
REVENUE BUDGET 2015-16

**Presented to the Council
4th March 2015**

COUNCILLOR NICHOLAS PAGET-BROWN
Leader of the Council

NICHOLAS HOLGATE
Town Clerk

CONTENTS

	Page
Revenue Budget and Council Tax 2015-16 Report	1-12
 REVENUE BUDGET	
Medium Term Financial Strategy	1
Reserves Policy	2
Revenue Budget Summary	6
Service Subjective and Service Budget Summary – Whole Authority	7
External Funding	8
Reserves and Balances Forecast	9
Garden Square Levies	10
Royal Borough of Kensington and Chelsea Council Tax	11
Total Council Tax	12
Adult Social Care	13
Children’s Services	17
Environment, Leisure and Residents’ Services	23
Housing Services	29
Housing Revenue Account	33
Library, Archives and Heritage Services	35
Planning and Borough Development	39
Public Health	43
Transport and Technical Services	47
Corporate Services	51
Adult and Family Learning	57

THE ROYAL BOROUGH OF KENSINGTON AND CHELSEA**Meeting of the Council – 4 March 2015****Item 6 – Submissions from the Cabinet**

The following budget, plans and strategies were considered by the Cabinet at its meeting on 19 February 2015 and are now submitted to full Council for approval and adoption.

1. BUDGET PROPOSALS 2015-16

- 1.1 The attached report presents the Cabinet's budget proposals for 2015-16 and sets out its broad approach to revenue budgeting, Council Tax and the capital programme to 2017-18.
- 1.2 Residents, businesses, key partners and Scrutiny Committees were invited to comment on an earlier draft.
- 1.3 The plan will be published by the end of March, subject to any minor drafting or formatting changes.

1.4 RECOMMENDATION

The Council is recommended to adopt the Council's budget proposals for 2015-16 and approve its publication.

FOR DECISION

2. REVENUE BUDGET AND COUNCIL TAX 2015-16**2.1 SUMMARY**

- 2.1.1 This paper sets out the following recommendations to Council on 4 March 2015:
 - A Council Tax freeze for the Royal Borough for 2015-16 at the rate first set in 2009-10.
 - Net budget reductions totalling £19 million (2015-16 service savings £15.5 million, 2013-14 service savings £1.3 million and other £2 million) meeting government funding reductions of £15 million and cost pressures of £4 million.

2.2 RECOMMENDATIONS

- (a) The Council is recommended:
- (i) to approve the estimates as summarised in the **Revenue Budget Book 2015-16 (pages 13 - 60)**
 - (ii) to approve the Medium Term Financial Strategy as set out in the **Revenue Budget Book 2015-16 (page 1)**;
 - (iii) to approve the Reserves Policy as set out in the **Revenue Budget Book 2015-16 (pages 2 - 5)** including holding a minimum £10 million in working balances and a minimum total reserve balance of not substantially below £100 million in earmarked reserves or 30 per cent of gross spending at the end of 2017-18;
- (b) The Council is recommended, in accordance with the Local Government Finance Act 1992, to:
- 1) Note that on 21 January 2015 the Council calculated its Council Tax Base for the year 2015-16:
 - i) for the whole Council area as **92,778** in accordance with the relevant regulations; and
 - ii) as set out in column 3 of page 10 of the **Revenue Budget Book (Garden Square Levies)** for those parts of its area to which one or more special items relate, as calculated under the relevant regulations.
 - 2) Agree the following amounts be calculated for the year 2015-16 in accordance with Sections 31A, 31B and 34 to 36 of the Act:
 - i) **£595.956 million** as the aggregate of the amounts that the Council estimates for the items set out in Section 31A(2)(a) to (f) of the Act, taking into account the special items issued to the Council;
 - ii) **£523.350 million** as the aggregate of the amounts that the Council estimates for the items set out in Section 31A(3)(a) to (d) of the Act;
 - iii) **£72.606 million** as the Council Tax Requirement in accordance with Section 31A(4) of the Act, being the amount by which the aggregate at 2i) above exceeds the aggregate at 2ii) above;

- iv) **£782.58** as the basic amount of Council Tax for the year, being the Council Tax Requirement at 2iii) above, divided by the Council Tax Base set out at 1i) above, in accordance with Section 31B(1) of the Act;
 - v) **£1,414,569** being the aggregate amount of the special items under Section 35 of the Act for the purposes of Section 34 of the Act;
 - vi) **£767.33** as the basic amount of Council Tax for dwellings in the parts of its area to which no special items apply, being the Council Tax Requirement at 2iv) above less the result of dividing the aggregate of the special items at 2v) above by the Council Tax Base set out in 1i) above, in accordance with Section 34(2) of the Act; and
 - vii) the amounts set out in column 6 of **page 10 of the Revenue Budget Book 2014-15 (Garden Square special expenses)** for each garden square, being the basic amount of Council Tax for a dwelling in each area to which one or more special item applies, calculated by adding to the amount set out in 2vi) above, the result of dividing the special items for each area, set out in column 4, by the Council Tax Base for each area, set out in column 3, in accordance with Section 34(3) of the Act.
- 3) Note that **page 11 of the Revenue Budget Book 2015-16 (Royal Borough of Kensington and Chelsea Council Tax)** sets out the amounts of Council Tax for 2015-16 for each part of its area and for each of the categories of dwellings excluding precepts payable to other authorities.
- 4) Note that for the year 2015-16, the Greater London Authority has issued precepts to the Council in respect of the functional bodies under its control, in accordance with Section 40 of the Local Government Finance Act 1992, for each of the categories of dwellings as shown below:

	Greater London Authority
Band	£
A	196.67
B	229.44
C	262.22
D	295.00
E	360.56
F	426.11
G	491.67
H	590.00

- 5) Agree that the Council, in accordance with Sections 30 and 36 of the Act, hereby sets the aggregate amounts of Council Tax for 2015-16 for each part of its area and for each of the categories of dwellings as shown on page 12 of the **Revenue Budget Book 2015-16 (Total Council Tax)**.

2.3 REASONS FOR DECISION

- 2.3.1 The Council is legally required to set a balanced budget and a Council Tax for each financial year.

2.4 BACKGROUND

- 2.4.1 The recommendations made in this paper:

- formalise and confirm the proposals set out in the Council's Budget Proposals 2015-16¹;
- are consistent with the Council's medium term financial strategy (**Revenue Budget Book, page 1**) and its policy on reserves (**Revenue Budget Book, pages 2 - 5**);
- follow consultation with the Scrutiny Committees and others on the proposed 2015-16 Council and service budgets (set out in the **Revenue Budget Book**); and
- take into account Council's agreement to the Council Tax base on 21 January 2015.

- 2.4.2 These proposals were developed in the light of the Government's Spending Review 2013 as updated by the Chancellor's 2013 Autumn Statement, 2014 Budget and 2014 Autumn Statement.

- 2.4.3 The Council's funding allocations announced on 18 December 2014 and finalised on 4 February 2015 as part of the local government finance settlement for 2015-16 is a cash reduction in grant of £15 million. This is 4 per cent of the gross revenue budget of £417 million for 2015-16.

- 2.4.4 The coming year is the third year of the Business Rates Retention scheme under which local authorities share the potential risks and rewards of changes to the business rates yield. The Council is forecasting no change to the business rates yield compared to 2014-15 as approved by Council on 21 January 2015.

2.5 PROPOSAL AND ISSUES

Council Tax and Budget 2015-16

- 2.5.1 The Council is proposing a Council Tax of £782.58 for 2015-16 (or £767.33 without Garden Square special expenses). If the proposal is

¹ [Budget Proposals 2015-16](#) can be found on the Council's external website at with the latest update elsewhere on this agenda.

accepted, the Council Tax will have been at the same level for six years (or frozen for five years).

2.5.2 The net service spending budget is £158 million. The Council Tax requirement is £72.6 million. Please see **Table 1** below:

Table 1 Budget and Council Tax

	2014-15	2015-16
	£m	£m
Adult Social Care	60.954	58.213
Children's Services	42.453	41.109
Environment, Leisure and Residents' Services	33.455	32.653
Housing Services	13.400	13.705
Library, Archive and Heritage Services	5.804	6.160
Planning and Borough Development	4.807	3.697
Public Health	1.200	0.000
Transport and Technical Services	-11.327	-12.694
Corporate Services	25.922	14.954
Adult and Family Learning Services	0.081	0.110
Total Service Costs	176.749	157.907
Charges for Capital Assets and Financing	-8.538	-8.755
Pension Fund Liabilities	0.274	-0.768
Contingencies and Provisions	3.167	3.599
Interest	-1.300	-1.500
Levies	3.276	3.306
Capital Reserves	5.500	5.500
Revenue Reserves	-1.369	4.832
Council Tax Freeze Grant	-0.800	-0.800
New Homes Bonus Grant	-1.095	-1.800
Education Services Grant	-1.314	-1.000
Revenue Support Grant	-56.297	-41.263
Retained Business Rates (local forecast)	-81.217	-81.887
Business Rates Tariff (set by government)	35.065	35.735
Collection Fund Balance	-0.400	-0.500
Council Tax Requirement	71.702	72.606
Council Tax Base	91,622	92,778
Council Tax Per Band D with Garden Square levies	£782.58	£782.58
Change per cent	0%	0%
Council Tax Per Band D without Garden Square Levies	£767.79	£767.33
Change per cent	0%	0%

2.5.3 The budget proposals produce a Royal Borough Council Tax freeze for 2015-16 with a Band D figure for the Council's element of the tax of £782.58 including the Garden Square levies – a Council Tax freeze year-on-year as defined by government.

2.5.4 Garden Square special expenses collected as part of the Council Tax are also counted as part of the Council's Council Tax by the Government. The 2015-16 Garden Square levies total is £1.415 million compared to £1.355 million for 2014-15.

Budget Changes

2.5.5 The 2015-16 budget and Council Tax changes are summarised in **Table 2** below.

	£m
Pay and price inflation	2.5
External cost pressures	1.3
External Funding Reduction	14.6
2015-16 Savings	-15.5
2014-15 Savings (transfer from reserves)	-1.3
Pension Fund contribution reduction	-1.0
Financing and Other	-0.6
Change Total	0.0

2015-16 Savings and Service Budgets

2.5.6 Full details of 2015-16 service savings are set out in the Budget Proposals 2015-16 report elsewhere on the agenda. These are substantially as reported to Cabinet on 30 October 2014.

2.5.7 Detailed service budgets for operating expenditure are set out in the service estimates reports submitted to the Council as part of the Revenue Budget Book. This is summarised in **Table 1** on page 5. **The Revenue Budget Book** provides more detail.

