Appendix A;
 - (b) to endorse the proposals for reserves as described in paragraphs 14 and 15 and as summarised in Appendix C;
 - (c) to recommend the Council, in the form shown in Appendix D and Appendix E, to give effect to the council tax requirement and council tax amounts for 2019/20 so determined;
 - (d) to recommend the Council to adopt the budget framework shown in Appendix E, subject to any variations subsequently approved by the Executive within the overriding restrictions that unearmarked reserves should not be forecast to fall below £6.75 million in 2019/20 nor the council tax band D forecast for the next two years rise by more than a further £50.67 (paragraph 32); and
 - (e) to agree that, should it be necessary following the meeting of the Greater London Authority (GLA) on 25th February 2019, the Director of Resources 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 6th March 2019.

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 Resources, 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 2019/20 approved in January in Paper No.19-22 to include the latest estimates of expenditure and notified levies and precepts. The revenue budget is set out in paragraph 7. Paragraph 13 refers to the need for a general reserve appropriate to meet contingencies and the financial reserves appropriate for specific purposes

are reviewed in paragraphs 14 and 15. The calculation of the council tax requirement is described in paragraph 22. Paragraphs 24 to 28 present the calculations of the Council's share of council tax, and discuss the risks of the requirement for a council tax referendum. Paragraph 29 sets out the requirements of the Greater London Authority. The results for taxpayers in 2019/20, allowing for this precept, are set out in paragraph 30 and the recommended revenue budget framework is discussed in paragraph 32.

COUNCIL NET REVENUE EXPENDITURE

Service Revenue Budgets

5. In January 2019 the Executive approved an aggregate budget for 2018/19 of £206.241m at November 2018 prices after allowing for certain budget variations (Paper No. 19-22). Since then, a number of other adjustments have been accommodated, including changes in levies and charges as notified by bodies empowered to make levies or charges upon the Council, changes in specific grants and other technical accounting adjustments. Budget variations approved by the Executive in this cycle, with the support of the relevant Overview and Scrutiny Committee, are detailed in [Appendix A](#).
6. The allowance recommended for inflation from November 2018 prices through to 2019/20 outturn is £4.2m. Cumulative increases for 2020/21 and 2021/22 of £13.0m and £22.2m respectively are also recommended.

Council's Revenue Expenditure

7. Subject to approval of the revenue budget variations, the Council's net expenditure for 2019/20 through to 2021/22 is as follows:

	<u>2019/20</u>	<u>2020/21</u>	<u>2021/22</u>
	£m	£m	£m
Budgets as per Paper No. 19-22	181.925	182.944	183.366
Budget variations (Appendix A)	-2.634	-3.234	-3.234
Further budget adjustments (para 11)	17.018	10.063	10.088
Provision for inflation	4.156	12.996	22.202
Revised committee budgets	200.465	202.769	212.422
New Homes Bonus	-12.953	-9.048	-5.908
Improved Better Care Fund	-15.188	-15.188	-15.188
Council Net Expenditure	172.324	178.532	191.326

New Homes Bonus

8. 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 national council tax rates. Originally the grant was payable on cumulative growth in housing stock for the previous six years. However, following a review of the arrangements, the 2017/18 payments were based on the previous five years' growth and for 2018/19 onwards

the previous four. In both cases this is after a deduction for assumed housing growth. The Council is therefore expected to receive New Homes Bonus funding of £12.953m in 2019/20 (slightly up from £12.932m in 2018/19), the second highest level in the country. Whilst the Government still intends to incentivise housing growth, 2019/20 will be the last year of the scheme in its current form and it is unclear at this stage how a revised mechanism will work. For budgeting purposes a reduced level of grant has been reflected in future years.

Improved Better Care Fund

9. The Government continues to provide funding to assist with the pressures within social care via the Improved Better Care Fund. The Council's allocation for 2018/19 was £11.883m and has risen to £15.188m in 2019/20. In addition, the Government has announced Wandsworth's Social Care Support Grant allocation for 2019/20 of £2.216m, up from £0.811m in 2018/19. Originally introduced for 2017/18 only, the grant recognises the continuing spend pressures in this area with its scope widened in 2019/20 to recognise pressures in children's social care.

Funding pressures

10. Government recognition of these continuing funding pressures is evidenced by its continuation of the adult social care precept, first introduced in 2016/17, which gives those authorities responsible for adult social care an extra flexibility on their council tax referendum threshold to be used entirely for social care. In the Local Government Finance Settlement issued on 29th January 2019 the Secretary of State confirmed that local authorities could again raise this precept. In light of the continuing growth in demand for adult social care services it is now recommended that, as in 2018/19, an adult social care precept of 2% is levied in the coming year.
11. Paper No. 19-60 to be reported to the Education and Children's Services Overview and Scrutiny Committee on 7th February 2019 highlights the ongoing budget pressures in children's services. Despite the 2018/19 budget being increased by £17m (Paper No. 18-224) it reports an in-year projected overspend of £3.5m. It goes on to recognise the need for an increase in the base budget of £10m from 2019/20 onwards with an additional £7m for 2019/20 only to manage the further cost pressures anticipated to continue into the new year. The overall budget framework to be approved in this report therefore includes additional budget at these levels. It is anticipated that the additional sum required in 2019/20 will decrease as the Department's budget improvement plans impact over a 2-3 year period. This will be reviewed as part of the 2018/19 outturn report and Medium Term Financial Strategy presented to the June cycle of meetings.

GENERAL FUND REVENUE RESERVES

12. 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 and the Council must also 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.
13. The Director of Resources considers the estimates to be robust and that it would be prudent to again retain a general reserve for contingencies of all kinds of about £13.5m. The full range of uncertainties in the next financial year is indicated by the items shown in Appendix B.
14. Special reserves are those appropriate for meeting future expenditure in performing the Council's functions. The reserves, their purpose and the expected change in their balances under existing policies are shown in Appendix C.
15. The final 2017/18 outturn report left the general reserve with a balance of £14.506m (of which £13.5m is the agreed contingency level) so that £1.006m could be used to fund budget slippage from 2017/18. This, along with other planned movement in reserves and use of the Financial Resilience Reserve (established specifically to recognise pressure on budgets) will then be used to fund the Council's net expenditure as follows:

<u>Use of Balances and Reserves</u>	<u>2018/19</u>	<u>2019/20</u>	<u>2020/21</u>	<u>2021/22</u>
	£m	£m	£m	£m
Council's Net Expenditure	181.426	172.324	178.532	191.326
Movement on balances and reserves:				
General Fund Working Balance	-1.006			
Renewals Fund	-0.254	-0.097	-0.097	-0.097
Service Transformation Reserve	-3.130	-0.700		
Financial Resilience Reserve	-14.024	-9.346	-1.200	
	<u>-18.414</u>	<u>-10.143</u>	<u>-1.297</u>	<u>-0.097</u>
Net Expenditure after Use of Balances and Reserves	163.012	162.181	177.235	191.229

LOCAL AUTHORITY FINANCE SETTLEMENT

16. 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). During 2016 the Council chose to take up the Government's offer of a four-year grant settlement, available to those authorities who published an efficiency plan, in order to provide certainty of funding up to 2019/20.
17. Subsequently the Government agreed to the creation of a London Business Rates Pool pilot scheme 2018/19 which allowed London to retain 100% of any growth in

business rates (whilst also sharing the risk of any overall fall in business rates). The pool pilot was subsequently extended into 2019/20 albeit at 75% retention of growth which results in the Council potentially retaining less growth than in 2018/19 but brings the pilot in line with the proposed national position from 2020/21. Whilst the exact impact of the pool cannot be known until after each year end it is anticipated that the pool will be financially beneficial, however given the uncertainty over business rates projections in general, and the level of appeals across London in particular, it is considered prudent not to assume an increase in retained business rates at this stage beyond the guaranteed “no worse off level” in each year.

18. At this stage an assumption has been made of no further decrease in Government funding beyond the current four-year settlement (2019/20), notwithstanding the Government’s commitment to a “Fair Funding Review” of local authority baseline funding allocations to conclude by that point. At this stage it seems more likely this will present a risk for Wandsworth, rather than an opportunity and so, in the absence of any further detail on funding levels beyond 2019/20, an assumption has therefore been made that any potential future gain in business rates income (paragraph 17) will be offset by a worsening general grant settlement.

CALCULATION OF COUNCIL TAX AMOUNTS

Collection Fund

19. 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 any Collection Fund surplus or deficit.
20. With regard to the council tax element, it is estimated that the Collection Fund will have a surplus of £3.643m at 31st March 2019. Of this amount £2.16m will be credited to the Council's General Fund in 2019/20. The remainder is passed to the GLA.
21. Local Business Rates due are also credited to the Collection Fund and then in turn paid into the London wide pool. The pool then distributes the funds across London with, in 2018/19, Councils receiving 64% and the GLA 36%. The estimated surplus on the Collection Fund in respect of Business Rates at 31st March 2019 is £5.46m (of which the Council’s share is £2.98m). This improved position is mainly due to the number of rateable value appeals being significantly less than in previous years. The Council’s share of this surplus will be transferred to the Business Rates Volatility Reserve.

Wandsworth Council Tax Requirement

22. After taking account of Business Rates and central Government support and the use of balances and reserves detailed in paragraph 15, the amount that this Council needs to raise from council tax for its own purposes is as follows:

	<u>2018/19</u> £m	<u>2019/20</u> £m	<u>2020/21</u> £m	<u>2021/22</u> £m
Net Expenditure after use of balances and reserves	163.012	162.181	177.235	191.229
Collection Fund Surplus	-2.125	-2.160		
	<u>160.887</u>	<u>160.021</u>	<u>177.235</u>	<u>191.229</u>
Less:				
Retained Business Rates	-79.417	-63.742	-36.316	-36.316
Business Rates Top-Up	-25.483	-36.358	-36.358	-36.358
Revenue Support Grant	0	0	-23.076	-23.076
	<u>-104.900</u>	<u>-100.100</u>	<u>-95.750</u>	<u>-95.750</u>
Wandsworth Council Tax Requirement	55.987	59.921	81.485	95.479

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

Council Tax Base

24. The Council tax bases are calculated annually by the Director of Resources under the authority delegated to him by the Council at its meeting on 4th February 2004. These have now been determined as 133,216 for the Borough as a whole, and 27,708 for the Wimbledon and Putney Commons Conservators' (W&PCC) area. The figures for 2018/19 were 130,683 and 27,423. Growth of 1,800 properties per annum has been assumed for future years and the tax base figures incorporate the effect of Council Tax Support on the tax base.

Wimbledon and Putney Commons Conservators

25. The Council is required to treat as a special expense the levy of the W&PCC, and formally resolved to do so for successive financial years at its meeting on 10th March 1993. For 2019/20 this levy amounts to £828,586, an increase of £25,089 on the levy for 2018/19. As a special expense it must be charged only to taxpayers within the Conservators' area, who will therefore have tax amounts £29.90 (£29.30 in 2018/19) higher than elsewhere in the Borough at band D.
26. The Council has to calculate first an average band D tax element (dividing the tax needs shown in paragraph 22 by the 133,216 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 E](#) and the amounts are:

	Average £	Majority £	W&PCC £
2019/20	449.80	443.58	473.48
2018/19	428.42	422.27	451.57

27. 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 E part (d)(viii).

Council Tax Referenda

28. The Government has confirmed the council tax referendum thresholds for 2019/20 and that an increase in the relevant amount of council tax that is considered to be excessive is 3% or more. However, councils with adult social care responsibilities will also be able to increase council tax as detailed in paragraph 10.

Greater London Authority

29. The Mayor of London has issued a consultation document on the GLA budget requirement and precepts which shows the total GLA precept increasing by £26.28 (8.93%) from £294.23 to £320.51 for 2019/20. The GLA is due to consider its final budget on 25th February 2019 i.e. after the meeting of the Finance and Corporate Resources OSC but on the same date as the meeting of the Executive. Should the GLA change their provisional budget and/or council tax requirement, it is proposed that the Director of Resources be authorised to update the content of this report for any changes to the GLA's budget and precept reported within this report, for the approval of the full Council at its meeting on 6th March 2019 when considering the council tax requirement.

COUNCIL TAX AMOUNTS

30. Combining this Council's tax amount with that of the GLA produces total band D amounts as follows for 2019/20:

	Average	Majority	Conservators'
	£	£	Area
	£	£	£
Wandsworth Council	449.80	443.58	473.48
Greater London Authority	320.51	320.51	320.51
	<u>770.31</u>	<u>764.09</u>	<u>793.99</u>

31. The amounts for all valuation bands are shown in Appendix E part (f). 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 £705 which is expected to remain as the lowest average bill in the country.

FUTURE YEARS' BUDGET FRAMEWORK

32. 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 £604 in 2020/21 and £698 in 2021/22. These represent

increases of 34.2% and 15.6% respectively, compared with the preceding year, before further action and/or use of reserves. With the assumed GLA precept, the total average band D amount would rise to £930 in 2020/21 and £1,031 in 2021/22. The budget framework showing these amounts is given in Appendix F. In accordance with the Council's Constitution, the Council should be recommended to adopt this framework 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 £6.75m (50% of that set aside for contingencies) in 2019/20, nor the council tax band D forecast for the next two years rise by more than a further £50.67.

33. The detailed budget by Overview and Scrutiny Committee for 2018/19 to 2021/22 (based on budgets approved in Paper No. 19-22 as amended for those budget variations shown in Appendix A) is available in the Members' Online Library and will be published as part of the Council's Budget Book.
34. Taking all of the above matters into account, it is recommended that for 2019/20 the Council's element of the council tax increases by 2.99% and, in light of continuing growth in demand for adult social care services, an adult social care precept of 2% is levied.
35. If Government referendum criteria required increases of no more than 2% and the adult social care precept continues at 2%, the framework in Appendix F indicates that the council tax requirement would have to be reduced, either from budget reductions or the use of reserves, by £28.9m by the end of the framework period. This gap will need to be addressed by the Council in its Medium Term Financial Strategy due to be submitted to the Executive and the Council for approval in June 2019. Whilst the Council has reserves identified to meet some of these pressures, these cannot be used indefinitely and, as in previous years, the Council will need to identify efficiencies and other sources of income to help meet the ongoing budget shortfall.

CONSULTATION

36. The Council has a statutory duty to consult with business ratepayers' representatives. A copy of Paper No. 19-22, the report by the Director of Resources on the Council's budget plans for 2019/20 and future years, was placed on the Economic Development Office business home page on the Council's website. Written comments have been invited by 14th February in order to be considered by the Executive.

EQUALITY IMPACT AND NEEDS ANALYSIS

37. The Equality Act 2010 requires that the Council when exercising its functions must have "due regard" to the need to eliminate discrimination, to advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it and to foster good relations between persons who share a relevant protected characteristic and persons who do not share it. As such an Equality Impact and Needs Analysis has been undertaken on the proposals in this report and is attached as Appendix G.

The Town Hall
Wandsworth
SW18 2PU

MARK MAIDMENT
Director of Resources

5th February 2019

Background Papers

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

1. The Council's Budget Book 2018/19
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) unless the report was published before May 2001, in which case the Committee Secretary can supply it if required.

APPENDIX A**CONCURRENT GENERAL FUND REVENUE BUDGET VARIATIONS**

	<u>2019/20</u> £'000	<u>2020/21</u> £'000	<u>2021/22</u> £'000
<u>STRATEGIC PLANNING & TRANSPORTATION</u>			
Parking and Traffic Management Review (19-33)	-2,600	-3,200	-3,200
<u>ARISING FROM DECISIONS MADE VIA SO83(A)</u>			
Commercial Cleaning Services Contract (HReg380)	-34	-34	-34
<u>TOTAL GENERAL FUND BUDGET VARIATIONS</u>	<u>-2,634</u>	<u>-3,234</u>	<u>-3,234</u>

**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 services arising from changes in local demographics such as adult social services and housing, and increased demand for statutory services especially in relation to looked after children.
 - (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) Potential increase in costs arising from Welfare Reform implementation.
 - (n) Differences in levy or charge from that estimated before formal notice issued by levying body.
-

GENERAL FUND REVENUE 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:

	Balance 1st April <u>2018</u> £'000	Budgeted Change <u>2018/19</u> £'000	Balance 1st April <u>2019</u> £'000	Budgeted Change <u>2019/20</u> £'000	Balance 1st April <u>2020</u> £'000
Renewals Fund					
Net Use - Revenue		-729		-572	
Net Use - Capital		-4			
Net Use – Other		-100		-18	
Increase in Fund		475		475	
	28,889	-358	28,531	-115	28,416
This fund is for “loans” to services with unusually large requirements for building refurbishment, energy conservation schemes, computer software and vehicle and plant replacements. It is also used for planned expenditure relating to IT hardware and software.					
Finite Services Fund	1,410	0	1,410	0	1,410
This reserve provides for some pre-financing of identified costs of limited duration which includes the Council's aspirations programme and support from the General Fund for the two regeneration schemes where costs fall outside of the Housing Revenue Account.					
Specific Grant Reserve	1,000	0	1,000	0	1,000
This reserve is for potential over-estimates or losses of specific Government grants for General Fund services.					
Service Transformation Reserve	15,614	-3,130	12,484	-700	11,784
This reserve was established in 2010/11 to meet the short-term costs of service restructuring including redundancy and will be used to fund part of the deficit arising from the shortfall in Government funding in future years. The initial costs incurred by the Workspace Strategy (Paper No. 18-429) will be funded from this reserve.					
Insurance Reserve	7,053	0	7,053	0	7,053
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.					

	Balance 1st April <u>2018</u> £'000	Budgeted Change <u>2018/19</u> £'000	Balance 1st April <u>2019</u> £'000	Budgeted Change <u>2019/20</u> £'000	Balance 1st April <u>2020</u> £'000
Pensions Resilience Reserve	43,424	0	43,424	0	43,424
This reserve was established in 2017/18 by consolidating the balances on three other pension related reserves. This reserve will continue to mitigate the impact of future increases in employer's pension contributions following fund revaluation, provide for any deficit to be funded for those pensions falling under the remit of the London Pension Fund Authority and meet costs relating to pensions enhancements which fall outside statutory pension schemes (mainly for teachers) previously charged to the Enhanced Pension Fund Reserve.					
DSO Reserve	6,154	0	6,154	0	6,154
Reserve balances relating to accrued surpluses of the Design Service and Operational Services Direct Service Organisation (DSO) are used to enable future investment in plant and equipment or to meet redundancy costs if they arise.					
Business Rates Volatility Reserve	6,072	-1,467	4,604	451	5,055
This reserve was established in 2011/12 in recognition of the volatility of the arrangements for future local government funding. The reserve is used to meet any shortfall in business rate yield compared with that included in the Settlement Funding Assessment, together with any estimated surplus or deficit arising on the Collection Fund in respect of business rates. Its use in 2018/19 and 2019/20 therefore sits outside of the General Fund.					
Financial Resilience Reserve	37,252	-14,024	23,228	-9,346	13,882
This reserve was established in 2014/15 in recognition of the substantial pressures on budgets and diminishing Government support. The 2017/18 council tax setting exercise transferred £6m to this reserve from the former Pensions Reserve to enable an increase in the active employer's rate to be borne without recourse to council tax and £1.2m is to be used for this purpose again in 2018/19. In addition use of this reserve balance is assumed in order to balance the budget in both 2018/19 (£12.824m) and 2019/20 (£8.147m).					
Other Balances	134	0	134	0	134
TOTAL REVENUE RESERVES AVAILABLE FOR COUNCIL TAX PURPOSES	147,002	-18,980	128,022	-9,710	118,312

APPENDIX D

**Amounts to be calculated by the Council for the purposes of
Section 31A of the Local Government Finance Act 1992
for the year 2019/20**

	<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;	880,520	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;	13,500	
(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	<hr/> 894,020 <hr/>	
 <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;	744,109	1
(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;	66,347	

- (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. 23,643 2

SUB-TOTAL

834,099

DIFFERENCE (Council Tax Requirement)

59,921

<u>Note 1</u>	<u>Expenditure</u> £'000	<u>Income</u> £'000
Gross Expenditure/Income	884,100	715,932
Central Government Funding & Localised Business Rates		36,358
Less internal recharges	-7,836	-7,836
Plus inflation to end of 2019/20	4,256	100
Less credit from Collection Fund shown separately		-445
	<u>880,520</u>	<u>744,109</u>

Note 2

	£'000
General reserves available (paragraph 13)	13,500
Less drawings from special reserves (<u>Appendix C</u>)	10,143
	<u>23,643</u>

FORM OF COUNCIL RESOLUTION

- (a) That the revised revenue estimates for the year 2018/19 referred to in Paper No. 19-22 as adjusted and the revenue estimates for 2019/20 as summarised in this report be approved;
- (b) That the details of the council tax requirement for the year 2019/20, as set out in Appendix D of this paper, be approved;
- (c) That it be noted that the following amounts for the year 2019/20 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) 133,216 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) 27,708 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 Resources 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 2019/20 in accordance with Sections 31 to 36 of the Local Government Finance Act 1992:
- (i) £894,020,000 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A of the Act;
 - (ii) £834,099,000 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of the Act;
 - (iii) £59,921,000 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;
 - (iv) £449.80 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) £828,586.12 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) £443.58 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) £473.48 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>	Wimbledon and Putney Commons Conservators' Levy Area	All other parts of the Council's Area
	£	£
A	315.66	295.72
B	368.26	345.00
C	420.87	394.29
D	473.48	443.58
E	578.71	542.16
F	683.92	640.73
G	789.14	739.30
H	946.97	887.16

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 2019/20 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:

Greater London Authority	
<u>Valuation Band</u>	£
A	213.67
B	249.29
C	284.90
D	320.51
E	391.73
F	462.96
G	534.18
H	641.02

(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 2019/20 for each of the categories of dwellings shown below:

<u>Valuation Band</u>	Wimbledon and Putney Commons Conservators' Levy Area	All other parts of the Council's Area
	£	£
A	529.33	509.39
B	617.55	594.29
C	705.77	679.19
D	793.99	764.09
E	970.44	933.89
F	1,146.88	1,103.69
G	1,323.32	1,273.48
H	1,587.99	1,528.18

GENERAL REVENUE BUDGET FRAMEWORK

APPENDIX F

	<u>2018/19</u> <u>Revised</u> £m	<u>2019/20</u> £m	<u>2020/21</u> £m	<u>2021/22</u> £m
Committee Budgets at 2018 prices				
Adult Care & Health	77.584	75.930	73.770	73.627
Community Services & Open Spaces	32.906	32.657	32.657	32.742
Education & Children's Services	89.270	88.210	81.649	81.649
Housing and Regeneration	7.334	6.432	9.886	9.886
Finance & Corporate Resources	-4.335	-6.898	-7.189	-6.684
Strategic Planning & Transportation	3.482	-0.022	-1.000	-1.000
Inflation to outturn prices		4.156	12.996	22.202
	<hr/> 206.241	<hr/> 200.465	<hr/> 202.769	<hr/> 212.422
New Homes Bonus	-12.932	-12.953	-9.048	-5.908
Improved Better Care Fund	-11.883	-15.188	-15.188	-15.188
Total	<hr/> 181.426	<hr/> 172.324	<hr/> 178.532	<hr/> 191.326
Use of Balances and Reserves	-18.414	-10.143	-1.297	-0.097
Net Expenditure after drawings from reserves	<hr/> 163.012	<hr/> 162.181	<hr/> 177.235	<hr/> 191.229
Less:				
Collection Fund surplus	-2.125	-2.160	0.000	0.000
Retained Business Rates	-79.417	-63.742	-36.316	-36.316
Business Rates "Top-up"	-25.483	-36.358	-36.358	-36.358
Revenue Support Grant	0.000	0.000	-23.076	-23.076
Council Tax Requirement	<hr/> 55.987	<hr/> 59.921	<hr/> 81.485	<hr/> 95.479
 Band D Council Tax	 £	 £	 £	 £
Wandsworth Council	428.42	449.80	603.52	697.87
Greater London Authority	<hr/> 294.23	<hr/> 320.51	<hr/> 326.92	<hr/> 333.45
Total	<hr/> <hr/> 722.65	<hr/> <hr/> 770.31	<hr/> <hr/> 930.44	<hr/> <hr/> 1,031.32
 Increase in Wandsworth Council Tax		4.99%	34.2%	15.6%
 Budget reductions or use of reserves needed in future years to maintain Wandsworth "relevant basic amount" increases to within 3.99%			<hr/> 18.331m	<hr/> 28.930m

ANALYSIS OF SERVICE BUDGETS 2019/20

£'000	ADULT CARE & HEALTH SERVICES		COMMUNITY SERVICES & OPEN SPACES		EDUCATION & CHILDREN'S SERVICES		FINANCE & CORPORATE RESOURCES		HOUSING & REGENERATION		STRATEGIC PLANNING & TRANSPORTATION		GENERAL FUND TOTAL		DEDICATED SCHOOLS BUDGET		HOUSING REVENUE ACCOUNT		TOTAL	
EXPENDITURE - at November 2018 prices for General Fund																				
Salaries	16,217	2,418	32,260	8,550	5,143	4,314	68,902	147,166	16,561	232,629										
Premises	63	4,308	599	801	366	1,260	7,397	224	44,373	51,994										
Use of Transport	1,667	83	4,392	86	27	20	6,275	11	288	6,574										
Concessionary Fares	-	-	-	-	-	14,135	14,135	-	-	14,135										
Supplies and Services	991	46	1,800	705	-	-	3,542	12,933	-	16,475										
- Funding to Voluntary Bodies	3,248	894	4,052	8,374	673	3,968	21,209	21,536	3,395	46,140										
Third Party Payments	-	14,995	1,514	739	-	414	17,662	-	-	17,662										
- Precepts, Levies and Charges	92,389	16,013	32,075	2,876	18,379	6,262	167,994	3,210	4,962	176,166										
- Other	8,953	-	1,926	188,974	1,484	-	201,337	1,801	223	203,361										
Transfer Payments	6,592	3,162	11,819	10,296	916	2,474	35,259	2,220	7,742	45,221										
Support Services Recharges	225	3,113	7,041	-17,454	-	6,088	-987	-	23,367	22,380										
Depreciation and Impairment	-	-	-	-	-	-	-	-	-	-										
Capital Financing Charges	-	-	-	-	-	-	-	-	-	-										
- Capital Charges to Users	-	-	-	-	-	-	-	-	-	-										
TOTAL	130,345	45,032	97,478	203,947	26,988	38,935	542,725	189,101	152,273	884,099										

ANALYSIS OF SERVICE BUDGETS 2019/20 (Continued)

£'000	ADULT CARE & HEALTH SERVICES	COMMUNITY SERVICES & OPEN SPACES	EDUCATION & CHILDREN'S SERVICES	FINANCE & CORPORATE RESOURCES	HOUSING & REGENERATION	STRATEGIC PLANNING & TRANSPORTATION	GENERAL FUND TOTAL		HOUSING REVENUE ACCOUNT	TOTAL
							DEDICATED SCHOOLS BUDGET	REVENUE		
INCOME - at November 2018 prices for General Fund										
Government Grants	37,115	-	4,663	185,512	3,765	-	231,055	174,258	-	405,313
Other Grants & Contributions	3,082	135	1,740	725	357	386	6,425	-	-	6,425
Customer & Client Receipts	13,338	11,942	786	14,596	13,940	38,034	92,636	14,843	26,291	133,770
Rents	-	-	-	-	-	-	-	-	113,933	113,933
Departmental Recharge Income	879	-	1,998	-	2,124	396	5,397	-	-	5,397
Recharge Income	1	298	81	152	370	141	1,043	-	-	1,043
Interest Received	-	-	-	9,860	-	-	9,860	-	4,387	14,247
Contribution from Reserves	-	-	-	-	-	-	-	-	7,662	7,662
TOTAL	54,415	12,375	9,268	210,845	20,556	38,957	346,416	189,101	152,273	687,790
NET EXPENDITURE	75,930	32,657	88,210	-6,898	6,432	-22	196,309	-	-	196,309
New Homes Bonus Funding							-12,953			-12,953
Improved Better Care Fund							-15,188			-15,188
General Fund inflation from November 2018 to end of 2019/20							4,156			4,156
Net Committee Budgets							172,324			172,324

Shared Staffing Arrangement with the London Borough of Richmond upon Thames

A Shared Staffing Arrangement (SSA) between Wandsworth Council and the London Borough of Richmond upon Thames was established on 1st October 2016. Staff are jointly employed by the two boroughs and all costs relating to the SSA are shared appropriately.

The cost of SSA employed staff working across both councils was initially split based upon historic budget proportions of both councils. In accordance with the Operational Budget Protocol agreed by both Councils, these budget apportionments have and will continue to be reviewed at least annually and upon any specific event taking place that could have a significant impact on the apportionment, e.g. one Council changing provision in response to an incident or inspection report. This annual review takes place in the Autumn so that any changes can be accounted for in each Council's budget/Council Tax setting cycle for the following year. Minor changes have been implemented since the original proportions were set in order to reflect actual apportionment of time and value between the boroughs. Additional teams have also been added to those working across both boroughs.

The following table details the percentage split between the two boroughs for those service areas served by SSA staff working across both boroughs. The budgets for those SSA staff providing services for one borough only (for instance Wandsworth's Children's Services and Wandsworth's Housing Management) are 100% charged to that borough and therefore excluded from this list. In addition, some teams still work for a sovereign borough due to the complexities of working across both although management skills span both boroughs (e.g. Customer Services). The estimated General Fund annual cost of shared salary expenditure for Wandsworth in April 2019 is £37.9 million.

DIRECTORATE	SERVICE	RICHMOND %	WANDSWORTH %	RATIONALE FOR SPLIT OF SALARY COSTS	WANDSWORTH ESTIMATED £000
ADULT CARE AND HEALTH OVERVIEW & SCRUTINY COMMITTEE					
Adult Social Services	ADULT SOCIAL SERVICE DIRECTORATE	37%	63%	Average Chief officer apportionment across both councils based on historic salary costs	498
Adult Social Services	ADULT SOCIAL CARE	40%	60%	Wandsworth picks up more of the costs due to borough size differential	5,804
Adult Social Services	BUSINESS RESOURCES	34%	66%	Wandsworth picks up more of the costs due to borough size differential	2,869
Adult Social Services	COMMISSIONING SERVICE MANAGEMENT	52%	48%	Based on historic salary budgets these management costs are split almost equally across the two councils	1,365
Chief Executive	PUBLIC HEALTH CORE	38%	62%	Wandsworth picks up more of the costs due to borough size differential	734
Adult Social Services	PROFESSIONAL STANDARDS & SAFEGUARDING	40%	60%	Wandsworth picks up more of the costs due to borough size differential	612
COMMUNITY SERVICES AND OPEN SPACES OVERVIEW & SCRUTINY COMMITTEE					
Environment & Community Services	INSPECTION AND ENFORCEMENT	50%	50%	Based on historic salary budgets these costs are split equally across the two councils	567
Environment & Community Services	NETWORK MANAGEMENT	50%	50%		177

DIRECTORATE	SERVICE	RICHMOND %	WANDSWORTH %	RATIONALE FOR SPLIT OF SALARY COSTS	WANDSWORTH ESTIMATED £000
Environment & Community Services	LIBRARIES & CULTURAL SERVICES	71%	29%	Wandsworth has outsourced its leisure, culture & library services therefore SSA staff do not provide direct support to these services. Wandsworth therefore only incurs contract monitoring costs	71
Environment & Community Services	FINANCE AND BUSINESS SUPPORT	73%	27%	Wandsworth picks up slightly more of the costs due to borough size differential	131
Environment & Community Services	WASTE & STREET CLEANSING MANAGEMENT	45%	55%	Average volumes within Richmond are much lower than in Wandsworth and the management time reflects this	103
Environment & Community Services	REGISTRARS MANAGEMENT	28%	72%		61
FINANCE AND CORPORATE RESOURCES OVERVIEW & SCRUTINY COMMITTEE					
Chief Executive	CHIEF EXECUTIVE'S DIRECTORATE	37%	63%	Average Chief officer apportionment across both councils based on historic salary costs	381
Resources	RESOURCES DIRECTORATE	37%	63%	Wandsworth picks up slightly more of the cost due to borough size differential	565
Chief Executive	COMMUNITY SAFETY	46%	54%	The historic budgets in each council are driven by	304
Resources	COUNCIL TAX AND BUSINESS RATES	27%	73%		1,117

DIRECTORATE	SERVICE	RICHMOND %	WANDSWORTH %	RATIONALE FOR SPLIT OF SALARY COSTS	WANDSWORTH ESTIMATED £000
Resources	BENEFIT SERVICE - TECHNICAL SUPPORT & MANAGEMENT	27%	73%	volume caseload where Wandsworth is larger	2,374
Chief Executive	PARTNERSHIPS & VOLUNTARY SECTOR	80%	20%	The majority of the Wandsworth activity is grant funded or locality specific and therefore not shared with Richmond and excluded from this calculation	50
Chief Executive	ENTERPRISE MANAGEMENT TEAM	50%	50%	Management time is split equally across the two councils	36
Chief Executive	ECONOMIC DEVELOPMENT SUPPORT TEAM	19%	81%	The Wandsworth programme is larger in scale, requiring a higher proportion of support costs	231
Environment & Community Services	EMERGENCY PLANNING	50%	50%	The emergency planning service is split equally across the two councils	33
Chief Executive	CORPORATE COMPLAINTS & FREEDOM OF INFORMATION	50%	50%	The complaints and FOI team work equally across both councils	424
Chief Executive	CONSULTATIONS	82%	18%	The weighting of the team reflects differing approaches to consultations in the two boroughs	20
Chief Executive	CUSTOMER SERVICES MANAGEMENT	50%	50%	Management time is split equally across the two councils	50
Chief Executive	CUSTOMER SERVICE IMPROVEMENT & TRANSFORMATION	83%	17%	The historic salary budgets in Wandsworth are larger, driven by volume caseload	24

DIRECTORATE	SERVICE	RICHMOND %	WANDSWORTH %	RATIONALE FOR SPLIT OF SALARY COSTS	WANDSWORTH ESTIMATED £000
Housing and Regeneration	PROPERTY SERVICES SUPPORT	50%	50%	Facilities management is split based upon a mixture of size of portfolio and service requirements	1,161
Resources	FINANCIAL MANAGEMENT	46%	54%	The team supports Wandsworth's Housing Revenue Account whereas Richmond does not have any housing stock	1,417
Resources	PENSION FUND INVESTMENT	50%	50%	This relates to management of pension investments only and, based on historic salary costs, is split equally across the two councils	15
Resources	ICT SERVICES	38%	62%	The split of these support services reflect the average split of historic salary costs from the two councils	4,339
Resources	HR & PAYROLL	38%	62%		2,076
Resources	PROCUREMENT	38%	62%		549
Resources	HEALTH & SAFETY	29%	71%	The team supports Wandsworth's housing and schools which are not applicable to Richmond	224
Chief Executive	POLICY & PERFORMANCE	50%	50%	The corporate policy team's time is split equally across the two councils	511
Chief Executive	BUSINESS SUPPORT	50%	50%	Administration support is split equally across the two councils	208
Housing and Regeneration	CONSTRUCTION & TFM CLIENT TEAM	71%	29%	The team's remit has a smaller scope in Wandsworth where	130

