

**Appendix B: Service Growth / Cost Pressures 2020/21**

| Service                    | Item   | 2020/21<br>£m | Comments  |
|----------------------------|--|---------------|---|
|                            | <b>Demography</b>  |               |   |
|                            |  |               | The population projections shown below are from the GLA's annual population report.   |
| Regeneration & Environment | Refuse Collection  | 0.1           | 0.8% growth in overall population   |
| Regeneration & Environment | Public Realm (excluding Refuse Collection)                             | 0.2           | 0.8% growth in overall population   |
| Children & Young People    | Children's social care   | 0.5           | 0.1% growth in 0-5 years; 0.6% growth in 0-25 years; 2.4% growth in 10-15 years.  |
| Community Well Being       | Learning Disabilities, Mental Health and Physical disabilities (18-65) | 0.4           | 0.6% growth in population 18-65 years   |
| Community Well Being       | Older People (65+) Non Home Care                                       | 1.0           | 2.5% growth in population 65-84 years; 4.6% growth in population 85+  |
| Community Well Being       | Older People (65+) Home Care   | 0.6           | 2.5% growth in population 65-84 years; 4.6% growth in population 85+  |
| Community Well Being       | Housing - Temporary Accommodation                                      | 0.5           | Projected growth in temporary accommodation costs   |
| Resources                  | Customer Services  | 0.1           | 0.9% growth in population over 18   |
| Resources                  | Legal services   | 0.1           | Additional caseload caused by above, principally children's social care and adult social care.  |
|                            | <b>Total</b>   | <b>3.5</b>    |   |
|                            | <b>Inflation</b>   |               |   |
| Various                    | Payroll Inflation  | 2.1           | The pay settlement for 2020/21 is expected to be 2%, which adds £2.1m to total staffing costs.  |
| Central                    | Contract inflation   | 3.5           | General contract inflation is assumed to average 2%, which will cost £3.5m each year.   |
| Community Well Being       | National Living Wage for carers  | 0.4           | The cost of paying providers for the uplift caused by the annual increases to bring the national living wage up to 60% of median earnings by 2020 will add £0.4m to the adult social care budget each year.   |
|                            | <b>Total</b>   | <b>6.0</b>    |   |
|                            | <b>Technical</b>   |               |   |
| Central                    | Pension fund, Insurance and Levies                                     | 0.5           | There are a set of costs associated with pensions and other related payments. The main issue is the impact of the triennial actuarial review of the pension fund, which will affect pension costs from 2020/21 onwards. The run off of the closed LPFA fund adds to this, partially offset by the ongoing gradual reduction in the number of payments for previously granted premature retirements. (Any new early retirements are met by capital contributions at the point of the decision). Also, Brent is required to contribute towards London wide levies, such as to the Environment Agency, West London Waste Authority and Lea Valley Park. These costs increase every year as the tax base increases. The total impact of these items is £0.5m, including insurance costs where the majority relates directly to the actuarial review.  |
|                            | <b>Total</b>   | <b>0.5</b>    |   |
|                            | <b>Transport</b>   |               |   |
| Adult Social Care          | Freedom pass growth  | 0.5           | The council needs to recognise unavoidable costs associated with London wide policies. The main issue here is freedom passes, the cost of which is paid for across London and redistributed according to data provided by the Oyster cards that record journeys. Given Brent's ageing demographic, and relatively good transport links, the inevitable consequence is that the costs of the scheme continue to rise locally.  |
| Regeneration & Environment | Brent Transport Services   | 0.8           | The Council's largest requirement for passenger transport comes from the provision of home to school transport for children and young people with Special Educational Needs (SEN) who have a statement requiring the provision of a specific type of education, normally at a special school or unit catering for their particular educational need. Where the statement identifies a need for the learner to be transported to and from school, the Authority has a statutory duty to provide the required transport. In London, the number of SEN pupils has increased by 32 per cent since 2013/14, a higher rate of growth compared to the rest of England. In Brent, passenger numbers for the last 2 years have increased by 14% and 3% respectively. The projection going forwards is that there will be an estimated 8% annual net increase in passenger numbers. £0.8m has been assumed as the need to meet the costs of demand and supply from 2020/21. |
|                            | <b>Total</b>   | <b>1.3</b>    |   |
|                            | <b>Social value</b>  |               |   |
| Central                    | London Living Wage   | 1.5           | The Council has a commitment to paying London Living Wage where possible, including enabling contractors/providers to pay their workers LLW. This has a particularly large impact on the provision of homecare, which is estimated to add £1.5m per annum to the cost of the new contract from 2020/21.   |
|                            | <b>Total</b>   | <b>1.5</b>    |   |
|                            | <b>Capital Financing</b>   |               |   |
| Central                    | Capital Financing  | 0.2           | Interest and debt repayment costs for the capital programme.  |
|                            | <b>Total</b>   | <b>0.2</b>    |   |
|                            | <b>GRAND TOTAL OF SERVICE COST / GROWTH PRESSURES</b>                  | <b>13.0</b>   |   |