

Executive

Proposed Revenue Budget and Borough Subscriptions and Charges 2020/21

Item no: 5C

Report by: Frank Smith **Job title:** Director of Corporate Resources
Date: 12 November 2019
Contact Officer: Frank Smith
Telephone: 020 7934 9700 **Email:** frank.smith@londoncouncils.gov.uk

Summary

This report proposes the level of boroughs subscriptions and charges to be levied in 2020/21, together with the consolidated revenue income and expenditure budget for 2020/21. The report also updates the Executive on the current level of London Councils reserves after considering all current and proposed commitments and the timetable for the overall budget approval process. Following consideration by this meeting, proposals will be submitted to the Leaders' Committee meeting on 3 December for final consideration and approval.

Recommendations

The Executive is asked to recommend that the Leaders' Committee approve at their meeting on 3 December 2019 the following borough subscription and charges:

- The proposed Joint Committee subscription for boroughs of £161,958 per borough for 2020/21, no change on the charge of £161,958 for 2019/20 (paragraph 14);
- The proposed Joint Committee subscription for MOPAC of £15,410 for 2020/21, no change on the charge of £15,410 for 2019/20 (paragraph 15);
- An overall level of expenditure of £6.668 million for the Grants Scheme in 2020/21, a reduction of £241,000 on the total budget of £6.909 million for 2019/20; and
- Borough contributions for 2020/21 to fully cover the scheme of £6.668 million, the same level as for 2019/20 (paragraphs 16-18).

The Executive is also asked to recommend that the Leaders' Committee endorse the following subscription and charges for 2020/21 for TEC, which will be considered by the TEC Executive Sub-Committee on 14 November, before being presented to the main meeting of TEC on 5

December for final approval:

- The Parking Core Administration Charge of £1,500 per borough and for TfL (2019/20 - £1,500) (paragraph 19);
- No charge to boroughs in respect of the Freedom Pass Administration Charge, which is covered by replacement Freedom Pass income (2019/20 – no charge) (paragraph 21);
- The net Taxicard Administration Charge to boroughs of £338,182 in total (2019/20 - £338,182); (paragraph 22);
- No charge to boroughs and TfL in respect of the Lorry Control Administration Charge, which is fully covered by estimated PCN income (2019/20 – no charge) (paragraph 23);
- The Parking Enforcement Service Charge of £0.3708 per PCN, which will be distributed to boroughs and TfL in accordance with the number of PCNs issued in 2018/19 (2019/20 - £0.3760 per PCN; paragraphs 26-27);
- The Parking and Traffic Appeals Charge of £27.35 per appeal or £23.63 per appeal where electronic evidence is provided by the enforcing authority (2019/20 - £28.75/£25.08 per appeal). For hearing Statutory Declarations, a charge of £21.78 for hard copy submissions and £21.04 for electronic submissions (2019/20 - £23.23/£22.50 per SD) (paragraphs 28-29);
- Congestion Charging Appeals including the ULEZ scheme – to be recovered on a full cost recovery basis, as for 2019/20, under the current contract arrangement with the GLA (paragraph 30);
- The TRACE (Electronic) Charge of £7.53 per transaction (2019/20 - £7.53) (paragraphs 31-33);
- The TRACE (Fax/Email) Charge of £7.70 per transaction, which is levied in addition to the electronic charge of £7.53 per transaction, making a total of £15.23 (2019/20 - £15.23) (paragraphs 31-33); and
- The TEC Charge of £0.175 per transaction (2019/20 - £0.175) (paragraphs 31-33).

Based on the above proposed level of subscriptions and charges, the Executive is asked to recommend to the Leaders' Committee:

- The provisional consolidated revenue expenditure budget for 2020/21 for London Councils of £383.171 million, as per Table 4 at paragraph 34 and Appendix A of this report;
- The provisional consolidated revenue income budget for 2020/21 for London Councils of £382.192 million, also as per Table 4 at

paragraph 34 and Appendix B;

- Within the total income requirement, the use of London Councils reserves of £979,000 in 2020/21, as detailed in Table 11 at paragraph 53.

The Executive is also asked to recommend that the Leaders' Committee note:

- The position in respect of forecast uncommitted London Councils reserves as at 31 March 2020, as detailed at paragraphs 51-57; and
 - The positive statement on the adequacy of the residual London Councils reserves issued by the Director of Corporate Resources, as detailed in paragraphs 58-59.
-

Proposed Revenue Budget and Borough Subscriptions and Charges 2020/21

Introduction

1. This paper outlines the background and context to setting the London Councils budget for 2020/21 and sets out a proposed approach. It reflects the impact of several budgetary pressures that will impact on 2020/21, which are highlighted in detail at paragraph 2. The proposed approach reflects the content of recent informal discussions amongst members of the Executive. These centred around:

- seeking to absorb additional budgetary pressures in the 2020/21 budget;
- seeking to establish a trajectory for generating more commercial income from letting space freed up as a result of a shift to more agile working. These changes to ways of working, building improvements and letting space were discussed with members of the Executive in June 2018 and again, informally, in October 2019;
- broader need for a more strategic consideration of the resources of the organisation during the next year to help inform budget preparation for 2021/22.

Budgetary pressures

2. There are several significant budgetary pressures that will impact on the London Councils revenue budget for 2020/21. These are:

- An estimated 2% officer pay award, subject to negotiations, from April 2020 will add approximately £135,000 to the overall salaries bill for London Councils;
- In addition, staff salary progression through the approved grading structure amounts to a net additional £58,000 in 2020/21;
- A net increase in the expenditure budget to the City of London Corporation to cover an increase in the IT SLA of £58,000;
- Additional IT development costs in association with the London Councils website budget of £45,000;
- Additional depreciation costs of £68,000 largely as a result of estimated capital expenditure to be incurred in 2019/20 in relation to the completion of the agile working project and other building works throughout the Southwark Street building;

- CPI in the year to August 2019 is now running at 1.7%, meaning that there will be increased pressure on overall contract prices and in respect of cost of the four SLAs for support services provided by the City of London;
- The Chancery Exchange offices, where the London Tribunals hearing centre is based, will be subject to a rent review in March 2020, which will result in additional costs within the TEC committee estimated to be in the region of £100,000; and
- A reduction of £241,000 in grants expenditure following the completion of the S.48 ESF programme which ended in June 2019.

