Lambeth

Cabinet

17 December 2018

Financial Planning Report 2018/19 to 2022/23

Wards: All

Report Authorised by: Strategic Director Corporate Resources: Jackie Belton

Portfolio: Cabinet Member for Finance, Councillor Andrew Wilson

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Report summary

This four year financial strategy extends the period of austerity in local government into two decades. Since 2010 cuts in central government funding has reduced Lambeth's spending power, one of the highest reductions in the country, and this has led to the need to making savings of £234m. Over the next four years, rising demand and further government cuts means the council has to find a further £43m.

Despite the scale of the challenge, the council's Medium Term Financial Strategy (MTFS) focuses on protecting most front-line services from major cuts and identifies the bulk of savings from back-office efficiencies, new income and reducing demand. In particular, there is a focus on ensuring additional resources can be directed towards the council's key priority of tackling youth violence. And there are ambitious plans to invest in more housing for homeless families to reduce spending on temporary accommodation, to set up new preventative teams to work with vulnerable families to prevent children from going into care and to work with the NHS to integrate local care services which would produce better outcomes at the same time as saving money.

The future of local government finance has fundamentally shifted away from direct government grant to self-sufficiency. Where previously the majority of Council funding came directly from central Government it is now, in London at least, generated locally. If we are to continue to care for our most vulnerable residents we need to continue to identify more efficient service delivery, management of demand and ways of working whilst using the assets of the Council and the borough to grow income and the tax base.

We are revising our Medium Term Financial Strategy in a period of unprecedented uncertainty; setting a four-year plan 2019/20 to 2022/23 when we have one year left of the Government's previous four-year Comprehensive Spending Review (CSR). The new CSR is promised for the four years 2020/21 to 2023/24 and is due at the end of 2019. The CSR will include the outcome from the Local Government Fair Funding Review, due out next summer as well the national business rates retention deal. In addition, we still await the Green Paper on adult social care now promised for this December. The council reported in the July Finance Planning Report an updated position on the MTFS since the Budget Report in February 2018. This saw a revised funding gap of £43.2m over the four year planning period 2019/20 to 2022/23.

The council will continue to be part of the London Business Rates Pilot Pool for 2019/20, albeit with some changes from the Ministry of Housing, Communities and Local Government (MHCLG), namely a reduction from 100% retention of growth in the business rates base to 75% and the removal of the safety net to guarantee no detriment in funding. This brings it closer to the proposed national scheme.

In his Budget in October, the Chancellor announced a number of measures, many of them one-off, which impacts on Local Government funding. The announcements regarding adult and children's social care in particular, whilst welcome to help the short term budget pressures, are not long-term funding solutions, We expect to receive final confirmation of our 2019/20 funding in the Local Government Finance Settlement due now after the Brexit vote. This is after this report is due to be ready for publication and therefore we will make any necessary changes to out MTFS as a result of the announcement in the Budget Report to Cabinet in February 2019.

Finance summary

This whole report concerns the Council's financial position.

Recommendations

Medium Term Financial Strategy

(1) To approve the Council's Medium Term Financial Strategy as set out within this report;

(2) To note the continued uncertainty with regard to elements of government funding, price and demand pressures and the need to ensure that budgets set each year are sustainable during the settlement period to 2022/23 and beyond;

(3) To note the current funding gap of £43.232m for 2019/20 to 2022/23 and how we have reduced this gap through brought forward savings and new proposed savings, which are detailed within section 2.

(4) To note the financial position of the Council's budget in 2018/19 and the actions in place to balance it over the period;

London Business Rates Pilot Pool

Establishment of Governance Arrangement

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

(6) Participate in the London Business Rates Pilot Pool with effect from 1 April 2019 (to 31 March 2020);

(7) Delegate the authority's administrative functions as a billing authority pursuant to the Non-Domestic Rating (Rates Retention) Regulations 2013 to the City of London Corporation ("COLC") acting as the Lead Authority;

(8) Authorise the Lead Authority to sub-contract certain ancillary administrative functions (regarding the financial transactions [payment of tariffs and top-ups] within the Pool to the GLA as it considers expedient);

Entry into the Memorandum of Understanding

(9) Delegate authority to the Chief Finance Officer in conjunction with the Cabinet Member for Finance to agree the operational details of the pooling arrangements with the participating authorities;

(10) Enter into such Memorandum of Understanding with the participating authorities as may be necessary to implement and/or regulate the pool and to delegate the authority to the Chief Finance Officer in consultation with the Director of Legal Services to negotiate, finalise and execute the same on behalf of the authority;

Operation of the Pool

(11) To authorise Cllr Lib Peck in her official capacity as Leader to represent the authority in relation to consultations regarding the London Business Rates Pilot Pool consultative as may be undertaken by the Lead Authority pursuant to the Memorandum of Understanding.

Capital

(12) To note the revised total of £313m for the three year Capital Investment Programme 2018/19 to 2020/21 as described in section 4 and summarised in Appendix 3, and with how the programme is financed within Appendix 4.

1. Context

Local Government Funding

1.1 Councils across the country have expressed deep concern to central government about the continued impact of these cuts in funding. The cross-party Local Government Association has warned that local government in England faces an overall funding gap of almost £8bn by 2025. Lord Gary Porter, Chair of the Local Government Association, has said ‘Councils can no longer be expected to run our vital local services on a shoestring’. Cabinet members, including the Leader of the council, have lobbied the government to reverse next years planned £1.3bn cut to council budgets, to immediately invest £2bn in children’s services and £2bn in adult social care to stop these vital emergency services from collapsing and pledging to use the Spending Review to restore council funding to 2010 levels over the next four years.

1.2 The broad economic outlook from the Office of Budget Responsibility (OBR) is one of low growth in the gross domestic product (GDP) to 1.5%, the lowest forecast in history as no previous forecasts have been below 2%. Between 2010 and 2020 central government funding to local government is due to reduce by 63% in real terms. Whilst public finance funding is due to grow by 1.6%, the NHS, International Aid and Defence are protected, and this means that local government can expect no growth in funding in real terms. Brexit is occupying the full capacity of the government and will continue to do so leaving little scope for the public sector challenges facing local government. Some short-term fixes have been announced but the reform required has not been given the attention it deserves.

1.3 The new CSR is promised for the four years 2020/21 to 2023/24 and is due at the end of 2019. The CSR will include the outcome from the Local Government Fair Funding Review, due out in the summer as well as the national business rates retention deal which sees increased reliance on local taxation. In addition we still await the Green Paper on Adult Social Care, now promised for December.

1.4 In his Budget in October, the Chancellor announced a number of measures, many of them one-off, which impact on Local Government funding. The announcements regarding adult and children’s social care in particular, whilst welcome to help the short term budget pressures, are not long term funding solutions. We expect to receive final confirmation of our 2019/20 funding in the Local Government Finance Settlement due now after the Brexit vote. This is after this report is due to be ready for publication and therefore we will make any necessary changes to our MTFS as a result of the announcement in the Budget Report to Cabinet in February 2019.