Council Tax and Precept 2015-16

2.5.8 The Greater London Authority Band D Council Tax figure for 2015-16 is £295.00, a one per cent reduction on the level for 2014-15. The final 2015-16 precept was confirmed when the London Assembly met on 23 February 2015.

2.5.9 The Council's total Council Tax rates for each Band are shown in **Table 3** below, which also shows the percentage of dwellings falling under each band. Band G is the most numerous.

Table 3 Total Council Tax

	Royal Borough	Greater London Authority	Total	% of Dwellings in Band
Band	£	£	£	%
A	511.55	196.67	708.22	2%
B	596.81	229.44	826.25	4%
C	682.07	262.22	944.29	11%
D	767.33	295.00	1,062.33	16%
E	937.85	360.56	1,298.41	15%
F	1,108.37	426.11	1,534.48	14%
G	1,278.88	491.67	1,770.55	22%
H	1,534.66	590.00	2,124.66	17%

2.5.10 Full details of Council Tax due, including the Garden Square levies, are set out in the **Revenue Budget Book (pages 10, 11 and 12)**.

Local Budget Planning Context

2.5.11 The Council planned for a minimum of £12 million of net savings with £1 million of additional property income for 2015-16 in order to deliver a Council Tax freeze². This budget proposes net service savings of £15.5 million.

2.5.12 The savings delivered and planned since 2010-11 total £72 million with only a small proportion – 7 per cent - involving reductions in services. Details of these can be found in the Budget Proposals 2015-16 report elsewhere on the agenda.

2.5.13 The Council is planning to deliver Tri- and Bi- borough savings from collaborative working with the London Borough of Hammersmith & Fulham and the City of Westminster of £2.5 million in 2015-16 as part of the total forecast recurrent annual savings of £11.6 million by the end of 2015-16.

2.5.14 As reported to October Cabinet, the Government has offered another allocation of Council Tax Freeze Grant to authorities who freeze their 2015-16 Council Tax. The Council should be eligible for this grant. A full list of external funding included in the 2015-16 budget is set out in **Revenue Budget Book, page 8**.

2.5.15 The Government has reduced the total resources available to local government since 2011-12 and this will continue. The latest forecasts assume that there will be further funding reductions for local government in future years.

The Council's Policies

2.5.16 The core financial policies are the Council's Medium Term Financial Strategy and the Reserves Policy detailed in the **Revenue Budget Book**. These remain substantially unchanged from 2014-15.

2.5.17 The proposed budget will continue to maintain the Council Tax rate in the bottom quartile for London and will retain a minimum of £10 million in the working balance.

2.5.18 It is the Council's proposed policy to ensure that total reserves do not fall significantly below £100 million or 30 per cent of gross revenue budget by the end of 2017-18³. The bulk of reserve releases are for capital investment. The latest forecast for the Council's spending plans deliver

² As set out in paragraph 5.2 of the 30 October 2014 Cabinet report [Medium Term Planning Budget and Service Prospects](#).

³ This is confirmed within the Capital Programme 2015-16 to 2017-18 Appendix 4 'Capital Programme Funding' elsewhere on the Cabinet agenda.

this. There is no unsustainable use of reserves to meet recurring spending.

2.5.19 As part of this year's financial forecasting, reserves held have been reviewed and their purpose reconfirmed or revised. The forecast for reserve balances for the next three years is set out at the **Revenue Budget Book, page 9**.

2.5.20 Cabinet confirmed that the minimum level of working balance should be £10 million. Full Council approval is required to reduce the working balance below that level.

2.5.21 The Council holds a central contingency budget for in-year budget risks. The contingency available for release is £3 million. The Council continues to make an annual contribution of £5.5 million for capital investment.

2.6 OPTIONS AND ANALYSIS

2.6.1 The Cabinet may amend the proposed revenue budget and Council Tax as set out in paragraph 2.5. The revenue budget and Council Tax are set in the context of a three year financial forecast and future budget and funding risks.

Three Year Financial Forecast

2.6.2 The medium term forecast or financial plan looks ahead for three years and, given continuing uncertainties over public sector funding, is speculative. As expected the 2015-16 financial year is the fifth year of local government funding cuts and the largest single year funding cut to date. Prior years have delivered higher level of savings than required to balance the budget on the assumption that this would happen. As planned the Council aims to release these savings and ongoing reserve contributions to meet the funding reduction in both 2015-16 and future years.

2.6.3 The three year forecast is set out in **Table 4** overleaf and based on the following:

- A review of significant external influences and changes likely to have an impact.
- A projection of the Council's spending and resources.
- Set within the framework of medium term financial planning principles (as set out in the **Revenue Budget Book, page 1**).

Table 4

Three Year Budget Forecast

	Change £m	Change £m	Change £m
	2016-17	2017-18	2018-19
Council Tax Requirement	72.6	73.0	73.3
Inflation	3.4	5.1	5.2
External Cost Pressures	0.0	0.5	0.5
Contingency	0.0	0.0	0.0
Pension Fund Liabilities	0.0	0.0	0.0
Financing Costs	-0.3	0.0	0.0
Interest Received	-1.1	-0.1	0.0
Movement on Reserves	-1.0	-1.0	2.3
Government Funding	13.2	9.5	7.0
Specific Grants	0.2	0.9	0.4
Collection Fund Balance	0.0	0.0	0.0
Additional Property Income	-0.5	-1.0	-1.5
Forecast Savings Required	-13.5	-13.5	-13.5
Council Tax Requirement	72.969	73.334	73.700
Council Tax Base	93,242	93,708	94,177
Council Tax Per Band D	£782.58	£782.58	£782.58
Change in Council Tax £	£0	£0	£0
Change in Council Tax %	0.0%	0.0%	0.0%

2.6.4 The forecast makes the following key assumptions:

- Pay and price inflation of between +1 and +1.5 per cent for 2016-17 and +2 per cent per annum for future years.
- Limited unavoidable cost pressures for future years.
- Revenue Support Grant funding reductions of 30 per cent per annum for 2016-17 and 2017-18 and 25 per cent for 2018-19.
- A modest increase in the tax base each year (+0.5 per cent per annum).
- Any fall out of remaining ring-fenced, specific grants will be contained within service budgets.

Budget and Funding Risks

2.6.5 Other issues for 2016-17 and beyond include:

- **Local authority funding for future years:** this is clearly a key risk. Local government is expecting substantial funding losses year-on-year going forward. In addition, the Council is highly exposed to the funding losses from the government's commitment in the December 2013 Autumn Statement to clearing the backlog of National Non-Domestic Rates (NNDR) appeals by July 2015. The forecast is that this

will result in the Council moving to the funding system safety net when the appeals backlog is cleared. The Council still has over 1,200 appeals outstanding with a total rateable value (excluding duplicates) of over £200 million. The maximum funding loss before the funding system safety net operates is currently £1.9 million.

- **Funding of transfers of functions from central to local government:** to date no additional financial burden has fallen on the Council following the transfer of responsibility for Public Health on 1 April 2013. There are no other major transfers to local government in the pipeline.
- **Exit costs to deliver service reductions:** there will be unavoidable costs associated with budget reductions and Tri- and Bi-borough restructuring. The Council has reserves that it can release for such one-off spending.
- **External cost pressures:** these include the increasing annual costs of the Freedom Pass and any future, potential increase in the Western Riverside Waste Authority levy.
- **Practical operating opportunities and risks:** the Council will earn more rent – revenue income – from its property portfolio in the coming years. The cap on total benefits will potentially place further pressure on the budget for temporary accommodation. This is not included in the forecast and there are earmarked reserves available to phase in the impact.
- **Changes to the Local Government Pension Scheme:** Auto-enrolment into the Local Government Pension Scheme is a requirement for the Council from May 2013 but the Council is permitted to and is choosing to defer this until 2017. Deferring full implementation does not mitigate all costs.
- **Council Tax Support:** government funding for Council Tax Benefit (now Local Council Tax Support) transferred to local government mainstream funding in 2013-14 but with an estimated 10 per cent reduction. For 2013-14 the Council's share of the cost of the scheme (Localised Council Tax Support) was £9.6 million. The Council has chosen to fully fund the local scheme. This cost is forecast to be around £8.4 million in 2015-16 – a reduction.

2.7 CONSULTATION

- 2.7.1 There was no direct consultation with residents with respect to the revenue budget and Council Tax for 2015-16. This is the sixth year of Council Tax levels being frozen and, so far, of the £72 million of

savings delivered by Council since 2010-11 only £5.4 million or 7 per cent has had an impact on service levels locally⁴.

- 2.7.2 Indirectly the Council takes part in the Annual Survey of Londoners which shows the Council consistently receiving higher than the London average feedback for local services⁵.

2.8 EQUALITY IMPLICATIONS

- 2.8.1 The equalities impact of specific budget proposals have been considered in January 2015 alongside the detailed service budget reports considered by the Scrutiny Committees.
- 2.8.2 Where specific budget savings have yet to be decided in detail the equalities impact is considered and assessed by the relevant service as part of the final decision-making and implementation process.

2.9 INFORMATION, COMMUNICATIONS AND TECHNOLOGY (ICT) IMPLICATIONS

- 2.9.1 There are no information, communication and technology (ICT) implications arising from this report.

2.10 LEGAL IMPLICATIONS

- 2.10.1 The Council is required to set a balanced budget. The budget as proposed is balanced.
- 2.10.2 The Town Clerk is required, under the section 25 of part 2 of the Local Government Act 2003 to report on the robustness of the estimates made for the purpose of calculating the Council Tax and the adequacy of reserves.
- 2.10.3 I am satisfied that the budget calculations are robust and that the budget takes account of liabilities and financial risks, but in particular it assumes that the Council will not rely on withdrawals from reserves to meet recurrent revenue commitments.
- 2.10.4 I consider that current levels of unallocated reserves remain strong and contribute to the Council's sound financial position, reflected in Standard & Poor's AAA credit rating for the Council. For a full picture of forecast reserves levels, this report needs to be read alongside the

⁴Please see full details in Annex B of the Budget Proposals 2015-16.

⁵ Please see more details in Appendix 2 of the Medium-Term Planning – Budget and Service Prospects report to 30 October 2014 Cabinet.

Capital Programme report elsewhere on this agenda and **the Revenue Budget Book, page 9.**

- 2.10.5 The Council Tax freeze should ensure an allocation of the Government's Council Tax Freeze grant which has been taken into account in setting the Council Tax for 2015-16. This is subject to final confirmation by the Government.
- 2.10.6 Following changes introduced by the Localism Act 2011, the Government has the power to require compulsory referenda on Council Tax increases above limits it sets. For 2015-16, the referendum threshold is 2 per cent. The proposal should be within the threshold change and the Council will not be required to hold a referendum.