3. Savings/efficiencies have been identified from within existing approved resources to mitigate the overall effect of the above cost pressures. These include:

- The removal of the Challenge Implementation Fund budget of £525,000, with a corresponding reduction in the transfer from reserves to fund this;
- Estimated additional income of £250,000 realising agreed aspirations in respect of the letting of freed up office space, offset by a reduction in meeting room income (£300,000 less £50,000) based on the assumption that the agile working extension is completed during 2019/20. This budget will be built up to a maximum of £550,000 over a 4-year period up until 2024/25, with a corresponding reduction in the take from reserves over this period; and
- Additional central recharge income of £489,000 accruing to the Joint Committee from increased charges to the TEC and Grants funding streams, arising from a review of the recharge model and the depreciation of the capital costs for the planned refurbishment work at Southwark Street.

4. The expenditure budget for the Joint Committee reflects planned improvements to the communal areas at Southwark Street, such as reception and the WC facilities, as well as the extension of agile working arrangements. The financial effect of this project is reflected in increased depreciation charges of £68,000 in 2020/21 and £145,000 from 2021/22 onwards, up until the end of the current leasehold arrangement with the City of London in March 2026. The increased depreciation charge arises from the capitalisation of the cost of the improvement and refurbishment works, estimated to be £383,000 in the current year and £409,000 in 2020/21, which includes all associated staffing costs, design fees and overall project management costs.

5. A proportion of the increased depreciation charge indicated above will be recharged to the TEC and Grants funding streams and to externally funded projects to generate income to the Joint Committee, estimated to be £17,000 in 2020/21 and £36,000 in 2021/22 and a full year.
6. The move to introduce agile working arrangements throughout the building is expected to free up office space for letting to generate rental income. This is estimated to raise £250,000 in 2020/21, increasing by £100,000 per annum over the next three financial years up until 2024/25 to reach an estimated ceiling of £550,000. Over this period of estimated increased rental income, the call on uncommitted JC reserves will reduce accordingly, so by 2024/25, the only on-going current commitment from Joint Committee reserves will be the annual sum of £100,000 earmarked by members to support collaborative work on the health agenda.
7. London Councils has made significant savings since 2011/12. If the proposals outlined in this report are agreed by the Leaders' Committee in December, these savings will amount to £59.8 million, with a further £165 million of savings related to payments to commissions made by the Grants Committee. Overall savings through this period equate to £6.8 million per borough.
8. During 2020 Members of the Executive have indicated that they will wish to give further consideration to the future focus, capacity and resources of the organisation. This reflects an informal discussion among Executive members in October 2019. That consideration will inform budget planning for 2021/22 onward. Members indicated that they wished to see every effort made to absorb budget pressures in framing the proposed Revenue Budget and Borough Subscriptions and Charges for 2020/21.
9. Against this context, this report, therefore, proposes the level of borough subscriptions and charges to be levied in 2020/21, together with the indicative consolidated revenue income and expenditure budget for 2020/21. The proposals include:
 - A Joint Committee core subscription of £161,958 per borough, the same level as for 2019/20;
 - A TEC parking core administration charge of £1,500 per borough, the same level as for 2019/20;

- Total S.48 grants administration costs of £435,000, equating to an average cost of £13,182 per borough, the same level as for 2019/20;
- An overall reduction in the level of the proposed transfer from uncommitted reserves of £745,000. The total sum proposed to be transferred from uncommitted reserves is a maximum of £979,000, compared to £1.724 million for the current year.

10. The timetable for the approval of the budget for 2020/21 following this meeting is as follows:

- 13 November – Grants Committee considers and agrees the indicative grants budget and borough contributions for 2020/21, and makes recommendations to the Leaders' Committee meeting on 3 December for approval;
- 14 November - TEC Executive Sub-Committee considered the indicative budget and borough charges for 2020/21 and make recommendations to the main TEC Committee meeting on 5 December for approval;
- 3 December - Leaders' Committee considers this report on the indicative consolidated budget and borough charges for 2020/21 (as amended by this meeting), and a separate report seeking approval of the grants budget and borough contributions for 2020/21. This report will include the indicative budget and borough charges for TEC which the Leaders' Committee is asked to endorse; and
- 5 December – main TEC Committee – considers recommendations of TEC Executive Sub-Committee and any views arising from the Leaders' Committee and approves final budget and charges for 2020/21. The views of the Leaders' Committee will be reported orally to the main TEC meeting.

Current position on core subscriptions and other charges

11. Members are reminded that since 2010/11 (covering the eight-year period between 2011/12 and 2019/20):

- The Joint Committee core subscription has been reduced by £96,005 or 37%;
- The TEC core parking subscription has been reduced by £500 or 25%;
- Payments for commissioned services funded by the Grants Committee have reduced from an annual average of £754,545 per borough to £188,879, an annual average reduction of £565,667 per borough or 75%;
- Payments for the administration of commissioned services have reduced from an average of £43,333 per borough to an average of £13,182, an average reduction of £30,152 per borough or 69.6%;

- The three main TEC administrations charges for direct services – Freedom Pass, Taxicard and Lorry Control, have reduced by between 11% and 100%; and
- The administration costs of the London Tribunal have reduced by £842,334 and savings of £3.05 million have been realised in respect of unit cost charges to boroughs for use of parking services, including appeals.

12. A further sum of £8.7 million has been repaid to member boroughs from uncommitted reserves over the period 2011/12 to 2019/20. The total accumulated benefit to boroughs, therefore, arising from the reduction in the main borough subscriptions and from charges for direct service charges since 2010/11, plus one-off repayments to date, equates to £54 million, with an additional overall reduction of £146.4 million that relates to payments to commissions funded by the Grants Committee. The total accrued benefit to boroughs is, therefore, £200.402 million, an average of £6.07 million per borough. In addition, staffing numbers have reduced by 39% over this period.

Proposed borough subscriptions and charges

13. The following paragraphs detail the proposed borough subscriptions and charges for 2020/21.

Joint Committee Core Subscription

14. As detailed in the first bullet point of paragraph 9 above, the proposed amount to be levied on member boroughs in respect of the JC core and associated functions in 2020/21 is £161,958, the same level as for 2019/20. This includes a sum of £5,455 per borough as a contribution towards the continued funding of the YPES.

15. In line with the overall standstill position, it is proposed that the 2020/21 Joint Committee subscription for MOPAC be £15,410, the same level as for the current year.

