

SERVICE COST PRESSURES - 2013/14 - 2016/17

Service	Item	2013/14	2014/15	2015/16	2016/17	Comments
		£'000	£'000	£'000	£'000	
Demand led pressures						
Adults Social Services	Transitions	600	500	500	400	Children with disabilities accessing social care services transfer into adult social care at age 18 (or later, if in full time education). The costs of providing social care services to children in transition become a service cost pressure for adult social care. The number of children in transition and the cost of their care vary from year to year. As they often transfer part way through the financial year, the full year effect of their costs is felt in the year following their transfer.
Adults Social Services	Transitions	1,015	0	0	0	There is an underlying overspend of £1.015m in 2012/13. Given recent transitions we would expect a full year effect of £1.2m. So for 2012/13 we would expect the additional £500k growth put into the budget to meet only part of these costs. Thus increasing pressures to £1.3m. Our current assumptions predict that pressures can be limited to £600k per annum for 2013/14 onwards. Much depends on the ability to limit the costs of transitions.
Adults Social Services	Learning Disabilities	0	300	300	300	Transitional clients living longer into Adult age. In 2012/13, the highest spending category of care was Learning Disability residential care, and this category of care will continue to see growth across the period.
Adults Social Services	Demand for Services across Adults	0	801	936	970	Although the numbers of older people are increasing according to population growth, the proportion or mix of service users with dementia will increase significantly which in general means that additional costs will be incurred by the department. In addition, the department has seen a significant increase in dementia service users in the last two years. In 2012/13, the highest spending category of care was Learning Disability residential care, and this category of care will continue to see growth.
C&F	Placements & Purchasing	500	0	0	0	Additional demand in the children's social care placements budget
E&NS	Waste & Recycling - Waste Treatment Uplift / Replacement Bins	1,325	0	0	0	Combination of budget pressures from 2012/13 and 2013/14 relating to the annual waste disposal and treatment price increases levied by the WLWA and the £60k cost of providing free recycling and composting bins.
R&MP	Housing - Temporary Accommodation	2,450	1,103	(1,621)	0	Changes to the Local Housing Allowance regime have already resulted in an increase in homeless demand and changes in the housing benefit subsidy for temporary accommodation in July 2013 will in turn have a significant impact.
Total demand led growth		5,890	2,704	115	1,670	
Price led pressures						
Adults Social Services	Inflation across Adults	0	2,297	1,949	2,021	The departments historic 'price point' approach to reducing unit costs has largely been exhausted. This impacts the viability of holding the current levels of unit costs.
E&NS	Contractual inflation across Environment & Neighbourhoods Services	625	0	0	0	This covers contractual inflation relating to the Streetlighting PFI and Streetlighting electricity costs, Willesden Sport Centre PFI, Vale Farm Leisure Centre, Street Trees, Parking contract and the Waste & Recycling contract
F&CS	Benefits Deficit	266	200	0	0	There are two main factors that are contributing to the forecast deficit for 2013/14 of £396k which is nonetheless an improvement to the position previously reported. The level of overpayment recovery for 2012/13 has just been adjusted to £4.875M based on in year performance and this is very unlikely to be increased in 2013/14. The figure for 2011/12 was approximately £350k more, but as the level of overpayments is now decreasing and customers ability to repay overpayments is also declining, recovering overpayments at the present level becomes increasingly more difficult. The second factor is the abolishment of the Council Tax Benefit scheme; this leads to a direct loss of subsidy of overpaid benefits, most of which had previously claimed at 40%. The loss of subsidy in respect of the CTB change increases the deficit by £200k in both 2013/14 and 2014/15.
F&CS	Capita Revenues Contract	157	0	0	0	Additional contract costs resulting from changes to the Council Tax Scheme.
F&CS	Benefit Caseload	35	0	0	0	Caseload increase arising from the recession now estimated at additional 1200 for 2013/14
F&CS	Capita Contract - Revenues & IT	0	100	0	0	Contract with Capita for Revenues and IT requires the Council to pay an annual RPI increment from 1 May every year.
Total price led pressures		1,083	2,597	1,949	2,021	
Loss of income						
E&NS	Parks - Allotments	50	0	0	0	The current budget of £96k income from allotments is unachievable and current projections are for £46k in 2012/13.
R&MP	HRA/General Fund Recharges	75	47	50	0	Impact of stock transfers from South Kilburn and other sites

SERVICE COST PRESSURES - 2013/14 - 2016/17

Service	Item	2013/14	2014/15	2015/16	2016/17	Comments
		£'000	£'000	£'000	£'000	
F&CS	HB Admin Grant Reduction	295	250	0	0	Local authorities receive a grant from the DWP for the costs of administering Housing Benefit and Council Tax Benefit. In 2010/11 Brent received £4.029m, which the Government indicated it wished to reduce by 28% by 2014/15. In 2012/13, the grant is £3.65m (including £166k to Audit). This includes £3.32M main administration grant and £329K of additional grant related to the economic downturn. In 2013/14 DWP have announced they will reduce the main administration grant to £3.197M (4% reduction) and the additional "recession" grant to £158K (50% reduction). Based on these reductions, Brent will receive £3.355M, representing a cut of £295K. Further reductions in 2014/15 are still estimated to be a further £250K (assuming further reductions of 5% and 50% in the two grants respectively).
	Total pressures due to loss of income	420	297	50	0	
	New Burdens					
Adults Social Services	Learning Disability & Community Voices	82	9	0	0	Funding for DOLS/Mental Health Advocacy and veterans income
C&F	Youth Offending Services LASPO Act - New burdens to meet cost of remands	750	0	0	0	The likely maximum cost pressure is £1,529k, if remand numbers reduce to the average of the last 3 years instead of the 2011/12 level the cost pressure would reduce to £978k. This average cost pressure is £1,256k which less the indicative grant figure of £506k gives an average pressure of £750k.
E&NS	Lead Flood Authority	83	0	0	0	Additional Grant monies to deal with local flood risks
Centrally Held	Healthwatch	85	0	0	0	Every local authority will be responsible for having a Local Healthwatch in their area and for funding it from April 2013. Local authorities need to work in partnership with their existing Local Involvement Networks (LINKS), voluntary groups and community groups in setting up these Local Healthwatches. Their aim is to give citizens and the community a stronger voice to influence and challenge how health and social care services are provided in their locality.
Centrally Held	Complaints Advocacy	79	0	0	0	Local authorities will be responsible for providing an advocacy service to people who wish to make a complaint about their experience of the NHS. Local authorities will be responsible for commissioning this from any provider including Health watch.
	Total pressures due to New Burdens	1,079	9	0	0	
	Other Growth					
	Total Other Growth	0	0	0	0	
	GRAND TOTAL	8,472	5,607	2,114	3,691	
	CUMULATIVE GRAND TOTAL	8,472	14,079	16,193	19,884	