

## Appendix 1. Budget Pre-decision Scrutiny Questions and responses

Cabinet – 6 January 2021

Item 6.3 Fees and Charges 2021-22	
Questions	Response
<p>Q1 With rounding up, to the nearest 5p/10p etc many items costs are increasing faster than inflation - what is the overall % increase expected for each area or the average increase for each area based on expected demand?</p>	<p>Average percentage increases per directorate are Children &amp; Culture (2.2%), Governance (0.9%), Health, Adults &amp; Community (7.2%), Place (11.0%) and Resources (11.2%).</p>
Item 6.4 Calculation of Council Tax Base 2021-22	
Questions	Response
<p>Q1 13 Council Tax Support Estimate = £22,457 but on page 26 of main section it says, "cost of the scheme has risen from £26.7m in 2019-20 to circa £31.8m in 2020-21." which number is correct as this seems to low?</p>	<p>The 22,457 figure is the estimated number of Council Tax Support Band D equivalent properties (not an amount of money).</p>

## Item 6.2 The Council's 2021-22 Budget Report and Medium-Term Financial Strategy 2021-24

Questions	Response
<p>Q1 The report does not make clear the impact of the large COVID deficit in 2020/21 that the Council has repeatedly advertised e.g. in its press release of 5th August 2020. See points made in 3.5.45. Why not? will the budget be updated once this is available?</p>	<p>The government has provided further funding since August 2020, including contributing towards the 2020-21 Collection Fund deficit for Business Rates and Council Tax, however, there remains considerable uncertainty around the pandemic with potential further waves of the virus. Some Covid extra costs and reduced income such as fees and charges are, in the main, short-term pressures which would call on reserves in year (if not funded fully by government or mitigated). The Covid effect on the 2020-21 Council Tax and Business Rates Collection Fund deficit impacts the Council over 2021-24 and this has been accounted for in the Council Tax and Business Rates income for these years in the MTFS, as well as the medium term impact of Covid on previous assumptions around collection rates, tax base growth, exemptions/discounts and rating changes.</p>
<p>Q2 Can the Council provide a summary of where it has made a worst-case funding assumption? e.g. New Homes Bonus ending but with no change to other grants programmes</p>	<p>The Council uses mid-case (prudent) estimates, including cross-checking against independent analyses of funding assumptions.</p>
<p>Q3 The MTFS data in the 1st column for 2020/21 of Appendix 2 does this exclude the direct impact of COVID on costs and funding? if yes, see question 1</p>	<p>Yes. The new 2021-24 three years budget is built from the starting point of the previously agreed 2020-21 budget.</p>
<p>Q7 Business rates - can we have a breakdown of the assumptions behind the fall in business rates income?</p>	<p>The MTFS estimates a 6% reduction in 2021-22 due to the impact of the Covid-19 pandemic. The MTFS also estimates the Council share of the 2020-21 deficit to be £10.2m (which gives £0.85m per annum to be repaid over the three years 2021-24, being 25% after the government provides funding for 75% of the deficit). The MTFS also estimates that the business rates reset will increase the tariff from £6.0m in 2021-22 to £20.6m in 2022-23 (and therefore decreases retained income in 2022-23 and ongoing).</p>

Further questions asked, and responses received after Cabinet on 6 January 2021:



<p>Q7 Why is the cost of the Local Council Tax Reduction Scheme not shown (or presented as a reduction in funding) given how large the number have now become? can these be added to the MTFs summary as a sub-total.</p>	<p>The Council Tax Collection Fund is affected by a combination of multiple factors including the council tax base (the number of properties adjusted for exemptions and discounts), the rate of charge per property and the collection rate. Therefore, the LCTRS as well as the other factors are all included in the modelling to estimate the Council Tax Collection Fund income figure.</p>
<p>Q8 The "Core spending power" analysis published by MHCLG on the 17th December 2020 suggests a 12% increase in funding available to LBTH in 2021/22 compared to 2015/16 (inflation has also been about 12% in that period suggesting funding has remained flat once inflation is included &amp; a per capita decrease). Does LBTH agree with this?</p>	<p>The Core Spending Power (CSP) calculation by government includes an assumption that councils will increase council tax by the maximum levels allowed by government before requiring local referendums, increasing taxation at a local level to replace funding previously funded by central government. The CSP does not reflect the changes to Settlement Funding Assessment made for authorities with increased Business Rates Retention arrangements. The CSP calculation includes the allocation of some short-term grant funding and excludes other service specific grants, which also reduces the accuracy of using CSP to demonstrate overall funding comparisons between years. A flat level of funding (or per capita decrease) would signify that funding has not kept pace with increasing levels of need and complexity of need such as for adult social care.</p>
<p>Q9 Please correct the error in 3.5.26 p29, TH has every year received the highest NHB in the country not one of the highest</p>	<p>In the final 2019-20 allocations, the Year 9 payment to Newham was £4.215m and Tower Hamlets was £3.812m. Therefore, excluding legacy payments, Tower Hamlets does not always receive the highest allocation in any one year.</p>
<p>Q1. Has the public health grant been considered as a funding option for the Key Stage Two extension of Free School Meals? If so, is it included in the review options going to the 27th January Cabinet meeting?</p>	<p>Yes, the Public Health Grant has been considered and will continue to provide a significant contribution towards ensuring Free School Meals for all our primary school pupils. In addition (at 3.5.30 in the Cabinet Report) it is being recommended that the New Homes Bonus reserve is utilised to fund the Key Stage Two extension of Free School Meals until the end of 2023-24 at an estimated cost of £2m per annum (in addition to the £1m per annum funding from the Public Health grant).</p>
<p>Q2. How has the Disabled Facilities Grants and Care and Support Specialised Housing Fund been incorporated in the MTF?</p>	<p>These funds are both for capital spend. The Council's capital programme takes account of the Disabled Facilities Grant. The Care and Support Specialised Housing Fund has been managed for London by the Greater London Authority (GLA).</p>
<p>Q3. Section 3.5.37 - 0-5 Specialist Community Public Health Nursing (Health Visiting) - in contract efficiency saving: could you outline what would be</p>	<p>We have discussed this with the provider and the saving will be made primarily through savings from estates efficiencies (e.g. exploring colocation with Children's Centres). This will be a recurrent saving.</p>