Commissioned services funded by the Grants Committee 2020/21

16. The overall budget for commissioned services for the current year, as agreed by the Leaders' Committee in December 2018, is £6.909 million, inclusive of gross ESF expenditure of £241,000. The residual S.48 ESF programme, which was funded by ESF grant and residual funds held in the Grants Committee reserve, ended in June 2019. At its meeting on 13 November 2019, the Grants Committee will be asked to agree to a S.48 borough funded grants programme of £6.668 million for 2020/21, which is the final year of

the four-year programme of commissioned services agreed by the Leaders' Committee in March 2016, following recommendations by the Grants Committee.

17. Following consideration by the Grants Committee at its meeting on 13 November, the Leaders' Committee will be asked to approve the budget for the Grants Committee for 2020/21 as shown in the Table 1 below:

Table 1 – Indicative Grants Budget 2020/21

	2020/21 Indicative £000	2019/20 Budget £000	Variance £000
LC S.48 grants programme	6,233	6,233	-
LC S.48 ESF grants programme	-	102	(102)
Sub-Total	6,233	6,335	(102)
Grants Administration – LC S.48	435	435	-
Grants Administration – LC S.48 ESF	-	139	(139)
Total expenditure	6,668	6,909	(241)
Financed by:			
Borough contributions to grant payment	(6,173)	(6,173)	-
Borough contributions to grants administration	(495)	(495)	
Total borough contributions	(6,668)	(6,668)	-
ESF grant	-	(58)	58
Total Income	(6,668)	(6,726)	58
Transfer from Reserves	-	(183)	183
Net expenditure	-	-	-

18. The key features of the proposed budget in Table 1 are :

- A core, pan-London scheme of commissioned services to meet service priorities agreed by the Grants Committee of £6.233 million, which includes the membership subscriptions for boroughs for London Funders of £60,000;
- A reduction in expenditure of £241,000 in relation to the residual commitments for S.48 ESF commissioned services, which ended in 2019/20;
- An indicative gross commissions payments budget, therefore, of £6.233 million;
- A provision for grants administration of £435,000 or 6.5% (or 4.1% excluding central recharges of £159,000) for the S.48 borough programme of £6.668 million, reflecting the actual cost of the current contract management and monitoring arrangements for commissions; and

- A total borough contribution of £6.668 million which will be apportioned in accordance with the ONS 2018 mid-year population data.

TEC Core Parking Subscription

19. This subscription is currently £1,500 per borough and there is little scope to reduce this minimal charge to boroughs, so, as agreed by the Leaders' Committee in November 2010, efforts continue to be concentrated on further efficiencies in the overhead cost for TEC direct services and systems charges, which are explored below.

TEC Direct Services

20. TEC currently provides three direct services on behalf of boroughs, one of which is also provided to TfL, which are recouped by an annual administration fee – the Freedom Pass, Taxicard and the London Lorry Control Scheme (LLCS). In overall terms, a sum of £338,182 needs to be recouped from boroughs in 2020/21, the same as for the current year. The proposed level of charge for each direct service, compared to those for the current year are detailed in Table 2 below:

Table 2 – Proposed TEC Direct Services Administration Charge 2020/21

Charge	Basis	2020/21 (£)	2019/20 (£)	Variance (£)	%
Freedom Pass	Per borough	Nil	Nil	-	-
Taxicard	Total	338,182	338,182	-	-
Lorry Control	Average	Nil	Nil	-	-

21. The **administration of the Freedom Pass** covers London Councils costs in negotiating the annual settlements and managing the relationships with transport operators and other contractors. After considering the overall income requirement for TEC, the proposed charge for 2020/21 remains at zero per borough, as the cost of administering the scheme continues to be met from income collected in respect of lost and damaged freedom passes. This position is reviewed annually to ensure forecast income streams continue to cover the costs of administering the scheme.
22. The **administration of the Taxicard Scheme** covers London Councils costs in processing and issuing passes to members and managing the relationships with various contractors. After considering the overall income requirement for TEC, the proposed net cost to be charged to boroughs in 2020/21 is £338,182, no change on the total charge for 2019/20. This proposal includes the use of uncommitted TEC reserves of £101,000 to

maintain the unit charge at this level. The active Taxicard membership as at 30 September 2019 has decreased by 4,308 from 68,860 to 64,552 due to officers carrying out a review of members to establish if they are still active. This decrease in the spreading base has, therefore, increased the notional unit cost of a permit from £4.91 to £5.24 per member.

23. The **Lorry Control administration charge** is calculated in the same manner as the Freedom Pass and Taxicard administration charge; although it is apportioned to boroughs in accordance with the ONS mid-year population figures. In the case of 2020/21, the population data for 2018 is used. The total cost of administering the scheme is estimated to be £754,773 in 2020/21, compared to £742,951 in 2019/20. This figure includes a sum of £50,000 that has been retained in anticipation of further review and development of the scheme in 2020/21. After consideration of projected income of £1 million from the enforcement of the scheme, it is proposed that there will be no borough or TfL contribution in 2020/21, as for the current year. Again, this position will be reviewed annually to ensure forecast income streams continue to cover the costs of administering the scheme.

TEC Traded Services

24. A further range of services provided by TEC relate to various parking and traffic activities, primarily the London Tribunals (LT). A unit charge for each of these 'traded' services is made to the users, which covers the marginal costs of these services. The volumes of these transactions are solely generated by each borough; London Councils has no influence on the levels generated. In addition, an amount apportioned by the number of PCNs issued by each borough and TfL, covers the fixed costs of the parking related services - principally the LT- covering the actual cost of the appeals hearing centre and the fixed cost of the parking managed services contract.

25. The proposed level of charge for each traded service, compared to those for the current year is detailed in Table 3 below:

Table 3 – Proposed TEC Traded Services Unit Charges 2020/21

Charge	2020/21 (£)	2019/20 (£)	Variance (£)	%
Parking Enforcement Service Charge (total charge)	0.3708	0.3760	(0.005)	(1.4)
Environment and Traffic Adjudicators				

(ETA) Appeals (Hard Copy)	27.35	28.75	(1.40)	(4.9)
ETA Appeals (Electronic)	23.63	25.08	(1.45)	(5.8)
ETA Statutory Declarations (Hard Copy)	21.78	23.23	(1.45)	(6.2)
ETA Statutory Declarations (Electronic)	21.04	22.50	(1.46)	(6.5)
TRACE Electronic	7.53	7.53	-	-
TRACE Fax	7.70	7.70	-	-
TEC	0.175	0.175	-	-

26. The **Parking Enforcement Service Charge** is allocated to users in accordance with the number of PCNs issued. For 2020/21, expenditure of £3.084 million needs to be recouped, compared to £2.687 million for 2019/20; an increase of £397,000. The increase is largely due to previously unbudgeted costs associated with the introduction of the Ultra Low Emissions Zone (ULEZ) scheme along with the estimated impact of a rent review which is due in March 2020 on the Hearing Centre premises budget.

