

Agenda Item 6 - Budget - Revision to sections 9.14 to 9.19 (page 12)

Grant Elements	2009/10	2010/11	2011/12
	£'000	£'000	
Relative Needs Amount	90,606	93,300	
Relative Resource Amount	(62,109)	(62,219)	
Central Allocation	64,561	66,679	
Floor Damping	(1,108)	(3,204)	
Formula Grant	91,950	94,556	
Cash Increase £'000	1,893	2,642	
Adjusted Increase %	2.21%	2.90%	

- 9.15 Barnet contributes to the cost of the grant floors as it is above the minimum grant increase for 2010/11. Even so, increasing pressure on a base budget of around £260m will always greatly exceed the increase in grant funding on a base budget of around £94m.
- 9.16 Area Based Grant (ABG) is the amalgamation of former specific grants and new money for new initiatives. As with Formula Grant, ABG comes with no conditions and is not ring-fenced. A significant difference to formula Grant is that ABG has no floor protection so the base budget can be reduced as in 2010/11.
- 9.17 The following table sets out the latest ABG allocations. In line with the decision by Cabinet Resources Committee on 28 April 2008, budget recommendations are based on local priorities rather than changes in the ABG allocation. Therefore, additional ABG in 2009/10 is only reflected in service estimates where a spending priority is recommended. The provisional 2010/11 figures reflect new grants being amalgamated into ABG which hides a base budget reduction in 2010/11 of £0.295m.

Area Based Grant Allocations	Base Budget	New Grant	Total
	£	£	£
2008/09 Original	13,154,630	945,930	14,100,560
2008/09 Revised	13,154,630	1,011,500	14,166,130
2009/10	13,872,850	449,810	14,322,660
2009/10 Increase over 2008/9 Original	718,220	(496,120)	222,100
2010/11 Provisional	21,380,880	752,240	22,133,120
2010/11 Increase*	(295,420)	302,430	7,010

* Excludes Supporting People Grant transferred to ABG in 2010/11 of £7,803,450

9.18 The estimated Dedicated Schools Grant for Barnet is £213.417m. This figure is subject to change dependent on pupil numbers and will not be confirmed by DCSF until May or June.

9.19 The Government's guide to the Settlement is available at their website, at the following address:
<http://www.local.odpm.gov.uk/finance/0910/simpguids.pdf>

Capping

9.20 The Minister's statement on the Settlement on 26 November 2009 included an expectation that the average Band D council tax percentage increase would be at a 16 year low. This effectively sets a cap at 3%, although current indications are that in the light of the continuing economic recession, the vast majority of Councils will either be freezing the Council Tax or recommending an increase well below 3%.

Council Budget 2010/11

9.21 Following receipt of the Provisional Local Government Finance Settlement, Cabinet's draft budget proposals were announced at Cabinet on 12 January 2010. Incorporating £11.92m of efficiency savings and budget reductions, a provisional council tax freeze (0% increase) was proposed. The budget being recommended to Council on 2 March 2010 is set out in detail in Appendix B. The recommendation for a Council Tax freeze is unchanged from that announced at Cabinet in January, however a number of adjustments are proposed to the final budget to take account

41 Changes to Statements of Recommended (Accounting) Practice (Code of Practice) (SORP)

The Council is required to prepare its accounts in accordance with International Financial Reporting Standards (IFRS) rather than UK standards with effect from 1 April 2010.

The move to an IFRS-based Code, from a UK Generally Accepted Accounting Practice (GAAP) -based SORP, results in a number of significant changes in accounting practice with associated financial risks.

- Property leases are classified and accounted for as separate leases of land and buildings so that the income would become a capital rather than the current revenue receipt.
- All employee benefits are accounted for as they are earned by the employee. This will require accruals for items such as holiday pay. This is likely to be mitigated by draft government regulations.

Government intervention through regulation is a normal way of mitigating the impact of these changes on public finances.

42 Redundancies Capitalisation

The council's strategy is to look to capitalise redundancies arising from budget decisions and major restructurings, but the ability to do this always rests on a Ministerial decision to provide the necessary direction. However, if this is not given in later years, the cost falls back on revenue. This risk is significantly increased by:-

- The Government conducting an annual bidding process against a cap set by the Treasury whereby capitalisation requests can be reduced in proportion to the excess of bids over the cap.
- The council's balances and reserves being at a sufficiently high level that Government regulations exempt it from bidding.

43 Capital – Capping of Prudential Borrowing

Since the introduction of Prudential Borrowing, the Government has retained reserve powers to limit local government borrowing, either due to national borrowing exceeding macro targets or at the local level where individual authorities could be nominated as using excessive borrowing. Restrictions on planned borrowing could seriously hinder the council in achieving its corporate objectives. To date, this power has never been invoked but it remains a potential risk, especially with the slow down in economic and public sector growth combined with huge increases in government borrowing to bail out banks and support the economy.

Children's Service

44 Dedicated Schools Grant (DSG) – Review

The DSG for 2008/11 is distributed using the “spend plus” method. The Department for Children Schools and Families (DCSF) has launched a review of the distribution from 2011-12 to enable a more transparent distribution methodology to be developed. The new formula should allocate resources in line with relative needs, recognising the different costs of educating particular groups of pupils and providing education in different areas.

A programme of detailed research has been commissioned nationally from PricewaterhouseCoopers (PWC), covering the 4 key areas outlined below:

- Additional Education Needs
- High-cost Pupils who are mainly those with Special Educational Needs (SEN)
- Activity-led funding
- Area cost adjustment

Serco has also been contracted to build on the work produced by PWC and model an activity led funding approach. Any changes resulting from the review will need to consider transitional arrangements to dampen large gains and losses amongst authorities when the new formula is introduced.

45 Dedicated Schools Grant (DSG) – Base Budget

The figure included in the budget (£213,416,730) is only an estimate, as the grant is wholly based on annual surveys of the number of pupils in schools and in under-5 settings as at January. These figures are still being collated by Department for Children Schools and Families (DCSF) who will not finalise the grant figure until May. If children numbers are lower than anticipated, then the centrally retained budgets within the DSG will need to be reviewed, and savings made in year. The risk of future pupil number variations will be minimised by officers continuing to review the pupil numbers information available before finalising detailed budgets for schools and central DSG budgets.

REVENUE BUDGET 2010/2011

	2009/2010		2010/2011
	Original Estimate	Current Estimate	Original Estimate
	£	£	£
<u>Council Services</u>			
Adult Social Services	90,735,060	91,106,330	96,233,460
Central Expenses	33,185,810	46,352,690	53,875,730
Chief Executive and Communications & Consultation	2,823,720	3,363,720	2,631,500
Children's Service (net of Dedicated Schools Grant)	57,820,300	50,026,690	49,044,810
Commercial Services	11,485,020	9,868,930	9,594,790
Corporate Service & Finance	26,136,100	25,111,190	26,042,050
Corporate Governance	6,081,520	6,085,160	6,423,740
Environment & Operations	33,363,770	30,557,940	28,442,230
Highways - Special Parking Account	(5,092,000)	(5,092,000)	(5,092,000)
Planning, Housing and Regeneration	3,560,270	3,314,910	2,035,260
Total Service Expenditure	260,099,570	260,695,560	269,231,570

REVENUE BUDGET 2010/2011

	2009/2010		2010/2011
	Original Estimate	Current Estimate	Original Estimate
	£	£	£
Total Service Expenditure	260,099,570	260,695,560	269,231,570
Contribution to / (from) Specific Reserves	(1,000,000)	(1,000,000)	2,460,870
Contribution to / (from) Balances	0	(504,590)	0
Area Based Grant	(14,322,660)	(14,414,060)	(22,133,120)
BUDGET REQUIREMENT	244,776,910	244,776,910	249,559,320
Revenue Support Grant	(17,243,208)	(17,243,208)	(11,989,459)
Business Rates	(74,706,428)	(74,706,428)	(82,566,755)
Collection Fund Adjustments	(758,430)	(758,430)	(1,998,060)
BARNET'S DEMAND ON THE COLLECTION FUND	152,068,844	152,068,844	153,005,046
Greater London Authority - Precept	42,322,961	42,322,961	42,583,520
INCOME FROM COUNCIL TAX	194,391,805	194,391,805	195,588,566
Components of the Council Tax (Band D)	2009/2010	2010/2011	Increase
	£	£	
Metropolitan Police	224.34	216.83	-3.35%
London Fire & Emergency Planning Authority	53.41	59.58	11.55%
Mayor, Administration, Transport for London, Olympic Games and Boroughs' Collection Fund balances.	32.07	33.41	4.18%
Greater London Authority	309.82	309.82	0.00%
London Borough of Barnet	1,113.20	1,113.20	0.00%
Total	1,423.02	1,423.02	0.00%

REVENUE BUDGET 2010/2011

COUNCIL TAX SUMMARY

Council Tax Bands (based on property values @ 1 April 1991)		2009/2010	2010/2011	Tax Yield
		£	£	£
[Up to £40,000]	Band A	948.68	948.68	1,380,182
[Over £40,000 & up to £52,000]	Band B	1,106.79	1,106.79	8,052,130
[Over £52,000 & up to £68,000]	Band C	1,264.91	1,264.91	27,935,139
[Over £68,000 & up to £88,000]	<u>Band D</u>	<u>1,423.02</u>	<u>1,423.02</u>	34,464,889
[Over £88,000 & up to £120,000]	Band E	1,739.25	1,739.25	45,736,266
[Over £120,000 & up to £160,000]	Band F	2,055.47	2,055.47	34,809,600
[Over £160,000 & up to £320,000]	Band G	2,371.70	2,371.70	33,404,244
[Over £320,000]	Band H	2,846.04	2,846.04	9,806,116
				195,588,566

COUNCIL TAXBASE

Council Taxbase	2009/2010	2010/2011	
	Band D Equivalents	Band D Equivalents	Income
Total properties (per Valuation List)	160,013	160,835	228,871,581
Exemptions	(5,007)	(4,149)	(5,904,110)
Disabled reductions	(122)	(124)	(176,454)
Discounts (10%, 25% & 50%)	(13,779)	(13,777)	(19,604,947)
Adjustments	(2,692)	(3,478)	(4,949,264)
Aggregate Relevant Amounts	138,413	139,307	198,236,806
Non-Collection (1.5% both years)	(2,076)	(2,089)	(2,972,689)
Contributions in lieu from MoD	268	228	324,449
	136,605	137,446	195,588,566

2010/11 Budget Summary and Forward Plan

Adult Social Services	2010/11	2011/12	2012/13	2013/14	2014/15
	£	£	£	£	£
Base Budget	90,735,060	96,233,460	98,685,990	101,047,820	102,907,160
Virements	390,950				
Pay Awards	191,130	202,140	204,160	418,530	428,990
Standard Inflation - Expenditure	0	1,759,220	1,803,200	1,848,280	1,894,490
- Income	0	(387,830)	(397,530)	(407,470)	(417,660)
	91,317,140	97,806,990	100,295,820	102,907,160	104,812,980
Full Year Effects					
Support People (ABG)	7,803,450				
2009-10 pay award	(191,130)				
	7,612,320	0	0	0	0
Efficiencies					
Promoting Independent Living. Development of Supporting Living Accommodation to enable 60 individuals to move from more expensive Residential Care settings	(250,000)	(250,000)			
Efficiencies generated through more cost effective commissioning of services to promote Choice and Independence	(182,000)				
Residential Care. The Care Funding Calculator (CFC) is a widely accepted tool for determining the fair price of residential care based on the needs of an individual. Adult Social Services have already generated savings through the application of the CFC but believe there is more scope to generate further savings	(250,000)				
Enablement. The development of short-term, high intensity support and care, structured to avoid the development of long-term dependency.	(884,000)	(400,000)	(200,000)		
Reconfiguration of catering arrangements within Learning Disability In-house Day Services. Day services provide a separate hot meals service across three sites. As more people are spending time out in the community, the number of people wanting a hot meal is reducing.	(36,000)				
Learning Disabilities In-House Service (3% Efficiency Target). Efficiencies generated through a reduction in contract payments to Notting Hill Housing for the provision of premises as part of the New Choices programme and more effective utilisation of resources to achieve positive outcomes for service users.	(165,000)				

2010/11 Budget Summary and Forward Plan

Adult Social Services	2010/11	2011/12	2012/13	2013/14	2014/15
	£	£	£	£	£
Reduction in care package costs through more targeted investment in preventative services. Implementation of the Prevention Framework for Adult Social Services through remodelling third sector contracts to be outcomes based and awarded based on open competitive procurement approach. For 2010/11 proposals are for a proportionate amount of overall savings across the grant funded sector through performance and Value For Money review of each agreement	(165,000)				
More Efficient Use of Workforce - Reducing staff spend through better absence and vacancy management. Tightening arrangements for the use of consultants and agency staff	(130,000)				
Business Process Efficiencies. More effective case reviews to ensure care packages are being delivered in the most cost effective manner	(50,000)				
Mental Health Trust - Application of 1.5% efficiency target. Barnet, Enfield and Haringey Mental Health Trust (MHT) manages mental health social care services for the Council. Each year NHS providers are required to deliver cash releasing efficiency savings. This efficiency target relates to the social care element of the activity of the MHT in Barnet	(40,000)				
Transport Efficiencies. Ensuring existing transport contracts are more effectively utilised	(30,000)				
<u>Future Shape</u>					
Remodelling performance and supply management functions as part of the Future Shape and Choice and Independence programmes	(300,000)				
Deployment of £200,000 of Social Care Reform (Transformation) grant to align social care transformation with the implementation of the Future Shape proposals. This grant ceases in 2011/12, and should lead to the identification of further Future Shape savings for Adult Social Services for 2011/12 budget	(200,000)	200,000			
	(2,682,000)	(450,000)	(200,000)	0	0
<u>Income</u>					
Additional Income generated through more efficient processes. Full year effect of improvements made to financial assessment processes which have led to income being generated in a more timely manner, in particular ensuring that all individuals eligible for contributing to residential care are assessed and billed in a timely manner	(297,000)				

2010/11 Budget Summary and Forward Plan

Adult Social Services	2010/11	2011/12	2012/13	2013/14	2014/15
	£	£	£	£	£
Income inflation on client fees and other non-grant income. Additional income generated through: a) raising charges by 2% and b) increases in residential care home income resulting from rises in pension credits	(255,000)				
	(552,000)	0	0	0	0
<u>Service Reductions</u>					
Contribution of 2009/10 underspend (one-off only). Non-recurrent efficiencies of £377,000 have been generated in 2009/10. This will provide a one-off contribution to the 2010/11 budget	(377,000)	377,000			
Supplies and Services - 10% reduction in controllable budgets. This is based on a 10% budget reduction across stationery; advertising; magazine subscriptions etc. budgets and will necessitate Adult Social Services ensuring that all spend on these non-care items is on London Borough of Barnet contracts.	(68,000)				
	(445,000)	377,000	0	0	0
<u>Pressures</u>					
Transitions from Children's Service to Adult Social Services. In 2010/11, there are 8 named individuals with social care needs identified due to become 18 years old with indicative transition plans for which estimated costs are known. These individuals will become the responsibility of Adult Social Services through 2010/11 as and when they turn 18, and as a result the full year impact of these transitions will not be recognised until 2011/12	523,000	952,000	952,000		
Sheltered Housing - The implementation of the new remodelled support service for people living in sheltered housing will not be put in place following legal challenge. Therefore the full year effect saving of £400k associated with this implementation will not be realised in 2010/11	400,000				
Asylum Seekers. Additional housing costs resulting from responsibility transferring from Housing Revenue Account following Slough Judgement	60,000				
	983,000	952,000	952,000	0	0
Budget	96,233,460	98,685,990	101,047,820	102,907,160	104,812,980

Revenue Budget 2010-11

Adult Social Services

Cost centre	2009/10 Original Estimate	2009/10 Current Estimate	2010/11 Original Estimate
Performance & Supply Management Division			
Divisional Management & Support	2,438,860	853,645	1,548,990
Business Improvement	1,151,150	1,147,590	1,156,240
Customer Financial Affairs	559,350	710,380	563,260
Supply Management	1,395,860	1,624,020	1,634,610
Training & Workforce Development	597,350	596,950	561,900
	6,142,570	4,932,585	5,465,000
Strategic Commissioning & Transformation			
Divisional Management & Support	234,020	233,580	235,130
Campus Reprovisioning	0	128,750	211,810
Strategic Commissioning	1,931,450	3,342,120	3,335,240
Supporting People	6,950,390	7,288,830	6,401,830
Transformation	205,130	1,179,580	922,990
	9,320,990	12,172,860	11,107,000
Care Services Delivery			
Divisional Management & Support	702,710	759,960	764,710
Older Adults & Physical Disabilities			
Externally Purchased Services	36,612,600	37,025,240	35,437,540
Direct Payments	4,184,130	5,131,970	5,081,970
Complex Planning & Ongoing Support	2,876,730	2,878,410	2,903,180
Access	1,742,010	1,739,210	1,754,450
Enablement and Rehabilitation	1,924,240	1,068,740	1,076,450
Other Services	692,670	558,635	718,440
Barnet Independent Living Service	660,420	650,020	651,920
Learning Disabilities			
Externally Purchased Services	19,305,320	19,015,280	18,659,660
In House Services	5,442,880	5,186,885	5,177,330
Assessment & Care Management	823,590	763,370	771,120
Direct Payments	316,200	1,032,810	1,032,810
Mental Health			
Externally Purchased Services	4,112,750	4,163,980	4,142,680
Mental Health Trust Partnership	2,716,050	2,589,520	2,557,980
Other Services	1,121,530	507,950	633,300
Assessment & Care Management	485,320	361,320	315,940
Direct Payments	70,800	91,800	91,800
	83,789,950	83,525,100	81,771,280
Government Grants			
Specific Government Grants (exc. ABG)	(8,518,450)	(9,524,215)	(2,109,820)
	(8,518,450)	(9,524,215)	(2,109,820)
Total	90,735,060	91,106,330	96,233,460

Subjective Analysis	2009/10 Original Estimate	2009/10 Current Estimate	2010/11 Original Estimate
Employee Related	20,747,150	21,078,010	20,964,115
Premises Related	393,480	344,110	344,110
Transport Related	1,614,630	1,617,030	1,587,030
Supplies and Services	13,700,940	13,403,730	13,403,560
Third Party Payments	74,709,620	72,295,720	70,886,010
Transfer Payments	3,855,920	5,232,610	5,182,610
Capital Charges	291,960	0	0
Secondary Recharges	0	6,740	0
Expenditure Total	115,313,700	113,977,950	112,367,435
Government Grants	(8,518,450)	(9,524,200)	(2,109,815)
Other Grants, Reimbursements & Contribs	(4,209,640)	(4,094,430)	(4,094,430)
Customer & Client Receipts	(11,850,550)	(9,252,990)	(9,929,730)
Total Income	(24,578,640)	(22,871,620)	(16,133,975)
Net Expenditure	90,735,060	91,106,330	96,233,460