<p>included in the contract efficiency saving and why this is considered a one-off cost for 20/21 only.</p>	
<p>Q4. Section 3.5.43 Covid-19 Support Grants - What is the forecasted overspend broken down over the below identified areas of the non-ring fenced Covid-19 emergency grant and could the public health grant be earmarked to include the shortfall forecasted? Non-ringfenced Covid-19 emergency grant (£38.1m); Test, Track and Contain Grants (£3.6m); Contain Outbreak Management Fund (£2.7m); Council Tax Hardship Fund (£4.4m); Next Steps Accommodation Programmes (3.3m); Infection Control (£2.0m for care homes support)</p>	<p>The Covid-19 pandemic situation is still changing and therefore the full impact of costs and reduced income are not known at this time, and further new tranches of funding may be announced. MHCLG collects national information on costs and reduced income from local authorities and it is hoped that the government will fully recompense local authorities for the financial impact of Covid-19. The non-ringfenced Covid-19 emergency grant is expected to be fully allocated, as are the Test, Track and Contain Grants, Contain Outbreak Management Fund and Infection Control. The Council Tax Hardship Fund is insufficient to meet the increased cost of the Local Council Tax Reduction Scheme (LCTRS) (which has risen from £26.7m in 2019-20 to an estimated £31.8m in 2020-21). The LCTRS costs are taken account of as part of the Council Tax Collection Fund income assumptions for 2021-24 in the MTFS. Next Steps Accommodation – additional Covid related rough sleepers spend of £3.4m is forecast. This fully utilises the £820k Next Steps Accommodation Programme (Short Term) grant and the £13k Rough Sleepers Grant. The remaining £2.6m pressure would need to be funded through the non-ringfenced emergency grant and/or an amount of the £2.5m Next Steps Accommodation Programme (Long Term) grant (which is intended for costs incurred from 2020-21 to 2023-24).</p>
<p>Q5 - What are the risks of Capital borrowing - £0.109m (21-22) and £1.271m (22-23) to fund an increase in borrowing costs to support the capital programme? And in the 27th January cabinet meeting will detail of the risk mitigation be included in the report?</p>	<p>There is a risk related to borrowing costs not being met. This risk is mitigated through the fact the council has built in necessary budgets relating to borrowing costs within medium term financial plans. There is also a risk related to timing of borrowing which could impact the associated interest rates of borrowing. This risk is mitigated through plans within the treasury management strategy.</p>
<p>Q6 - <b>Section 3.10.09</b> - Please could a copy of the "<b>long term recovery plan for high needs</b>" which you state "has been reviewed and accepted by the Department for Education" be circulated with the budget note to cabinet?</p>	<p>Previously sent to OSC members 22 January 2021</p>

<p>Q7 - As part of the budget note to cabinet could the EIA for the SAV / HAC 004 / 21-22, Integrated Commissioning Staffing Reductions be circulated?</p>	<p>The integrated commissioning staffing reductions have already been made and were delivered through a combination of vacant posts and voluntary redundancies. The EIA is attached.</p>
<p>Q8 - Regarding saving SAV / CHI 009 / 21-22 and SAV / CHI 010 / 21-22: has the risk that redistributing this funding may impact on the DSG and that the Schools Forum may therefore choose to review the services, been factored into the redistribution of saving? Could you outline in the services which are being redistribution to the DSG? What is the threshold for an EIA to be considered for savings such as these?</p>	<p>The services that are included are services that the LA has a statutory duty to provide primarily funded through the central block of the DSG. They are not discretionary services and therefore we would not expect the Schools Forum to be in a position to review the service and not make the saving however at the same time we want to ensure a clear and transparent relationship with Schools so both sides are clear on what the appropriate duties and funding are. There appears to have been an expectation from schools historically that a statutory provision should be met from general fund when that would not be the case for the majority of school related costs.</p>
<p>Q9. Section 3.10.14 regarding the latest DSG allocation over the funding blocks for 2021-22. What was the reason for including the previously separately funded teacher's pay and pensions grants of £9.793 m?</p>	<p>The Department for Education have rolled the previously separately funded grants into the DSG baseline so on initial review it looks like a larger DSG increase than is actually the case. The information has been presented in this may to illustrate the actual overall cash increase.</p>
<p>Q10. Why is the cabinet being asked to agree the budget note on the Housing revenue Account (HRA) Rent Setting Summary while the three-year Capital Programme 2021-24 will be included in the MTFS Cabinet report on 27 January 2021?</p>	<p>HRA rental income funds revenue expenditure (as well as the borrowing cost of capital expenditure) and forms an integral part of the HRA budget and business plan (and therefore earlier agreement of the inflationary increase is good practice to allow the finalisation of the HRA budget).</p>
<p>Q11. What are the "key aspirations" which require a Capital Programme additional Council borrowing (revenue cost) of £0.1m (21-22) and £1.3m (22-23) so that a growth budget has been included in the MTFS to fund borrowing costs.</p>	<p>The increased borrowing requirement has resulted from the council's commitment to deliver a new school for George Green on its existing site and the need to fund an annual rolling programme to ensure that the council's assets are maintained to avoid deterioration, to address ongoing health and safety requirements and meet statutory duties.</p>
<p>Q12. The LGA has stated "that the Government should match the growth in public health grant to growth in overall NHS funding under the Long-Term Plan. This means the public health grant would have to increase to at least £3.9 billion by</p>	<p>The MTFS estimates that the PH grant will increase from £35.4m (2021-22) to £35.9m (2022-23) and to £36.6m (2023-24). The 2021-22 allocation for the Council has not been confirmed to date and Public Health would need to fund inflationary growth in staffing and commissioned services costs before consideration of allocating funds to new services.</p>

<p>2024/25." Has the council factored in that there could be growth to the public health fund and if so, which services could be reviewed so as to minimise cuts?</p>	
<p>Q13 - Could you confirm the amount of Improved Better Care Fund for 2021-22 in 6.2.3A Appendix 3 - Draft New Growth Proposals Summary?</p>	<p>The MTFS estimates an Improved Better Care Fund allocation of £16.316m for 2021-22.</p>
<p>6.2.2 Appendix 2 - Medium Term Financial Strategy 2020-2024 Detail by Service Area, item 6.2 Q4 Can we add a 2019/20 summary column to Appendix 2 so that we can see the progression over time as well as a have a year for comparison not affected by COVID? I have not been able to find 'final' 2019/20 results in an MTFS format anywhere</p>	<p>The 2021-24 MTFS Appendix 2 shows budget movements from the current 2020-21 budgets to demonstrate the impact of previously agreed and new proposed growth and savings for the next three years on the current budgets for each directorate. The current budgets include target adjustments (budget movements between directorates) during the year, such as for centralisation of support services, and therefore a comparison of directorate budgets with 2019-20 would be affected by these internal changes and not reflect a comparison on the same bases. Please refer to the response to Q1 of Item 6.2 above regarding the impact of Covid on in-year short-term financial pressures versus medium term financial strategy budgeting.</p>
<p>Q5 Inflation - CPIH is currently 0.6% as at November 2020 versus 1.5% a year ago but the inflation assumptions have not changed and remain at £6.5 million for 2021/22. The inflation budget for 2020/21 was £7.5 million but inflation fell in 2020/21 (MTFS now says £3,669). Can we have some analysis confirming the benefit in 2020 from CPI falling and the impact on the MTFS and what this means for 2021/22?</p>	<p>Regarding pay inflation, the Spending Review 2020 has indicated that the government will not provide funding for a 2021-22 pay increase, except for an increase for those under £24,000 per annum of at least £250, however the pay award agreement may agree an increase (which the Council would need to provide funding for). Regarding non-pay inflation, individual contracts will have inflation clauses within them which state what inflation measure (and which reference month is used for this) or other measure (e.g. London Living Wage for homecare) or fixed percentage or fixed amount the contract value will be increased by. Therefore, a short-term decrease in CPI/RPI may not decrease the contractual inflation requirement.</p>
<p>Q6 3.6.5 salary inflation. Can we have a summary for the last 3 years + plus 2021/22 of agreed salary increases versus CPIH inflation - so that we can see how Council staff pay has changed relative to inflation</p>	<p>2018-19 Non-teachers' pay award average increase = 3.06% 2018-19 CPIH inflation at September 2018 = 2.2%</p> <p>2019-20 Non-teachers' pay award average increase = 3.75% 2019-20 CPIH inflation at September 2019 = 1.7%</p>