27. After top-slicing the amount for the estimated fixed costs of £875,000 attributable to the contract with the GLA/TfL in respect of road user charging appeals (RUCA) and ULEZ, a total of £2.209 million remains to be apportioned through the 5.958 million PCN's issued by boroughs and TfL in 2018/19 in respect of parking, bus lane and moving traffic offences, compared to 5.616 million issued in 2017/18. The slight increase in the number of PCNs issued over the two comparative years increases the cost spreading base, which together with a reduction in the total costs of the London Tribunal attributable to ETA appeals, leads to a marginal reduction in the actual unit charge to boroughs and TfL of £0.005 per PCN, or 1.4%, from £0.376 to £0.3708 per PCN for 2020/21. In addition, under the terms of the contract with Northgate, there is a separate fixed cost identified in respect of the borough use of the TRACE and TEC systems. For 2019/20, this sum was £94,000 and is estimated to increase to £95,000 in 2020/21. This sum will be apportioned to boroughs in accordance with volumes of transaction generated on each system by users.

28. The estimated volume of Environment and Traffic Adjudicators (ETA) appeals for 2020/21, based on indicative volumes to date in 2019/20, is 44,722, compared to the budgeted figure of 41,694 for the current year. The actual number of appeals represented by corresponding financial transactions posted in the accounts in 2018/19 was 42,721 including Statutory Declarations, Moving Traffic Offences and Lorry Ban Appeals. This indicates that the current number of ETA appeals has steadily increased.

29. The average throughput of appeals to date for the current year is 3.78 appeals heard per hour, compared to 3.41 appeals per hour when the current year's budget was set in December 2018. This average figure takes account of all adjudicator time spent on postal and personal appeal hearing and also non-appeal 'duty adjudicator' activities. The increase in throughput is attributable to continued system and service improvements that now feed through into the processing figures. Based on this forecast figure, it is proposed that the indicative hard copy unit ETA appeal cost for 2020/21 is £27.35, a reduction of £1.40 or 4.86% on the charge of £28.75 for 2019/20. For appeals where electronic evidence is provided by an enforcing authority, it is proposed that the unit cost will reduce by £1.45 or 5.77% to £23.63. The lower charge to boroughs recognises the reduced charge from the contractor for processing electronic appeals, demonstrating that there remains a clear financial incentive for boroughs to move towards submitting electronic evidence under the current contract arrangements. As for 2020/21, boroughs will pay a differential charge for the processing of ETA statutory declarations. For hard copy statutory declarations, the proposed unit charge will be £21.78 compared to the charge of £23.23 for the current year, which represents a reduction of £1.45, or 6.24%. For electronic statutory declarations, the proposed unit charge will be £21.04, a reduction of £1.46, or 6.50% on the electronic appeal unit charge of £22.50 for the current year.
30. For RUCA Appeals, the estimated volume of appeals for 2020/21, based on current volumes to August 2019 is 20,784, compared to 9,158 for the current year. The original estimate for 2019/20 did not consider the new Ultra Low Emission Zone (ULEZ) scheme which came in to force in April 2019 therefore is not comparable to the 2020/21 estimate. The actual number of RUCA Appeals represented by corresponding financial transactions posted in the accounts for 2018/19 was 9,644, including Statutory Declarations. Again, this excludes ULEZ appeals which hadn't come in to force at this stage. Under the terms of the contract, TfL/GLA will reimburse London Councils on a cost-recovery basis for the variable cost of RUCA appeals, ensuring that a break even position continues in respect of these variable transactions. The rechargeable level of fixed costs associated with this contract is £875,000 for 2020/21; a £300,000 increase on the 2019/20 budgeted level of £575,000, due to the significant increase in caseload resulting from the introduction of the ULEZ scheme.
31. In respect of **all other parking traded services**, the variable charges form part of the parking managed service contract provided by the contractor, Northgate, the volumes of which are again not controlled by London Councils; the individual boroughs are

responsible for using such facilities. The volumes are based on those currently being processed by the contractor and are recharged to the boroughs, TfL and the GLA as part of the unit cost charge. Current trends during the first half of 2019/20 suggest that transaction volumes appear to be reducing for the use of the TRACE electronic and Fax systems but are increasing for the use of the TEC system.

32. The estimated decrease in expenditure between 2019/20 and 2020/21, due to the projected transaction volumes and contract price changes for these services is £4,290. The corresponding estimated effect on income, between 2019/20 and 2020/21, based on the current projected transaction volumes for 2019/20 is a decrease of £19,806, leading to a net overall decrease in budgeted income of £15,516.
33. The charging structure historically approved by TEC for the provision of the variable parking services (excluding appeals) includes a contribution to overheads in each of the charges made to boroughs and other users for these services.

Proposed revenue budget for 2020/21

34. Based on the proposed level of subscription and charges, as detailed in paragraphs 13-33 above, the proposed revenue budget position for 2020/21, is summarised in Table 4 below. A detailed breakdown of proposed expenditure and income is shown at Appendices A and B to this report.

Table 4 – Proposed revenue budget 2020/21

	Joint Committee	Grants Committee	TEC	Total
	£000	£000	£000	£000
Indicative Expenditure	8,919	6,509	366,948	382,376
Central Recharges	150	159	486	795
Total Expenditure	9,069	6,668	367,434	383,171
Indicative Income	(6,632)	(6,668)	(366,855)	(380,155)
Central Recharges	(2,037)	-	-	(2,037)
Sub-total	(8,669)	(6,668)	(366,855)	(382,192)
Use of Reserves	(400)	-	(579)	(979)
Total Income	(9,069)	(6,668)	(367,434)	(383,171)
Indicative Net Position	-	-	-	-

35. The detailed breakdown of the proposed budgets for the Joint Committee, Grants Committee and TEC funding streams for 2020/21 is outlined in paragraphs 36-49 below.