1.5 There remains uncertainty around our funding position, however, we need a prudent and realistic basis to work from, so in our current MTFS we have modelled future Government funding on a 7% reduction over our MTFS period (this is supported by the Institute for Fiscal Studies’ view that Local Government funding will fall by 7% over the period 2018/19 to 2022/23).

1.6 Therefore it needs to be understood that the funding figures we are currently working to are indicative only, and likely to change as we get closer to the CSR year. However, we ensure our MTFS is organic and each year we update the MTFS so as to capture changes in funding and any new pressures which have arisen.

Chancellor Budget Announcements

1.7 The Chancellor made his Budget announcement on 29 October 2018, where some small one-off funding measures were confirmed. This included an additional £240m in 2019/20 to support winter pressures in adult social care. This follows the Adult Social care needs allocation process as in 2018/19, and has been confirmed as £1.5m for Lambeth. This is one-off funding, and will not be built into 2019/20 budgets, but instead we will ensure this funding is available to adult social care to offset related expenditure pressures during 2019/20. As growth has been built into the MTFS to manage such pressures, this additional funding will enable some of this to be released. The final position on this will be confirmed in the Budget Report to cabinet in February 2019.

1.8 A further £410m of funding in 2019/20 for adults and children's social care was also announced. The only conditions of this funding are that it must be used to ensure that adult social care pressures do not create additional demand on the NHS, and to be used to improve our social care offer to older people, people with disabilities and children. We have recently received the indicative allocation and currently that is £2.6m, with the split being within our remit to decide. Further work is required to decide upon the allocation between Adult and Children's social care services, the results of which will be reported in the budget report to Cabinet in February.

1.9 In addition £420m was announced to help local authorities tackle potholes, and £150m of funding from the National Productivity Investment Fund will be made available for small improvement projects such as roundabouts. Lambeth's allocation of the £420m pot has recently been confirmed as £462k.

1.10 The Chancellor also announced the creation of a Future High Streets Fund to invest £675m in England to support local areas fund plans to redevelop their high streets and town centres. This will invest in town centre infrastructure, including to increase access to high streets and support redevelopment and densification around high streets. Although spread across the whole period up to 2022/23, 90% of this funding is only to be made available after 2021/22.

1.11 As part of the Chancellors budget a number of announcements relating to Business Rates were made and local government will be fully compensated for the cost of all new business rates reliefs confirmed. These include:

- Small Business Rates Relief: all retailers with a rateable value of £51k or less will receive a one third reduction in their business rates bill in 2019/20 and 2020/21. This measure is expected to benefit 90% of retail properties from April 2019.

- Local newspaper relief: £1.5k discount for office space occupied by local newspapers to continue in 2019/20

1.12 Public lavatories relief: a new 100% mandatory relief will be applied to all public lavatories, but will not come into effect until 2020/21 due to an amendment in legislation required.

Voluntary Council Tax

1.13 The council is limited in its powers to raise revenue from council tax by central government caps. Council tax is also not a progressive tax, as valuations are based on 1991 property values. Lambeth house prices have changed dramatically in recent years but valuations have not risen as a result, meaning the most expensive properties draw a relatively low level of taxation relative to their value. One suggestion residents have made in recent years is that the council should increase council tax for the wealthiest households. While the council does not have the power to make this change, we are consulting on the option of a voluntary council tax contribution from residents in the highest council tax bands and what services people think that should be spent on.

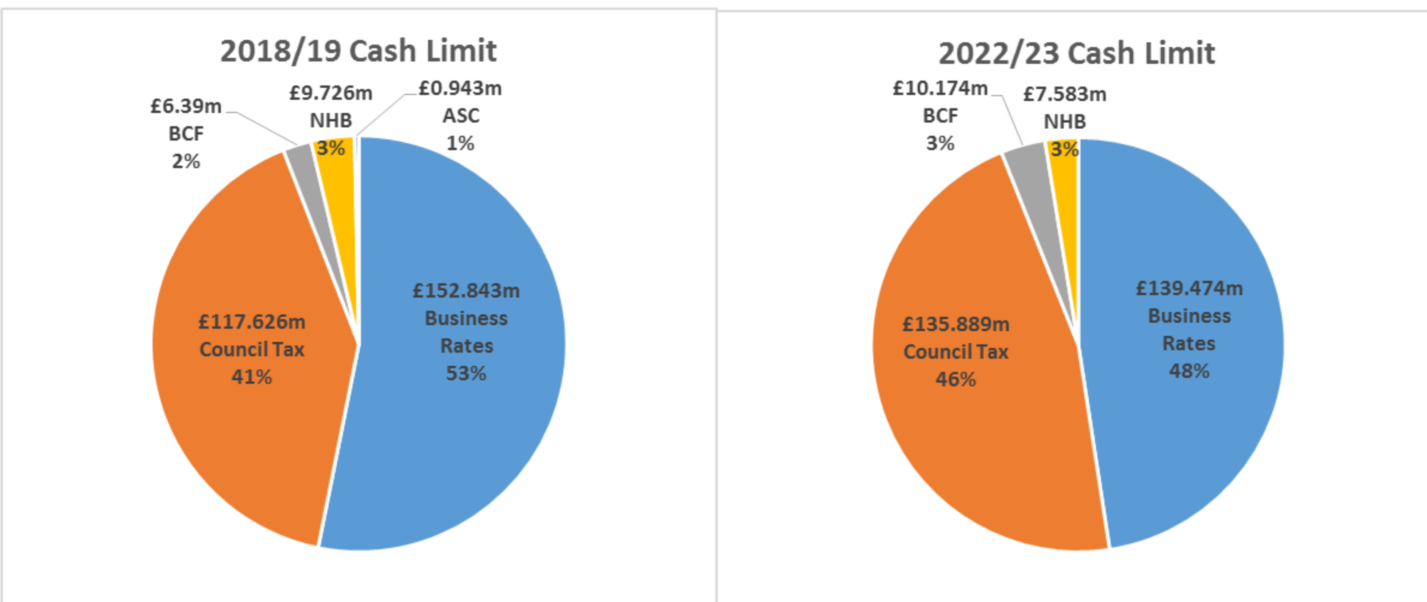
Spending Power

1.14 Our spending power consists of a number of items as set out in the Settlement Funding Assessment as well as Council Tax. The pie chart below demonstrates the change in the funding mix over from this year to the end of our current MTFS (2022/23):

- The Revenue Support Grant (RSG) - this is no longer part of the cash limit in 2018/19.This has been rolled into 100% Business Rates Retention with Lambeth being part of the London Pilot Pool, and in 2022/23 we expect 75% Business Rates Retention to have been implemented nationally. In the past RSG was a significant part of the cash limit, in 2016/17 RSG presented 25% of the cash limit, highlighting the funding shift to locally collected taxation.