	<p>2020-21 Non-teachers' pay award average increase = 2.75%</p> <p>2020-21 CPIH inflation at September 2020 = 0.7%</p> <p>2021-22 Non-teachers' pay award is not yet agreed.</p>
<p>Q10 p91 What does the 50th anniversary of the independence of Bangladeshi have to do with LBTH?</p>	<p>Tower Hamlets has the largest Bangladeshi population in the UK and a reputation for celebrating and supporting Bengali culture. The 50th Anniversary of the Independence of Bangladesh is a significant event for our Bengali residents (32% of our population). This commemorative event provides a platform for the council to engage with local Bengali arts and cultural organisations to celebrate Bengali culture with other residents across the borough and supports Strategic Outcome 8 (People feel they are part of a cohesive and vibrant community).</p> <p>The borough has a history of supporting equalities-based events to tackle hate crime and support cohesion including Black History Month, Chinese New Year, St George's Day etc as well Language Movement Day (Martyrs Day) and the Boishakhi Mela. Whilst we are unable to deliver events for Martyrs Day this year (and unable to carry out the Mela), the 50th Anniversary provides a focus for the borough to support awareness of Bengali culture and promote cohesion.</p>
<p>Q11 p91 Was an attempt made to seek funding from Hackney Council to continue the fireworks?</p>	<p>Hackney Council has previously stated that they will not provide financial support for any events or contribute to the upkeep of Victoria Park. No additional requests for funding from Hackney council have been sought, given their position on this matter.</p>
<p>Q12 What has been the average pay increase been for those residents of LBTH in work in the last year?</p>	<p>We do not hold that data.</p>
<p><b><u>Appendix 4 - Savings proposals 21/22 to 23/24</u></b></p>	
<p><b>SAV/ RES/ 007</b> - What are the council's Change programmes?</p>	<p>The council currently has three corporate change programmes which are:</p> <ul style="list-style-type: none"> <li>• Frontline Services- focussed on modernising the way we deliver services to the community and how people can access them. This includes putting more services online whilst ensuring that those who are digitally excluded are effectively supported to access services, as well as changing the way we</li> </ul>

	<p>deliver to maximise efficiency and improve outcomes.</p> <ul style="list-style-type: none"> <li>• Support Services- focussed on improving and streamlining our back-office functions.</li> <li>• Digital- focussed on modernising our IT systems to support improved delivery.</li> </ul>
<p><b>SAV/ RES/ 003</b> - What are the plans for these assets to be alternatively or additionally used?</p>	<p>Full options appraisals and plans for any building fully or partially released as a result of this proposal will be developed once the outcome of the public consultation is known and a decision is taken on whether to close or reduce hours at any of the Library/Idea Stores. However, we understand that some of these sites have historical and community significance. It is our intention to pursue options that would keep these buildings within our property portfolio but generate an income stream to offset the costs of maintaining the asset.</p>
<p><b>SAV/ PLA/ 009</b> - What is the MHCLG's current assessments of LBTH's homelessness prevention rates? When and how will investment be made into this service to achieve this savings?</p>	<p>The Council's success rate for homelessness prevention and relief is published in the self-reported statutory returns which Tower Hamlets submits to government. <a href="https://www.gov.uk/government/statistical-data-sets/live-tables-on-homelessness">https://www.gov.uk/government/statistical-data-sets/live-tables-on-homelessness</a>. Typically, the rate of prevention and relief success is calculated by MHCLG as a proportion of all outcomes.</p> <p>In the last published figures – April-June 2020 – the borough recorded a prevention success rate of 38.6% For the same period, the prevention success rate was 58% across England and 51% for the whole of London respectively.</p> <p>In the last published figures – April-June 2020 – the borough recorded a Relief success rate of 39%. The service has been opening far more cases each quarter than it closes which the service is working to rectify, e.g. the Prevention and Relief Duty was accepted for 527 cases in April-June 2020 whilst the respective duty was ended and outcomes reported on only 355 cases. Calculating successful outcomes as a proportion of cases opened, then, the borough's prevention rate in April-June 2020 was 36% and the borough achieved a Relief success rate of 21%.</p> <p>Investment to achieve savings will take two forms and will be required from April 2021:</p>

	<p>1 – funding for cash incentives to significantly increase the supply of PRS units available to prevent and relieve homelessness</p> <p>2 - funding for additional staffing (homelessness prevention caseworkers, PRS procurement specialists, TA income recovery officers, dedicated TA move-on officers, employment ben cap adviser, service manager).</p>
<p><b>SAV/ PLA/ 001</b> - Can income from this proposal only stay within the Directorate Service?</p>	<p>The Council operates a separate Controlled Parking Account in accordance with s.55 of the Road Traffic Regulation Act 1984 (as amended by the 1991 Road Traffic Act), the costs of which are incorporated within the income and expenditure for Highways, Roads and Transport Services.</p> <p>This account records all income and expenditure attributable to on-street parking activities, including enforcement. The account may incur a deficit in the year, in which case this deficit must be made good from the General Fund at the year end. The use of any surplus is prescribed by legislation and is restricted largely to reinvestment within the service and highways and transportation initiatives, therefore restricting the availability of income from the additional mobile cameras outside of the Place Directorate.</p>
<p><b>SAV /HAC/ 015</b> - £105k to close Health E1 Homelessness Drug and Alcohol Service What alternative pathways are available for these service users? are they appropriate to their needs?</p>	<p>The Reset Homelessness Drug and Alcohol Service (RHDAS) caters for individuals with identified substance misuse needs, who are street-homeless or in unstable accommodation, and is delivered within the Health E1 primary care service commissioned by Integrated Commissioning. It is an enhanced service for this cohort in that it allows service users to access substance misuse treatment and have primary health care needs met within a ‘one stop’ treatment setting.</p> <p>Following the decommissioning of RHDAS, the cohort will continue to have their general primary health care needs met within Health E1 Primary Care Service. Substance misuse needs/treatment will be met within the Tower Hamlets generic substance misuse pathway delivered within Reset (Tower Hamlets Adult Treatment Service).</p> <p>The cohort are amongst those most difficult to engage and retain in treatment. The enhanced service that this cohort currently receive, within RHDAS is designed to</p>

	<p>support both the engagement and retention of these service users. To mitigate the impact of not having a specialist pathway, the Reset service will deliver more 'flexibility' for this group of service users as part of its delivery of an appropriate level of evidence-based substance misuse treatment for adults in Tower Hamlets. The recent success of the Tower Hamlets bid for funding from the PHE Rough Sleeping Substance Misuse Treatment Fund will further allow for an enhanced treatment pathway for this cohort. This will further mitigate risks from the decommissioning of this service.</p>
<p>Can we have more details of the bid for Reset Enhanced Rough Sleeping Pathway for women. What is the size of the grant bid for, how does it differ from the service currently on offer and when will LBTH know whether the bid has been successful?</p>	<p>We were informed at the end of December 2020 that Tower Hamlets Council were successful in our bid for funding from the Rough Sleeping Drug and Alcohol Treatment Grant. We were awarded a grant of £615,285 in year one, and funding is guaranteed for at least two years.</p> <p>Our trauma informed model of delivery for this new pathway will include a 'ring fenced' resource for those sleeping rough or at risk of sleeping rough. The pathway will include:</p> <ul style="list-style-type: none"> <li>• 'ring fenced' clinical access</li> <li>• Specialised 'rough sleeper' engagement and retention workers. These will offer end to end engagement with the cohort.</li> <li>• Assertive Outreach</li> <li>• Specialised Rough Sleeper Navigators. Women that sleep rough have specific needs due to risks of violence/abuse and mental health. We will mitigate against this lack of specific support through a dedicated Women's Navigator role within the pathway.</li> <li>• Clinical Psychologist to offer case work and to develop the wider workforce in delivery of a trauma informed approach.</li> </ul>
<p><b>SAV/ HAC/ 009</b> -Please can we have a list of all the programmes this fund and their measured outcomes?</p>	<p>From the evaluation by the University of East London (UEL) – activity from October 2018 to September 2020</p>