Grants Committee

36. The provisional position for the Grants Committee for 2020/21 is as follows:

Table 5 – Indicative Grants Committee budget movements for 2020/21

	£000
Expenditure:	
Revised budget 2019/20	6,909
Proposed budget 2020/21	6,668
Budget Movement	(241)
Income	
Revised budget 2019/20	(6,909)
Proposed budget 2020/21	(6,668)
Budget Movement	241
Net Budget Movement	-
Developments - expenditure:	
Reduction in payments to S.48 ESF commissions	(102)
Decrease in S.48 ESF administration costs	(139)
Total	(241)
Developments - income:	
Reduction in ESF grant income	58
Reduction in transfers from accumulated S.48 ESF reserves	183
Total	241
Net Budget Movement	-

Transport and Environment Committee

37. Excluding the position for the payments to transport operators in respect of the Freedom Pass and Taxicard, which are dealt with in paragraphs 39-47 below, the provisional position for TEC for 2020/21 is detailed in Table 6 below:

Table 6 – Indicative TEC budget movements for 2020/21

	£000
Expenditure:	
Revised budget 2019/20	12,778
Proposed budget 2020/21	14,008
Budget Movement	1,230
Income	
Revised budget 2019/20	(12,778)
Proposed budget 2020/21	(14,008)
Budget Movement	(1,230)
Net Budget Movement	-

Developments – expenditure:	
Increase in Freedom Pass administration	2
Increase in Taxicard administration	5
Increase in Lorry Control administration	7
Increase in London Tribunals administration	385
Increase in Health Emergency Badge administration	1
Increase in non-operational staffing costs	28
Volumes changes – Adjudicators fees	244
Volume changes – Northgate variable costs	100
Decrease in other running costs	(1)
Increase in central recharges not included in Direct Services	409
Sub-Total	1,180
Inflation:	
Salary costs	37
Northgate contract costs	13
Other	-
Budget Movement on expenditure	1,230
Developments – income:	
Increase in London Lorry Control Scheme PCN income	(100)
Volumes changes – appeals income	(358)
Volume changes – other parking services income	20
Increase in income for Health Emergency Badges	(2)
Reduction in income for replacement Taxicards	-
Increase in income for fixed parking costs	(398)
Other adjustments	-
Proposed reduction in transfer from general reserve	(392)
Budget Movement on income	(1,230)
Net Budget Movement	-

38. The proposals for the level of subscription and charges for TEC related services in 2020/21, which are detailed in paragraphs 21-33 above, provide the rationale for the majority of the budget movements detailed in Table 6.

Freedom Pass

39. The main settlement with TfL for concessionary travel on its service is estimated to be £318.764 million, representing a provisional reduction of £2.149 million, or 0.67%, on the figure of £320.913 million for 2019/20.

40. The Rail Delivery Group (RDG) settlement is still being negotiated. This year, the RDG has proposed moving to a model that uses Oyster card date (as opposed to the previous

survey-based models) which will increase the RDG element of the settlement. Early estimates are for additional costs of £1.933 Million, increasing this part to £21.886 million compared to the budget of £19.953 million for the current year. However, officers are continuing to negotiate regarding the price per journey to be paid and will update TEC accordingly in December.

41. The budget for payments to other bus operators for local journeys originating in London has been maintained at £1.3 million, following projections for 2020/21, based on the 2018/19 outturn position plus taking into consideration a wider decline in bus ridership.
42. The budget for the freedom pass issuing costs was £1.518 million for 2019/20. For 2020/21, it is proposed that the budget remains at this level, which will include the cost of an annual pass eligibility review that yields significant cost savings to boroughs.
43. For income in respect of replacement Freedom Passes, current trends indicate that significant income continues to accrue, and in fact, increase. However due to the bulk renewal process, which is due to take place in 2020, it is anticipated that fewer replacement cards will be issued. The 2020/21 income budget is being held at £750,000 and there is no proposed change to the unit cost of £12 for a replacement pass. As stated in paragraph 20, it is proposed that the in-house cost of administering the Freedom Pass scheme will be fully funded by this income stream in 2020/21.
44. As agreed by TEC in December 2014, any annual surplus arising from both the freedom pass issuing costs budget of £1.518 million (paragraph 42 above) and replacement freedom passes income budget of £750,000 (paragraph 43 above) will be transferred to a specific reserves to accumulate funds to offset the cost of future major pass reissue exercises. The current balance on the specific reserve is £3.995 million (after considering a projected surplus of £442,000 in respect of the current year), as detailed in Table 9 at paragraph 51. The estimated cost of the 2020 bulk renewal process is currently £1.176 million, which will be funded from the specific reserve.
45. Final negotiations on the actual amounts payable to operators will be completed in time for the meetings of the Leaders' Committee on 3 December and the main TEC Committee on 5 December; any late variations to these provisional figures will be tabled at these meetings.

46. A summary of the provisional freedom pass costs for 2020/21, compared to the current year, can be summarised in Table 7 below. The total cost of the scheme is fully funded by boroughs and the estimated cost payable by boroughs in 2020/21 is £343.468 million, compared to £343.684 million payable for 2019/20. This represents a reduction of £216,000 or 0.06%.

Table 7 – Comparative cost of Freedom Pass 2020/21 and 2019/20

Estimated Cost of Freedom Pass	2020/21(£000)	2019/20(£000)
TfL Settlement	318,764	320,913
RDG Settlement	21,886	19,953
Non TfL Bus Operators Settlement	1,300	1,300
Freedom Pass Issue Costs	1,518	1,518
Total Cost	343,468	343,684

Taxicard

47. it is assumed that TfL will provide an estimated fixed contribution of £9.360 million, no change in the figure for 2019/20. The total borough contribution towards the Taxicard scheme in 2020/21 is estimated to be £2.116 million, the same as for the current year, although the decision on boroughs' contributions is a matter for boroughs to take individually and will be confirmed in February 2020. The indicative budgetary provision for the taxicard trips contract with CityFleet Networks Limited, will, therefore, be an amalgam of the TfL and borough funding, currently equating to £11.476 million for 2020/21, the same figure as for the current year. However, several factors such as usage of the scheme could influence the final outturn position for 2020/21.