2010/11 Budget Summary and Forward Plan

Central Expenses	2010/11	2011/12	2012/13	2013/14	2014/15
	£	£	£	£	£
Original Budget	33,185,810	53,875,730	61,574,550	65,341,350	67,706,970
Virements	13,664,380				
Pay Awards	1,880	1,990	2,010	4,120	4,220
Standard Inflation - Expenditure - Income	0	755,580	774,470	793,830	813,680
Levies	230,010				
	47,082,080	54,633,300	62,351,030	66,139,300	68,524,870
Full Year Effects					
2009-10 pay award	(1,880)				
	(1,880)	0	0	0	0
Efficiencies					
Reduction in External Audit Fees.	(150,000)				
Future Shape. Consolidating corporate support functions and improvements to commercial activities in line with Future Shape recommendations	(3,000,000)				
	(3,150,000)	0	0	0	0
Service Reductions					
North London Waste Authority Levy. change in levy due to increase in landfill tax rates and other operational costs, including a new formula for sharing waste disposal costs between the member boroughs. 2010/11 reduction due to one-off use of reserves.	(405,870)	2,351,000	790,320	(1,032,330)	
Local Authority Business Growth Incentive scheme.	(400,000)	400,000			
London Pension Fund Authority Levy	(27,710)				
London Boroughs Grant Scheme	(3,490)				
Traffic Control Systems Unit (TCSU)	(1,680)				
	(838,750)	2,751,000	790,320	(1,032,330)	0
Pressures					
General provision for pressures in service areas that cannot be contained. The contingency makes provision for unforeseen expenditure and service pressures arising in-year that cannot be contained within base budgets. Specific provision has been made for the impact of volatility in energy price increases	1,050,000				
Free Personal Care at Home - Contingency to fund any additional costs resulting from Personal Care At Home Bill	850,000	850,000			
2011 Census	80,000				
Increase in capital financing costs resulting from capital programme commitments and changes in the minimum revenue repayment regulations	739,660	1,500,000			

2010/11 Budget Summary and Forward Plan

Central Expenses	2010/11	2011/12	2012/13	2013/14	2014/15
	£	£	£	£	£
Pension Fund – employer's contribution increase. Third year of phasing in the increase in the employer's contribution rate as set out in the actuarial valuation 2007.	855,000				
Pension Fund – employer's contribution increase. Contingent provision for actuarial valuation 2010 assuming need to increase contributions threefold following fall in financial		2,500,000	2,500,000	2,500,000	
Increase in concessionary fares levy due to the increase in the number of Freedom passes issued to Barnet residents and the cost of extending the scheme for elderly pass holders into the morning peak. Additional pressure due to loss of government grant for new national concessionary bus travel scheme	1,664,440	100,000	400,000	400,000	500,000
London Pension Fund Authority Sub-fund Deficit charge	120,380	80,250			
Changes in Housing Benefit subsidy regulations from April 2010 will see tighter restrictions on the level of rents that can be charged and thus income to the council. The budgetary impact of this change will be phased in over two years with half of the first year's cost being met from reserves	880,000	300,000	300,000	(300,000)	
The Mayor of London has introduced a supplementary business rates levy of 2p on larger businesses to help fund Crossrail. This sum represents the additional business rates that will be due on Council owned properties	142,000				
The Future Shape programme and workforce review will involve significant restructuring and reorganisation costs. The costs arising in 2010/11 will be met from reserves	2,000,000	(2,000,000)			
There will be some costs associated with taking forward the Future Shape programme, including programme office set up and running costs, preparation of business cases and other project related costs	3,000,000	(2,000,000)	(1,000,000)		
2007 Local Area Agreement Performance Reward Grant contribution to the cost of Future Shape	(1,500,000)	1,500,000			
Provision for reduction in income to the Planning, Housing & Regeneration service due to the recession. Contingency provision for reduction in income relating to future income land and planning charges as a result of the recession	500,000				
The Chancellor has announced that employer's National Insurance Contributions will increase by a total of 1% from 1 April 2011.		1,000,000			

2010/11 Budget Summary and Forward Plan

Central Expenses	2010/11	2011/12	2012/13	2013/14	2014/15
	£	£	£	£	£
Carbon Reduction Commitment scheme. Contingent provision for loss on trading of carbon credits.		300,000			
NLBP Rent Free Period Ends. This reflects the rent free period as negotiated with Middlesex University on our occupation of Building 2 at NLBP	390,000	60,000			
Net increase in subscriptions due to reduction in income from the London Housing consortium due to the recession in the building industry.	5,800				
Coroners Court Accomodation	7,000				
	10,784,280	4,190,250	2,200,000	2,600,000	500,000
Budget	53,875,730	61,574,550	65,341,350	67,706,970	69,024,870

Revenue Budget 2010-11

Central Expenses

Cost centre	2009/10 Original Estimate	2009/10 Current Estimate	20010/11 Original Estimate
10014 Unison	200,940	219,660	219,880
10015 Corporate Subscriptions	308,420	308,420	314,220
10016 Levies	22,859,970	22,859,970	24,443,050
10017 Central Contingency	4,979,400	1,783,800	7,028,100
10018 Rate Relief	433,300	433,300	433,300
10019 Capital Financing	(3,870,810)	14,979,010	15,718,670
10699 Early Retirement	5,003,700	5,003,720	7,003,720
10700 Corporate Fees & Charges	748,940	748,940	598,940
10718 Car Leasing	2,210	2,210	2,210
11121 Miscellaneous Finance	2,519,740	13,660	(386,360)
11231 Future Shape Net Project Cost	0	0	1,500,000
11231 Future shape savings	0	0	(3,000,000)
* Total	33,185,810	46,352,690	53,875,730

Subjective Analysis	2009/10 Original Estimate	2009/10 Current Estimate	20010/11 Original Estimate
Employee Related	5,204,640	5,204,580	7,206,460
Premises Related	12,920	3,770	3,770
Transport Related	2,210	2,210	2,210
Supplies and Services	1,623,300	1,258,310	1,112,430
Third Party Payments	22,859,970	23,025,800	25,488,880
Transfer Payments	431,180	431,180	431,180
Contingency	4,979,400	1,783,800	7,028,100
Capital Financing Costs	(785,600)	15,785,250	17,144,910
Future shape savings to be allocated	0	0	(3,000,000)
Expenditure Total	34,328,020	47,494,900	55,417,940
Government Grants	0	0	(400,000)
Other Grants, Reimbursements & Contribs	(18,130)	(18,130)	(18,130)
Bad Debt Write Off / Reserves	176,040	176,040	176,040
Interest	(1,300,120)	(1,300,120)	(1,300,120)
Total Income	(1,142,210)	(1,142,210)	(1,542,210)
Net Expenditure	33,185,810	46,352,690	53,875,730

Revenue Budget 2010/11

CENTRAL EXPENSES

Levies	2009/10 Original Estimate	2009/10 Current Estimate	2010/11 Original Estimate
	£	£	£
<u>Other Establishments - Third part Payments</u>			
Thames 21	5,380	5,380	5,520
Probation Service - Justices of the Peace	830	830	850
Environment Agency	273,880	273,880	280,730
Lea Valley Regional Park	419,950	419,950	428,350
London Pension Funds	694,330	694,330	787,000
Traffic Control Signals Unit	439,440	439,440	437,760
Concessionary Fares	8,365,690	8,365,690	11,162,280
Concessionary Fares Reserve	923,010	923,010	0
	11,122,510	11,122,510	13,102,490
<u>Joint Authorities - Third Party Payments</u>			
North London Waste Authority	10,369,950	10,369,950	9,964,080
Coroners Court	218,530	218,530	230,990
	10,588,480	10,588,480	10,195,070
<u>Other Local Authorities - Third Party</u>			
London Boroughs Grants	1,148,980	1,148,980	1,145,490
Total Levies	22,859,970	22,859,970	24,443,050

2010/11 Budget Summary and Forward Plan

Chief Executive and Strategy	2010/11	2011/12	2012/13	2013/14	2014/15
	£	£	£	£	£
Base Budget	2,823,720	2,631,500	2,662,210	2,693,320	2,750,290
Virements	40,780				
Pay Awards	22,910	24,230	24,470	50,160	51,410
Standard Inflation - Expenditure		9,980	10,230	10,490	10,750
- Income		(3,500)	(3,590)	(3,680)	(3,770)
	2,887,410	2,662,210	2,693,320	2,750,290	2,808,680
Full Year Effects					
2009-10 pay award	(22,910)				
	(22,910)	0	0	0	0
Efficiencies					
Savings from reducing spend on non-salary budgets including training, travel expenses, postage, etc.	(20,000)				
	(20,000)	0	0	0	0
Service Reductions					
Reduction in spend on Barnet First by a third	(30,000)				
Reduce 3 posts across teams in the Chief Executive's Service: in the insight team, performance management team and media team	(127,000)				
Cease Council funding for 2 policy analyst posts jointly funded with the Primary Care Trust (PCT)	(33,000)				
Stop centrally funded non-statutory consultation activity	(70,000)				
	(260,000)	0	0	0	0
Pressures					
Additional costs of Geographic Information Service licenses and maintenance and renewal of mapping services agreement.	27,000				
Shortfall against GIS income target due to impact of economic climate on housing development in the borough	20,000				
	47,000	0	0	0	0
Budget	2,631,500	2,662,210	2,693,320	2,750,290	2,808,680

Revenue Budget 2010-11

Chief Executive and Strategy

Cost centre	2009/10 Original Estimate	2009/10 Current Estimate	20010/11 Original Estimate
10377 Web Team	208,230	186,570	145,990
10683 Local Partnerships	347,790	705,890	255,750
10685 Consultation	127,880	127,820	58,260
10689 Communications	465,350	463,220	435,830
11051 Information Observatory	393,310	394,890	441,030
11056 Business Improvement	282,140	331,560	297,760
* Communications	1,824,700	2,209,950	1,634,620
10398 Civic Events	76,590.00	75,980.00	71,730.00
* Civic Events	76,590	75,980	71,730
10392 Mayoral Support	172,500	170,620	171,650
* Mayoral	172,500	170,620	171,650
10397 Municipal Links	9,240	9,240	9,240
* Municipal Links	9,240	9,240	9,240
** Communications & Consultation	2,083,030	2,465,790	1,887,240
10682 Executive Directors	740,690	737,660	744,010
11140 Future Shape Programme	0	160,270	250
** Strategic Directors'	740,690	897,930	744,260
*** Total	2,823,720	3,363,720	2,631,500

Subjective Analysis	2009/10 Original Estimate	2009/10 Current Estimate	20010/11 Original Estimate
Employee Related	2,475,960	2,683,990	2,349,960
Premises Related	2,580	2,540	2,130
Transport Related	36,550	36,550	34,050
Supplies and Services	509,520	1,080,129	448,690
Capital Charges	22,440		
Secondary Recharges	(77,660)	(120,880)	(121,510)
Expenditure Total	2,969,390	3,682,329	2,713,320
Government Grants	0	(216,789)	0
Customer & Client Receipts	(101,820)	(101,820)	(81,820)
Recharges	(43,850)		
Total Income	(145,670)	(318,609)	(81,820)
Net Expenditure	2,823,720	3,363,720	2,631,500

2010/11 Budget Summary and Forward Plan

Children's Service	2010/11	2011/12	2012/13	2013/14	2014/15
	£	£	£	£	£
Base Budget	57,820,300	49,044,810	49,790,930	50,565,220	51,692,750
Virements	(7,679,500)	0	0	0	0
Pay Awards	304,940	322,500	325,730	667,750	684,440
Standard Inflation - Expenditure		649,660	665,900	682,550	699,610
- Income		(212,040)	(217,340)	(222,770)	(228,340)
Non-Schools Standard Inflation - Expenditure					
	50,445,740	49,804,930	50,565,220	51,692,750	52,848,460
Full Year Effects					
January Guarantee	20,010				
Learning Skills Council - Transfer of Function	257,000				
2009-10 pay award	(304,940)				
	(27,930)	0	0	0	0
Efficiencies					
Reduction in agency and consultant's costs	(40,000)				
Restructure early intervention and prevention services (Building Resilience, Supporting Independence [BRSI]) A package of efficiency measures to reduce costs of supplies and services, staffing and maintenance.	(111,000)				
Restructure early intervention & prevention services (BRSI). A package of measures to refocus the future commissioning budget.	(249,000)				
Connexions Service efficiencies to reduce cost of commissioned service. Retendering contracts and reduction in premises costs.	(42,000)				
Connexions Service - restructure service	(155,000)				
Youth Offending Service budget realignment. Reduction in agency staff and administration costs.	(35,000)				
Reduction in Supplies and Services across all service areas.	(160,000)				
Restructure Conference and Review team.	(14,000)				
Restructure Support Functions. The further integration of support functions across the Children's service.	(380,000)				
Improve management of the administration of external grants.	(270,000)				
Reduce centrally retained budgets in Dedicated Schools Grant and replace with eligible spend currently in general fund	(253,000)				
Senior Management Team restructure	(80,000)				
	(1,789,000)	0	0	0	0
Income					
Increased Traded Services income	(196,000)				
Catering increased charges	(57,000)				
	(253,000)	0	0	0	0

Children's Service	2010/11	2011/12	2012/13	2013/14	2014/15
<u>Service Reductions</u>					
Education Business Partnership. To develop as a traded service to schools	(90,000)				
Reduce building maintenance budget for Youth Centre	(11,000)				
Reduce cost of essential car allowance and school bus travel	(76,000)	(14,000)			
Schools and Learning. Restructuring of provision of support to primary and secondary schools	(198,000)				
Restructure School Improvement Strategy, Standards and Early Years service. Refocus school improvement service	(253,000)				
Reduce Schools Causing Concern budget	(50,000)				
Reduce schools information service	(40,000)				
To increase the contribution of the Primary Care Trust (PCT) towards the cost of Children & Adolescent Mental Health Services (CAMHS) team	(83,000)				
Restructure the Educational Psychology team	(66,000)				
	(867,000)	(14,000)	0	0	0
<u>Pressures</u>					
Above inflation Increases in contracts	30,000				
Local Safeguarding Board Costs. Costs of implementing the Laming Review	39,000				
Contribution to support the Building Schools for the Future Programme	250,000				
Contact Point. Local implementation of children's information database and improving outcomes for vulnerable children and young people.	90,000				
Additional Children in Need team to address increased volume of referrals, assessment and child protection plans.	233,000				
Social Care Workforce- funding to implement Market Factor Payments and regrading of social care staff.	434,000				
Increase in the cost of Children in care placements	460,000				
	1,536,000	0	0	0	0
Budget	49,044,810	49,790,930	50,565,220	51,692,750	52,848,460

Revenue Budget 2010-11

Children Service- General Fund			
Cost centre	2009/10 Original Estimate	2009/10 Current Estimate	20010/11 Original Estimate
*** Children's Service Management Team	888,140	887,740	1,260,010
**** Children's Service Management	888,140	887,740	1,260,010
*** Safeguarding & Social Care	274,380	40,860	674,460
*** Social Care- including children in care placements	20,528,700	20,722,440	21,093,360
*** Supporting Families	4,240,840	4,500,830	4,605,000
*** Building Resilience and Supporting Independence	3,199,290	1,918,310	1,342,470
*** Safeguarding	925,800	956,930	982,070
**** Safeguarding & Social Care	29,169,010	28,139,370	28,697,360
*** Youth Offending Service	430,160	597,810	556,030
*** Inclusion Management	116,310	102,080	95,850
*** Admissions to Schools	192,140	166,390	140,830
*** Attendance at Schools	622,900	621,840	626,490
*** Complex Needs	8,119,120	8,127,740	8,053,390
*** Youth & Connexions	4,620,660	4,540,130	4,339,880
*** Voice of the Child	113,310	113,070	113,750
**** Inclusion	14,214,600	14,269,060	13,926,220
*** Schools & Learning Managemet	240,020	240,020	190,020
*** Challenge & Intervention	685,290	900,070	788,750
*** Support & Development	1,281,020	1,346,100	852,030
*** Access to Learning	1,033,480	1,103,800	974,170
**** Schools & Learning	3,239,810	3,589,990	2,804,970
*** Partnership, Performance & Planning	115,900	115,690	111,240
*** Children's Service Finance	8,054,750	624,538	538,980
*** Organisational Development	1,593,330	1,602,910	1,351,700
*** CS Research & Management Information	345,980	345,330	314,710
*** Schools Catering	(63,800)	(66,040)	(99,200)
*** CS Capital Programme	304,400	575,550	262,460
**** Partnership, Performance & Planning	10,350,560	3,197,978	2,479,890
***** Total Children's Service General Fund	57,862,120	50,084,138	49,168,450

Children Service- Schools Budget			
Cost centre	2009/10 Original Estimate	2009/10 Current Estimate	20010/11 Original Estimate
*** Children's Service Management- Every Child Matters	0	0	171580
**** Children's Service Management	0	0	171580
*** Social Care Division Management Team	389,310	389,310	392,750
*** Building Resilience and Supporting Independence	306,480	471,250	609,000
**** Safeguarding & Social Care	695,790	860,560	1,001,750
*** Inclusion- Invest to Save	496,560	498,500	455,190
*** Admissions to Schools	435,010	435,010	436,590
*** Complex Needs	13,350,120	13,278,590	13,731,010
*** Pupil Referral Units	1,470,090	1,480,160	1,513,650
**** Inclusion DSG	15,751,780	15,692,260	16,136,440
*** Challenge & Intervention	531,820	535,300	491,230
*** Access to Learning	651,230	654,500	568,940
**** Schools & Learning	1,183,050	1,189,800	1,060,170
*** Retained Budgets & Payments to PVI's for 3&4 Yr olds	5,402,370	5,002,526	6,198,420
*** Organisational Development	221,690	221,690	223,680
**** Partnership, Performance & Planning	5,624,060	5,224,216	6,422,100
** Individual Schools Budget	203,618,440	204,930,624	213,808,610
** Learning and Skills Council Grant	(24,829,210)	(25,694,178)	(25,307,560)
**** Dedicated Schools Grant	(202,085,730)	(202,260,730)	(213,416,730)
***** Total Schools Budget	(41,820)	(57,448)	(123,640)
***** Total Children's Service	57,820,300	50,026,690	49,044,810

Notes:

"Dedicated Schools Grant" is a grant paid to a local education authority by the Secretary of State under section 14 of the 2002 Act. The Grant will be paid as a ring-fenced specific grant and must be used in support of the Schools Budget as defined in the School Finance (England) Regulations 2008 and can be used for no other purpose. The schools finance regulations provide some limited flexibility to enable contributions to combined services budgets to be charged to the centrally retained element of the schools budget

The amounts per pupil underpinning the overall grant allocation are set by the government each year in advance but the pupil numbers are estimated as at January. The Actual grant will be notified in May, based on the actual Pupil Level Annual School Census (PLASC) and other census numbers for the preceding January.