	<b>Activity category</b>	<b>Types of activities</b>	<b>Number of resident-led activities</b>	<b>Minimum number of occasions activities were held</b>	<b>Minimum number of attendances</b>
	1. Physical wellbeing	37	15	572	4,420
	2. Connecting local communities and partnerships	79	29	277	2,169
	3. Food security	6	4	10	40
	4. Wider experiences/tasters	75	23	83	4,350
	5. Environmental improvements	8	7	43	123
	6. Project governance	43	29	263	625
	7. Arts and craft activities	9	5	63	483
	8. Knowledge exchange	43	13	167	1,260
	9. Emotional wellbeing support	6	2	87	737
	<b>TOTALS</b>	<b>306</b>	<b>127</b>	<b>1,565</b>	<b>14,167</b>

**Data from Jan 2020 to Dec 2020 (from March re-deployment to Covid related activities)**

	<b>Grand Total</b>
Number of registered contacts with the programme (Total contacts)	<b>8994</b>
Number of unique participants	<b>4017</b>
Number of Repeat contacts	<b>2471</b>
Total number of volunteers	<b>291</b>
Registrations	<b>664</b>
People involved in steering groups	<b>50</b>

**Evaluation findings**

The draft evaluation by University of East London has highlighted that the programme has supported 300 types of activities with over 1500 sessions that have been run by, for and with residents with 14,000 attendances across the most deprived neighbourhoods in the borough. The evaluation is shaped around systematically measuring indicators in relation to Outcomes 3, 4, 6, 8 and 9 of the strategic plan. It demonstrates the link between resident driven activities linked to their express needs around community opportunities, cohesion, security, open space, children and young people, cleanliness and communications. The programme has particularly engaged Bangladeshi women aged 25-44 (unwaged, likely to be a carer). Participants have reported positive shifts in health and wellbeing based on validated measures from the Tower Hamlets Together | Statement frameworks. The evaluation concludes that the programme 'has effectively served to build shared understanding of 'place', 'safety' and 'belonging' in residents. Focus group work with residents around the next phase

	<p>of CDC has identified four themes of focus – practical support, community involvement, information needs and self-development.</p>
<p><b>SAV/ HAC/ 008</b> - What are the targets and achieved outcomes for all these services over their life so far?          What are the anticipated targets and outcomes post saving?          How is the contract for Reset expected to be changed?</p>	<p>The current Reset service commenced following a procurement exercise in November 2019. The new service then underwent a period of mobilisation prior to the outbreak of Covid in March 2020. The treatment system reports on a number of key performance and outcome measures. There is a detailed performance management outcomes framework. Below are the performance highlights for Q4 2019 – 2020:</p> <ul style="list-style-type: none"> <li>• <b>Proportion who successfully completed treatment</b> <ul style="list-style-type: none"> <li>Opiate 6.5% (slightly above national average)</li> <li>Non-opiate 36.3% (slightly above national average)</li> <li>Alcohol 43.0% (above national average)</li> </ul> </li> </ul> <p>The impact of the re- procurement and resulting change of provider in Q3 2019/20 impacted on the successful completion measures in Q1 and Q2 2020/21. While alcohol and non-opiate outcomes remain above the national average, opiate treatment outcomes decreased below the national average of 5.5%. The latest rate in TH was 4.3%. While this impact was expected, the subsequent impact of Covid on the substance misuse landscape and the significant increase in new referrals into services will impact further on the opiate measure as the service did not discharge clients between April and July to mitigate the risks of Covid to service users.</p> <p>The transfer of the Reset Homelessness Drug and Alcohol Service (RHDAS) opiate cohort (around 60 clients) will have some impact on the overall opiate successful completions target. While Reset Treatment has around 1,200 opiate clients on their case load, an additional 60 opiate clients will make the target more challenging to achieve.</p> <p>The current Reset contract includes a Payment by Results (PBR) element which equates to approximately 10% of contract value. Initial negotiations with the provider have concentrated on reducing the PBR payment, to achieve the saving, limiting service impact. The PBR does incentivise providers to achieve a number of key</p>

	performance indicators, so the DAAT will monitor closely the impact in the reduction in PBR to ensure that performance is not impacted. Discussions with the provider are ongoing
<b>SAV/ CHI/ 009</b> - Please can we have a copy of the advice stating how and why this can be funded from DSG rather than General Fund. Why has this saving only been identified now?	There are specific duties which can be funded from DSG that are allocated to the Council to meet its statutory duties, Maintained Schools are also able to de delegate funding to support services that are only provided to them. This funding has been available in the last two years however was utilised to support the overspend in the high needs block. With the increase in the available funding in the high needs block and the DfE recognition that overspends may be recovered over a longer period there is the opportunity to direct this funding to support services that have previously been underwritten by General Fund but are School related costs.
<b>SAV/CHI/ 001</b> 21-22 on page 2 it says that there is no impact on resources available to address inequality, but this seems to conflict with the information in the Risk and Mitigation section on p1. What will be the impact on children who are behind in their language acquisition, and how will this not impact inequality?	The support of language acquisition is a key priority in the early years, and this is reflected in the professional development for all staff and in the interventions provided for some children. The cessation of this additional EP support will reduce specialist capacity and may have some impact on language acquisition, however the approach taken to ensure all staff have skills to support language development will mitigate this. This is an effective model that other local authorities deploy. The wording of the Equality Analysis Screening Tool will be reviewed.
<b>SAV/ Chi 005/</b> 21-22 – The risk section makes mention of a possible exponential rise in costs. Are we confident that we have the staffing and infrastructure in place to make the necessary improvements in early help to make these savings possible? Further, the EA screening tool has not been completed properly. What is the impact on front line services?	Throughout the Covid 19 Pandemic, we have managed to ensure that services have been maintained and have managed any changes in demand. The current re-structure aligns much of the current Youth and Early Help services into the same management structure as Children’s Social Care. This should assist in ensuring that any additional pressures can be absorbed across the wider service. The EA screening tool will be reviewed.
<b>SAV/ CHI 006/</b> 21-22 et al – Like several others, this saving relies on dampening demand through more targeted early help. While this makes sense in a BAU context, how can we be assured that this	The Savings Proposal also recognises that there remains an element of risk in these service reductions, particularly at this point. However, so far through-out the pandemic our “Looked After” Children numbers have remained stable, and although CP number have risen, they remain in line with Statistical neighbours.

(and other savings which rely on the same rationale) are achievable in the immediate aftermath of the Covid-19 Pandemic given the increased vulnerability of our young population and the increase in poverty which we know increases LAC? Further, how does the reduction in Early Help Capacity referenced in SAV / CHI 007 / 21-22 impact on the achievability of this saving? Surely, we can't burn the candle at both ends?