2.11 FINANCIAL AND RESOURCES IMPLICATIONS

- 2.11.1 These are addressed throughout the report.

NICHOLAS HOLGATE
TOWN CLERK

Local Government Act 1972 (as amended) – Background papers used in the preparation of this report

2015-16 budget files

Local Government Finance Settlement (grant notification for 2015-16).

Council Tax Base 2015-16 – approved by Council 21 January 2015.

Contact officers

Hitesh Jolapara, Bi-borough Director of Finance, The Royal Borough of Kensington and Chelsea and London Borough of Hammersmith and Fulham. Telephone: 020 7361 2316 E-mail: Hitesh.jolapara@rbkc.gov.uk

Jess Laing, Corporate Finance Manager, The Royal Borough of Kensington and Chelsea. Telephone: 020 7361 2427
Email: jess.laing@rbkc.gov.uk

REVENUE BUDGET 2015-16

THE COUNCIL'S MEDIUM TERM FINANCIAL STRATEGY

The Council aligns its financial strategy with its ambitions through a rolling three-year cycle of business planning. The proposed Medium Term Financial Strategy is consistent with previous years.

An emphasis on sound finances

The Council's budgetary strategy focuses on:

- maintaining Council Tax in the bottom quartile for London;
- improving cost effectiveness, efficiency and income generation through reviews, particularly change programmes, and notably bearing down on the high costs of provision through the public sector;
- managing and mitigating future budget risks by forward planning;
- monitoring income and expenditure and making adequate contingencies and provisions;
- redirecting resources from lower priorities to higher priorities;
- protecting services by funding the costs of inflation;
- using external financing and cost sharing opportunities where possible;
- procuring goods and services in ways that achieve good value;
- planning for the medium term, taking into account the projection of future Government grants over the long term; and
- speaking out for the interests of the residents of the Royal Borough on issues of strategic importance for the finances of the Council.

The Council has also established a framework of medium term financial management principles, aimed at maintaining its strong financial base. In summary, the Council will:

- maintain strong corporate governance, including an effective approach to risk management;
- retain efficient Council Tax collection systems;
- combat fraud and employ well trained anti-fraud staff;
- conduct close monitoring of the budgetary position throughout the year, supported by the overview and scrutiny process;
- maintain financial and budgetary resilience by holding:
 - not less than £10 million in working balances;
 - earmarked reserves to mitigate future liabilities and risks to funding sources that could affect the revenue budget and destabilise service provision broadly equivalent to 30 per cent of recurrent spending; and
 - reserves to meet the costs of the capital investment programme over the next three years; and
- maintain the Council's Standard and Poor's credit rating, an external validation of the Council's financial standing, at a rate no lower than the sovereign rating for the United Kingdom.

RESERVES POLICY

Background and context

Reserves are an important part of the Council's financial strategy and are held to create long-term budgetary stability. They enable the Council to manage change without undue impact on the Council Tax and are a key element of its strong financial standing and resilience. The Council's key sources of funding face an uncertain future and the Council therefore holds earmarked reserves and a working balance in order to mitigate future financial risks.

As set out in the report, earmarked reserves are reviewed annually as part of the budget process, to determine whether the original purpose for the creation of the reserve still exists and whether or not the reserves should be released in full or in part. Particular attention is paid in the annual review to those reserves whose balances have not moved over a three year period.

Other than the Car Parking Reserve, no reserves are being used to support recurring expenditure. In principle, only the income derived from the investment of reserve funds should be available to support recurring spending.

- Capital Expenditure Reserve – projections of the use and balances on this reserve are contained in the *Capital Programme 2015-16 to 2017-18* report to Cabinet on the 19 February 2015.
- Car Parking Reserve – projections of the use and balances on this reserve are contained in the *Capital Programme 2015-16 to 2017-18* report to Cabinet on the 19 February 2015. Originally the reserve could only be used to fund spending on statutorily defined purposes directly related to transport. The Traffic Management Act 2004 extended the powers to include highways maintenance and environmental improvements. The planned drawdown and maximum eligible expenditure for funding in 2015-16 is shown in the table overleaf.

Service or Purpose	2015-16 Budget £'000
Revenue	
Schools and Youth (permits, Special Needs Transport, transport)	1,719
Social services (concessionary fares, Taxicard, welfare transport)	10,774
Street trees	365
Transport and Highways	10,041
Parks and open spaces	3,404
Street cleaning	8,064
Total Revenue	34,367
Less contribution from Car Parking Reserve*	-31,307
Balance met from Council Tax budget	3,060
Capital	
Eligible schemes	2,800
Less contribution from Car Parking Reserve	-2,800
Balance met from Council Tax budget	0

*Budgeted 2015-16 Car Parking Reserve surplus.

Strategic context

1. The Council is facing a significant withdrawal of grant funding and the transfer of funding risk from Government with demand for at least some services forecast to grow. The Council has to annually review its priorities in response to these issues.
2. Reserves play an important part in the Council's medium term financial strategy and are held to create long-term budgetary stability. They enable the Council to manage change without undue impact on the Council Tax and are a key element of its strong financial standing and resilience.
3. The Council holds reserves in order to mitigate future risks, such as increased demand and costs; to help absorb the costs of future liabilities; and to enable the Council to resource policy developments and initiatives without a disruptive impact on Council Tax.
4. Capital reserves play a crucial role in funding the Council's capital investment programme. The Capital Expenditure Reserve is used to create capacity to meet future capital investment.
5. The Council relies on interest earned through holding reserves to support its general spending plans.

6. Reserves are one-off money. The Council aims to avoid using reserves to meet ongoing financial commitments other than as part of a sustainable budget plan. The Council has to balance the opportunity cost of holding reserves in terms of Council Tax against the importance of interest earning and long term future planning.

Purposes

7. Reserves are therefore held for the following purposes, some of which may overlap:
 - Providing a working balance i.e. Housing Revenue Account and General Fund.
 - Smoothing the impact of uneven expenditure profiles between years e.g. local elections, structural building maintenance and carrying forward expenditure between years.
 - Holding funds for future spending plans e.g. Capital Expenditure reserve, and for the renewal of operational assets e.g. repairs and renewal, and Information Technology renewal. Meeting future costs and liabilities so as to cushion the effect on services e.g. the Supporting People Reserve (funding the ongoing reduction in grant for supported housing); the Insurance Reserve for self-funded liabilities arising from insurance claims.
 - To provide resilience against future risks e.g. the Specific Grant Loss and the Demand Growth reserves and provide the capacity to manage risk.
 - To create policy capacity in a context of forecast declining future external resources e.g. Better City Life.
8. All earmarked reserves are held for a specific purpose. This, together with a summary on the movement on each reserve, is published annually, to accompany the annual Statement of Accounts. A proposal to vary the use of a reserve is subject to normal virement limits.
9. The use of some reserves is limited by regulation e.g. the Collection Fund balance must be set against Council Tax levels, reserves established through the Housing Revenue Account can only be applied within that account and the Car Parking reserve can only be used to fund specific spending. Schools reserves are also ring-fenced for their use, although there are certain regulatory exceptions.

Management

10. The Town Clerk reports annually on the adequacy of the reserves, as part of the Council Tax setting and budget report.
11. The approval of the Cabinet Member for Finance and Strategy is required for the release of reserves (unless already agreed by Council or Cabinet) under the Council's constitution¹.
12. The following matters apply to individual reserves:
 - The General Fund working balance will not fall below £10 million, within the Council's budgetary framework i.e. without the approval of Council. The minimum value is at least 10 per cent of Council Tax requirement².
 - The Capital Expenditure Reserve is applied to meet future investment plans and is available either to fund investment directly or to support other financing costs. The reserve can also be used for preliminary costs of capital schemes e.g. feasibility.
 - The Car Parking Reserve will be applied to purposes for which there are specific statutory powers. This is broadly defined as transport and environmental improvements (the latter as defined in the Traffic Management Act 2004).
 - The revenue and capital expenditure plans in the budget for 2015-16 to 2017-18 ensure that the three year forecast of total reserves do not fall significantly below £100 million or 30 per cent of gross spending (after potential forecast income from remunerative capital investment schemes).

¹ Part Four D Financial Procedure Rules, paragraphs 2.20 – 2.21.

[Royal Borough of Kensington and Chelsea Constitution](#)

REVENUE BUDGET SUMMARY

DESCRIPTION	Budget 2014-15	Forecast Outturn 2014-15	Budget 2015-16	% Change
Service Budgets	£'000	£'000	£'000	
Adult Social Care	60,982	57,598	58,213	
Children's Services	42,964	42,882	41,109	
Environment, Leisure and Residents' Services	33,824	32,868	32,653	
Housing Services	13,413	13,753	13,705	
Library, Archive and Heritage Services	5,813	5,663	6,160	
Planning and Borough Development	4,825	3,419	3,697	
Public Health	1,199	1,199	(0)	
Transport and Technical Services	(11,419)	(14,110)	(12,694)	
Corporate Services	24,502	23,269	14,954	
Adult and Family Learning Services	82	82	110	
Service Budgets Total	176,184	166,623	157,907	-10.4%
Contingency and central budgets	3,083	3,083	3,599	
Net Cost of Services	179,267	169,706	161,505	
External Interest	56	56	56	
Pension Fund Liabilities	274	274	(768)	
Interest and Investment Income	(1,300)	(1,300)	(1,500)	
Net Operating Expenditure	178,297	168,736	159,293	-10.7%
Transfers to (+)/from(-) reserves				
Capital Adjustment Account	(8,594)	(8,594)	(8,811)	
Transfer to Capital Reserves	5,500	5,500	5,500	
Transfer to/from Revenue Reserves	(804)	8,757	4,832	
TOTAL EXCLUDING LEVIES	174,399	174,399	160,815	-7.8%
Levies				
London Boroughs Grants Scheme	169	169	166	-1.6%
Environment Agency	211	211	212	0.7%
London Pensions Fund Authority	1,541	1,541	1,513	-1.8%
Garden Squares	1,440	1,440	1,415	-1.8%
Total Levies	3,361	3,361	3,306	-1.6%
TOTAL ROYAL BOROUGH EXPENDITURE	177,760	177,760	164,121	-7.7%
Council Tax Freeze Grant	(800)	(800)	(800)	
New Homes Bonus Grant	(1,095)	(1,095)	(1,800)	
Education Services Grant	(1,314)	(1,314)	(1,000)	
Business Rates Tariff (set by government)	35,065	35,065	35,735	
BUDGET REQUIREMENT	209,616	209,616	196,256	-6.4%
EXTERNAL FINANCE				
Revenue Support Grant	(56,297)	(56,297)	(41,263)	
Retained Business Rates (local forecast)	(81,217)	(81,217)	(81,887)	
Collection Fund Surplus(-) / Deficit (+)	(400)	(400)	(500)	
Total External Finance / Collection Fund	(137,914)	(137,914)	(123,650)	-10.3%
RBKC COUNCIL TAX REQUIREMENT	71,702	71,702	72,606	1.3%
PRECEPTS				
Greater London Authority	27,395	27,395	27,370	-0.1%
LOCAL TAX REQUIREMENT	99,097	99,097	99,976	0.9%
TAX BASE - BAND D EQUIVALENTS	91,622	91,622	92,778	1.3%
COUNCIL TAX - BAND D	£	£	£	
Royal Borough (excluding Garden Square special expenses)	767.79	767.79	767.33	-0.1%
Greater London Authority	299.00	299.00	295.00	-1.3%
TOTAL BASIC COUNCIL TAX - BAND D	1,066.79	1,066.79	1,062.33	-0.4%
Royal Borough (including Garden Square special expenses)	782.58	782.58	782.58	0.0%
Greater London Authority	299.00	299.00	295.00	-1.3%
TOTAL BASIC COUNCIL TAX - BAND D	1,081.58	1,081.58	1,077.58	-0.4%