Joint Committee

48. The provisional position for the Joint Committee for 2020/21 is as follows:

Table 8 – Indicative Joint Committee budget movements for 2020/21

	£000
Expenditure:	
Revised budget 2019/20	9,436
Proposed budget 2020/21	9,069
Budget Movement	(367)
Income	
Revised budget 2019/20	(9,436)
Proposed budget 2020/21	(9,069)
Budget Movement	367
Net Budget Movement	-

Developments - expenditure:	
Increase in net salary costs	117
Increase in City of London SLAs	68
Decrease in depreciation provision	(53)
Net increase in Southwark Street premises related costs	9
Decrease in improvement and efficiency fund	(38)
Increase in Supplies and Services	59
Removal of Challenge Implementation Fund	(525)
Reduction in Commissioning and Research	(53)
Reduction in Central Recharges	(37)
Sub-total	(453)
Inflation	
Salary costs	90
Other	(4)
Budget Movement on expenditure	(367)
Developments - income:	
Decrease in use of reserves	954
Decrease in room hire charges	50
Net Increase in income from tenants and funded groups	(220)
Increase in central recharges income	(417)
Total	367
Net Budget Movement	-

49. The key elements included within the net budget movement are detailed below:

- **Increase in salary cost** - this covers the following salary related costs of the Joint Committee:
 - An estimated 2% pay award for 2020/21, which is subject to negotiations, will add £90,000 to total salary costs;
 - In addition, staff salary progression through the approved grading structure amounts to a net additional £52,000 in 2020/21 JC salaries budget for 2020/21;
 - Finally, the net impact of general staff structure changes, identified during the current financial year, which are covered by virements from existing joint committee budgets of £65,000.

- **Depreciation charge** – An additional charge of £68,000 is estimated to arise in 2020/21 in relation to capital expenditure of building works at Southwark Street during 2019/20, however this is a reduction on what was originally anticipated during the 2019/20 revised

budget due to potential slippage in the building works. As a result, there is a net reduction of £53,000;

- **Additional City of London SLA costs** – Additional net increase of £68,000 in SLA budget due to increase IT SLA fees payable in 2020/21
- **Increase in Southwark Street premises costs** – Marginal inflationary increases to other premises costs of £9,000;
- **Improvement & Efficiency fund** – Reduction of £38,000 to fund staff structure changes as detailed above;
- **Additional Supplies and Services** – Additional £45,000 budget include for Website development in 2020/21 along with other small inflationary increases;
- **Challenge Implementation Fund reduction** – Removal of the Challenge implementation Fund budget of £525,000, with a corresponding reduction in the transfer from reserve to fund this (see below);
- **Commissioning & Research** – Reduction of £53,000 to fund staff structure changes as detailed above;
- **Additional income from tenants** – The planned move to introduce agile working arrangements throughout the building is estimated to free up office space for letting to generate rental income of £250,000 in 2020/21, less a reduction in other funded groups income of £30,000.
- **Central Recharge expenditure** – A reduction of central recharges costs within the joint committee due to a change in the methodology from deskpace to FTE's which attracts an overall lower level of recharge.
- **Increase in central recharge income** – A detailed review of how London Councils apportions its central costs between the three committees has identified some overheads, which are attributed to members of staff working on Grants and TEC related activities, were not being fully passed to those committees. This has now been amended and the net additional £417,000 in central recharge income reflects this;

- **Decrease in room hire income** – A reduction in income collectable from hiring out meeting rooms at the Southwark Street offices. This reflects the planned decommissioning of two meeting rooms as part of the overall building works in line with outcomes of the challenge programme and requirements of the agile working agenda;
- **Decrease in proposed use of reserves** – the proposed transfer from Joint Committee reserves for 2020/21 is £400,000, a £954,000 decrease on the figure of £1.354 million for the current year. This is in part a reversal of the estimated deficit on joint committee functions in 2019/20 of £347,000, which has now been addressed and removal of the reserves contribution to the Challenge Implementation Fund which has now ended.

Externally Funded Projects

50. In addition to the proposed expenditure of £383.171 million for largely borough funded activity, expenditure on activities financed through external contributions is currently projected to be in excess of £3.5 million in 2020/21, with funding being received through various external sources to fully fund the projects, ensuring no cost to boroughs. Once confirmation of continued funding into 2020/21 is received from funders over the coming months, budget plans for expenditure will be revised accordingly to ensure that they match the available funding.

Updated position on Reserves

51. The current position on the overall level of London Councils reserves is detailed in Table 9 below, which includes the forecast outturn position for the current year at the half-year stage:

Table 9 – Current Uncommitted Reserves

	Transport and Environment Committee (£000)	Joint Committee (£000)	Grants Committee (£000)	Total (£000)
General Reserve at 1 April 2019	3,936	5,186	721	9,843
Specific/ESF reserve at 1 April 2019	3,553	-	1,330	4,883
Provisional reserves at 1 April 2019	7,489	5,186	2,051	14,726
Committed in setting 2019/20 budget	(187)	(1,354)	(183)	(1,724)
Balances c/f into 2019/20	(133)	-	-	(133)

Potential ESF grants commitments in 2019/20- 2020/21	-	-	(128)	(128)
Provisional other commitments for 2020/21 -2021/22	(1,926)	-	-	(1,926)
Projected surplus/(deficit) for the year	595	1,155	40	1,790
Uncommitted reserves	5,838	4,987	1,780	12,605

52. The current level of commitments from reserves, as detailed in Table 9, come to £3.911 million and are detailed in full in Table 10 below:

Table 10– Current Commitments from Reserves

	2019/20	2020/21	2021/22	Total
	£000	£000	£000	£000
Balances b/f from 2018/19	133	-	-	133
Approved transfer from JC general reserves	729	-	-	729
Approved transfer from TEC general reserves	187	-	-	187
Slippage of ESG grants funding	311	-	-	311
Challenge Implementation Fund	525	-	-	525
Support to the health transition process	100	-	-	100
2020 Freedom Pass reissue	-	1,176	-	1,176
TEC priority projects	-	750	-	750
Totals	1,985	1,926	-	3,911

53. After taking into account the budget proposals outlined in this report and the recommended use of reserves of £979,000, the level of uncommitted reserves reduces to £11.626 million, as detailed in Table 11 below:

Table 11 - Estimated Uncommitted Reserves as at 1 April 2020

	Transport and Environment Committee (£000)		Joint Committee (£000)	Grants Committee (£000)		Total (£000)
	General	Specific	General	S.48	ESF	
Projected uncommitted reserves (Table 10)	3,769	2,069	4,987	761	1,019	12,605
Proposal included in 2020/21 budget figures	(579)	-	(400)	-	-	(979)
Transfer to Specific Reserves	-	-	-	-	-	-
Estimated residual uncommitted reserves	3,190	2,069	4,587	761	1,019	11,626