Item 6.1 The Council's 2021-22 Budget Report and Medium-Term Financial Strategy 2021-24	
Questions	Response
<p>In the Capital Programme it puts £15m aside for purchase of housing for Temporary Accommodation. Is this a new fund or the continuation of an existing programme/agreement?</p>	<p>This is a continuation of an existing programme that was originally approved in 2016/17. An increase in budget from an already approved £24.597m to £30m was approved as part of the November 2020 Cabinet report</p>
<p>Section 3.10.8 Allowing for the stated 8% increase to the High Needs Block what is the accrued deficit that will be bought forward?</p>	<p>The accrued deficit bought forward from 2019/20 was a total DSG deficit of £11.8m, of which £13.2m was attributable to the high needs block (schools block surpluses offset) we are currently forecasting that the in year high needs block will be balanced for 2020/21 and therefore the deficit bought forward would be at the same level. (Answered to James also)</p>
<p>Section 3.10.10 As the Schools Forum confirmed some areas will not be de-delegated, such as SLS, as part of the formal budget setting process when and where will the Council confirm the budget arrangements for those non de-delegated areas of budget?</p>	<p>The SLS service is funded through the high needs block. The budget for high needs is included in the budget summary at summary level and included in detail in the budget book. As part of the significant high needs overspend, all costs within the high needs block have been reviewed including the SLS service costs to support the long-term sustainability of funding to schools who are delivering the majority of high needs support.</p>
<p>Section 3.11.27 states "No further additions to the HRA will be considered until the two reports that Savills are working on are completed" However, the Council appointed Savills in January 2020, "to review the borrowing and investment capacity within the Housing Revenue Account (HRA), and other opportunities available to deliver affordable housing, in the light of the abolition of the HRA debt cap and potential introductions of new flexibilities for the reinvestment of Right-to-buy receipts. The primary driver was to establish if additional new homes could be delivered alongside investment in the existing stock including fire safety and energy efficiency works." Could some of the draft finding be shared with the Cabinet and O&amp;S committee so to consider how realistic the figure of £232.768m is for the delivery of the first 1,000 council homes programme?</p>	<p>The impact of ongoing stock conditions works, fire safety and energy efficiency works impact on the delivery of the second 1,000 homes. The Business Plan has been costed based on estimated costs of schemes either on site or due to be going on site and therefore the figure of £232.768m is deemed a realistic cost of the delivery of this programme.</p>

<p>On the 23 September 2020 the Cabinet heard that “11.3.7 The HRA Business Plan Review, which has recently been completed, has established that there is sufficient funding available, for the capital works identified through the existing stock condition surveys, the anticipated costs of fire and building safety works that are expected from new regulations and the delivery of the first 1,000 council homes.” Could the updated HRA Business Plan Review be circulated with the budget papers?  <a href="https://democracy.towerhamlets.gov.uk/mgConvert2PDF.aspx?ID=172684">https://democracy.towerhamlets.gov.uk/mgConvert2PDF.aspx?ID=172684</a></p>	<p>The summary sheet detailing the financial position of the 30-year HRA Business Plan has been provided separately.</p>
<p>Regarding section “3.11.74 The cumulative impact on the HRA will not be clear until the various reforms all take effect. Provision has been made within the HRA MTFP for an increase in bad debts could the Council outline the provision that has been made?</p>	<p>The provision for bad debts for tenant rents held on the balance sheet is £4.168m. There is a revenue budget of £600k to increase this provision.</p>
<p>Considering the highlighted areas of the Social Housing White Paper in the Cabinet report, is the Council reconsidering bring Tower Hamlets Homes ‘in house’ and if so, what is the timeline that the Council is working towards?</p>	<p>Cabinet agreed to extend the THH management agreement in July 2019 for 4 years, from 2020, with a possible 4-year extension beyond that. The new agreement was signed in July 2020, so it is in the first year.</p>
<p>Capital works to Parks 3.12.43 “Capital works are proposed for Victoria Park in 2021-22” has the Bonner Gate been included in the capital works proposal?</p>	<p>The Bonner Gate repairs will be completed under the parks repairs and maintenance budget. As the gate is listed, quotes have been obtained from specialist restoration firms who were recommended by English Heritage and the works will be scheduled to be undertaken as soon as the procurement is complete.</p>
<p>3.12.51 What level of funding review is needed for Seahorse Homes Ltd? When will the report go to Cabinet? And is the impact on the future supply of housing likely to be considerable?</p>	<p>Potential funding sources for Seahorses homes was set out in the Cabinet report in February 2017 that agreed to set up the company. Since then housing market conditions have changed and treasury conditions have changed in relation to loans. These require a review of the potential funding sources, the outcome of which will be reported to Cabinet. Seahorses housing activities are not currently included in the strategy for increasing affordable housing supply in the borough and therefore any impact is not deemed considerable</p>
<p>Has the “Income Through Housing Companies - reprofile of agreed saving RES08/18-19 SAV / COP 001 / 21-22 (250)” been identified by Savills? If so, please could the report be circulated to the committee?</p>	<p>The saving RES08/18-19 SAV / COP 001 / 21-22 relates to affordable housing within the general fund and has therefore not been included within the HRA Business Plan as part of Savills work</p>

<p>Is there a concern that with the financial pressures and changes to that the Council's reliance on the staffing reduction outlined in the Integrated Commissioning staffing reductions SAV / HAC 004 / 21-22 may increase the risk to adult social care delivery in the borough?</p>	<p>The staffing reduction outlined is already in place and was implemented in August 2020 providing some in year savings in 2020/21 which are being permanently captured as savings in this MTFS. It ensures sufficient capacity at the right levels to ensure that commissioning work can be maintained - CCG roles within the team were unaffected by this re-structure. The service operates as a joint commissioning function across the Council and CCG supporting outcomes across health, social care, and broader wellbeing in line with best practice.</p>
<p>Could the committee see the list of the VCS organisations referred to in SAV / HAC 007 / 21-22 (i.e. organisations that have been identified as providing services to violence victims who are admitted to the Royal London Hospital)?</p>	<p>There is one, main charitable organisation working with victims of violence in the royal London Hospital. St Giles Trust UK - a national charity are commissioned by the Mayor's Office for Policing and Crime (MOPAC) to work with victims of violence. They offer a wraparound service to victims of violence admitted to the hospital. Discussions will be had with partners and stakeholders to see if funding may be identified to mitigate the unmet need in the trauma unit for victims treated and discharged within 24 hours who are often repeat victims of violence</p>
<p>What has changed between the 6th January and 27th January version of the report (for the General Fund)?</p>	<p>The Cabinet report for 27 January includes the capital programme, the HRA growth proforma and HRA saving proforma (these are included in the proposed growth and proposed savings appendices) and the Lower Tier Services Grant (please refer to paragraph 3.5.24 in the report).</p>
<p>Given that Tower Hamlets has the worst ASB rates in the country and that in the last Residents Survey it was the issue with the highest concern where is the additional capital funding to help with this? (the current £3.4 m is largely an upgrade of the existing CCTV network not an expansion of it)</p>	<p>CCTV is an important component of the Council's response to crime and ASB, although by no means the sole or primary mechanism available to counter its impact. The Council has committed to replacing its existing analogue CCTV network by autumn 2022 with a new digital system that will provide equivalent coverage but much better image quality and reliability. £3.1m of capital funding was approved by Cabinet in July 2020. The detailed project business case has progressed through the Council's internal governance structure, and it is</p>