- Council Tax income is 31% (£117.6m) of our 2018/19 core funding but forecast to be 46% (£135.9m) by 2022/23. It should be noted that within our MTFS we have assumed growth of Council Tax at 2.99% increase in 2019/20, and 1.99% increase in each year from 2020/21 to 2022/23. Alongside this we have also made some assumptions on the general growth of the council tax base through this period. This is subject to formal agreement in February 2019.
- Business Rates Income - this is made up of our proportion of the business rates we retain, a top-up from central government and an allocation of section 31 grants for some business rates reliefs granted by Government- in total these are 53% (£152.8m) of our 2018/19 cash limit and projected to be 48% (£139.5m) in 2022/23. The reason for the decrease is due to the shift from 100% retention to 75% retention of growth.
- New Homes Bonus (NHB), has started to decrease over this period, in 2018/19 NHB represents 3% of the cash limit (£9.7m), and still 3% in 2022/23, but a lower absolute value of (£7.6m) in 2022/23.
- Better Care Funding (BCF) was introduced in the cash limit from 2017/18, and in 2018/19 it is 2% of the cash limit (£6.4m), but by 2022/23 this is projected to be 3% (£10.2m) 2020/21 it is projected to be 4% of the cash limit (£10.9m). A general rule here is when BCF increases NHB decreases.
- Adult Social Care Support Grant, this was one off in 2017/18, but then a last minute adjustment to the Local Government 2018/19 Final Settlement re-introduced it, so in 2018/19 this represents 1% (£0.94m) of the cash limit. We do not see this continuing into 2022/23 as the Social Care Green Paper is expected to resolve the funding position.

Table 1 Spending Power – Core Funding 2018/19 and 2022/23



1.15 Whilst our spending power is forecast to stay reasonably constant to 2022/23, albeit with proportional changes, in real terms it is still reducing as the Financial Settlement does not take account of rising costs. We have to manage and fund a number of pressures, which are directly linked to demographic growth and demand led pressures within the borough. Current government funding formulas do not take account of these pressures and are therefore not accounted for within the Financial Settlement. The demand led pressures within Adult Social Care, Children Services and Temporary Accommodation continue to grow, and we have built assumptions around these key areas within our Medium Term Financial Strategy, however, as we have seen in recent years the demand led pressures continue to grow beyond assumptions.

2. Proposal and Reasons

Borough Plan

2.1 The council has responded to absence of central government focus on the challenges facing local government and the financial pressures placed on public services and has coped well. The Borough Plan published in 2016 focuses on ensuring inclusive growth and tackling inequality within the borough. The council has recognised that local areas will need to work in partnership to show the creativity and drive to reform public services and enable places and communities to meet these challenges. Although difficult decisions will be required, with its capacity for growth and change, its diverse and dynamic population, and its world-class partnership potential, Lambeth is well–placed to make this a reality.

2.2 Lambeth has summarised what it needs to do into four pillars, growth, resilience, independence and place, GRIP.

- We will enable growth and development in the borough. This will protect our core revenue streams and provide opportunities for our residents to improve their life chances.
- We will ensure that the benefits of growth increase community resilience, and that we target our investment in early help and preventative services to where there is the best return.
- We will reform the way we commission and deliver services with our partners to provide and promote care and independence.
- We will make sure that Lambeth is a place where people want to live, work and invest.

2.3 How we will do it:

- By tackling inequality. There are persistent inequalities of opportunity and outcome in the borough and we will continue to challenge this, including by following the recommendations of the Lambeth Equalities Commission.
- By collaborating. Working with our communities and mobilising our partnerships will enable us to achieve the best possible outcomes for Lambeth.
- By being transparent. We need to promote trust and confidence so that we can work together with our communities and our partners.
- By delivering value for money. We must ensure that our delivery arrangements are robust, and that we act commercially to make sure that outcomes are achieved and returns on investment maximised.

Medium Term Financial Strategy

2.4 The MTFS aims to provide relative protection to frontline services, recognising the extent of savings and efficiencies achieved in previous years. We have worked to ensure that our financial strategy supports the delivery of the Borough Plan, and supports the four pillars of the council Growth, Resilience, Independence and Place by ensuring we have a refined focus on our service provision for both vulnerable children and adults; helping to bridge the inequality gap. In parallel, however, we must continue to focus on our universal service provision to enable us to manage within the ever decreasing cash limit.

2.5 The financial strategy relies on the priorities in the Borough Plan to drive inclusive growth and have strong and sustainable neighbourhoods. Lambeth must support inward development because this provides funding for the Capital Investment Programme through Community Infrastructure Levies (CIL) and S106 income, to further contribute to our Borough Plan aspirations.

2.6 The Council's Budget report was agreed at Council in February 2018 which set out a total funding gap of £40.739m 2018/19 to 2020/21. The report included £28.456m of already agreed savings from the previous financial planning round (reported to Cabinet in February 2017) in addition, £2.5m of identified mitigations, and a further £6.783m of savings were presented and agreed, resulting in a balanced budget over 2018/19 to 2020/21.

2.7 The MTFS was updated to capture the changes in funding and expenditure pressures 2019/20 to 2022/23. The new funding gap of £43.232m was reported to Cabinet in the 2018 July Finance Planning Report. At this point the funding gap was reduced through previously agreed savings over the period 2019/20 to 2020/21, which totalled £16.802m, and as such the residual funding gap was £26.43m.

2.8 Tackling youth violence is an important feature of the council's priorities. The release of some of the growth put in pace to manage the pressures in Adult Social care referred to in paragraph 2.38 means that there will be capacity in the MTFS to provide funding for the new initiative. An indicative figure of £0.5m for 2019/20 has been identified. The final figure will be confirmed in the Budget report to Cabinet in February 2019.

2.9 In addition, as new savings have been proposed this has presented an opportunity to review the brought forward savings to ensure that the full offer and impacts have been considered as a package. Consequently we have revised some of the brought forward savings including profiling, and as such this report presents the full suite of savings, which total £43.676m against a target of £43.232m, resulting in £0.444m surplus over the target. In most instances the savings have now been pushed back into future years, leaving a gap of £1.878m in 2019/20 still be filled. Table 2 below sets out this summary position. Work is ongoing to review opportunities for bringing savings forward and to further reduce pressures in the light of current budget performance.

Table 2

	2019/20 £'000	2020/21 £'000	2021/22 £'000	2022/23 £'000	TOTAL 2019-2023 £'000
Total Funding Gap as per MTFS	23,318	8,525	9,387	2,002	**43,232**
Total Proposed Savings	(21,440)	(7,029)	(7,630)	(7,577)	**(43,676)**
Revised Funding Gap/(Surplus)	**1,878**	**1,496**	**1,757**	**(5,575)**	**(444)**

2.10 In progressing a set of new saving proposals, we have ensured that they support the Borough Plan priorities, and align with the four pillars Growth, Resilience, Independence and Place or GRIP; enabling development and growth in the borough and ensuring the benefits of growth increase community resilience; targeting early help and prevention; commissioning and delivering services to promote independence and promoting Lambeth as a place to live, work and invest in. Appendix 6 shows the council's priorities set out within the pillars.