SERVICE SUBJECTIVE AND SERVICE BUDGET SUMMARY

WHOLE AUTHORITY

SUBJECTIVE ANALYSIS	2013-14 Actual £'000	2014-15 Budget £'000	2015-16 Budget £'000
EXPENDITURE			
Employees	104,375	97,055	97,717
Premises-related expenditure	18,678	18,534	20,577
Transport-related expenditure	681	555	522
Supplies and services	28,394	39,270	37,832
Third party payments	181,951	180,622	184,104
Transfer payments	147,714	160,245	140,702
Schools delegated budgets	81,370	72,027	61,997
Depreciation (and impairment losses)	9,270	8,842	9,057
TOTAL SPENDING	572,434	577,150	552,508
LESS INCOME			
Government Grants	187,217	180,442	173,086
Dedicated Schools Grant	74,141	84,309	71,710
Other grants, reimbursements and contributions	58,757	45,933	55,697
Customer and client receipts	101,878	89,703	94,106
Interest	4	14	3
TOTAL INCOME	421,997	400,401	394,602
NET SPENDING	150,437	176,749	157,906

SERVICE SUMMARY	2013-14 Actual			2014-15 Budget			2015-16 Budget		
	Gross Spending £'000	Income £'000	Net £'000	Gross Spending £'000	Income £'000	Net £'000	Gross Spending £'000	Income £'000	Net £'000
Adult Social Care	76,625	20,126	56,500	79,756	18,802	60,954	78,836	20,623	58,213
Childrens' Services	155,099	111,449	43,650	140,152	97,698	42,453	137,876	96,767	41,109
Environment, Leisure and Resident Services	45,193	12,650	32,543	45,528	12,072	33,457	46,820	14,167	32,653
Housing Services	36,933	23,893	13,040	40,047	26,647	13,400	41,172	27,467	13,705
Libraries, Archive and Heritage Services	6,537	727	5,810	6,542	738	5,804	6,853	693	6,160
Planning and Borough Development	8,842	6,561	2,281	8,727	3,920	4,807	8,392	4,696	3,696
Public Health	21,784	20,636	1,148	22,413	21,214	1,199	21,214	21,214	0
Transport and Technical Services	36,700	53,135	-16,435	37,395	48,722	-11,327	37,023	49,717	-12,694
Corporate Services	236,353	224,551	11,802	243,736	217,815	25,921	229,651	214,697	14,954
Adults and Family Learning	1,413	1,315	98	1,349	1,268	81	1,347	1,237	110
Total Service Group Expenditure	625,479	475,043	150,437	625,645	448,896	176,749	609,185	451,278	157,906

EXTERNAL FUNDING

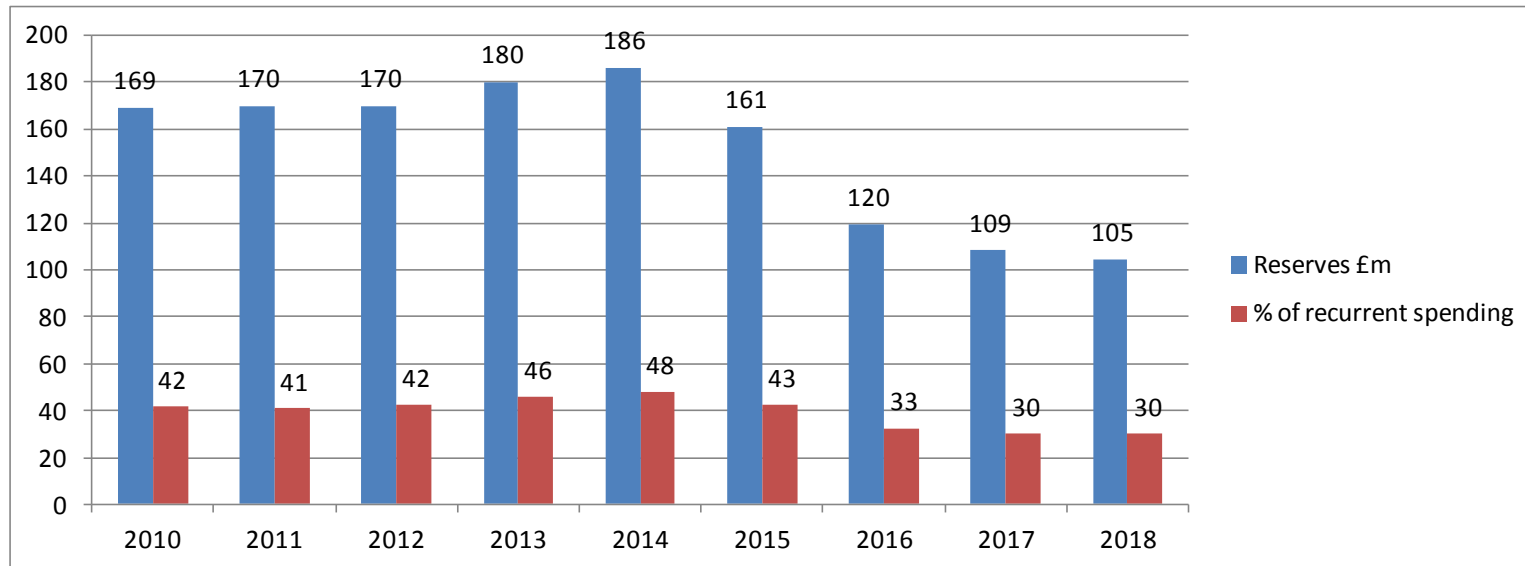
	2014-15 £'000	2015-16 £'000
Housing Benefit	149,061	138,129
Dedicated Schools Grant	84,309	71,710
Public Health Grant	21,214	21,214
Education Funding Agency	3,377	2,075
Housing Benefits Administration	1,693	1,185
Pupil Premium	1,414	4,592
Skills Funding Agency	1,268	1,237
Other Grants (less than £1 million)	2,137	4,332
Temporary Accommodation (government and client)	25,447	26,069
Health Funding	12,897	14,406
Tri and bi borough contributions	4,967	13,340
Other grants, reimbursements and contributions	2,829	2,204
External Funding held in service budgets	310,612	300,493
Revenue Support Grant	56,283	41,263
Retained Business Rates	46,151	46,134
Council Tax Freeze Grant	800	800
New Homes Bonus Grant	1,095	1,800
Education Services Grant	1,314	1,000
External Funding held outside service budgets	105,644	90,997
Total External Funding	416,256	391,490

RESERVES AND BALANCES FORECAST

This shows a snapshot of the actual and forecast reserve balances.

All reserve releases are for one-off non-recurrent spending with the bulk for capital investment.

It must be stressed that this is a forecast and as such is speculative and subject to change.