DIRECTORATE	SERVICE	RICHMOND %	WANDSWORTH %	RATIONALE FOR SPLIT OF SALARY COSTS	WANDSWORTH ESTIMATED £000
				responsibility is devolved to other sections	
HOUSING AND REGENERATION OVERVIEW & SCRUTINY COMMITTEE					
Housing and Regeneration	HOUSING & REGENERATION DIRECTORATE	37%	63%	Average Chief officer apportionment across both councils based on historic salary costs	523
Housing and Regeneration	PRIVATE SECTOR HOUSING	34%	66%	Wandsworth picks up more of the costs due to borough size differential	379
Housing and Regeneration	HOMELESSNESS & ASYLUM	34%	66%	Wandsworth picks up more of the costs due to borough size differential	3,385
Housing and Regeneration	FINANCE & BUSINESS SUPPORT	4%	96%	Wandsworth has retained its housing stock whereas Richmond has not. The cost share therefore reflects the support provided to Wandsworth in its role as Housing landlord	725
Housing and Regeneration	AFFORDABLE HOUSING & SERVICE STRATEGY	25%	75%		169
STRATEGIC PLANNING AND TRANSPORTATION OVERVIEW & SCRUTINY COMMITTEE					
Environment & Community Services	ENVIRONMENT & COMMUNITY SERVICES DIRECTORATE	37%	63%	Average Chief officer apportionment across both councils based on historic salary costs	544
Environment & Community Services	PLANNING ENFORCEMENT	45%	55%	Wandsworth picks up more of the costs due to borough size differential	43

DIRECTORATE	SERVICE	RICHMOND %	WANDSWORTH %	RATIONALE FOR SPLIT OF SALARY COSTS	WANDSWORTH ESTIMATED £000
Environment & Community Services	TRANSPORT POLICY, STRATEGY & SUPPORT	42%	58%	Wandsworth picks up more of the costs due to borough size differential in relation to inner/outer London transport issues	528
Environment & Community Services	ENGINEERING & PARKING POLICY	50%	50%	Based on historic salary budgets these costs are split equally across the two councils	973
Environment & Community Services	PARKING CONTRACT MANAGEMENT	22%	78%	Wandsworth picks up more of the costs due to borough size differential	276
Resources	PARKING SUPPORT TEAM	38%	62%	The historic budgets in each council are driven by volume caseload where Wandsworth is larger	913

GENERAL REVENUE SUMMARY

SUMMARY BY COMMITTEE

SERVICE	<u>2018/19</u>	<u>2019/20</u>	<u>2020/21</u>	<u>2021/22</u>
	<u>Revised</u>	<u>Budget</u>	<u>Budget</u>	<u>Budget</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Adult Care and Health	77,584,400	75,929,500	73,770,600	73,627,600
Community Services and Open Spaces	32,906,300	32,656,800	32,656,800	32,741,500
Education and Childrens Services	89,269,900	88,210,400	81,648,900	81,648,900
Finance and Corporate Resources	(4,334,500)	(6,898,100)	(7,189,400)	(6,684,400)
Housing and Regeneration	7,333,600	6,432,300	9,886,200	9,886,200
Strategic Planning and Transportation	3,481,700	(22,100)	(1,000,100)	(1,000,100)
TOTAL	<u>206,241,400</u>	<u>196,308,800</u>	<u>189,773,000</u>	<u>190,219,700</u>

Variation Analysis	<u>2018/19</u>	<u>2019/20</u>	<u>2020/21</u>	<u>2021/22</u>
	<u>Revised</u>	<u>Budget</u>	<u>Budget</u>	<u>Budget</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
2018/19 ORIGINAL BUDGET	177,308,800	177,308,800	177,308,800	177,308,800
Inflation	1,935,800	4,683,700	4,683,700	4,683,700
Changes in Government Grants	(146,400)	(2,554,600)	3,115,600	3,115,600
Other Government or Outside Body Changes	731,300	160,400	125,100	125,100
Demand Led Growth	22,902,600	20,617,300	10,737,300	10,594,300
Efficiency Savings	(518,500)	(2,766,600)	(3,810,900)	(3,810,900)
Investment Priorities	4,038,300	700,000	0	0
Other Growth & Savings	(321,300)	(2,111,000)	(2,657,400)	(2,067,700)
Budget Transfers	310,800	270,800	270,800	270,800
NET EXPENDITURE	<u>206,241,400</u>	<u>196,308,800</u>	<u>189,773,000</u>	<u>190,219,700</u>

GENERAL REVENUE SUMMARY

SUBJECTIVE ANALYSIS

	<u>2018/19</u> <u>Revised</u> <u>£</u>	<u>2019/20</u> <u>Budget</u> <u>£</u>	<u>2020/21</u> <u>Budget</u> <u>£</u>	<u>2021/22</u> <u>Budget</u> <u>£</u>
<u>Expenditure</u>				
Employees	69,631,800	68,901,500	67,453,900	67,310,900
Premises	10,308,600	7,395,800	7,395,800	7,395,800
Transport	6,358,400	6,275,000	5,975,000	5,975,000
Supplies & Services	26,964,300	24,751,000	23,957,000	23,447,000
Third Party Payments	189,069,100	185,658,100	175,117,600	175,119,900
Transfer Payments	215,244,500	215,472,100	215,472,100	215,472,100
Support Service Recharges	34,502,500	35,259,300	34,524,000	34,524,000
Total Services	(987,900)	(987,900)	(987,900)	(987,900)
TOTAL EXPENDITURE	551,091,300	542,724,900	528,907,500	528,256,800
<u>Income</u>				
Government Grants	(230,635,500)	(231,054,500)	(224,041,800)	(224,041,800)
Other Grants & Contributions	(6,933,600)	(6,424,700)	(6,424,700)	(6,424,700)
Customer & Client Receipts	(91,269,700)	(94,761,700)	(95,515,800)	(95,433,400)
Interest Received	(11,674,100)	(9,860,100)	(8,837,100)	(7,822,100)
Recharge Income	(4,337,000)	(4,315,100)	(4,315,100)	(4,315,100)
TOTAL INCOME	(344,849,900)	(346,416,100)	(339,134,500)	(338,037,100)
NET EXPENDITURE	206,241,400	196,308,800	189,773,000	190,219,700

ADULT CARE & HEALTH SERVICES

SUMMARY BY SERVICE AREA

	<u>2018/19</u> <u>Revised</u> <u>£</u>	<u>2019/20</u> <u>Budget</u> <u>£</u>	<u>2020/21</u> <u>Budget</u> <u>£</u>	<u>2021/22</u> <u>Budget</u> <u>£</u>
Adult Service Operations	80,112,300	78,092,700	76,070,800	76,070,800
Commissioning & Quality Standards	18,278,600	18,299,100	18,299,100	18,299,100
Business Resources	3,039,100	2,630,100	2,493,100	2,350,100
Public Health	(23,845,600)	(23,092,400)	(23,092,400)	(23,092,400)
TOTAL NET EXPENDITURE	<u>77,584,400</u>	<u>75,929,500</u>	<u>73,770,600</u>	<u>73,627,600</u>

	<u>2018/19</u> <u>Revised</u> <u>£</u>	<u>2019/20</u> <u>Budget</u> <u>£</u>	<u>2020/21</u> <u>Budget</u> <u>£</u>	<u>2021/22</u> <u>Budget</u> <u>£</u>
Variation Analysis				
2018/19 ORIGINAL BUDGET	72,997,200	72,997,200	72,997,200	72,997,200
Inflation for 2018/19	364,000	1,038,700	1,038,700	1,038,700
Changes in Government Grants	(307,000)	(693,100)	415,000	415,000
Other Government or Outside Body Changes	12,400	12,500	12,500	12,500
Demand Led Growth	5,225,000	3,023,000	143,000	0
Efficiency Savings	(419,400)	(784,700)	(1,171,700)	(1,171,700)
Other Growth & Savings	(113,400)	643,600	643,600	643,600
Budget Transfers	(174,400)	(307,700)	(307,700)	(307,700)
NET EXPENDITURE	<u>77,584,400</u>	<u>75,929,500</u>	<u>73,770,600</u>	<u>73,627,600</u>

ADULT CARE & HEALTH SERVICES

SUBJECTIVE ANALYSIS

	<u>2018/19</u> <u>Revised</u> £	<u>2019/20</u> <u>Budget</u> £	<u>2020/21</u> <u>Budget</u> £	<u>2021/22</u> <u>Budget</u> £
<u>Expenditure</u>				
Employees	16,642,300	16,217,300	15,693,300	15,550,300
Premises	62,400	62,500	62,500	62,500
Transport	1,666,500	1,666,500	1,666,500	1,666,500
Supplies & Services	4,401,000	4,239,100	4,239,100	4,239,100
Third Party Payments	94,083,000	92,389,200	88,348,700	88,348,700
Transfer Payments	9,260,700	8,952,700	8,952,700	8,952,700
Support Service Recharges	6,589,400	6,592,100	6,592,100	6,592,100
Depreciation & Impairment	224,900	224,900	224,900	224,900
TOTAL EXPENDITURE	132,930,200	130,344,300	125,779,800	125,636,800
<u>Income</u>				
Government Grants	(37,735,700)	(37,115,000)	(34,709,400)	(34,709,400)
Other Grants & Contributions	(3,446,000)	(3,082,600)	(3,082,600)	(3,082,600)
Customer & Client Receipts	(13,263,600)	(13,338,600)	(13,338,600)	(13,338,600)
Departmental Recharge Income	(901,200)	(879,300)	(879,300)	(879,300)
Recharge Income	700	700	700	700
TOTAL INCOME	(55,345,800)	(54,414,800)	(52,009,200)	(52,009,200)
NET EXPENDITURE	<u>77,584,400</u>	<u>75,929,500</u>	<u>73,770,600</u>	<u>73,627,600</u>

ADULT CARE & HEALTH SERVICES

ADULT SERVICE OPERATIONS

	<u>2018/19</u> <u>Revised</u> £	<u>2019/20</u> <u>Budget</u> £	<u>2020/21</u> <u>Budget</u> £	<u>2021/22</u> <u>Budget</u> £
Analysis by Service				
Adult Service Operations Teams	12,360,200	12,357,800	11,970,800	11,970,800
Better Care Fund Grant	(6,486,200)	(6,486,200)	(6,486,200)	(6,486,200)
Early Help & Enablement Services	281,500	281,500	281,500	281,500
Services for Adults with Learning Disabilities	37,147,000	37,068,800	37,068,800	37,068,800
Services for Adults with Mental Health Needs	6,751,600	6,776,300	6,776,300	6,776,300
Services for Older People, Sensory & Physical Disabilities	30,058,200	28,094,500	26,459,600	26,459,600
	80,112,300	78,092,700	76,070,800	76,070,800

	<u>2018/19</u> <u>Revised</u> £	<u>2019/20</u> <u>Budget</u> £	<u>2020/21</u> <u>Budget</u> £	<u>2021/22</u> <u>Budget</u> £
Variation Analysis				
2018/19 ORIGINAL BUDGET	74,683,200	74,683,200	74,683,200	74,683,200
Inflation	273,400	831,600	831,600	831,600
Changes in Government Grants				
- 18-374 (Nov 18) Local Reform & Community Voices-Government G	(182,600)	0	0	0
- 18-374 (Nov 18) Local Reform & Community Voices-Expenditure	182,600	0	0	0
- 18-374 (Nov 18) Social Care in Prisons - Government Grant	(363,400)	0	0	0
- 18-374 (Nov 18) Social Care in Prisons - Expenditure	363,400	0	0	0
- Adult Social Care Support - Government Grant	(811,000)	0	0	0
- Adult Social Care Support - Expenditure	811,000	0	0	0
- Winter Pressures - Government Grant	(1,297,400)	(1,297,400)	0	0
- Winter Pressures - Expenditure	1,297,400	1,297,400	0	0
- Social Care Support Grant	0	(1,108,100)	0	0
Other Government or Outside Body Changes				
- NNDR Realignment	7,800	7,800	7,800	7,800
Demand Led Growth				
- 18-224 (June 18) Adult Services Demand Pressures	4,600,000	0	0	0
- Adult Services Demand Pressures	0	2,743,000	0	0
Efficiency Savings				
- 16-138 (Apr 16) Shared Staffing Arrangement	0	(425,000)	(812,000)	(812,000)
- 17-278 (Sep 17) Home Care Services and Market Man	0	400,000	400,000	400,000
- 18-375 (Nov 18) Revision of Charges	0	(83,000)	(83,000)	(83,000)
- Income, Contract and Departmental Efficiencies	0	(75,400)	(75,400)	(75,400)
- Reduction in Placement Costs	0	(126,000)	(126,000)	(126,000)
Other Growth & Savings				
- 17-167 (Jun 17) Improved Better Care Fund Plan	0	734,600	734,600	734,600
Budget Transfers	547,900	510,000	510,000	510,000
NET EXPENDITURE	80,112,300	78,092,700	76,070,800	76,070,800

ADULT CARE & HEALTH SERVICES

COMMISSIONING & QUALITY STANDARDS

	<u>2018/19</u> <u>Revised</u> £	<u>2019/20</u> <u>Budget</u> £	<u>2020/21</u> <u>Budget</u> £	<u>2021/22</u> <u>Budget</u> £
Analysis by Service				
Adult Public Health Services	10,216,600	10,216,700	10,216,700	10,216,700
Advocacy, Supported Employment & Other Minor Service	559,800	559,800	559,800	559,800
Commissioning Teams	632,100	642,600	642,600	642,600
Prevention & Wellbeing Services	5,989,600	6,003,800	6,003,800	6,003,800
Professional Standards & Safeguarding	880,500	876,200	876,200	876,200
	18,278,600	18,299,100	18,299,100	18,299,100

	<u>2018/19</u> <u>Revised</u> £	<u>2019/20</u> <u>Budget</u> £	<u>2020/21</u> <u>Budget</u> £	<u>2021/22</u> <u>Budget</u> £
Variation Analysis				
2018/19 ORIGINAL BUDGET	19,898,300	19,898,300	19,898,300	19,898,300
Inflation	24,700	58,300	58,300	58,300
Other Government or Outside Body Changes				
- NNDR Realignment	4,600	4,700	4,700	4,700
Efficiency Savings				
- ACH231/FCR667 Community Advice Services		(8,200)	(8,200)	(8,200)
- Income, Contract and Departmental Efficiencies	0	(15,600)	(15,600)	(15,600)
- ACH 225 Wandsworth Community Drug & Alcohol Serv	(155,000)	(155,000)	(155,000)	(155,000)
Other Growth & Savings				
- 17-167 (June 17) Improved Better Care Fund Plan	4,500	26,900	26,900	26,900
Budget Transfers	(1,498,500)	(1,510,300)	(1,510,300)	(1,510,300)
NET EXPENDITURE	18,278,600	18,299,100	18,299,100	18,299,100

ADULT CARE & HEALTH SERVICES

BUSINESS RESOURCES

	<u>2018/19</u> <u>Revised</u> £	<u>2019/20</u> <u>Budget</u> £	<u>2020/21</u> <u>Budget</u> £	<u>2021/22</u> <u>Budget</u> £
Analysis by Service				
Business Resources	3,039,100	2,630,100	2,493,100	2,350,100
	3,039,100	2,630,100	2,493,100	2,350,100

	<u>2018/19</u> <u>Revised</u> £	<u>2019/20</u> <u>Budget</u> £	<u>2020/21</u> <u>Budget</u> £	<u>2021/22</u> <u>Budget</u> £
Variation Analysis				
2018/19 ORIGINAL BUDGET	1,823,300	1,823,300	1,823,300	1,823,300
Inflation	42,500	77,300	77,300	77,300
Changes in Government Grants				
- 18-374 (Nov 18) War Pensions Disregard Scheme - Government Grant	(13,300)	0	0	0
- 18-374 (Nov 18) War Pensions Disregard Scheme - Expenditure	13,300	0	0	0
Demand Led Growth				
- 18-224 (June 18) Adult Services Demand Pressures	625,000	0	0	0
- Adult Services Demand Presures	0	280,000	143,000	0
Efficiency Savings				
- ACH231/FCR667 Community Advice Services	(2,600)	(2,600)	(2,600)	(2,600)
- Income, Contract and Departmental Efficiencies	(800)	(15,900)	(15,900)	(15,900)
Other Growth & Savings				
- 17-167 (Jun 17) Improved Better Care Fund	(117,900)	(117,900)	(117,900)	(117,900)
Budget Transfers	669,600	585,900	585,900	585,900
NET EXPENDITURE	3,039,100	2,630,100	2,493,100	2,350,100

ADULT CARE & HEALTH SERVICES

PUBLIC HEALTH

	<u>2018/19</u> <u>Revised</u> £	<u>2019/20</u> <u>Budget</u> £	<u>2020/21</u> <u>Budget</u> £	<u>2021/22</u> <u>Budget</u> £
Analysis by Service				
Children 0-5	85,000	85,000	85,000	85,000
Health Protection	20,200	20,200	20,200	20,200
NHS Health Checks	395,000	395,000	395,000	395,000
Obesity	25,300	25,300	25,300	25,300
Other Public Health	(25,255,100)	(24,502,800)	(24,502,800)	(24,502,800)
Physical Activity	35,000	35,000	35,000	35,000
Sexual Health	532,500	532,500	532,500	532,500
Smoking & Tobacco	314,000	314,900	314,900	314,900
Substance Misuse	2,500	2,500	2,500	2,500
	(23,845,600)	(23,092,400)	(23,092,400)	(23,092,400)

	<u>2018/19</u> <u>Revised</u> £	<u>2019/20</u> <u>Budget</u> £	<u>2020/21</u> <u>Budget</u> £	<u>2021/22</u> <u>Budget</u> £
Variation Analysis				
2018/19 ORIGINAL BUDGET	(23,407,600)	(23,407,600)	(23,407,600)	(23,407,600)
Inflation	23,400	71,500	71,500	71,500
Changes in Government Grants				
- Public Health Grant Reduction	0	722,000	722,000	722,000
- Resulting Public Health Efficiencies	(307,000)	(307,000)	(307,000)	(307,000)
Efficiency Savings				
- 16-138 (Apr 16) Shared Staffing Arrangement	(258,000)	(258,000)	(258,000)	(258,000)
- Income Contract and Departmental Efficiencies	(3,000)	(20,000)	(20,000)	(20,000)
Budget Transfers	106,600	106,700	106,700	106,700
NET EXPENDITURE	(23,845,600)	(23,092,400)	(23,092,400)	(23,092,400)

COMMUNITY SERVICES & OPEN SPACES

SUMMARY BY SERVICE AREA

<u>SERVICE</u>	<u>2018/19</u> <u>Revised</u> <u>£</u>	<u>2019/20</u> <u>Budget</u> <u>£</u>	<u>2020/21</u> <u>Budget</u> <u>£</u>	<u>2021/22</u> <u>Budget</u> <u>£</u>
Contracts and Leisure	33,478,000	33,291,700	33,291,700	33,376,400
Highways Operations and Street Scene	(571,700)	(634,900)	(634,900)	(634,900)
Total Environment Directorate	32,906,300	32,656,800	32,656,800	32,741,500

Variation Analysis	<u>2018/19</u> <u>Revised</u> <u>£</u>	<u>2019/20</u> <u>Budget</u> <u>£</u>	<u>2020/21</u> <u>Budget</u> <u>£</u>	<u>2021/22</u> <u>Budget</u> <u>£</u>
2018/19 ORIGINAL BUDGET	32,836,000	32,836,000	32,836,000	32,836,000
Inflation for 2018/19	269,000	364,800	364,800	364,800
Changes in Government Grants	0	0	0	0
Other Government or Outside Body Changes	(210,700)	(291,200)	(291,200)	(291,200)
Demand Led Growth	0	0	0	0
Efficiency Savings	0	(125,100)	(125,100)	(125,100)
Investment Priorities	380,000	0	0	0
Other Growth & Savings	(450,000)	(151,500)	(151,500)	(66,800)
Budget Transfers	82,000	23,800	23,800	23,800
NET EXPENDITURE	32,906,300	32,656,800	32,656,800	32,741,500

COMMUNITY SERVICES & OPEN SPACES

SUBJECTIVE ANALYSIS

	<u>2018/19</u>	<u>2019/20</u>	<u>2020/21</u>	<u>2021/22</u>
	<u>Revised</u>	<u>Budget</u>	<u>Budget</u>	<u>Budget</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
<u>Expenditure</u>				
Employees	2,412,300	2,418,000	2,418,000	2,418,000
Premises	4,267,600	4,307,700	4,307,700	4,307,700
Transport	82,700	82,700	82,700	82,700
Supplies & Services	962,100	939,900	939,900	939,900
Third Party Payments	31,231,400	31,008,100	31,008,100	31,010,400
Transfer Payments	0	0	0	0
Support Service Recharges	3,188,300	3,162,300	3,162,300	3,162,300
Depreciation & Impairment	3,113,000	3,113,000	3,113,000	3,113,000
TOTAL EXPENDITURE	45,257,400	45,031,700	45,031,700	45,034,000
<u>Income</u>				
Government Grants	0	0	0	0
Other Grants & Contributions	(135,000)	(135,000)	(135,000)	(135,000)
Customer & Client Receipts	(11,918,400)	(11,942,200)	(11,942,200)	(11,859,800)
Recharge Income	(297,700)	(297,700)	(297,700)	(297,700)
TOTAL INCOME	(12,351,100)	(12,374,900)	(12,374,900)	(12,292,500)
NET EXPENDITURE	32,906,300	32,656,800	32,656,800	32,741,500

COMMUNITY SERVICES & OPEN SPACES

CONTRACTS & LEISURE

	<u>2018/19</u>	<u>2019/20</u>	<u>2020/21</u>	<u>2021/22</u>
	<u>Revised</u>	<u>Budget</u>	<u>Budget</u>	<u>Budget</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Analysis by Service				
Leisure, Culture and Bereavement	(826,000)	(758,400)	(758,400)	(673,700)
Libraries contract	4,761,500	4,763,000	4,763,000	4,763,000
Registrars	52,900	145,600	145,600	145,600
Retained Services (Mutual Contract)	5,023,400	4,952,200	4,952,200	4,952,200
Street Cleansing	5,001,100	4,625,100	4,625,100	4,625,100
Waste Collection & Recycling	5,515,700	5,446,100	5,446,100	5,446,100
Waste Disposal inc Levy	13,949,400	14,118,100	14,118,100	14,118,100
	33,478,000	33,291,700	33,291,700	33,376,400

	<u>2018/19</u>	<u>2019/20</u>	<u>2020/21</u>	<u>2021/22</u>
	<u>Revised</u>	<u>Budget</u>	<u>Budget</u>	<u>Budget</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Variation Analysis				
2018/19 ORIGINAL BUDGET	33,386,700	33,386,700	33,386,700	33,386,700
Inflation for 2018/19	247,200	316,400	316,400	316,400
Changes in Government Grants	0	0	0	0
Other Government or Outside Body Changes				
- Lee Valley Levy	(21,000)	(21,000)	(21,000)	(21,000)
- Cessation of Nationality and Citizenship Service	0	80,000	80,000	80,000
- NNDR Realignment	17,300	18,800	18,800	18,800
- Wimbledon and Putney Commons Conservators Levy	29,000	29,000	29,000	29,000
- Western Riverside Waste Authority Levy	(236,000)	(398,000)	(398,000)	(398,000)
Demand Led Growth	0	0	0	0
Efficiency Savings				
- 18-410 (Nov 18) Review of Charges	0	(69,600)	(69,600)	(69,600)
- Income, Contract and Departmental Efficiencies		(7,100)	(7,100)	(7,100)
Investment Priorities				
- 18-224 (June 18) Cemeteries	30,000	0	0	0
- 18-224 (June 18) Environmental Project	350,000	0	0	0
Other Growth & Savings				
- 14-362 (July 14) Leisure Centres Contract	0	21,500	21,500	106,200
- 15-228 (June 15) Leisure and Culture Staff Mutual	0	(53,700)	(53,700)	(53,700)
- 16-240 (July 2016) Library Management Services Contract	(300,000)	(300,000)	(300,000)	(300,000)
- Waste and Recycling Collection Services Contract	(150,000)	(150,000)	(150,000)	(150,000)
- Western Riverside Waste Authority Tonnage	0	330,700	330,700	330,700
Budget Transfers	124,800	108,000	108,000	108,000
NET EXPENDITURE	33,478,000	33,291,700	33,291,700	33,376,400

COMMUNITY SERVICES & OPEN SPACES

HIGHWAYS OPERATIONS & STREET SCENE

	<u>2018/19</u>	<u>2019/20</u>	<u>2020/21</u>	<u>2021/22</u>
	<u>Revised</u>	<u>Budget</u>	<u>Budget</u>	<u>Budget</u>
	£	£	£	£
Analysis by Service				
Inspection & Enforcement	(685,700)	(752,000)	(752,000)	(752,000)
Network Management	(421,900)	(418,800)	(418,800)	(418,800)
Tree Root Provision	367,700	367,700	367,700	367,700
Winter Maintenance	168,200	168,200	168,200	168,200
	(571,700)	(634,900)	(634,900)	(634,900)

	<u>2018/19</u>	<u>2019/20</u>	<u>2020/21</u>	<u>2021/22</u>
	<u>Revised</u>	<u>Budget</u>	<u>Budget</u>	<u>Budget</u>
	£	£	£	£
Variation Analysis				
2018/19 ORIGINAL BUDGET	(550,700)	(550,700)	(550,700)	(550,700)
Inflation for 2018/19	21,800	48,400	48,400	48,400
Changes in Government Grants	0	0	0	0
Other Government or Outside Body Changes	0	0	0	0
Demand Led Growth	0	0	0	0
Efficiency Savings				
- 16-138 (Apr 16) Shared Staffing Arrangement	0	(44,000)	(44,000)	(44,000)
- Income, Contract and Departmental Efficiencies		(4,400)	(4,400)	(4,400)
Investment Priorities	0	0	0	0
Other Growth & Savings	0	0	0	0
Budget Transfers	(42,800)	(84,200)	(84,200)	(84,200)
NET EXPENDITURE	(571,700)	(634,900)	(634,900)	(634,900)

EDUCATION AND CHILDREN'S SERVICES

SUMMARY BY SERVICE AREA

<u>SERVICE</u>	<u>2018/19</u> <u>Revised</u> <u>£</u>	<u>2019/20</u> <u>Budget</u> <u>£</u>	<u>2020/21</u> <u>Budget</u> <u>£</u>	<u>2021/22</u> <u>Budget</u> <u>£</u>
Business Resources (ECSOSC)	1,348,100	1,375,300	1,375,300	1,375,300
Children & Families	46,158,400	45,045,000	38,783,500	38,783,500
Early Help	18,338,100	18,235,700	18,235,700	18,235,700
Education Performance & Planning	23,425,300	23,554,400	23,254,400	23,254,400
TOTAL NET EXPENDITURE	<u>89,269,900</u>	<u>88,210,400</u>	<u>81,648,900</u>	<u>81,648,900</u>

<u>Variation Analysis</u>	<u>2018/19</u> <u>Revised</u> <u>£</u>	<u>2019/20</u> <u>Budget</u> <u>£</u>	<u>2020/21</u> <u>Budget</u> <u>£</u>	<u>2022/22</u> <u>Budget</u> <u>£</u>
2018/19 ORIGINAL BUDGET	70,927,400	70,927,400	70,927,400	70,927,400
Inflation	507,300	1,364,900	1,364,900	1,364,900
Changes in Government Grants	0	(1,499,900)	(391,700)	(391,700)
Other Government or Outside Body Changes	42,400	0	0	0
Demand Led Growth	17,000,000	17,000,000	10,000,000	10,000,000
Efficiency Savings	(115,000)	(783,700)	(1,078,000)	(1,078,000)
Other Growth and Savings	472,400	552,800	177,400	177,400
Budget Transfers	435,400	648,900	648,900	648,900
NET EXPENDITURE	<u>89,269,900</u>	<u>88,210,400</u>	<u>81,648,900</u>	<u>81,648,900</u>

EDUCATION AND CHILDREN'S SERVICES

SUBJECTIVE ANALYSIS

	<u>2018/19</u> <u>Revised</u> <u>£</u>	<u>2019/20</u> <u>Budget</u> <u>£</u>	<u>2020/21</u> <u>Budget</u> <u>£</u>	<u>2021/22</u> <u>Budget</u> <u>£</u>
<u>Expenditure</u>				
Employees	32,843,500	32,260,100	31,545,500	31,545,500
Premises	644,700	598,600	598,600	598,600
Transport	4,475,600	4,392,200	4,092,200	4,092,200
Supplies & Services	5,191,500	5,851,800	5,651,800	5,651,800
Third Party Payments	34,290,400	33,589,500	27,089,500	27,089,500
Transfer Payments	1,926,100	1,926,100	1,926,100	1,926,100
Support Service Recharges	11,501,100	11,819,100	11,819,100	11,819,100
Depreciation & Impairment	7,041,100	7,041,100	7,041,100	7,041,100
TOTAL EXPENDITURE	97,914,000	97,478,500	89,763,900	89,763,900
<u>Income</u>				
Government Grants	(4,052,500)	(4,662,500)	(3,524,300)	(3,524,300)
Other Grants & Contributions	(1,739,500)	(1,739,500)	(1,739,500)	(1,739,500)
Customer & Client Receipts	(772,500)	(786,500)	(771,600)	(771,600)
Departmental Recharge Income	(1,998,300)	(1,998,300)	(1,998,300)	(1,998,300)
Recharge Income	(81,300)	(81,300)	(81,300)	(81,300)
TOTAL INCOME	(8,644,100)	(9,268,100)	(8,115,000)	(8,115,000)
NET EXPENDITURE	89,269,900	88,210,400	81,648,900	81,648,900

EDUCATION AND CHILDREN'S SERVICES

BUSINESS RESOURCES

	<u>2018/19</u> <u>Revised</u> £	<u>2019/20</u> <u>Budget</u> £	<u>2020/21</u> <u>Budget</u> £	<u>2021/22</u> <u>Budget</u> £
Analysis by Service				
Directorate & Business Resources	1,348,100	1,375,300	1,375,300	1,375,300
	1,348,100	1,375,300	1,375,300	1,375,300

	<u>2018/19</u> <u>Revised</u> £	<u>2019/20</u> <u>Budget</u> £	<u>2020/21</u> <u>Budget</u> £	<u>2021/22</u> <u>Budget</u> £
Variation Analysis				
2018/19 ORIGINAL BUDGET	1,347,300	1,347,300	1,347,300	1,347,300
Inflation	26,700	54,300	54,300	54,300
Changes in Government Grants	0	0	0	0
Other Government or Outside Body Changes	0	0	0	0
Demand Led Growth	0	0	0	0
Efficiency Savings				
- Income, Contract and Departmental Efficiencies	0	(400)	(400)	(400)
Other Growth and Savings	0	0	0	0
Budget Transfers	(25,900)	(25,900)	(25,900)	(25,900)
NET EXPENDITURE	1,348,100	1,375,300	1,375,300	1,375,300

EDUCATION AND CHILDREN'S SERVICES

CHILDREN & FAMILIES

	<u>2018/19</u> <u>Revised</u> £	<u>2019/20</u> <u>Budget</u> £	<u>2020/21</u> <u>Budget</u> £	<u>2021/22</u> <u>Budget</u> £
Analysis by Service				
Children in Need Teams	5,496,100	4,969,300	4,866,200	4,866,200
Children Looked After Teams	5,831,300	6,192,600	5,779,300	5,779,300
External Care Placements	19,418,800	15,365,500	11,273,700	11,273,700
Family & Community including MASH and Referral & Assessment Te	5,468,200	6,635,500	6,257,600	6,257,600
Family Centres & Contact Service	2,584,600	2,622,600	2,622,600	2,622,600
Family Recovery, Troubled Families and Edge of Care	1,655,800	2,865,200	1,889,800	1,889,800
Adoption, Fostering & Permanency	2,935,400	3,486,600	3,186,600	3,186,600
Health Initiatives & Teenage Pregnancy Public Health Service	245,500	248,400	248,400	248,400
Safeguarding Standards	1,498,400	1,620,500	1,620,500	1,620,500
Social Care Academy	1,024,300	1,038,800	1,038,800	1,038,800
	46,158,400	45,045,000	38,783,500	38,783,500

	<u>2018/19</u> <u>Revised</u> £	<u>2019/20</u> <u>Budget</u> £	<u>2020/21</u> <u>Budget</u> £	<u>2021/22</u> <u>Budget</u> £
Variation Analysis				
2018/19 ORIGINAL BUDGET	30,075,600	30,075,600	30,075,600	30,075,600
Inflation	288,800	720,700	720,700	720,700
Changes in Government Grants				
- Social Care Support Grant	0	(1,108,200)	0	0
- 18-199 (June 2018) New Duties Children & Social Work Act 2017	14,900	14,900	0	0
- Grant Income for Children and Social Work Act 2017	(14,900)	(14,900)	0	0
Other Government or Outside Body Changes				
- NNDR Realignment	(2,900)	(2,900)	(2,900)	(2,900)
Demand Led Growth				
- 18-224 (June 2018) Children's Budget Pressures	16,000,000	0	0	0
- 19-60 (February 19) Childrens Services Budget Pressures	0	15,800,000	9,100,000	9,100,000
Efficiency Savings				
- 18-198 (June 2018) Assessed & Supported Year in Employn	0	(496,200)	(790,500)	(790,500)
- Income, Contract and Departmental Efficiencies	0	(34,800)	(34,800)	(34,800)
Other Growth and Savings				
- 18-198 (June 2018) Assessed & Supported Year in Employment	472,400	472,400	472,400	472,400
- 18-385 (Sept 2018) - Families First Service	0	80,400	(295,000)	(295,000)
Budget Transfers	(675,500)	(462,000)	(462,000)	(462,000)
NET EXPENDITURE	46,158,400	45,045,000	38,783,500	38,783,500

EDUCATION AND CHILDREN'S SERVICES

EARLY HELP

	<u>2018/19</u> <u>Revised</u> <u>£</u>	<u>2019/20</u> <u>Budget</u> <u>£</u>	<u>2020/21</u> <u>Budget</u> <u>£</u>	<u>2021/22</u> <u>Budget</u> <u>£</u>
Analysis by Service				
After School Care	(106,900)	(104,400)	(104,400)	(104,400)
Youth Services	3,420,300	3,411,000	3,411,000	3,411,000
Children's Centres	2,768,400	2,599,100	2,599,100	2,599,100
Youth Offending	1,291,500	1,521,800	1,521,800	1,521,800
Early Years Central & Management Costs	10,964,800	10,808,200	10,808,200	10,808,200
	18,338,100	18,235,700	18,235,700	18,235,700

	<u>2018/19</u> <u>Revised</u> <u>£</u>	<u>2019/20</u> <u>Budget</u> <u>£</u>	<u>2020/21</u> <u>Budget</u> <u>£</u>	<u>2021/22</u> <u>Budget</u> <u>£</u>
Variation Analysis				
2018/19 ORIGINAL BUDGET	17,222,600	17,222,600	17,222,600	17,222,600
Inflation	107,500	265,600	265,600	265,600
Changes in Government Grants				
- 18-210 (June 2018) Universal Funding Formula Change to Early Years	0	(391,700)	(391,700)	(391,700)
Other Government or Outside Body Changes				
- NNDR Realignment	45,300	2,900	2,900	2,900
Demand Led Growth				
- 19-60 (February 19) Childrens Services Budget Pressures	0	200,000	200,000	200,000
Efficiency Savings				
- 18-390 (Nov 2018) Charges Review	0	(14,000)	(14,000)	(14,000)
- Income, Contract and Departmental Efficiencies	0	(12,400)	(12,400)	(12,400)
Other Growth and Savings	0	0	0	0
Budget Transfers	962,700	962,700	962,700	962,700
NET EXPENDITURE	18,338,100	18,235,700	18,235,700	18,235,700