2.11 The council's services contribute to the priorities and the budget savings have been allocated across the four pillars (Corporate services are shown as supporting all the pillars). The service savings are shown against the relevant pillar. The reason for a small achievement in the growth pillar reflects that most of the expenditure in this area is funded from capital rather than the general fund.

Table 3

GROWTH	RESILIENCE	INDEPENDENCE	PLACE	CORPORATE

SAVING TARGET AS % OF BUDGET	17%	SAVING TARGET AS % OF BUDGET	17%	SAVING TARGET AS % OF BUDGET	17%	SAVING TARGET AS % OF BUDGET	17%	SAVING TARGET AS % OF BUDGET	17%

OVERALL SAVINGS TARGET = 43,232

TOTAL SAVINGS	258	TOTAL SAVINGS	4,672	TOTAL SAVINGS	20,248	TOTAL SAVINGS	6,035	TOTAL SAVINGS	12,463

GRAND TOTAL PROPOSED SAVINGS = 43,676

OVERALL (OVER) / UNDER ACHIEVEMENT OF TARGET = (444)

TOTAL SAVINGS AS % OF TOTAL BUDGET	4%	TOTAL SAVINGS AS % OF TOTAL BUDGET	19%	TOTAL SAVINGS AS % OF TOTAL BUDGET	14%	TOTAL SAVINGS AS % OF TOTAL BUDGET	16%	TOTAL SAVINGS AS % OF TOTAL BUDGET	16%

2.12 Table 4 below confirms the indicative savings targets that were allocated by directorate over the next four year planning period, and how new saving proposals have helped to achieve a balanced budget over the MTFS.

Table 4

Net Revenue Budgets	2018/19 Budget £'000	Savings Target 2019-2023 £'000	Saving Proposals 2019/20 £'000	Saving Proposals 2020/21 £'000	Saving Proposals 2021/22 £'000	Saving Proposals 2022/23 £'000	Total Savings Proposed 2019-23 £'000	Total Savings % of 2018/19 Budget

Adults and Public Health	81,537	**10,819**	3,038	2,244	2,351	2,986	10,619	13%
Children's	70,855	**12,155**	3,892	2,933	2,850	2,480	12,155	17%
Neighbourhoods and Growth	41,402	**6,374**	3,869	437	1,717	1,260	7,283	18%
No Recourse to Public Funds	3,347	**431**	431	0	0	0	431	13%
Corporate Resources	56,117	**7,792**	4,483	1,480	712	851	7,526	13%
Corporate Items	34,270	**5,662**	5,727	-65	0	0	5,662	17%
TOTAL	**287,528**	**43,233**	**21,440**	**7,029**	**7,630**	**7,577**	**43,676**	

Saving Proposals 2019/20 to 2022/23

2.13 This report presents to Cabinet the saving proposals which help to address the £43.232m funding gap, and the detail around these proposals can be found in Appendix 1, and a brief outline is provided in the paragraphs below.

2.14 **Adults and Public Health Net budget £81.537m,** have proposed a total of £10.619m of savings, which is 13% of their budget. Of the total savings: £8.627m is being proposed from Adult Social Care, £0.521m from Supporting People and £1.471m from Public Health.

2.15 Income Generation £0.629m proposed savings, through:

- Reviewing fees and charges in areas including reducing the automatic Disability Related Expenditure allowance and charging for day care transport
- Subcontracting block contracted residential care beds paid for by the council to the NHS

2.16 Contract management £0.601m by:

- Negotiating lower contact value in 2019/20 with Aspire Wellbeing
- Stopping using a care management assessment tool to save subscription costs
- Some costs currently met from Supporting people budgets to be charged in rent and services charged and paid for form Housing Benefit
- Commissioning a new weight management contract, review current public mental health promotion with a view to embedding it within the Lambeth Living Well Alliance and reorganise the management of the programme support for health improvement

2.17 Transformation of services £6.134m of proposed savings through:

- Introducing bandings for residential / nursing placements in Learning Disabilities to help negotiate a favourable price with providers.
- Developing employment opportunities for clients with eligible needs to reduce dependency on Adult Social Care.
- Providing accommodation in a new resource centre at Coburg Crescent at lower cost than existing providers.
- Reprocuring advocacy services with the aim of delivering better value for money.
- Optimising local Supported Living accommodation to provide new capacity and avoid using higher cost placements.
- Moving a cohort of clients to new placements and access a capital grant to make the placements suitable.

- Negotiating a reduced contract level in 2019/20 for Shared Lives scheme
- Redesigning the transitions pathway from children's to adults care with a view to reducing costs.
- Integrating supporting people services for Learning Disabilities with adult care services and align service provision with level of need.
- Creating a more integrated health improvement service.
- Sexual Health testing savings resulting from the introduction of a new pricing mechanism; new specifications for services; the use of e-services.
- Savings in substance misuse mainly from the redesign of the Integrated Treatment consortium.
- Reducing the management charge for GP Federations to bring it in line with the market rate and update the pricing and specification for the GP substance misuse service.
- Reducing contingency budgets held for detox and rehab.
- Local Care Networks - opportunities to reduce costs are realised through the integration of Health and Social Care services and the use of alliance contracting arrangements.

2.18 Staffing restructure £0.85m through:

- Reductions in Adult Social Care, Commissioning and Public Health staffing.
- Redesigning the careline service by outsourcing care handling and integrating call response with alternative providers and making alternative arrangements for the installation and maintenance of equipment.

2.19 Change in Service Provision £2.405m proposed savings by:

- Supported Living development for Learning Disabilities clients to transfer existing clients to Supported Living settings and avoid admissions to residential care.
- Reviewing home care packages that are for less than 10 hours of care per week; review of home care packages for people with Physical Disabilities and over 65 years of age that cost more than £500 per week with the view of promoting longer term independence; confirm the ongoing need to community meals with existing service users and where appropriate find alternative provision that meets their nutritional needs and provides better outcomes.
- Realigning Deprivation of Liberties pathway once new legislation is in place which is expected to reduce administration and duplication in the process.
- Identifying out of borough placements that are eligible for NHS rather than Council funding.
- Closing Brixton step scheme.

2.20 **Children's Services Net budget £70.855m,** have proposed a total of £12.155m of savings, which is 17% of their budget. Of the total savings: £9.355m is being proposed from Children Social Care, £2.275m from Other Children's Services and £0.525m from Education, Learning and Skills.

2.21 Income Generation £0.1m by a reduced contribution across a range of education services that will be made up by increased trading of services with schools.

2.22 Contract Management £0.85m of proposed savings through:

- Reducing the number of spot purchases in Children's Domiciliary care through a recommissioning of the integrated contract framework with Adults Social Care colleagues.
- Faster rollout out direct payments as a means for parents and families to pay for short breaks
- Eliminating the potential for supplication/inefficiency in pathway regarding purchase, maintenance and recycling of specialist equipment for children with SEND
- Recommissioning of Youth and Play contracts and review of premises related spend.