GARDEN SQUARE LEVIES

ROYAL BOROUGH COUNCIL TAX - GARDEN SQUARES KENSINGTON IMPROVEMENT ACT 1851														
(1)	(2)	(3)			(4)	(5)	(6)							
CODE	GARDEN SQUARE	BAND D EQUIVALENTS	GARDEN LEVY	LESS FORECAST COUNCIL TAX SUPPORT	GARDEN SPECIAL EXPENSES	GARDEN TAX BAND D	BAND D TAX INCL GARDEN							
			£	£	£	£	£					£		
900	Addison Gardens	125	37,800	- 2,545	35,255	282.04	1,049.37							
901	Arundel Gardens/Ladbroke Gardens	249	57,000	- 4,152	52,848	212.24	979.57							
902	Avondale Park Gardens	28	1,600	- 268	1,332	47.57	814.90							
904	Barkston Gardens	254	42,000	- 654	41,346	162.78	930.11							
906	Bina Gardens (West)	197	24,500	- 656	23,844	121.03	888.36							
907	Bolton Gardens	116	42,600	- 610	41,990	361.98	1,129.31							
908	Bramham Gardens	381	36,000	- 5,015	30,985	81.32	848.65							
909	Brompton Square	171	23,000	-	23,000	134.50	901.83							
912	Campden Hill Square	85	24,000	- 1,080	22,920	269.65	1,036.98							
913	Campden House Court	216	30,000	- 58	29,942	138.62	905.95							
914	Clarendon Road/Lansdowne Road	42	15,500	-	15,500	369.05	1,136.38							
915	Collingham Gardens	183	32,000	- 402	31,598	172.67	940.00							
916	Cornwall Gardens	630	65,000	- 1,025	63,975	101.55	868.88							
917	Courtfield Gardens (East)	209	20,000	- 590	19,410	92.87	860.20							
918	Courtfield Gardens (West)	415	65,000	- 2,301	62,699	151.08	918.41							
921	Earls Court Square	290	25,000	- 899	24,101	83.11	850.44							
922	Edwardes Square	243	59,300	- 545	58,756	241.79	1,009.12							
925	Gledhow Gardens	254	50,000	- 2,987	47,013	185.09	952.42							
928	Hereford Square	68	18,500	-	18,500	272.06	1,039.39							
929	Holland Road/Russell Road	198	26,800	- 2,810	23,990	121.16	888.49							
930	Hornston Street/Holland Street	110	14,000	- 196	13,804	125.49	892.82							
933	Iverna Court	217	12,000	-	12,000	55.30	822.63							
936	Kensington Square	119	15,000	- 2,283	12,718	106.87	874.20							
939	Lexham Gardens	299	35,000	- 260	34,740	116.19	883.52							
942	Moreton and Cresswell Gardens	101	19,500	-	19,500	193.07	960.40							
944	NeVERN Square	296	37,000	- 4,047	32,953	111.33	878.66							
945	Norland Square	176	24,000	- 479	23,521	133.64	900.97							
948	Ovington Square	155	22,000	- 164	21,836	140.88	908.21							
951	Pembridge Square	199	33,000	- 7,335	25,665	128.97	896.30							
952	Philbeach Gardens	307	55,440	- 8,502	46,938	152.89	920.22							
955	Royal Crescent	179	44,000	- 1,954	42,046	234.90	1,002.23							
958	St James's Gardens	153	25,673	- 4,625	21,048	137.57	904.90							
959	Stanley Crescent	186	42,000	- 3,815	38,185	205.29	972.62							
960	Stanley Gardens (North)	119	33,000	- 1,459	31,541	265.05	1,032.38							
961	Stanley Gardens (South)	160	47,000	- 7,511	39,489	246.81	1,014.14							
962	Sunningdale Gardens	28	3,500	- 401	3,099	110.68	878.01							
965	Wetherby Gardens	319	75,850	- 1,383	74,467	233.44	1,000.77							
ROYAL BOROUGH COUNCIL TAX - GARDEN SQUARES TOWN GARDENS PROTECTION ACT 1863														
CODE	GARDEN SQUARE	BAND D EQUIVALENTS	GARDEN LEVY	LESS FORECAST COUNCIL TAX SUPPORT	GARDEN SPECIAL EXPENSES	GARDEN TAX BAND D	BAND D TAX INCL GARDEN							
			£	£	£	£	£					£		
975	Arundel Gardens/Elgin Crescent	275	40,000	- 1,902	38,098	138.54	905.87							
977	Blenheim Crescent/Elgin Crescent	255	60,000	- 5,110	54,890	215.26	982.59							
978	Emperor's Gate	234	9,750	- 282	9,468	40.46	807.79							
979	Ladbroke Grove	50	4,500	-	4,500	90.00	857.33							
980	Rosmead Gardens	132	55,000	- 8,050	46,950	355.68	1,123.01							
981	Lansdowne Gardens	167	30,000	- 1,244	28,756	172.19	939.52							
982	Hanover Gardens	140	29,531	- 1,319	28,212	201.51	968.84							
984	Montpelier Gardens	115	39,000	- 4,420	34,580	300.69	1,068.02							
986	Notting Hill	37	7,000	- 438	6,562	177.35	944.68							
			1,508,344	- 93,775	1,414,569									

ROYAL BOROUGH OF KENSINGTON AND CHELSEA COUNCIL TAX

	ROYAL BOROUGH COUNCIL TAX - BY BAND							
	A	B	C	D	E	F	G	H
PROPERTIES NOT IN GARDEN SQUARES	£ 511.55	£ 596.81	£ 682.07	£ 767.33	£ 937.85	£ 1108.37	£ 1278.88	£ 1534.66

KENSINGTON IMPROVEMENT ACT 1851		ROYAL BOROUGH COUNCIL TAX - GARDEN SQUARES BY BAND							
CODE	GARDEN SQUARE	A	B	C	D	E	F	G	H
		£	£	£	£	£	£	£	£
900	Addison Gardens	699.58	816.18	932.77	1,049.37	1,282.56	1,515.76	1,748.95	2,098.74
901	Arundel Gardens/Ladbroke Gardens	653.05	761.89	870.73	979.57	1,197.25	1,414.93	1,632.62	1,959.14
902	Avondale Park Gardens	543.27	633.81	724.36	814.90	995.99	1,177.08	1,358.17	1,629.80
904	Barkston Gardens	620.07	723.42	826.76	930.11	1,136.80	1,343.49	1,550.18	1,860.22
906	Bina Gardens (West)	592.24	690.95	789.65	888.36	1,085.77	1,283.19	1,480.60	1,776.72
907	Bolton Gardens	752.87	878.35	1,003.83	1,129.31	1,380.27	1,631.23	1,882.18	2,258.62
908	Bramham Gardens	565.77	660.06	754.36	848.65	1,037.24	1,225.83	1,414.42	1,697.30
909	Brompton Square	601.22	701.42	801.63	901.83	1,102.24	1,302.64	1,503.05	1,803.66
912	Campden Hill Square	691.32	806.54	921.76	1,036.98	1,267.42	1,497.86	1,728.30	2,073.96
913	Campden House Court	603.97	704.63	805.29	905.95	1,107.27	1,308.59	1,509.92	1,811.90
914	Clarendon Road/Lansdowne Road	757.59	883.85	1,010.12	1,136.38	1,388.91	1,641.44	1,893.97	2,272.76
915	Collingham Gardens	626.67	731.11	835.56	940.00	1,148.89	1,357.78	1,566.67	1,880.00
916	Cornwall Gardens	579.25	675.80	772.34	868.88	1,061.96	1,255.05	1,448.13	1,737.76
917	Courtfield Gardens (East)	573.47	669.04	764.62	860.20	1,051.36	1,242.51	1,433.67	1,720.40
918	Courtfield Gardens (West)	612.27	714.32	816.36	918.41	1,122.50	1,326.59	1,530.68	1,836.82
921	Earls Court Square	566.96	661.45	755.95	850.44	1,039.43	1,228.41	1,417.40	1,700.88
922	Edwardes Square	672.75	784.87	897.00	1,009.12	1,233.37	1,457.62	1,681.87	2,018.24
925	Gledhow Gardens	634.95	740.77	846.60	952.42	1,164.07	1,375.72	1,587.37	1,904.84
928	Hereford Square	692.93	808.41	923.90	1,039.39	1,270.37	1,501.34	1,732.32	2,078.78
929	Holland Road/Russell Road	592.33	691.05	789.77	888.49	1,085.93	1,283.37	1,480.82	1,776.98
930	Hornton Street/Holland Street	595.21	694.42	793.62	892.82	1,091.22	1,289.63	1,488.03	1,785.64
933	Iverna Court	548.42	639.82	731.23	822.63	1,005.44	1,188.24	1,371.05	1,645.26
936	Kensington Square	582.80	679.93	777.07	874.20	1,068.47	1,262.73	1,457.00	1,748.40
939	Lexham Gardens	589.01	687.18	785.35	883.52	1,079.86	1,276.20	1,472.53	1,767.04
942	Moreton and Cresswell Gardens	640.27	746.98	853.69	960.40	1,173.82	1,387.24	1,600.67	1,920.80
944	Nevern Square	585.77	683.40	781.03	878.66	1,073.92	1,269.18	1,464.43	1,757.32
945	Norland Square	600.65	700.75	800.86	900.97	1,101.19	1,301.40	1,501.62	1,801.94
948	Ovington Square	605.47	706.39	807.30	908.21	1,110.03	1,311.86	1,513.68	1,816.42
951	Pembridge Square	597.53	697.12	796.71	896.30	1,095.48	1,294.66	1,493.83	1,792.60
952	Philbeach Gardens	613.48	715.73	817.97	920.22	1,124.71	1,329.21	1,533.70	1,840.44
955	Royal Crescent	668.15	779.51	890.87	1,002.23	1,224.95	1,447.67	1,670.38	2,004.46
958	St James's Gardens	603.27	703.81	804.36	904.90	1,105.99	1,307.08	1,508.17	1,809.80
959	Stanley Crescent	648.41	756.48	864.55	972.62	1,188.76	1,404.90	1,621.03	1,945.24
960	Stanley Gardens (North)	688.25	802.96	917.67	1,032.38	1,261.80	1,491.22	1,720.63	2,064.76
961	Stanley Gardens (South)	676.09	788.78	901.46	1,014.14	1,239.50	1,464.87	1,690.23	2,028.28
962	Sunningdale Gardens	585.34	682.90	780.45	878.01	1,073.12	1,268.24	1,463.35	1,756.02
965	Wetherby Gardens	667.18	778.38	889.57	1,000.77	1,223.16	1,445.56	1,667.95	2,001.54

TOWN GARDENS PROTECTION ACT 1863		ROYAL BOROUGH COUNCIL TAX - GARDEN SQUARES BY BAND							
CODE	GARDEN SQUARE	A	B	C	D	E	F	G	H
		£	£	£	£	£	£	£	£
975	Arundel Gardens/Elgin Crescent	603.91	704.57	805.22	905.87	1,107.17	1,308.48	1,509.78	1,811.74
977	Blenheim Crescent/Elgin Crescent	655.06	764.24	873.41	982.59	1,200.94	1,419.30	1,637.65	1,965.18
978	Emperor's Gate	538.53	628.28	718.04	807.79	987.30	1,166.81	1,346.32	1,615.58
979	Ladbroke Grove	571.55	666.81	762.07	857.33	1,047.85	1,238.37	1,428.88	1,714.66
980	Rosmead Gardens	748.67	873.45	998.23	1,123.01	1,372.57	1,622.13	1,871.68	2,246.02
981	Lansdowne Gardens	626.35	730.74	835.13	939.52	1,148.30	1,357.08	1,565.87	1,879.04
982	Hanover Gardens	645.89	753.54	861.19	968.84	1,184.14	1,399.44	1,614.73	1,937.68
984	Montpelier Gardens	712.01	830.68	949.35	1,068.02	1,305.36	1,542.70	1,780.03	2,136.04
986	Notting Hill	629.79	734.75	839.72	944.68	1,154.61	1,364.54	1,574.47	1,889.36

TOTAL COUNCIL TAX

INCLUDING GREATER LONDON AUTHORITY PRECEPT

	TOTAL COUNCIL TAX - BY BAND							
	A	B	C	D	E	F	G	H
PROPERTIES NOT IN GARDEN SQUARES	£ 708.22	£ 826.25	£ 944.29	£ 1062.33	£ 1298.41	£ 1534.48	£ 1770.55	£ 2124.66