	<p>anticipated that the final confirmation will be provided c. February 2021</p>
<p>Q3 The GLA Isle of Dogs and South Poplar Development Infrastructure Funding Study assumed that all CIL and s106 earned in the Isle of Dogs and South Poplar area had been spent in that area in order to minimise infrastructure funding deficits for that area, is that the assumption guiding the allocation of CIL and s106 monies?</p>	<p>The Council is required to consider the infrastructure needs across the entire borough alongside the income available to fund this infrastructure. It does this through the Infrastructure Delivery Plan (IDP) which identifies significant needs boroughwide. The IDP also identifies the income forecast to be secured through CIL and S106. This is higher in some areas, not only because of the level of development, but also the scale of charges which are higher where development sales values are higher. The increased charges are not in balance with the cost of delivering infrastructure items, which is broadly the same across the borough. Given this the Council is required to consider how best it uses the funding secured to support the meeting of needs across the borough.</p> <p>Additionally, infrastructure is often delivered as part of a boroughwide network, such as Secondary Schools and other initiatives are required to cross multiple wards to be effective, such as traffic and highway improvements.</p> <p>The Isle of Dogs and South Poplar Development Infrastructure Funding Study (DIFS) identifies a range of infrastructure needs for the area over the short, medium and long terms. The Council are working to ensure that all forms of funding at the Council's disposal are used alongside external investment to deliver the requirements of both the DIFS and the boroughwide IDP. The Infrastructure Prioritisation and Financing Delivery Plan (PFDP) referred to in the Cabinet Report will support this work boroughwide, including the Isle of Dogs and South Poplar area.</p> <p>There is a lag time between receiving funding and the delivery of infrastructure, however the area is benefitting from</p>

	<p>considerable use of CIL, S106 and secured external investment, and delivery is accelerating through the current Capital Programme. This includes the use of boroughwide funds to support strategic schemes such as the school and health centre on Wood Wharf. Alongside this, the Council is using the planning system to require developers to deliver a range of schools, health centres and parks on-site on the Isle of Dogs, worth hundreds of millions £'s. This process ties delivery to the time that development happens and can be considered as 'spend' directly in the neighbourhood where development occurs. Additionally, 25% of CIL is spent locally through the Local Infrastructure Fund, which is currently developing a range of improvements to local parks, public realm and more.</p>
<b>6.1.6 Projected Movement in Reserves, item 6.1</b>	
Q1 New Homes Bonus - substantial reserves are due to be maintained £37.8 million by March 2023, what is the long-term plan, if any for this money?	<p>The New Homes Bonus reserve would be utilised to fund any General Fund overspends, including any pressures above government funding for the impacts of the Covid pandemic on increased spend and reduced income. This would include Collection Fund deficit pressures above government funding due to the impact of the pandemic on business rates and council tax.</p>
Q2 What is the estimated loss now in 2020/21 between inflation and interest earned on these reserves? (historically our reserves lost value as inflation exceeded interest earned)	<p>As at November 2020, the Consumer Prices Index (CPI) inflation was 0.3%, down from 0.7% in October. The Council's average income return of 1.01% is higher and therefore the future value of the funds invested is currently maintained.</p>
<b>Appendix 8F Capital Potential Assets for Disposal</b>	
Q1 The list does not include Jack Dash House, which in various previous documents had been listed as an asset the Council wish to sell, what is the plan now for Jack Dash House?	<p>In respect of Jack Dash House, the asset management team are currently undertaking a policy of letting the vacant space. The 4<sup>th</sup> floor was recently let and other space including the 3<sup>rd</sup></p>

	<p>floor is currently under offer. These are at commercial rents and include a service charge element. At this time there is no strategy to dispose of it, but it is slowly morphing from an occupational property to effectively an income producing property. These leases are for up to 10 years and will be providing revenue for the Council. There is still the potential to dispose of it at a later stage as it is no longer required as workspace for LBTH employees.</p>
<p>Q2 How confident are we in these values given the changes in the market since the pandemic struck?</p>	<p>Where necessary the Council are obtaining supplemental valuations to reflect any changes in the market. Where these differ from earlier valuations we are advising as appropriate.</p>
<p>Q3 What do the colours mean, green, orange, red on the report?</p>	<p>The colour coding means:  <b>Green:</b> capital receipt expected to be received in 2020/21 (short-term)  <b>Amber:</b> capital receipt likely but not certain (medium-term)  <b>Red:</b> potential to generate a capital receipt but not certain (long-term)</p> <p>CCTV</p>

London Borough of Tower Hamlets HRA Business Plan 2020/21+

Base Version

HRA Summary

Year	1	2	3	4	5	6	7	8	9	10	11
Financial Year	2020.21	2021.22	2022.23	2023.24	2024.25	2025.26	2026.27	2027.28	2028.29	2029.30	2030.31
<b>HRA 30 YEAR SUMMARY</b>											
Dwelling rents	66,215,454	68,403,117	72,008,662	74,839,871	77,451,568	79,260,615	80,652,931	82,134,819	83,643,722	85,180,127	86,744,531
Non-dwelling rents	4,311,800	4,434,060	4,522,741	4,613,196	4,705,460	4,799,569	4,895,561	4,993,472	5,093,341	5,195,208	5,299,112
Service charge income	25,393,080	25,868,027	26,314,655	27,201,681	28,121,128	28,683,550	29,257,221	29,842,366	30,439,213	31,047,997	31,668,957
Other income and contributions	115,000	115,575	117,887	120,244	122,649	125,102	127,604	130,156	132,759	135,415	138,123
<b>Total income</b>	<b>96,035,334</b>	<b>98,820,779</b>	<b>102,963,945</b>	<b>106,774,992</b>	<b>110,400,805</b>	<b>112,868,837</b>	<b>114,933,316</b>	<b>117,100,813</b>	<b>119,309,036</b>	<b>121,558,747</b>	<b>123,850,723</b>
Repairs & maintenance	16,798,638	17,338,813	17,833,780	18,265,621	18,680,647	19,095,747	19,477,662	19,867,215	20,264,560	20,669,851	21,083,248
Management (incl Rents, Rates & Taxes)	53,919,144	54,782,612	54,910,570	56,130,071	57,353,992	58,501,071	59,671,093	60,864,515	62,081,805	63,323,441	64,589,910
Bad debts	616,679	608,713	598,358	600,637	621,618	636,151	647,316	659,202	671,305	683,628	696,176
Dwelling Depreciation	18,104,000	18,379,000	18,705,000	18,828,000	18,839,000	19,859,016	20,224,113	20,595,870	20,974,408	21,359,850	21,752,319
Debt management	431,000	440,000	442,000	442,000	442,000	442,000	442,000	442,000	442,000	442,000	442,000
<b>Total costs</b>	<b>89,869,461</b>	<b>91,549,138</b>	<b>92,489,708</b>	<b>94,266,330</b>	<b>95,937,256</b>	<b>98,533,986</b>	<b>100,462,184</b>	<b>102,428,803</b>	<b>104,434,078</b>	<b>106,478,770</b>	<b>108,563,653</b>
<b>Net income from services</b>	<b>6,165,873</b>	<b>7,271,641</b>	<b>10,474,237</b>	<b>12,508,662</b>	<b>14,463,549</b>	<b>14,334,851</b>	<b>14,471,133</b>	<b>14,672,010</b>	<b>14,874,957</b>	<b>15,079,977</b>	<b>15,287,070</b>
Interest payable	-2,394,667	-3,496,547	-4,723,581	-5,024,095	-5,010,871	-5,457,303	-6,269,018	-7,243,231	-7,909,058	-8,038,346	-7,903,434
Interest income	574,222	446,033	267,985	227,322	137,143	-65,373	-20,140	10,475	41,891	74,124	107,192
<b>Net income/expenditure before appropriations</b>	<b>4,345,428</b>	<b>4,221,126</b>	<b>6,018,640</b>	<b>7,711,889</b>	<b>9,589,821</b>	<b>8,812,175</b>	<b>8,181,975</b>	<b>7,439,254</b>	<b>7,007,789</b>	<b>7,115,755</b>	<b>7,490,828</b>
Set aside for debt repayment	-1,375,640	-2,060,652	-3,736,195	-4,344,599	-4,257,707	-4,320,183	-4,867,187	-5,429,329	-6,002,679	-6,334,849	-6,251,728
Revenue contributions to capital	-	-	-	-17,588,673	-30,668,583	-4,278,689	-3,097,219	-1,788,005	-778,752	-550,020	-736,011
Allocation to/from other reserves	-	-	-	-	-	-	-	-	-	-	-
Other appropriations	-	-	-	-	-	-	-	-	-	-	-
<b>Net HRA Surplus/Deficit</b>	<b>2,969,788</b>	<b>2,160,475</b>	<b>2,282,445</b>	<b>-14,221,383</b>	<b>-25,336,469</b>	<b>213,303</b>	<b>217,569</b>	<b>221,920</b>	<b>226,359</b>	<b>230,886</b>	<b>503,089</b>
HRA Balance brought forward	42,810,285	45,780,073	47,940,548	50,222,993	36,001,610	10,665,140	10,878,443	11,096,012	11,317,932	11,544,291	11,775,177
HRA surplus/(deficit)	2,969,788	2,160,475	2,282,445	-14,221,383	-25,336,469	213,303	217,569	221,920	226,359	230,886	503,089
<b>HRA Balance carried forward</b>	<b>45,780,073</b>	<b>47,940,548</b>	<b>50,222,993</b>	<b>36,001,610</b>	<b>10,665,140</b>	<b>10,878,443</b>	<b>11,096,012</b>	<b>11,317,932</b>	<b>11,544,291</b>	<b>11,775,177</b>	<b>12,278,266</b>
Alert											
Other reserves brought forward (Thames Water)	10,000,000	10,000,000	5,000,000	-	-	-	-	-	-	-	-
Appropriation from HRA	-	-	-	-	-	-	-	-	-	-	-
Release of reserve	-	-5,000,000	-5,000,000	-	-	-	-	-	-	-	-
<b>Other reserves carried forward</b>	<b>10,000,000</b>	<b>5,000,000</b>	<b>-</b>								