2.23 Transformation of services £8.18m of proposed savings through:

- Restructuring children's social care services in order to create the following specialist teams that will in turn help to reduce the numbers of children that are in care: intensive family support team, repeat removals team and reunification team.
- Increasing the number of in house carers and developing and training existing in house fosters carers to provide more specialist placements.
- Better commissioning arrangements including: making better use of framework contracts to reduce spot purchasing and to address insufficiency of in house carers, better negotiation and contracting with providers, particularly those providing more than two placements, development of standardised agreements and ceiling rates, roll-out of a dynamic purchasing system and participation in the South London Commissioning Programme Looked After Children Project.
- The introduction of a portal for integrated referral hub
- Streamlining of activities in the Lambeth Safeguarding Children Board
- Efficiencies and improvements in back-office functions across libraries

2.24 Staffing Restructure £2.525m of proposed savings by:

- The creation of the new specialist teams in 2019 are expected to result in lower numbers of children in care thus meaning that over time, we will further reduce reliance on agency workers through improved career progression offer and potentially we will need fewer social workers in some parts of the service
- Restructure of Early Help Service
- Restructure of the Youth Offending Service focusing on reduction of support officers and integration of some case officer roles
- Restructure of the Families Information Service
- Reorganisation of the Integrated Children and Young People Commissioning team

2.25 Service Provision £0.5m through a change in delivery model around children's centres.

2.26 **Neighbourhoods and Growth Net Budget £41.402m** have proposed a total of £7.283m savings, which is 18% of their budget. Of the total savings: £1.609m is being proposed from Housing, £5.346m from Environment, £0.19m from Growth, Planning & Employment and £0.138m from Strategic Programmes.

2.27 Income Generation £2.576m of proposed savings through:

- The extension of parking CPZ phases 2-4 based on resident demand, plus further CPZ rollout in the south of the borough.
- Reviewing parking permit and suspension fees and charges
- On-street parking income
- CCTV service improvements
- New bulky waste pricing model
- Increased income from HMO licensing activity
- Increased Planning Performance Agreement income

2.28 Contract Management £1.65m of proposed savings through:

- Retendering of waste and cleansing contract
- Purchasing replacement cremators
- Leisure Estates contract retender

2.29 Transformation of Services £3.057m of proposed savings through:

- Leisure estate- generate additional income from the contract

- Active communities grants- reduce grants to voluntary and community sector
- LED central management system for street lighting
- Increase in food waste recycling
- Reducing the parking bad debt provision top-up
- Frontline service review creating generic service offer in Housing
- Reduction in Temporary Accommodation bad debt provision top-up
- An increase in Housing Needs general fund charge to the Housing Revenue Account
- Savings in Temporary Accommodation costs through continuing service redesign
- Consolidation of support services budgets in Housing that are currently underspending
- Recommissioning of the Financial Resilience Strategy
- Homes for Lambeth- capitalising costs and reduction after Homes for Lambeth established

2.30 **No Recourse to Public Funds Net Budget £3.347m** have proposed a total of £0.431m savings, which is 13% of their budget. This saving is in line with current activity in the budget, where a reduction in client numbers has been seen.

2.31 **Corporate Resources Net budget £56.117m** and Corporate Items Net Budget £34.27m, have proposed a total of £13.188m of savings, which is 15% of their budget. Of the total savings: £1.658m is proposed from Business and Customer Services, £1.1m from Business Transformation, £0.381m from Policy and Communications, £0.76m proposed from Corporate Affairs, £3.112m proposed from Finance, £0.515m from Human Resources, and £5.662m in Corporate Items.

2.32 Income Generation £0.747m proposed savings, by:

- Review of charges provided externally particularly in relation to Legal Services and Human Resources support.
- Increase income within the Registrars service by promoting the service, enabling more space to carry out registrations and promoting merchandising.
- Rental income associated with telephone rental masts to be moved to the general fund where these are currently held within the Housing Revenue Account.

2.33 Contract Management £0.57m proposed savings, through: reduced contract costs associated with Customer Services and ICT arising from reviewing performance metrics within contracts, ensuring these are fit for purpose and meet the organisations requirements, and negotiating better fees on existing contracts.

2.34 Transformation of Services £6.769m proposed savings, through:

- Reductions in miscellaneous non-staffing budgets across the directorate
- A decrease in general fund expenditure within ICT, particularly when some of these costs form part of the wider capital projects
- A reduction in external audit costs and a review of technical budgets such as interest income and expenditure
- Review of the level of provisions for bad debt

2.35 Staffing Restructure £5.102m proposed savings through a review of staffing across the Directorate including Finance, Policy & Communications and Corporate Affairs.

Managing the Delivery of Savings

2.36 The delivery of the Council's savings proposals requires strong programme and project management and this is provided by the oversight of the Budget and Performance sub-group of Management Board.

The group is chaired by the Chief Executive and has senior directors from each of the departments. The terms of reference of the sub-group are:

- To develop budget strategy and oversee its implementation with reference to, and consideration of, performance.

- To review budget implementation plans where interventions at the services level and the management board sub-group have not delivered expected progress.

- To review performance information relating to corporate outcomes and performance analysis on outcomes or services where interventions have taken place at the service level, and at the management board sub-group, and yet improvement has not met expectations.

.Financial Management

Revenue

2018/19 Revenue Q2 Forecast Position

2.37 The current position on the General Fund is a forecast overspend of £0.745m for 2018/19. This continues to be managed down and progress is monitored by Management Board and Cabinet. The forecast is shown in Table 5 below and the key pressures on budgets are summarised below. A number of the forecast pressures are demand-led and are being experienced by other councils across the country, including SEN, adult social care, and children services.

2.38 **Adult Social Care** has an underlying pressure of £5.34m, made up of various third party pressures, most prominently relating to home care provision. However, due to the receipt of additional grant funding the service is forecasting no variance against budget. Mitigations to reduce expenditure are being developed to ensure that there is sufficient Government funding still available to meet expenditure needs next year.

2.39 **Children's Social Care** are forecasting an overspend of £2m on placements and £1.4m on children centres. A £4.2m forecast overspend on Special Education Needs will be funded by the Dedicated Schools Grant. Mitigating actions to address the forecast overspend on Social Care Placements include reviewing the highest cost placements; reviewing the purchasing arrangements for emergency placements and transition arrangements.

2.40 **Corporate Resources** is forecast to underspend by £0.127m.

2.41 **Neighbourhoods & Growth** is forecast to underspend by £1.335m; predominately made up of an underspend of £0.897m on accommodation services, £0.246m surplus on parking income and underspends arising from vacancies across the service.