The School Library Service is also funded from the Schools Budget and this is incorporated in the Resources budget (£42,750 2010-11) along with additional insurance budget and central support costs which are held within central expenses and Resources (£80,890).

Children's Service - General Fund Subjective Analysis

Subjective Analysis	2009/10 Original Estimate	2009/10 Current Estimate	2010/11 Original Estimate
	£	£	£
Expenditure			
Employees	36,361,864	37,592,035	36,922,970
Premises	794,920	721,380	659,170
Transport	4,265,140	4,328,021	4,251,471
Supplies and Services	13,492,617	14,838,240	17,819,943
Third Party Payments	14,472,896	16,410,463	15,240,683
Transfer Payments	3,158,045	841,794	700,880
Capital Financing Costs	0	0	0
Capital Depreciation Charges	8,205,400	0	250,000
Secondary Recharges	304,610	623,410	334,610
Total Expenditure	81,055,492	75,355,343	76,179,727
Income			
Government Grants	(11,381,574)	(12,927,186)	(14,614,994)
Other Grants, Reimbursements and Contributions	(1,008,141)	(1,548,002)	(1,274,031)
Customer and Client Receipts	(10,803,657)	(10,796,012)	(11,122,252)
Total Income	(23,193,372)	(25,271,200)	(27,011,277)
Net Expenditure	57,862,120	50,084,143	49,168,450

Children's Service - Schools Budget - Subjective Analysis

Subjective Analysis	2009/10 Original Estimate	2009/10 Current Estimate	2010/11 Original Estimate
	£	£	£
Expenditure			
Employees	199,683,108	197,764,230	205,408,400
Premises	13,456,255	13,326,946	13,814,112
Transport	502,568	497,738	515,933
Supplies and Services	28,882,728	28,603,936	29,650,838
Third Party Payments	24,098,196	23,778,652	24,680,509
Transfer Payments	1,081,916	1,071,519	1,110,688
Capital Financing Costs	0	0	0
Capital Depreciation Charges	0	0	0
Secondary Recharges	0	1,240	0
Total Expenditure	267,704,770	265,044,261	275,180,480
Income			
Government Grants	(266,480,290)	(263,464,389)	(273,675,730)
Other Grants, Reimbursements and Contributions	(1,254,300)	(1,631,320)	(1,628,390)
Customer and Client Receipts	(12,000)	(6,000)	0
Total Income	(267,746,590)	(265,101,709)	(275,304,120)
Net Expenditure	(41,820)	(57,448)	(123,640)

2010/11 Budget Summary and Forward Plan

Commercial Services	2010/11	2011/12	2012/13	2013/14	2014/15
	£	£	£	£	£
Base Budget	11,485,020	9,594,790	9,780,450	9,971,270	10,201,480
Virements	(1,596,230)	0	0	0	0
Pay Awards	31,630	33,450	33,780	69,250	70,980
Standard Inflation - Expenditure		258,399	264,860	271,480	278,270
- Income		(105,190)	(107,820)	(110,520)	(113,280)
	9,920,420	9,781,450	9,971,270	10,201,480	10,437,450
Full Year Effects					
2009-10 pay award	(31,630)				
	(31,630)	0	0	0	0
Efficiencies					
Savings from a review of the couriers/ libraries drivers service.	(15,000)				
Savings from surrender of the Friern Park	(49,500)				
	(64,500)	0	0	0	0
Income					
Increased property rent income above forecast inflation.	(60,000)				
Stag House - rentail income from short term lease rental.	(50,000)				
Increased Income from room lettings at Hendon Town Hall.	(2,500)	(1,000)			
	(112,500)	(1,000)	0	0	0
Service Reductions					
Reduction in Library Caretakers posts	(50,000)				
Reduction in Repairs and Maintenance Budget at Mill Hill Depot.	(67,000)				
	(117,000)	0	0	0	0
Budget	9,594,790	9,780,450	9,971,270	10,201,480	10,437,450

Revenue Budget 2010-11

Commercial Services

Cost centre	2009/10 Original Estimate	2009/10 Current Estimate	20010/11 Original Estimate
Project Consultancy	0	91,180	92,030
Corporate Procurement	464,600	490,390	494,930
Corporate Grants	1,393,450	1,318,150	1,319,170
Property services	(198,330)	(539,670)	(593,780)
Operational Estate	9,654,260	8,238,500	8,002,800
Document Production & Management	74,920	61,920	67,130
Asset Management	96,120	208,460	212,510
Total	11,485,020	9,868,930	9,594,790

Subjective Analysis	2009/10 Original Estimate	2009/10 Current Estimate	20010/11 Original Estimate
Employee Related	3,189,350	3,349,450	3,316,400
Premises Related	8,046,970	8,488,810	7,920,470
Transport Related	55,760	40,440	40,440
Supplies and Services	2,769,380	2,952,260	2,679,010
Transfer Payments	14,400		
Capital Charges	1,646,130		
Secondary Recharges	(1,232,370)	(1,821,350)	(1,246,660)
Expenditure Total	14,489,620	13,009,610	12,709,660
Other Grants, Reimbursements & Contribs	(61,500)	(61,500)	(61,500)
Customer & Client Receipts	(2,943,090)	(3,079,170)	(3,053,360)
Recharges	(10)	(10)	(10)
Total Income	(3,004,600)	(3,140,680)	(3,114,870)
Net Expenditure	11,485,020	9,868,930	9,594,790

2010/11 Budget Summary and Forward Plan

Corporate Services & Finance	2010/11	2011/12	2012/13	2013/14	2014/15
	£	£	£	£	£
Base Budget	26,136,100	26,042,050	25,092,880	25,309,730	25,860,890
Virements	(974,550)	0	0	0	0
Pay Awards	204,520	216,300	218,460	447,840	459,040
Standard Inflation - Expenditure		4,754,071	4,872,920	4,994,740	5,119,610
- Income		(4,639,541)	(4,755,530)	(4,874,420)	(4,996,280)
	25,366,070	26,372,880	25,428,730	25,877,890	26,443,260
Full Year Effects					
2009-10 pay award	(204,520)				
	(204,520)	0	0	0	0
Efficiencies					
Phased staffing reduction, (1 post) to align with transfer of the Student Finance function to central government	(30,000)	(30,000)	(30,000)		
Staff efficiencies					
Reorganisation - Librarians & Operations Team	(60,000)				
Merge Archives facility with Hendon Library	(14,000)				
Reorganisation of Bibliographic Services Centre	(32,000)	(32,000)			
Reduce Recruitment Advertising Spend.	(85,000)				
Information Systems (IS) Managed Service Contract savings.	(250,000)				
Telephone call cost reduction.	(50,000)				
Operational Efficiencies. Car allowances / transport costs.	(50,000)				
Savings from combined management of OD and change budgets	(115,000)				
Shared Registration Service with Brent Council	(33,000)	(40,000)	(20,000)		
Reduction in lease costs of secure cash collection vans.	(40,000)				
Reduction in Library Media Fund and on low demand Library Stock	(40,000)	(10,000)	(10,000)		
	(799,000)	(112,000)	(60,000)	0	0
Income Generation					
Secure cash collection increase in income.	(100,000)				
Recharge of secure cash collection service to schools.					
	(100,000)	0	0	0	0
Service Reductions					
Delete Customer Service Officer post (cashiers cover). Dependent on implementation of pay.net	(31,000)				

Corporate Services & Finance	2010/11	2011/12	2012/13	2013/14	2014/15
Finance staff reductions. Efficiency generated through more streamlined and process related structure of shared and strategic finance	(125,000)				
Information Systems (IS). Deletion of vacant Infrastructure Posts	(147,000)				
	(303,000)	0	0	0	0
Pressures					
Design, delivery and implementation of an E-recruitment system to reduce time to hire.	75,000				
IT- business continuity - move to commercial data centre (capital investment requirement of £0.480m)	130,000	20,000			
Additional staffing at Burnt Oak, to reflect increased usage.	135,000				
Library income target deficit.	134,000				
Human Resources pressure for cost of managing Voluntary Redundancy exercise and other staff changes.	300,000	(300,000)			
Reduction in Government's Housing Benefit Administration Subsidy.	368,500				
Local Tax and Benefits System replacement. Support costs during implementation	940,000	(888,000)	(59,000)	(17,000)	(19,000)
	2,082,500	(1,168,000)	(59,000)	(17,000)	(19,000)
Budget	26,042,050	25,092,880	25,309,730	25,860,890	26,424,260

Revenue Budget 2010-11

Corporate Service and Finance

Cost centre	2009/10 Original Estimate	2009/10 Current Estimate	2010/11 Original Estimate
Corporate Services Management Team	727,050	510,250	620,530
Performance and Business Support	0	229,080	301,590
Customer Services	1,506,560	1,376,220	1,427,370
Registration	(36,180)	(35,470)	(74,970)
Libraries Service	6,744,220	6,510,750	6,502,660
Organisational Development	428,810	45,310	0
Human Resources	1,579,390	1,654,110	1,953,020
Information Systems	7,491,210	6,864,630	6,608,640
Revenues	4,796,020	4,776,140	5,970,300
Total	23,237,080	21,931,020	23,309,140

Cost centre	2009/10 Original Estimate	2009/10 Current Estimate	2010/11 Original Estimate
Finance Services	2,899,020	3,180,170	2,732,910
Total	2,899,020	3,180,170	2,732,910

Corporate Services & Finance	26,136,100	25,111,190	26,042,050
---	-------------------	-------------------	-------------------

Subjective Analysis	2009/10 Original Estimate	2009/10 Current Estimate	2010/11 Original Estimate
Employee Related	20,335,540	20,595,063	21,382,130
Premises Related	879,450	1,049,730	1,042,730
Transport Related	228,080	231,401	142,060
Supplies and Services	6,514,130	7,219,725	7,292,290
Transfer Payments	178,991,480	205,241,480	212,500,000
Capital Charges	1,938,280		
Secondary Recharges	(688,710)	(595,699)	(601,690)
Expenditure Total	208,198,250	233,741,700	241,757,520
Government Grants	(180,091,020)	(207,398,130)	(213,988,130)
Other Grants, Reimbursements & Contribs	(1,801,660)	(1,520,760)	(1,520,760)
Customer & Client Receipts	(3,068,490)	(2,891,790)	(2,939,490)
Total Income	(184,961,170)	(211,810,680)	(218,448,380)
Net Expenditure - corporate services	23,237,080	21,931,020	23,309,140

Subjective Analysis	2009/10 Original Estimate	2009/10 Current Estimate	2010/11 Original Estimate
Employee Related	2,944,510	3,323,750	2,883,520
Transport Related	11,970	2,630	2,630
Supplies and Services	132,560	106,780	106,780
Secondary Recharges	(190,020)	(252,990)	(260,020)
Expenditure Total	2,899,020	3,180,170	2,732,910
Total Income	0	0	0
Net Expenditure- finance services	2,899,020	3,180,170	2,732,910

Net Expenditure	26,136,100	25,111,190	26,042,050
------------------------	-------------------	-------------------	-------------------

0

0

0

2010/11 Budget Summary and Forward Plan

Corporate Governance	2010/11	2011/12	2012/13	2013/14	2014/15
	£	£	£	£	£
Base Budget	6,081,520	6,423,740	6,501,350	6,579,780	6,737,530
Virements	195,720				
Pay Awards	70,660	74,730	75,480	154,730	158,600
Standard Inflation - Expenditure		38,789	39,760	40,750	41,770
- Income		(35,909)	(36,810)	(37,730)	(38,670)
	6,347,900	6,501,350	6,579,780	6,737,530	6,899,230
Full Year Effects					
Members Allowances. An adjustment to a historic under budget was made in September 2009. This adjustment formalises that change in the base budget	104,000				
Capitalisation of salaries pressure base budget adjustment	100,000				
2009-10 pay award	(70,660)				
	133,340	0	0	0	0
Efficiencies					
Internal Audit (and Ethical Governance) - reduce middle management support.	(46,000)				
Deletion of post of Deputy Director of Corporate Governance.	(80,000)				
Corporate Anti-Fraud Team. General Efficiencies	(25,000)				
A 50% reduction in the Corporate Governance staff training budget	(34,000)				
Democratic Services:					
- Cut in overall expenditure of Leader's office	(10,000)				
- Printing saving	(20,000)				
- Re-organisation	(20,000)				
- Cut in budget for Member training	(5,000)				
	(240,000)	0	0	0	0
Pressures					
Income pressure. One of the targets is highly geared to the property market and related transactions. The downturn is severely impacting upon income.	150,000				
Reduction in Government's Housing Benefit Administration Subsidy.	32,500				
	182,500	0	0	0	0
Budget	6,423,740	6,501,350	6,579,780	6,737,530	6,899,230

Revenue Budget 2010-11

Corporate Governance

Cost centre	2009/10 Original Estimate	2009/10 Current Estimate	20010/11 Original Estimate
11112 Leader's Office	20,190	20,190	10,190
*** Leader's Office	20,190	20,190	10,190
11095 Performance and OD Team	287,370	286,750	254,700
*** Performance and OD Team	287,370	286,750	254,700
10379 Legal Services General	167,670	157,355	196,780
10380 Legal Advocacy Team	773,660	772,990	778,250
10381 Legal Commercial Team	231,610	131,040	285,460
10382 Legal Community	461,650	822,570	826,940
10869 BS-Barnet Homes Disbursements	(301,530)	(301,530)	(239,530)
*** Legal Services	1,333,060	1,582,425	1,847,900
10391 Democratic Services	889,000	863,970	830,720
* Committee Administration	889,000	863,970	830,720
10393 Members Development	64,970	67,850	62,600
10394 Cabinet Support	63,700	63,590	64,180
10395 Political Assistants	88,490	88,370	89,170
10396 Members Allowances	1,405,700	1,481,590	1,481,280
* Members' Support	1,622,860	1,701,400	1,697,230
** Committee Services	2,511,860	2,565,370	2,527,950
*** Democratic Svices	2,511,860	2,565,370	2,527,950
10383 Registration of Electors	316,860	313,440	318,380
10388 Municipal Elections	27,830	28,620	28,550
11163 Elections Project Team	185,000	186,870	188,240
** Elections	529,690	528,930	535,170
10400 Civil Protection	204,330	202,130	203,770
** Civil Protection	204,330	202,130	203,770
10002 CAFT	219,230	195,705	188,640
** Corporate Anti-Fraud Team	219,230	195,705	188,640
*** Operational Governance	953,250	926,765	927,580
10001 Internal Audit	516,220	513,680	472,410
*** Internal Audit	516,220	513,680	472,410
11096 Corporate Governance Directors	393,910	392,970	316,590
*** Corporate Governance Directors	393,910	392,970	316,590
11000 Insurance	65,660	(202,990)	66,420
**** Total	6,081,520	6,085,160	6,423,740

Subjective Analysis	2009/10 Original Estimate	2009/10 Current Estimate	20010/11 Original Estimate
Employee Related	6,650,180	6,926,000	6,768,670
Premises Related	11,880	10,200	10,200
Transport Related	26,670	22,780	13,510
Supplies and Services	965,820	1,208,390	1,206,650
Third Party Payments	250	250	250
Capital Charges	69,800	0	0
Secondary Recharges	(313,120)	(577,500)	(313,120)
Expenditure Total	7,411,480	7,590,120	7,686,160
Government Grants	(603,800)	(603,800)	(603,800)
Other Grants, Reimbursements & Contribs	(31,190)	(31,190)	(31,190)
Customer & Client Receipts	(637,310)	(712,310)	(607,770)
Recharges	(57,660)	(157,660)	(19,660)
Total Income	(1,329,960)	(1,504,960)	(1,262,420)
Net Expenditure	6,081,520	6,085,160	6,423,740

2010/11 Budget Summary and Forward Plan

Environment & Operations	2010/11	2011/12	2012/13	2013/14	2014/15
	£	£	£	£	£
Base Budget	33,363,770	28,442,230	28,795,590	29,114,280	29,614,500
Virements	(2,917,540)				
Pay Awards	158,520	167,650	169,330	347,130	355,810
Standard Inflation - Expenditure		343,890	352,490	361,300	370,330
- Income		(198,180)	(203,130)	(208,210)	(213,420)
	30,604,750	28,755,590	29,114,280	29,614,500	30,127,220
Full Year Effects					
2009-10 pay award	(158,520)				
	(158,520)	0	0	0	0
Efficiencies					
Reduction in posts in Trade Waste Service.	(124,000)				
Reduction in posts due to re-structure.					
Deletion of Personal Assistant to Chief Highways Officer. Work will be absorbed within the service	(33,000)				
Capitalise posts in Data Collection. Capitalise work to relevant capital projects.	(55,000)				
Save £1m on previous years overtime costs	(1,000,000)				
Reduction of staff in Highways Admin Team. Customer Relationship Management (CRM) and re-structure will reduce the number of posts required to provide service.	(60,000)				
Re-Profiling of Cost Centre 10617. The miscellaneous items in this cost centre have been re-profiled and linked to the appropriate cost centre with general supplies and services savings identified.	(59,000)				
Reduction in posts in the Performance and Development team. A new Capital Monitoring system and the development of the Highways Asset Management system will negate the need for an officer dedicated to Works Order Management (WOM) processes and developments.	(47,000)				
Reduction of staff within Street Scene Service. Reduction of posts within Town Keeper Service as a result of re-profiling service delivery.	(46,000)				
Reduction in posts within Trading Standards. Reduction of posts as a result of re-profiling of operations across the directorate.	(60,000)				
Reduction in posts within Licensing. Reduction of posts as a result of re-profiling of licensing enforcement processes across the partnership.	(117,000)				
Reduction in management across Community Protection Group. Reduction of post as a result of re-profiling of functions across the Community Protection Group.	(56,000)				
General supplies and services due to re-profiling	(3,000)				

Environment & Operations	2010/11	2011/12	2012/13	2013/14	2014/15
Reduction in posts in Priority Intervention Team. Reduction of post as a result of re-profiling of functions across group.	(40,000)				
Reduction in posts in Community Safety Team. Reduction of post as a result of re-profiling of functions across group	(16,000)				
Reduction in posts providing support to Community Protection Group	(93,000)				
Leisure Contract. A review of the Leisure Budgets and the new Copthall Stadium management contract have identified a saving of £87k in the contract sum budgets in 2010/11. There is clear scope for further budget reductions in future years.	(87,000)				
	(1,896,000)	0	0	0	0
Service Reductions					
Clothing / Equipment. Savings generated from combining of budgets.	(30,000)				
Winter Maintenance. Savings generated from combining of budgets.	(100,000)				
Street Scene. Savings generated from the on-going review of the Street Scene Service.	(85,000)				
	(215,000)	0	0	0	0
Pressures					
Enforcement and Investigations Manager	66,000				
Playbuilder	41,000	40,000			
	107,000	40,000	0	0	0
Budget	28,442,230	28,795,590	29,114,280	29,614,500	30,127,220