54. For the Grants Committee, the Grants Executive in September 2013 agreed that the level of reserves to cover the S.48 borough funded commissions (priorities 1 and 2) should be set at 3.75% of the budget, which will equate to £250,000 in respect of a proposed budget of £6.668 million for 2020/21. The forecast level of uncommitted reserves of £761,000 is, therefore, in excess of this benchmark at 11.41% of the proposed budget. In addition, residual S.48 ESF reserves of £1.019 million are retained following the end of the programme. The residual ESF reserves will be subject to a separate recommendation by the Grants Committee to Leaders' Committee in December.
55. For TEC, uncommitted general reserves are forecasted to be £3.769 million as at 31 March 2020 and reflects the forecast surplus on general reserves of £153,000 for the current year.
56. After considering the proposed use of general reserves of £579,000 in setting the 2020/21 budget (all, subject to agreement of main TEC meeting on 5 December), uncommitted general reserves are forecast reduce to £3.190 million, or 22.8% of proposed operating and trading expenditure of £14.008 million. The TEC Executive Sub-Committee will be considering options for the level of uncommitted reserves in the short-term at its meeting on 14 November, with a view to making recommendations to the main TEC meeting in December.
57. For the Joint Committee functions, uncommitted general reserves are projected to be £4.587 million if the proposals in this report are approved. In a period of continuing financial constraint for London local government, and as demonstrated in the recent past, there is continued value in holding a reasonable level of reserves as a contingency. This will also facilitate a period of transition for the organisation, both in terms of the direction of travel relating to redefined priorities and pledges and the completion of the outcomes of the London Councils Challenge work.
58. Under existing CIPFA guidance, the Chief Financial Officer of an organisation is advised to make an annual statement on the adequacy of the level of an organisation's reserves. This is achieved by expressing the total level of estimated uncommitted reserves as a percentage of operating costs.
59. If the Leaders' Committee/TEC approves the use of uncommitted reserves of £979,000 for 2020/21, as detailed in this report, residual uncommitted reserves would reduce to

£11.626 million. This would represent 49.4% of total operating and trading expenditure in 2020/21 of £23.512 million. The comparable figures reported to the Executive 12 months ago was projected uncommitted reserves of £7.165 million, which equated to 30.7% of provisional operating and trading expenditure of £23.312 million for 2019/20. This position maintains the desire expressed at recent meetings of the Executive for a healthy reserves position, particularly in the current economic climate. The Director of Corporate Resources is, therefore, content to issue a positive statement on the adequacy of the residual London Councils reserves for 2020/21.

Conclusions

60. This report proposes the level of boroughs subscriptions and charges to be levied in 2020/21, together with the consolidated revenue income and expenditure budget for 2020/21. The report also updates the Executive on the current level of London Councils reserves after considering all current and proposed commitments, plus the timetable for the overall budget approval process. Following consideration by this meeting, proposals will be submitted to the Leaders' Committee meeting on 3 December for final consideration and approval.

Summary

61. This report proposes the level of boroughs subscriptions and charges to be levied in 2020/21, together with the consolidated revenue income and expenditure budget for 2020/21.

62. The subscription and budget proposals for 2020/21 relating to the Grants Committee, as contained in this report, will be considered by the Grants Committee at its meeting on 13 November. The Grants Committee will be asked to recommend that the Leaders' Committee approve the proposals as laid out in this report on 3 December.

63. The subscription and budget proposals for 2020/21 relating to the Transport and Environment Committee will be considered by the TEC Executive Sub-Committee at its meeting on 14 November and will be put before the main TEC meeting on 5 December for final approval. The Executive is, therefore, asked to recommend that the Leaders' Committee endorse the provisional TEC figures as laid out in this report, at its 3 December meeting.

Recommendations

64. The Executive is asked to recommend that the Leaders' Committee approve at their meeting on 3 December 2019 the following borough subscription and charges:

- The proposed Joint Committee subscription for boroughs of £161,958 per borough for 2020/21, no change on the charge of £161,958 for 2019/20. (paragraph 14);
- The proposed Joint Committee subscription for MOPAC of £15,410 for 2020/21, no change on the charge of £15,410 for 2019/20 (paragraph 15);
- An overall level of expenditure of £6.668 million for the Grants Scheme in 2020/21, which represent a £241,000 reduction on the total budget of £6.909 million for 2019/20 due to the finalisation of the ESF programme in the current financial year; and
- Borough contributions for 2020/21 should be £6.668 million to fully cover the cost of the Grants scheme, no change from 2019/20 (paragraphs 16-18).

65. The Executive is also asked to recommend that the Leaders' Committee endorse the following subscription and charges for 2020/21 for TEC, which will be considered by the TEC Executive Sub-Committee on 14 November, before being presented to the main meeting of TEC on 5 December for final approval:

- The Parking Core Administration Charge of £1,500 per borough and for TfL (2019/20 - £1,500) (paragraph 19);
- No charge to boroughs in respect of the Freedom Pass Administration Charge, which is covered by replacement Freedom Pass income (2019/20 – no charge) (paragraph 21);
- The net Taxicard Administration Charge to boroughs of £338,182 in total (2019/20 - £338,182); (paragraph 22);
- No charge to boroughs and TfL in respect of the Lorry Control Administration Charge, which is fully covered by estimated PCN income (2019/20 – no charge) (paragraph 23);
- The Parking Enforcement Service Charge of £0.3708 per PCN, which will be distributed to boroughs and TfL in accordance with the number of PCNs issued in 2018/19 (2019/20 - £0.3760 per PCN; paragraphs 26-27);

- The Parking and Traffic Appeals Charge of £27.35 per appeal or £23.63 per appeal where electronic evidence is provided by the enforcing authority (2019/20 - £28.75/£25.08 per appeal). For hearing Statutory Declarations, a charge of £21.78 for hard copy submissions and £21.04 for electronic submissions (2018/19 - £23.23/£22.50 per SD) (paragraphs 28-29);
- Congestion Charging Appeals including ULEZ – to be recovered on a full cost recovery basis, as for 2019/20, under the current contract arrangement with the GLA (paragraph 30);
- The TRACE (Electronic) Charge of £7.53 per transaction (2019/20 - £7.53) (paragraphs 31-33);
- The TRACE (Fax/Email) Charge of £7.70 per transaction, which is levied in addition to the electronic charge of £7.53 per transaction, making a total of £15.23 (2019/20 - £15.23) (paragraphs 31-33); and
- The TEC Charge of £0.175 per transaction (2019/20 - £0.175) (paragraphs 31-33).

66. On the basis of the above proposed level of subscriptions and charges, the Executive is asked to recommend to the Leaders' Committee:

- The provisional consolidated revenue expenditure budget for 2020/21 for London Councils of £383.171 million, as per Table 4 at paragraph 34 and Appendix A of this report;
- The provisional consolidated revenue income budget for 2020/21 for London Councils of £383.171 million, also as per Table 4 at paragraph 34 and Appendix B;
- Within the total income requirement, the use of London Councils reserves of £979,000 in 2020/21, as detailed in Table 11 at paragraph 53.