EDUCATION AND CHILDREN'S SERVICES

EDUCATION PERFORMANCE & PLANNING

	<u>2018/19</u> <u>Revised</u> £	<u>2019/20</u> <u>Budget</u> £	<u>2020/21</u> <u>Budget</u> £	<u>2021/22</u> <u>Budget</u> £
Analysis by Service				
Contracts HR Schools Support	694,200	694,200	694,200	694,200
Education Inclusion Service	956,900	980,800	980,800	980,800
Lifelong Learning	(5,600)	1,900	1,900	1,900
Pupil Services	17,400	23,200	23,200	23,200
School Standards & Improvement	245,800	251,900	251,900	251,900
Schools Finance including schools' budgets	4,866,300	4,787,200	4,787,200	4,787,200
Schools ICT	623,100	623,100	623,100	623,100
Special Education Needs & Disability Services	9,631,100	9,796,000	9,496,000	9,496,000
Schools Depreciation	6,396,100	6,396,100	6,396,100	6,396,100
	23,425,300	23,554,400	23,254,400	23,254,400

	<u>2018/19</u> <u>Revised</u> £	<u>2019/20</u> <u>Budget</u> £	<u>2020/21</u> <u>Budget</u> £	<u>2021/22</u> <u>Budget</u> £
Variation Analysis				
2018/19 ORIGINAL BUDGET	22,281,900	22,281,900	22,281,900	22,281,900
Inflation	84,300	324,300	324,300	324,300
Changes in Government Grants				
- 18-197 (June 2018) S.E.N.D. Reform Grant Expenditure	238,200	0	0	0
- S.E.N.D Reform Grant Income	(238,200)	0	0	0
- 18-199 (June 2018) New Duties Children & Social Work Act 2017	30,000	30,000	0	0
- Grant Income for Children and Social Work Act 2017	(30,000)	(30,000)	0	0
- 18-388 (Nov 2018) Schools Improvement Grant Expenditure	260,000	0	0	0
- Schools Improvement Grant Income	(260,000)	0	0	0
Other Government or Outside Body Changes	0	0	0	0
Demand Led Growth				
- 18-224 (June 2018) Children's Budget Pressures	1,000,000	0	0	0
- 19-60 (February 19) Children's Services Budget Pressures	0	1,000,000	700,000	700,000
Efficiency Savings				
- 18-243 (Sept 2018) Senior Leadership in Children's Service	(115,000)	(197,000)	(197,000)	(197,000)
- Income, Contract and Departmental Efficiencies	0	(28,900)	(28,900)	(28,900)
Other Growth and Savings	0	0	0	0
Budget Transfers	174,100	174,100	174,100	174,100
NET EXPENDITURE	23,425,300	23,554,400	23,254,400	23,254,400

FINANCE AND CORPORATE RESOURCES

SUMMARY BY SERVICE AREA

<u>SERVICE</u>	<u>2018/19</u> <u>Revised</u> £	<u>2019/20</u> <u>Budget</u> £	<u>2020/21</u> <u>Budget</u> £	<u>2021/22</u> <u>Budget</u> £
General Services				
- Chief Executive and other Directorates	4,835,400	1,746,300	1,746,300	1,746,300
- Resources Directorate	(18,061,600)	(17,262,700)	(16,854,000)	(16,349,000)
Revenue Services	6,485,300	6,709,300	6,709,300	6,709,300
Property Services	(2,369,700)	(2,614,300)	(3,314,300)	(3,314,300)
Economic Development	1,546,400	1,270,700	1,270,700	1,270,700
Other Environmental & Regulatory Services	3,229,700	3,252,600	3,252,600	3,252,600
Total Finance & Corporate Resources	(4,334,500)	(6,898,100)	(7,189,400)	(6,684,400)

<u>Variation Analysis</u>	<u>2018/19</u> <u>Revised</u> £	<u>2019/20</u> <u>Budget</u> £	<u>2020/21</u> <u>Budget</u> £	<u>2021/22</u> <u>Budget</u> £
2018/19 ORIGINAL BUDGET	(9,798,200)	(9,798,200)	(9,798,200)	(9,798,200)
Inflation	436,400	1,257,300	1,257,300	1,257,300
Changes in Government Grants	0	0	0	0
Other Government or Outside Body Changes	858,100	290,300	255,000	255,000
Demand Led Growth	0	0	0	0
Efficiency Savings	15,900	(687,700)	(687,700)	(687,700)
Investment Priorities	3,458,300	700,000	0	0
Other Growth & Savings	562,500	1,117,300	1,561,300	2,066,300
Budget Transfers	132,500	222,900	222,900	222,900
NET EXPENDITURE	(4,334,500)	(6,898,100)	(7,189,400)	(6,684,400)

FINANCE AND CORPORATE RESOURCES

SUBJECTIVE ANALYSIS

	<u>2018/19</u> <u>Revised</u> <u>£</u>	<u>2019/20</u> <u>Budget</u> <u>£</u>	<u>2020/21</u> <u>Budget</u> <u>£</u>	<u>2021/22</u> <u>Budget</u> <u>£</u>
<u>Expenditure</u>				
Employees	8,348,200	8,549,600	8,549,600	8,549,600
Premises	3,730,700	801,000	801,000	801,000
Transport	86,300	86,300	86,300	86,300
Supplies & Services	11,051,000	9,079,200	8,500,200	7,990,200
Third Party Payments	3,771,400	3,615,500	3,615,500	3,615,500
Transfer Payments	177,268,200	188,974,200	188,974,200	188,974,200
Support Service Recharges	9,735,400	10,295,700	9,560,400	9,560,400
Depreciation & Impairment	(17,454,400)	(17,454,400)	(17,454,400)	(17,454,400)
TOTAL EXPENDITURE	196,536,800	203,947,100	202,632,800	202,122,800
<u>Income</u>				
Government Grants	(174,399,300)	(185,511,700)	(185,511,700)	(185,511,700)
Other Grants & Contributions	(870,000)	(724,500)	(724,500)	(724,500)
Customer & Client Receipts	(13,775,900)	(14,596,900)	(14,596,900)	(14,596,900)
Interest Received	(11,674,100)	(9,860,100)	(8,837,100)	(7,822,100)
Recharge Income	(152,000)	(152,000)	(152,000)	(152,000)
TOTAL INCOME	(200,871,300)	(210,845,200)	(209,822,200)	(208,807,200)
NET EXPENDITURE	(4,334,500)	(6,898,100)	(7,189,400)	(6,684,400)

FINANCE AND CORPORATE RESOURCES

GENERAL SERVICES

CHIEF EXECUTIVE'S & OTHER DIRECTORATES

	<u>2018/19</u> <u>Revised</u> £	<u>2019/20</u> <u>Budget</u> £	<u>2020/21</u> <u>Budget</u> £	<u>2021/22</u> <u>Budget</u> £
Land Charges	(7,700)	(3,200)	(3,200)	(3,200)
Emergency Planning	200,800	202,800	202,800	202,800
Corporate Initiatives	403,700	305,200	305,200	305,200
Customers and Partnerships	1,308,600	1,241,500	1,241,500	1,241,500
Shared Staffing Agreement Programme	2,930,000	0	0	0
	4,835,400	1,746,300	1,746,300	1,746,300

	<u>2018/19</u> <u>Revised</u> £	<u>2019/20</u> <u>Budget</u> £	<u>2020/21</u> <u>Budget</u> £	<u>2021/22</u> <u>Budget</u> £
Variation Analysis				
2018/19 ORIGINAL BUDGET	1,743,000	1,743,000	1,743,000	1,743,000
Inflation	3,300	20,200	20,200	20,200
Changes in Government Grants	0	0	0	0
Other Government or Outside Body Changes				
- London Borough Grants Committee	0	4,100	4,100	4,100
Demand Led Growth	0	0	0	0
Efficiency Savings				
- 16-138 (Apr 16) Shared Staffing Arrangement	(14,000)	(14,000)	(14,000)	(14,000)
- ACH231/FCR667 Community Advice Services	(4,300)	(54,300)	(54,300)	(54,300)
- ACH232 Healthwatch	(11,700)	(11,700)	(11,700)	(11,700)
- Other Efficiency Savings	0	(7,600)	(7,600)	(7,600)
Investment Priorities				
- 18-224 (June 18) SSA Implementation	2,930,000	0	0	0
Other Growth & Savings				
- 18-224 (June 18) Wandsworth Grant Fund	22,500	0	0	0
- FCR675 Heathrow Expansion Legal Expenses	100,000	0	0	0
Budget Transfers	66,600	66,600	66,600	66,600
NET EXPENDITURE	4,835,400	1,746,300	1,746,300	1,746,300

FINANCE AND CORPORATE RESOURCES

GENERAL SERVICES - RESOURCES DIRECTORATE

	<u>2018/19</u> <u>Revised</u> £	<u>2019/20</u> <u>Budget</u> £	<u>2020/21</u> <u>Budget</u> £	<u>2021/22</u> <u>Budget</u> £
Registration of Electors	1,252,600	688,900	688,900	688,900
General Services Finance	(4,553,500)	(4,246,000)	(3,802,000)	(3,297,000)
Apprenticeship Levy	400,000	408,000	408,000	408,000
Capital Financing Account				
- Interest	(1,390,100)	(33,100)	(33,100)	(33,100)
- Depreciation Charge	(18,066,800)	(18,066,800)	(18,066,800)	(18,066,800)
Corporate Management Costs	4,296,200	3,986,300	3,951,000	3,951,000
	(18,061,600)	(17,262,700)	(16,854,000)	(16,349,000)

Variation Analysis	<u>2018/19</u> <u>Revised</u> £	<u>2019/20</u> <u>Budget</u> £	<u>2020/21</u> <u>Budget</u> £	<u>2021/22</u> <u>Budget</u> £
2018/19 ORIGINAL BUDGET	(18,803,800)	(18,803,800)	(18,803,800)	(18,803,800)
Inflation	202,400	779,500	779,500	779,500
Changes in Government Grants	0	0	0	0
Other Government or Outside Body Changes				
- General Data Protection Regulation Requirements	13,300	(46,500)	(81,800)	(81,800)
- Local Election	572,300	0	0	0
Demand Led Growth	0	0	0	0
Efficiency Savings				
- 16-103 (Feb 16) Transactional Services	0	(44,000)	(44,000)	(44,000)
- 16-138 (Apr 16) Shared Staffing Arrangement	74,700	74,700	74,700	74,700
- Income, Contract and Departmental Efficiencies	(3,800)	(397,200)	(397,200)	(397,200)
Investment Priorities				
- 18-224 (June 18) Channel Shift Strategy	128,300	0	0	0
Other Growth & Savings				
- Organisational Development	15,500	15,500	15,500	15,500
- Recharge Realignment	137,800	137,800	137,800	137,800
- Terms and Conditions Review	0	42,000	42,000	42,000
- Interest on Investments	(411,000)	(439,000)	(40,000)	440,000
- Investment Income Adjustment to Base Budget	0	1,377,000	1,377,000	1,377,000
- 19-21 (Jan 19) Additions to the Capital Programme	0	18,000	63,000	88,000
Budget Transfers	12,700	23,300	23,300	23,300
NET EXPENDITURE	(18,061,600)	(17,262,700)	(16,854,000)	(16,349,000)

FINANCE AND CORPORATE RESOURCES

REVENUES

	<u>2018/19</u> <u>Revised</u> £	<u>2019/20</u> <u>Budget</u> £	<u>2020/21</u> <u>Budget</u> £	<u>2021/22</u> <u>Budget</u> £
Council Tax and Rate Collection	1,355,300	1,369,700	1,369,700	1,369,700
Housing and Council Tax Benefits	5,130,000	5,339,600	5,339,600	5,339,600
	6,485,300	6,709,300	6,709,300	6,709,300

	<u>2018/19</u> <u>Revised</u> £	<u>2019/20</u> <u>Budget</u> £	<u>2020/21</u> <u>Budget</u> £	<u>2021/22</u> <u>Budget</u> £
Variation Analysis				
2018/19 ORIGINAL BUDGET	6,585,600	6,585,600	6,585,600	6,585,600
Inflation	74,100	168,000	168,000	168,000
Changes in Government Grants	0	0	0	0
Other Government or Outside Body Changes				
- Housing Benefit Administration Subsidy	0	150,900	150,900	150,900
Demand Led Growth	0	0	0	0
Efficiency Savings				
- Income, Contract and Departmental Efficiencies	0	(23,700)	(23,700)	(23,700)
- Shared Staffing Agreement System Efficiencies	0	(142,000)	(142,000)	(142,000)
Other Growth & Savings	0	0	0	0
Budget Transfers	(174,400)	(29,500)	(29,500)	(29,500)
NET EXPENDITURE	6,485,300	6,709,300	6,709,300	6,709,300

FINANCE AND CORPORATE RESOURCES

PROPERTY SERVICES

	<u>2018/19</u> <u>Revised</u> <u>£</u>	<u>2019/20</u> <u>Budget</u> <u>£</u>	<u>2020/21</u> <u>Budget</u> <u>£</u>	<u>2021/22</u> <u>Budget</u> <u>£</u>
Commercial Properties	(4,066,900)	(4,501,200)	(4,501,200)	(4,501,200)
Operational Properties	1,271,000	1,665,700	965,700	965,700
Properties Pending Disposal	426,200	221,200	221,200	221,200
	(2,369,700)	(2,614,300)	(3,314,300)	(3,314,300)

	<u>2018/19</u> <u>Revised</u> <u>£</u>	<u>2019/20</u> <u>Budget</u> <u>£</u>	<u>2020/21</u> <u>Budget</u> <u>£</u>	<u>2021/22</u> <u>Budget</u> <u>£</u>
Variation Analysis				
2018/19 ORIGINAL BUDGET	(3,942,500)	(3,942,500)	(3,942,500)	(3,942,500)
Inflation	82,800	118,000	118,000	118,000
Changes in Government Grants	0	0	0	0
Other Government or Outside Body Changes				
- NNDR Realignment	272,800	181,800	181,800	181,800
Demand Led Growth	0	0	0	0
Efficiency Savings	0	(9,800)	(9,800)	(9,800)
Investment Priorities				
- 18-224 (June 2018) Property Consultants Fees	200,000	0	0	0
- 18-429 (Nov 18) Workspace Strategy	200,000	700,000	0	0
Other Growth & Savings				
- Wood/Palladino House Development Rephasing	400,000	0	0	0
- HREG 380 (Feb 19) Office Cleaning Contract		(34,000)	(34,000)	(34,000)
Budget Transfers	417,200	372,200	372,200	372,200
NET EXPENDITURE	(2,369,700)	(2,614,300)	(3,314,300)	(3,314,300)

FINANCE AND CORPORATE RESOURCES

ECONOMIC DEVELOPMENT

	<u>2018/19</u> <u>Revised</u> £	<u>2019/20</u> <u>Budget</u> £	<u>2020/21</u> <u>Budget</u> £	<u>2021/22</u> <u>Budget</u> £
Town Centres	588,300	591,400	591,400	591,400
Economic Development	958,100	679,300	679,300	679,300
	1,546,400	1,270,700	1,270,700	1,270,700

Variation Analysis	<u>2018/19</u> <u>Revised</u> £	<u>2019/20</u> <u>Budget</u> £	<u>2020/21</u> <u>Budget</u> £	<u>2021/22</u> <u>Budget</u> £
2018/19 ORIGINAL BUDGET	1,253,300	1,253,300	1,253,300	1,253,300
Inflation	27,400	74,600	74,600	74,600
Changes in Government Grants	0	0	0	0
Other Government or Outside Body Changes				
NDR Realignment	(300)	0	0	0
Demand Led Growth	0	0	0	0
Efficiency Savings				
- 16-138 (Apr 16) Shared Staffing Arrangement	(25,000)	(25,000)	(25,000)	(25,000)
- Income, Contract and Departmental Efficiencies	0	(22,700)	(22,700)	(22,700)
Other Growth & Savings				
- 18-224 (June 18) Economic Development	297,700			
Budget Transfers	(6,700)	(9,500)	(9,500)	(9,500)
NET EXPENDITURE	1,546,400	1,270,700	1,270,700	1,270,700

FINANCE AND CORPORATE RESOURCES

OTHER ENVIRONMENTAL & REGULATORY SERVICES

	<u>2018/19</u> <u>Revised</u> £	<u>2019/20</u> <u>Budget</u> £	<u>2020/21</u> <u>Budget</u> £	<u>2021/22</u> <u>Budget</u> £
Community Safety	591,900	601,200	601,200	601,200
Coroners' Court and Mortuary	552,600	552,600	552,600	552,600
Regulatory Services	2,085,200	2,098,800	2,098,800	2,098,800
	3,229,700	3,252,600	3,252,600	3,252,600

	<u>2018/19</u> <u>Revised</u> £	<u>2019/20</u> <u>Budget</u> £	<u>2020/21</u> <u>Budget</u> £	<u>2021/22</u> <u>Budget</u> £
Variation Analysis				
2018/19 ORIGINAL BUDGET	3,366,200	3,366,200	3,366,200	3,366,200
Inflation	46,400	97,000	97,000	97,000
Changes in Government Grants	0	0	0	0
Other Government or Outside Body Changes	0	0	0	0
Demand Led Growth	0	0	0	0
Efficiency Savings				
- Income, Contract and Departmental Efficiencies	0	(10,400)	(10,400)	(10,400)
Other Growth & Savings	0	0	0	0
Budget Transfers	(182,900)	(200,200)	(200,200)	(200,200)
NET EXPENDITURE	3,229,700	3,252,600	3,252,600	3,252,600

FINANCE AND CORPORATE RESOURCES

CENTRAL SUPPORT

	<u>2018/19</u> <u>Revised</u> £	<u>2019/20</u> <u>Budget</u> £	<u>2020/21</u> <u>Budget</u> £	<u>2021/22</u> <u>Budget</u> £
Central Services - Resources Directorate	14,203,100	14,284,400	14,284,400	14,284,400
Central Services - Chief Executive's Group	8,780,300	8,719,100	8,683,850	8,683,850
Property Services Support Functions	8,833,800	9,259,800	8,559,800	8,559,800
	31,817,200	32,263,300	31,528,050	31,528,050

Variation Analysis	<u>2018/19</u> <u>Revised</u> £	<u>2019/20</u> <u>Budget</u> £	<u>2020/21</u> <u>Budget</u> £	<u>2021/22</u> <u>Budget</u> £
2018/19 ORIGINAL BUDGET	32,841,900	32,841,900	32,841,900	32,841,900
Inflation for 2018/19	399,600	1,044,400	1,044,400	1,044,400
Changes in Government Grants	0	0	0	0
Other Government or Outside Body Changes	369,600	202,700	167,450	167,450
Demand Led Growth	0	0	0	0
Efficiency Savings	39,000	(438,400)	(438,400)	(438,400)
Other Growth & Savings	0	20,000	20,000	20,000
Investment Priorities	328,300	700,000	0	0
Budget Transfers	(2,161,200)	(2,107,300)	(2,107,300)	(2,107,300)
NET EXPENDITURE	31,817,200	32,263,300	31,528,050	31,528,050

FINANCE AND CORPORATE RESOURCES

CENTRAL SERVICES - RESOURCES

	<u>2018/19</u> <u>Revised</u> £	<u>2019/20</u> <u>Budget</u> £	<u>2020/21</u> <u>Budget</u> £	<u>2021/22</u> <u>Budget</u> £
Corporate Services	6,668,300	6,778,000	6,778,000	6,778,000
Finance Directorate and General Services	968,100	978,900	978,900	978,900
Financial Management	2,596,700	2,688,400	2,688,400	2,688,400
Financial Services	2,061,600	1,906,800	1,906,800	1,906,800
Revenues Services	1,908,400	1,932,300	1,932,300	1,932,300
	14,203,100	14,284,400	14,284,400	14,284,400

	<u>2018/19</u> <u>Revised</u> £	<u>2019/20</u> <u>Budget</u> £	<u>2020/21</u> <u>Budget</u> £	<u>2021/22</u> <u>Budget</u> £
Variation Analysis				
2018/19 ORIGINAL BUDGET	15,435,400	15,435,400	15,435,400	15,435,400
Inflation for 2018/19	207,300	546,800	546,800	546,800
Changes in Government Grants	0	0	0	0
Other Government or Outside Body Changes	0	0	0	0
Demand Led Growth	0	0	0	0
Efficiency Savings				
- 16-103 (Feb 16) Transactional Services Contract	0	(44,000)	(44,000)	(44,000)
- Income, Contract and Departmental Efficiencies	0	(272,100)	(272,100)	(272,100)
Other Growth & Savings	0	0		
Budget Transfers	(1,439,600)	(1,381,700)	(1,381,700)	(1,381,700)
NET EXPENDITURE	14,203,100	14,284,400	14,284,400	14,284,400

FINANCE AND CORPORATE RESOURCES

CENTRAL SERVICES - CHIEF EXECUTIVE'S GROUP

	<u>2018/19</u> <u>Revised</u> £	<u>2019/20</u> <u>Budget</u> £	<u>2020/21</u> <u>Budget</u> £	<u>2021/22</u> <u>Budget</u> £
Customers and Partnerships	2,702,100	2,570,300	2,535,050	2,535,050
Policy & Performance	6,078,200	6,148,800	6,148,800	6,148,800
	8,780,300	8,719,100	8,683,850	8,683,850

	<u>2018/19</u> <u>Revised</u> £	<u>2019/20</u> <u>Budget</u> £	<u>2020/21</u> <u>Budget</u> £	<u>2021/22</u> <u>Budget</u> £
Variation Analysis				
2018/19 ORIGINAL BUDGET	8,533,100	8,533,100	8,533,100	8,533,100
Inflation for 2018/19	87,200	305,300	305,300	305,300
Changes in Government Grants	0	0	0	0
Other Government or Outside Body Changes				
- General Data Protection Regulation Requirements	48,600	(11,200)	(46,450)	(46,450)
Demand Led Growth	0	0	0	0
Efficiency Savings				
- 16-138 (Apr 16) Shared Staffing Arrangement	39,000	39,000	39,000	39,000
- Income, Contract and Departmental Efficiencies		(113,100)	(113,100)	(113,100)
Other Growth & Savings				
- Realignment of Budgets	0	20,000	20,000	20,000
Investment Priorities				
- 18-224 (June 18) Channel Shift Strategy	128,300	0	0	0
Budget Transfers	(55,900)	(54,000)	(54,000)	(54,000)
NET EXPENDITURE	8,780,300	8,719,100	8,683,850	8,683,850

FINANCE AND CORPORATE RESOURCES

PROPERTY SERVICES SUPPORT FUNCTIONS

	<u>2018/19</u> <u>Revised</u> £	<u>2019/20</u> <u>Budget</u> £	<u>2020/21</u> <u>Budget</u> £	<u>2021/22</u> <u>Budget</u> £
Borough Valuers	429,400	431,500	431,500	431,500
Building Costs	4,648,700	4,572,500	4,572,500	4,572,500
Schools Capital	339,300	342,300	342,300	342,300
Facilities Management Team	3,416,400	3,913,500	3,213,500	3,213,500
	8,833,800	9,259,800	8,559,800	8,559,800

	<u>2018/19</u> <u>Revised</u> £	<u>2019/20</u> <u>Budget</u> £	<u>2020/21</u> <u>Budget</u> £	<u>2021/22</u> <u>Budget</u> £
Variation Analysis				
2018/19 ORIGINAL BUDGET	8,873,400	8,873,400	8,873,400	8,873,400
Inflation for 2018/19	105,100	192,300	192,300	192,300
Changes in Government Grants	0	0	0	0
Other Government or Outside Body Changes				
NNDR Realignment	321,000	213,900	213,900	213,900
Demand Led Growth	0	0	0	0
Efficiency Savings	0	0	0	0
- Income, Contract and Departmental Efficiencies	0	(48,200)	(48,200)	(48,200)
Other Growth & Savings	0	0	0	0
Investment Priorities				
18-429 (Nov 18) Workspace Strategy	200,000	700,000	0	0
Budget Transfers	(665,700)	(671,600)	(671,600)	(671,600)
NET EXPENDITURE	8,833,800	9,259,800	8,559,800	8,559,800

HOUSING AND REGENERATION

SUMMARY BY SERVICE AREA

<u>SERVICE</u>	<u>2018/19</u> <u>Revised</u> <u>£</u>	<u>2019/20</u> <u>Budget</u> <u>£</u>	<u>2020/21</u> <u>Budget</u> <u>£</u>	<u>2021/22</u> <u>Budget</u> <u>£</u>
Housing Management and Service Strategy	436,300	122,900	107,900	107,900
Housing Services	6,255,300	5,652,500	9,121,400	9,121,400
Private Sector Housing	642,000	656,900	656,900	656,900
Total Housing and Regeneration	<u>7,333,600</u>	<u>6,432,300</u>	<u>9,886,200</u>	<u>9,886,200</u>

<u>Variation Analysis</u>	<u>2018/19</u> <u>Revised</u> <u>£</u>	<u>2019/20</u> <u>Budget</u> <u>£</u>	<u>2020/21</u> <u>Budget</u> <u>£</u>	<u>2021/22</u> <u>Budget</u> <u>£</u>
2018/19 ORIGINAL BUDGET	6,164,400	6,164,400	6,164,400	6,164,400
Inflation	50,600	167,300	167,300	167,300
Changes in Government Grants	160,600	(361,600)	3,092,300	3,092,300
Other Government or Outside Body Changes	0	0	0	0
Demand Led Growth	677,600	594,300	594,300	594,300
Efficiency Savings	0	(161,100)	(161,100)	(161,100)
Other Growth and Savings	100,000	(5,400)	(5,400)	(5,400)
Budget Transfers	180,400	34,400	34,400	34,400
NET EXPENDITURE	<u>7,333,600</u>	<u>6,432,300</u>	<u>9,886,200</u>	<u>9,886,200</u>

HOUSING AND REGENERATION

SUBJECTIVE ANALYSIS

	<u>2018/19</u> <u>Revised</u> £	<u>2019/20</u> <u>Budget</u> £	<u>2020/21</u> <u>Budget</u> £	<u>2021/22</u> <u>Budget</u> £
<u>Expenditure</u>				
Employees	5,134,300	5,143,000	5,143,000	5,143,000
Premises	343,200	365,800	365,800	365,800
Transport	27,000	27,000	27,000	27,000
Supplies & Services	1,094,100	672,800	657,800	657,800
Third Party Payments	18,569,600	18,379,800	18,379,800	18,379,800
Transfer Payments	12,771,800	1,484,400	1,484,400	1,484,400
Support Service Recharges	914,000	915,800	915,800	915,800
Depreciation & Impairment	0	0	0	0
TOTAL EXPENDITURE	38,854,000	26,988,600	26,973,600	26,973,600
Government Grants	(14,448,000)	(3,765,300)	(296,400)	(296,400)
Other Grants & Contributions	(357,100)	(357,100)	(357,100)	(357,100)
Customer & Client Receipts	(14,221,300)	(13,939,900)	(13,939,900)	(13,939,900)
Departmental Recharge Income	(2,123,800)	(2,123,800)	(2,123,800)	(2,123,800)
Recharge Income	(370,200)	(370,200)	(370,200)	(370,200)
TOTAL INCOME	(31,520,400)	(20,556,300)	(17,087,400)	(17,087,400)
NET EXPENDITURE	7,333,600	6,432,300	9,886,200	9,886,200

HOUSING AND REGENERATION

HOUSING MANAGEMENT AND SERVICE STRATEGY

	<u>2018/19</u>	<u>2019/20</u>	<u>2020/21</u>	<u>2021/22</u>
	<u>Revised</u>	<u>Budget</u>	<u>Budget</u>	<u>Budget</u>
	£	£	£	£
Affordable Housing and Service Strategy	141,800	(5,500)	(20,500)	(20,500)
Animal Welfare	38,500	40,000	40,000	40,000
Graffiti Removal	172,400	173,600	173,600	173,600
House Purchase and Leaseholder Advances	(31,300)	(31,300)	(31,300)	(31,300)
Public Health Initiatives	162,100	14,000	14,000	14,000
Travellers Site	(42,500)	(44,300)	(44,300)	(44,300)
Warden Services, Watch and Telecare	(4,700)	(23,600)	(23,600)	(23,600)
	436,300	122,900	107,900	107,900

	<u>2018/19</u>	<u>2019/20</u>	<u>2020/21</u>	<u>2021/22</u>
	<u>Revised</u>	<u>Budget</u>	<u>Budget</u>	<u>Budget</u>
	£	£	£	£
Variation Analysis				
2018/19 ORIGINAL BUDGET	218,400	218,400	218,400	218,400
Inflation	4,800	28,100	28,100	28,100
Changes in Government Grants				
- 17-178 (June 17) Self and Custom Build Expenditure		(15,000)	(30,000)	(30,000)
- 18-224 (June 18) Self and Custom Build Expenditure	136,000	0	0	0
- Fire Retardent Bedding Grant Expenditure	24,600	0	0	0
Other Government or Outside Body Changes	0	0	0	0
Demand Led Growth	0	0	0	0
Efficiency Savings				
- Community Development Costs Met from HRA	0	(150,000)	(150,000)	(150,000)
- Income, Contract and Departmental Efficiencies	0	(8,700)	(8,700)	(8,700)
Other Growth and Savings				
- 18-420 (Nov 18) Review of Fees and Charges	0	(2,400)	(2,400)	(2,400)
Budget Transfers	52,500	52,500	52,500	52,500
NET EXPENDITURE	436,300	122,900	107,900	107,900

HOUSING AND REGENERATION

HOUSING SERVICES

	<u>2018/19</u> <u>Revised</u> £	<u>2019/20</u> <u>Budget</u> £	<u>2020/21</u> <u>Budget</u> £	<u>2021/22</u> <u>Budget</u> £
Direct Asylum Seeker and Other Destitute Costs	574,200	574,200	574,200	574,200
Homelessness Prevention Schemes	1,069,300	1,084,000	1,341,500	1,341,500
Direct Homelessness Costs	2,796,400	2,106,100	5,317,500	5,317,500
Housing Services Administration	1,815,400	1,888,200	1,888,200	1,888,200
	6,255,300	5,652,500	9,121,400	9,121,400

	<u>2018/19</u> <u>Revised</u> £	<u>2019/20</u> <u>Budget</u> £	<u>2020/21</u> <u>Budget</u> £	<u>2021/22</u> <u>Budget</u> £
Variation Analysis				
2018/19 ORIGINAL BUDGET	5,313,800	5,313,800	5,313,800	5,313,800
Inflation	33,900	109,800	109,800	109,800
Changes in Government Grants				
- Flexible Homelessness Grant	0	(361,300)	2,850,100	2,850,100
- New Burdens Grant Income - Homelessness Reductic	0	14,700	272,200	272,200
Other Government or Outside Body Changes				
- SPEAR Grant Expenditure	191,500	0	0	0
- SPEAR Grant Income	(191,500)	0	0	0
Demand Led Growth				
- 18-163 (Jun 18) Homelessness Review and New Incentive	677,600	594,300	594,300	594,300
Efficiency Savings				
- Income, Contract and Departmental Efficiencies		(2,100)	(2,100)	(2,100)
Other Growth and Savings				
- Wood/Palladino House Development Rephasing	100,000	0	0	0
Budget Transfers	130,000	(16,700)	(16,700)	(16,700)
NET EXPENDITURE	6,255,300	5,652,500	9,121,400	9,121,400

HOUSING AND REGENERATION

PRIVATE SECTOR HOUSING

	<u>2018/19</u> <u>Revised</u>	<u>2019/20</u> <u>Budget</u>	<u>2020/21</u> <u>Budget</u>	<u>2021/22</u> <u>Budget</u>
	£	£	£	£
Home Improvement Agency	12,600	17,100	17,100	17,100
Private Sector Housing	629,400	639,800	639,800	639,800
	642,000	656,900	656,900	656,900

	<u>2018/19</u> <u>Revised</u>	<u>2019/20</u> <u>Budget</u>	<u>2020/21</u> <u>Budget</u>	<u>2021/22</u> <u>Budget</u>
	£	£	£	£
Variation Analysis				
2018/19 ORIGINAL BUDGET	632,200	632,200	632,200	632,200
Inflation	11,900	29,400	29,400	29,400
Changes in Government Grants	0	0	0	0
Other Government or Outside Body Changes	0	0	0	0
Demand Led Growth	0	0	0	0
Efficiency Savings				
- Income, Contract and Departmental Efficiencies		(300)	(300)	(300)
Other Growth and Savings				
- 18-420 (Nov 18) Review of Fees and Charges		(3,000)	(3,000)	(3,000)
Budget Transfers	(2,100)	(1,400)	(1,400)	(1,400)
NET EXPENDITURE	642,000	656,900	656,900	656,900

STRATEGIC PLANNING & TRANSPORTATION

SUMMARY BY SERVICE AREA

<u>SERVICE</u>	<u>2018/19</u> <u>Revised</u> £	<u>2019/20</u> <u>Budget</u> £	<u>2020/21</u> <u>Budget</u> £	<u>2021/22</u> <u>Budget</u> £
ECS Management & Support	5,866,600	5,866,600	5,866,600	5,866,600
Planning & Transport	1,114,500	876,300	667,300	667,300
Traffic & Engineering	(3,499,400)	(6,765,000)	(7,534,000)	(7,534,000)
TOTAL NET EXPENDITURE	3,481,700	(22,100)	(1,000,100)	(1,000,100)

<u>Variation Analysis</u>	<u>2018/19</u> <u>Revised</u> £	<u>2019/20</u> <u>Budget</u> £	<u>2020/21</u> <u>Budget</u> £	<u>2021/22</u> <u>Budget</u> £
2018/19 ORIGINAL BUDGET	4,182,000	4,182,000	4,182,000	4,182,000
Inflation	308,500	490,700	490,700	490,700
Other Government or Outside Body Changes	29,100	148,800	148,800	148,800
Demand Led Growth	0	0	0	0
Efficiency Savings	0	(224,300)	(587,300)	(587,300)
Investment Priorities	200,000	0	0	0
Other Growth & Savings	(892,800)	(4,267,800)	(4,882,800)	(4,882,800)
Budget Transfers	(345,100)	(351,500)	(351,500)	(351,500)
NET EXPENDITURE	3,481,700	(22,100)	(1,000,100)	(1,000,100)

STRATEGIC PLANNING & TRANSPORTATION

SUBJECTIVE ANALYSIS

	<u>2018/19</u> <u>Revised</u> <u>£</u>	<u>2019/20</u> <u>Budget</u> <u>£</u>	<u>2020/21</u> <u>Budget</u> <u>£</u>	<u>2021/22</u> <u>Budget</u> <u>£</u>
<u>Expenditure</u>				
Employees	4,251,200	4,313,500	4,104,500	4,104,500
Premises	1,260,000	1,260,200	1,260,200	1,260,200
Transport	20,300	20,300	20,300	20,300
Supplies & Services	4,264,600	3,968,200	3,968,200	3,968,200
Third Party Payments	7,123,300	6,676,000	6,676,000	6,676,000
Transfer Payments	14,017,700	14,134,700	14,134,700	14,134,700
Support Service Recharges	2,574,300	2,474,300	2,474,300	2,474,300
Depreciation & Impairment	6,087,500	6,087,500	6,087,500	6,087,500
TOTAL EXPENDITURE	39,598,900	38,934,700	38,725,700	38,725,700
<u>Income</u>				
Government Grants	0	0	0	0
Other Grants & Contributions	(386,000)	(386,000)	(386,000)	(386,000)
Customer & Client Receipts	(35,194,200)	(38,033,800)	(38,802,800)	(38,802,800)
Departmental Recharge Income	(396,300)	(396,300)	(396,300)	(396,300)
Recharge Income	(140,700)	(140,700)	(140,700)	(140,700)
TOTAL INCOME	(36,117,200)	(38,956,800)	(39,725,800)	(39,725,800)
NET EXPENDITURE	3,481,700	(22,100)	(1,000,100)	(1,000,100)