KENSINGTON IMPROVEMENT ACT 1851		TOTAL COUNCIL TAX - GARDEN SQUARES BY BAND							
CODE	GARDEN SQUARE	A	B	C	D	E	F	G	H
		£	£	£	£	£	£	£	£
900	Addison Gardens	896.25	1045.62	1194.99	1344.37	1643.12	1941.87	2240.62	2688.74
901	Arundel Gardens/Ladbroke Gardens	849.72	991.33	1132.95	1274.57	1557.81	1841.04	2124.29	2549.14
902	Avondale Park Gardens	739.94	863.25	986.58	1109.90	1356.55	1603.19	1849.84	2219.80
904	Barkston Gardens	816.74	952.86	1088.98	1225.11	1497.36	1769.60	2041.85	2450.22
906	Bina Gardens (West)	788.91	920.39	1051.87	1183.36	1446.33	1709.30	1972.27	2366.72
907	Bolton Gardens	949.54	1107.79	1266.05	1424.31	1740.83	2057.34	2373.85	2848.62
908	Bramham Gardens	762.44	889.50	1016.58	1143.65	1397.80	1651.94	1906.09	2287.30
909	Brompton Square	797.89	930.86	1063.85	1196.83	1462.80	1728.75	1994.72	2393.66
912	Campden Hill Square	887.99	1035.98	1183.98	1331.98	1627.98	1923.97	2219.97	2663.96
913	Campden House Court	800.64	934.07	1067.51	1200.95	1467.83	1734.70	2001.59	2401.90
914	Clarendon Road/Lansdowne Road	954.26	1113.29	1272.34	1431.38	1749.47	2067.55	2385.64	2862.76
915	Collingham Gardens	823.34	960.55	1097.78	1235.00	1509.45	1783.89	2058.34	2470.00
916	Corwall Gardens	775.92	905.24	1034.56	1163.88	1422.52	1681.16	1939.80	2327.76
917	Courtfield Gardens (East)	770.14	898.48	1026.84	1155.20	1411.92	1668.62	1925.34	2310.40
918	Courtfield Gardens (West)	808.94	943.76	1078.58	1213.41	1483.06	1752.70	2022.35	2426.82
921	Earls Court Square	763.63	890.89	1018.17	1145.44	1399.99	1654.52	1909.07	2290.88
922	Edwardes Square	869.42	1014.31	1159.22	1304.12	1593.93	1883.73	2173.54	2608.24
925	Gledhow Gardens	831.62	970.21	1108.82	1247.42	1524.63	1801.83	2079.04	2494.84
928	Hereford Square	889.60	1037.85	1186.12	1334.39	1630.93	1927.45	2223.99	2668.78
929	Holland Road/Russell Road	789.00	920.49	1051.99	1183.49	1446.49	1709.48	1972.49	2366.98
930	Homton Street/Holland Street	791.88	923.86	1055.84	1187.82	1451.78	1715.74	1979.70	2375.64
933	Ivema Court	745.09	869.26	993.45	1117.63	1366.00	1614.35	1862.72	2235.26
936	Kensington Square	779.47	909.37	1039.29	1169.20	1429.03	1688.84	1948.67	2338.40
939	Lexham Gardens	785.68	916.62	1047.57	1178.52	1440.42	1702.31	1964.20	2357.04
942	Moreton and Cresswell Gardens	836.94	976.42	1115.91	1255.40	1534.38	1813.35	2092.34	2510.80
944	Nevern Square	782.44	912.84	1043.25	1173.66	1434.48	1695.29	1956.10	2347.32
945	Norland Square	797.32	930.19	1063.08	1195.97	1461.75	1727.51	1993.29	2391.94
948	Ovington Square	802.14	935.83	1069.52	1203.21	1470.59	1737.97	2005.35	2406.42
951	Pembridge Square	794.20	926.56	1058.93	1191.30	1456.04	1720.77	1985.50	2382.60
952	Philbeach Gardens	810.15	945.17	1080.19	1215.22	1485.27	1755.32	2025.37	2430.44
955	Royal Crescent	864.82	1008.95	1153.09	1297.23	1585.51	1873.78	2162.05	2594.46
958	St James's Gardens	799.94	933.25	1066.58	1199.90	1466.55	1733.19	1999.84	2399.80
959	Stanley Crescent	845.08	985.92	1126.77	1267.62	1549.32	1831.01	2112.70	2535.24
960	Stanley Gardens (North)	884.92	1032.40	1179.89	1327.38	1622.36	1917.33	2212.30	2654.76
961	Stanley Gardens (South)	872.76	1018.22	1163.68	1309.14	1600.06	1890.98	2181.90	2618.28
962	Sunningdale Gardens	782.01	912.34	1042.67	1173.01	1433.68	1694.35	1955.02	2346.02
965	Wetherby Gardens	863.85	1007.82	1151.79	1295.77	1583.72	1871.67	2159.62	2591.54

TOWN GARDENS PROTECTION ACT 1863		TOTAL COUNCIL TAX - GARDEN SQUARES BY BAND							
CODE	GARDEN SQUARE	A	B	C	D	E	F	G	H
		£	£	£	£	£	£	£	£
975	Arundel Gardens/Elgin Crescent	800.58	934.01	1067.44	1200.87	1467.73	1734.59	2001.45	2401.74
977	Blenheim Crescent/Elgin Crescent	851.73	993.68	1135.63	1277.59	1561.50	1845.41	2129.32	2555.18
978	Emperor's Gate	735.20	857.72	980.26	1102.79	1347.86	1592.92	1837.99	2205.58
979	Ladbroke Grove	768.22	896.25	1024.29	1152.33	1408.41	1664.48	1920.55	2304.66
980	Rosmead Gardens	945.34	1102.89	1260.45	1418.01	1733.13	2048.24	2363.35	2836.02
981	Lansdowne Gardens	823.02	960.18	1097.35	1234.52	1508.86	1783.19	2057.54	2469.04
982	Hanover Gardens	842.56	982.98	1123.41	1263.84	1544.70	1825.55	2106.40	2527.68
984	Montpelier Gardens	908.68	1060.12	1211.57	1363.02	1665.92	1968.81	2271.70	2726.04
986	Notting Hill	826.46	964.19	1101.94	1239.68	1515.17	1790.65	2066.14	2479.36

***ADULT SOCIAL CARE
REVENUE BUDGET 2015-2016***

ADULT SOCIAL CARE

Summary of Changes

	£'000
ORIGINAL BUDGET 2014-15	60,954
Price Variations - Pay Award	159
Price Variations - Service	136
INFLATION	295
Use of Social Care to Benefit Health funding to protect front-line services	- 1,000
Use of Public Health grant to protect front-line services (Substance Misuse Service)	- 793
Tri-Borough savings from a review of the Client Affairs Service	- 87
Review of Residential Services for Older People (additional capacity at lower cost)	- 500
Supporting People Budget	- 75
Savings arising from Tri-borough arrangements	- 200
Savings arising from greater use of telecare	- 113
Operational alignment - savings arising from a review of the Operations Division	- 500
Savings arising from a review of current contract arrangements	- 640
SAVINGS	- 3,908
Concessionary Fares - increase reflects current level of usage	104
GROWTH	104
Central support charges	286
Transfers of other budgets/recharges between Services	494
Depreciation	52
Change in current service pension liability cost (IAS19)	- 63
OTHER	769
FORECAST BUDGET 2015-16	58,213

ADULT SOCIAL CARE

Subjective Summary

Subjective Grouping	Notes	2013-14 Actual	2014-15 Budget	2015-16 Budget
		£'000	£'000	£'000
Employees		16,026	16,965	13,463
Premises-related expenditure		779	621	137
Transport-related expenditure		78	26	25
Supplies and services		1,195	1,159	1,037
Third party payments		54,201	56,686	59,497
Support services		3,917	3,871	4,197
Depreciation (and impairment losses)		428	428	480
SPENDING		76,625	79,756	78,836
Government Grants		0	0	728
Other grants, reimbursements and contributions		14,860	14,373	14,516
Customer and client receipts		4,424	4,274	4,524
Recharges		842	155	855
INCOME		20,126	18,802	20,623
NET SPENDING		56,500	60,954	58,213

ADULT SOCIAL CARE

Service Summary

Service	2013-14 Actual			2014-15 Budget			2015-16 Budget		
	Spend £'000	Income £'000	Net £'000	Spend £'000	Income £'000	Net £'000	Spend £'000	Income £'000	Net £'000
Adult Social Care Management & Support Services	8,777	1,455	7,322	9,046	1,180	7,866	9,556	1,596	7,960
Services for Older People	30,413	10,167	20,246	31,801	9,851	21,950	31,363	10,297	21,066
Services for People with a Physical Disability or Sensory Impairment	4,019	270	3,749	4,079	162	3,917	3,532	203	3,329
Services for People with Learning Disabilities	14,340	5,564	8,776	15,224	5,292	9,932	14,800	5,767	9,033
Services for Adults with Mental Health Needs	7,673	1,865	5,808	7,449	1,535	5,914	7,728	1,981	5,748
Services for Other Adults	875	773	102	1,013	781	232	841	779	62
Public Transport	9,480	31	9,449	9,930	-	9,930	10,034	-	10,034
Supporting People	1,049	-	1,049	1,213	-	1,213	982	-	982
TOTAL ADULT SOCIAL CARE	76,626	20,125	56,501	79,755	18,801	60,954	78,835	20,622	58,213

CHILDREN'S SERVICES
REVENUE BUDGET 2015-2016

CHILDREN'S SERVICES

Summary of Changes

	£'000
ORIGINAL BUDGET 2014-15	42,453
Price Variations - Service	434
Price Variations - Central Support Services	-
INFLATION	434
Management/administration costs reduced	- 135
Improved Economy/efficiency	- 481
Procurement savings	- 854
Service level change	-
Increased income	- 360
Tri- and bi-borough savings	- 270
SAVINGS	- 2,100
Remand Placements	150
GROWTH	150
Central support charges change	853
Transfers of budget internally	51
Depreciation change	- 18
Change in current service pension liability cost (IAS19)	111
Change in property managed costs	- 825
OTHER	172
FORECAST BUDGET 2015-16	41,109

CHILDREN'S SERVICES

Subjective Summary

Subjective Grouping	Notes	2013-14 <i>Actual</i> £'000	2014-15 <i>Budget</i> £'000	2015-16 <i>Budget</i> £'000
Employees		30,110	22,073	26,755
Premises-related expenditure		1,945	1,175	348
Transport-related expenditure		334	248	240
Supplies and services		7,836	19,218	20,378
Third party payments		24,413	17,612	18,476
Transfer Payments		11	86	86
Schools Delegated Budgets		81,370	72,027	61,997
Support services		8,553	7,432	9,318
Depreciation (and impairment losses)		527	280	279
SPENDING		155,099	140,152	137,876
Government Grants		9,873	6,016	9,621
Dedicated Schools Grant		74,141	84,309	71,710
Other grants, reimbursements and contributions		12,699	816	7,784
Customer and client receipts		12,003	4,904	5,084
Inter Business Group Chrgs		2,733	1,653	2,568
Recharges				
INCOME		111,449	97,698	96,767
NET SPENDING		43,650	42,453	41,109