Revenue Budget 2010-11

Environment and Operations

Cost centre	2009/10 Original Estimate	2009/10 Current Estimate	2010/11 Original Estimate
10617 HD-Mngmnt & Perform	787,060	47,030	(130,630)
11200 E & T Directors	0	1,482,003	764,848
11209 Strategic Costs	0	408,920	359,260
* Management & Administration	787,060	1,937,953	993,478
** Management & Administration	787,060	1,937,953	993,478
10618 Highways Other	(527,090)	(732,834)	(783,724)
* Highways	(527,090)	(732,834)	(783,724)
10619 Drainage (Gully Cleansing)	586,940	579,740	580,330
10620 Winter Maintenance	472,790	0	0
10622 Traffic Census	80	60	(18,130)
10623 Safer Routes	221,630	87,650	88,930
10624 School Crossing Patrol	64,380	130,072	130,732
10625 Technical Survey	25,370	25,370	25,370
10628 Public Conveniences	46,020	44,890	44,890
10635 Road Structural Planned	2,114,550	347,850	351,370
10638 Traffic Management	680	(3,760)	(3,770)
10890 Road Structural Responsive	2,438,420	2,433,810	2,438,270
11218 Development & Control	0	327,600	327,600
* Highways Implementation	5,970,860	3,973,282	3,965,592
10631 N.R.S.W.A.	(93,450)	(94,620)	(91,930)
10632 Private Works Reinstatement	111,610	108,190	111,410
10633 Rechargeable works - other	(122,330)	(124,750)	(123,480)
11097 Rechargeable works- cross overs	(151,520)	(154,100)	(152,740)
* Highways Inspection & Enforcement	(255,690)	(265,280)	(256,740)
10637 Street Lighting	3,164,170	3,113,560	3,115,510
* Street Lighting	3,164,170	3,113,560	3,115,510
10664 Highways Maintenance-Responsive	10,320	(16,140)	(11,030)
10938 HM-Winter Maintenance	(610)	467,930	368,760
10939 HM-Stand-by	160	(430)	0
10941 HM-Sign Erection	2,480	(4,060)	(2,180)
* Highways Maintenance	12,350	447,300	355,550
10644 Car Parks off Street	(511,890)	(592,050)	(592,050)
10648 Parking Design	0	(30,350)	(67,180)
* Car Parks	(511,890)	(622,400)	(659,230)
** Highways	7,852,710	5,913,628	5,736,958
10021 Safer Communities Unit	76,500	97,635	104,840
10583 Drug And Alcohol Team	106,810	106,540	107,790
10996 Stronger Safer Communities Fund	263,460	273,450	264,110
* Community Safety	446,770	477,625	476,740
10651 CCTV	1,076,340	938,000	888,830
10653 Priority Intervention Team	907,100	393,270	423,100
10674 Trading Standards & Licencing	155,200	148,310	(27,550)
11120 CPG Technical Support	170,730	170,430	79,010
* Community Protection	2,309,370	1,650,010	1,363,390
10771 ES-Transport Oheads	232,000	235,780	237,040
10772 ES-Vehmtce	(110,870)	(117,150)	(112,090)
10773 ES-Spot Hires	(21,300)	(21,300)	(21,300)
10774 ES-Leases & SC Rech	303,430	173,770	138,560
10775 ES-SEN Transp	(87,390)	(88,430)	(87,170)
10776 ES-Comctran	(75,210)	(76,230)	(70,970)
* Transport	240,660	106,440	84,070
10656 Recycling	4,166,320	4,092,610	4,095,470
10657 Civic Amenities Sites	562,210	583,420	583,420
* Recycling/Waste Strategy	4,728,530	4,676,030	4,678,890

Revenue Budget 2010-11

Environment and Operations

Cost centre	2009/10 Original Estimate	2009/10 Current Estimate	2010/11 Original Estimate
10365 Weed Spray	492,900	782,470	728,500
10660 Allotments	(3,070)	(4,000)	(4,060)
10764 Parks & Open Spaces	4,151,170	4,129,040	4,174,490
10765 Sports Grounds	506,910	78,880	77,320
10766 Green Belt Lands	(31,890)	(102,700)	(103,050)
10768 King George Playing Fields	14,040	0	0
10952 Green Spaces Trees Management	658,360	658,080	658,080
* Parks & Greenspaces Development	5,788,420	5,541,770	5,531,280
10652 Street Cleansing	5,069,710	5,077,290	4,778,400
10655 Domestic Refuse	5,485,760	4,579,240	4,413,950
* Refuse & Cleaning	10,555,470	9,656,530	9,192,350
10654 Trade Waste	(1,286,080)	(1,279,116)	(1,401,866)
* Trade Waste	(1,286,080)	(1,279,116)	(1,401,866)
11031 Copthall Stadium	314,900	235,360	235,440
11032 Fitness For Life	40,700	9,270	9,970
11036 GLL Contract	1,585,260	1,632,440	1,541,530
* Leisure	1,940,860	1,877,070	1,786,940
** Street Scene, Greenspaces, Leisure and Comm.	24,724,000	22,706,359	21,711,794
*** Environment & Operations - General Fund	33,363,770	30,557,940	28,442,230
**** Total	33,363,770	30,557,940	28,442,230

Subjective Analysis	2009/10 Original Estimate	2009/10 Current Estimate	2010/11 Original Estimate
Employee Related	24,304,250	25,130,630	23,470,470
Premises Related	2,568,570	2,067,010	2,136,890
Transport Related	5,313,110	5,343,800	5,336,410
Supplies and Services	8,415,940	8,817,670	8,676,230
Third Party Payments	2,213,860	2,011,050	1,924,050
Transfer Payments	(18,000)	0	0
Capital Charges	8,862,220	5,492,590	5,492,590
Secondary Recharges	4,064,714	4,331,620	4,032,940
Expenditure Total	55,724,664	53,194,370	51,069,580
Government Grants	(2,694,100)	(2,638,510)	(2,629,440)
Other Grants, Reimbursements & Contribs	(162,560)	(162,560)	(162,560)
Customer & Client Receipts	(19,402,964)	(19,734,090)	(19,734,080)
Recharges	(101,270)	(101,270)	(101,270)
Total Income	(22,360,894)	(22,636,430)	(22,627,350)
Net Expenditure	33,363,770	30,557,940	28,442,230

Revenue Budget 2010-2011

Special Parking Account

	2009-2010	2009-2010	2010-2011
	Original Estimate	Current Estimate	Original Estimate
	£	£	£
Income			
Penalty Charge Notices	(4,842,190)	(4,842,190)	(4,842,190)
Permits	(1,338,950)	(1,338,950)	(1,338,950)
Pay & Display	(3,278,230)	(3,178,230)	(3,278,230)
CCTV Bus lanes	(1,779,520)	(1,779,520)	(1,779,520)
Total Income	(11,238,890)	(11,138,890)	(11,238,890)
Operating Expenditure	5,746,890	5,646,890	5,746,890
Net Operating Surplus	(5,492,000)	(5,492,000)	(5,492,000)
Add Capital Expenditure / Debt Charge	400,000	400,000	400,000
Net Expenditure in Year	(5,092,000)	(5,092,000)	(5,092,000)
Balance brought forward	0	0	0
Appropriation to General Fund	5,092,000	5,092,000	5,092,000
Balance Carried Forward	0	0	0

The SPA is a ringfenced statutory account covering the estimated impact of implementing On-Street Parking and Penalty Charge Notice enforcement, as required by the Road Traffic Act 1991.

Council on 4 November 1997 noted that the provision of further off-street parking places was unnecessary for the time being and that there was no further demand on the ringfenced account in respect of further off-street parking. Accordingly, part of the surplus arising from the SPA is used to substitute for existing relevant works.

The net projected surplus on the SPA is available for implementation of parking schemes and as a general support for public transport improvement projects that fall within the criteria set out in the Highways Act 1980.

2010/11 Budget Summary and Forward Plan

Planning, Housing & Regeneration	2010/11	2011/12	2012/13	2013/14	2014/15
	£	£	£	£	£
Base Budget	3,560,270	2,035,260	2,054,460	2,072,680	2,192,450
Virements	(1,124,010)				
Pay Awards	92,330	97,650	98,630	202,190	207,240
Standard Inflation - Expenditure		71,040	72,820	74,640	76,510
- Income		(149,490)	(153,230)	(157,060)	(160,990)
	2,528,590	2,054,460	2,072,680	2,192,450	2,315,210
Full Year Effects					
2009-10 pay award	(92,330)				
	(92,330)	0	0	0	0
Efficiencies					
Planning & Building Control					
Efficiencies and post reductions whilst development activity impacted by recession. Vacancy rates managed closely to reflect development activity.	(309,000)				
Regeneration & PHR					
Efficiencies & travel savings. Consultancy & travel cost reductions etc.	(54,000)				
Housing					
Housing Service Efficiencies and contract reviews. Reduction of posts in Housing following improved processing/assessment with savings from previous restructuring and other efficiencies (Lean programme).	(425,000)				
Efficiencies and reduction in costs of providing housing for people who have no recourse to public funds but for whom the Council has an interim duty to house. Modernising and introducing cheaper housing options for people in these circumstances.	(150,000)				
Re-allocation of costs of improving security for people experiencing domestic violence. The general fund has been charged for costs that should have been charged to the HRA.	(30,000)				
	(968,000)	0	0	0	0
Income					
Building Control & Structures					
Increase most charges for Building Regulations applications by 5%	(25,000)				
Environmental Health					
Additional income from Cemetery, Crematorium, letting of flat on mortuary site and sun bed licensing and events	(30,000)				
	(55,000)	0	0	0	0

2010/11 Budget Summary and Forward Plan

Planning, Housing & Regeneration	2010/11	2011/12	2012/13	2013/14	2014/15
<u>Pressures</u>					
<u>Planning & Building Control</u> Reduction in Planning & Building Control Income. Reduced income due to economic downturn and proportionally larger drop in high fee generating residential applications.	550,000				
<u>Environmental Health</u> Income Shortfall. Houses in Multiple Occupation License fees and income variations over medium term.	72,000				
	622,000	0	0	0	0
Budget	2,035,260	2,054,460	2,072,680	2,192,450	2,315,210

Revenue Budget 2010-11

Planning, Housing and Regeneration

Cost centre	2009/10 Original Estimate	2009/10 Current Estimate	20010/11 Original Estimate
10390 Land Charges	(913,730)	(401,530)	(932,470)
* Land Charges	(913,730)	(401,530)	(932,470)
10038 Planning Service	(519,380)	358,750	194,160
11073 Planning Core Services	462,970	0	(2,120)
* Planning	(56,410)	358,750	192,040
** Plng & Env Protection - Planning	(970,140)	(42,780)	(740,430)
11074 Planning Strategic Services	735,250	734,410	669,050
** Plng & Env Protection - Planning Strategy	735,250	734,410	669,050
10025 Housing initiatives	112,260	116,770	117,790
* Housing Initiatives	112,260	116,770	117,790
10020 Housing & Development	122,740	144,850	145,620
10035 Claremont Rd Community Centre	2,450	3,490	3,390
10987 N London sub reg coo	(1,090)	(1,190)	(430)
* Housing Management	124,100	147,150	148,580
10026 Policy & performance	137,240	218,138	190,188
* Housing Policy & Performance	137,240	218,138	190,188
10027 Housing Grant Payments	223,820	223,820	173,820
10028 HNR Management Team	197,410	119,202	4,912
10029 Housing Advice	369,740	344,140	240,040
10030 Temporary Accommodation	233,450	140,050	(54,510)
10031 Homeless Persons	305,960	305,470	275,380
10032 Housing Resources Team	52,970	53,000	48,050
10033 Homelessness Grant	840	(73,600)	(16,420)
10034 Housing Supporting People	1,860	390	3,920
10281 Rent Deposit Scheme	0	74,000	0
10883 Private Sector Leasing	(485,530)	(503,030)	(515,440)
10991 Complaints & System Improvement	63,450	63,590	63,760
10992 Barbara Langstone House	(221,070)	(221,220)	(231,650)
10993 Hsg EDRM	0	70	60
11151 Accommodation and Lettings	315,690	315,520	263,870
* Hsg Resources & Temporary Accommodation	1,058,590	841,402	255,792
** Housing General Fund	1,432,190	1,323,460	712,350
10756 Strategic Development Unit	382,210	305,390	264,430
11124 SDU Regeneration Buybacks	0	0	0
11162 St Peters's Church Hall	0	0	0
** Regeneration	382,210	305,390	264,430
10641 Building Inspection	163,330	162,900	163,610
10642 Structures	(73,870)	(75,520)	(75,110)
10643 Building Control	(389,040)	(401,650)	(331,460)
** Building Control	(299,580)	(314,270)	(242,960)
10763 Environmental Serv Management	527,920	551,880	555,680
* Plng & Env Protection - Management&Admi	527,920	551,880	555,680
10667 Care & Repair	(76,930)	(77,570)	(76,400)
* Environmental Services Care & Repair	(76,930)	(77,570)	(76,400)
10661 Hendon Cemetery	(369,430)	(475,650)	(494,320)
10671 Mortuary	140,900	128,810	125,620
10818 Hendon Crematorium	(343,630)	(337,040)	(336,540)
10819 Cem&Crem Management	143,120	182,880	184,260
* Mortuary & Cemetery	(429,040)	(501,000)	(520,980)
10666 Private Sector Housing	1,262,100	398,910	402,810
10672 Works in Default	(32,930)	(32,930)	(930)
10958 Pest Control	(26,140)	(28,610)	(27,900)
10994 HMO Licensing	(610)	(410)	40,040
11102 Public Health & Nuisance	368,710	368,220	371,420
11180 Empty Properties Enforcement	0	20	20
11222 Decent Homes	0	0	0
* Environmental Health Private Housing	1,571,130	705,200	785,460
10821 Food Safety	412,300	360,580	363,680
10823 Health and Safety	274,960	155,960	151,760
11179 Scientific Services	0	113,650	113,620
* ES Health & Sustainability	687,260	630,190	629,060
** Plng&EnvProtctn-Env Hlth&TradingStndrds	2,280,340	1,308,700	1,372,820
*** Planning, Housing & Regeneration Total	3,560,270	3,314,910	2,035,260
**** Total	3,560,270	3,314,910	2,035,260

Revenue Budget 2010-11

Planning, Housing and Regeneration

Subjective Analysis	2009/10 Original Estimate	2009/10 Current Estimate	20010/11 Original Estimate
Employee Related	10,262,322	10,139,942	9,651,620
Premises Related	1,146,990	1,086,550	1,090,280
Transport Related	219,890	198,460	186,200
Supplies and Services	1,945,090	2,056,425	1,745,867
Third Party Payments	8,208,640	8,292,750	7,989,210
Capital Charges	1,122,210	0	0
Secondary Recharges	(773,550)	(790,660)	(793,970)
Expenditure Total	22,131,592	20,983,467	19,869,207
Government Grants	(474,000)	(708,550)	(474,000)
Other Grants, Reimbursements & Contribs	(769,750)	(762,385)	(762,385)
Customer & Client Receipts	(17,327,572)	(16,197,622)	(16,597,562)
Total Income	(18,571,322)	(17,668,557)	(17,833,947)
Net Expenditure	3,560,270	3,314,910	2,035,260

2010/11 Budget Summary and Forward Plan

Housing Revenue Account	2010/11	2011/12	2012/13	2013/14	2014/15
	£	£	£	£	£
Base Budget (net expenditure met by/(contribution to) working balance)	0	(435,740)	110,960	91,960	125,960
Base Budget Adjustments					
Pay awards (LBB)	0	44,000	45,000	46,000	48,000
Inflation (LBB)	0	11,000	11,000	11,000	11,000
Additional support service recharges	350,000	0	0	0	0
Housing Subsidy	(919,000)	(615,000)	942,000	1,344,000	(364,000)
Rent - impact of reduced increase 2009/10	1,384,000	0	0	0	0
Rent, service and heating charge increases	(690,240)	(1,884,000)	(1,665,800)	(1,609,000)	(1,059,000)
Capital Financing Costs	(73,000)	224,000	0	(377,000)	(377,000)
Barnet Homes Management Fee inflation	140,000	350,000	340,000	340,000	340,000
Repairs and maintenance inflation	169,000	166,000	160,000	148,000	100,000
Employer's pension contributions	121,000	0	0	0	0
Increase in National Insurance contributions	0	100,000	0	0	0
Depreciation (MRA)	(884,880)	1,205,700	(234,000)	(188,000)	(159,000)
Interest earnings	74,000	0	19,000	17,000	11,000
Increase in Bad Debt provision	80,000	0	0	5,000	0
	(249,120)	(398,300)	(382,800)	(263,000)	(1,449,000)
Pressures					
Loss of rent through sales and regeneration	924,740	1,851,000	1,210,800	749,000	1,402,000
	924,740	1,851,000	1,210,800	749,000	1,402,000
Efficiencies, Budget Reductions					
Regeneration schemes	220,000				
Barnet Homes - efficiencies:-					
repairs service	(380,360)	(226,000)	(320,000)	(100,000)	(100,000)
management fee		(680,000)	(527,000)	(352,000)	(152,000)
provision for 2009/10 pay award not required	(135,000)				
value for money reviews housing services	(230,000)				
SLAs with Barnet Council	(150,000)				
Reduce internal audit provision	(15,000)				
Efficiencies in income collection	(35,000)				
Sheltered housing	(159,000)				
reduction in training budget	(20,000)				
rationalise resident participation budget	(46,000)				
reduce contingency provision	(50,000)				
other Barnet Homes efficiencies	(111,000)				
	(1,111,360)	(906,000)	(847,000)	(452,000)	(252,000)
2010/11 Budget and Forward Plan - required contribution from/(to) working balance	(435,740)	110,960	91,960	125,960	(173,040)

HOUSING REVENUE ACCOUNT		
	2009/10	2010/11
	Original Budget	Original Budget
	£	£
Income		
Dwelling rents	(47,400,000)	(45,645,500)
Non-dwelling rents	(1,472,000)	(1,453,000)
Tenants Charges for services and facilities	(3,214,000)	(4,639,000)
Leaseholder Charges for Services and Facilities	(2,800,000)	(2,780,000)
Total Income	(54,886,000)	(54,517,500)
Expenditure		
Repairs and Maintenance	8,511,360	8,300,000
Supervision and management		
General	14,560,710	15,387,710
Special	6,286,000	6,589,000
Rents, Rates, taxes and other charges	121,500	121,500
Negative housing revenue account subsidy payable	12,823,750	11,904,750
Depreciation and impairment of fixed assets	8,543,680	7,658,800
Debt Management Costs	3,973,000	3,900,000
Increase in bad debt provision	220,000	300,000
Sums directed by the Secretary of State that are income in accordance with UK GAAP	0	0
Total Expenditure	55,040,000	54,161,760
Net Cost of HRA Services	154,000	(355,740)
Interest and investment income	(154,000)	(80,000)
(Surplus) or deficit for the year on HRA services	0	(435,740)

CAPITAL FUNDING

APPENDIX B(iii)