STRATEGIC PLANNING & TRANSPORTATION

ECS MANAGEMENT

	<u>2018/19</u> <u>Revised</u> <u>£</u>	<u>2019/20</u> <u>Budget</u> <u>£</u>	<u>2020/21</u> <u>Budget</u> <u>£</u>	<u>2021/22</u> <u>Budget</u> <u>£</u>
Analysis by Service				
Precepts & Levies	5,866,600	5,866,600	5,866,600	5,866,600
	5,866,600	5,866,600	5,866,600	5,866,600

	<u>2018/19</u> <u>Revised</u> <u>£</u>	<u>2019/20</u> <u>Budget</u> <u>£</u>	<u>2020/21</u> <u>Budget</u> <u>£</u>	<u>2021/22</u> <u>Budget</u> <u>£</u>
Variation Analysis				
2018/19 ORIGINAL BUDGET	5,778,800	5,778,800	5,778,800	5,778,800
Inflation	0	0	0	0
Changes in Government Grants	0	0	0	0
Other Government or Outside Body Changes				
- Flood Defence Levy 2018/19	5,500	5,500	5,500	5,500
Demand Led Growth	0	0	0	0
Efficiency Savings	0	0	0	0
Other Growth & Savings	0	0	0	0
Budget Transfers	82,300	82,300	82,300	82,300
NET EXPENDITURE	5,866,600	5,866,600	5,866,600	5,866,600

STRATEGIC PLANNING & TRANSPORTATION

PLANNING & TRANSPORT

	<u>2018/19</u> <u>Revised</u> £	<u>2019/20</u> <u>Budget</u> £	<u>2020/21</u> <u>Budget</u> £	<u>2021/22</u> <u>Budget</u> £
Analysis by Service				
Building Control	(41,800)	(40,100)	(40,100)	(40,100)
Development Management	(507,600)	(642,200)	(642,200)	(642,200)
Information & Business Support	253,500	258,600	258,600	258,600
Policy & Design	1,189,700	1,075,200	866,200	866,200
Transport Strategy	220,700	224,800	224,800	224,800
	1,114,500	876,300	667,300	667,300

	<u>2018/19</u> <u>Revised</u> £	<u>2019/20</u> <u>Budget</u> £	<u>2020/21</u> <u>Budget</u> £	<u>2021/22</u> <u>Budget</u> £
Variation Analysis				
2018/19 ORIGINAL BUDGET	1,175,100	1,175,100	1,175,100	1,175,100
Inflation for 2018/19	42,500	104,200	104,200	104,200
Changes in Government Grants	0	0	0	0
Other Government or Outside Body Changes	0	0	0	0
Demand Led Growth	0	0	0	0
Efficiency Savings				
- 16-138 (Apr 16) Shared Staffing Arrangement	0	(10,000)	(204,000)	(204,000)
- 18-411 (Nov 18) Review of Charges	0	(109,600)	(109,600)	(109,600)
- Other Efficiency Savings		(18,400)	(18,400)	(18,400)
Other Growth & Savings				
- 17-178 (July 17) Self and Custom Build Expenditure	0	(15,000)	(30,000)	(30,000)
- Administration Costs Funded by CIL	0	(100,000)	(100,000)	(100,000)
- Planning Application Site Notices		(40,000)	(40,000)	(40,000)
Budget Transfers	(103,100)	(110,000)	(110,000)	(110,000)
NET EXPENDITURE	1,114,500	876,300	667,300	667,300

STRATEGIC PLANNING & TRANSPORTATION

TRAFFIC & ENGINEERING

	<u>2018/19</u>	<u>2019/20</u>	<u>2020/21</u>	<u>2021/22</u>
	<u>Revised</u>	<u>Budget</u>	<u>Budget</u>	<u>Budget</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Analysis by Service				
Engineering 1 - Parking and Traffic	958,200	963,200	963,200	963,200
Engineering 2 - Highways	2,066,000	2,066,000	2,066,000	2,066,000
Engineering 3 - Road Safety	2,648,000	2,151,500	2,151,500	2,151,500
Parking inc Contract Management	(26,420,200)	(29,134,300)	(29,734,300)	(29,734,300)
Parking Administration	2,706,600	2,523,700	2,523,700	2,523,700
CCTV	416,000	419,400	250,400	250,400
Concessionary Fares	14,126,000	14,245,500	14,245,500	14,245,500
	(3,499,400)	(6,765,000)	(7,534,000)	(7,534,000)

	<u>2018/19</u>	<u>2019/20</u>	<u>2020/21</u>	<u>2021/22</u>
	<u>Revised</u>	<u>Budget</u>	<u>Budget</u>	<u>Budget</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Variation Analysis				
2018/19 ORIGINAL BUDGET	(2,771,900)	(2,771,900)	(2,771,900)	(2,771,900)
Inflation for 2018/19	266,000	386,500	386,500	386,500
Changes in Government Grants	0	0	0	0
Other Government or Outside Body Changes				
- Concessionary Fares	0	117,000	117,000	117,000
- TfL Traffic Technology Levy	23,600	23,600	23,600	23,600
- TfL Traffic Signals Maintenance	0	2,700	2,700	2,700
Demand Led Growth	0	0	0	0
Efficiency Savings				
- 16-138 (Apr 16) Shared Staffing Arrangement	0	0	(169,000)	(169,000)
- Other Efficiency Savings	0	(86,300)	(86,300)	(86,300)
Investment Priorities				
-18-224 (June 18) Parking System	200,000	0	0	0
Other Growth & Savings				
- 16-256 (July 16) Street Lighting Energy Efficiency	(250,000)	(250,000)	(250,000)	(250,000)
- Pay by Phone Joint Contract	0	(120,000)	(120,000)	(120,000)
- SO84 12-201 Insurance Tender Efficiencies	(192,100)	(192,100)	(192,100)	(192,100)
- Trip Hazards Insurance Premium	(450,700)	(450,700)	(450,700)	(450,700)
- Revenue Highways Maintenance Funding	0	(500,000)	(500,000)	(500,000)
- 19-33 (February 19) Review of Parking Charges		(2,600,000)	(3,200,000)	(3,200,000)
Budget Transfers	(324,300)	(323,800)	(323,800)	(323,800)
NET EXPENDITURE	(3,499,400)	(6,765,000)	(7,534,000)	(7,534,000)

WANDSWORTH BOROUGH COUNCIL

FINANCE AND CORPORATE RESOURCES OVERVIEW AND SCRUTINY
COMMITTEE – 16TH JANUARY 2019

EXECUTIVE – 21ST JANUARY 2019

Report by the Director of Resources on proposed additions to the General Fund
Capital Programme

SUMMARY

This is the annual General Fund Capital Bids report.

It is proposed to add capital schemes costing £30.2 million gross to the capital programme in 2019/20, 2020/21 and future years, including £22.6 million being met by grant and £7.6 million met by capital receipts.

The net Council-financed schemes would increase net revenue expenditure by £88,000 in a full year, equivalent to £0.66 Council Tax at Band D. A new budget framework for the General Capital Programme is therefore recommended for adoption by the Council.

GLOSSARY

CIL	- Community Infrastructure Levy
DfE	- Department for Education
DIFS	- Development Infrastructure Funding Study
GLA	- Greater London Authority
HRA	- Housing Revenue Account
PWLB	- Public Works Loan Board
TfL	- Transport for London
VNEB	- Vauxhall Nine Elms Opportunity Area

RECOMMENDATIONS

1. The Finance and Corporate Resources Overview and Scrutiny Committee are recommended to support the recommendations in paragraph 2. If they approve any views, comments or recommendations on the report, these will

Proposed additions to the General Capital Programme

be submitted to the Executive or the appropriate regulatory and other committees for their consideration.

2. The Executive is recommended to:
 - (a) approve the additions to the General Capital Programme and revenue effects as set out in Appendix A to this report; and
 - (b) recommend the Council to adopt the capital programme summarised in paragraph 10, the capital receipts statement shown in paragraph 19, and the limit on the Executive's discretion described in paragraph 23, as the framework for the general (non-Housing Revenue Account) capital budget.

INTRODUCTION

3. On 17th October 2018, on the recommendation of the Executive on 8th October 2018 (Paper No. 18-330), the Council adopted the General Capital Programme and its financing for the years 2018/19 to 2020/21. The Executive instructed all Directors to put forward any proposed additions for consideration in this cycle of meetings. This paper updates the previous review in the light of latest information on potential finance and of the additional spending now proposed.

NEW ADDITIONS TO THE GENERAL CAPITAL PROGRAMME

4. Due to the current financial circumstances and the overall pressures on council tax in the next few years, the process that was adopted in 2013 in respect of additions to the capital programme has again been used. The general assumptions in relation to the funding of new capital schemes are as follows:
 - (a) Schools expenditure for repairs and new places (both primary and secondary) will normally be limited to that funded from either Government grant, or from directly linked site sales. The Department for Education has yet to notify the Council of its grant support for 2019/20. If further grant funding is received, a list of prioritised schemes will be presented to the Education and Children's Services Overview and Scrutiny Committee with a recommendation to approve additions to the capital programme at that time;
 - (b) for non-housing and non-school-related Council operational property, schemes will be restricted to those that will either provide future revenue savings, are critical to keeping a property in use or will facilitate the Council's regeneration schemes. Schemes that are critical to keeping a property in use have been selected based upon the current condition information and maintenance forecast. These

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Proposed additions to the General Capital Programme

schemes are required to mitigate any health and safety issues (such as fire alarm replacement or electrical rewiring) or involve boiler/heating equipment at the end of its useful life. All schemes progressed will be conditional on retention of the properties for Council use beyond 2019. Total operational property bids are £2.8 million;

- (c) routine bids for loans to leaseholders and Disabled Facilities Grants totalling £1.8 million are included in Appendix B and are funded from grant or other contributions and so have no impact on available General Fund capital receipts;
 - (d) Highways and other related schemes bids include £3 million capital investment in carriageways and footways across the Borough; and
 - (e) schemes to be funded from Section 106 contributions or Community Infrastructure Levy (CIL) will be assessed on their merits and, whilst these may initially be predicated on assumed levels of receipts, any successful bids will ultimately need to take account of actual resources available.
5. Further consideration will also need to be given to any potential capital investment linked to the upcoming retendering of various leisure related contracts and any other investment priorities identified, and in particular how any such investment might be funded.
6. The proposed additions to the capital programme include CIL and DIFS (Development Infrastructure Funding Study) Nine Elms Section 106 contributions for schemes that are within the Vauxhall Nine Elms Opportunity (VNEB) Area (Queenstown). As residents begin moving into Nine Elms a range of projects are necessary to provide social and improved transport infrastructure for the incoming population and to assist with place-making. Bids totalling £20.8 million are recommended for approval and are detailed in Appendix A.
7. A capital bid of £0.5 million is recommended for the completion of the refurbishment of Gwynneth Morgan Resource Centre.
8. Following consultation with Cabinet Members, additions to the General Capital programme have been included, taking account of the resulting revenue costs. Gross additions, including budget variations requested of £30.2 million are included, with £22.6 million met by grant and £7.6 million by capital receipts. The additions of £30.2 million now recommended are shown in Appendix A to this report and are summarised as follows:

Proposed additions to the General Capital Programme

Additions to existing programme	CAPITAL COSTS			REVENUE EFFECTS		
	<u>2019/20</u>	<u>2020/21</u>	<u>Future Years</u>	<u>2019/20</u>	<u>2020/21</u>	<u>Full Year</u>
	£'000	£'000	£'000	£'000	£'000	£'000
SERVICES						
Adult Care and Health	500	0	0	2	4	4
Community Services	1,306	661	0	8	20	23
Education & Children Services	125	0	0	1	1	1
Finance & Corporate Resources	887	250	6,410	5	11	12
Housing & Regeneration (Non-HRA)	1,894	857	0	3	8	11
Strategic Planning & Transportation	2,337	11,295	3,631	0	19	37
	7,049	13,063	10,041	18	63	88

REVISED GENERAL CAPITAL PROGRAMME

9. The programme approved in Paper No. 18-330 has been amended to reflect virements and budget variations subsequently, and budget variations for expenditure requested in this committee cycle. The changes are shown in the following table: -

	<u>2018/19</u>	<u>2019/20</u>	<u>2020/21</u>	<u>2021/22</u>	<u>2022/23</u>
	£'000	£'000	£'000	£'000	£'000
Approved programme as per Paper No. 18-330	84,766	84,101	42,681	521	-
Approved budget variations since then	280	3,328	-	-	-
Approved programme	85,046	87,429	42,681	521	-
Slippage	(3,433)	(13,171)	11,600	5,004	-
Additions/budget variations requested from Executive 21st January 2019	-	7,049	13,063	10,041	-
Revised programme following review of schemes	81,613	81,307	67,344	15,566	-

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Proposed additions to the General Capital Programme

10. The amended capital programme, together with the additions above, is shown in full in Appendix B (including future years) and would produce total capital expenditure and revenue effects as follows:

Revised capital programme	CAPITAL COSTS			REVENUE EFFECTS		
	<u>2017/18</u>	<u>2018/19</u>	<u>2019/20</u>	<u>2018/19</u>	<u>2019/20</u>	<u>Full year</u>
	£'000	£'000	£'000	£'000	£'000	£'000
SERVICES						
Adult Care and Health	4,153	1,077	99	47	54	55
Community Services	8,526	4,918	661	74	105	109
Education & Children's Services	7,846	13,892	20,397	34	37	37
Finance & Corporate Resources	18,161	31,085	11,424	141	178	180
Housing & Regeneration (Non-HRA)	4,154	5,894	857	3	8	11
Strategic Planning & Transportation	38,773	24,441	33,906	132	172	190
	81,613	81,307	67,344	431	554	582

FINANCING THE GENERAL CAPITAL PROGRAMME

11. The potential sources of finance for the Council's capital expenditure are: -
- (a) grants 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.
12. Borrowing is financially disadvantageous compared with the alternative of investment realisation, so long as the Council has substantial investments available for this purpose. Any use of borrowing will add to future years' revenue costs at a time when future revenue support from central Government is uncertain and there are constraints on the level to which borrowing can be supported by council tax increases. Thus, the Council will continue to minimise use of borrowing, although consideration will be given for its use to fund "invest to save" schemes where other funding is not available.
13. There currently appears to be no prospect of the Government issuing wholly unearmarked grants, and grants continue to be earmarked for particular schemes or services. Contributions from Council revenue accounts are

Proposed additions to the General Capital Programme

rarely available for the General Capital Programme because of the impact on council tax. Currently then, the major sources of finance for the Council's general capital expenditure are earmarked grants and realisation of investments. These are discussed in more detail below.

GRANTS AND REIMBURSEMENTS

14. Grants and reimbursements expected to support the programme over future years total £197.4 million. The most significant are schemes funded through CIL proceeds, DIFS (Development Infrastructure Funding Study) Nine Elms Section 106 contributions and other Section 106 contributions of £127.4 million (this includes Neighbourhood CIL) and ringfenced capital grant yet to be received of £36.6 million and to be used to fund the expansion of the Royal College of Art (RCA) in Battersea. Other major schemes include Government grants for education schemes totalling around £18.5 million and schemes funded by TfL grant of £4.9 million.

REALISATION OF INVESTMENTS

15. 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 Council's total investments as at 31st December 2018 were £598 million, but these relate almost entirely to current liabilities and to General Fund reserves for contingencies and specific purposes. The 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 (HRA) and a small element of the Renewals Fund.
16. As the use of HRA receipts for capital spending in the General Fund is in most cases restricted by Regulation, forecast capital receipts shown in the table in paragraph 19 include mainly estimates relating to sales of General Fund sites already identified as surplus, amounting to £32.0 million over the next five years. These figures include estimates of further receipts due largely to the Atheldene redevelopment and, in general, future receipts are estimated to be at much lower levels than have been received in recent years. Limited HRA receipts might become available for General Fund use, particularly for estate regeneration schemes, but these will be added in as appropriate in due course. Capital receipts could also be used for revenue spend under the Government's "flexible use of capital receipts" initiative and reported to this committee in Paper No. 18-330. This could contribute to alleviating the pressure on revenue resources but would however reduce the availability of resources for capital spending.

COMMUNITY INFRASTRUCTURE LEVY

17. 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, and is index linked from the date that the scheme was introduced to the date of planning approval. Under the requirements of the legislation governing the CIL, 15% of all receipts must be earmarked for use in the local area (“Neighbourhood CIL) from where they are received and the arrangements for this in Wandsworth are implemented through the Wandsworth Local Fund (WLF). After a further deduction of an amount set aside for administration, capped at 5%, outstanding CIL income is treated as capital resources to fund capital infrastructure works throughout the Borough, not ringfenced to the area of development. CIL income arising within the Vauxhall Nine Elms Opportunity (VNEB) 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.
18. Since its inception a prudent approach has been taken to the approval of schemes funded from CIL to ensure all expenditure commitments are fully funded as future projections of CIL income are, by their very nature, not guaranteed. The Council may carry forward CIL income to fund future identified infrastructure schemes and so far, income has exceeded expenditure, but significant expenditure is anticipated to take place in relation to CIL in the next few years. The proposed additions to the programme currently include £20.8m to be funded by CIL/DIFS in the VNEB Opportunity Area. For the wider Wandsworth area (i.e. excluding Nine Elms) expenditure schemes totalling £48 million have already been identified (largely relating to the Wandsworth One Way System) with CIL receipts at the end of 2017/18 of £93 million.

USE OF CAPITAL GRANTS AND RECEIPTS

19. The table below compares the estimated capital resources with the capital payments to be financed. The £37 million usable receipts at the start of 2018/19 will generally decrease over time as the use of receipts in each year exceeds the new receipts received.

	<u>2018/19</u>	<u>2019/20</u>	<u>2020/21</u>	<u>2021/22</u>	<u>2022/23</u>
	£'000	£'000	£'000	£'000	£'000
Usable Capital Receipts at start of year	36,978	34,281	23,987	25,735	20,535
Add: Grants and reimbursements	53,747	65,368	62,692	15,566	-
Add: Renewals Fund	-	-	-	-	-

(Paper No. 19-21)

Proposed additions to the General Capital Programme

Add: New capital receipts	15,169	5,645	6,400	4,800	-
Less: Total General Capital Payments (after slippage)	(71,613)	(81,307)	(67,344)	(25,566)	(10,000)
Usable Capital Receipts at end of year	34,281	23,987	25,735	20,535	10,535

REVENUE EFFECTS

20. 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.
21. The revenue effects, based on the loss of investment interest at the current budgeted rate, of the revised General Fund capital programme are shown in the table in paragraph 10, with a full year annual impact of £582,000 equivalent to £4.37 Band D council tax. The revenue effects of the additions now proposed, based upon the loss of investment interest, amount to £18,000 in 2019/20, £63,000 in 2020/21 and £88,000 in a full year. The net revenue effects, as shown in the table in paragraph 8 above, would have a full year annual cost of £88,000 equivalent to £0.66 Band D Council Tax, and will be included as part of the 2019/20 Council Tax setting process.

GENERAL CAPITAL PROGRAMME FRAMEWORK

22. The table in paragraph 19 updates the general capital budget framework to take account of the latest forecast of spending, grants and receipts. It also includes reference to the financial years 2020/21, 2021/22 and 2022/23. To serve as the new framework, it needs to be adopted as such at a meeting of the full Council.
23. The capital framework was approved by the Finance and Corporate Resources OSC in Paper No. 15-25 and approved by the Executive on 28th January 2015. Annually the Council may commit to capital expenditure whereby a minimum level of capital receipts has to be retained and the proposed limit for 2019/20 is £15 million. The additional full year annual impact of such a reduction in capital receipts in 2020/21 would be equivalent to about £0.97 on Band D Council Tax.

The Town Hall,
Wandsworth,
SW18 2PU.

MARK MAIDMENT
Director of Resources

8th January 2018

Background papers

There are no background papers to 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) unless the report was published before May 2001, in which case the democratic services officer can supply it if required.

CAPITAL BIDS SUMMARY	CAPITAL COSTS				REVENUE EFFECTS		
	<u>2018/19</u>	<u>2019/20</u>	<u>2020/21</u>	<u>Future</u>	<u>2019/20</u>	<u>2020/21</u>	<u>FULL</u>
<u>COMMITTEE</u>	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>	<u>Years</u>	<u>£'000</u>	<u>£'000</u>	<u>YEAR</u>
				<u>£'000</u>			<u>£'000</u>
ADULT CARE & HEALTH	0	500	0	0	2	4	4
COMMUNITY SERVICES	0	1,306	661	0	8	20	23
EDUCATION & CHILDREN'S SERVICES	0	125	0	0	1	1	1
FINANCE & CORPORATE RESOURCES	0	887	250	6,410	5	11	12
HOUSING (non-HRA)	0	1,894	857	0	3	8	11
STRATEGIC PLANNING AND TRANSPORTATIO	0	2,337	11,295	3,631	0	19	37
	<u>0</u>	<u>7,049</u>	<u>13,063</u>	<u>10,041</u>	<u>18</u>	<u>63</u>	<u>88</u>

The table below shows the total capital programme after addition of the general capital bids as shown above. Any changes to the HRA capital programme are excluded.

REVISED CAPITAL PROGRAMME	CAPITAL COSTS				REVENUE EFFECTS		
	<u>2018/19</u>	<u>2019/20</u>	<u>2020/21</u>	<u>Future</u>	<u>2019/20</u>	<u>2020/21</u>	<u>FULL</u>
<u>COMMITTEE</u>	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>	<u>Years</u>	<u>£'000</u>	<u>£'000</u>	<u>YEAR</u>
				<u>£'000</u>			<u>£'000</u>
ADULT CARE & HEALTH	4,153	1,077	99	0	47	54	55
COMMUNITY SERVICES	8,526	4,918	661	0	74	105	109
EDUCATION & CHILDREN'S SERVICES	7,846	13,892	20,397	0	34	37	37
FINANCE & CORPORATE RESOURCES	18,161	31,085	11,424	6,931	141	178	180
HOUSING & REGENERATION (non-HRA)	4,154	5,894	857	0	3	8	11
STRATEGIC PLANNING & TRANSPORTATION	38,773	24,441	33,906	8,635	132	172	190
	<u>81,613</u>	<u>81,307</u>	<u>67,344</u>	<u>15,566</u>	<u>431</u>	<u>554</u>	<u>582</u>

Appendix A to Paper No. 19-21**Proposed Additions to General Fund Capital Programme**

<u>ADULT CARE AND HEALTH</u>	CAPITAL COSTS			REVENUE EFFECTS		
	<u>2018/19</u> £'000	<u>2019/20</u> £'000	<u>2020/21</u> £'000	<u>2019/20</u> £'000	<u>2020/21</u> £'000	FULL YEAR £'000
Gwynneth Morgan Resource Centre Fit Out	0	500	0	2	4	4
TOTAL ADULT CARE AND HEALTH	<u>0</u>	<u>500</u>	<u>0</u>	<u>2</u>	<u>4</u>	<u>4</u>

Appendix A to Paper No. 19-21**Proposed Additions to General Fund Capital Programme**

	CAPITAL COSTS			REVENUE EFFECTS		
	<u>2018/19</u> £'000	<u>2019/20</u> £'000	<u>2020/21</u> £'000	<u>2019/20</u> £'000	<u>2020/21</u> £'000	FULL <u>YEAR</u> £'000
COMMUNITY SERVICES						
LEISURE CENTRES AND SPORTS SERVICES						
Tooting Bec Structure and Filter House Replacement	0	549	0	3	7	7
Latchmere Leisure Centre Boundary Wall Repairs	0	107	0	1	1	1
TOTAL LEISURE CENTRES AND SPORTS SERVICES	0	656	0	4	8	8
PARKS AND OPEN SPACES						
Beatrix Potter Allotment Boundary Wall Repairs	0	30	0	0	0	0
Paths Resurfacing in Parks	0	150	150	1	3	4
Boundary Railings Refurbishment and Replacement	0	100	100	1	2	2
Refurbishment of Floodlights	0	170	0	1	2	2
TOTAL PARKS AND OPEN SPACES	0	450	250	3	7	8
CEMETERIES AND CREMATORIA						
Putney Vale Crematorium Electrical Rewire	0	200	0	1	2	2
TOTAL CEMETERIES AND CREMATORIA	0	200	0	1	2	2
LIBRARIES AND HERITAGE						
Balham Library Boiler Replacement	0	0	137	0	1	2
Battersea Library Boiler Replacement	0	0	152	0	1	2
Putney Library Boiler Replacement	0	0	122	0	1	1
TOTAL LIBRARIES AND HERITAGE	0	0	411	0	3	5
TOTAL COMMUNITY SERVICES	0	1,306	661	8	20	23

Appendix A to Paper No. 19-21

Proposed Additions to General Fund Capital Programme

<u>EDUCATION AND CHILDREN'S SERVICES</u>	CAPITAL COSTS			REVENUE EFFECTS		
	<u>2018/19</u> £'000	<u>2019/20</u> £'000	<u>2020/21</u> £'000	<u>2019/20</u> £'000	<u>2020/21</u> £'000	<u>FULL</u> <u>YEAR</u> £'000
OTHER CHILDREN'S SERVICES						
Heathbrook Park Youth Club Roof Repairs	0	39	0	0	0	0
Tooting Hub, St Peter's Church Fencing	0	86	0	1	1	1
TOTAL EDUCATION & CHILDREN'S SERVICES	<u>0</u>	<u>125</u>	<u>0</u>	<u>1</u>	<u>1</u>	<u>1</u>

<u>FINANCE AND CORPORATE RESOURCES</u>	CAPITAL COSTS				REVENUE EFFECTS		
	<u>2018/19</u>	<u>2019/20</u>	<u>2020/21</u>	Future	<u>2019/20</u>	<u>2020/21</u>	FULL
	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>	<u>Years</u>	<u>£'000</u>	<u>£'000</u>	<u>YEAR</u>
OPERATIONAL BUILDINGS							
Statutory Compliance Remedial Works Core Buildings	0	300	0	0	2	4	4
Emergency Plant and Equipment In Core Buildings	0	200	0	0	1	2	2
Town Hall Air Conditioning to IT Server Centre	0	97	0	0	1	1	1
Reed House Lift & Drainage	0	215	0	0	1	3	3
TOTAL OPERATIONAL BUILDINGS	0	812	0	0	5	10	10
IT SERVICES							
IT Infrastructure - PCI & PSN Compliance	0	75	50	0	0	1	2
TOTAL IT SERVICES	0	75	50	0	0	1	2
SCHEMES IN THE NINE ELMS REGENERATION AREA							
Health Facilities	0	0	0	6,410			
Project Development Fees	0	0	200	0	0	0	0
TOTAL SCHEMES IN NINE ELMS	0	0	200	6,410	0	0	0
TOTAL FINANCE AND CORPORATE RESOURCES	0	887	250	6,410	5	11	12

	CAPITAL COSTS			REVENUE EFFECTS		
	<u>2018/19</u>	<u>2019/20</u>	<u>2020/21</u>	<u>2019/20</u>	<u>2020/21</u>	FULL <u>YEAR</u>
	£'000	£'000	£'000	£'000	£'000	£'000
<u>HOUSING & REGENERATION (non-HRA)</u>						
Loans to Leaseholders	0	0	400	0	0	0
Empty Properties Grant	0	457	457	3	8	11
Disabled Facilities Grants	0	1,047	0	0	0	0
Equipment and Minor Adaptations	0	300	0	0	0	0
Better At Home Improvement Service	0	90	0	0	0	0
TOTAL HOUSING & REGENERATION	0	1,894	857	3	8	11

Appendix A to Paper No. 19-21

Proposed Additions to General Fund Capital Programme

<u>STRATEGIC PLANNING AND TRANSPORTATION</u>	CAPITAL COSTS				REVENUE EFFECTS		
	<u>2018/19</u> £'000	<u>2019/20</u> £'000	<u>2020/21</u> £'000	Future <u>Years</u> £'000	<u>2019/20</u> £'000	<u>2020/21</u> £'000	FULL <u>YEAR</u> £'000
COUNCIL FUNDED HIGHWAY SERVICES							
Capitalised Repairs - Carriageways	0	0	2,000	0	0	12	24
Capitalised Repairs - Footways	0	0	1,000	0	0	6	12
Street Trees	0	60	60	0	0	1	1
TOTAL COUNCIL FUNDED HIGHWAY SERVICES	0	60	3,060	0	0	19	37
<u>Schemes Funded by S106 Contributions/CIL in the Vauxhall and Nine Elms Opportunity Area</u>							
Riverwalk	0	1,400	0	0	0	0	0
Nine Elms Highways, Pedestrian and Public Realm	0	0	8,185	3,631	0	0	0
Key Gateways	0	192	50	0	0	0	0
Thessaly Road	0	685	0	0	0	0	0
TOTAL S106/CIL	0	2,277	8,235	3,631	0	0	0
TOTAL STRATEGIC PLANNING & TRANSPORTATION	0	2,337	11,295	3,631	0	19	37

APPENDIX B to Paper No. 19-21

SUMMARY OF GENERAL FUND CAPITAL PROGRAMME 2018/19 - 2020/21

	REVISED PROGRAMME			
	2018/19	2019/20	2020/21	Future Years
	£'000	£'000	£'000	£'000
<u>ADULT CARE & HEALTH SERVICES</u>				
Adult Care	4,153	1,077	99	0
<u>COMMUNITY SERVICES</u>				
Leisure Centres and Sports Services	259	1,161	0	0
Public Halls/Community Centres	65	0	0	0
Parks and Open Spaces	3,964	450	250	0
Cemeteries and Crematoria	937	200	0	0
Libraries and Heritage	690	3,000	411	0
CIL Schemes	2,611	107	0	0
	8,526	4,918	661	0
<u>EDUCATION & CHILDREN'S SERVICES</u>				
Secondary Education	466	8,960	2,857	0
Primary Education	2,900	2,895	16,750	0
Special Schools/Other	2,660	768	0	0
Other Education Funded Schemes	770	750	790	0
Other Children's Services	1,050	519	0	0
	7,846	13,892	20,397	0
<u>FINANCE & CORPORATE SERVICES</u>				
Operational Buildings	2,231	2,228	325	0
IT Services	707	75	50	0
Property Services	4,674	3,472	0	0
Economic Development	241	70	0	0
Environmental Services	1,127	0	0	0
Schemes in the Nine Elms Regeneration Area	1,506	2,030	5,800	6,410
General Finance & Corporate Services	7,675	23,210	5,249	521
	18,161	31,085	11,424	6,931
<u>HOUSING GENERAL FUND</u>				
Loans to Leaseholders	350	400	400	0
Empty Properties Grant	491	807	457	0
Disabled Facilities Grant	1,563	1,437	0	0
Other Housing Schemes	1,750	3,250	0	0
	4,154	5,894	857	0
<u>STRATEGIC PLANNING AND TRANSPORTATION</u>				
Planning Services	210	0	0	0
CCTV Schemes	26	405	0	0
Highways Schemes	27,834	19,365	33,906	8,635
Strategic CIL Schemes	7,229	4,000	0	0
Neighbourhood CIL Schemes	3,397	608	0	0
Depots	77	63	0	0
	38,773	24,441	33,906	8,635
TOTAL GENERAL FUND CAPITAL PROGRAMME				
	81,613	81,307	67,344	15,566

APPENDIX B to Paper No. 19-21

ADULT CARE AND HEALTH

SCHEME

ADULT CARE

Adaptations for Disabled
Better at Home Improvement Scheme
Complex Needs Hub (Graveney) Remodelling
Doddington Square (Queenstown)
Electronic Monitoring of Homecare
Gwyneth Morgan Day Centre Refurbishment (Fairfield)
St Michael's Community Centre- redevelopment (Battersea)
Substance Misuse Treatment Base
TOTAL ADULT CARE AND HEALTH

REVISED PROGRAMME		
2018/19	2019/20	2020/21
£'000	£'000	£'000
312	0	0
90	0	0
30	0	0
250	0	0
12	0	0
2,747	1,077	99
196	0	0
516	0	0
4,153	1,077	99

APPENDIX B to Paper No. 19-21**COMMUNITY SERVICES AND OPEN SPACES
SCHEME****LEISURE CENTRES AND SPORTS SERVICES**

Balham Leisure Centre (Bedford) - Pool Roof Renewals	3	0	0
Barn Elms - Changing Rooms	59	0	0
Furzedown Recreation Ground (Furzedown) - 3G Pitch replacement	8	0	0
Latchmere Leisure Centre Boundary Wall Repairs (Latchmere)	0	107	0
Putney Leisure Centre (Thamesfield): - Pool Roof Renewals	84	0	0
Tooting Bec Lido Pavilion (Bedford)	5	287	0
Tooting Lido (Bedford) - Poolside Surface Refurbishment	0	49	0
Tooting Bec (Bedford) - Structural Stabilisation & Filter House Replacement	0	549	0
Tooting Leisure Centre (Tooting) - Fire Alarm Renewal	95	0	0
Tooting Leisure Centre (Tooting) - UV Disinfection System	1	0	0
Tooting Leisure Centre (Tooting) - Replacement of Failed Pool Basin Tiling	4	169	0
Wandle Leisure Centre (Southfields)- Roof Renewal and Sports Hall Cladding	0	0	0

TOTAL LEISURE CENTRES AND SPORTS SERVICES

259 1,161 0

PUBLIC HALLS/COMMUNITY CENTRES

Civic Suite (Fairfield) - Renewal of Roof Covering	65	0	0
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TOTAL PUBLIC HALLS/COMMUNITY CENTRES

65 0 0

PARKS AND OPEN SPACES

Battersea Park (Queenstown): - River Wall	176	0	0
Battersea Park (Queenstown): - Improvements funded from Formula E	500	0	0
Battersea Park (Queenstown): - Restoration of pedestrian gate access	44	0	0
Beatrix Potter Allotment Boundary Wall Repairs (Earlsfield)	0	30	0
Falcon Park (Latchmere) - New 3G Pitch	1,244	0	0
Huguenot Burial Ground -39-41 East Hill (Fairfield)	276	0	0
King George's Park (Southfields)	200	0	0
Latchmere Recreation Scheme (Latchmere)	65	0	0
St Mary's Church Boundary Wall (St Mary's Park)- Essential Repairs	15	0	0
Tooting Common Heritage Project (Bedford)	1,306	0	0
Paths Resurfacing in Parks	138	0	0
Refurbishment of Floodlights	0	170	0
Resurfacing of Footpaths	0	150	150
Refurbishment and Replacement of Boundary Railings	0	100	100

TOTAL PARKS AND OPEN SPACES

3,964 450 250

CEMETERIES AND CREMATORIA

Putney Vale Crematorium (Roehampton)- replacement of cremators	937	0	0
Putney Vale Crematorium (Roehampton)- electrical rewire	0	200	0