London Borough of Tower Hamlets HRA Business  
Base Version  
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Year	12	13	14	15	16	17	18	19	20	21
Financial	2031.32	2032.33	2033.34	2034.35	2035.36	2036.37	2037.38	2038.39	2039.40	2040.41
<b>HRA 30 YEAR SUMMARY</b>										
Dwelling rents	88,337,439	89,959,366	91,610,834	93,292,378	95,004,539	96,747,869	98,522,931	100,330,296	102,170,547	104,044,275
Non-dwelling rents	5,405,094	5,513,196	5,623,460	5,735,929	5,850,648	5,967,661	6,087,014	6,208,754	6,332,930	6,459,588
Service charge income	32,302,336	32,948,383	33,607,351	34,279,498	34,965,088	35,664,389	36,377,677	37,105,231	37,847,335	38,604,282
Other income and contributions	140,885	143,703	146,577	149,509	152,499	155,549	158,660	161,833	165,070	168,371
<b>Total income</b>	<b>126,185,755</b>	<b>128,564,648</b>	<b>130,988,222</b>	<b>133,457,313</b>	<b>135,972,773</b>	<b>138,535,468</b>	<b>141,146,282</b>	<b>143,806,114</b>	<b>146,515,881</b>	<b>149,276,517</b>
Repairs & maintenance	21,504,913	21,935,011	22,373,711	22,821,186	23,277,609	23,743,162	24,218,025	24,702,385	25,196,433	25,700,362
Management (incl Rents, Rates & Taxes)	65,881,708	67,199,342	68,543,329	69,914,196	71,312,480	72,738,729	74,193,504	75,677,374	77,190,921	78,734,740
Bad debts	708,952	721,961	735,206	748,693	762,425	776,407	790,643	805,138	819,896	834,923
Dwelling Depreciation	22,151,943	22,558,851	22,973,174	23,395,047	23,824,606	24,261,989	24,707,337	25,160,795	25,622,508	26,092,625
Debt management	442,000	442,000	442,000	442,000	442,000	442,000	442,000	442,000	442,000	442,000
<b>Total costs</b>	<b>110,689,516</b>	<b>112,857,165</b>	<b>115,067,422</b>	<b>117,321,122</b>	<b>119,619,120</b>	<b>121,962,287</b>	<b>124,351,509</b>	<b>126,787,692</b>	<b>129,271,758</b>	<b>131,804,649</b>
<b>Net income from services</b>	<b>15,496,239</b>	<b>15,707,482</b>	<b>15,920,801</b>	<b>16,136,192</b>	<b>16,353,653</b>	<b>16,573,182</b>	<b>16,794,773</b>	<b>17,018,423</b>	<b>17,244,123</b>	<b>17,471,867</b>
Interest payable	-7,745,366	-7,590,458	-7,438,649	-7,289,876	-7,146,388	-7,023,405	-6,926,132	-6,839,531	-6,759,738	-6,692,800
Interest income	143,841	183,171	226,574	263,132	300,072	324,122	363,537	395,551	410,443	416,159
<b>Net income/expenditure before appropriations</b>	<b>7,894,715</b>	<b>8,300,195</b>	<b>8,708,726</b>	<b>9,109,447</b>	<b>9,507,338</b>	<b>9,873,899</b>	<b>10,232,178</b>	<b>10,574,442</b>	<b>10,894,827</b>	<b>11,195,226</b>
Set aside for debt repayment	-6,126,693	-6,004,159	-5,884,076	-5,766,395	-5,651,067	-5,538,756	-5,458,587	-5,386,465	-5,323,009	-5,261,527
Revenue contributions to capital	-1,082,724	-1,293,567	-2,577,242	-3,143,763	-5,008,239	-4,069,928	-4,503,072	-4,912,047	-5,290,370	-5,646,622
Allocation to/from other reserves	-	-	-	-	-	-	-	-	-	-
Other appropriations	-	-	-	-	-	-	-	-	-	-
<b>Net HRA Surplus/Deficit</b>	<b>685,298</b>	<b>1,002,469</b>	<b>247,407</b>	<b>199,290</b>	<b>-1,151,968</b>	<b>265,215</b>	<b>270,520</b>	<b>275,930</b>	<b>281,449</b>	<b>287,077</b>
HRA Balance brought forward	12,278,266	12,963,564	13,966,032	14,213,440	14,412,730	13,260,762	13,525,977	13,796,496	14,072,426	14,353,875
HRA surplus/(deficit)	685,298	1,002,469	247,407	199,290	-1,151,968	265,215	270,520	275,930	281,449	287,077
<b>HRA Balance carried forward</b>	<b>12,963,564</b>	<b>13,966,032</b>	<b>14,213,440</b>	<b>14,412,730</b>	<b>13,260,762</b>	<b>13,525,977</b>	<b>13,796,496</b>	<b>14,072,426</b>	<b>14,353,875</b>	<b>14,640,952</b>
Alert										
Other reserves brought forward (Thames Water)	-	-	-	-	-	-	-	-	-	-
Appropriation from HRA	-	-	-	-	-	-	-	-	-	-
Release of reserve	-	-	-	-	-	-	-	-	-	-
<b>Other reserves carried forward</b>	<b>-</b>									