CHILDREN'S SERVICES

Service Summary

Service	2013-14 Actual			2014-15 Budget			2015-16 Budget		
	Spend £'000	Income £'000	Net £'000	Spend £'000	Income £'000	Net £'000	Spend £'000	Income £'000	Net £'000
Children's Commissioning									
Business Analysis	114	-	114	140	-	140	228	95	132
Business Development	109	-	109	174	-	174	348	209	138
Business Support	75	-	75	90	-	90	136	45	91
Commissioning - Children & Early Years	543	-	543	584	-	584	584	109	475
Commissioning - Social Care	628	-	628	568	-	568	806	154	652
Commissioning - Young People	3,036	589	2,447	4,555	-	4,555	4,316	64	4,252
Commissioning management	191	17	174	71	-	71	285	183	102
Complaints	98	0	98	106	-	106	169	77	93
Health	114	40	74	86	-	86	158	69	89
Non-educational school contracts	2,768	2,729	39	2,628	2,604	24	2,575	2,662	- 87
Policy (non data)	129	0	129	180	-	180	284	143	142
Workforce Development	401	150	252	379	23	356	505	160	345
Transport Commissioning	102	53	49	-	-	-	391	186	205
Children's Commissioning Total	8,309	3,578	4,731	9,562	2,628	6,935	10,785	4,156	6,629
Tri Borough Education Service									
Admissions	303	328	- 25	412	475	- 63	452	463	- 10
Alternative Provision	2,185	2,188	- 3	1,890	1,761	129	618	463	155
Continuing Professional Development	228	169	60	213	76	136	227	136	90
Education Data Team	351	248	103	135	-	135	180	44	136
Education Psychology	495	1	494	574	12	562	617	173	444
Education Welfare - Statutory	240	3	237	299	1	298	417	128	289
Governors support	247	271	- 23	145	138	7	187	191	- 4
Music	802	773	29	106	56	50	686	593	93
School Standards	896	234	662	1,262	988	275	2,740	2,109	631
SEN Support Services & Outreach	211	227	- 16	270	270	-	88	100	- 12
SEN Transport	1,998	121	1,877	1,270	-	1,270	1,156	-	1,156
Special Educational Needs	6,785	6,205	580	11,552	11,127	425	12,982	13,086	- 104
Virtual School Team	-	-	-	-	-	-	-	-	-
Social Enterprise	-	-	-	-	-	-	-	-	-
Schools Leadership Team	140	1	139	111	-	111	447	214	233
CHS Asset Management	169	38	131	-	-	-	-	-	-
Tri-Borough Education Service Total	15,050	10,805	4,244	18,238	14,904	3,334	20,797	17,699	3,097
Finance & Resources									
Executive Support Team	176	-	176	227	-	227	272	86	186
Finance Team	711	59	652	682	42	640	442	42	400
Info & Comm Tech (ICT)	614	21	593	577	-	577	905	321	585
Overheads	374	67	307	392	11	381	381	11	370
Tri Borough Cost Holding	4,695	4,689	5	-	-	-	-	-	-
Portfolio Team	208	14	194	44	-	44	79	-	79
Finance & Resources Total	6,778	4,850	1,928	1,921	53	1,868	2,079	460	1,619

CHILDREN'S SERVICES

Service Summary

Service	2013-14 Actual			2014-15 Budget			2015-16 Budget		
	Spend £'000	Income £'000	Net £'000	Spend £'000	Income £'000	Net £'000	Spend £'000	Income £'000	Net £'000
Safeguarding and LSCB									
LSCB	98	34	64	51	-	51	132	36	96
Safeguarding	883	9	874	834	-	834	956	75	881
Safeguarding & LSCB Total	980	43	938	885	-	885	1,088	111	977
Family Services									
Children with Disabilities	3,267	163	3,104	3,119	116	3,003	3,260	116	3,144
Early Help Services	1,427	0	1,427	1,687	-	1,687	1,658	145	1,513
Early Years - Curriculum Support (FS)	8,516	4,755	3,761	9,420	5,854	3,566	8,860	5,636	3,223
Early Years Outreach	-	-	-	-	-	-	-	-	-
Extended Services	1,361	305	1,055	1,222	255	967	943	255	689
Family Services Management & Support Services	996	0	996	1,017	-	1,017	1,130	73	1,057
Fostering & Adoption	2,247	858	1,388	1,996	428	1,568	3,596	1,963	1,632
High needs service	2,521	937	1,584	1,616	30	1,586	2,339	621	1,718
LAC & Leaving Care Services	8,155	769	7,386	8,310	549	7,761	8,460	855	7,605
Promoting / Section 17 services	370	-	370	399	-	399	398	-	398
Social Work Teams	5,152	482	4,670	5,386	446	4,940	5,596	677	4,919
Youth Offending Service	940	375	566	1,055	458	598	1,351	753	598
Youth Service Management & Support Services	442	1	441	-	-	-	-	-	-
Youth Support & Development Service	4,063	1,084	2,980	-	-	-	-	-	-
Family Services Total	39,457	9,730	29,728	35,227	8,136	27,092	37,591	11,095	26,496
Senior Management Team	689	19	671	682	-	682	1,056	442	613
School Funding	81,102	79,691	1,410	71,983	70,325	1,658	61,946	60,268	1,678
Total	152,366	108,716	43,650	138,498	96,045	42,453	135,342	94,231	41,109
Adjustment for Internal Recharges	2,733	2,733	-	1,653	1,653	-	2,535	2,535	-
TOTAL CHILDREN'S SERVICES	155,099	111,449	43,650	140,152	97,698	42,453	137,876	96,766	41,109

***ENVIRONMENT, LEISURE AND
RESIDENTS' SERVICES***

REVENUE BUDGET 2015-2016

ENVIRONMENT, LEISURE AND RESIDENTS' SERVICES

Summary of Changes

	£'000
ORIGINAL BUDGET 2014-15	33,455
Price Variations - Service	316
Price Variations - Central Support Services	-
INFLATION	316
Increased visitor income for Leighton House Museum	- 100
Replace part of the Active Participation Arts budget with alternative external funding, or reduce the current level of spend	- 20
Increased income from the commercial waste service	- 486
Increased income from the newly rebuilt Kensington Leisure Centre	- 124
Increased income from Chelsea Leisure Centre following the extension and upgrade of the gym	- 111
Review street cleansing frequencies and implement further contract efficiencies	- 135
Fully implement the Bi-borough waste and street enforcement team	- 124
Delivery of efficiencies in the Parks Police management structure	- 60
Review Parks and Ecology staffing structures with no impact on service delivery and standards	- 72
Review of Culture team staffing with greater emphasis on Arts commissioning and efficiencies in supplies and services spend	- 84
Improved efficiency and budgets aligned to spending for supplies and services across the department	- 206
SAVINGS	- 1,522
Waste Disposal	344
LOCAL GROWTH	344
National Non-Domestic Rates	-
CORPORATE GROWTH	-
Central support charges change	1,019
Transfers of budget internally	- 748
Depreciation change	- 220
Change in current service pension liability cost (IAS19)	9
OTHER	60
FORECAST BUDGET 2015-16	32,653

ENVIRONMENT, LEISURE AND RESIDENTS' SERVICES

Subjective Summary

Subjective Grouping	Notes	2013-14 Actual £'000	2014-15 Budget £'000	2015-16 Budget £'000
Employees	1	5,311	5,582	5,947
Premises-related expenditure	2	3,766	3,598	2,745
Transport-related expenditure		109	125	114
Supplies and services	3	3,965	3,752	3,632
Third party payments	4	27,362	28,434	29,546
Support services	5	3,734	3,091	4,110
Depreciation (and impairment losses)	6	946	946	726
SPENDING		45,193	45,526	46,820
Other grants, reimbursements and contributions	7	1,260	660	2,197
Customer and client receipts	8	10,744	10,730	11,213
Interest		1	1	1
Recharges		646	680	757
INCOME		12,650	12,072	14,167
NET SPENDING		32,543	33,455	32,653

Notes

The main changes between the 2014-15 and the 2015-16 budgets are set out in the following notes.

1. Budget efficiencies -£256,000 (Enforcement, Culture, Leisure Services, Parks Police); Merge ELRS and TTS Finance team budgets +£128,000; Salary inflation +£60,000; Other +£434,000 (mainly grossing up employee budgets to show gross cost of shared staff, with corresponding third party payments and income budgets for transfers between LBHF).
2. Transfer of facilities management budgets to Corporate Services -£830,000; Grounds maintenance contract inflation +£31,000; Grounds maintenance contract efficiencies -£49,000; Other budget realignments -£5,000.
3. Cross department budget efficiencies -£130,000; Opera Holland Park inflation +£46,000; Transfer of CCTV budgets to Corporate Services -£52,000; Other budget realignments +£16,000.
4. Recategorise shared staff budgets +£698,000; Contracts inflation +£178,000; Waste Disposal growth +£344,000; Cross department budget efficiencies -£204,000; Gross up Chelsea Sports Centre and Gym budgets +£111,000; Other budget realignments -£15,000.
5. The increase relates mainly to the new corporate recharge for facilities management following centralisation of departmental budgets.
6. The reduction relates to Denyer Street depot.
7. Recategorise shared staff budgets +£1,144,000; budget efficiencies in sports centres and arts management +£285,000; Gross up Chelsea Sports Centre and Gym budgets +£111,000; Other budget realignments -£4,000.
8. Income growth to deliver budget efficiencies in commercial waste and museums +£587,000; Transfer Orangery management and income target to Corporate Services -£110,000; Other budget realignments +£6,000.