Table 5 General Fund Forecast Outturn 2018/19

Directorate	Full Year Budget £m	FY Forecast £m	FY Variance £m	FY Variance%
Adults & Public Health	83.977	83.835	**(0.142)**	0%
Children's Services	71.231	72.997	**2.766**	4%
Neighbourhoods & Growth	42.921	41.586	**(1.335)**	(3%)
Corporate Resources	52.971	52.844	**(0.127)**	0%
NRPF	3.354	2.937	**(0.417)**	(12%)

Corporate Items	33.074	33.074	**0**	0%
TOTAL - General Fund	**287.528**	**288.273**	**0.745**	

2.42 The current financial performance of the council has been taken into consideration when formulating the saving proposals, as confirmed in Section 2. We are confident that current in-year pressures are being managed, and in light of the Chancellor Budget announcements in respect of additional one-off funding to support Adult Social Care in 2019/20, the underlying pressures reported will be sufficiently mitigated, to allow time for the new savings to be fully embedded. The savings that are being proposed have been carefully considered across the council. The in-depth discussions have focussed on grouping savings together to understand the full package on offer and what the potential impacts and risk could be, so are able in a position before the savings are implemented to mitigate these as far as practicably possible.

2018/19 Housing Revenue Account October 2018 Forecast Position

2.43 The Housing Revenue Account is projecting to breakeven

Table 6 Housing Revenue Account Forecast Outturn 2018/19

	Full Year Budget £m	**FY Forecast £m**	**FY Variance £m**	**FY Variance %**
Housing Services (HRA)	62.578	59.008	**(3.570)**	(6%)
Central HRA Budgets	(77.378)	(75.764)	**1.614**	2%
Strategic Programmes	14.800	16.756	**1.956**	13%
TOTAL HRA	**0**	**0**	**0**	

Reserve Position and Forecast

2.44 The Reserves Strategy sets out the Council's current approach to ensuring that the level, purpose and planned use of its reserves are appropriate in the current financial climate. Our overall approach is to use the financial strength of our balance sheet to help the Council through a period of high risk caused by severe funding reductions and economic stagnation.

2.45 Table 7 below confirms our current reserve forecast position to this financial year-end, whilst also forecasting to 2023. The MTFS has set a reserve level of 10% of the net general fund budget which will be built up over the life of the MTFS.

Table 7 2018/19 to 2022/23 Reserve Forecast

	Forecast Y/E 2018/19 £m	**Forecast Y/E 2019/20 £m**	**Forecast Y/E 2020/21 £m**	**Forecast Y/E 2021/22 £m**	**Forecast Y/E 2022/23 £m**
General Fund Balances	23.789	25.228	26.667	28.106	29.545
General Fund Reserves	36.105	35.068	35.334	35.602	35.861
Total GF Balances & Reserves	**59.894**	**60.296**	**62.001**	**63.708**	**65.406**

HRA Reserves	44.141	27.268	24.768	22.268	22.268
Total	**104.035**	**87.564**	**86.769**	**85.976**	**87.674**

3. London Business Rates Pilot Pool

3.1 In the Spring Budget 2017, the London Devolution Memorandum of Understanding included a commitment to exploring options for granting London government greater powers and flexibilities over the administration of business rates, including supporting the voluntary pooling of business rates within London, subject to appropriate governance structures being agreed.

3.2 Following the establishment of a pan London business rates pool to pilot the previously proposed principles of 100% Business Rates Retention in 2018/19, the Memorandum of Understanding as confirmed in Appendix 2 confirms the commitment by the Government, the Mayor of London and London local government to pilot the principles of 75% business rates retention in 2019/20 through the continuation of the pan-London business rates pool.

3.3 This Memorandum of Understanding (MOU) comes into effect from 01 April 2019 and expires on 31 March 2020. This MOU is not intended to be legally binding, and no legal obligations or legal rights arise between the parties from this MOU.

3.4 **Pilot Principles**: The pilot pool will be voluntary, but will include all 32 London boroughs, the City of London Corporate and the Greater London Authority.

3.5 From 01 April 2019 the London Authorities will retain 75% of our non-domestic rating income. We will also receive section 31 grants in respect of Government changes to the business rates system which reduce the level of business rates income. Section 31 grant will amount to 75% of the value of the lost of income. Tariffs and top-ups will be adjusted to ensure cost neutrality.

3.6 In moving to 75% business rates retention, the Ministry of Housing Communities and Local Government will continue not to pay Revenue Support Grant to the London authorities in 2019/20.

3.7 We will be subject to more onerous rules or constraints under the 75% rates retention pilot, than we would have been if we had remained subject to the 67% scheme in place in 2017/18, reflecting the incremental impact of the Greater London Authority's partial pilot as a result of the 'rolling in' of its Revenue Support Grant and the Transport for London investment grant. No 'new burden' will be transferred to London and participation in the pilot will not affect the development or implementation of the Fair Funding Review.

3.8 **Distribution of Financial Benefit**: The 34 London authorities will prepare a framework agreement for the operation of a pilot pool in which, assuming the pool has 'growth' in comparison to its business rates baseline:

- Each authority will receive at least as much from the pool as they would have individually under the existing 67% retention scheme;
- 15% of any net financial benefit will continue to be set aside as a 'Strategic Investment Pot; and
- The resources not top-sliced for the investment pot will be shared between the GLA and the 33 billing authorities (the 32 boroughs and the City of London Corporation) in the ration 36:64, in accordance with the principle previously agreed by London Councils and the GLA in the joint business rate devolution proposals to Government in September 2016.

3.9 **Strategic Investment**: The Mayor of London commits that the GLA's share of any additional net financial benefit from the pilot will be spent in strategic investment projects. Decision on the allocation of the GLA's share will be made by the Mayor of London.

3.10 For this purpose and for the separate joint Strategic Investment Pot, 'strategic investment' will be defined as projects that will contribute to the sustainable growth of London's economy or support the delivery of new infrastructure, housing or employment, which lead directly to or are expected to facilitate an increase in London's overall business rates income.

3.11 The joint strategic investment pot will be spent on projects that meet each of the following requirements:

- Contribute to the sustainable growth of London's economy and an increase in business rates income either directly or as a result of the wider economic benefits anticipated;
- Leverage additional investment funding from private or public sources; and
- Have broad support across London government in accordance with the proposed governance process.

3.12 **Governance**: Decision regarding the Strategic Investment Pot will be taken formally by the City of London Corporation, as the lead authority, in consultation with all member authorities, reflecting voting principles designed to protect Mayoral, borough and sub-regional interest, agreed under the 2018/19 100% pilot and previously endorsed by Leaders and the Mayor in the London Finance Commission (both 2013 and 2017), and set out in the London Government's detailed proposition on 100% business rates in September 2016.

3.13 **Evaluation:** The Government will undertake a qualitative evaluation on the progress of the pilot with focus on the governance mechanism and decision making process, and the scale of the resources dedicated to strategic investment.

4. Capital

Looking Forward: Future Capital Investment

4.1 The Capital Investment Programme (CIP) is an amalgamation of both General Fund and Housing Revenue Account capital schemes and is analysed to show how capital investment is spread across the Community Outcomes. It also shows where investment is supporting the entire organisation through enabling projects.