London Borough of Tower Hamlets HRA Business  
Base Version  
HRA Summary

Year	22	23	24	25	26	27	28	29	30
Financial	2041.42	2042.43	2043.44	2044.45	2045.46	2046.47	2047.48	2048.49	2049.50

HRA 30 YEAR SUMMARY

Dwelling rents	105,952,085	107,894,589	109,872,413	111,886,191	113,936,572	116,024,213	118,149,786	120,313,972	122,517,465
Non-dwelling rents	6,588,780	6,720,556	6,854,967	6,992,066	7,131,907	7,274,545	7,420,036	7,568,437	7,719,806
Service charge income	39,376,368	40,163,895	40,967,173	41,786,516	42,622,247	43,474,692	44,344,185	45,231,069	46,135,691
Other income and contributions	171,738	175,173	178,677	182,250	185,895	189,613	193,405	197,273	201,219
<b>Total income</b>	<b>152,088,971</b>	<b>154,954,213</b>	<b>157,873,229</b>	<b>160,847,024</b>	<b>163,876,621</b>	<b>166,963,063</b>	<b>170,107,413</b>	<b>173,310,751</b>	<b>176,574,180</b>
Repairs & maintenance	26,214,369	26,738,656	27,273,429	27,818,898	28,375,276	28,942,781	29,521,637	30,112,070	30,714,311
Management (incl Rents, Rates & Taxes)	80,309,435	81,915,623	83,553,936	85,225,015	86,929,515	88,668,105	90,441,467	92,250,297	94,095,303
Bad debts	850,223	865,801	881,662	897,811	914,253	930,994	948,039	965,393	983,062
Dwelling Depreciation	26,571,298	27,058,680	27,554,930	28,060,206	28,574,671	29,098,490	29,631,833	30,174,870	30,727,775
Debt management	442,000	442,000	442,000	442,000	442,000	442,000	442,000	442,000	442,000
<b>Total costs</b>	<b>134,387,324</b>	<b>137,020,761</b>	<b>139,705,957</b>	<b>142,443,929</b>	<b>145,235,715</b>	<b>148,082,371</b>	<b>150,984,976</b>	<b>153,944,629</b>	<b>156,962,451</b>
<b>Net income from services</b>	<b>17,701,647</b>	<b>17,933,452</b>	<b>18,167,272</b>	<b>18,403,095</b>	<b>18,640,906</b>	<b>18,880,693</b>	<b>19,122,437</b>	<b>19,366,122</b>	<b>19,611,729</b>
Interest payable	-6,636,545	-6,577,008	-6,512,792	-6,443,771	-6,342,395	-6,215,547	-6,091,236	-5,969,411	-5,850,023
Interest income	421,992	427,943	434,016	440,211	453,935	549,469	648,756	752,504	860,656
<b>Net income/expenditure before appropriations</b>	<b>11,487,094</b>	<b>11,784,387</b>	<b>12,088,496</b>	<b>12,399,535</b>	<b>12,752,447</b>	<b>13,214,614</b>	<b>13,679,957</b>	<b>14,149,216</b>	<b>14,622,363</b>
Set aside for debt repayment	-5,218,246	-5,173,436	-5,125,010	-5,072,872	-5,016,924	-4,916,585	-4,818,253	-4,721,888	-4,627,450
Revenue contributions to capital	-5,976,029	-6,312,276	-6,658,837	-7,015,921	-	-	-	-	-
Allocation to/from other reserves	-	-	-	-	-	-	-	-	-
Other appropriations	-	-	-	-	-	-	-	-	-
<b>Net HRA Surplus/Deficit</b>	<b>292,819</b>	<b>298,675</b>	<b>304,649</b>	<b>310,742</b>	<b>7,735,524</b>	<b>8,298,029</b>	<b>8,861,704</b>	<b>9,427,327</b>	<b>9,994,912</b>
HRA Balance brought forward	14,640,952	14,933,771	15,232,447	15,537,096	15,847,838	23,583,361	31,881,391	40,743,095	50,170,422
HRA surplus/(deficit)	292,819	298,675	304,649	310,742	7,735,524	8,298,029	8,861,704	9,427,327	9,994,912
<b>HRA Balance carried forward</b>	<b>14,933,771</b>	<b>15,232,447</b>	<b>15,537,096</b>	<b>15,847,838</b>	<b>23,583,361</b>	<b>31,881,391</b>	<b>40,743,095</b>	<b>50,170,422</b>	<b>60,165,334</b>
Alert									
Other reserves brought forward (Thames Water)	-	-	-	-	-	-	-	-	-
Appropriation from HRA	-	-	-	-	-	-	-	-	-
Release of reserve	-	-	-	-	-	-	-	-	-
<b>Other reserves carried forward</b>	<b>-</b>								

Repairs & Ma	17%	16,798,638
Management	56%	53,919,144
Bad Debt Pro	1%	616,679
Treasury Mar	2%	2,251,445
Debt Repaym	-37%	-35,626,219
Capital Invest	57%	55,105,859
Surplus	3%	2,969,788
		96,035,334



	2020.21	2021.22	2022.23	2023.24	2024.25
Dwelling rents	£66,215,454	£68,403,117	£72,008,662	£74,839,871	£77,451,568
Non-dwelling rents	£4,311,800	£4,434,060	£4,522,741	£4,613,196	£4,705,460
Service charge income	£25,393,080	£25,868,027	£26,314,655	£27,201,681	£28,121,128
Other income and contribution	£115,000	£115,575	£117,887	£120,244	£122,649
<b>Total Income</b>	<b>£96,035,334</b>	<b>£98,820,779</b>	<b>£102,963,945</b>	<b>#####</b>	<b>£110,400,805</b>
Repairs & maintenance	-£16,798,638	-£17,338,813	-£17,833,780	-£18,265,621	-£18,680,647
Management (incl RRT)	-£53,919,144	-£54,782,612	-£54,910,570	-£56,130,071	-£57,353,992
Bad debts	-£616,679	-£608,713	-£598,358	-£600,637	-£621,618
Dwelling Depreciation	-£18,104,000	-£18,379,000	-£18,705,000	-£18,828,000	-£18,839,000
Debt management	-£443,000	-£440,000	-£442,000	-£442,000	-£442,000
<b>Total costs</b>	<b>-£89,069,461</b>	<b>-£91,549,138</b>	<b>-£92,489,708</b>	<b>-£94,266,330</b>	<b>-£95,937,256</b>
Interest payable	-£2,394,667	-£3,496,547	-£4,723,581	-£5,024,095	-£5,010,871
Interest income	£574,222	£446,033	£267,985	£227,322	£137,143
Revenue contributions to capit	£0	£0	£0	-£17,588,673	-£30,668,583
Opening Balance	£42,810,285	£47,155,713	£51,376,839	£57,395,479	£47,518,695
Surplus / (Deficit)	£4,345,428	£4,221,126	£6,018,640	-£9,876,784	-£21,078,762
Closing Balance	£47,155,713	£51,376,839	£57,395,479	£47,518,695	£26,439,933