TOTAL CEMETERIES AND CREMATORIA

937 200 0

REVISED PROGRAMME			
2018/19	2019/20	2020/21	
£'000	£'000	£'000	
LEISURE CENTRES AND SPORTS SERVICES			
Balham Leisure Centre (Bedford) - Pool Roof Renewals	3	0	0
Barn Elms - Changing Rooms	59	0	0
Furzedown Recreation Ground (Furzedown) - 3G Pitch replacement	8	0	0
Latchmere Leisure Centre Boundary Wall Repairs (Latchmere)	0	107	0
Putney Leisure Centre (Thamesfield): - Pool Roof Renewals	84	0	0
Tooting Bec Lido Pavilion (Bedford)	5	287	0
Tooting Lido (Bedford) - Poolside Surface Refurbishment	0	49	0
Tooting Bec (Bedford) - Structural Stabilisation & Filter House Replacement	0	549	0
Tooting Leisure Centre (Tooting) - Fire Alarm Renewal	95	0	0
Tooting Leisure Centre (Tooting) - UV Disinfection System	1	0	0
Tooting Leisure Centre (Tooting) - Replacement of Failed Pool Basin Tiling	4	169	0
Wandle Leisure Centre (Southfields)- Roof Renewal and Sports Hall Cladding	0	0	0
TOTAL LEISURE CENTRES AND SPORTS SERVICES	259	1,161	0
PUBLIC HALLS/COMMUNITY CENTRES			
Civic Suite (Fairfield) - Renewal of Roof Covering	65	0	0
TOTAL PUBLIC HALLS/COMMUNITY CENTRES	65	0	0
PARKS AND OPEN SPACES			
Battersea Park (Queenstown): - River Wall	176	0	0
Battersea Park (Queenstown): - Improvements funded from Formula E	500	0	0
Battersea Park (Queenstown): - Restoration of pedestrian gate access	44	0	0
Beatrix Potter Allotment Boundary Wall Repairs (Earlsfield)	0	30	0
Falcon Park (Latchmere) - New 3G Pitch	1,244	0	0
Huguenot Burial Ground -39-41 East Hill (Fairfield)	276	0	0
King George's Park (Southfields)	200	0	0
Latchmere Recreation Scheme (Latchmere)	65	0	0
St Mary's Church Boundary Wall (St Mary's Park)- Essential Repairs	15	0	0
Tooting Common Heritage Project (Bedford)	1,306	0	0
Paths Resurfacing in Parks	138	0	0
Refurbishment of Floodlights	0	170	0
Resurfacing of Footpaths	0	150	150
Refurbishment and Replacement of Boundary Railings	0	100	100
TOTAL PARKS AND OPEN SPACES	3,964	450	250
CEMETERIES AND CREMATORIA			
Putney Vale Crematorium (Roehampton)- replacement of cremators	937	0	0
Putney Vale Crematorium (Roehampton)- electrical rewire	0	200	0
TOTAL CEMETERIES AND CREMATORIA	937	200	0

COMMUNITY SERVICES AND OPEN SPACES
SCHEME

	REVISED PROGRAMME		
	2018/19	2019/20	2020/21
	£'000	£'000	£'000
LIBRARIES AND HERITAGE			
Balham Library - Boiler Replacement	0	0	137
Battersea Library (Shaftesbury) - Public Toilets	43	0	0
Battersea Library (Shaftesbury) - Boiler Replacement	0	0	152
Putney Library - Boiler Replacement	0	0	122
Tooting Library (Graveney)- Waterproofing of Basement Area	95	0	0
Wandsworth Town Library Fit-Out (Fairfield)	552	3,000	0
TOTAL LIBRARIES AND HERITAGE	690	3,000	411
NEIGHBOURHOOD CIL SCHEMES			
Battersea Arts Centre (Shaftesbury)	334	0	0
Battersea Park (Queenstown): - Playground Improvements	179	0	0
Falcon Park Improvements (Latchmere)	139	32	0
Fishponds Playing Fields (Tooting)	38	0	0
Furzedown Recreation Ground- Bowling Green Pavilion	111	0	0
Fred Wells Garden refurbishment (St Mary's Park)	327	0	0
Garratt Park playground refurbishments and replacement of equipment (Earlsfield)	213	0	0
Gravenell Gardens Pocket Park Scheme (Graveney)	15	0	0
Leaders Garden new footpath, tree work and seating (Thamesfield)	43	0	0
Leaders Gardens (Thamesfield) - Playspace Improvements	10	0	0
Riverwalk Improvements and Riverside Lighting - Vicarage Gardens	0	75	0
Roehampton Vale / Putney Vale cemetery resiting a block (Roehampton)	81	0	0
St Anne's Primary/Ark John Archer/Highview - green screen	55	0	0
Swaby Gardens Improvements (Earlsfield)	33	0	0
Tours passage alleyway - streetscape & lighting improvements (Latchmere)	174	0	0
Upper Tooting Place Toddlers Play Space (Nightingale)	0	0	0
Wandsworth Common ballpen - upgrade (Northcote)	144	0	0
Wandsworth Common, Chivalry Road play space - redesign and refurbishment (Northcote)	185	0	0
Wandsworth Common Pitch Drainage (Northcote)	180	0	0
Wandsworth Common, St. Mark's play space - redesign and refurbishment (Northcote)	84	0	0
Wandsworth Park LED lighting (Thamesfield)	40	0	0
Windmill Gardens - playspace (Wandsworth Common)	226	0	0
TOTAL NEIGHBOURHOOD CIL SCHEMES	2,611	107	0
TOTAL COMMUNITY SERVICES	8,526	4,918	661

APPENDIX B to Paper No. 19-21**EDUCATION AND CHILDREN'S SERVICES****EDUCATION DEPARTMENT SCHEMES****SECONDARY EDUCATION**

Ark Putney Academy (Former Elliott School) (West Putney)	166	2,394	457
Chestnut Grove Academy	100	2,700	1,200
St. Cecilia's Church of England School Expansion	100	2,700	1,200
St John Bosco ASD Devereux - Provision via School	100	0	0
Secondary Schools Expansion	0	1,166	0

TOTAL SECONDARY EDUCATION**PRIMARY EDUCATION****Additional Places**

Atheldene (Earlsfield)- Primary School	50	133	0
Brandlehow (Thamesfield) Installation of Modular Building relocated from Riversdale School	0	0	0
Brandlehow Primary School- Expansion	100	2,000	900
Oasis Academy Putney School (Thamesfield)- Final Accounts/School FFE/ICT Provision	60	133	0

Other Primary Schemes

Alderbrook (Balham)- Boilers	194	0	0
Allfarthing Primary School (Fairfield)- Heating	165	0	0
Eardley Primary School (Furzedown)- Heating	431	0	0
Falconbrook (Latchmere)- Windows	110	0	0
Granard Primary School (West Putney) - Windows	50	29	0
Honeywell School- Roofing and Brickwork Repairs	343	0	0
Penwortham Primary School	253	0	0
Primary School Land Costs	50	450	14,500
Ravenstone Primary School (Bedford) - ASD Building and Landscaping works	59	0	0
Riversdale Primary School- Autistic Spectrum Disorder Base	350	0	0
Riversdale Primary School- Windows	147	0	0
Sheringdale Primary School (Southfields)- Renewal of Playground	54	0	0
Sheringdale Primary School (Southfields)- Ventilation	23	150	0
Smallwood School (Tooting) - Windows and Roof level air-vents	461	0	0
St George's Primary School Expansion (Queenstown)	0	0	1,350

TOTAL PRIMARY EDUCATION

REVISED PROGRAMME		
2018/19	2019/20	2020/21
£'000	£'000	£'000
466	8,960	2,857
210	2,266	900
2,690	629	15,850
2,900	2,895	16,750

EDUCATION AND CHILDREN'S SERVICES**SPECIAL SCHOOLS (WBC)**

Greenmead/Ronald Ross (West Putney/West Hill)- School Places
Linden Lodge (West Hill):- Family Centre

Linden Lodge (West Hill):- Renewal of Existing Platform (Scissor) Lift
Oakdene Minibus

Oak Lodge Special School- Boilers and Pipework
Paddock School – Provision for Expansion (Phase 3 & 4)

TOTAL SPECIAL SCHOOLS/OTHER**OTHER EDUCATION FUNDED SCHEMES**

201-203 Lavender Hill - improvements (Shaftesbury)
Schools Devolved Capital
Healthy Pupils

TOTAL OTHER EDUCATION FUNDED SCHEMES**TOTAL EDUCATION****OTHER CHILDREN'S SERVICES**

Children Looked After Placements
Conversion/Extension Foster Carers' Properties
Heathbrook Park Youth Club Roof Repairs (Queenstown)
Tooting Hub, St Peter's Church Installation of Chain Link Fencing
Various Final Accounts

TOTAL OTHER CHILDREN'S SERVICES**TOTAL EDUCATION AND CHILDREN'S SERVICES**

REVISED PROGRAMME		
2018/19	2019/20	2020/21
£'000	£'000	£'000
1,320	0	0
457	0	0
115	0	0
34	0	0
250	468	0
484	300	0
2,660	768	0
80	0	0
483	750	790
207	0	0
770	750	790
6,796	13,373	20,397
700	0	0
100	136	0
0	39	0
0	86	0
250	258	0
1,050	519	0
7,846	13,892	20,397

APPENDIX B to Paper No. 19-21
FINANCE AND CORPORATE SERVICES

SCHEME

OPERATIONAL BUILDINGS

Operational Property Plant Renewal
 Statutory Compliance Remedial Works to Core Buildings
 Emergency Plant & Equipment Renewals to Core Buildings
 Air Conditioning to IT Server Centre in Town Hall
 Reed House - Lift and Drainage

TOTAL OPERATIONAL BUILDINGS

IT SERVICES

ICT Infrastructure

TOTAL IT SERVICES

PROPERTY SERVICES

Acquisition of Atheldene and Surrounding Sites
 Thames Tideway Tunnel
 Wood and Palladino House
 Works to Land and Property Prior to Sale

TOTAL PROPERTY SERVICES

ECONOMIC DEVELOPMENT

Balham & Mitcham Lane Public Realm
 Nine Elms Art Centre Lease

TOTAL ECONOMIC DEVELOPMENT

ENVIRONMENTAL SERVICES

St George's Mortuary Expansion (Tooting)
 Coroner's Court

TOTAL ENVIRONMENTAL SERVICES

SCHEMES IN THE NINE ELMS REGENERATION AREA

Project Development Fees
 Utilities
 Pedestrian Bridge
 Health Facilities

TOTAL SCHEMES IN THE NINE ELMS REGENERATION AREA

GENERAL FINANCE & CORPORATE SERVICES

Loans to Other Bodies
 Royal College of Art expansion (St Mary's Park)

TOTAL GENERAL FINANCE & CORPORATE SERVICES

TOTAL FINANCE & CORPORATE SERVICES

SCHEME	REVISED PROGRAMME			Future
	2018/19	2019/20	2020/21	Years
	£'000	£'000	£'000	£'000
OPERATIONAL BUILDINGS				
Operational Property Plant Renewal	2,231	1,416	325	0
Statutory Compliance Remedial Works to Core Buildings	0	300	0	0
Emergency Plant & Equipment Renewals to Core Buildings	0	200	0	0
Air Conditioning to IT Server Centre in Town Hall	0	97	0	0
Reed House - Lift and Drainage	0	215	0	0
TOTAL OPERATIONAL BUILDINGS	2,231	2,228	325	0
IT SERVICES				
ICT Infrastructure	707	75	50	0
TOTAL IT SERVICES	707	75	50	0
PROPERTY SERVICES				
Acquisition of Atheldene and Surrounding Sites	3,600	3,472	0	0
Thames Tideway Tunnel	90	0	0	0
Wood and Palladino House	939	0	0	0
Works to Land and Property Prior to Sale	45	0	0	0
TOTAL PROPERTY SERVICES	4,674	3,472	0	0
ECONOMIC DEVELOPMENT				
Balham & Mitcham Lane Public Realm	61	70	0	0
Nine Elms Art Centre Lease	180	0	0	0
TOTAL ECONOMIC DEVELOPMENT	241	70	0	0
ENVIRONMENTAL SERVICES				
St George's Mortuary Expansion (Tooting)	134	0	0	0
Coroner's Court	993	0	0	0
TOTAL ENVIRONMENTAL SERVICES	1,127	0	0	0
SCHEMES IN THE NINE ELMS REGENERATION AREA				
Project Development Fees	203	200	200	0
Utilities	506	530	400	0
Pedestrian Bridge	797	0	0	0
Health Facilities	0	1,300	5,200	6,410
TOTAL SCHEMES IN THE NINE ELMS REGENERATION AREA	1,506	2,030	5,800	6,410
GENERAL FINANCE & CORPORATE SERVICES				
Loans to Other Bodies	100	0	0	0
Royal College of Art expansion (St Mary's Park)	7,575	23,210	5,249	521
TOTAL GENERAL FINANCE & CORPORATE SERVICES	7,675	23,210	5,249	521
TOTAL FINANCE & CORPORATE SERVICES	18,161	31,085	11,424	6,931

APPENDIX B to Paper No. 19-21
HOUSING & REGENERATION (non-HRA)

SCHEME

	REVISED PROGRAMME		
	2018/19	2019/20	2020/21
	£'000	£'000	£'000
Loans to Leaseholders	350	400	400
Empty Properties Grant	491	807	457
Disabled Facilities Grants	1,563	1,047	0
Equipment and Minor Adaptations	0	300	0
Better At Home Improvement Service	0	90	0
OTHER HOUSING SCHEMES			
Wandsworth Affordable Housing Programme	1,000	3,000	0
Affordable Home Ownership	750	250	0
	1,750	3,250	0
TOTAL HOUSING & REGENERATION (non-HRA)	4,154	5,894	857

APPENDIX B to Paper No. 19-21
STRATEGIC PLANNING AND TRANSPORTATION

SCHEME

PLANNING SERVICES

Hosted Web Based Planning and Related Services IT System

TOTAL PLANNING SERVICES

CCTV SCHEMES

Mobile CCTV to combat flytipping
 CCTV cameras for traffic monitoring / enforcement
 New CCTV control room

TOTAL CCTV SCHEMES

COUNCIL FUNDED HIGHWAY SERVICES

Blocked Gullies
 Capitalised Repairs: -Carriageways
 Capitalised Repairs: - Footways
 Signs & Poster Boards - boroughwide
 Street LED Lighting
 Street Trees

TOTAL COUNCIL FUNDED HIGHWAY SERVICES

TRANSPORT FOR LONDON FUNDED SCHEMES

Local Improvement Plan

Battersea High Street (St Mary's Park)
 Bedford Hill (Bedford)
 Beechcroft Road and Magdalen Estate (Wandsworth Common)
 Car Club - Support for Expansion
 Culvert Place (Queenstown)
 Cycling Connections
 Cycle Parking Programme
 Electric Vehicle Charging Points
 Elmbourne Road (Bedford)
 Falcon Road (Latchmere)
 Garratt Lane (Earlsfield)
 Mitcham Lane/ Thrle Road (Furzedown)
 Pedestrian Accessibility
 Priory Lane (Roehampton)
 Putney Cycle and Pedestrian Access
 Queenstown Road (Queenstown)
 Quietways
 Safe Routes to School - Investigation & Implementation
 Shared Cycle Schemes
 Southfields (Southfields)
 Stag Lane Crossing (Roehampton)
 Street Trees - Addition of Trees Across the Borough
 Walking and Cycling Improvements in Parks and Commons

Other Schemes

Flexible Funding
 Infrastructure Corridors

TOTAL TRANSPORT FOR LONDON SCHEMES

	REVISED PROGRAMME			Future Years
	2018/19	2019/20	2020/21	
	£'000	£'000	£'000	£'000
PLANNING SERVICES				
Hosted Web Based Planning and Related Services IT System	210	0	0	0
TOTAL PLANNING SERVICES	210	0	0	0
CCTV SCHEMES				
Mobile CCTV to combat flytipping	15	0	0	0
CCTV cameras for traffic monitoring / enforcement	11	0	0	0
New CCTV control room	0	405	0	0
TOTAL CCTV SCHEMES	26	405	0	0
COUNCIL FUNDED HIGHWAY SERVICES				
Blocked Gullies	100	0	0	0
Capitalised Repairs: -Carriageways	1,958	2,000	2,000	0
Capitalised Repairs: - Footways	1,465	1,000	1,000	0
Signs & Poster Boards - boroughwide	150	0	0	0
Street LED Lighting	2,149	0	0	0
Street Trees	0	60	60	0
TOTAL COUNCIL FUNDED HIGHWAY SERVICES	5,822	3,060	3,060	0
TRANSPORT FOR LONDON FUNDED SCHEMES				
Local Improvement Plan				
Battersea High Street (St Mary's Park)	150	325	0	0
Bedford Hill (Bedford)	200	0	0	0
Beechcroft Road and Magdalen Estate (Wandsworth Common)	50	50	0	0
Car Club - Support for Expansion	20	0	0	0
Culvert Place (Queenstown)	0	25	0	0
Cycling Connections	50	150	0	0
Cycle Parking Programme	100	60	0	0
Electric Vehicle Charging Points	200	0	0	0
Elmbourne Road (Bedford)	200	0	0	0
Falcon Road (Latchmere)	0	40	0	0
Garratt Lane (Earlsfield)	50	0	0	0
Mitcham Lane/ Thrle Road (Furzedown)	100	0	0	0
Pedestrian Accessibility	0	50	0	0
Priory Lane (Roehampton)	100	122	0	0
Putney Cycle and Pedestrian Access	300	100	0	0
Queenstown Road (Queenstown)	50	0	0	0
Quietways	272	0	0	0
Safe Routes to School - Investigation & Implementation	100	100	0	0
Shared Cycle Schemes	20	0	0	0
Southfields (Southfields)	400	500	0	0
Stag Lane Crossing (Roehampton)	23	0	0	0
Street Trees - Addition of Trees Across the Borough	75	20	0	0
Walking and Cycling Improvements in Parks and Commons	216	0	0	0
	2,676	1,542	0	0
Other Schemes				
Flexible Funding	210	50	0	0
Infrastructure Corridors	450	0	0	0
	660	50	0	0
TOTAL TRANSPORT FOR LONDON SCHEMES	3,336	1,592	0	0

STRATEGIC PLANNING AND TRANSPORTATION

SCHEME

	REVISED PROGRAMME			Future Years
	2018/19	2019/20	2020/21	
	£'000	£'000	£'000	£'000
<u>Schemes Funded by Section 106 or CIL in the Vauxhall and Nine Elms Opportunity Area</u>				
Riverwalk	1,332	1,400	0	0
Increased Bus Capacity and Pump Priming New Services	1,650	3,363	0	0
Improvement to Battersea Park Station	600	1,400	6,000	5,004
Nine Elms Highways, Pedestrian and Public Realm	2,166	1,500	8,185	3,631
Queenstown Road footways and cycle facilities	0	350	0	0
Key Gateways	97	250	50	0
Thessaly Road	235	1,450	0	0
	6,080	9,713	14,235	8,635
<u>Section 106 agreements under the Town & Country Planning Act 1990 Other Schemes</u>				
Alton Road 3-5 SW15 (Roehampton)	20	0	0	0
Arton Wilson House, 85 Roehampton Lane SW15 (Roehampton)	100	0	0	0
ASDA Clapham Junction (Shaftesbury)	81	0	0	0
Caius House Open Space Area (St Mary's Park)	61	0	0	0
Eltringham Depot and York Road Footway Works (Latchmere)	40	0	0	0
Falcon Wharf - TfL London Buses (Latchmere)	64	0	0	0
Former Ralph West Halls, 45, Worfield St (St Mary's Park)	455	0	0	0
Griffon and Lanner House, Winstanley Road SW11 (Latchmere)	17	0	0	0
Hardwicks Way 1-9 and 2-6 (Southfields)	80	0	0	0
IMA House, 20 Northfields SW18 (Thamesfield)	35	0	0	0
Merton Road 249-251 (Southfields)	19	0	0	0
Parkview - Queens Circus (Queenstown)	14	0	0	0
Putney Bridge Road 50-52 Former South Thames Coll (Thamesfield)	15	0	0	0
Putney Bridge Road 118 (Thamesfield)	14	0	0	0
Queen Mary's Hospital, Roehampton Lane SW15 (Roehampton)	18	0	0	0
Ram Brewery (Fairfield)	64	0	0	0
Removal of River Wandle Half Tide Weir	953	0	0	0
St Georges Grove - TfL London Buses (Earlsfield)	153	0	0	0
South Thames College, Wandsworth Site, SW18 (Fairfield)	14	0	0	0
The Plough Public House St John's Hill (Fairfield)	19	0	0	0
Upper Richmond Road 77-83 (East Putney)	554	0	0	0
Upper Richmond Road 84-88 (East Putney)	772	0	0	0
Upper Richmond Road 131-133 (East Putney)	204	0	0	0
Wandsworth Business Village, 3-9 Broomhill Rd (Southfields)	24	0	0	0
Wandsworth Enterprise Park (Fairfield)	38	0	0	0
Westfield House, Knaresborough Drive (Southfields)	210	0	0	0
Wandsworth One Way System (Fairfield)	4,954	5,000	16,611	0
Other Schemes	200	0	0	0
TOTAL SECTION 106 SPEND	9,192	5,000	16,611	0
<u>Other Highways Schemes</u>				
Pay and Display machine replacement	3,100	0	0	0
Upgrade Pay & Display machines for new coinage	4	0	0	0
Electric Charging points	300	0	0	0
	3,404	0	0	0
TOTAL HIGHWAYS SCHEMES	27,834	19,365	33,906	8,635

STRATEGIC PLANNING AND TRANSPORTATION

SCHEME

STRATEGIC CIL SCHEMES

Cremorne Footbridge, Detailed Design Consultancy	160	0	0	0
Upper Richmond Road and Putney Stations (Thamesfield)	1,000	1,000	0	0
Cycle Parking at Railway Stations	500	0	0	0
Putney High Street Phase 2 (Thamesfield)	1,119	0	0	0
St Johns Hill Bridge Refurbishment (Northcote)	450	0	0	0
Wandsworth Bridge Corrosion Protection (St Mary's Park)	3,000	3,000	0	0
Wandsworth CCTV Network Digital Upgrade	1,000	0	0	0

TOTAL STRATEGIC CIL SCHEMES

NEIGHBOURHOOD CIL SCHEMES

Planning and Transportation

Earlsfield Railway Bridge Improvements (Earlsfield)	100	0	0	0
Lavender Hill (including Lavender Gardens lighting) (Shaftesbury)	1	0	0	0
Lydden Twilley - repaving and resurfacing (Earlsfield)	48	0	0	0
	149	0	0	0

Traffic and Engineering

Battersea Church Road Feasibility Study	0	20	0	0
Bedford Hill Public Realm and Road Safety (Bedford)	179	0	0	0
Bellevue Road Streetscape Improvements (Nightingale)	405	0	0	0
Chesterton Primary School green screen (Latchmere)	6	0	0	0
Dover House Road Parade - Streetscape Enhancements (West Putney)	274	0	0	0
Heathbrook Youth Centre / Elays Network Scheme	49	0	0	0
Lavender Gardens Access Path	128	0	0	0
Old York Road - Public Realms	30	0	0	0
Ornamental Heritage & Riverside Ltg - Battersea	0	247	0	0
Ornamental Heritage & Riverside Ltg - Putney	0	111	0	0
Ornamental Heritage & Riverside Ltg - Wandsworth	72	0	0	0
Putney Bridge floodlighting (Thamesfield)	468	0	0	0
Putney High Street Improvements (Thamesfield)	250	0	0	0
Putney Lower Common Cemetery	78	0	0	0
Putney Park Lane improvements (West Putney)	220	0	0	0
Southfields Public Realm Upgrade (Southfields)	200	230	0	0
Wandle Valley Park (Earlsfield) - Improved Gateways	159	0	0	0
Wandsworth Bridge floodlighting (St Mary's Park)	730	0	0	0
	3,248	608	0	0

TOTAL NEIGHBOURHOOD CIL SCHEMES

DEPOTS

Frogmore House (Fairfield) - Renew Roof Covering and Insulation	77	63	0	0
	77	63	0	0

TOTAL STRATEGIC PLANNING AND TRANSPORTATION

	REVISED PROGRAMME			Future Years
	2018/19	2019/20	2020/21	
	£'000	£'000	£'000	£'000
STRATEGIC CIL SCHEMES				
Cremorne Footbridge, Detailed Design Consultancy	160	0	0	0
Upper Richmond Road and Putney Stations (Thamesfield)	1,000	1,000	0	0
Cycle Parking at Railway Stations	500	0	0	0
Putney High Street Phase 2 (Thamesfield)	1,119	0	0	0
St Johns Hill Bridge Refurbishment (Northcote)	450	0	0	0
Wandsworth Bridge Corrosion Protection (St Mary's Park)	3,000	3,000	0	0
Wandsworth CCTV Network Digital Upgrade	1,000	0	0	0
TOTAL STRATEGIC CIL SCHEMES	7,229	4,000	0	0
NEIGHBOURHOOD CIL SCHEMES				
<u>Planning and Transportation</u>				
Earlsfield Railway Bridge Improvements (Earlsfield)	100	0	0	0
Lavender Hill (including Lavender Gardens lighting) (Shaftesbury)	1	0	0	0
Lydden Twilley - repaving and resurfacing (Earlsfield)	48	0	0	0
	149	0	0	0
<u>Traffic and Engineering</u>				
Battersea Church Road Feasibility Study	0	20	0	0
Bedford Hill Public Realm and Road Safety (Bedford)	179	0	0	0
Bellevue Road Streetscape Improvements (Nightingale)	405	0	0	0
Chesterton Primary School green screen (Latchmere)	6	0	0	0
Dover House Road Parade - Streetscape Enhancements (West Putney)	274	0	0	0
Heathbrook Youth Centre / Elays Network Scheme	49	0	0	0
Lavender Gardens Access Path	128	0	0	0
Old York Road - Public Realms	30	0	0	0
Ornamental Heritage & Riverside Ltg - Battersea	0	247	0	0
Ornamental Heritage & Riverside Ltg - Putney	0	111	0	0
Ornamental Heritage & Riverside Ltg - Wandsworth	72	0	0	0
Putney Bridge floodlighting (Thamesfield)	468	0	0	0
Putney High Street Improvements (Thamesfield)	250	0	0	0
Putney Lower Common Cemetery	78	0	0	0
Putney Park Lane improvements (West Putney)	220	0	0	0
Southfields Public Realm Upgrade (Southfields)	200	230	0	0
Wandle Valley Park (Earlsfield) - Improved Gateways	159	0	0	0
Wandsworth Bridge floodlighting (St Mary's Park)	730	0	0	0
	3,248	608	0	0
TOTAL NEIGHBOURHOOD CIL SCHEMES	3,397	608	0	0
DEPOTS				
Frogmore House (Fairfield) - Renew Roof Covering and Insulation	77	63	0	0
	77	63	0	0
TOTAL STRATEGIC PLANNING AND TRANSPORTATION	38,773	24,441	33,906	8,635

WANDSWORTH BOROUGH COUNCIL

FINANCE AND CORPORATE RESOURCES OVERVIEW AND SCRUTINY
COMMITTEE – 13TH FEBRUARY 2019

EXECUTIVE – 25TH FEBRUARY 2019

Report by the Director of Resources on the Council's Treasury Policy for
2019/20

SUMMARY

This report reviews the Treasury Management activities so far during 2018/19 and makes proposals for 2019/20 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 shown some increase in response to the 0.25% base rate rise in August 2018, although this is still historically low, and the financial environment continues to be difficult.

Approval is now sought for an updated Treasury Policy Statement for 2019/20, including the determination of the Council's borrowing limit and operational boundary, and the minimum revenue provision policy for the financial year 2019/20.

Investments have increased during 2018/19 from £535 million to £598 million at the end of December, and interest rates averaged 1.04%. Investments are expected to remain at similar levels. Debt has reduced from £121 million to £113 million reflecting repayments of PWLB debt.

GLOSSARY

BIDS	– Business Improvement Districts
CCLA	– Charities, Church of England, Local Authorities
CIPFA	– Chartered Institute of Public Finance and Accountancy
DMADF	– Debt Management Account Deposit Facility
DSB	– Dedicated Schools Budget
Fitch	– Fitch Ratings Ltd (the international credit ratings agency)
HRA	– Housing Revenue Account
LIBID	– London Inter Bank Bid Rate
MHCLG	– Ministry for Housing, Communities and Local Government
MMFs	– Money Market Funds
Moody's	– the international credit ratings agency
MRP	– minimum revenue provision
PWLB	– Public Works Loan Board

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) authorise the Director of Resources to determine the Council's Treasury Policy Statement for 2019/20 based on the Statement in Appendix A;
 - (b) approve, as required under Section 3 of Part 1 of the Local Government Act 2003, for the financial year 2019/20 an authorised borrowing limit and operational boundary of £125 million as shown in paragraph 16; and
 - (c) approve, as recommended under Guidance issued under the Local Government Act 2003, an MRP for 2019/20 to repay internal borrowing by the Dedicated Schools Budget (DSB) over a period of twelve years, as shown in paragraphs 17 to 19.

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 subsequently revised in 2011 and late 2017. They also have regard to the 'Prudential Code,' issued by CIPFA, and considered by the Council based on Paper No. 04-129 in January 2004, and to Investment Guidance issued under Section 15 of the Local Government Act 2003 by the MHCLG. The recent amendments in late 2017 to the Treasury Management Code relate to investments that are not part of treasury management activity and do not arise from cash flows and debt management. These are commercial investments such as purchase of investment properties, investments in subsidiaries or investments for service objectives including regeneration. The Council's approach to these types of investments is included within a Capital Strategy which is required by CIPFA's amended Prudential Code and is to be reported and approved by full Council before 31st March 2019 in Paper No. 19-81 elsewhere on the agenda to this meeting.
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 February 2018 (Paper No. 18-87) but it was updated more recently in Paper No 18-225 in June 2018. This updated Statement is attached as Appendix A to this report.

Subsequent paragraphs comment on experience to date in 2018/19, and policy for 2019/20 and later years.

GENERAL TREASURY MANAGEMENT EXPERIENCE IN 2018/19

5. The Council's investments have averaged over £570 million throughout the year and the financial environment continues to be difficult. The increases in bank rate of 0.25% to 0.5% on 2nd November 2017 and then to 0.75% on 2nd August 2018 have improved rates to some extent, but rates remain very low by historical standards. The current uncertainty surrounding Britain's exit from the European Union makes it extremely difficult to predict future rate movements. Until recently the Bank of England's indications were that increases in bank rate will be slow and gradual but the latest minutes from the Monetary Policy Committee suggest that the next rate movement could be in either direction. The low interest environment is therefore expected to continue for the foreseeable future. The Council's overall average interest rate was 1.04% to the end of December and is expected to increase to around 1.30% for the final quarter of the financial year. This should continue to rise further into 2019/20 as maturing short-fixed investments continue to be replaced by investments at improved rates and the full impact of the higher interest rates earned on the longer-term multi-asset funds takes effect. New short-term investments for less than one year are now averaging 1.14%, compared to an average of 0.73% at the same time last year. Opportunities for two-year investments at suitable rates have been limited but £17 million has been arranged with other local authorities recently at a rate of 1.40%. Rates on the other short-term Council investments, mainly MMFs and Short Dated Bond Funds have also correspondingly increased.
6. The longer-term investment of £25 million in the CCLA Property Fund has distributed dividend income of over 4% for each of the three quarters so far in 2018/19 and continues to boost revenue returns. The capital value of the Fund is now very comfortably above its nominal value.
7. Other long-term investments totalling £50 million were placed in three multi-asset funds during August for a period of three to five years. As the Council is expected to have substantial cash balances over this period and rates are expected to remain at low levels, these investments provide an opportunity to access increased yield. The funds are Fidelity Multi-Asset Fund, Artemis Monthly Distribution Fund and JP Morgan Multi-Asset Income Fund. They are pooled funds with a diversified asset mix, predominantly of bonds and equities, but with smaller amounts of other asset categories such as property and infrastructure. They distribute revenue income and are subject to movements in capital value. The Funds have distributed revenue income of around £590,000 for the period until the end of December. The capital values have however reduced to £46.5 million as at the end of December reflecting recent falls in equity and bond markets. Under IFRS9 (paragraph 13) these reductions will not affect the General Fund for a period of five years (subject to funds not being redeemed before

then). Investments of this type are by their nature subject to volatility and it is anticipated that markets will recover over the longer-term.

8. A full report on the 2018/19 treasury management record will be made to committee in June 2019, in accordance with the arrangements prescribed in the Policy Statement. Meanwhile, Appendix B charts the movements in short-term interest rates during 2018. This shows the rate on the Council's own investments, together with a benchmark rate consisting of a "blend" of the 1 Year LIBID rate, 3 Month LIBID rate and 7 Day LIBID rate to broadly reflect the maturity profile of the Council's investment portfolio. The 7 Day LIBID rate and the 3 Month LIBID rate are also included for information. The Council's monthly rate has been well above the benchmark. Market rates showed very little movement during the last 12 months, apart from the reaction to bank rate rises and the Council's investment rate exceeded the benchmark rate.
9. Investments: The Council began the year 2018/19 with investments of £535 million, which increased to £598 million at the end of December. The level of investment has never fallen below the opening level, and on average has been around £573 million. The size and composition of the Council's investments at 31st March 2018 and 31st December 2018 is shown in Appendix C.
10. Debt: The size and composition of the Council's debt at 31st March 2018 and 31st December 2018 is shown in Appendix D. Gross debt has reduced from £121 million to £113 million reflecting repayments of PWLB debt. A further repayment will be made before the end of 2018/19. No new long-term borrowing has been undertaken, and none is expected for the remainder of the year.
11. Money Market Fund Reform: A review of money market funds (MMFs) in Europe was prompted by the financial crisis in 2007/08 to increase resilience and ensure their smooth operation in times of stress. This has now resulted in some additional requirements and restrictions to take effect for existing MMFs during early 2019. It is however not anticipated that this will change existing portfolio compositions, risk profiles or structures of MMFs. The only obvious change from a client perspective is that the short-term Constant Net Asset Value (CNAV) Funds are being re-designated as Low Volatility Net Asset Value (LVNAV) Funds. In practice, these funds will continue to calculate a constant NAV per share and it is only in exceptional circumstances that the value is expected to deviate. The existing Variable Net Asset Value (VNAV) Funds will remain as Standard VNAV Funds. The changes are covered by the existing Treasury Management Policy.
12. The use of Money Market Funds by local authorities as non-capital expenditure is governed by regulation which refers to European legislation. The wording of this regulation is being amended to take effect from the date the United Kingdom ceases to be a member of the European Union.

13. IFRS9 A new accounting standard (“IFRS9”) relating to the measurement of financial instruments is being introduced in 2018/19 which, if implemented in full, would result in annual gains or losses arising from changes in fair value of pooled investments such as the CCLA Property Fund and the Multi-Asset Funds being charged to revenue in the General Fund. After representations from local authorities the government is introducing a mandatory statutory override commencing in 2018/19 for a period of five years requiring local authorities to reverse out all unrealised fair value movements from pooled investment funds. This means that the General Fund and Council Tax payers will continue to be protected from such annual movements until the end of 2022/23.

TREASURY MANAGEMENT STRATEGY FOR 2019/20

14. The Strategy for 2019/20 considers the outlook for investment and debt levels for the period 2019/20 to 2021/22, taking into account estimates of major cash flow movements. These estimates are shown in the table in paragraph 4.1 in Appendix A.
15. The Council is expected to begin the year with investments of around £540 million. Repayments of £17.2 million of new PWLB loans taken up for the HRA on 28th March 2012 will fall due during the year. The estimated movements for the following two years based upon current cash flows show that investments are likely to reduce as the HRA Regeneration schemes progress and other balances fall. These cash flows do not currently allow for all potential expenditure relating to regeneration schemes in Roehampton and Battersea or the new council-led development programme which will be modelled into cash flows in due course.
16. Authorised Borrowing Limit and Operational Boundary for 2019/20 The Council has to set a borrowing limit and operational boundary for 2019/20 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 reflects the maximum amount that a local authority decides that it can borrow without further reference back to Council. This limit was set at £140 million in February 2018 for 2018/19, reflecting the existing long-term borrowing of £120 million at 1 April 2018, 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 £103 million at 1st April 2019 and no new long-term borrowing is currently planned. A limit of £125 million is therefore proposed for the borrowing limit and operational boundary for 2019/20, reflecting the existing borrowing, and allowing for other possible requirements.
17. Minimum Revenue Provision (MRP) Statement for 2019/20 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.