4.2 A CIP was set by the Council in February 2018 reflecting the resources that were known to be available at the time. Since the Budget report in February 2018, the programme has now been re-profiled and updated with new information including the addition of new projects and finalisation adjustments for others.

4.3 These amendments have resulted in a revised working CIP for the 3 years 2018/19 to 2020/21 which totals £313.0m with additional planned investments totalling £54.7m held in the capital pipeline, the most significant of which relates to the proposed theatre and workspace on Somerleyton Road in Brixton. The CIP comprises the investment needed to maintain and enhance our existing estate together with continuing investment in developing our asset base through new build, acquisition or investment in existing assets. This planned 3 year investment includes £125.6m in relation to the Housing Revenue Account (HRA).

4.4 Appendix 3 shows the analysis of this working CIP for the 3 years 2018/19 to 2020/21. The planned spend for the current 2018/19 financial year within the Capital Investment Programme now totals £187.4m. Forecast spend by the end of the year currently stands at £140.9m. It is expected that capital funding unspent within 2018-19 will roll forward to 2019-20, subject to confirmation that the relevant capital project is progressing in a satisfactory manner.

4.5 Appendix 4 demonstrates how this 3 year CIP will be financed. The proposed working CIP rolled forward for the three years 2018/19 to 2020/21 will be submitted for formal approval in February 2019. At this point it is to be expected that the capital budget proposed for 2019/20 will exceed the current figure of £76.02m as projects on the capital pipeline are confirmed and moved into the CIP.

4.6 Capital investment is continuing to take place in a time of considerable uncertainty due to both Brexit and the lack of clarity around central governments legislative agenda and, so the Council will need to continue to prioritise its Investment and retain flexibility within the wider capital programme. Areas of particular concern are around investment in Housing and Commercial Property where Investment is underpinned by an expected return from rents or sales income which are dependent on the wider state of the economy. The Council continues to progress a huge range of significant regeneration projects in areas right across the borough including Waterloo, Vauxhall and Nine Elms, Tulse Hill, Brixton and West Norwood and thus capital investment in these areas will be subject to continuous review.

4.7 Expenditure continues to take place related to a number of key capital strategies, including Culture 2020, the Parks Investment strategy and the Highways Improvement strategy which are bringing council owned roads and facilities right across the borough up to the highest standard. It is important that these plans are updated and required spend is projected into the future to ensure long-term funding can be identified.

4.8 Capital receipts from rationalisation of the council's existing asset base are much reduced, current forecast non-Right To Buy (RTB) disposal receipts for the 2 years 2018/19 to 2019/20 is £13.2m. Due to this development income in the form of receipts for CIL or S106 is likely to be the main source of funding to meet capital investment needs in future years, as the level of grants received from central government is also decreasing. The Council has the option to borrow to finance capital investment and this may well be appropriate where the capital expenditure generates an income stream or helps the Council to achieve revenue savings, but in undertaking borrowing the Council needs to be mindful of the impact of interest costs on the wider revenue budget.

4.9 Lifting of the HRA Borrowing Cap by Central Government gives the Council the opportunity to review its capital expenditure funded from the HRA in future years. However, it should be noted that as any additional borrowing would increase the capital financing costs within the HRA both now and in the future, the recent reductions in rent imposed by Central Government have reduced the ability to fund additional borrowing for expenditure on maintenance of the existing stock from the rental income. Borrowing from the HRA could be seen as an option for increasing the level of new build council housing, however the Council will need to evaluate the risks and rewards of this delivery method compared to the option of using Homes for Lambeth as currently envisaged.

5. FINANCE

5.1 This report is all about the Council's financial position and the implications of this for service planning and delivery.

6. LEGAL AND DEMOCRACY

6.1 The Council has a duty to maintain a balanced budget throughout the year and, accordingly, members are required to regularly monitor the Council's financial position. In implementing the Council's financial strategy for 2019/20 and subsequent years, members will need to balance the proposed level of expenditure in discretionary areas of service provision against that required to ensure that the Council complies with its statutory duties.

6.2 Section 28 of the Local Government Act 2003 imposes a duty on the Council to monitor its budgets throughout the financial year, using the same figures for reserves as were used in the original budget calculations. The Council must take necessary appropriate action to deal with any deterioration in the financial position revealed by the review.

6.3 The Housing Revenue Account is a ring-fenced account. Transfers to and from the account are prescribed.

6.4 In reaching decisions on these matters, members are bound by the general principles of administrative law. Lawful discretions must not be abused or fettered and all relevant considerations must be taken into account. No irrelevant considerations may be taken into account, and any decision made must not be such that no reasonable authority, properly directing itself, could have reached. Members must also balance the interests of service users against those who contribute to the Council's finances. Monies may not be expended thriftlessly and the full resources available to the Council must be deployed to their best advantage. Members must also act prudently and in a business-like manner at all times.

6.5 In considering the advice of officers, and the weight to be attached to that advice, members should have regard to the personal duties placed upon the Director of Finance (DoF) as Chief Financial Officer. The Chief Financial Officer is required by Section 151 of the Local Government Act 1972 and by the Accounts and Audit Regulations 2015 to ensure that the Council's budgeting, financial management, and accounting practices meet relevant statutory and professional requirements. In the event that the Council's overall financial position worsens considerably during the remainder of 2018/19, the DoF will need to have regard to the statutory obligations which are placed on her personally when deciding on any particular actions to be recommended to Members to address her concerns.

6.6 This proposed key decision was entered in the Forward Plan on 08 June 2018 and the necessary 28 clear days' notice has been given. The report will be published for five clear days before the decision is approved by Cabinet. A further period of five clear days, the call-in period, must then elapse before the decision is enacted. If the decision is called-in during this period, it cannot be enacted until the call-in has been considered and resolved.

6.7 Section 149 of the Equality Act 2010 sets out the public sector equality duty, i.e. that all public bodies are under an obligation to have 'due regard' to eliminating unlawful discrimination, advancing equality and fostering good relations in the contexts of age, disability, gender reassignment, pregnancy, and maternity, marriage and civil partnership, race, religion or belief, sex and sexual orientation

6.8 Section 149 (1)(b) of the Act states that: a public authority must, in the exercise of its functions, have due regard to the need to advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it. Part of the duty to have "due regard" where there is disproportionate impact will be to take steps to mitigate the impact and the Council must demonstrate that this has been done, and/or justify the decision, on the basis that it is a proportionate means of achieving a legitimate aim. Accordingly, there is an expectation that a decision maker will explore other means which have less of a disproportionate impact.

6.9 The Equality Duty must be complied with before and at the time that a particular policy is under consideration or decision is taken – that is, in the development of policy options, and in making a final decision. A public body cannot satisfy the Equality Duty by justifying a decision after it has been taken.

7. CONSULTATION AND CO-PRODUCTION

7.1 We are committed to working with our communities so that they can help themselves and be more resilient to the change in local services. Also, we are determined to talk to communities about the tough choices we have to take so we can make sure we are making the best use of the declining amount of money we received from Central Government. In order to find the best solutions wherever possible, we have engaged and consulted stakeholders in recent years on a range of issues and have also undertaken our annual residents survey (June 2016).