SERVICE	2009/10					2010/11					2011/12				
	Grants	S106 / MRA etc	Capital Receipts *	Borrowing	Total	Grants	S106 / MRA etc	Capital Receipts *	Borrowing	Total	Grants	S106 / MRA etc	Capital Receipts *	Borrowing	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Adult Social Services	73				73	1,332				1,332					
Central Expenses				3,000	3,000				1,500	1,500				1,500	1,500
Children's Service	36,962	6,987	4,103	13,403	61,455	29,269	2,231	24,929	12,683	69,112	1,232	2,150	38,019	1,500	42,901
Corporate Governance				1	1				31	31					
Commercial Services		38		4,166	4,204				3,517	3,517					
Corporate Services		1,021		1,904	2,925		120		3,639	3,759				70	70
Environment & Operations	6,534	1,859		10,305	18,698	5,862	1,635	800	2,558	10,855				1,675	1,675
Planning, Housing & Regeneration	750	997	3,375	40	5,162	750	2,341	4,217	329	7,637	750	2,000	1,280	40	4,070
Sub total - General Fund	44,319	10,902	7,478	32,819	95,518	37,213	6,327	29,946	24,257	97,743	1,982	4,150	39,299	4,785	50,216
Housing Revenue Account	998	15,025	102	12,818	28,943	3,450	7,055		10,562	21,067	5,700	10,740			16,440
Total - all services	45,317	25,927	7,580	45,637	124,461	40,663	13,382	29,946	34,819	118,810	7,682	14,890	39,299	4,785	66,656

SERVICE	2012/13 and later years					Total 2009/13 and later years				
	Grants	S106 / MRA etc	Capital Receipts *	Borrowing	Total	Grants	S106 / MRA etc	Capital Receipts *	Borrowing	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Adult Social Services						1,405				1,405
Central Expenses				1,500	1,500				7,500	7,500
Children's Service		150			150	67,463	11,518	67,051	27,586	173,618
Corporate Governance									32	32
Commercial Services							38		7,683	7,721
Corporate Services							1,141		5,613	6,754
Environment & Operations						12,396	3,494	800	14,538	31,228
Planning, Housing & Regeneration						2,250	5,338	8,872	409	16,869
Sub total - General Fund		150		1,500	1,650	83,514	21,529	76,723	63,361	245,127
Housing Revenue Account		8,090			8,090	10,148	40,910	102	23,380	74,540
Total - all services	0	8,240	0	1,500	9,740	93,662	62,439	76,825	86,741	319,667

BORROWING SUMMARY FOR APPROVAL *			
	HRA	GF	Total
	£m	£m	£m
2010/11	10.6	24.3	34.8
2011/12	0.0	4.8	4.8
2012/13	0.0	1.5	1.5
2010/11 on	10.5	30.5	41.1
* Council are asked to agree long term borrowing for 2010/11 onwards of £41.1m			

CAPITAL PROGRAMME 2009-10 TO 2012-13

CAPITAL FUNDING

SERVICE	PRIOR YEARS	2009-10	2010-11	2011-12	2012-13	Future years	Total	Grants	MRA	Other (incl. S106)	Capital Receipts	Borrowing	Total 2009/10-2012/13	Prior years	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Adult Social Services	321	73	1,332				1,726	1,405					1,405	321	1,726
Central Expenses	2,341	3,000	1,500	1,500	1,500		9,841					7,500	7,500	2,341	9,841
Children's Service *	42,418	61,454	69,112	42,901	150		216,035	67,262		11,518	67,051	27,786	173,617	42,418	216,035
Corporate Governance	71	1	31				103					32	32	71	103
Commercial	8,201	4,204	3,517				15,922			38		7,683	7,721	8,201	15,922
Corporate Services	8,584	2,925	3,759	70			15,338			1,141		5,613	6,754	8,584	15,338
Environment & Operations	25,713	18,698	10,855	1,675			56,941	12,396		3,494	800	14,538	31,228	25,713	56,941
Planning, Housing & Regeneration	23,122	5,162	7,637	4,070			39,991	2,250		5,338	8,872	409	16,869	23,122	39,991
Sub total - General Fund	110,771	95,517	97,743	50,216	1,650	0	355,897	83,313		21,529	76,723	63,561	245,126	110,771	355,897
Housing Revenue Account	132,806	28,943	21,067	16,440	8,090		207,346	10,148	36,144	4,766	102	23,380	74,540	132,806	207,346
Total - all services	243,577	124,460	118,810	66,656	9,740	0	563,243	93,461	36,144	26,295	76,825	86,941	319,666	243,577	563,243

* excluding schemes implemented by schools

CAPITAL PROGRAMME 2009-10 TO 2012-13

CAPITAL FUNDING

Adult Social Services		PRIOR YEARS	2009-10	2010-11	2011-12	2012-13	Future years	Total	Grants	Other (incl. S106)	Capital Receipts	Borrowing	2009/10-2012/13	Prior years funding	Total
		£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
AS04	Improving the Care Environments for Older People	321	44					365	44				44	321	365
	Broadfields - supporting living development			1,332				1,332	1,332				1,332	0	1,332
	Barnet Independent Living Service-Repair Works		29					29	29				29	0	29
		321	73	1,332				1,726	1,405				1,405	321	1,726

CAPITAL PROGRAMME 2009-10 TO 2012-13

CAPITAL FUNDING

Central Expenses		PRIOR YEARS	2009-10	2010-11	2011-12	2012-13	Future years	Total	Grants	Other (incl. S106)	Capital Receipts	Borrowing	2009/10- 2012/13	Prior years funding	Total
		£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
CE01	Capitalised Redundancies	2,341	3,000	1,500	1,500	1,500		9,841				7,500	7,500	2,341	9,841
		2,341	3,000	1,500	1,500	1,500		9,841				7,500	7,500	2,341	9,841

CAPITAL PROGRAMME 2009-10 TO 2012-13
CAPITAL FUNDING

Children's Service		PRIOR YEARS	2009-10	2010-11	2011-12	2012-13	Future years	Total	Grants	Other (incl. S106.)	Capital Receipts	Borrowing	Funding 2009/10 - 2012/13	Prior year spend	Total
		£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
ED01	Schools Access Initiatives Programme														
	Schools Access Initiative 2008-09	57	206					263				206	206	57	263
	Schools Access Initiative 2009-10		365					365				365	365		365
	Schools Access Initiative 2010-11			470				470				470	470		470
ED12	Modernisation Primary & Secondary														
	Modernisation Prim & Sec 2008-09	3,277	2,472	300				6,049	1,238			1,534	2,772	3,277	6,049
	Modernisation Prim & Sec 2009-10		2,114	526				2,640	1,026	55		1,559	2,640		2,640
	Modernisation Prim & Sec 2010-11		391	1,371				1,762	437			1,325	1,762		1,762
	Urgent Primary Places		840	570	1,000			2,410	1,466			944	2,410		2,410
ED16	Sure Start - Children Centres														
	Residual Phase 2	1,752	757					2,509	757				757	1,752	2,509
	Phase 3		230	2,660				2,890	2,890				2,890		2,890
	Major Schools Rebuild Total														
ED19	Underhill Infants - Childrens Centre	2,674	44					2,718				44	44	2,674	2,718
ED21	Hyde School Rebuild & Childrens Centre	6,623	3,612					10,235	73	20		3,519	3,612	6,623	10,235
ED22	Parkfield School	7,629	2,702					10,331				2,702	2,702	7,629	10,331
ED	Early Years - Quality & Access		847	3,236				4,083	4,083				4,083		4,083
ED68	Aiming High for Disabled Children			634				634	634				634		634

CAPITAL PROGRAMME 2009-10 TO 2012-13
CAPITAL FUNDING

Children's Service		PRIOR YEARS	2009-10	2010-11	2011-12	2012-13	Future years	Total	Grants	Other (incl. S106.)	Capital Receipts	Borrowing	Funding 2009/10 - 2012/13	Prior year spend	Total
		£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
ED	Targeted Capital 14-19 SEN														
	PE & Sports Diploma - 'Whitefield		50	450				500	500				500		500
	Health & Safety - Hendon 6th form		25	275				300	300				300		300
	Hair & Beauty Diploma - Friern Barnet			150				150	150				150		150
	Hospitality Diploma - London Academy			250				250	250				250		250
	Targeted Capital 14-19 SEN (Scheme Details To Be Advised)			5,250				5,250	250			5,000	5,250		5,250
ED	Extended Schools	89	640	532				1,261	1,172				1,172	89	1,261
ED23	Primary Schools Capital Investment Programme														
	Whitting hills	5,159	6,297	700				12,156	336		6,661		6,997	5,159	12,156
	Broadfields	2,431	6,754	3,000				12,185			9,754		9,754	2,431	12,185
	Northway/Fairway	668	5,100	14,298	1,000			21,066	6,700	6,050	6,665	983	20,398	668	21,066
	PSCIP Phase 2			5,952	37,019			42,971			42,971		42,971		42,971
ED25	East Barnet & Project Faraday	9,459	19,467	4,223	1,500			34,649	17,152	792		7,246	25,190	9,459	34,649
ED	Woodhouse Road	268	80					348		80			80	268	348
ED67	Exceptional capital funding for cooking space		94	851				945	945				945		945
ED17	Big Lottery Fund Schemes	127	336					463	336				336	127	463
ED26	Youth Capital Funding														
	Youth Capital Fund 2009-10	130	215					345	170	45			215	130	345
	Youth Capital Fund 2010-11			173				173	173				173		173

CAPITAL PROGRAMME 2009-10 TO 2012-13

CAPITAL FUNDING

Children's Service		PRIOR YEARS	2009-10	2010-11	2011-12	2012-13	Future years	Total	Grants	Other (incl. S106.)	Capital Receipts	Borrowing	Funding 2009/10 - 2012/13	Prior year spend	Total
		£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
ED	IS for Parents & Providers	11	15					26	15				15	11	26
ED27	Primary Capital Programme														
	Design Works	150						150						150	150
	Edgware	1,274	1,726					3,000	1,726				1,726	1,274	3,000
	Colindale	41	1,106	9,653	2,000			12,800	8,669	3,740		350	12,759	41	12,800
	Goldbeaters	350	650					1,000	650				650	350	1,000
	Foulds School - Replacement Nursery	5	100	596				701	400			296	696	5	701
	Childs Hill Resource & Children's Centre		600	2,400				3,000	3,000				3,000		3,000
	Menorah Foundation		450	200				650	650				650		650
	<i>St Catherine's Expansion -accel</i>		1,500					1,500	1,500				1,500		1,500
	Rebuild School Developmt		496	528				1,024	1,024				1,024		1,024
	Kitchen & Dining		50	1,486				1,536	1,076	436		24	1,536		1,536
	Building Schools for the Future		450	268	382	150		1,250	950	300			1,250		1,250
	Co-location														
	Brunswick Park Community Hub & Acorn Assessment Centre		516	8,000				8,516	6,516		1,000	1,000	8,516		8,516
	Emergency Works	47						47						47	47
	Integrated Childrens System	0	48					48	48				48		48
ED99	Outstanding commitments on completed schemes	196	109	110				415				219	219	196	415
		42,418	61,454	69,112	42,901	150		216,035	67,262	11,518	67,051	27,786	173,617	42,418	216,035

CAPITAL PROGRAMME 2009-10 TO 2012-13
CAPITAL FUNDING

Children's Service	PRIOR YEARS	2009-10	2010-11	2011-12	2012-13	Future years	Total	Grants	Other (incl. S106.)	Capital Receipts	Borrowing	Funding 2009/10 - 2012/13	Prior year spend	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
SCHEMES IMPLEMENTED BY SCHOOLS														
New Deals for Schools Devolved Formula	3,734	5,247	2,290				11,271	7,537				7,537	3,734	11,271
Harnessing Technology Grant	581	1,220	950				2,751	2,170				2,170	581	2,751
Locally Controlled Voluntarily Aided Programme: (LCVAP)	2,383	3,306	1,461				7,150	4,767				4,767	2,383	7,150
Specialist Schools (Capital Grant)	400						400						400	400
	49,116	71,227	73,813	42,901	150		237,607	81,736	11,518	67,051	27,786	188,091	49,516	237,607

CAPITAL PROGRAMME 2010-11 TO 2012-13

CAPITAL FUNDING

Corporate Governance	PRIOR YEARS	2009-10	2010-11	2011-12	2012-13	Future years	Total	Grants	Other (incl. S106)	Capital Receipts	Borrowing	Funding 2009/10 - 2012/13	Prior years funding	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
LP04 Emergency Response Command Centre	71	1	31				103				32	32	71	103
	71	1	31				103				32	32	71	103

CAPITAL PROGRAMME 2010-11 TO 2012-13
CAPITAL FUNDING

Commercial		PRIOR YEARS	2009-10	2010-11	2011-12	2012-13	Future years	Total	Grants	Other (incl. S106)	Capital Receipts	Borrowing	Funding 2009/10 - 2012/13	Prior years funding	Total
		£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
HD42	Arts Depot Lift	13		82				95				82	82	13	95
HE01	North London Business Park - planning reception area	39	40	21				100				61	61	39	100
HE08	Energy Efficiency Measures	105	309	60				474				369	369	105	474
HE09	Accommodation Project														
	Hendon Complex Midd University Move	1,324	298					1,622				298	298	1,324	1,622
	Office Consolidation	310	1,644	1,827				3,781				3,471	3,471	310	3,781
	HTH Committee room refurb	1,184	616					1,800				616	616	1,184	1,800
	New IT Centre	288						288						288	288
IT06	Mobile Working Strategy Development	64	18					82				18	18	64	82
IT10	Modernising the Way We Work	4,559	1,123	790				6,472		38		1,875	1,913	4,559	6,472
HE11	Friary House	44	79	577				700				656	656	44	700
IT13	Project & Programme Management Software	148		10				158				10	10	148	158
HE13	Depot Relocation	123	77					200				77	77	123	200
IT20	Air Conditioning Building 4			150				150				150	150	0	150
		8,201	4,204	3,517				15,922		38		7,683	7,721	8,201	15,922

CAPITAL PROGRAMME 2010-11 TO 2012-13

CAPITAL FUNDING

Corporate Services		PRIOR YEARS	2009-10	2010-11	2011-12	2012-13	Future years	Total	Grants	Other (incl. S106)	Capital Receipts	Borrowing	Funding 2009/10 - 2012/13	Prior years funding	Total
		£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
IT04	Electronic Social Care Record (ESCR)	182		387				569				387	387	182	569
	Electronic Documents and Records Management System (EDRM)	2,625	658	2,220				5,503		778		2,100	2,878	2,625	5,503
IT09	Customer Relationship Management (CRM)	1,908	692					2,600				692	692	1,908	2,600
IT11	Norwell Case Management Implementation	53	27					80				27	27	53	80
IT12	Business Systems Disaster Recovery		100	210	70			380				380	380	0	380
IT14	Shared Service Centre	1,065		85				1,150				85	85	1,065	1,150
IT15	SWIFT	430	54	96				580				150	150	430	580
IT16	Education Management Information System	292	18	43				353				61	61	292	353
IT17	Corporate software licensing <i>Funded by earmarked reserve</i>	669	266					935		232		34	266	669	935
ED28	Libraries Strategy	677	624					1,301		50		574	624	677	1,301
	Minor works	25	81					106		81			81	25	106
	Pericles		250	661				911				911	911	0	911
HD41	Land & Assets Programme														
	Plantech Implementation programme	609	61	14				684				75	75	609	684
	GIS	49	94	43				186				137	137	49	186
		8,584	2,925	3,759	70			15,338		1,141		5,613	6,754	8,584	15,338

CAPITAL PROGRAMME 2009-10 TO 2012-13
CAPITAL FUNDING

Environment & Operations	PRIOR YEARS	2009-10	2010-11	2011-12	2012-13	Future years	Total	Grants	Other (incl. S106)	Capital Receipts	Borrowing	2009/10-2012/13	Prior years funding	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
ED69 Fairplay Playbuilders		531	598				1,129	1,129				1,129	0	1,129
EN02 Waste Recycling Schemes														
Green Bins	679	100					779				100	100	679	779
Recycling Schemes	531	75					606				75	75	531	606
EN08 Watling Park (S106) Entrance gates	37	13					50		13			13	37	50
EN10 Glebelands Open Space - Sports Pitches	72	3					75		3			3	72	75
EN12 CCTV in Town Centres- Radio Communications System	149	62					211				62	62	149	211
LP05 CCTV Installation		219	188	175			582				582	582	0	582
EN14 CCTV Installation: NRF Funding East Finchley/Burnt Oak - CCTV, Development & Delivery 2007-08	263						263						263	263
EN15 2006-07 Town Centre Programmes: Installations in town centres & works to control room. NRF funding East Finchley/Burnt Oak- CCTV, development & delivery	288	22					310				22	22	288	310
EN18 Hendon Park Toilet		32					32		32			32	0	32
EN19 Friary Park Skate Park		30					30		30			30	0	30

CAPITAL PROGRAMME 2009-10 TO 2012-13
CAPITAL FUNDING

Environment & Operations		PRIOR YEARS	2009-10	2010-11	2011-12	2012-13	Future years	Total	Grants	Other (incl. S106)	Capital Receipts	Borrowing	2009/10-2012/13	Prior years funding	Total
		£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
EN99	Outstanding Environment services commitments on completed schemes		77					77				77	77	0	77
EN1	Victoria Park Pavillion Rebuild	24	38					62				38	38	24	62
HD01	Structural Maintenance of Bridges														
	2007-8 Allocation	129	2					131	2				2	129	131
	2008-9 Allocation	112						112						112	112
	2009-10 Allocation		179					179	179				179	0	179
	<i>Programmes funded by Transport For London</i>														
HD03	Local Safety Schemes														
	2007-08 programme	849	8					857	8				8	849	857
	2008-09 Programme	246	462					708	462				462	246	708
	2009-10 programme		354	100				454	454				454	0	454
	<i>Programmes funded by Transport For London</i>														
HD04	Carriageway Reconstruction - Principal Roads														
	2006-7 & 2007-8 Carriageway Allocation	1,678	90					1,768	90				90	1,678	1,768
	2008-09 Carriageway Allocation	2	27					29	27				27	2	29
	2009-10 Carriageway Allocation		968					968	968				968	0	968
	<i>Programmes funded by Transport For London</i>														
HD07/08	Road Traffic Act - Controlled Parking Zones														
	2008- 09 Programme	346	93					439		93			93	346	439
	2009- 10 Programme	21	817					838		817			817	21	838
	<i>Programme funded from Special Parking Account</i>														