18. For Wandsworth a “prudent” MRP was, until 2017/18, nil, reflecting the fact that the Council’s debt relates to the Housing Revenue Account. However, in 2016/17 internal borrowing of £7 million took place to partially fund the scheme to develop Greenmead/Ronald Ross schools to be charged to the Dedicated Schools Budget (DSB).
19. It was proposed that the Council would have an MRP, commencing in 2017/18 charged to the DSB, to repay any such internal borrowing, at the equivalent to the PWLB rate for nine years. For 2018/19 onwards, the repayment period has been extended to twelve years. This will still more than cover any minimum required under guidance for a “prudent” MRP.

The Town Hall
Wandsworth
SW18 2PU

MARK MAIDMENT
Director of Resources

5th February 2019

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) unless the report was published before May 2001 in which case the Democratic Services Officer can supply a copy if required.

WANDSWORTH BOROUGH COUNCIL

TREASURY POLICY STATEMENT - FEBRUARY 2019

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 Adult Social Services and Children's Services Departments' 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 Resources' 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 Resources 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 Resources 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;

Treasury Policy Statement

- (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 Resources 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 Financial Management Division of the Resources Department, in accordance with a Treasury Systems Document. 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 Treasury Management meeting within the Resources Department chaired by the Director and attended by the Assistant Director (Financial Management). This meeting makes strategic decisions relating to items such as structure of investments and timing of long-term borrowing. The Director of Resources or, in his absence the Assistant Director of Financial Management 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 Treasury Management meeting within the Resources 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. Any non-UK financial institution must have a country of origin with a sovereign credit rating of at least AA.

<u>Policy para 3.2.2</u>	<u>Short-term rating</u>	<u>Long-term rating</u>	<u>Short-term watch</u>	<u>Institution</u>	<u>Maximum Investment</u>	<u>Maximum Investment > 6 months</u>
(a)	F1+	AA-	Not Negative	UK or non-UK	£50m	£30m
(b)				UK Local Authority or precepting authority	£100m	£100m
(c)	F1+	AA-	Negative	UK or non-UK	£20m	nil
(d)	F1+	A	Not Negative	UK or non-UK	£20m	£20m
(e)	F1+	A	Negative	UK or non-UK	£10m	nil
(f)	F1	A	Not Negative	UK or non-UK	£10m	£10m
(g)	F1	A+	Negative	UK or non-UK	£5m	nil
(h)	F1	A	Not Negative	UK or non-UK – 2 out of 3 rating agencies	£10m	3 months only
(i)				Royal Bank of Scotland/Nat West PLC	£50m	Overnight only

Treasury Policy Statement

- (a) up to £50 million with UK or non-UK institutions with a Fitch credit rating of at least F1+ short-term, AA- long-term, and a short-term watch 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;
- (b) up to £100 million with other UK local authorities or precepting authorities;
- (c) up to £20 million for a maximum of 6 months with UK or non-UK institutions with a Fitch credit rating of at least F1+ short-term, AA- long-term, and a short-term watch that is negative (or equivalent under Moody's or Standard and Poor's);
- (d) up to £20 million with UK or non-UK institutions with a Fitch credit rating of at least F1+ short-term, A long-term, and a short-term watch that is not negative (or equivalent under Moody's or Standard and Poor's);
- (e) up to £10 million for a maximum of 6 months with UK or non-UK institutions with a Fitch credit rating of at least F1+ short-term, A long-term, and a short-term watch that is negative (or equivalent under Moody's or Standard and Poor's);
- (f) up to £10 million with UK or non-UK institutions with a Fitch credit rating of at least F1 short-term, A long-term, and a short-term watch that is not negative (or equivalent under Moody's or Standard and Poor's);
- (g) up to £5 million for a maximum of 6 months with UK or non-UK institutions with a Fitch credit rating of at least F1 short-term, A+ long-term, and a short-term watch that is negative (or equivalent under Moody's or Standard and Poor's);
- (h) up to £10 million with UK or non-UK institutions for a maximum of 3 months where 2 out of 3 credit rating agencies have a Fitch credit rating of at least F1 short-term, A long-term, and a short-term watch that is not negative (or equivalent under Moody's or Standard and Poor's); and
- (i) up to £50 million with Royal Bank of Scotland/Nat West PLC overnight only.

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 Resources or in his absence the Assistant Director of Financial Management. 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 and Short Dated Income Funds. Investments may also be placed directly in sterling money market funds (MMFs) with AAA ratings or with Short Dated Income Funds with AA ratings. Investments shall be placed in accordance with the following criteria: -

- a) These Funds 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 Treasury Management meeting within the Resources Department, as described in paragraph 2.5 above. Daily operation of the funds will be managed by the Treasury Management Team within the Financial Management Division.
- b) The maximum overall limit for the use of MMFs and Short Dated Income Funds shall be 50% of total investments.
- c) The maximum limit for each counterparty with AAA rating 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.
- e) Each Short Dated Income Fund shall have as a minimum AA credit rating from one of the three main credit rating agencies.
- f) The maximum investment placed in any Fund shall not exceed 7.5% of the total assets under management in the Fund.
- g) For a AA rated Short Dated Income Fund, the maximum investment in any Fund shall not exceed £5 million, or 7.5% of assets under management, whichever is the lower.

3.2.4 Longer Term Investments. Investments for periods longer than 364 days must be authorised by the Director of Resources 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 remain above £350 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 £25 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) Up to £50 million may be placed in a Covered Bond. The bond will have a maturity period of no longer than three years and will have a credit rating of AAA from at least one of the three credit rating agencies. If the bond issuer is one of the institutions on the Council's investment list this investment will not count against the limit for that counterparty under paragraph 3.2.2.

Treasury Policy Statement

- (iii) Loans may be made to Staff Mutuals, other Service Providers or Voluntary Organisations at market rates of interest. The detailed terms of each loan will be determined on an individual basis by the Director of Resources, subject to an overall maximum limit of £5 million per loan.
- (iv) Loans may be made through bond instruments issued by any Joint Venture arrangement or vehicle set up for the purpose of regenerating the Council's housing estates. Any such investment shall not exceed £50 million.
- (v) Loans may be made to Wandsworth based Business Improvement Districts (BIDS) for start-up loans at up to market rates of interest to an overall maximum limit of £1 million.
- (vi) Investments may be made from the Pensions Resilience Reserve and other cash balances up to an aggregate limit of £50 million for around five years, subject to meeting the criteria to not count as capital expenditure. The following classes of assets may be utilised –Individual Corporate Bonds (grade BBB and above), Fixed Income Funds, Equity Funds and Mixed Asset Funds (including Multi Asset Credit). In addition investments may be made in products akin to those currently used by the Pension Fund. Where practicable, suitable hedging arrangements will be made on all such investments; however it is recognised that hedging (outside a fund) against downside risk will often be cost prohibitive therefore risk management will focus on diversification. The total amount invested with any one manager shall not exceed £20 million unless capital appreciation takes an initial investment over that value.
- (vii) 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.

4. STRATEGY FOR 2019/20.

4.1 The following table considers the outlook for investment and debt levels for the period 2019/20 to 2021/22 taking into account estimates of major cash flow movements.

	<u>2019/20</u>	<u>2020/21</u>	<u>2021/22</u>
	£'m	£'m	£'m
Estimated investments 1st April	540.0	437.9	367.2
Estimated debt 1st April	-103.2	-86.0	-68.8
Deposit facilities for other bodies & funds	-0.6	-0.5	-0.5
<u>Net investments/debt 1st April</u>	<u>436.2</u>	<u>351.4</u>	<u>297.9</u>
Deduct			
Capital payments - general	-81.3	-67.3	-25.6
Capital payments - HRA	-167.2	-143.8	-25.9
Payment of capital receipts to Government	-2.5	-2.5	-2.4
Net Movement in funds, reserves & provisions	-119.7	-27.7	6.2
Add			
Capital receipts	13.6	14.4	12.8
Capital grants	92.0	84.5	21.6
Revenue provision for capital & credit liabilities	180.3	88.9	42.4
In-year net cash movement before loans	<u>-84.8</u>	<u>-53.5</u>	<u>29.1</u>
Net investments/debt 31st March	<u>351.4</u>	<u>297.9</u>	<u>327.0</u>
Estimated investments 31st March	-437.9	-367.2	-379.1
Estimated debt 31st March	-86.0	-68.8	-51.6
Deposit facilities for other bodies	-0.5	-0.5	-0.5
Repayment of debt	17.2	17.2	17.2
Change in use of deposit facilities	0.1	0.0	0.0

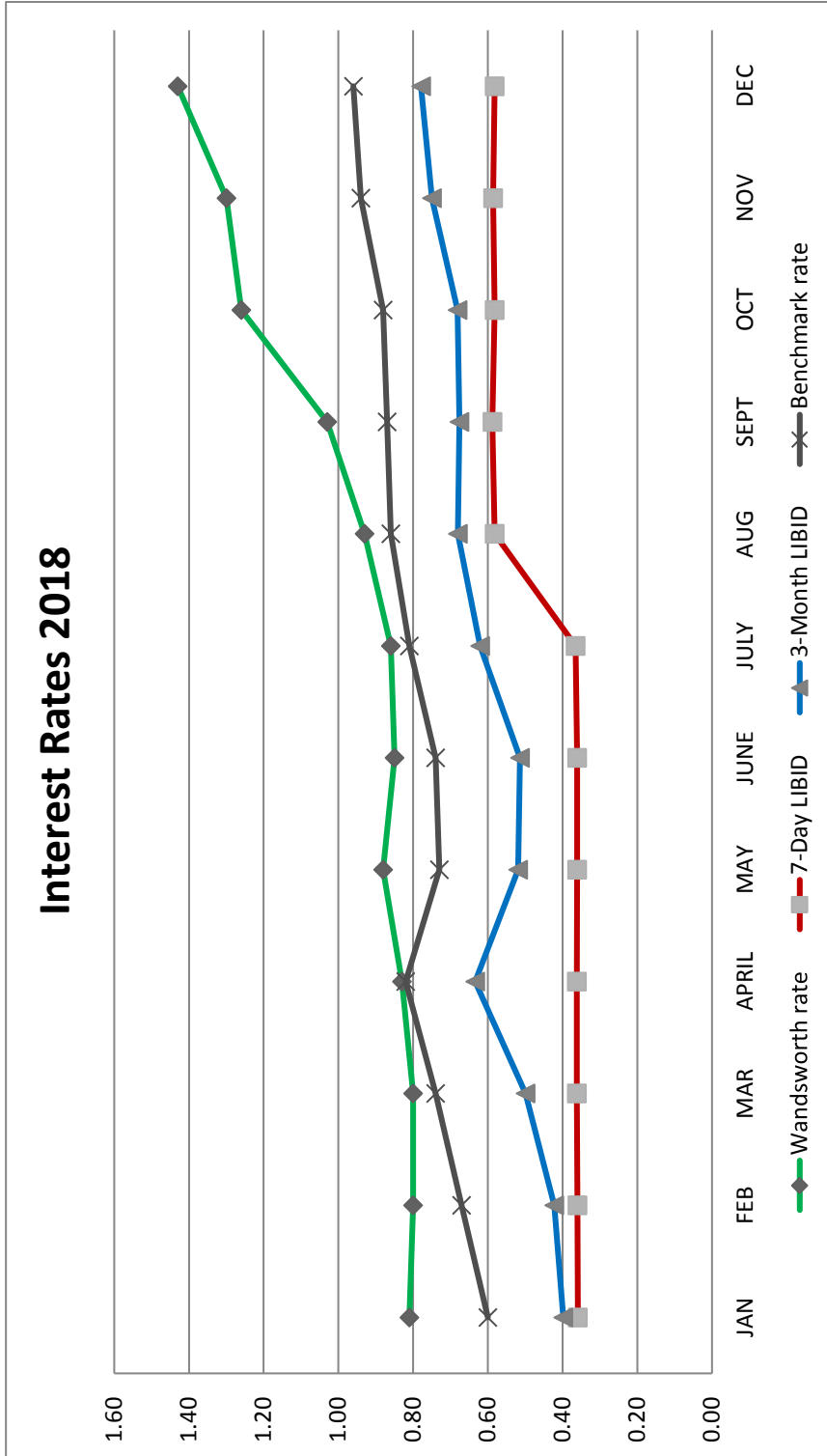
4.2 The Council is expected to begin the year with investments of around £540 million. Repayments of £17.2 million of new PWLB loans taken up for the HRA on 28th March 2012 fall due during the year. The estimated movements for the following two years based upon current cash flows show that investments are likely to fall as the HRA Regeneration schemes progress and the level of other balances reduces. These cash flows do not currently allow for all potential expenditure relating to regeneration schemes in Roehampton and Battersea or the new council-led development programme which will be modelled into cash flows in due course.

Treasury Policy Statement

- 4.3 Authorised Borrowing Limit and Operational Boundary for 2019/20 The Council has to set a borrowing limit and operational boundary for 2019/20 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 borrow without further reference back to Council. This limit was set at £140 million in February 2018 for 2018/19, reflecting the existing long-term borrowing of £120 million at 1 April 2018, 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 £103 million at 1st April 2019 and no new long-term borrowing is currently planned. A limit of £125 million is therefore proposed for the borrowing limit and operational boundary for 2019/20, reflecting the existing borrowing and allowing for other possible requirements.

The Town Hall
Wandsworth
SW18 2PU

5th February 2019



APPENDIX C**TOTAL INVESTMENTS****31st December 2018**

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

OVERNIGHT

Royal Bank of Scotland	0.05%	0.1			
		0.1			

MONEY MARKET & SHORT DATED INCOME FUNDS

Statestreet Sterling (CNAV)		37.1		AAA rating	
Federated Global Sterling (CNAV)		24.8		AAA rating	
Federated Cash Plus (VNAV)		25.0		AAA rating	
Aberdeen Short Duration Fund (VNAV)		5.0		AAA rating	
Royal London Cash Plus Fund		10.0		AAA rating	
		101.9			

SHORT FIXED < 3 MONTHS

Commonwealth Bank of Australia	0.75%	5.0	AA-	F1+	Not negative
Walsall Borough Council	0.70%	10.0			
Dorset County Council	0.75%	5.0			
DBS Bank Ltd.	0.95%	10.0	AA-	F1+	Not negative
Santander UK plc	1.00%	5.0	A	F1	Not negative
DBS Bank Ltd.	1.00%	20.0	AA-	F1+	Not negative
Commonwealth Bank of Australia	1.00%	10.0	AA-	F1+	Not negative
		65.0			

SHORT FIXED > 3 MONTHS

Goldman Sachs International Bank	1.22%	10.0	A	F1	Not negative
Lancashire County Council	1.02%	5.0			
Commonwealth Bank of Australia	0.98%	10.0	AA-	F1+	Not negative
Australia and New Zealand Banking Group Ltd.	0.95%	10.0	AA-	F1+	Not negative
Lloyds Bank Plc (RFB)	1.00%	5.0	A+	F1	Not negative
Australia and New Zealand Banking Group Ltd.	0.93%	10.0	AA-	F1+	Not negative
Australia and New Zealand Banking Group Ltd.	0.92%	10.0	AA-	F1+	Not negative
Commonwealth Bank of Australia	0.89%	5.0	AA-	F1+	Not negative
Credit Industriel et Commercial	0.94%	10.0	A+	F1	Not negative
Lancashire County Council	0.90%	10.0			
		85.0			

SHORT FIXED > 6 MONTHS

Lloyds Bank Plc (RFB)	1.10%	5.0	A+	F1	Not negative
First Abu Dhabi Bank PJSC	1.13%	10.0	AA-	F1+	Not negative
United Overseas Bank Ltd.	0.92%	5.0	AA-	F1+	Not negative
Toronto-Dominion Bank	0.91%	10.0	AA-	F1+	Not negative
Toronto-Dominion Bank	0.97%	10.0	AA-	F1+	Not negative
Canadian Imperial Bank of Commerce	0.94%	10.0	AA-	F1+	Not negative
Bank of Montreal	0.96%	5.0	A+	F1	Not negative
Toronto-Dominion Bank	0.97%	5.0	AA-	F1+	Not negative
Birmingham City Council	0.70%	10.0			
Corby Borough Council	1.00%	4.5			
First Abu Dhabi Bank PJSC	1.07%	10.0	AA-	F1+	Not negative
Doncaster Metropolitan Borough Council	0.73%	5.0			
Enfield Council	1.05%	10.0			
Cambridge County Council	1.00%	10.0			
Wolverhampton City Council	0.80%	8.0			
Toronto-Dominion Bank	1.07%	5.0	AA-	F1+	Not negative
London Borough of Croydon	1.05%	10.0			
Thurrock Council	1.09%	5.0			
Thurrock Council	1.09%	5.5			

First Abu Dhabi Bank PJSC	1.21%	10.0	AA-	F1+	Not negative
Lancashire County Council	0.85%	10.0			
London Borough of Southwark	1.05%	10.00			
DBS Bank Ltd.	1.15%	20.0	AA-	F1+	Not negative
Exeter City Council	0.90%	10.0			
Cambridgeshire County Council	1.15%	10.0			
North Tyneside Council	1.15%	5.0			
North Tyneside Council	1.15%	4.0			
National Australia Bank Ltd.	1.13%	10.0	AA-	F1+	Not negative
Cambridgeshire County Council	1.15%	10.0			
National Australia Bank Ltd.	1.13%	10.0	AA-	F1+	Not negative
National Bank of Canada	1.15%	10.0	A+	F1	Not negative
		<u>262.0</u>			

SHORT FIXED > 1 YEAR

Highlands Council	1.30%	2.5			
Great Yarmouth Borough Council	1.25%	11.0			
Lancashire County council	1.40%	10.0			
		<u>23.5</u>			

CCLA Property Fund

25.0

Multi-Asset Funds

Artemis Monthly Distribution Fund		15.0			
Fidelity Multi-Asset Income Fund		20.0			
JP Morgan Multi-Asset Income Fund		15.0			
		<u>50.0</u>			

Mutuals & similar organisations

0.60

613.1

less amount invested on behalf of WRWA

-15.2

TOTAL INVESTMENTS

597.9

TOTAL INVESTMENTS

31st March 2018

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

OVERNIGHT

Royal Bank of Scotland	0.01%	0.0			
		<u>0.0</u>			

MONEY MARKET & SHORT DATED INCOME FUNDS

Statestreet Sterling (CNAV)		0.0		AAA rating
Federated Global Sterling (CNAV)		0.6		AAA rating
JP Morgan (CNAV)		0.0		AAA rating
Deutsche Sterling (CNAV)		0.0		AAA rating
Standard Life (CNAV)		0.7		AAA rating
Insight (CNAV)		0.0		AAA rating
Insight Liquidity Plus (VNAV)		7.5		AAA rating
Federated Cash Plus (VNAV)		0.0		AAA rating
Standard Life Liquidity Fund (VNAV)		1.0		AAA rating
Royal London Cash Plus Fund		10.0		AAA rating
		<u>19.8</u>		

SHORT FIXED < 3 MONTHS

Thurrock Council	0.75%	6.0			
Goldman Sachs International Bank	0.93%	10.0	A	F1	Not Negative
Thurrock Council	0.75%	10.0			
Santander UK PLC	0.60%	5.0	A	F1	Not Negative
Lloyds Bank PLC	0.80%	5.0	A+	F1	Not Negative
DBS Bank Ltd.	0.56%	10.0	AA-	F1+	Not Negative
Dudley Metropolitan Borough Council	0.97%	15.0			
Birmingham City Council	0.70%	20.0			
Birmingham City Council	0.70%	8.0			
Birmingham City Council	0.70%	7.0			
Commonwealth Bank of Australia	0.53%	10.0	AA-	F1+	Not Negative
Qatar National Bank	0.85%	10.0	A+	F1	Not Negative
Australia and New Zealand Banking Group Ltd.	0.52%	10.0	AA-	F1+	Not Negative
Australia and New Zealand Banking Group Ltd.	0.52%	10.0	AA-	F1+	Not Negative
United Overseas Bank Ltd.	0.48%	5.0	AA-	F1+	Not Negative
DBS Bank Ltd.	0.54%	10.0	AA-	F1+	Not Negative
United Overseas Bank Ltd.	0.51%	10.0	AA-	F1+	Not Negative
Commonwealth Bank of Australia	0.52%	10.0	AA-	F1+	Not Negative
Commonwealth Bank of Australia	0.52%	10.0	AA-	F1+	Not Negative
Credit Industriel et Commercial	0.57%	10.0	A+	F1	Not Negative

191.0

SHORT FIXED > 3 MONTHS

Walsall Borough Council	0.65%	10.0			
Canadian Imperial Bank of Commerce	0.50%	10.0	AA-	F1+	Not Negative
West Dunbartonshire Council	0.50%	8.0			
Australia and New Zealand Banking Group Ltd.	0.50%	10.0	AA-	F1+	Not Negative
Birmingham City Council	0.50%	5.0			
Broxbourne Borough Council	0.50%	8.3			
Lloyds Bank PLC	0.50%	5.0	A+	F1	Not Negative
Landesbank Hessen-Thuringen Girozentrale	0.54%	10.0	A+	F1+	Not Negative
National Bank of Canada	0.50%	10.0	A+	F1	Not Negative
Toronto-Dominion Bank	0.55%	10.0	AA-	F1+	Not Negative
Glasgow City Council	0.70%	10.0			

96.3

SHORT FIXED > 6 MONTHS

Societe Generale	0.73%	10.0	A	F1	Not Negative
Glasgow City Council	0.72%	10.0			
Toronto-Dominion Bank	0.70%	5.0	AA-	F1+	Not Negative
Cooperatieve Rabobank U.A.	0.72%	10.0	AA-	F1+	Not Negative
Toronto-Dominion Bank	0.70%	5.0	AA-	F1+	Not Negative
Santander UK PLC	0.72%	5.0	A	F1	Not Negative
United Overseas Bank Ltd.	0.70%	10.0	AA-	F1+	Not Negative
Thurrock Council	0.75%	5.0			
Thurrock Council	0.74%	5.5			
Woking Borough Council	0.57%	6.4			
Doncaster Metropolitan Borough Council	0.70%	5.0			
London Borough of Southwark	0.75%	10.0			
Northumberland County Council	0.56%	10.0			
Barnsley Metropolitan County Council	0.56%	10.0			
Rotherham Metropolitan Borough Council	0.70%	10.0			
North Tyneside Council	0.75%	4.0			
North Tyneside Council	0.75%	5.0			
North Tyneside Council	0.75%	4.0			
Barnsley Metropolitan County Council	0.56%	10.0			
North Tyneside Council	0.77%	5.0			
North Tyneside Council	0.77%	5.0			
Commonwealth Bank of Australia	0.75%	5.0	AA-	F1+	Not Negative
Walsall Borough Council	0.70%	10.0			
Dorset County Council	0.75%	5.0			

		<u>169.9</u>
<u>SHORT FIXED > 1 YEAR</u>		
Birmingham City Council	0.70%	10.0
Doncaster Metropolitan Borough Council	0.73%	5.0
Wolverhampton City Council	0.80%	8.0
Lancashire County council	0.85%	10.0
Exeter City Council	0.90%	10.0
		<u>43.0</u>
CCLA Property Fund		<u>25.0</u>
Mutuals & similar organisations		<u>0.52</u>
		<u>545.4</u>
less amount invested on behalf of WRWA		<u>-10.55</u>
<u>TOTAL INVESTMENTS</u>		<u>534.88</u>

APPENDIX D

			<u>TOTAL DEBT</u>	
	Maturity Date	Rate of interest %	Balance 31.12.18 £'000	Balance 31.03.18 £'000
<u>Long-Term Debt</u>				
PWLB EIP Loans	28/03/2025	1.69	111,811	120,412
<u>Total Long-Term Debt</u>			<u>111,811</u>	<u>120,412</u>
<u>Deposit Facilities for other Bodies</u>				
NESCB			608	558
<u>TOTAL DEBT</u>			<u>112,419</u>	<u>120,970</u>

**SECTION 3
COUNCIL HOUSING BUDGETS**

WANDSWORTH BOROUGH COUNCILHOUSING AND REGENERATION OVERVIEW AND SCRUTINY COMMITTEE –
17TH JANUARY 2019EXECUTIVE – 21ST JANUARY 2019COUNCIL – 6TH FEBRUARY 2019Joint Report by the Director of Resources and the Director of Housing and Regeneration on the
Housing Revenue Account Rents for Council Dwellings and Non-Residential ChargesSUMMARY

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. Consequently, this report reviews various matters appertaining to the Housing Revenue Account, including Council housing rents and charges, the housing capital programme and the overall Housing Revenue Account budget framework for the years 2018/19 to 2021/22.

The report first recommends additions to the capital programme of £93.704 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.

Taking account of all relevant factors the Cabinet Member for Housing recommends that a minimum 1% rent decrease is applied to the social rented housing stock and affordable rent properties and proposes general increases in non-residential charges of 4.3%, all to take effect from the first Monday in April 2019.

Finally, Appendix E shows the revised budget framework that reflects the proposals in this report and Appendix F graphically reflects the revised Housing Revenue Account business plan forecast over 10 years. On the forecast parameter used, the business plan demonstrates that the Council continues to be in a position to finance future expenditure plans, including the two large-scale regeneration projects and the expanded development programme and continue to maintain the Decent Homes standard.

GLOSSARY

CPI	Consumer Price Index
DHP	Discretionary Housing Payments
GLA	Greater London Authority
HRA	Housing Revenue Account
LHA	Local Housing Allowance
MHCLG	Ministry of Housing, Communities and Local Government

Housing Revenue Account Rents for Council Dwellings and Non-Residential Charges

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 Housing Revenue Account capital programme additions totalling £93.704 million as set out in Appendix B to the report be approved and that accordingly the total capital programme over the Housing Revenue Account budget framework period summarised in Appendix C to the report be adopted as the Housing Revenue Account approved capital programme;
 - (b) that the procurement governance arrangements in relation to the HRA capital programme as set out in paragraph 14 be approved;
 - (c) that in accordance with the Welfare Reform and Work Act 2016 a minimum 1% decrease (or an average £1.25 per week reduction) in applicable social rents be approved to take effect from Monday 1st April 2019;
 - (d) that for existing affordable rents a minimum 1% decrease in line with the Welfare Reform and Work Act 2016 be approved from Monday 1st April 2019;
 - (e) that for properties sold under the Right to Part Buy scheme a rent increase of 3.4% (September 2018 Consumer Price Index + 1%) be approved to take effect from Monday 1st April 2019;
 - (f) note that service charges for tenants continue to be calculated annually based on uplifted actual costs, taking into account the Government's intention to see transparent charges that reflect the services being provided whilst endeavouring to keep increases within the limit of Consumer Price Index + 1%;
 - (g) that the Director of Resources, in conjunction with the Director of Housing and Regeneration, be authorised to reduce rents of individual properties in the limited circumstances outlined in paragraph 28;
 - (h) that the Director of Housing and Regeneration be authorised to serve notices upon tenants of Housing Revenue Account dwellings, advising that the changes in rents and service charges will be applied from Monday 1st April 2019 where applicable;
 - (i) that the non-residential charges as set out in Appendix D to the report be approved with effect from Monday 1st April 2019;
 - (j) that the estimates shown in Appendix E to the report for the Housing Revenue Account for the financial years 2018/19 to 2021/22 be adopted as the Housing Revenue Account budget framework, subject to any variations subsequently

Housing Revenue Account Rents for Council Dwellings and Non-Residential Charges

approved by the Executive within the overriding restriction that the Housing Revenue Account reserves shown for 31st March 2022 should not be forecast by the Director of Resources to reduce by more than £40 million; and,

- (k) that the Director of Resources be authorised to prepare the statutory Housing Revenue Account statement for 2019/20 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 2019/20, 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 Regeneration. The requirement to make available the statement referred to in (c) above is met by including the HRA budget framework 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 expenditure

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 in November 2018 (Paper No. 18-419) and any budget virements and 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 and the data and information held on stock and key components. The stock condition survey is a statistically based estimate used to inform assumptions within the business plan on the future

Housing Revenue Account Rents for Council Dwellings and Non-Residential Charges

level of capital resources required to maintain the Council's housing stock to the Decent Homes standard. An update of the survey was undertaken in 2012, the results of which continue to inform the current assumptions within the business plan on future levels of capital spend. The approved programme includes provision to update the stock condition survey during 2019/20 which aligns with the implementation of the new housing management IT system. The Council's housing management system contains details of key components (e.g. age, when last subject to works etc) that helps shape the programme and prioritise on a property and estate basis.

8. The previous 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 average expenditure of approximately £1,465 per property per annum for the tenanted stock or £44,000 per property over the life of the 30-year business plan.
9. The Director of Resources and the Director of Housing and Regeneration propose additions totalling £93.704 million as summarised below and as set out in detail in [Appendix B](#) for consideration.

Programme Area	2018/19	2019/20	2020/21	2021/22 onwards	Total
	£000s	£000s	£000s	£000s	£000s
Repairs & Improvements	-	6,591	9,847	16,223	32,661
Estate Improvements	-	250	100	-	350
Site Developments	118	4,729	13,761	489	19,097
Regeneration	300	3,003	34,578	115	37,996
House Purchase Grants	-	-	3,100	-	3,100
Purchase of Properties	-	-	500	-	500
TOTAL	418	14,573	61,886	16,827	93,704

10. These additions include all foreseeable works derived from the current stock condition survey, both in terms of meeting and maintaining the Decent Homes standard and delivering a programme of "Decent Homes Plus" works at a total cost of £32.661 million. The level of bids submitted is slightly higher than the expenditure requirements assumed in the business plan mainly as a result of the additional bid for the replacement of cladding on Sudbury House and Castlemaine Tower although it is anticipated that this additional cost will be reimbursed by the Government by way of grant.
11. Further capital bids on the Winstanley/York Road and Alton regeneration schemes include bids for both the regeneration project teams for 2020/21. In addition, there are a number of bids relating to site re-provision and residential development costs across both schemes coming forward at this time in line with the scheme timeframes. All costs relating to the regeneration schemes are considered to be project costs and are therefore included in the overall scheme cost cash flows within the HRA business plan. Future HRA capital bids in relation to these schemes will be included for approval at the appropriate time.
12. Also proposed are a number of new build schemes which form part of the expanded development programme delivering 1,000 new homes in the Borough on Council

Housing Revenue Account Rents for Council Dwellings and Non-Residential Charges

owned land. Budget approvals for the development of further sites will be approved on a phase by phase basis at the relevant time.

13. The resulting capital programme over the HRA budget framework period is shown in summary and full detail in Appendix C. The total planned capital expenditure over the budget period 2018/19 – 2022/23 totals £454.011 million.
14. With regards to the procurement of works and services in relation to the HRA capital bids and more generally across the HRA capital programme, details of the proposed procurement approach will be considered by the officer-led Procurement Board on a scheme by scheme basis, so no further Housing and Regeneration Overview and Scrutiny Committee or Executive approvals will be necessary unless the Procurement Board agrees otherwise. Final contract awards will be made under the Council's SO83(a) procedure unless positive budget variations are necessary.

HRA Estimates and Business Plan – proposals for capital income

15. On existing policies, the financing of the HRA capital programme comes from several sources as follows: -
 - (a) Current government regulations allow any housing capital receipts resulting from land and property sales other than statutory Right to Buy sales to be retained by the Council. Current projections are that usable receipts of £14.5 million will be generated in 2018/19 which, based on current Council policy, includes income from the sale of vacant properties that is to be reinvested into future purchases for low cost rent. Based on receipts to date it is anticipated that there will be £12 million of re-provision in 2019/20 with actual figures confirmed and approved by this Committee and the Executive as part of the annual review of resources report in June/July 2019. The business plan assumes an ongoing level of receipts from the disposal of minor sites at around £1 million per year;
 - (b) Capital receipts from Right to Buy sales are covered by a voluntary agreement between the Council and the Ministry for Housing, Communities and Local Government (MHCLG) whereby retained receipts from Right to Buy sales over an assumed level must be utilised to fund no more than 30% of the replacement and development cost of re-provision of low cost social housing within three years of receiving those receipts. The business plan assumes £8.276 million of capital receipts (known as Right to Buy one-for-one replacement receipts) are applied in 2018/19 and £2 million in 2019/20;
 - (c) As approved in the September 2015 HRA Business Plan update (Paper No. 15-315) the Council has the option of funding the social and affordable housing elements of the two regeneration schemes from section 106 affordable housing contributions, grant funding or additional Right to Buy one-for-one replacement receipts insofar as they are available. The current business plan therefore assumes that £26.849 million of the future regeneration re-provision cost of the development of Shuttleworth Road is met from section 106 affordable housing contributions;

Housing Revenue Account Rents for Council Dwellings and Non-Residential Charges

- (d) Available grant funding. The HRA Business Plan includes grant of £19.122 million from the Greater London Authority (GLA) for the cost of the replacement cladding at Sudbury House and Castlemaine Tower and £16.372 million of grant from the GLA towards the cost of new units at Shuttleworth Road and through the “Building Council Housing for London” programme. The total grant funding becoming available is estimated at £16.176 million in 2018/19 and £2.2 million in 2019/20 with the remainder becoming due in future years;
- (e) 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 £2.2 million in 2018/19 and £6.383 million in 2019/20;
- (f) Internal and External Borrowing. Short-term internal borrowing is utilised to fund the balance of expenditure on Right to Buy re-provision schemes with longer term external borrowing likely to be taken on to fund the regeneration schemes and the expanded programme delivery. The assumption is that £19.311 million of new borrowing will be required in 2018/19 and £4.667 million in 2019/20 to support current commitments. Over the 30-year business plan it is assumed that £500 million on new external debt will be required with the majority of this being required over the next ten years; and
- (g) Contributions to or from the Major Repairs Reserve consisting of a revenue charge for depreciation, as defined by regulations, that continues to be put into the HRA’s major repairs 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 £21.344 million in 2018/19 and £21.594 million in 2019/20 towards funding future capital works; and the HRA’s capital and revenue reserves, which totalled £333.022 million at the beginning of 2018/19, insofar as these continue to remain available.

16. In summary the HRA capital programme will require financing as follows in the table below: -

	2018/19	2019/20	2020/21	2021/22 onwards	TOTAL
	£m	£m	£m	£m	£m
Total Expenditure	115.426	167.199	143.847	27.539	454.011
Financed By:					
(a) Capital Receipts	14.500	1.000	1.000	1.000	17.500
(b) Right to Buy 1-4-1 Receipts	8.276	2.000	1.500	-	11.776
(c) S106 Receipts	4.265	18.027	4.158	0.399	26.849
(d) Capital Grant	16.176	2.200	10.654	6.464	35.494
(e) Leaseholder Major Works Charges	2.200	6.383	6.949	7.134	22.666
(f) Borrowing	19.311	4.667	63.500	-	87.478
(g) Contribution to (-) / from (+) Major Repairs Reserve	+50.698	+132.922	+56.086	+12.542	+252.248

HRA Estimates and Business Plan – proposals for revenue expenditure

Management and maintenance expenditure

17. The updated business plan allows for inflation in 2019/20 of 2% on salaries (in line with current projections) and inflationary increases in line with the Consumer Price Index (CPI) or other relevant index where those costs are linked to specific contracts. The budgeted level of spend on the management and revenue maintenance of properties in 2019/20 is £3,201 per dwelling after adjusting for leasehold and tenants' service charges income. This average management and maintenance cost for 2019/20 includes all budget variations approved by the Executive in this year to date and other budget adjustments proposed in this cycle and within the development budget process.
18. Going forward, expenditure at broadly these levels has been anticipated in the HRA business plan, although this element of spend must be kept under constant review to ensure the long-run viability of the business plan. An ongoing increase in expenditure of just £100,000 per annum would reduce the estimated overall reserves after 30 years by £5 million when taking in to account inflation and the future loss of interest on this additional expenditure. This highlights the significant impact that relatively small annual expenditure adjustments have on the overall financial position.

