

Appendix B: Service Growth / Cost Pressures 2021/22

Service	Item	2021/22 £m	Comments
	Demography		
			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
Customer & Digital Services	Customer Services	0.1	0.9% growth in population over 18
Chief Executive's Department	Legal services	0.1	Additional caseload caused by above, principally children's social care and adult social care.
	Total	3.5	
	Inflation		
Various	Payroll Inflation	1.5	Adjusted to reflect the public sector pay freeze announced in the Spending Review, while allowing for grade drift and other remuneration proposals.
Central	Contract inflation	3.0	General contract inflation is assumed to average 2%, which will cost £3m each year.
Community Well Being	National Living Wage for carers	0.5	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 will add £0.4m to the adult social care budget each year.
	Total	5.0	
	Technical		
Central	Pension fund, Insurance and Levies	1.0	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 £1m, including insurance costs where the majority relates directly to the actuarial review.
	Total	1.0	
	Transport		
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.
	Total	0.8	
	Social value		
Various	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 expected to utilise the majority of the growth. The remainder will be utilised on planned procurements in the coming year where LLW is required.
	Borough Plan initiatives	1.0	This budget is set aside to support the delivery of the refocused Borough Plan.
	Total	2.5	
	Capital Financing		
Central	Capital Financing	0.2	Interest and debt repayment costs for the capital programme.
	Total	0.2	
	COVID-19		
Central	Council Tax Support	2.0	Projected increase in working age caseloads
Community Well Being	Personal Protective Equipment	1.0	Likely increase in the cost of care, whether the Council funds it directly or care homes source their own
Community Well Being	Homelessness & Housing Needs rent	2.5	A continuation of pandemic response measures will require additional resources for managing homelessness, which will be further impacted by the worsening economic situation. Estimate based on current levels of collection and increase in bad debts
Children & Young People	Children's Social Care	1.0	Pressures arising within the Children and Young People with Disabilities (0-25) care at home and direct payment budgets
Regeneration & Environment	Transport, Public Realm	0.5	Pressure arising due to social distancing measures
Various	Income losses	5.0	Income generated in the Regeneration & Environment department across various lines of business. Advertising and sponsorship income, conference and events income, Registrars and Nationality income and other traded services are affected
Central	Allowance for uncertainty	1.0	Further slippage of existing savings plans or new emerging pressures.
	Total	13.0	
	Grant Total	26.0	