67. The Executive is also asked to recommend that the Leaders' Committee note:

- The position in respect of forecast uncommitted London Councils reserves as at 31 March 2020, as detailed at paragraphs 51-57; and
- The positive statement on the adequacy of the residual London Councils reserves issued by the Director of Corporate Resources, as detailed in paragraphs 58-59.

Financial Implications for London Councils

As detailed in the body of the report.

Legal Implications for London Councils

None

Equalities Implications for London Councils

None

Appendices

- Appendix A – the provisional consolidated revenue expenditure budget for London Councils for 2020/21;
- Appendix B – the provisional consolidated revenue income budget for London Councils for 2020/21.

Background Papers

London Councils budget working papers 2010/11 to 2020/21.

Appendix A

Proposed Consolidated Expenditure Budget
2020/21

	Jt Ctte £000	Grants £000	TEC £000	Total £000
Payments in respect of Concessionary Fares				
TfL	0	0	318,764	318,764
RDG	0	0	21,886	21,886
Other Bus Operators	0	0	1,300	1,300
Freedom Pass survey and reissue costs	0	0	1,518	1,518
Freedom Pass Administration	0	0	505	505
Comcab	0	0	11,476	11,476
Taxicard Administration	0	0	580	580
Sub-Total	0	0	356,029	356,029
Payments for commissioned services				
S.48 pan-London commissions	0	6,173	0	6,173
Subscription to London Funders Group	0	60	0	60
S.48 ESF pan-London commissions	0	0	0	0
Sub-Total	0	6,233	0	6,233
TEC Trading Account Expenditure				
Payments to Adjudicators- ETA	0	0	779	779
Payments to Adjudicators - RUCA	0	0	519	519
Northgate variable contract costs - ETA	0	0	305	305
Northgate variable contract costs - RUCA	0	0	180	180
Northgate variable contract costs - Other	0	0	205	205
Payments to Northampton County Court	0	0	4,000	4,000
Lorry Control Administration	0	0	754	754
ETA/RUCA Administration	0	0	3,084	3,084
HEB Administration	0	0	41	41
Sub-Total	0	0	9,868	9,868
Total Direct Services	0	6,233	365,897	372,130
Operating Expenditure				
Contractual Commitments				
Capital Ambition legacy project costs	82	0	0	82
Contribution to LOTI	100	0	0	100
YPES Regional/Provider Activities	50	0	0	50
Southwark Street Leasehold Costs	1,357	0	0	1,357
Leases for photocopiers	29	0	0	29
HR Metrics Infinistats contract	35	0	0	35
Northgate Fixed Costs	0	0	95	95
External audit fees	39	0	0	39
CoL Finance/Legal/HR/IT SLA	517	0	0	517
Depreciation	200	0	0	200
Grants GIFTS system support	0	10	0	10
Sub-Total	2,409	10	95	2,514
Salary Commitments				
Officers	4,568	228	708	5,504
Members	215	19	19	253
Maternity provision	50	10	30	90
Sub-Total	4,833	257	757	5,847
Discretionary Expenditure				
Staff training/recruitment advertising	110	7	0	117
Staff travel	16	2	0	18
Other premises costs	286	0	0	286
SS ICT support	59	0	0	59
Supplies and service	704	0	159	863
Research	402	0	40	442
Contributiobn to Health related work	100	0	0	100
Sub-Total	1,677	9	199	1,885
Total Operating Expenditure	8,919	276	1,050	10,246
Central Recharges	150	159	486	795
Total Expenditure	9,069	6,668	367,434	383,171

Appendix B

Proposed Consolidated Income Budget 2020/21

	Jt Ctte £000	Grants £000	TEC £000	Total £000
Borough contributions to TfL	0	0	318,764	318,764
Borough contributions to ATOC	0	0	21,886	21,886
Borough contributions to other bus operators	0	0	1,300	1,300
Borough contributions to surveys/reissue costs	0	0	1,518	1,518
Borough contributions to freedom pass administration	0	0	0	0
Income from replacing lost/faulty freedom passes	0	0	750	750
Income from replacing lost/faulty taxicards	0	0	18	18
Borough contributions to Comcab	0	0	2,116	2,116
TfL contribution to Taxicard scheme	0	0	9,360	9,360
Borough contributions to taxicard administration	0	0	324	324
TfL Contribution to taxicard administration	0	0	124	124
Sub-total	0	0	356,160	356,160
Borough contribution to grants payments	0	6,233	0	6,233
ESF Grant Income	0	0	0	0
Sub-total	0	6,233	0	6,233
TEC trading account income				
Borough contributions to Lorry Control administration	0	0	0	0
London Lorry Control PCN income	0	0	1,000	1,000
Borough ETA appeal charges	0	0	967	967
TfL ETA appeal charges	0	0	118	118
GLA RUCA appeal income	0	0	699	699
Borough fixed parking costs	0	0	2,069	2,069
TfL fixed parking costs	0	0	235	235
GLA fixed parking costs	0	0	875	875
Borough other parking services	0	0	562	562
Northampton County Court Recharges	0	0	4,000	4,000
Sub-total	0	0	10,525	10,525
Sub-Total	0	6,233	366,685	372,918
Core borough subscriptions				
Joint Committee	5,119	0	46	5,165
Grants Administration	0	435	0	435
TEC (inc TfL)	0	0	51	51
LFC/MPA subscription	33	0	0	33
Sub-total	5,152	435	97	5,684
Other Borough charges				
Borough contributions towards LCP functions	496	0	0	496
Borough contributions towards YPES functions	180	0	0	180
Borough contributions to HR Metrics service	101	0	0	101
Sub-total	777	0	0	777
Other Income				
Investments	75	0	0	75
Room bookings and conferences	100	0	0	100
Letting of office space	250	0	0	250
Deskspace charge to funded groups	214	0	0	214
Sales of publications	18	0	0	18
Employment services trading account income	38	0	0	38
TfL secretariat recharge	0	0	31	31
Sales of Health Emergency badges	0	0	42	42
Miscellaneous income	8	0	0	8
Sub-total	703	0	73	776
Transfer from Reserves	400	0	579	979
Central Recharges	2,037	0	0	2,037
Total Income Base Budget	9,069	6,668	367,434	383,171