Servicing of debt and other capital financing costs

19. 2012/13 saw an end to the national 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 significant sum of debt as the necessary price of "buying out" of the HRA subsidy system and in lieu of all future payments it made into the national pot. The final settlement figure for Wandsworth required a one-off buyout cash payment to the government of £434 million. This was initially 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 (referred to as "internal borrowing").
20. As approved in Paper No. 15-315, and in response to the amended financial outlook for the HRA business plan at that time, the borrowing term of the internal borrowing element of the outstanding debt was extended and is currently estimated to be repaid by 2031/32.
21. Based on the interest rates borrowed at for this self-financing debt, 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 and other capital schemes where needed, it is estimated to cost the HRA £4.295 million in interest and require principal loan repayments totalling £47.015 million during 2019/20. This has been incorporated within the business plan and budget framework. As previously highlighted, significant levels of external borrowing are anticipated over the next 10-years to support the Council's regeneration schemes and expanded delivery programme and are included in current projections.

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Other expenses

22. Other expenses include provision for bad debts and other miscellaneous costs incurred in the HRA. The budget for 2019/20 has been set at £2.42 million in line with current estimates.

HRA Estimates and Business Plan – proposals for revenue income

23. The average Council social dwelling rent in Wandsworth is currently £125.00 per week. In addition, average housing management related service charges of £7.24 per week are charged to tenants, creating a total average charge of £132.24 all of which is eligible for housing benefit where applicable. There are significant variations in actual rents around this average ranging from £45.21 to £371.22 per week depending on the size and location of the property.
24. The Rent Officer currently sets, for Housing Benefit purposes, Local Housing Allowance (LHA) rates to set the level of benefit payments made to tenants in the private rented sector. As a comparison, in Wandsworth the LHA rates currently range from £216.06 for a one-bedroom property to £429.53 for 4 bedrooms or more, excluding service charges, depending on where the property is situated. Wandsworth's own rent levels are therefore significantly below the market rate for equivalent properties available on the private rental market.

The Government's rent reduction policy

25. The Welfare Reform and Work Act 2016 included a requirement that all social housing registered providers must reduce social housing rents by a minimum of 1% each year for four years (2016/17 – 2019/20) with the rent setting exercise for 2019/20 being year four following the rent reductions approved in Paper No. 16-9, Paper No. 17-9 and Paper No. 18-14. This rent reduction is mandatory whereas the Government's previous directions to stock holding councils on rent setting have all be based on guidance only.
26. The Council's current approved rent policy (Paper No. 14-577) is effectively overridden where it conflicts with Government legislation. As a minimum of 1% rent reduction must be passed to every existing tenant, elements of the Council's own rent setting policy cannot be implemented during the statutory rent reduction period, as the policy in some instances conflicts with this legislation.
27. The Council as a minimum must comply with the Act and it is therefore recommended that the minimum 1% rent reduction (equivalent to an average £1.25 per property per week reduction) be implemented for all social rented properties with effect from the first Monday in April 2019.
28. Rent levels will generally be subject to a minimum of 1% decrease 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 previous valuations and the rate at which the rents of such properties moved towards the valuation rent under the Council's rent policy. It is proposed that in such limited, and any other exceptional,

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circumstances the Director of Resources, in conjunction with the Director of Housing and Regeneration, continues to be authorised to harmonise rents at the lower level.

Social housing rents from April 2020

29. As referenced in the HRA Business Plan update in November 2018 (Paper No. 18-419) the MHCLG is currently considering proposals for social housing rents from April 2020 which include allowing future rent increases at a rate of CPI + 1% for the five years beyond 2020/21. This is to give more financial certainty to councils when developing future investment and delivery plans.
30. The HRA Business Plan therefore assumes future rent increases at a rate of CPI + 1% for the five years beyond 2020/21 in line with the proposals included in the consultation and Retail Price Index (RPI) + 0.5% thereafter. The assumptions in the business plan have CPI at 0.5% below RPI so the future rent increases are effectively a continuation over the life of the plan.

The total welfare benefit cap

31. When first introduced in 2013, the total welfare benefit cap was set at £26,000 per annum in London, equivalent to £500 per week. For rent and service charges to be affordable it is considered that such costs should be no more than 45% of the benefit cap. Accordingly, the Council's current rent policy restricts those rents above £225 per week.
32. The Welfare Reform and Work Act 2016 reduced the benefit cap further to £23,000 per annum for existing claimants in London from December 2016. 45% of this equates to an affordable rent and service charge level of £199 per week. The Council's current Discretionary Housing Payments (DHP) policy awards DHP, on receipt of an application, to those households with children affected by the benefit cap where the eligible rent is in excess of 45% of the households capped benefit income. The Council currently has 936 properties charged weekly rent and service charges higher than £199 per week although the rent reduction will move a small number of property rents (estimated 20%) back below the revised threshold of £199 per week.
33. Those properties becoming vacant with current rents higher than £199 per week will continue to be charged rent at this higher rate. The Council will then use its ability to recycle HRA resources into funding DHP to protect those on benefits affected by the benefit cap whilst those that have the ability to pay continue to pay and/or receive benefits to assist with covering rent and service charges. However, this will need to be reviewed in the event of the Council no longer being able to recycle HRA funds to pay DHP as the Council has to apply for an annual Direction to enable it to do so which is not guaranteed beyond 2018/19 at this time.

Tenants' service charges

34. In addition to rent, some tenants currently pay a service charge. Whilst rent generally covers charges associated with the occupation of a dwelling such as maintenance and general housing management, service charges usually reflect additional services connected to the upkeep of communal facilities rather than particular occupation of a dwelling. Tenants therefore receive different types of

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services, paid for via tenants' service charges, depending on the property in which they live.

35. Individual service charges for tenants were first introduced in 2004/05 as part of the then Government's rent restructuring "unpooling" policy and recovered costs which were previously included in the rent charge. Tenant service charges are calculated each year using a calculation broadly equivalent to that used to calculate leaseholders' service charges. All the service charges unpooled to date are eligible for housing benefit on the same basis as housing rents. Since 2016/17 service charges have been calculated, in line with all other local authorities and housing associations, on an actual cost basis, and represent a real variable cost to tenants separate to their core rent charge.
36. The current average weekly charges are shown in the table below: -

Service Charge	No. of Properties Charged	Average Charge (Per Week)	Lowest Weekly Charge	Highest Weekly Charge
Estate Cleaning	13,908	£2.38	£0.05	£11.75
Garden Maintenance	14,550	£0.59	£0.01	£4.36
Block Cleaning	13,088	£2.13	£0.02	£9.01
Communal Electricity	13,777	£1.17	£0.01	£7.93
Paladins	12,801	£0.34	£0.10	£1.15
Aerials	6,923	£0.05	£0.01	£0.39
Entrycall	11,253	£0.38	£0.02	£4.23
Sheltered Wardens	1,076	£25.31	Flat Fee £25.31	
Overall Average		£7.24		

37. As these service charges are calculated based on cost recovery, current Council policy means they will not require annual Committee decisions to set the levels for the forthcoming year. The general principle will be that actual costs from the previous completed financial year (which may include an element of variable repair costs) will be used as the base for calculating next year's charges adjusted for estimated inflation, much in the same way as with leaseholder service charges.
38. The 2003 Guide to Social Rent Reforms in the Local Authority Sector which first introduced the concept of unpooling tenants' service charges and the 2014 Guidance on Rents for Social Housing state that authorities are expected to set reasonable and transparent service charges which reflect the service being provided to tenants. The guidance reiterates that service charges are not governed by the same factors as rent charges, however authorities should endeavour to keep increases for service charges within the previous limit on rent changes, of CPI + 1%, to help keep charges affordable. The only exception to this expectation is where new or extended services are introduced, where an additional charge may need to be made, although the Council reserves the right to also implement larger increases in particularly volatile areas like energy costs.
39. Where there is a new or extended service being introduced, authorities are expected to consult appropriately with tenants before introducing new or extended services and associated charges. There is no proposal to introduce any new service charges for 2019/20, although it should be noted that proposals to retender the housing block

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and estate cleaning contract from April 2020 at an increased specification could lead to some larger increases in the following year.

40. Tenants will continue to receive charges only for the particular services they receive, to be fully covered by housing benefit where tenants are eligible. Where tenants have been moved onto Universal Credit, protection is still provided by the service charges being included within the capped limit above which Council policy allows a tenant to be eligible for DHP.

Impact of welfare reform on housing benefit claimants

41. Prior to 2013, any increase in rents for those tenants on Housing Benefit was fully covered by a corresponding increase in Housing Benefit. This enabled the Council to make rent decisions, without affecting those on benefits who might have been deemed unable to pay any increased rent themselves. However, since the government's welfare reforms introduced Universal Credit, maximum benefit caps and benefit reductions for those Council tenants deemed to be under occupying, this is no longer the case. There are currently 821 (899 last year) Council tenants affected who have had their housing benefit reduced as a result of under occupation, of which 36 (26 last year) are currently receiving a Discretionary Housing Payment (DHP) to top up their benefit. The total welfare benefit cap affects 98 (115 last year) Council tenants, of which 15 (32 last year) are receiving a DHP to help cover their rent charge.

Affordable rents

42. There are currently 231 Council properties let on affordable rent terms (rather than social rents). In line with Government requirements, this includes properties that have been developed as part of the GLA Affordable Housing Programme, those associated conversions from social rent to support development costs and those that have been acquired using Right to Buy one-for-one replacement receipts, both in and out of borough.
43. Guidance on affordable rents was set out in the Government's revised guidance on social housing rent setting published in May 2014. Affordable rents are intended to provide higher levels of income to 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 authorities should have regard to the local market context where the property is located, including the relevant LHA for the Broad Rental Market Area in which the property is located, when setting affordable rents. Unlike social rents, affordable rents are inclusive of service charges.
44. New properties and relets being let at affordable rent levels can be set at up to 80% of the prevailing market rent. However, the approach taken by the Council is to set rents generally below and often significantly below the 80% threshold to assist in maintaining affordability. In setting rents due regard will be given to the guideline affordable rents set out in the Affordable Housing Update Report (Paper No. 18-164), the overall position of the HRA business plan and the need now to maximise rental income and to ensure that revenue continues to support the Council's development programme. As identified elsewhere in this report due regard will be given to the impact of revisions to welfare benefit caps, availability of DHP and LHA caps when setting affordable rent levels. In relation to future affordable rents,

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another factor will be the impact of increased grant levels which the Government and the London Mayor may offer to assist in containing rent levels at or nearer to social/formula rent levels.

45. As affordable rent properties are a form of social housing. for existing properties let at affordable rent levels it is now required that current levels are decreased by a minimum of 1% in 2019/20 in line with the Welfare Reform and Work Act.

Right to Part Buy

46. Under the Council's own Right to Part Buy scheme (Paper No. 16-427), initial rent levels are based on a proportion of the current rent charged at the time of purchase which is then subject to annual increases at CPI + 1%. As a shared ownership product, which are not subject to the Government's rent reduction policy, they are therefore excluded from the requirement to reduce rent levels by a minimum of 1% per annum. It is therefore proposed that any properties sold under the Right to Part Buy scheme will have rents increased by 3.4% from the first Monday in April 2019.

HRA NON-RESIDENTIAL CHARGES

47. The current policy on the setting of non-residential charges for garages, parking lots and storsheds was approved by the Executive on 1st July 2002 (Paper No. 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. Following that decision, revised charges were implemented on 1st October 2002 and have been further reviewed each year since as part of the January Committee cycle, with the most recent review in January 2018 (Paper No. 18-14).
48. 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 4.3%, in line with the Council's current charging policy, with effect from the first Monday in April 2019. The current and proposed new weekly net rent price banding for garages are shown in Appendix D, Table 1.
49. Some garages have a supply of running water and/or drainage connected to the mains sewers, for which a charge is made. The current charge is £0.50 per week. This will be revised in accordance with increases as advised by the water provider (currently Castle Water, previously Thames Water) which are yet to be confirmed.
50. Charges for storsheds 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 4.3%. 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 2019.
51. 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 2019, these prices also be increased by an average 4.3% for

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replacement permits, keys and door entry fobs and pre-assignment income as set out in [Appendix D, Table 3](#).

52. The total estimated increase in budgeted income arising from the proposed non-residential charges is £115,000 in 2019/20 and subsequent years and has been incorporated in the HRA budget framework presented as part of this report for approval.

HRA BUDGET FRAMEWORK

53. 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 2017 this controlling parameter was set at a level of £40 million (Paper No. 17-9).
54. The HRA business plan and budget framework reported to this Committee and the Executive in November 2018 (Paper No. 18-419) has been adjusted to take account of the recommendations in this report, including the additions to the capital programme, the recommendations on rents and service charges, the increase in non-residential charges together with any 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 2022, before which time predicted HRA reserves must not be reduced by more than £40 million from the presently predicted £176.846 million.
55. The HRA business plan graph provides an overview of HRA trends for the coming years and the latest forecast of reserves is shown at [Appendix F](#). The plan currently assumes rent reductions in line with the Government requirements up until 2019/20 and annual rent increases in line with guidance thereafter. The graphical representation takes into account the latest estimates of revenue spend and capital expenditure in line with the stock condition survey and assumes that all self-financing existing debt is repaid by 2031/32.
56. Significant levels of future surpluses are still forecast by the end of the 30-year business planning period however, based on current assumptions, reserves are projected to reduce significantly over the period as a result of the Council's investment in its current housing stock and plans for new housing development and regeneration, which requires significant levels of external borrowing, highlighting that further expenditure growth (of both capital and revenue nature) needs to continue to be tightly controlled to ensure ongoing viability.
57. These future 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 projected surpluses which could throw the HRA business plan out of balance and necessitate additional borrowing, higher rents (if permissible) or reduced service provision in future years.

Housing Revenue Account Rents for Council Dwellings and Non-Residential Charges

58. The Director of Resources and the Director of Housing and Regeneration 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

59. The Cabinet Member for Housing has been consulted and, taking all matters into account, considers a rent decrease of a minimum 1% or an average £1.25 per week reduction for applicable social rents, in line with the latest legislation, to be necessary and appropriate. The Cabinet Member also considers that similar decreases for affordable rents both in and out of the borough are necessary and appropriate. The Cabinet Member also welcomes the progress made in ensuring that service charges applied to estates, blocks and dwellings are fully transparent and relate to the cost of services provided. Finally, the Cabinet Member considers that the proposed increases in non-residential charges as set out in Appendix D to this report are appropriate.
60. 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

61. Taking into account the previously approved HRA Business Plan Update (Paper No. 18-419) it is now recommended that a minimum of 1% decrease be applied to the Council's social and affordable rents with effect from the first Monday in April 2019 in line with the Welfare Reform and Work Act. It is also recommended that non-residential charges are increased generally by 4.3%, also with effect from the first Monday in April 2019.
62. Significant levels of future surpluses are forecast by the end of the HRA business plan however these need to continue 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 projected surpluses which could throw the HRA business plan out of balance in the short-term.
63. The graphical representation of balances in Appendix F shows that whilst the HRA is projected to be in surplus in the short to medium term the position remains 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 and ensure ongoing viability.

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Director of Resources

BRIAN REILLY
Director of Housing and Regeneration

Housing Revenue Account Rents for Council Dwellings and Non-Residential Charges

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9th January 2019

Background Papers

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

1. The Council's budget book publication 2018/19
2. A Guide to Social Rent Reforms in the Local Authority Sector 2003
3. The Government's Guidance on Rents for Social Housing 2014
4. Rents for social housing from 2020-21 consultation

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) 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) can supply a copy if required.

Housing Revenue Account - Approved Capital Programme

	<u>2018/19</u>	<u>2019/20</u>	<u>2020/21</u>	<u>2021/22</u>
	<u>£ '000</u>	<u>£ '000</u>	<u>£ '000</u>	<u>£ '000</u>
MAJOR REFURBISHMENT OF ESTATES	16,322	41,100	30,769	4,078
RE-LIFTING	3,518	3,043	3,951	243
RE-WIRING	782	2,402	1,506	-
HEATING IMPROVEMENTS	2,406	2,856	72	-
HEATING REPAIRS	2,962	1,258	697	-
SPECIAL REPAIRS	2,368	2,385	40	-
SHELTERED HOUSING	711	2,143	276	-
ADAPTATIONS FOR DISABLED	1,550	1,550	-	-
ENTRYCALL	215	1,381	202	-
TOTAL REPAIRS AND IMPROVEMENTS	30,834	58,118	37,513	4,321
ENVIRONMENTAL & ESTATE IMPROVEMENTS	932	913	410	255
SITE DEVELOPMENTS & EXPANDED PROGRAMME	15,451	22,253	4,037	223
REGENERATION PROJECTS	39,174	67,392	40,001	5,913
TOTAL ENVIRONMENTAL, NEW BUILD & REGENERATION	55,557	90,558	44,448	6,391
PURCHASE OF PROPERTIES	24,293	500	-	-
PURCHASE OF VEHICLES	345	-	-	-
HOUSE PURCHASE GRANTS	3,308	3,100	-	-
HOUSING MANAGEMENT REPLACEMENT SYSTEM	671	350	-	-
TOTAL HOUSING REVENUE ACCOUNT	115,008	152,626	81,961	10,712

Housing Revenue Account - Proposed Additions to the Capital Programme

	<u>2018/19</u> <u>£ '000</u>	<u>2019/20</u> <u>£ '000</u>	<u>2020/21</u> <u>£ '000</u>	<u>2021/22</u> <u>£ '000</u>	<u>2022/23</u> <u>£ '000</u>
<u>MAJOR REFURBISHMENT OF ESTATES</u>					
Alton Estate (Roehampton)					
F Blocks					
Denmead House, Dunbridge House, Phase 2 Window renewal	-	-	150	1,600	328
Arndale Estate (Southfields)					
Eliot Court, Wentworth Court Overhaul of cladding system	-	-	175	525	-
Augustus Road 7,9 (West Hill)					
Window renewal and associated repairs	-	-	16	49	-
Carey Gardens (Queenstown)					
Blore Close cons, 1-33 Carey Gardens 1-121 odd, Condell Road 1-133 odd, Thessaly Road 1-53 odd Phase 1 Roof renewal	-	-	184	1,559	92
Dounesforth Gardens (Southfields)					
Roof renewal and external decorations	-	-	38	320	19
Melrose Court (East Putney)					
Roof and window renewal	-	-	21	64	-
Queensmere East & West (West Hill)					
All tenanted Houses Roof renewal	-	-	41	351	21
40 Wandsworth Common West Side (Wandsworth Common)					
Window renewal	-	-	10	30	-
Kitchens and Bathrooms Programme					
Phase 9					
Orchard Estate (West Hill), Southmead Estate (West Hill) Totterdown Fields phase 2 (Graveney) Kitchens & Bathrooms Programme - Replacement of obsolete boilers only	-	1,494	-	-	-
Phase 11A					
Arndale Estate 2nd phase (Southfields) Sudbury House, Eliot Court, Wentworth Court	-	-	713	2,316	534
Phase 12					
Aldrington North & South, Balham Hill East & West, Edgecombe Hall Estate	-	-	726	2,359	545
Boroughwide					
Replacement of communal fire doors phase 2	-	581	1,258	97	-
External Decs conversions to window renewal	-	-	1,000	-	-
Replacement of over-cladding system	-	2,664	-	-	-
TOTAL MAJOR REFURBISHMENT OF ESTATES	-	4,739	4,332	9,270	1,539

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	<u>2018/19</u> <u>£ '000</u>	<u>2019/20</u> <u>£ '000</u>	<u>2020/21</u> <u>£ '000</u>	<u>2021/22</u> <u>£ '000</u>	<u>2022/23</u> <u>£ '000</u>
<u>RELIFTING</u>					
Argyle Limpsfield (West Hill) Greenfield House, Oakman House	-	-	105	736	22
Goulden House (St Mary's Park)	-	-	53	271	-
Lochinvar Estate (Balham) Caistor House, Ivanhoe House, Rokeby House	-	-	87	300	-
Lurline Gardens Estate (Queenstown) All Saints Court 1-38 cons	-	-	50	155	-
Rollo Estate (Queenstown) Newtown Court, Rollo Court	-	-	102	108	-
St Johns Avenue 2 (East Putney)	-	-	54	56	-
Wendlesworth Estate (Fairfield) Bembridge House, Binstead House Phase 2	-	-	113	794	23
TOTAL RELIFTING	-	-	564	2,420	45
<u>REWIRING</u>					
Block emergency lighting phase 2	-	-	534	800	-
Individual Rewires	-	-	275	-	-
TOTAL REWIRING	-	-	809	800	-
<u>HEATING IMPROVEMENTS</u>					
Central Area (Wandsworth, Balham, Tooting) Phase 3 - Replacement of obsolete boilers	-	-	356	237	-
Somerset Estate (St Mary's Park) All tenanted units	-	-	104	156	-
Individual installations	-	-	360	-	-
TOTAL HEATING IMPROVEMENTS	-	-	820	393	-
<u>HEATING REPAIRS</u>					
Castlemaine Estate (Latchmere) Replacement of communal heating system	-	-	500	828	48
Fitzhugh Estate (Wandsworth Common) Replacement of communal heating system	-	-	385	642	43
Winstanley Estate (Latchmere) Sendall Court, Sporle Court Cold water booster replacement	-	-	43	29	-
TOTAL HEATING REPAIRS	-	-	928	1,499	91

Housing Revenue Account Rents for Council Dwellings and Non-Residential Charges

	<u>2018/19</u> <u>£ '000</u>	<u>2019/20</u> <u>£ '000</u>	<u>2020/21</u> <u>£ '000</u>	<u>2021/22</u> <u>£ '000</u>	<u>2022/23</u> <u>£ '000</u>
<u>SPECIAL REPAIRS</u>					
Acquired Properties					
Roofs, decoration, damp proofing	-	-	600	-	-
Boroughwide water tank renewal					
	-	250	-	-	-
Extensions/conversions future schemes					
	-	500	-	-	-
Provision for urgent schemes					
	-	660	-	-	-
TOTAL SPECIAL REPAIRS	-	1,410	600	-	-
<u>SHELTERED HOUSING</u>					
Maysoule Road (Latchmere)					
Holmleigh Court Full rewire	-	442	147	-	-
TOTAL SHELTERED HOUSING	-	442	147	-	-
<u>ADAPTATIONS FOR THE DISABLED</u>					
Conversion of vacant properties	-	-	850	-	-
Future years provision	-	-	700	-	-
TOTAL ADAPTATIONS FOR THE DISABLED	-	-	1,550	-	-
<u>ENTRYCALL & CCTV</u>					
Alton Estate (Roehampton)					
Chilcombe House, Crondall House, Farnborough House Somborne House, Rushmere House Replacement of door entry system	-	-	55	93	-
Cunliffe Estate (Furzedown)					
Cunliffe Street 2-32 Even Replacement of door entry system	-	-	3	6	-
Surrey Lane Estate (St Mary's Park)					
Compton House, Cranmer House, Gardiner House Replacement of door entry system	-	-	39	67	-
TOTAL ENTRYCALL & CCTV	-	-	97	166	-

Housing Revenue Account Rents for Council Dwellings and Non-Residential Charges

	<u>2018/19</u> <u>£ '000</u>	<u>2019/20</u> <u>£ '000</u>	<u>2020/21</u> <u>£ '000</u>	<u>2021/22</u> <u>£ '000</u>	<u>2022/23</u> <u>£ '000</u>
<u>ENVIRONMENTAL & ESTATE IMPROVEMENTS</u>					
Doddington Estate (Queenstown)					
Doddington Square	-	250	-	-	-
Future Playground Refurbishment	-	-	100	-	-
TOTAL ENVIRONMENTAL & ESTATE IMPROVEMENTS	-	250	100	-	-
<u>SITE DEVELOPMENTS & EXPANDED PROGRAMME</u>					
Badric Court (St Mary's Park)	44	1,310	900	61	-
Kersfield Estate (East Putney)	-	709	5,783	217	-
Platt Estate North (Thamesfield)	35	590	880	50	-
Platt Estate South (Thamesfield)	35	990	1,480	50	-
Putney Vale (Roehampton & Putney Heath)	4	530	3,493	111	-
Stag House (Roehampton & Putney Heath)	-	600	-	-	-
Feasibility Studies	-	-	1,225	-	-
TOTAL SITE DEVELOPMENTS & EXPANDED PROGRAMME	118	4,729	13,761	489	-
<u>REGENERATION PROJECTS</u>					
Regeneration Project Costs	-	-	1,250	-	-
<u>ROEHAMPTON SCHEME</u>					
Residential Development Costs	-	1,412	8,986	-	-
Fontley Way (Roehampton)					
Satellite Site Development	-	1,198	4,500	-	-
<u>WINSTANLEY & YORK ROAD ESTATE SCHEME</u>					
Residential Development Costs	-	-	15,000	-	-
Gideon Road (Shaftesbury)					
Satellite Site Development	300	393	531	115	-
Shuttleworth Road (St Mary's Park)					
Satellite Site Development	-	-	4,311	-	-
TOTAL REGENERATION PROJECTS	300	3,003	34,578	115	-
PURCHASE OF PROPERTIES	-	-	500	-	-
HOUSE PURCHASE GRANTS	-	-	3,100	-	-
TOTAL ADDITIONS	418	14,573	61,886	15,152	1,675

Housing Revenue Account - Revised Capital Programme

	<u>2018/19</u>	<u>2019/20</u>	<u>2020/21</u>	<u>2021/22</u>	<u>2022/23</u>
	<u>£ '000</u>	<u>£ '000</u>	<u>£ '000</u>	<u>£ '000</u>	<u>£ '000</u>
MAJOR REFURBISHMENT OF ESTATES	16,322	45,839	35,101	13,348	1,539
RE-LIFTING	3,518	3,043	4,515	2,663	45
RE-WIRING	782	2,402	2,315	800	-
HEATING IMPROVEMENTS	2,406	2,856	892	393	-
HEATING REPAIRS	2,962	1,258	1,625	1,499	91
SPECIAL REPAIRS	2,368	3,795	640	-	-
SHELTERED HOUSING	711	2,585	423	-	-
ADAPTATIONS FOR DISABLED	1,550	1,550	1,550	-	-
ENTRYCALL & CCTV	215	1,381	299	166	-
TOTAL REPAIRS AND IMPROVEMENTS	30,834	64,709	47,360	18,869	1,675
ENVIRONMENTAL & ESTATE IMPROVEMENTS	932	1,163	510	255	-
SITE DEVELOPMENTS & EXPANDED PROGRAMME	15,569	26,982	17,798	712	-
REGENERATION PROJECTS	39,474	70,395	74,579	6,028	-
TOTAL ENVIRONMENTAL, NEW BUILD & REGENERATION	55,975	98,540	92,887	6,995	-
PURCHASE OF PROPERTIES	24,293	500	500	-	-
PURCHASE OF VEHICLES	345	-	-	-	-
HOUSE PURCHASE GRANTS	3,308	3,100	3,100	-	-
HOUSING MANAGEMENT SYSTEM REPLACEMENT	671	350	-	-	-
TOTAL HOUSING REVENUE ACCOUNT	115,426	167,199	143,847	25,864	1,675

Housing Revenue Account Rents for Council Dwellings and Non-Residential Charges

	<u>2018/19</u> £ '000	<u>2019/20</u> £ '000	<u>2020/21</u> £ '000	<u>2021/22</u> £ '000	<u>2022/23</u> £ '000
<u>MAJOR REFURBISHMENT OF ESTATES</u>					
Alton Estate (Roehampton)					
Brockbridge House, Egbury House, Finchdean House, Holmsley House, Hurstbourne House, Lyndhurst House, Overton House, Redenham House, Wheatley House, Woodcott House Phase 3 Partial window renewal	600	1,468	-	-	-
C Blocks					
Durford Crescent 3,5,8 Horndean Close 5,6,8,14 Norley Vale 12-14 Wanborough Drive 1,5,7 Roof renewal	10	352	-	-	-
E Blocks					
Chilcombe House, Crondall House, Farnborough House Kimpton House, Rushmere House Phase 2 Window renewal	130	-	-	-	-
F Blocks					
Binley House, Charcot House, Winchfield House Phase 1 Window renewal	-	200	4,000	892	-
Denmead House, Dunbridge House Phase 2 Window renewal	-	-	150	1,600	328
Arndale Estate (Southfields)					
Eliot Court & Wentworth Court Overhaul of cladding system	-	-	175	525	-
Renewal of suspended ceilings to communal areas	21	-	-	-	-
Sudbury House Replacement of over-cladding system	3,091	5,030	146	-	-
Ashburton Chartfield (East Putney)					
Westleigh Avenue 34 flats A-H Roof renewal	-	40	19	-	-
Ashburton South Estate (West Putney)					
Innes Gardens 1-22,23-52,53-64,65-94,95-116,117-156 Phase 2 Roof renewal	36	1,128	79	-	-
Cortis Rd 6-20,22-88,90-184,186-244,246-274, 280-308 Pullman Gardens 13-27 Phase 3 Roof renewal	50	750	74	-	-
Tildesley Road All blocks window renewal excluding 89-201 All blocks roof renewal excluding 102-164, 2-100 Phase 4 Window & roof renewal	9	-	-	-	-
Augustus Road 7,9 (West Hill)					
Window renewal and associated repairs	-	-	16	49	-
Battersea Park Road 208-218 (Latchmere)					
Window renewal	7	-	-	-	-
Bedford Hill 206 FA-FD (Bedford)					
Roof renewal, brickwork repairs, window overhaul	38	3	-	-	-
Bedgebury Gardens (West Hill)					
Bedgebury Gardens 8-9 Roof and window renewal	-	19	56	-	-
Carey Gardens (Queenstown)					
Blore Close cons, 1-33 Carey Gardens 1-121 odd Condell Road 1-133 odd, Thessaly Road 1-53 odd Phase 1 Roof renewal	-	-	184	1,559	92
Clarence Lane (Roehampton)					
All blocks excl 269-299 Roof covering renewal	484	17	-	-	-

Housing Revenue Account Rents for Council Dwellings and Non-Residential Charges

	<u>2018/19</u> <u>£ '000</u>	<u>2019/20</u> <u>£ '000</u>	<u>2020/21</u> <u>£ '000</u>	<u>2021/22</u> <u>£ '000</u>	<u>2022/23</u> <u>£ '000</u>
Colson Way Estate (Furzedown) Aldrington Road 57-79 odd Roof renewal	3	-	-	-	-
Dounesforth Gardens (Southfields) Roof renewal and external decorations	-	-	38	320	19
Elsenham Street 36-50, 172-178, 169-183 (Southfields) Roof renewal / External Decs conversion to window renewal	209	408	-	-	-
Ethelburga Estate (St Mary's Park) Maskelyne Close 1-42, 43-72, Rosenau Road 30-76 Watford Close 1-69, 2-52, 7&9 Ethelburga Street, 66 Searles Close Phase 1 Roof renewal	15	-	-	-	-
Henty Close, Heron House, Parkgate Road 20-38 Searles Close 1-42, 43-60, Worfield Street 40-56 Phase 2 Roof renewal	50	1,414	-	-	-
Community clubroom Window & roof renewal	68	-	-	-	-
Falcon Estate (Latchmere) Communal walkway reconstruction	300	10	-	-	-
Fernlea Road Estate (Balham) Ethelbert Street 2-18, Fernlea Road 65, 67 Roof renewal	-	90	581	17	-
Harwood Court (West Putney) Roof renewal	10	620	36	-	-
Hibbert Street Estate (Latchmere) Sheridan House & York Road 251-265 Roof and window renewal	-	160	347	27	-
Holgate Avenue (Latchmere) Window renewal 1-59, 2-90	421	10	-	-	-
Latchmere Estate (Latchmere) Burns Road, Matthews Street, Joubert Street Odger Street, Sheepcote Lane Freedom Street, Reform Street Window renewal	10	2,990	2,084	-	-
Longstaff Estate (East Putney) Luscombe House Roof renewal	-	52	40	-	-
Melrose Court (East Putney) Roof and window renewal	-	-	21	64	-
Nightingale Square (Nightingale) Sprinkler system	9	-	-	-	-
Patmore Estate (Queenstown) Allan House, Beames House, Billington House, Fowler House Gresley House, Hookham Court, Jenkins House McConnell House, Trevithick House, Wainwright House Phase 1 Roof renewal	1,053	70	-	-	-
Brady House, Crampton House, Cudworth House Kirtley House, Mansell House, Marsh House Marley House, Mills House Phase 2 Roof renewal	852	35	-	-	-
Beattie House, Bonsor House, Stroudley House Phase 3 Roof renewal	300	140	-	-	-
Ashcroft House, Banister House, Drury House, Locke House Morgan House, Statham House, Strudel House, Woods House Phase 4 Roof renewal	-	1,000	612	-	-
Powrie House (St Mary's Park) Roof Renewal	96	5	-	-	-

Housing Revenue Account Rents for Council Dwellings and Non-Residential Charges

	<u>2018/19</u> <u>£ '000</u>	<u>2019/20</u> <u>£ '000</u>	<u>2020/21</u> <u>£ '000</u>	<u>2021/22</u> <u>£ '000</u>	<u>2022/23</u> <u>£ '000</u>
Putney Vale Estate (Roehampton)					
Frensham Drive, Stroud Crescent					
Partial brick removal and replacement	462	135	-	-	-
Stroud Crescent 34-80,82-128,130-176					
Roof renewal	-	44	461	15	-
Queensmere West & North (West Hill)					
Blincoe Close 1-29, 2-24, 26-44, 31-45 Murfett Close 1-23, 2-48					
Sawkins Close 1-43, 2-20					
Roof renewal	-	89	578	20	-
Queensmere East & West (West Hill)					
All tenanted Houses					
Roof renewal	-	-	121	638	21
Rollo Estate (Queenstown)					
Bank Court					
Roof renewal	-	180	20	-	-
Rowditch Lane 1-84 (Latchmere)					
Window renewal	186	100	-	-	-
Shoreham Close (Fairfield)					
Roof renewal	90	200	-	-	-
Southlands Estate (St Mary's Park)					
Gaitskell Court, McKiernan Court, Winders Road 51-101 odd					
Roof renewal	15	700	91	-	-
Spencer Park South (Wandsworth Common)					
Boundary wall	58	10	-	-	-
St James Grove (Latchmere)					
Castlemaine					
Replacement of over-cladding system	4,865	1,980	155	-	-
Surrey Lane Estate (St Mary's Park)					
Phase 3/4 Window renewal & Roof renewal to Gardiner House	80	-	-	-	-
40 Wandsworth Common West Side (Wandsworth Common)					
Window renewal	-	-	10	30	-
Kitchen & Bathroom Programme					
Phase 6 - Battersea Park Estate (Latchmere)	74	-	-	-	-
Phase 7 - Boroughwide	600	3,777	635	-	-
Phase 8 - Latchmere Estate, Putney Vale Estate, Ranelagh Estate	-	3,623	1,500	140	-
Phase 9 - Kersfield Road, Orchard Estate, Southmead Estate, Totterdown	-	3,984	2,000	147	-
Phase 10 - Totterdown Fields 2nd phase, Totteridge House	-	500	2,688	2,188	-
Phase 11 - Arndale Estates 1st phase (Southfields) Albon House, Edwyn House and Knowles House	-	345	2,000	345	-
Phase 11A - Arndale Estate 2nd phase (Southfields) Sudbury House, Eliot Court and Wentworth Court	-	-	713	2,316	534
Phase 12 - Aldrington North & South Balham Hill East & West, Edgecombe Hall Estate	-	-	726	2,359	545
Boroughwide					
Installation of sprinkler systems to high rise blocks	-	12,000	12,000	-	-
Replacement of communal fire doors phase 1	20	580	487	-	-
Replacement of communal fire doors phase 2	-	581	1,258	97	-
External Decs conversion to window renewal	2,000	1,000	1,000	-	-
TOTAL MAJOR REFURBISHMENT	16,322	45,839	35,101	13,348	1,539

