

Community Wellbeing and Housing Committee

28th November 2024



Title	Community Wellbeing & Housing - Budget, Fees and Charges, Revenue Growth and Savings for 2025/26
Purpose of the report	To make a decision and recommendation to Corporate Policy and Resources Committee
Report Author	Mahmud Rogers Joint Financial Services Manager
Ward(s) Affected	All Wards
Exempt	No
Exemption Reason	n/a
Corporate Priority	Community Addressing Housing Need Resilience Service Delivery
Recommendations	Committee is asked to: 1. Review the budget, Fees and Charges, Growth and Savings proposals for Community Wellbeing & Housing Committee 2. Approve the Budget, Fees and Charges, Growth and Savings proposals for Community Wellbeing & Housing Committee 3. Recommend to Corporate Policy & Resources Committee that they approve the proposed budget, Fees and Charges, Growth and Savings proposals for Community Wellbeing & Housing Committee
Reason for Recommendation	Councils have a statutory duty to balance their budgets. It is important that we take a medium-term approach in ensuring that we can take action sufficiently early to ensure the Council's Revenue Budget remains financially sustainable.

1. Summary of the report

What is the situation	Why we want to do something
<ul style="list-style-type: none"> A robust budget planning process helps organisations to manage their resources with economy, efficiency and effectiveness Once the Outline Budget has been considered by Corporate Policy and Resources Committee in December it is anticipated that further savings 	<ul style="list-style-type: none"> To have a robust and sustainable 2025/26 budget that meets the needs of the service and provides a resilient financial position to the Council as a whole. The 2025/26 Budget planning process commenced in May 2024 and must be completed and

across the Committee will need to be identified and that Committees will be asked to address this in the January/February cycle	approved by Council in February 2025.
This is what we want to do about it	These are the next steps
<ul style="list-style-type: none"> Committee reviews and agrees provisionally revenue growth & savings bids, fees & charges. 	<ul style="list-style-type: none"> That this Committee review the proposed Budget, Fees and Charges, Growth and Savings proposals Approve the proposed Budget, Fees and Charges, Growth and Savings Recommend that Corporate Policy & Resources Committee approve the proposed fees and charges, Growth and savings for 2025-26

This report seeks to present the draft Budget, Fees and charges, Capital, Growth and Savings bids for Community Wellbeing & Housing for review & consultation. The purpose is giving the Committee an early opportunity to comment and shape the Budget before it is further refined after Christmas

2. Key issues

The attached appendixes give full detail of the Budget, Fees and Charges, Revenue Growth and Savings proposed.

Fees and Charges

2.1 A general uplift in discretionary fees and charges of 4% has been applied as the default, except where managers have undertaken benchmarking and provided a rationale for a different uplift, with figures rounded.

Note that currently an uplift for Meals on Wheels from £4 to £5 is included for the Committee to consider. It is acknowledged that this is a 25% increase, but this would be the first increase in the charge for five years, during which time there has been significant inflation in food and fuel costs. Our meal charges are now significantly less than nearby councils (one charging £7 and another nearly £6). Salary uplifts have had a small impact on viability, increasing our staffing costs by £13,000 over 5 years, by far the biggest contributor is food price inflation. We currently deliver 163 meals per day. The table below shows how the deficit or subsidy has been growing over the years:

Fin Year	Deficit	Food Purchases	Vehicle Lease Costs
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20/21	£46,800	£60,000	£22,100
21/22	£49,507	£82,987	£22,100
22/23	£66,657	£96,922	£22,100
23/24	£84,000	£111,787	£22,100
24/25	£105,000	£100,000	£22,100
25/26	£147,800	£100,000	£54,000 (new greener fleet)

2.2 It is estimated that a £1 increase in the meal charge would reduce the deficit to £100k for 2025-26.

Revenue Growth and Savings Bids

Of particular note is the £345k per annum we are currently assuming insurance premium sure to the quantum of Cross Laminated Timber in the new Eclipse Leisure Centre. It should be noted that is very much a worst case, as London Borough of Sutton (who manage our insurance) who are currently evaluating bids for new insurance cover, are optimistic that this will reduce significantly – we will know the outcome in December. Also note increased income from community centre food sales due to a greater volume of sales.

3. Options analysis and proposal

3.1 The Committee has the opportunity to comment on any of the fees and charges, savings or growth items

4. Financial management comments

4.1 The higher the proportion of growth items accepted at this stage and the lower the proportion of savings items accepted at this initial stage of the Budget the more savings are likely to be asked of the Committee in the January cycle. Equally if the proposed fees and charges are trimmed back more income or savings will need to be found elsewhere.

5. Risk management comments

5.1 When considering savings proposals, we need to consider the risk of any adverse impact on service delivery capacity.

6. Procurement comments

6.1 Not applicable

7. Legal comments

7.1 Not applicable

8. Other considerations

8.1 Not applicable

9. Equality and Diversity

9.1 When savings involve reductions to service appropriate Equality Impact Assessments need to be undertaken

10. Sustainability/Climate Change Implications

10.1 Not applicable

11. Timetable for implementation

- 11.1 An aggregated report of all the Committees approved *Budget, Fees and Charges, Revenue Growth and Savings will be sent to Corporate Policy and Resources Committee for final approval, before a report recommending the 2025-26 Budget, Fees and Charges, Revenue Growth and Savings is sent to Council for their approval at the 27 February 2025 Council meeting.*
- 11.2 Once agreed by Council, the fees and charges proposed are to be implemented from 1 April 2025.

12. Contact

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Background papers: There are none.

Appendices:

Appendix 1 - Community Wellbeing & Housing - Fees and Charges 8.11.24

Appendix 2 - CWB - Revenue Growth at 15.11.24

Appendix 3 - CWB - Revenue Savings 15.11.24