7.2 Between now and 14 January 2019 we will consult residents on proposals that are contained in this paper. We will do this in a wide range of ways including a newsletter to all residents, posters in libraries, email, social media and via Lambeth's vibrant and diverse civic society, including the Lambeth Forum Network. The decision on the budget will be informed by the results of this consultation.

7.3 For 2019/20 we will develop a programme of community engagement, consultation, co-design and research around specific changes in services. This will enable us to: better understand the views (and needs) of local people; target our resources where they are most needed; and achieve our Borough Plan objectives. This will help our decision making on savings proposals identified for 2019/20 and beyond.

8. RISK MANAGEMENT

8.1 None for the purposes of this report.

9. EQUALITIES IMPACT ASSESSMENT

Our Organisational Approach to Equalities

9.1 Lambeth Council has a firm political and organisation commitment to reducing inequality. 'Achieving fairness for all' is a commitment which is embedded within the current administration's political manifesto. The council's four-year partnership strategy Future Lambeth: Our Borough Plan for 2016-21, also emphasises the council's ambition to make Lambeth a stronger, fairer and more prosperous borough through inclusive growth; reducing inequality; and building strong and sustainable neighbourhoods. It sets out a range of priority outcomes relating to the strategic objective of reducing inequality.

9.2 The Lambeth Equality Commission, which reported in July 2016, also proposed a set of areas that the council needs to focus on to reduce inequality in the borough. These were:

- Tackling education underachievement
- Tackling low pay and poor working conditions
- Council workforce leadership and diversity
- Reducing the impact of crime on Lambeth's young people

9.3 The organisation is in the process of implementing these, with a one year progress report currently being completed.

9.4 The council's decisions about where to make savings; where to invest; and how to transform services are informed by the strategic objectives and priorities set out in the Borough Plan, and by the priorities recommendations areas set out by the Lambeth Equality Commission . Furthermore, the council has prioritised those areas and functions that will enable us to encourage economic growth, foster resilience, deliver care and foster independence and create positive places and spaces for citizens and residents of Lambeth.

Budget Equality Analysis Approach

9.5 Given the scale of budget cuts being faced by the council it is inevitable that citizens will be impacted. Understanding what the impact might be, and where possible putting in place mitigation to negate or reduce any adverse impacts is important. Our cooperative approach means that we will work closely with citizens to understand possible adverse impacts and put in place mitigations. We will also look to work with communities to build on the strengths that exist and enhance their resilience. By co-producing activities and building on what already is in place within communities and neighbourhoods we feel better able to mitigate some of the impacts of the changes outlined in this report.

9.6 The council has taken a risk-based approach to analysis of equalities impacts of budget proposals and identified proposals where there are perceived to be groups that may be disproportionately impacted (compared to overall Lambeth population). As the proposals have developed, they have been screened for potential impacts on those with protected characteristics. It also includes an analysis of non-statutory equalities considerations; language, socio-economic and health and social wellbeing which Lambeth includes within its equalities approach.

9.7 Analysis identifying potential risks and mitigations has been shared, discussed and developed with decision-makers and senior officers. Cabinet members have had the opportunity to see and comment on the analysis as it has been developed, and to use it to inform their discussions and decision making as part of the budget development process. Each proposal will have an accompanying Equalities Impact Analysis (EIAs) to provide analysis of the potential equality impacts of the proposed change and where relevant suggest or recommend the appropriate mitigations. These will be published prior to the implementation of any proposed change. Detailed proposals and the analysis will also be reviewed by the Corporate Equalities Panel.

Our Analysis

9.8 The qualities analysis identifies those groups, by protected characteristic, who may experience negative impact as a result the changes proposed. Based on the analysis of the savings proposals and their predicted impacts, the equality groups most affected are: **socio-economic; age (children and young people and older people); disability; sex; race and ethnicity and health and wellbeing.**

9.9 Appendix 5 offers a more detailed overview of this analysis, including a summary of those proposals assessed as having potential impacts on groups sharing protected characteristics. This equalities analysis also sets out mitigating actions that may need to be considered as decisions are being made about the savings proposals.

Next Steps

9.10 It is important to note that the approach for assessing the equalities impact of savings proposals is an on-going process. At this stage the analysis is indicative and as individual proposals are further developed and implemented, they will be subject to further assessment.

9.11 A full review of the equality impacts in respect of the proposed savings made within this round of financial planning will be done once all the savings proposals have been developed, and as such we will report our findings through the February 2018 Budget Report.

9.12 Full Equalities Impact Assessments will be undertaken for those proposals with identified equalities risks as part of the development and preparation of the saving proposals implementation.

10. COMMUNITY SAFETY

10.1 None for the purpose of this report.

11. ORGANISATIONAL IMPLICATIONS

Environmental implications

11.1 None for the purpose of this report.

Staffing and accommodation implications:

11.2 None for the purpose of this report.

12. TIMETABLE FOR IMPLEMENTATION

12.1 None

Audit trail				
Consultation				
Name/Position	**Lambeth cluster/division or partner**	**Date Sent**	**Date Received**	**Comments in para:**
Jackie Belton, Strategic Director	Corporate Resources	27/11/2018		
Christina Thompson, Director of Finance and Property	Corporate Resources	23/11/2018	26/11/2018	throughout
Alison McKane, Legal Services	Corporate Resources	03/12/2018		
Wayne Chandai, Democratic Services	Corporate Resources	03/12/2018	05/12/2018	Section 7
Councillor Andrew Wilson	Cabinet Member for Finance, Councillor Andrew Wilson	27/11/2018	05/12/2018	throughout

Report history	
Original discussion with Cabinet Member	28/05/2018
Report deadline	05/12/2018 (Cabinet)
Date final report sent	07/12/2018
Report no.	
Part II Exempt from Disclosure/confidential accompanying report?	No
Key decision report	Yes
Date first appeared on forward plan	08/06/2018
Key decision reasons	Financial

Background information	Revenue & Capital Budget 2018/19 – 2020/21 http://moderngov.lambeth.gov.uk/documents/s93611/Budget%20Report%20-%20COUNIL-%20FINAL.pdf July Finance Planning Report 2018/19 – 2022/23 http://moderngov.lambeth.gov.uk/documents/s96706/2018%20July%20FPR%20-%20FINAL.pdf Draft Statement of Accounts 2017/18 https://www.lambeth.gov.uk/sites/default/files/ec-draft-statement-of-accounts-2017-18.pdf
Appendices	Appendix 1- 2019-2023 Saving Proposals Appendix 2 - Business Rates Pilot Pool- Memorandum of Understanding Appendix 3 - Capital Investment Programme (CIP) 2017/18 to 2019/20 Appendix 4 - Financing of CIP 2017/18 to 2019/20 Appendix 5 – Equalities Impact Assessment Appendix 6 – Council Pillars