CAPITAL PROGRAMME 2009-10 TO 2012-13
CAPITAL FUNDING

Environment & Operations		PRIOR YEARS	2009-10	2010-11	2011-12	2012-13	Future years	Total	Grants	Other (incl. S106)	Capital Receipts	Borrowing	2009/10-2012/13	Prior years funding	Total
		£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
HD10	Footway Reconstruction														
	2007 - 08 Allocation	45	91					136		91			91	45	136
	2008 - 09 Allocation	23	640					663		640			640	23	663
	2009 - 10 Allocation		1,406	35				1,441				1,441	1,441	0	1,441
	<i>Schemes funded by Section 106</i>														
HD11	London Bus Priority Network														
	2007-08 LBPB Programme	1,512	33					1,545	33				33	1,512	1,545
	2008-09 LBPB Programme	343	78					421	78				78	343	421
	2009-10 LBPB Programme	42	522					564	522				522	42	564
	<i>Programme funded by Transport For London</i>														
HD12	Cycling														
	2007-08 Cycling Programme		6					6	6				6	0	6
	2008-09 Cycling Programme	187	100					287	100				100	187	287
	Cycling Non LCN 2009-10		117					117	117				117	0	117
	Cycling LCN Schemes		115					115	115				115	0	115
	<i>Programme funded by Transport For London</i>														
HD14	Pursley Road - Traffic Management														
	2007-08 Pursley Road Allocation	172	59					231		59			59	172	231
	Funded by S106 Agreement														
HD19	Cartwright Memorial, St Mary's Church	16		35				51				35	35	16	51

CAPITAL PROGRAMME 2009-10 TO 2012-13

CAPITAL FUNDING

Environment & Operations	PRIOR YEARS	2009-10	2010-11	2011-12	2012-13	Future years	Total	Grants	Other (incl. S106)	Capital Receipts	Borrowing	2009/10-2012/13	Prior years funding	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
HD25 Bus Stop Accessibility														
2007-08 BSA Allocation	60						60						60	60
2008-09 BSA Allocation	61	8					69	8				8	61	69
2009-10 BSA Allocation		67					67	67				67	0	67
<i>Programmes funded by Transport For London</i>														
HD33 Colindale Development Area														
Reconstruction of the railway bridges	14,536	6,541					21,077	1,302			5,239	6,541	14,536	21,077
<i>Scheme to be funded by Growth Area Development Fund grant (£7m) and Section 106 agreement (£2.73m).</i>														
A1/Aerodrome Rd junction improvement works			1,000				1,000		1,000			1,000	0	1,000
Controlled Parking Zones			135				135		135			135	0	135
Aerodrome Road - additional pedestrian facilities			250				250		250			250	0	250
Colindale Station Interchange			250				250		250			250	0	250
<i>Above schemes funded by S106 agreements subject to receipt of monies</i>														
Other highways miscellaneous- GAF 3 Funding	418	262					680	262				262	418	680
HD34 Minor TfL allocations- Walking														
2007-08 TFL Allocation	231	129					360	129				129	231	360
2008-09 TFL Allocation	50	16					66	16				16	50	66
2009-10 TFL Allocation														
Walking		20					20	20				20	0	20
Local Choice on Transport Priorities		100					100	100				100	0	100
<i>Programmes funded by Transport For London</i>														

CAPITAL PROGRAMME 2009-10 TO 2012-13
CAPITAL FUNDING

Environment & Operations	PRIOR YEARS	2009-10	2010-11	2011-12	2012-13	Future years	Total	Grants	Other (incl. S106)	Capital Receipts	Borrowing	2009/10-2012/13	Prior years funding	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
HD35 Highways Investment 2006-07 and 2007/8	44	10					54				10	10	44	54
2008-09 HIP Allocation	104	48					152				48	48	104	152
2009-10 HIP Allocation		1,769					1,769		81		1,688	1,769	0	1,769
2010-11 HIP Allocation			1,600				1,600			800	800	1,600	0	1,600
<i>Programmes funded by Prudential Borrowing / S106</i>														
HD36 School Travel Plans (STPs)														
2007/08 STP allocation	525	5					530	5				5	525	530
2008/09 STP allocation	485	338					823	338				338	485	823
2009/10 STP allocation		507	50				557	557				557	0	557
<i>Programmes funded by Transport For London</i>														
HD38 Carriageway and Footways														
2008-09 C&F Allocation	885						885						885	885
Old SDU Projects													0	0
Annual Programme		750					750	29			721	750	0	750
Capitalisation of planned maintenance			1,500	1,500			3,000				3,000	3,000	0	3,000
HD39 Travel Plan Implementation		33					33				33	33	0	33
HD43 Congestion Reduction Methods	468	432					900				432	432	468	900
Grahame ParkP/Cricklewood Transport Improvements	51						51						51	51
<i>Programmes funded by Prudential Borrowing</i>														
HD44 Local Accessibility Scheme (LAS) Work Programme														
2008/09 LAS Programme	29						29						29	29
2009/10 LAS Programme		40					40	40				40	0	40
Non-year specific		11					11	11				11	0	11
<i>Programmes funded by Transport For London</i>														

CAPITAL PROGRAMME 2009-10 TO 2012-13
CAPITAL FUNDING

Environment & Operations		PRIOR YEARS	2009-10	2010-11	2011-12	2012-13	Future years	Total	Grants	Other (incl. S106)	Capital Receipts	Borrowing	2009/10-2012/13	Prior years funding	Total
		£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
HD99	Outstanding Transport commitments on completed schemes		45					45				45	45	0	45
SD05	Building Safer Communities		108					108	108				108	0	108
	Copthall Roof		90					90				90	90	0	90
	Local Implementation Plan (LIP)														
	Road Maintenance			764				764	764				764	0	764
	Corridors			2,212				2,212	2,212				2,212	0	2,212
	Neighbourhoods			1,602				1,602	1,602				1,602	0	1,602
	Smarter Travel			436				436	436				436	0	436
	Local Transport Funding			100				100	100				100	0	100
		25,713	18,698	10,855	1,675			56,941	12,396	3,494	800	14,538	31,228	25,713	56,941

CAPITAL PROGRAMME 2010-11 TO 2012-13

CAPITAL FUNDING

Planning, Housing and Regeneration	PRIOR YEARS	2009-10	2010-11	2011-12	2012-13	Future years	Total	Grants	Other (incl. S106)	Capital Receipts	Borrowing	2009/10-2012/13	Prior years funding	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
HOUSING GENERAL FUND:														
HS01 Housing Association Programme	4,478	714	2,341	2,000			9,533		5,055			5,055	4,478	9,533
HS17 GF Regeneration	12,602	2,521	2,666	630			18,419			5,568	249	5,817	12,602	18,419
HS27 Disabled Facilities Grant - Mandatory	5,686	1,412	1,250	1,250			9,598	2,250		1,662		3,912	5,686	9,598
Disabled Facilities Grant - Discretionary	236	192	150	150			728			492		492	236	728
HS28 Housing Management System			334				334			334		334	0	334
HS29 Greentop Centre		170					170		170			170	0	170
HS30 Open Space Landscaping		113					113		113			113	0	113
EN11 Environmental Officer - capitalisation of salary	120	40	80	40			280				160	160	120	280
Hostel Refurbishment Programme			816				816			816		816	0	816
	23,122	5,162	7,637	4,070			39,991	2,250	5,338	8,872	409	16,869	23,122	39,991

CAPITAL PROGRAMME 2009-10 TO 2012-2013

CAPITAL FUNDING

Housing Associations	No. of units	IMPLEMENTATION		PRIOR YEARS	2009-10	2010-11	2011-12	2012-13	Future years	Total	Grants	Other (incl. S106)	Capital Receipts	Borrowing	2009/10- 2012/13	Prior years funding	Total
		START	END														
FAMILY HOUSING ASSOCIATION - Bunns Lane New Build s106 site. 12 x two bed flats for rent	12	Apr-07	Apr-08	£000	£000	£000	£000	£000		£000	£000	£000	£000	£000	£000	£000	£000
				1,076						1,076						1,076	1,076
NOTTING HILL HOUSING TRUST - New Fieldways New build site for 20 flats for rent	20	Jan-06	Jun-08	2,268						2,268						2,268	2,268
METROPOLITAN HOUSING TRUST Page Street, NW7 5 x 4 bedroom homes to rent secured through a S106 agreement	5	Mar-06	Apr-07	680						680						680	680
PADDINGTON CHURCHES HOUSING ASSOCIATION - Highway Agency Properties Purchase and refurbishment / repair of family units.	4	Mar-02	Dec-09	454	23					477		23			23	454	477
PADDINGTON CHURCHES HOUSING ASSOCIATION Pert Close, N10 New build of family sized houses to meet to meet current housing needs	4	Oct-09	Nov-10			650				650		650			650		650
HOME GROUP Long Lane, N2 6 large family houses	6	Mar-09	Mar-10		691	691				1,382		1,382			1,382		1,382
NEW BUILD OPPORTUNITIES S106 and Local Authority site disposals	10	t.b.a	t.b.a			1,000	2,000			3,000		3,000			3,000		3,000
HOUSING ASSOCIATIONS TOTAL				4,478	714	2,341	2,000			9,533		5,055			5,055	4478	9,533

CAPITAL PROGRAMME 2009-10 TO 2012-13
CAPITAL FUNDING

Housing Revenue Account	PRIOR YEARS	2009-10	2010-11	2011-12	2012-13	Future years	Total	Grants	MRA	Other (incl. S106)	Capital Receipts	Borrowing	2009/10-2012/13	Prior years funding	Total
HRA PROGRAMME:	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Cash Incentives - Managed by Barnet Homes	2,834	399	503				3,736				102	800	902	2,834	3,736
Housing Renovation Programme															
Current Programme - Managed by Barnet Homes															
Partnering Packages															
Barnet	32,175	5,700	4,179				42,054		1,382			8,497	9,879	32,175	42,054
Finchley	11,808	6,004	5,009				22,821		4,135			6,878	11,013	11,808	22,821
Hendon/Edgware	36,102	9,509	747				46,358		4,376	4,675		1,205	10,256	36,102	46,358
Sheltered/Hostels	7,829	900	302				9,031		1,202				1,202	7,829	9,031
Renovations / Modernisation			2,647	4,594	6,390		13,631		13,631				13,631		13,631
Granville Road, Tower Blocks			3,600	10,200	200		14,000	8,000	6,000				14,000		14,000
Adaptations	5,719	1,630	1,427	500	500		9,776		1,742			2,315	4,057	5,719	9,776
Regeneration Estates	3,095	1,638	1,571	500	500		7,304		2,709			1,500	4,209	3,095	7,304
Miscellaneous Works	8,781	3,063	750	646	500		13,740	1,898	785	91		2,185	4,959	8,781	13,740
Extensions and Deconversions	208	100	332				640	250	182				432	208	640
Transitional Programme	24,255						24,255							24,255	24,255
	132,806	28,943	21,067	16,440	8,090		207,346	10,148	36,144	4,766	102	23,380	74,540	132,806	207,346

Medium Term Financial Strategy

Introduction & Context

The Council is producing its second Medium Term Financial Strategy. The Strategy sets out to Stakeholders that the aims and objectives of the Council are consistent with their needs.

The Council's Constitution sets out how decisions are made including setting the Council Budget. Whilst the Council Budget sets out what those decisions are, the Medium Term Financial Strategy determines the underlying principles behind them and is key in driving the delivery of the Corporate Plan.

The Financial Forward Plan sits beneath the Medium Term Financial Strategy indicating future years' budgets and council tax levels. Those indications are based on the current available information and provides the starting point for the following year's budget.

The strategy shows that we are clear both about the outcomes we want to achieve for our communities and the financial challenges that we will have to address if we are to successfully deliver on these outcomes.

The Council anticipates significant financial challenges over the period of the next Comprehensive Spending Review and beyond and difficult choices will have to be made – this Strategy provides the practical framework within which choices will be identified, debated and approved.

The primary financial challenges facing the Council over the medium term will be delivering a coherent, balanced revenue budget year on year and delivering a sustainable capital programme that maintains appropriate investment in our key infrastructure.

To deliver a coherent, balanced revenue budget year on year, given the potential scale of public sector funding constraint that has been projected nationally, we will need to review existing service delivery arrangements to determine if they are effective, efficient and sustainable, consider alternative methods of service delivery where appropriate and proactively identify opportunities to secure efficiencies. The success of the Future Shape programme is critical to ensuring the Council will be able to deliver a sustainable balanced budget in the medium to long term.

The Council has to ensure that Prudential Borrowing limits are adhered to which means that the future capital programme is largely self-financing through the release of other capital assets, de-committing other capital projects that have yet to commence, and secure external funding, as well as delivering efficiencies which will secure ongoing revenue savings.

Effective project management and delivery are also critical to the successful delivery of capital schemes, with the aim of delivering schemes on time and budget, and minimising capital slippage.

If the Medium Term Financial Strategy is to be successful, and achieve the objectives outlined, it must be a dynamic, living document reviewed on a regular basis.

What is the point of a Financial Strategy?

The purpose of a Financial Strategy is to provide clear direction, supported by a practical framework and explicitly defined parameters, on how the Council will structure and manage its financial resources in the medium to long term to ensure they are deployed effectively to achieve corporate objectives. This is not just another financial process. The Strategy forms an integral part of our Strategic Planning and Performance Management Framework which underpins the achievement of the vision and outcomes identified in the Corporate Plan, Local Area Agreement and Directorate Business Plans..

As part of the Future Shape programme, the ambition of the Council is to produce a single, coherent Financial Strategy in conjunction with partner organisations that brings together the combined corporate objectives of the organisations along with all the relevant financial information in a clear and accessible document covering a four year period (and beyond where appropriate).

The value of such a Strategy is that it should enable the Council to understand the wider policy and financial environment within which it and its partners operates, identify and respond flexibly to opportunities and threats, manage and mitigate risks and ensure that financial resources are contributing to achieving corporate objectives.

The strategy will also provide information to a range of stakeholders:

Table 1 – Stakeholder Information

For the Council and Elected Members	to decide how available financial resources will be used
For Chief Officers, Managers and Employees	to reinforce their roles in financial management arrangements
For Residents	to show how the Council's Financial Strategy impacts upon service provision
For Council Tax payers	to demonstrate how the Council looks after public resources
For Partners	to share the Council's vision and help identify opportunities for joint working

Inevitably some of the information of the Financial Strategy will be based on assumptions and these will change over time. The Strategy will be reviewed regularly so that the Council can respond proactively to any such changes.

The inclusion of information in the Financial Strategy, for example on a specific project in 2011, does not infer approval and all financial projections and issues will have to be

subject to approval through the budget process. This will also allow services to plan ahead, taking into account the resources available over the next three years, and proactively identify opportunities to achieve efficiencies or secure alternative funding sources.

Background

As a result of sound budgeting and robust monitoring, the Council's general fund balances have risen steadily over the last three years. Balances have reached the minimum level of £15m previously recommended by both the Chief Finance Officer and the Council's External Auditor. The Chief Financial Officer has reviewed balances again in the light of preparing for the next Comprehensive Spending Review and ensuring the Council is in a sound position to continue to deliver effective services and has recommended that balances be maintained at £15m for the time being.

Guiding Principles

The Council faces the prospect of very low grant settlements in the period of the next Comprehensive Spending Review, but at the same time will have to accommodate increasing levels of demand, particularly from demand led service areas over which the Council has no or limited control such as Adults and Children's services.

Despite these challenges, the Council is committed to keeping annual increases in Council Tax as low as possible and adheres to a set of key principles in the decision making process to support this . These principles are set out below:-

- Unearmarked General Fund balances will be maintained at or above the minimum level recommended by the Chief Finance Officer (currently £15m);
- the Council will maintain a comprehensive, coherent, balanced and sustainable budget;
- the Council will review the level of Council Tax annually and decisions on future levels of tax will be taken in the context of available funding and the Financial Strategy;
- Cabinet Members and Directors will be required to undertake risk based financial forward planning for their portfolios and services thereby improving the quality of decision making and reducing the risk from in-year changes to the annual council budget;
- The Council will maintain a robust Treasury Management Strategy that balances the requirements for liquidity, security and yield;
- resources will be allocated and deployed to facilitate delivery of the outcomes set out in the Corporate Plan, Local Area Agreement and Directorate Business Plans.
- all key strategic decisions on the allocation and deployment of resources will be made within the appropriate financial context;
- in reaching decisions, Members will take full account of the impact on the overall financial resources of the Council in the short, medium and long term;

- the Budget will be framed in such a way as to ensure that the Council has flexibility to address new policy requirements, or significant changes to existing policies, within overall available financial resources;
- the Council will continue to deliver efficiency savings every year and provide services that represent value for money;
- resources will be invested effectively, efficiently and on sustainable basis;
- there will be significant improvement in the delivery of major projects;
- there will be an ongoing focus on securing efficiencies across the organisation;
- a significant proportion of efficiencies secured will be invested in maintaining service quality, or delivering new infrastructure;
- the Council will engage with the wider community to ensure that there is an increased level of understanding about the finances of the Council and the difficult choices which need to be made.

Financial Management

The fundamental principles of corporate governance should be reflected in the various dimensions of Council business, including;

- Ensuring a community focus underpins the Council's vision and priorities;
- Ensuring the effective delivery of local services on a sustainable basis;
- Establishing effective management structures and processes which include clearly defined roles and responsibilities for officers;
- Developing and maintaining effective risk management systems that form part of the Council's strategic decision making process;
- Ensuring high standards of propriety and probity in the stewardship of the Council's funds and the management of the Council's affairs;
- A commitment to openness in the Council's affairs and the provision of full, accurate and clear information to all stakeholders.

The Council's Constitution sets out the requirements for Budgetary Control and Contracting Regulations.

Budgetary Control

- to have adequate budget and project monitoring arrangements in place;
- to take decisions to re-direct resources in support of the Corporate Plan at any time during the financial year, rather than wait for the start of the next financial year;

- to maximise collection and recovery of income due to the council;
- to establish earmarked reserves whenever possible during each financial year to meet future policy objectives, reduce the impact on future years' budgets and levels of council tax increases, and adequately provide for anticipated liabilities in the future;

Overspend Statement

The Council has to ensure that the management disciplines it operates are regularly reviewed and are robust in ensuring that budget managers adhere to the Council's Constitution. The treatment of overspends has been reviewed and the ongoing ability for General Fund balances to be used to meet overspends is not sustainable going forward. Formula grant funding is likely to be reduced going forward, and the management behaviour of overspending will not be sustainable. In order to protect balances and ensure the authority has a sound financial position in preparation for CSR 2010 it is proposed that a change is brought in with respect to overspends. The policy put forward is that overspends be clawed back from the relevant Directorate budgets in the following year, and if the position is not corrected during the following year the overspend be clawed back in the subsequent year.

Should budget managers adhere to budget management disciplines then it may be possible to review the position regarding the treatment of underspends in subsequent reviews, and specifically to identify a possible process for sharing underspends to provide incentives for budget control.

Sound governance

- to comply with all European Union and national procurement and contracting regulations, whilst also seeking to be innovative to improve service delivery and value for money;
- to recognise the role that partnerships can have in delivering services, but to enter these only when satisfactory arrangements for financial control, risk management and performance monitoring are in place.
- to have in place adequate anti-fraud and corruption arrangements, and to take robust action if and when fraud and corruption is identified;

The Financial Regulations (revised April 2009) are an essential component of the corporate governance of the Council, and apply to all financial transactions of the Council with the exception of schools with delegated budgets which have their own Financial Regulations.