Housing Revenue Account Rents for Council Dwellings and Non-Residential Charges

	<u>2018/19</u> <u>£ '000</u>	<u>2019/20</u> <u>£ '000</u>	<u>2020/21</u> <u>£ '000</u>	<u>2021/22</u> <u>£ '000</u>	<u>2022/23</u> <u>£ '000</u>
<u>RE-LIFTING</u>					
Aboyne Estate (Earlsfield) Deeside Road, Strathdon Drive	-	87	712	20	-
Argyle Estate (West Hill) Esher Gardens 1-105	72	773	143	-	-
Argyle (Glen Albyn) (West Hill) Glen Albyn Road 1-200	94	820	376	-	-
Argyle (Limpsfield) (West Hill) Greenfield House, Oakman House	-	-	105	736	22
Argyle (Smithwood) (West Hill) Smithwood Close 25-63, Weydown Close 13-37, 62-86	80	189	-	-	-
Argyle (Winterfold) (West Hill) Winterfold Close 1-22, 94-118	62	212	-	-	-
Arndale Estate (Southfields) Albon House, Edwyn House, Knowles House Phase 1	-	113	978	67	-
Ashburton Est (West Putney) Cortis Road 22-244	112	-	-	-	-
Carnie Lodge (Bedford)	-	54	75	-	-
Colson Way Estate (Furzedown) Chambers House, Fordyce House, Langton House Percy House, Walmsley House, Oldfield House (Infill)	617	46	-	-	-
Convent Estate (Fairfield) Francis Snary Lodge	-	2	54	75	-
Doddington Estate (Queenstown) Connor Court, Park Court, Turpin House	571	10	-	-	-
Ethelburga Estate (St Mary's Park) Ethelburga Street, Henty Close, Watford Close	88	180	32	-	-
Fairfield Court (Fairfield)	27	68	-	-	-
Goulden House (St Mary's Park)	-	-	53	271	-
Lochinvar Estate (Balham) Caistor House, Ivanhoe House, Rokeby House	-	-	87	300	-
Lurline Gardens Estate (Queenstown) All Saints Court 1-38 cons	-	-	50	155	-
Maysoule Road (Latchmere) Holmleigh Court	-	54	75	-	-
Orchard Estate (West Hill) Andrew Reed House	-	59	245	-	-
Rollo Estate (Queenstown) Newtown Court, Rollo Court	-	-	102	108	-
St Johns Avenue 2 (East Putney)	-	-	54	56	-
Streatham Park Estate (Furzedown) Busby House, Boyce House	1	-	-	-	-
Surrey Lane Estate (St Mary's Park) Compton House, Cranmer House, Gardiner House Macey House, Musgrave Court, Whitgift House	1,618	150	-	-	-
Wendlesworth Estate (Fairfield) Domelton House, Bowyer House Phase 1	-	137	1,186	81	-
Bembridge House, Binstead House Phase 2	-	-	113	794	23

Housing Revenue Account Rents for Council Dwellings and Non-Residential Charges

	<u>2018/19</u> <u>£ '000</u>	<u>2019/20</u> <u>£ '000</u>	<u>2020/21</u> <u>£ '000</u>	<u>2021/22</u> <u>£ '000</u>	<u>2022/23</u> <u>£ '000</u>
Wilditch Estate (Latchmere)					
Weybridge Point	176	35	-	-	-
Yew Tree Lodge (Furzedown)	-	54	75	-	-
TOTAL RE-LIFTING	<u>3,518</u>	<u>3,043</u>	<u>4,515</u>	<u>2,663</u>	<u>45</u>

Housing Revenue Account Rents for Council Dwellings and Non-Residential Charges

	<u>2018/19</u> <u>£ '000</u>	<u>2019/20</u> <u>£ '000</u>	<u>2020/21</u> <u>£ '000</u>	<u>2021/22</u> <u>£ '000</u>	<u>2022/23</u> <u>£ '000</u>
<u>RE-WIRING</u>					
Ashburton Chartfield (East Putney)					
Dulcie House, Halford House, Humphrey House Inglis House, Jellicoe House, Kinnaird House Mildmay House, Mullens House, Stanhope House Waldegrave House, Westleigh Avenue 34 Wharncliffe House, Whitehead House, Whitnell Court Individual rewires	2	213	5	-	-
Bellamy House (Tooting)					
Individual rewires & communals	5	-	-	-	-
Carey Gardens (Queenstown)					
Phase 1 Individual rewires and distribution boards	10	-	-	-	-
Phase 2 Individual rewires and distribution boards	6	20	-	-	-
Copeland House (Tooting)					
Individual rewires, lateral mains and distribution boards	14	160	11	-	-
Gowrie Road 11-33 (Shaftesbury)					
Individual rewires and lateral mains	1	28	1	-	-
Hazelhurst Estate (Tooting)					
Individual rewires & distribution boards	22	300	34	-	-
Henry Prince Estate (Earlsfield)					
Lateral mains, distribution boards and individual rewires	10	162	-	-	-
Newlands Estate (Bedford)					
Individual rewires and distribution boards	5	175	10	-	-
William Willison Estate (West Hill)					
Castlecombe Drive Phase 1 Rising mains, laterals & rewires	21	-	-	-	-
William Willison Estate (West Hill)					
Keevil Drive Phase 2 lateral mains, distribution boards, communal lighting and individual rewires	314	-	-	-	-
Wynter Street Estate (Latchmere)					
Renewal of distribution boards	3	83	5	-	-
Boroughwide					
Block emergency lighting phase 1	-	960	1,440	-	-
Block emergency lighting phase 2	-	-	534	800	-
Allenswood, Ambleside, Ericcson Close, Fernwood Jenkins House, Marmion House, Selbourne Tildesley Road 2-100, Tildesley Road 102-164 Upper Richmond Road 125 Lightning protection system	96	26	-	-	-
Individual Rewires	273	275	275	-	-
TOTAL REWIRING	782	2,402	2,315	800	-

Housing Revenue Account Rents for Council Dwellings and Non-Residential Charges

	<u>2018/19</u> <u>£ '000</u>	<u>2019/20</u> <u>£ '000</u>	<u>2020/21</u> <u>£ '000</u>	<u>2021/22</u> <u>£ '000</u>	<u>2022/23</u> <u>£ '000</u>
<u>HEATING IMPROVEMENTS</u>					
Patmore Estate (Queenstown)					
Replacement of obsolete boilers & updating heating controls	2	-	-	-	-
Somerset Estate (St Mary's Park)					
All tenanted units	-	-	104	156	-
Central Area - Wandsworth, Balham, Tooting					
Phase 2 - Replacement of obsolete boilers	138	-	-	-	-
Phase 3 - Replacement of obsolete boilers	-	-	356	237	-
Eastern Area - Battersea					
Phase 2 - Replacement of obsolete boilers	-	2,253	72	-	-
Western Area - Putney & Roehampton					
Phase 1 - Replacement of obsolete boilers	50	-	-	-	-
Phase 2 - Replacement of obsolete boilers	1,856	243	-	-	-
Boroughwide					
Individual Installations	360	360	360	-	-
TOTAL HEATING IMPROVEMENTS	<u>2,406</u>	<u>2,856</u>	<u>892</u>	<u>393</u>	<u>-</u>

Housing Revenue Account Rents for Council Dwellings and Non-Residential Charges

	<u>2018/19</u> <u>£ '000</u>	<u>2019/20</u> <u>£ '000</u>	<u>2020/21</u> <u>£ '000</u>	<u>2021/22</u> <u>£ '000</u>	<u>2022/23</u> <u>£ '000</u>
<u>HEATING REPAIRS</u>					
Alton Estate (Roehampton)					
Foxcombe Road Replacement of communal heating system	10	-	-	-	-
Ryefield Path, Timsbury Walk & Highcross Way Phase 2 Replacement of communal heating system	1,000	271	-	-	-
Arndale Estate (Southfields)					
Sudbury House Replacement of communal heating system	365	-	-	-	-
Cold water booster replacement	155	8	-	-	-
Battersea Park Estate (Latchmere)					
Atkinson House, Berry House, Dresden House MacDonald House, Walden House Installation of dry rises	1	69	181	-	-
Castlemaine Estate (Latchmere)					
Replacement of communal heating system	-	-	500	828	48
Colson Way Estate (Furzedown)					
Replacement of communal extract fans	-	75	-	-	-
Doddington Estate (Queenstown)					
Arthur Court, Bolton Court, Conner Court, Cromwell House Falkner Court, Kennard House, Landseer House, Lucas Court Palmerston House, Park Court, Russell Court, St George House Turpin House, Voltaire Court, Youngs Court Replacement of communal extract fans	356	13	-	-	-
Fitzhugh Estate (Wandsworth Common)					
Cold water booster replacement	-	90	60	-	-
Replacement of communal heating system	-	-	385	642	43
Goulden House (St Mary's Park)					
Replacement of communal extract fans	-	295	4	-	-
Lennox Estate (Roehampton)					
Dowdeswell Close 6-40, Rockingham Close 13-27 Replacement of communal heating system	-	158	186	-	-
Hepplestone Close (West Putney)					
Hepplestone Close 1-14, 20-25, 27-32 Replacement of existing pipework	73	-	-	-	-
Nightingale Square (Nightingale)					
Replacement of communal heating system	592	31	-	-	-
Smallwood North (Tooting)					
Smallwood Road 4-152 Replacement of communal heating system	408	20	-	-	-
Stockhurst Close (Thamesfield)					
Stockhurst Close 1-39 Replacement of communal heating system	1	-	-	-	-
Surrey Lane Estate (St Mary's Park)					
Compton House, Cranmer House, Gardiner House Macey House, Whitgift House Cold water booster replacement	1	-	-	-	-
Winstanley Estate (Latchmere)					
Sendall Court, Sporle Court Cold water booster replacement	-	-	43	29	-
Boroughwide					
Communal Boiler Houses Replacement of building energy management systems	-	228	266	-	-
TOTAL HEATING REPAIRS	2,962	1,258	1,625	1,499	91

Housing Revenue Account Rents for Council Dwellings and Non-Residential Charges

	<u>2018/19</u> <u>£ '000</u>	<u>2019/20</u> <u>£ '000</u>	<u>2020/21</u> <u>£ '000</u>	<u>2021/22</u> <u>£ '000</u>	<u>2022/23</u> <u>£ '000</u>
<u>SPECIAL REPAIRS</u>					
Alton Estate (Roehampton)					
Ibsley Gardens 54-108 Renewal of fencing	10	-	-	-	-
Stoughton Close Lighting improvement	10	-	-	-	-
Chelverton Court (Thamesfield)					
Communal lighting upgrade	20	-	-	-	-
Ethelburga Estate (St Mary's Park)					
Searles Close Estate road resurfacing	36	-	-	-	-
Falcon Estate (Latchmere)					
Fownes Street 1-6 Installation of door entry system	9	-	-	-	-
Glenthorpe (West Putney)					
1-18, 36-71 Glenthorpe Fire alarm system upgrade	50	-	-	-	-
Lincoln Court (Fairfield)					
Roof renewal	97	2	-	-	-
Magdalen Park Estate (Earlsfield)					
10,12,18,20, 22,24 Godley Road Roof renewal	81	2	-	-	-
Orchard Estate (West Hill)					
Andrew Reed House Roof renewal	76	-	-	-	-
Somerset Estate (St Mary's Park)					
Sparkford House, Selworthy House Cold water booster replacement	150	10	-	-	-
Wayford Street Estate (Latchmere)					
Cold Bridging	8	-	-	-	-
Woking Close (Roehampton)					
Woking Close 108-110 Partial roof renewal	50	5	-	-	-
Boroughwide					
Acquired Properties Roofs, decoration, damp proofing	600	600	600	-	-
Extension/conversion 28 Clairview Road , 33 Dawnay Road, 36 Longstaff Crescent 18, 27 Pleasance Road, 56 Reform Street	532	55	-	-	-
Refurbishment of adjoining properties in Chessington	270	-	-	-	-
Extensions/Conversions future schemes	-	1,000	-	-	-
LED street & pathway lighting	-	700	40	-	-
Provision for future years	-	960	-	-	-
Stock condition survey	-	165	-	-	-
Water tank renewal	369	296	-	-	-
TOTAL SPECIAL REPAIRS	2,368	3,795	640	-	-

Housing Revenue Account Rents for Council Dwellings and Non-Residential Charges

	<u>2018/19</u> <u>£ '000</u>	<u>2019/20</u> <u>£ '000</u>	<u>2020/21</u> <u>£ '000</u>	<u>2021/22</u> <u>£ '000</u>	<u>2022/23</u> <u>£ '000</u>
<u>SHELTERED HOUSING</u>					
Althorpe Grove Estate (St Mary's Park)					
Althorpe Mews, Battersea Church Road, Sunbury Lane, Kitchen renewal	-	150	113	-	-
Hepplestone Close (West Putney)					
1-14, 20-25, 27-32 Hepplestone Close Roof renewal and installation of photovoltaic panels	220	4	-	-	-
Maysoule Road (Latchmere)					
Holmleigh Court Window renewal	-	46	79	-	-
Holmleigh Court Full rewire	-	442	147	-	-
Wendlesworth Estate (Fairfield)					
Kirton Lodge Refurbishment	100	1,217	34	-	-
Boroughwide					
Phase 5 Installation of overhead showers	13	-	-	-	-
Abyssinia Close, Yew Tree Lodge, Doris Emerton Court, Glenthorpe, Holmleigh Court Phase 6 Installation of overhead showers	328	26	-	-	-
Boyd Court, Cortis Road 285-311 and 317-365 Cortis Terrace 1-16, James Searles Lodge Westleigh Avenue 63-125 and 135-165 Phase 7 Installation of overhead showers	50	700	50	-	-
TOTAL SHELTERED HOUSING	711	2,585	423	-	-

Housing Revenue Account Rents for Council Dwellings and Non-Residential Charges

	<u>2018/19</u>	<u>2019/20</u>	<u>2020/21</u>	<u>2021/22</u>	<u>2022/23</u>
	<u>£ '000</u>	<u>£ '000</u>	<u>£ '000</u>	<u>£ '000</u>	<u>£ '000</u>
<u>ADAPTATIONS FOR THE DISABLED</u>					
Boroughwide					
Conversion of vacant properties	850	850	850	-	-
Future years provision	700	700	700	-	-
TOTAL ADAPTATIONS FOR THE DISABLED	1,550	1,550	1,550	-	-

Housing Revenue Account Rents for Council Dwellings and Non-Residential Charges

	<u>2018/19</u> <u>£ '000</u>	<u>2019/20</u> <u>£ '000</u>	<u>2020/21</u> <u>£ '000</u>	<u>2021/22</u> <u>£ '000</u>	<u>2022/23</u> <u>£ '000</u>
<u>ENTRYCALL & CCTV</u>					
Ackroydon Estate (West Hill) Ashtead Court, Montfort Place, Princes Way Installation of door entry system	-	45	24	-	-
Alton Estate (Roehampton) Chilcombe House, Crondall House, Farnborough House Somborne House, Rushmere House Replacement of door entry system	-	-	55	93	-
Battersea Park Estate (Latchmere) Replacement of door entry system	10	100	2	-	-
Cunliffe Estate (Furzedown) Cunliffe Street 2-32 Even Replacement of door entry system	-	-	3	6	-
Doland Court (Graveney) Replacement of door entry system	-	8	1	-	-
Ethelburga Estate (St Mary's Park) Ethelburga Tower Replacement of door entry system	-	13	21	-	-
Galleons Estate (West Hill) Beaumont Road 20-32 Replacement of door entry system	-	3	4	-	-
Holgate Avenue (Latchmere) Replacement of door entry system	-	43	73	-	-
Surrey Lane Estate (St Mary's Park) Compton House, Cranmer House, Gardiner House Replacement of door entry system	-	-	39	67	-
Wendlesworth Estate (Fairfield) Replacement of door entry system	5	224	-	-	-
William Willison Estate (West Hill) Castlecombe Drive 33-61, 146-174, 176-204, 206-334 Stapleford Close 1-34, 35-66 Replacement of door entry system	-	45	77	-	-
Boroughwide CCTV Upgrade	200	900	-	-	-
TOTAL ENTRYCALL & CCTV	<u>215</u>	<u>1,381</u>	<u>299</u>	<u>166</u>	<u>-</u>

Housing Revenue Account Rents for Council Dwellings and Non-Residential Charges

	<u>2018/19</u> <u>£ '000</u>	<u>2019/20</u> <u>£ '000</u>	<u>2020/21</u> <u>£ '000</u>	<u>2021/22</u> <u>£ '000</u>	<u>2022/23</u> <u>£ '000</u>
<u>ENVIRONMENTAL & ESTATE IMPROVEMENTS</u>					
Ashburton South Estate (West Putney) Environmental Improvements	321	15	-	-	-
Balham Hill Estate East & West (Balham) Environmental Improvements	-	90	-	-	-
Battersea High Street (St Mary's Park) Environmental Improvements	369	47	-	-	-
Bellamy House (Tooting) Environmental Improvements	-	232	100	-	-
Carey Gardens (Queenstown) Environmental Improvements	4	-	-	-	-
Doddington Estate (Queenstown) Doddington Square	-	250	-	-	-
Fitzhugh Estate (Wandsworth Common) Environmental Improvements	-	-	300	255	-
Gideon Road/Tyneham Close (Shaftesbury) Environmental Improvements	90	110	-	-	-
Putney Vale Estate (Roehampton) Environmental Improvements	38	-	-	-	-
Waylands Road Estate (Latchmere) Environmental Improvements	10	319	10	-	-
Boroughwide Future Playground Refurbishment	100	100	100	-	-
TOTAL ENVIRONMENTAL & ESTATE IMPROVEMENTS	932	1,163	510	255	-

Housing Revenue Account Rents for Council Dwellings and Non-Residential Charges

	<u>2018/19</u> <u>£ '000</u>	<u>2019/20</u> <u>£ '000</u>	<u>2020/21</u> <u>£ '000</u>	<u>2021/22</u> <u>£ '000</u>	<u>2022/23</u> <u>£ '000</u>
<u>SITE DEVELOPMENTS</u>					
Aldrington South (Furzedown)	183	840	37	-	-
Arnal Crescent 1-8 (West Hill)	30	782	261	36	-
Arnal Crescent 37-53 (West Hill)	23	546	12	-	-
Arnal Crescent/Bell Drive (West Hill)	491	8	-	-	-
Beaumont Road/Whitlock Drive (West Hill)	90	2,027	1,018	86	-
Deeley Road/Tidbury Road/Thessaly Road (Queenstown)	8,539	210	-	-	-
Fordyce House (Furzedown)	45	972	653	41	-
Gaskarth Road (Balham)	1,072	18	-	-	-
Limpsfield Avenue (West Hill)	8	-	-	-	-
Nightingale Square (Nightingale) - Modular Build	160	1,025	29	-	-
Nutwell Street (Graveney)	9	-	-	-	-
Rayners Road/Carlton Drive (East Putney)	38	138	5	-	-
Rowditch Lane (Latchmere)	550	24	-	-	-
Salter House (Furzedown)	25	60	1,811	60	-
Streatham Park (Furzedown)	183	840	37	-	-
Stag House (Roehampton & Putney Heath)	2,242	5,089	165	-	-
Whitlock Drive 145-147 (West Hill) - Self & Custom Build Housing	16	335	9	-	-
<u>EXPANDED PROGRAMME</u>					
Badric Court (St Mary's Park)	44	1,310	900	61	-
Kersfield Estate (East Putney)	522	9,423	5,783	217	-
Platt Estate North (Thamesfield)	35	590	880	50	-
Platt Estate South (Thamesfield)	35	990	1,480	50	-
Putney Vale (Roehampton & Putney Heath)	4	530	3,493	111	-
Other Schemes/Feasibilities	1,225	1,225	1,225	-	-
TOTAL SITE DEVELOPMENTS & EXPANDED PROGRAMME	15,569	26,982	17,798	712	-

Housing Revenue Account Rents for Council Dwellings and Non-Residential Charges

	<u>2018/19</u> <u>£ '000</u>	<u>2019/20</u> <u>£ '000</u>	<u>2020/21</u> <u>£ '000</u>	<u>2021/22</u> <u>£ '000</u>	<u>2022/23</u> <u>£ '000</u>
<u>REGENERATION PROJECTS</u>					
Project Team Costs	1,190	1,197	1,250	-	-
Procurement of Specialist Services	1,000	1,000	890	-	-
Site Assembly Buybacks	7,509	-	-	-	-
ROEHAMPTON SCHEME					
Phase 1 - Acquisitions	7,000	7,000	12,000	-	-
Residential Development Costs	-	1,412	8,986	-	-
Reprovision of Community Facilities	200	348	-	-	-
Roehampton Parish Hall - Office Development	800	145	-	-	-
Bessborough Road (Roehampton)					
Satellite Site Development	300	3,000	1,456	-	-
Fontley Way (Roehampton)					
Satellite Site Development	280	2,220	4,500	-	-
WINSTANLEY & YORK ROAD ESTATE SCHEME					
In Phase Acquisitions	7,000	5,000	700	-	-
Out of Phase Acquisitions	3,000	3,000	12,500	5,000	-
Residential Development Costs	1,500	8,500	15,000	-	-
Reprovision of Community Facilities	1,000	5,000	3,300	-	-
Gideon Road (Shaftesbury)					
Satellite Site Development	2,151	3,906	654	115	-
Lavender Hill (Shaftesbury)					
Satellite Site Development	52	1,167	71	32	-
Shuttleworth Road (St Mary's Park)					
Satellite Site Development	6,225	18,027	6,118	399	-
Tyneham Close (Shaftesbury)					
Satellite Site Development	67	2,312	244	71	-
York Road (Latchmere)					
Penge House & Inkster House - Refurbishment	200	7,161	6,910	411	-
TOTAL REGENERATION PROJECTS	39,474	70,395	74,579	6,028	-

Housing Revenue Account Rents for Council Dwellings and Non-Residential Charges

	<u>2018/19</u> <u>£ '000</u>	<u>2019/20</u> <u>£ '000</u>	<u>2020/21</u> <u>£ '000</u>	<u>2021/22</u> <u>£ '000</u>	<u>2022/23</u> <u>£ '000</u>
<u>PURCHASE OF PROPERTIES</u>					
Auction Replacement Acquisitions	19,056	-	-	-	-
Temporary Accommodation	4,062	-	-	-	-
Other Purchases	1,175	500	500	-	-
TOTAL PURCHASE OF PROPERTIES	24,293	500	500	-	-

HOUSING REVENUE ACCOUNT NON-RESIDENTIAL CHARGES

Table 1 – Garages (per week)

	<u>Current Charge</u>	<u>Proposed Charge</u>
	£	£
Band A+	29.35	30.60
Band A	26.55	27.70
Band B	15.80	16.50
Band C	11.35	11.85
Band D	8.45	8.80
Water Rate	0.50	TBC

Table 2 – Other Property (per week)

	<u>Current Charge</u>	<u>Proposed Charge</u>
	£	£
Store shed - Band A	3.15	3.30
Store shed - Band B	2.45	2.55
Store shed - Band C	1.60	1.65
Motorcycle sheds	6.50	6.80
Parking Lots/Other non-domestic sites	8.65	9.00
Parking lots at Lockyer House	11.35	11.85
Parking lots at Andrew Reed House	6.10	6.35
Cycle lockers	1.60	1.65

Table 3 – Other Charges

	<u>Current Charge</u>	<u>Proposed Charge</u>
	£	£
Replacement door entry fob	18.35	19.10
Replacement resident's parking permit	19.20	20.00
Replacement or additional sets of keys	Cost plus 19.20	Cost plus 20.00
Pre-assignment enquiries	167.00	174.20

Notes

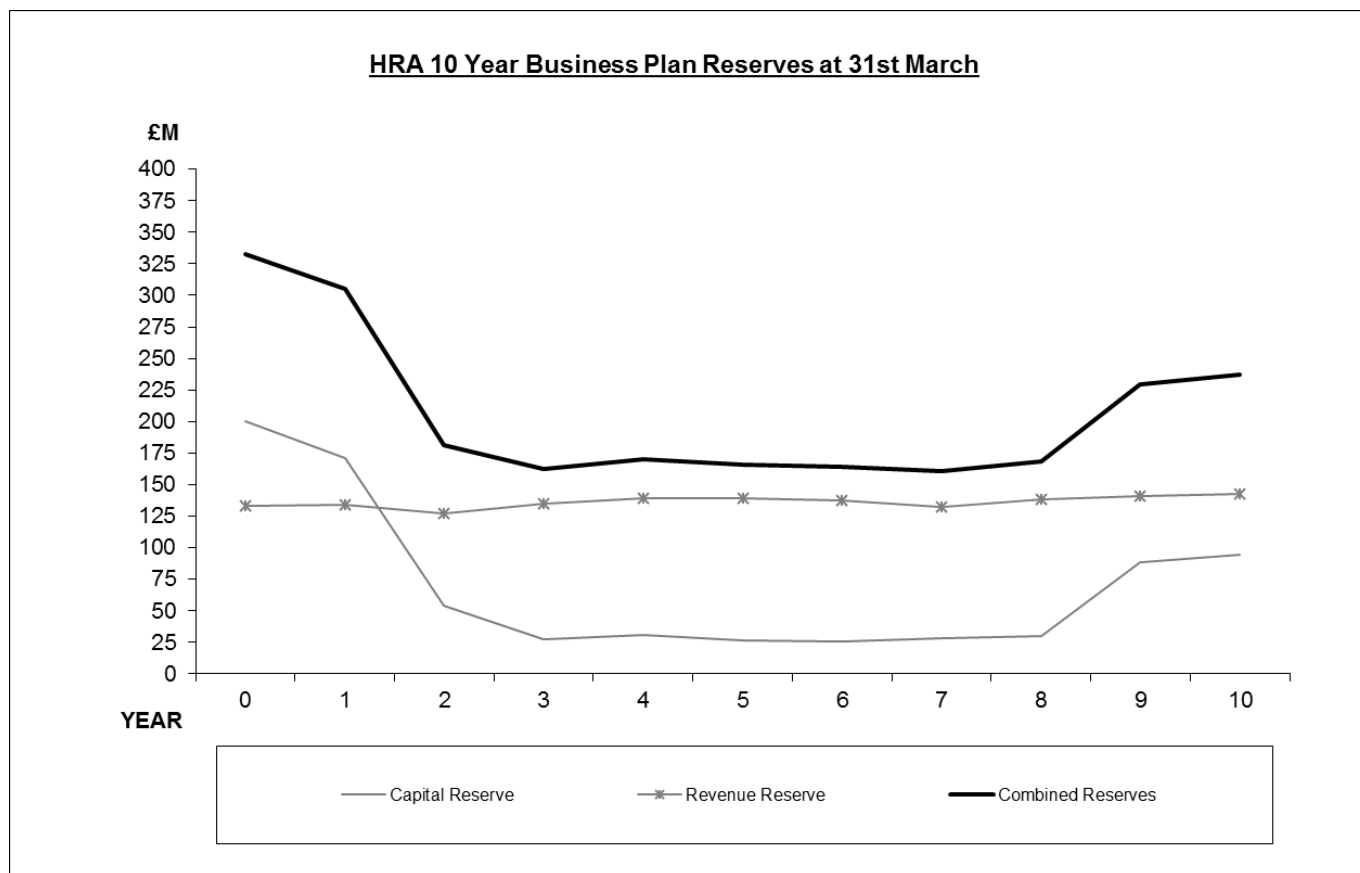
All charges are exclusive of VAT, which needs to be added where applicable. The revised charges are based on the proposed increase, rounded to the nearest 5 pence.

Housing Revenue Account Rents for Council Dwellings and Non-Residential Charges

APPENDIX E

COUNCIL HOUSING BUDGET FRAMEWORK

	Original Budget 2018/19 £'000	Revised Budget 2018/19 £'000	Budget 2019/20 £'000	Budget 2020/21 £'000	Budget 2021/22 £'000
EXPENDITURE					
REVENUE					
Supervision, Management & Maintenance					
Repairs & Maintenance	25,430	23,265	27,657	25,187	25,852
General Management	29,319	30,833	31,289	33,710	35,162
Special Services	14,846	15,664	15,589	17,026	17,556
Capital Financing Costs	72,312	50,728	51,310	37,370	42,226
Other Expenses	2,529	1,910	2,420	2,706	2,993
Depreciation (Contribution to Capital)	21,514	21,344	21,594	22,121	22,812
TOTAL REVENUE EXPENDITURE	(165,950)	(143,744)	(149,859)	(138,120)	(146,601)
CAPITAL					
Repairs and Improvements	71,980	30,834	64,709	47,360	18,869
Environmental, New Build & Regeneration	123,182	55,975	98,540	92,887	6,995
Purchase of Properties	500	24,293	500	500	-
Purchase of Vehicles	-	345	-	-	-
House Purchase Grants	3,100	3,308	3,100	3,100	-
Housing Management System Replacement	690	671	350	-	-
TOTAL CAPITAL EXPENDITURE	(199,452)	(115,426)	(167,199)	(143,847)	(25,864)
	365,402	259,170	317,058	281,967	172,465
INCOME					
REVENUE					
Gross Rents – Dwellings	110,517	110,524	109,664	112,370	116,923
Gross Rents – Non-Dwellings	4,223	5,223	4,335	4,443	4,554
Leaseholder Service Charges	13,369	12,466	12,778	13,550	13,838
Other Income	13,393	17,209	16,040	15,354	15,579
TOTAL REVENUE INCOME	(141,502)	(145,422)	(142,817)	(145,717)	(150,894)
CAPITAL					
Contribution from Revenue (Depreciation)	21,514	21,344	21,594	22,121	22,812
Capital Receipts	16,564	22,776	3,000	2,500	1,000
Capital Grants & Reimbursements	18,786	20,441	20,227	14,812	6,863
Leaseholder Major Works Charges	13,985	2,200	6,383	6,949	7,134
Borrowing	36,316	19,311	4,667	63,500	-
TOTAL CAPITAL INCOME	(107,165)	(86,072)	(55,871)	(109,882)	(37,809)
	248,667	231,494	198,688	255,599	188,703
Total reserves at beginning of year	328,601	333,022	305,346	186,976	160,608
Surplus / (Deficit) in year	(116,735)	(27,676)	(118,370)	(26,368)	16,238
Total reserves at end of year	211,866	305,346	186,976	160,608	176,846



WANDSWORTH BOROUGH COUNCIL

JOINT PENSIONS COMMITTEE – 21ST MARCH 2019

Report by the Director of Resources on the Pension Fund Revenue Budget 2018-2022

SUMMARY

This report summarises Pension Fund operating income and expenditure in 2018/19 compared to the budget approved in March 2018. The Fund's operating cash deficit for 2018-19, excluding increases in investment values, is now estimated as £3.290 million compared to a budgeted amount of £0.730 million.

From 1st October 2016, all assets and liabilities of the pension fund maintained by Richmond Council became the assets and liabilities of the pension fund maintained by Wandsworth Council.

The report proposes noting the estimated outturn for 2018/19, approving the merged fund budget for 2019/20 and noting the projected budget of the merged fund for 2020/21 and 2021/22.

GLOSSARY

CIV Collective Investment Vehicle

RECOMMENDATIONS

1. The Joint Pensions Committee is recommended to:
 - (a) Note the estimated outturn on the Pension Fund Revenue Budget for 2018/19;
 - (b) Approve the Pension Fund Budget for 2019/20; and
 - (c) Note the projected budget for 2020/21 and 2021/22.

INTRODUCTION

2. The estimated outturn for 2018/19, proposed budget for 2019/20 and projected budget for 2020/21 and 2021/22 are shown below:

(Paper No. 19-120)

Pension Fund Budget

	<u>2018/19</u> Original	<u>2018/19</u> Estimated Outturn	<u>2018/19</u> Variation	<u>2019/20</u>	<u>2020/21</u>	<u>2021/22</u>
	£'000	£'000	%	£'000	Forecasts £'000	£'000
Contributions						
Contributions Receivable						
Employees	14,200	14,500	2%	14,800	15,100	15,400
Employers Normal	42,600	44,300	4%	45,200	42,600	43,500
Employers Additional	1,500	1,400	-10%	1,500	1,500	1,500
Transfer In	2,100	11,400	440%	3,800	3,800	3,800
Benefits Payable						
Pensions	-62,400	-64,700	4%	-67,900	-71,300	-74,900
Lump Sum Benefits						
Retirement Benefits	-11,000	-12,400	13%	-11,000	-11,600	-12,200
Death Benefits	-1,300	-1,700	29%	-1,300	-1,300	-1,300
Transfers Out	-5,300	-17,800	235%	-5,300	-5,300	-5,300
Establishment	-900	-900	0%	-900	-900	-900
Net Additions/Withdrawals from Dealing with Members	-20,500	-25,900	26%	-21,100	-27,400	-30,400
Returns on Investments						
Investment Income	25,700	29,000	13%	33,500	38,200	41,100
Investment Management Expenses	-5,700	-6,200	9%	-9,000	-9,500	-10,000
Custody	-30	-40	20%	-35	-30	-25
Legal & Consultancy	-200	-150	-25%	-150	-150	-150
Total	-730	-3,290	-346%	3,215	1,120	525

3. The key element of the above forecast is the net additions from dealings with members which represents the amount required from the investment side of the fund to meet the cash flow deficit, whether in the form of income remitted (as opposed to re-invested) or redemptions requested from managers. The balance of these may vary in the near term due to both the restructuring of portfolios into the London CIV and the ability to redeem funds from portfolios that are not due to be retained in the longer term. The overall fund surplus (or deficit) at year end will be impacted by realised gains / losses which (are not estimated). Please note that the investment income figure does not include the accounting adjustment reflected in the final accounts representing the value of investment management fees offset directly from funds under management.

(Paper No. 19-120)

BUDGET COMMENTARY

4. The deficit requirement in 2018/19 is now forecast to be slightly higher than originally estimated principally due to the following factors:
 - (a) Once again, Transfers In have been significantly higher than estimated, based on long-term averages (in any given year this is very difficult to forecast with accuracy).
 - (b) However, in addition, Transfers Out include a bulk transfer payment of just over £9m which was not included in the original estimate.

FUTURE PROSPECTS

5. The Pension Fund is continuing to mature with increasing withdrawals from dealings with members and consequently, increasing amounts of investment income required from fund managers to meet benefit payments (without the need to redeem investments intended to be held long term). The fund is looking to orient its future investment approach to meet these additional income requirements. The effect of these changes (now in the course of implementation) is reflected in increased levels of investment income (and higher investment management fees) projected (progressively) for future years.

The Town Hall
Wandsworth
SW18 2PU

M. MAIDMENT
Director of Resources

13th March 2019

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) unless the report was published before May 2001, in which case the Committee Secretary (Emma Calvert - 020 8871 6038; email: emma.calvert@richmondandwandsworth.gov.uk) can supply it if required.