The Chief Financial Officer has been designated as "the proper officer" and is responsible for advising the Council on all financial matters including the determination of Accounting Policies.

The Financial Regulations are designed to facilitate the smooth running of the Council, protect its interests and the interests of members and officers, and ensure the proper administration of the Council's financial affairs, including, Trading Accounts, Trust Funds, and Sundry Accounts.

Roles and Responsibilities

In order to ensure clear accountability is important to set out the roles and responsibilities of the key parties involved in the Financial Strategy and the management of overall financial resources of the Council.

Elected Members

Council Members, through the Full Council, Cabinet and the Scrutiny process are responsible for considering and approving budgets and the overall Financial Strategy for the Council. Approved budgets must be financially balanced and demonstrate value for money and sustainability.

Throughout the year Cabinet Resources Committee receive reports which allow progress against approved budgets to be scrutinised. All members should receive appropriate training in the areas of Financial Strategy, Local Government Finance and key specialist areas such as Treasury and Risk Management.

Council Directors Group

The Chief Executive and Directors who form the Council Directors Group, chaired by the Chief Executive, are responsible, individually and collectively, for ensuring that efficiency and value and value for money are achieved across the Council, in service delivery, internal processes and systems of control, procurement of goods/services and the use of assets.

As Budget Holders they are responsible for the budgets delegated to deliver the services within their Directorate in line with the priorities of the Council. Whilst they may delegate this responsibility within their Directorate they remain accountable in exercising overall financial control.

Heads of Service

Heads of Service are individually responsible for ensuring that the services within their remit are delivered in line with the agreed policy, and support the strategic direction of the Council. As Budget Holders they are responsible for the budgets delegated to them to deliver their service in line with the priorities within the Corporate Plan.

Chief Finance Officer (S151 Officer)

The Chief Finance Officer has a statutory role to ensure the correct arrangements are in place for the proper administration of the financial affairs of the Council. She or he has the authority to comment on any financial decision and advise CDG, the Chief Executive and elected members on all financial matters.

Heads of Finance/Finance Managers/Senior Management Accountants

The Heads of Finance advise Directors and their management teams on all financial matters. They are supported in this role by the finance managers and accountants, who are responsible for the preparation of budget reports and the provision of specialist advice and general guidance on financial systems, including rules and procedures

However responsibility for budgetary control lies with the Corporate Directors as delegated budget holders, their Heads of Service and Service Managers.

Internal Audit

Internal Audit provide assurance to elected members, the Chief Executive and management that the internal processes of the Council are being managed appropriately in line with the overarching policies, that there are sound systems of financial control and that outcomes are being delivered in the most efficient and effective manner.

External Audit

The role of External Audit is to provide assurance that the Council has spent public money properly to deliver outcomes in an efficient and effective manner.

They provide assurance to the elected members, the CDG and general public that the Council's performance is reported in accordance with the extant financial standards and that the financial accounts present a full and fair view of the Council's activities.

Deliverables

Once adopted and implemented, the Medium Term Financial Strategy will support the delivery of the Council's corporate priorities as set out in the Corporate Plan.

The MTFS will also:

- effectively link policy and service development and performance management with financial planning, aligning resources with corporate priorities and away from non-priority areas
- fully integrate capital and revenue financial planning;
- ensure that the financial implications of unforeseen events can be managed effectively, due to the maintenance of balances at a sensible level;
- support the effective use of resources, as measured within the Comprehensive Area Assessment Organisational judgement;
- ensure that there are clear medium term financial strategies for each service area which detail the delivery of the Key Priority Plans;
- ensure robust arrangements for the monitoring of budgets and resources throughout the year;

Financial Risk Management

The principal mechanism by which the Council will manage financial risks is through the establishment and maintenance of adequate reserves, balances and provisions and an in-year contingency.

Members will be informed about financial risks through a variety of mechanisms, including:-

- the annual financial risks statement by the Chief Finance Officer that accompanies the annual budget report;
- regular budget monitoring reports and the annual financial outturn report to Cabinet Resources Committee;
- the Annual Governance Statement, which is considered by the Audit Committee and signed off by the Leader and Chief Executive, and is the product of a corporate risk management framework incorporating service mini-Statements of Internal Control and Internal Control Checklists;
- the annual Use of Resources Assessment;
- Comprehensive Area Assessment;
- Separately identified within decision reports to Cabinet, CRC and other Member meetings as appropriate.
- Scrutiny.

Links to Other Council Strategies

The Medium Term Financial Strategy supports and is supported by the following strategies and plans:-

- Sustainable Community Strategy
- Corporate Plan
- Directorate Business/Service Plans
- Capital, Assets & Property Strategy
- Treasury Management Strategy
- Procurement Strategy
- Risk Management Strategy

Glossary of terms

Audit Committee

Committee that looks at the effectiveness of risk management and the control environment, and how this can be affected by the authority's financial and non-financial performance

Balances

The outstanding amount of money owed (or due) at a given date (usually the end of a financial period) after all payments and withdrawals have been accounted for. It can be positive (an asset) or negative (a liability).

Base Budget

Budget at the start of the financial year based on the previous year's outturn and adjusted for inflation, savings and growth items.

Cabinet Resources Committee

Cabinet Committee that monitors the use of the Authority's resources to ensure they support the Council's priorities as set out in the Corporate Plan.

Chief Finance Officer

The corporate officer responsible for managing the financial risks of an organisation and holding the statutory function of the S151 Officer (Local Government Act 1972). Also responsible for financial planning and the communication of financial performance and forecasts.

Comprehensive Area Assessment

Audit Commission's assessment of the Council and its partners performance and the services they provide for local people. This is part of assessing the authority's statutory obligation to secure efficiencies.

Corporate Plan

Review of the performance of the authority over the last twelve months and sets out priorities and targets for service improvement over the next three years.

Council Tax

The main form of local taxation in England, Scotland and Wales paid by residents to local authorities, the base of which is property value. Only contributes a small proportion (25% on average) of local government revenue.

Financial Forward Plan

Financial plan covering a period of at least four financial years (including the current one) reported in conjunction with the annual budget and updating throughout the year. Will cover revenue and capital budgets and will highlight how resources are being re-directed to address Corporate Plan priorities.

Grant settlement

The central government grant funding of local authority revenue expenditure calculated by the total amount that central government assumes an authority should spend (in line with national economic policy) in a given year together with the forecasted collection of Council Tax and other funding sources.

Internal Control Checklist

Review of the controls within the Council by all managers to ensure compliance with legislative requirements and local procedures.

Prudential Framework

The framework within which local authorities can be awarded greater freedoms in borrowing dependent upon their financial performance.

Reserves

Commonly used in the private sector to describe the shareholders equity in an organisation. In the public sector it is a reflection of the level of public funding in a public sector organisation.

Statement on Corporate Governance

Statutorily required document reviewing the Internal Controls within the authority that support the efficient and effective management of the delivery of services. Required to provide assurance that the Corporate Plan can be delivered.

Use of Resources

Element of the Comprehensive Area Assessment that assesses how well the authority manages and uses its financial resources.

Financial Forward Plan 2010-2015

	2010/11	2011/12	2012/13	2013/14	2014/15
	£m	£m	£m	£m	£m
Base budget (net of AEF, DSG / Collection Fund)	152.069	153.005	156.828	160.747	164.772
Pay awards & inflation (excluding Schools Budget)	1.311	4.050	4.134	5.405	5.553
Full year effects	(0.598)	0.000	0.000	0.000	0.000
Efficiencies	(11.609)	(0.562)	(0.260)	0.000	0.000
Pressures	16.344	4.014	3.093	2.583	0.481
Reductions	(3.046)	3.114	0.790	(1.032)	0.000
Income	(1.073)	(0.001)	0.000	0.000	0.000
Collection Fund adjustments	(1.240)	1.240	0.000	0.000	0.000
Area Based Grant (Base Budget)	(0.007)	0.000	0.000	0.000	0.000
Formula Grant (assuming a 3% annual reduction in grant)	(2.607)	2.837	2.752	2.669	2.589
	149.544	167.697	167.337	170.372	173.395
Specific Reserves	3.461	(3.461)	0.000	0.000	0.000
Balances	0.000	0.000	0.000	0.000	0.000
Special Parking Account	0.000	0.000	0.000	0.000	0.000
Contingency for new pressures	0.000	5.000	5.000	5.000	5.000
Budget reductions to be identified	0.000	(12.408)	(11.590)	(10.600)	(9.510)
Call on Collection Fund	153.005	156.828	160.747	164.772	168.885
Council Tax (Band D)	£1,113	£1,141	£1,170	£1,199	£1,229
Medium Term Financial Strategy	0.00%	2.50%	2.50%	2.50%	2.50%

TREASURY MANAGEMENT, CAPITAL PRUDENTIAL CODE & BORROWING LIMITS

Introduction

The prudential indicators for the forthcoming and following years must be set before the beginning of the forthcoming year. The Prudential Code financial indicators, Treasury Management Strategy Limits and Minimum Revenue Provision Policy Statement requiring Council consideration are set out below.

2010/11 Budget & Rent Setting Reports

1. The ratio of financing costs to net revenue stream shows the estimated annual revenue costs of borrowing (net interest receivable / payable on debt and the minimum revenue provision for repaying the debt) as a proportion of annual income from government grants and council taxpayers. The estimates of financing costs set out below include current commitments and the proposals in this budget report.

Ratio of financing costs to net revenue stream	2008/09 Actual %	2009/10 Estimate %	2010/11 Estimate %	2011/12 Estimate %	2012/13 Estimate %
Non-HRA	1.07	4.21	5.48	6.33	6.48
HRA	42.29	50.44	49.72	46.02	46.36

2. The incremental impact of capital investment decisions reflects the estimated annual increase/decrease in Band D Council Tax as a result of new proposed capital spending. As set out in the main report, all the Council's borrowing is deemed to be prudential as the Government's notional supported borrowing allocations do not result in additional revenue support grant.

The estimate of the incremental impact of capital investment decisions proposed in this budget report, over and above capital investment decisions that have previously been made by the Council and full year effects are set out below. The reduction over time reflects future assumptions on interest rates, revenue efficiency savings, and funding of the capital programme through other means, e.g. capital receipts.

Incremental Impact on Band D Council Tax		
2010/11	2011/12	2012/13
£25.92	£17.44	£4.20

3. In considering its programme for capital investment, the Council is required by the Prudential Code to have regard to:-
 - affordability (implications for Council Tax)
 - prudence and sustainability (implications for external borrowing)
 - value for money (option appraisal)
 - stewardship of assets (asset management planning)
 - service objectives (the Corporate Plan)
 - practicality (achievability of the forward plan).

A key measure of affordability is the incremental impact on the Council Tax, and the Council could consider different options for its capital investment programme in relation to their differential impact on the Council Tax.

4. Estimates of the end of year Capital Financing Requirement (CFR) for the current and future years, and the actual CFR at 31 March 2009 are set out below.

Capital Financing Requirement (CFR)					
	2008/09 Actual £'000	2009/10 Estimate £'000	2010/11 Estimate £'000	2011/12 Estimate £'000	2012/13 Estimate £'000
Non-HRA	80,077	105,550	133,676	151,541	148,428
HRA	62,881	80,472	93,290	103,852	103,852
CFR presented to Council in March 2009					
Non-HRA	114,505	134,165	134,861	146,785	
HRA	73,995	89,086	100,631	103,749	

5. The CFR is a measure of the underlying need to borrow for capital purposes, so excludes capital expenditure financed by capital receipts, capital grants, revenue contributions and third party contributions. In accordance with statutory guidance, the Council does not associate borrowing with particular items or types of expenditure in the accounts, although when approving new projects and other variations to the capital programme the likely impact on the overall level of prudential (unsupported) borrowing is advised to Members. Financial Regulations allow the Chief Finance Officer to amend the funding of capital projects if this is to the Council's overall financial benefit.
6. The Council has an integrated Treasury Management Strategy (TMS) and has adopted the CIPFA Code of Practice for Treasury Management in the Public Services. Barnet has at any point in time a number of cashflows both positive and negative, and manages its overall treasury position in accordance with the approved TMS and treasury practices. In daily cash management, no distinction is made between revenue cash and capital cash, as external borrowing arises as a consequence of all the financial transactions and not simply those arising from capital spending. In contrast, the CFR reflects the underlying need to borrow for capital purposes.
7. The CIPFA Prudential Code for Capital Finance in Local Authorities includes the following as a key indicator of prudence:– In order to ensure that over the medium term net borrowing will only be for a capital purpose, the local authority should ensure that net external borrowing does not, except in the short term, exceed the total of capital financing requirement in the preceding year plus the estimates of any additional capital financing requirement for the current and next two financial years.

Net borrowing refers to the council's total external borrowing. The Chief Finance Officer reports that the council had no difficulty meeting this requirement in 2008/09, and that there are no difficulties envisaged over the term of the proposed capital programme. This view takes into account current commitments, existing plans, and the proposals in this budget report.

8. **The actual capital expenditure that was incurred in 2008/09 and the estimates of capital expenditure to be incurred for the current and future years that are recommended for approval are as follows:-**

Capital programme	2008/09 Actual	2009/10 Estimate	2010/11 Estimate	2011/12 Estimate	2012/13 Estimate
	£'000	£'000	£'000	£'000	£'000
Adult Social Services	29	73	1,332	0	0
Central Expenses	0	3,000	1,500	1,500	1,500
Children's Service	42,585	71,227	73,813	42,901	150
Corporate Governance	1	1	31	0	0
Commercial Services	7,694	4,204	3,517	0	0
Corporate Services	4,458	2,925	3,759	70	0
Environment & Operations	15,067	18,698	10,855	1,675	0
Planning, Housing & Regeneration	5,684	5,162	7,637	4,070	0
General Fund	75,518	105,290	102,444	50,216	1,650
Housing Revenue Account	30,911	28,943	21,067	16,440	8,090
Total Programme	106,429	134,233	123,511	66,656	9,740

9. External debt is defined in the Prudential Code as the sum of external borrowing and other long-term liabilities.

Cabinet is asked to recommended that Council approves the following Authorised Limits for its total external debt for the next three financial years – this being the statutory limit determined under Section 3(1) of the Local Government Act 2003 – and agrees the continuation of the previously agreed limit for the current year since no change to this is necessary.

Authorised limit for total external debt	2009/10 £000	2010/11 £000	2011/12 £000	2012/13 £000
Borrowing	251,322	262,334	262,334	262,334
Other long term liabilities ¹	50,000	50,000	50,000	50,000
	301,322	312,334	312,334	312,334

The Council has decided to adopt as its Authorised Limit for 2010/11 and 2011/12 the calculated limit for 2012/13. By adopting this approach the Council will be able to take advantage of any falls in the interest rate market and take its future borrowing at the optimum time.

10. The prudential indicator for the authorised level of external debt is the means by which the council will comply with the legislative requirement to determine and keep under review the amount it can afford to borrow for capital expenditure purposes. These Authorised Limits are consistent with the council's current commitments, existing plans and proposals in this budget report for capital expenditure and financing, and with its approved treasury management policy statement and practices. Risk analysis and risk management strategies have been taken into account, as have estimates of the CFR cashflow requirements.

¹ This represents headroom for additional borrowing to cover for risks like non-receipt of capital receipts, housing subsidy, RSG etc.

11. **Cabinet is asked to recommend that Council approve the following Operational Boundary for external debt:-**

Operational Boundary for total external debt	2009/10 £000	2010/11 £000	2011/12 £000	2012/13 £000
Borrowing	251,322	262,334	262,334	262,334
Other long term liabilities	31,000	31,000	31,000	31,000
Total	282,322	293,334	293,334	293,334

The proposed Operational Boundary for external debt is based on the same estimates as the Authorised Limits, but only includes headroom to allow for unusual cash movements. It represents a key management tool for in-year monitoring, and within it the figures for borrowing and other long term liabilities are separately identified.

12. The council's external debt at 31 January 2010 was £214.5m. This is the position at a single point in time, so is not directly comparable to the Authorised Limit or Operational Boundary.

2010/11 Treasury Management Strategy Limits

13. The council has adopted the CIPFA Code of Practice for Treasury Management in the Public Services.
15. **Cabinet is asked to recommend to Council to set an upper limit on its fixed interest rate exposures for 2010/11, 2011/12 and 2012/13 of 100% of its net outstanding principal sums.**
16. **Cabinet is asked to recommend that the Council sets an upper limit on its variable interest rate exposures for 2010/11, 2011/12 and 2012/13 of 30% of its net outstanding principal sums.**
17. The above mean that the Chief Finance Officer will manage fixed interest rate exposures within the range 70%-100%, and variable interest rate exposures within the range 0%-30%. This is a continuation of current practice and provides flexibility to take advantage of any favourable movements in interest rates.
18. **Cabinet is asked to recommend to Council that it approve and set upper and lower limits for the maturity structure of borrowings as set out in the table below.**

Fixed Rate Maturity Borrowing	Upper limit	Lower limit
Under 12 months	40%	0%
12 months and within 24 months	40%	0%
24 months and within 5 years	40%	0%
5 years and within 10 years	40%	0%
10 years and above	95%	25%

The table shows the upper and lower limits of projected borrowing that is fixed rate maturing in each period as a percentage of total projected borrowing that is fixed rate at the start of the period:

19. **Cabinet is asked to recommend to Council that it approve an upper limit of 40% of borrowing maturing in any one year.**
20. As at 31 January 2009 the council's debt maturity profile was:-

Debt Maturity Profile	£m	% of Total Borrowing
Under 12 months	24.50	11.42
12 months and within 24 months	6.00	2.8
24 months and within 5 years	42.00	19.58
5 years and within 10 years	5.00	2.33
10 years and above	137.00	63.87
Total	214.50	100.00

Monitoring

21. The Prudential Code requires that performance is monitored against all forward looking indicators and that significant deviations from expectations are highlighted. This monitoring is undertaken as part of capital monitoring reported to Cabinet Resources Committee.

2010/11 Minimum Revenue Provision (MRP) Policy Statement

22. **Cabinet is asked to recommend to Council that the determination of asset life for the purposes of MRP Policy Statement be delegated to the Chief Finance Officer.**
23. The Council will continue to charge 4% on capital expenditure incurred before 1 April 2008 and future Supported Capital Expenditure in accordance with Option 1 of the guidance. Capital expenditure incurred on or after 1 April 2008 which is funded from unsupported borrowing will be subject to MRP under Option 3 Asset Life Method, which will be charged over a period which is based on the estimated useful life of the assets, using the equal annual instalment method. For example, capital expenditure on a new building, or on the refurbishment or enhancement of a building, will be related to the estimated life of that building.
24. Estimated life periods will be determined under delegated powers. To the extent that expenditure is not on the creation of an asset and is of a type that is subject to estimated life periods that are referred to in the guidance, these periods will generally be adopted by the Council. However, the Council reserves the right to determine useful life periods and prudent MRP in exceptional circumstances where the recommendations of the guidance would not be appropriate.
27. As some types of capital expenditure incurred by the Council are not capable of being related to an individual asset, asset lives will be assessed on a basis which most reasonably reflects the anticipated period of benefit that arises from the expenditure. Also, whatever type of expenditure is involved, it will be grouped together in a manner which reflects the nature of the main component of expenditure and will only be divided up in cases where there are two or more major components with substantially different useful economic lives.

Budget Consultation 2010-11

1. Executive Summary

This report presents the key findings from the public consultation on the budget for 2010-11 which consisted of:

- A series of face to face events, via the Leader Listens, Area Forums, and a Leader Listens Business Event
- An online Budget Simulator (575 respondents)
- An online qualitative survey on the Budget Headlines (18 respondents)
- Letters sent out to all business rate payers inviting them to comment and take part in the consultation on the Budget Headlines

The consultation process showed that residents were most interested in reducing budgets in the following areas: Democratic Services (9.61%); Mobile CCTV unit (6.67%); Council website (6.61%); Planning (6.51%); Planning, Housing and Regeneration Directorate (6.16%).

In addition, 120 respondents opted to reduce Support Services in some form. There were several comments that citizens would have liked the option to increase spending in some areas.

Respondents broadly agreed that the Budget Headlines had identified the right level of savings and that council tax should be frozen next year¹. Of those who disagreed with the freeze, respondents wanted to see increased expenditure in Adult Social Services and Children's Services. In terms of the council introducing charges for services they don't currently charge for, respondents tended to disagree with this concept or say they 'did not know'.

2. Online Budget Simulator

The budget options simulator was created as stage 1 of the budget consultation 2010/11. This was to enable residents to understand the pressures that the Council faces when setting its annual budget and council tax. The tool was used to facilitate decreases only in the areas of expenditure in order for residents to understand the challenges that officers and members contend with when setting the council's budget.

2.1 Methodology

A link to the simulator was made available on Barnet Online and also sent to our online Citizen Panel members.

Respondents could choose to decrease the spend from 5% to 25% or keep the spend the same. At the end of the process the respondent was given a list of consequences as a result of their choices. Within the tool there is also a facility for comments.

In order to increase wider public participation the budget simulator was promoted and discussed at the councils Area Forums and Leader Listens events through out November and December 2009. Posters were also displayed in libraries and libraries were given a briefing note on how the tool worked to brief their staff.

¹ In looking at these results, a caveat should be applied, that due to the small sample sizes the results are not statistically reliable and the results should therefore be treated as a qualitative in-depth study which gives some indication of stakeholder's views.

The consultation for the budget simulator closed on 1st February 2010.

2.2 Key Findings

- A total of 575 residents have accessed the consultation.
- Overall, over half of the respondents did not complete or change the budgets for the service areas.
- 57 residents recorded additional comments in the space provided.
- There were a handful of comments relating to the 'decrease-only' use of the tool.
- The Budget Online Simulator showed the service area where residents wanted to reduce budgets the most were: Democratic Services (by 9.61%); Mobile CCTV unit (by 6.67%); Council website budget (by 6.61%); Planning budget (by 6.51%); Planning, Housing and Regeneration Directorate budget (by 6.16%). In addition, 120 respondents opted to reduce Support Services in some form.
- The services where residents indicated they would like the lowest reductions in budget were for: Support for vulnerable children (3.58%); Pavements (3.61%); Day services for disabled adults (3.72%); Support for vulnerable families (3.72%); Recycling and Refuse Collections budget by (3.82%).
- The charts on page 3 and 4 gives a full illustration of how residents indicated they would like the council to reduce the budgets within the different services areas

3. Online Qualitative Survey on Budget Headlines

The second stage of the budget consultation was designed to collect respondents views on the councils recently published Budget headlines and also, in response to comments from the first round of consultation, offer stakeholders significant detail about the budget proposals.

The consultation was launched on the 20th January 2010 and will be available for respondents to complete until 19th February 2010. Any further updates on the consultation further to the information reported in this appendix will be updated verbally to Cabinet. The final decision on the budget and Council Tax will be made at the Council meeting on 2 March 2010.

3.1 Methodology

The consultation is being conducted via an online survey which is available on Barnet Online. Hyper links have been provided throughout the survey to allow respondents the opportunity to download the relevant budget headlines prior to responding to each set of questions on the budget proposals. Hard copies are also available on request.

The survey is being promoted on Barnet Online (on the home page under highlights), in Barnet Libraries via posters, through Face book, twitter and Barnet CommUnity.

As part of the Council's statutory duty to consult with business rate payers, businesses have also been personally invited to take part, by either completing the online survey, writing in with their comments or by attending the Leader Listens Business Breakfast meeting.

3.2 Key Headlines

The survey went live on 20th January 2010 and 18 responses have been received to date.

All the responses received are from residents and no responses have been received from businesses or voluntary or community groups.

- The majority of respondents (12 out of 18 respondents) agree that council tax should be frozen next year.
- Of those respondents who disagree, 4 respondents would like to see an increase in Council Tax. Respondent's priority for this increased Council Tax was increased expenditure in Adult Social Services (ASS) and Children's Services (CS). In terms of other services respondents tended to say that this expenditure should remain the same.
- This view was also reflected in the detailed questions on services, when all respondents were asked if there were any other increases in expenditure they would like included within the service Budget Headlines. Respondents were more likely to say there should be an increase in expenditure in ASS, CS and to a lesser extent in Environment and Operations compared to the other council services.
- Overall, respondents agreed with the Budget Headlines had got the right balance in terms of preventative and enabling in ASS,, increasing expenditure in CS on safeguarding and protecting the level of service currently received in Environment and Operations and Planning Housing and Regeneration
- Respondents also tended to agree that the Budget Headlines had identified the right level of savings. Respondents were more likely to say they would like to see additional savings made in Corporate and Central Services compared to other Council services
- Rather than disagree with the Budget Headlines respondents were more likely to say they 'did not know' or were not sure'.
- In terms of the Council introducing charges for services they don't currently charge for, respondents tended to disagree with this concept or say they 'did not know'.

Chart 1: Overall % Budget Reduction residents indicated for each service

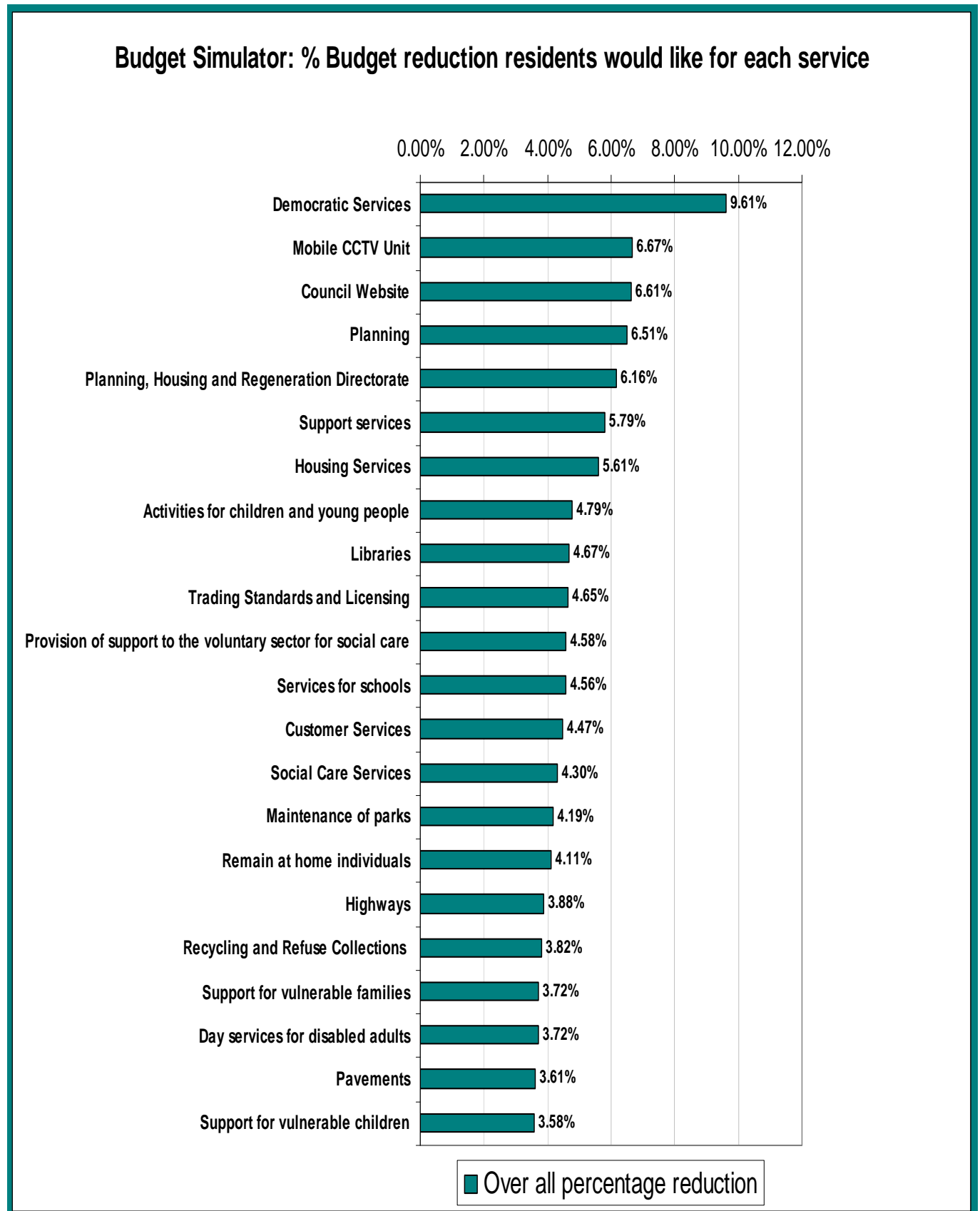
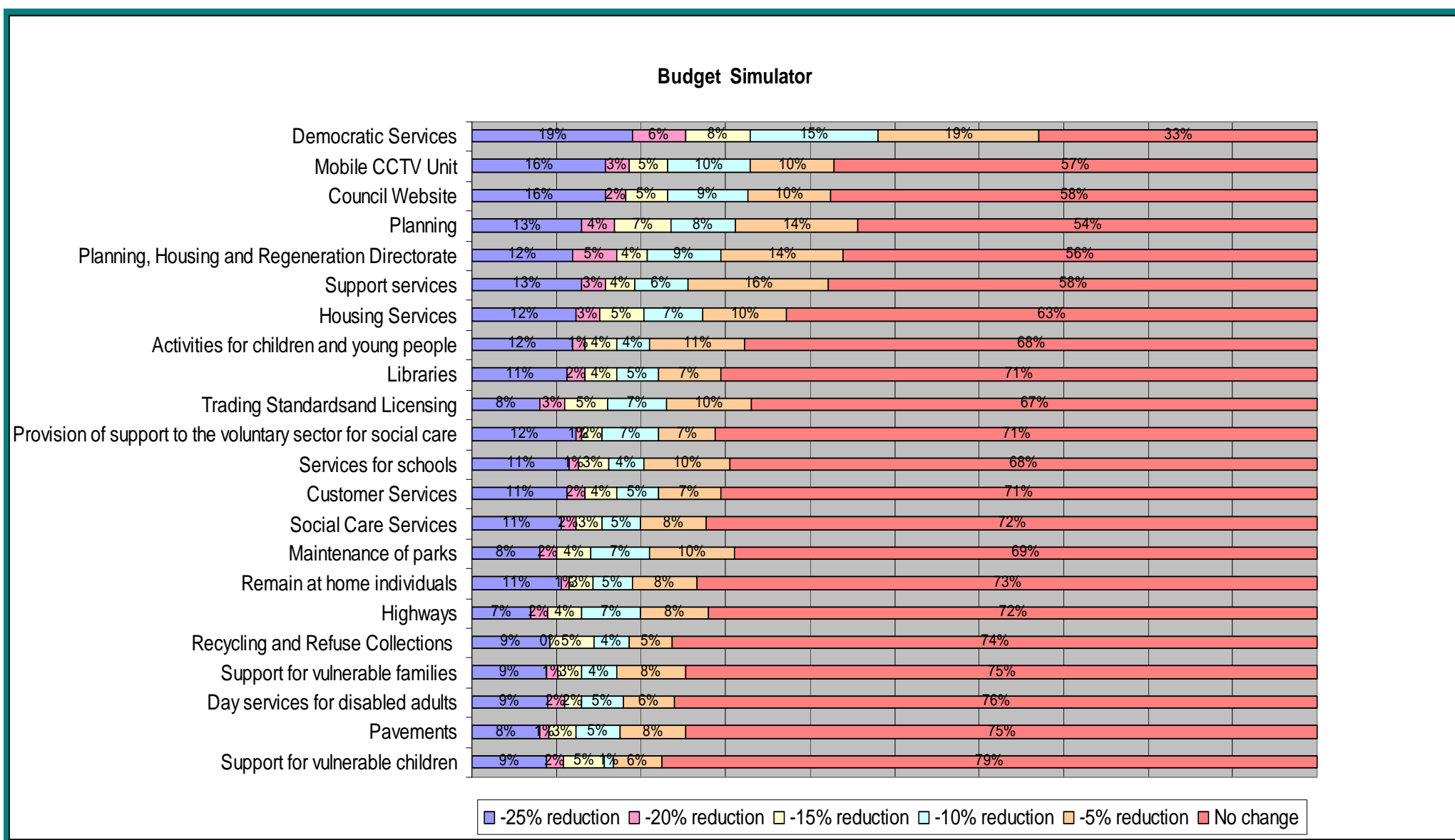


Chart 2: Budget Simulator: Detailed results on where and by how much residents would like reductions in budgets



Department	Contract Name
Adult Social Services	Advocacy in Barnet - younger and older adults African Communities HIV Outreach Support Age Concern Alzheimer's Society Anand Day Centre Asian Womens Mental Health Project ASRA Greater London Housing Assn. Barnet African and Caribbean Association Barnet Asian Old People's Association Barnet Assn. for the Blind, Middlesex Association for the Blind (MAB) Barnet Bereavement Service Barnet Carer and Support Service Barnet Carers Centre - various contracts Barnet College Barnet Eating Disorders Group Barnet Mencap Barnet People's Choice Barnet Voice British Red Cross Campus Reprovision Carers Nurse Chipping Barnet Day Centre Clover Court Day Care Dimensions (formerly Pentahact, Adepta) Disability Action in the Borough of Barnet Enablement Extra Care Fremantle Trust - Block provision 290 Beds Friend in Need Home and Community Support Home Bathing Service Home visiting services IMCA Contract Integrated Community Equipment Service Interact Jeffrey Breslaw (Barnet Carers Centre) Jewish Association Mental Illness Jewish Care Laundry Maid Easy LBBarnet Meals Mind in Barnet National Mencap PCT Residential and Nursing - various locations (393 individual providers) Richmond Fellowship RONAK (provided by Barnet Mencap) S256 transfers Supported Living Contracts individual approx 36 Providers Supporting People Transport to and from day centres Wesley Stroke Group

Chief Executive	Connectin Communities Corporate GIS System E-marketing Experian / Mosaic Public Sector Fixmystreet LiNK (Local Involvement Network) host contract Mapping Services Agreement Migration Impact Fund Municipal sponsorship town centres/roundabouts/boundaries Organisation of external filming in the Borough Prevent Software for blind users Statistical analyst of LBB website
Children's Service	Advocacy - Section 47 Advocacy Service for Children in Care Barnet Community Transport Barnet Play Association (BPA) Barnet Young Carers Catering Consumables CIN summer placements Cleaning Materials and Light Equipment Community Arts - Children & Young People Computers for children in care Consultancy - various individual consultants Frozen Foods Fruit and Vegetables Groceries Halal Foods Health and Safety training Individual tuition for Children in Care IPOP (Inclusive Play Opportunities) Kitchen Equipment Learning Difficulties and Disabilities Mencap & Pre-School Learning Alliance NEET Future Skills North London Adoption Consortium Post adoption service - CAMHS Provision of Health care needs for children in Care Provision of independent chairers for statutory meetings, conferences and reviews Provision of out of hours services for children Provision of out of school play Provision of semi independent accommodation for 16+ year olds. Sandwiches and Filled Bread September Guarantee Voucher Scheme St Davids Housing Association TAAS (The Appropriate Adult Service) Welfare Call Young Parents to be Young people's drug and alcohol service contract
Commercial Services	Computer Consumables Corporate Security Contract Diesel Gas under 25,000 Therms Personal Protective Clothing Photocopy Paper Stationery

Corporate Governance	<p>Systems Based Auditing</p> <p>PrintUK</p> <p>Deloitte- For the provision of resources for the delivery of the Internal Audit Plan</p>
Corporate Services & Finance	<p>Actuarial Services</p> <p>Mosaic</p> <p>Non-Life Insurance - Liability and Motor</p> <p>Non-Life Insurance - Property and Pecuniary Risks</p> <p>Pension Fund Investment Managers</p> <p>Telecoms</p> <p>Treasury Advisors</p> <p>VAT Helpline</p>
Environment & Operations	<p>Abandoned Vehicles</p> <p>Bailiff contract</p> <p>Barnet Bond Consultants Work (Now Barnet Finance Plan)</p> <p>CCTV Installation and maintenance</p> <p>Copthall Stadium</p> <p>Cycle Training</p> <p>Dog Warden service</p> <p>Exor Atlas Systems</p> <p>Healthy & Safety Training</p> <p>Highways Responsive parts and equipment</p> <p>Hired transport</p> <p>Lease of Motorcycles</p> <p>Maintenance and purchase - Greenspaces</p> <p>Pay and Display Supply & Maintenance</p> <p>Radio Equipment Parking</p> <p>Rock Salt</p> <p>Satellite Depots</p> <p>Scarab Maintenance</p> <p>School travel plans</p>
Planning, Housing & Regeneration	<p>Cost consultant for development costs at BXC</p> <p>CPO Advice on Brent Cross</p> <p>CPO Advice on Stonegrove/Spur Road</p> <p>CPO Advice on West Hendon Estate</p> <p>Dollis Valley ITA</p> <p>Housing Advice</p> <p>ITA Services (BXC)</p> <p>ITA Services (Stonegrove/Spur Road)</p> <p>LABV- Legal Support for Granville Road and Dollis Valley and other potential sites</p> <p>Land Valuation on Grahame Park Estate</p> <p>Land Valuation on Stonegrove/Spur Road Estate</p> <p>Land Valuation on West Hendon Estate</p> <p>Maintenance for Acolaid</p> <p>Marketing and Development Consultant for LABV</p> <p>Project Monitor for Estate Regeneration Schemes</p> <p>Specialist Building Control Work</p> <p>Specialist Structural Engineering Work</p>