ENVIRONMENT, LEISURE AND RESIDENTS' SERVICES

Service Summary

Service	2013-14 Actual			2014-15 Budget			2015-16 Budget		
	Spend £'000	Income £'000	Net £'000	Spend £'000	Income £'000	Net £'000	Spend £'000	Income £'000	Net £'000
Corporate and Democratic Core	85	-	85	87	-	87	51	-	51
Cleaner, Greener and Cultural Services									
Waste and Street Enforcement									
Operations - Cleansing	13,389	153	13,235	13,449	164	13,285	13,277	163	13,115
Waste Disposal	10,476	-	10,476	11,853	-	11,853	9,260	-	9,260
Recycling	2,328	16	2,312	2,495	66	2,429	2,372	111	2,261
Environmental Strategy	356	4	352	349	-	349	394	-	394
Culture									
Arts Development and Support	691	40	651	633	-	633	578	50	528
Holland Park Theatre	3,426	2,593	833	3,335	2,528	807	3,391	2,527	864
Museums and Galleries	1,320	464	857	1,174	403	771	994	393	600
Carnival, Filming and Events	987	270	717	989	301	688	1,098	396	702
Total Cleaner, Greener and Cultural Services	32,973	3,540	29,433	34,278	3,463	30,815	31,364	3,640	27,724
Safer Neighbourhoods									
Leisure and Parks									
Sports Centres	987	12	975	462	10	452	956	388	568
Parks and Open Spaces	3,856	264	3,592	3,699	182	3,516	3,582	263	3,319
Cemeteries	708	934	226	724	1,042	318	831	1,042	212
Community Safety									
CCTV	397	-	397	274	-	274	306	56	250
Parks Police	1,116	306	810	865	6	858	1,353	525	827
Emergency Services									
Coroners and Mortuary Services	439	-	439	435	-	435	436	-	436
Total Safer Neighbourhoods	7,502	1,517	5,986	6,459	1,241	5,219	7,463	2,274	5,189

ENVIRONMENT, LEISURE AND RESIDENTS' SERVICES

Service Summary

Service	2013-14 Actual			2014-15 Budget			2015-16 Budget		
	Spend £'000	Income £'000	Net £'000	Spend £'000	Income £'000	Net £'000	Spend £'000	Income £'000	Net £'000
Customer and Business Development									
Business Support									
Commercial Waste and Revenue Services	2,650	5,762	- 3,112	2,714	5,418	- 2,705	5,666	6,013	- 346
Traders Stores and Market Development	226	185	41	238	199	39	246	211	35
Regulation of Street Trading	863	752	110	822	822	-	814	814	-
Total Customer and Business Development	3,738	6,699	- 2,961	3,773	6,439	- 2,666	6,727	7,038	- 312
Adjustment for Recharged Services Income	895	895	-	929	929	-	1,216	1,216	-
TOTAL	45,193	12,650	32,543	45,526	12,072	33,455	46,820	14,167	32,653
FULLY RECHARGED SERVICES									
Executive, Finance and Business Improvement	807	38	769	757	35	722	1,041	358	683
Directors and Heads of Service	1,780	131	1,649	1,625	147	1,478	1,580	133	1,447
Contracts and Enforcement	2,099	726	1,373	2,192	746	1,446	1,945	724	1,220
TOTAL FULLY RECHARGED SERVICES	4,686	895	3,791	4,575	929	3,646	4,566	1,216	3,350

Note - there are some rounding differences due to rounding to the nearest thousand.

HOUSING SERVICES
REVENUE BUDGET 2015-2016

HOUSING SERVICES

Summary of Changes

	£'000
ORIGINAL BUDGET 2014-15	13,400
Price Variations	35
INFLATION	35
Deletion of posts within Housing Services	- 208
Reduced expenditure on Supporting People through reprourement of services	- 333
Reduction in Homelessness Prevention budget	- 150
SAVINGS	- 691
Increase in Temporary Accommodation	1,000
GROWTH	1,000
Central support charges change	- 18
Transfers of budget between Business Groups/HRA	- 42
Change in current service pension liability cost (IAS19)	21
OTHER	- 39
FORECAST BUDGET 2015-16	13,705

HOUSING SERVICES

Subjective Summary

Subjective Grouping	Notes	<i>2013-14 Actual</i> £'000	<i>2014-15 Budget</i> £'000	<i>2015-16 Budget</i> £'000
Employees		5,003	5,494	5,497
Premises-related expenditure		41	55	55
Transport-related expenditure		9	6	6
Supplies and services		840	515	345
Third party payments		29,483	32,432	33,728
Support Services		1,556	1,544	1,540
Depreciation (and impairment losses)		1	1	1
SPENDING		36,933	40,047	41,172
INCOME				
Government Grants				
Other grants, reimbursements and contributions		22,922	25,771	26,439
Customer and client receipts		292	129	129
Interest		3	13	2
Recharges to Housing Revenue Account		676	734	897
INCOME		23,893	26,647	27,467
NET SPENDING		13,040	13,400	13,705

HOUSING SERVICES

Service Summary

Service	2013-14 Actual			2014-15 Budget			2015-16 Budget		
	Spend £'000	Income £'000	Net £'000	Spend £'000	Income £'000	Net £'000	Spend £'000	Income £'000	Net £'000
Corporate and Democratic Core	21	-	21	20	-	20	18	-	18
Housing Strategy	217		217	247		247	215		215
Homelessness and Housing Advice	29,254	23,232	6,022	32,320	26,113	6,207	33,828	26,783	7,045
RSL's and Housing Advances	555	5	550	600	16	584	454	5	449
Supporting People	6,414	184	6,230	6,531	189	6,342	6,167	189	5,978
Housing Management & Support	1,399	1,399	-	1,429	1,429	-	1,481	1,481	-
Total	37,860	24,820	13,040	41,147	27,747	13,400	42,163	28,458	13,705
Adjustment for Internal Recharges	- 926	- 926	-	- 1,100	- 1,100	-	- 991	- 991	-
TOTAL HOUSING SERVICES	36,934	23,894	13,040	40,047	26,647	13,400	41,172	27,467	13,705

HOUSING REVENUE ACCOUNT

HOUSING REVENUE ACCOUNT			
BUSINESS UNITS N1000 to N6000, H0100, H0200, H0300, H0400			
Cabinet Member for Housing, Property and Regeneration	Actual	Budget	Budget
	2013-2014	2014-2015	2015-2016
	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>
EXPENDITURE			
Salaries	0	0	0
Premises Related Expenditure	19,811	21,563	20,774
Transport Related Expenditure	0	0	0
Supplies & Services	1,584	2,130	1,873
Agency & Contracted Services	10,748	10,553	10,679
Housing Benefit & Other Transfer Payments	0	0	0
Total Direct Expenditure	32,143	34,246	33,326
Central Support Services Recharges	356	330	318
Departmental Support Services Recharge	563	622	789
Contribution to Working Balance	2,881	2,700	0
Capital Financing Costs	19,029	20,808	32,172
Contingency	0	0	0
TOTAL EXPENDITURE	54,972	58,706	66,605
INCOME			
Government Grants	0	0	0
Other Grants & Contributions	235	205	205
Drawdown from Working Balance	0	0	7,272
Fees, Charges & Other Client Income	14,654	16,088	15,143
Rent – Dwellings	40,009	42,344	43,936
Interest	74	69	49
TOTAL INCOME	54,972	58,706	66,605
NET EXPENDITURE (FULLY RECHARGED)	0	0	0
DESCRIPTION OF SERVICE			
<p>The Housing Revenue Account (HRA) contains all the income and expenditure on goods and services relating to the provision, management and maintenance of the Council's properties and tenancies. By law, the HRA must be balanced with no contributions to or from the General Fund. Since April 1996 responsibility for management and maintenance has been delegated to the RBKC Tenant Management Organisation, and it is now responsible for most budgets. The Council retains responsibility for a limited range of budget headings which are inappropriate for delegation.</p>			
MAJOR VARIATIONS			
<p>The Management Fee for 2015-16 has been set at £10.6 million. An overall inflationary provision of 1.2% has been allowed for 2015-16. This provision will be used to fund pay awards and other inflationary increases on non-pay budgets e.g. utilities.</p> <p>The cost of capital debt charges has decreased by £557,000 which is due to a decrease in the projected interest rate used to calculate the debt charges.</p> <p>The 2015-16 budget includes a further contribution towards the HRA Capital Programme with an overall revenue contribution of £21.334 million assumed in the 2015-16 budget. This is a higher contribution than in recent years.</p>			

***LIBRARY ARCHIVE AND HERITAGE
SERVICES***

REVENUE BUDGET 2015-2016

LIBRARY, ARCHIVE AND HERITAGE SERVICES

Summary of Changes

	£'000
ORIGINAL BUDGET 2014-15	5,804
INFLATION	31
Transport efficiencies	- 30
Library Materials efficiencies	- 20
Stock Management efficiencies	- 20
Supplies and Service efficiencies	- 16
Operational efficiencies within the Library Services	- 100
SAVINGS	- 186
Central support charges change	1,207
Transfers of budget internally	- 844
Depreciation change	131
Change in current service pension liability cost (IAS19)	17
OTHER	511
FORECAST BUDGET 2015-16	6,160

LIBRARY, ARCHIVE AND HERITAGE SERVICES

Subjective Summary

Subjective Grouping	Notes	<i>2013-14 Actual £'000</i>	<i>2014-15 Budget £'000</i>	<i>2015-16 Budget £'000</i>
Employees		2,361	2,656	2,513
Premises-related expenditure	1	836	852	8
Transport-related expenditure		6	8	7
Supplies and services		690	702	654
Third party payments		642	609	608
Support Services	1	1,421	1,164	2,380
Depreciation (and impairment losses)		581	551	683
SPENDING		6,537	6,542	6,853
Other grants, reimbursements and contributions		509	532	487
Customer and client receipts		210	206	206
Recharges		8	0	0
INCOME		727	738	693
NET SPENDING		5,810	5,804	6,160

Notes

- From 2015-16 the majority of the management of premises related expenditure has been transferred to Corporate Services and now returns in additional charges in the Support Services recharge line.

LIBRARY, ARCHIVE AND HERITAGE SERVICES

Service Summary

Service	2013-14 Actual			2014-15 Budget			2015-16 Budget		
	Spend £'000	Income £'000	Net £'000	Spend £'000	Income £'000	Net £'000	Spend £'000	Income £'000	Net £'000
Libraries, Archive and Heritage Services									
Management	665	200	465	690	223	467	696	218	478
Reference, Information and Local Studies									
Services	619	226	393	697	232	465	729	234	495
Operations - Libraries	3,647	193	3,454	3,937	188	3,749	4,284	188	4,096
Operations - Other	597	22	575	242	17	225	249	18	231
Community Development	925	86	839	884	78	806	799	35	764
Archives	76		76	82		82	86		86
Heritage	8		8	10		10	10		10
TOTAL LIBRARIES, ARCHIVE AND HERITAGE SERVICES	6,537	727	5,810	6,542	738	5,804	6,853	693	6,160

***PLANNING AND BOROUGH
DEVELOPMENT***

REVENUE BUDGET 2015-2016

PLANNING AND BOROUGH DEVELOPMENT

Summary of Changes

	£'000
ORIGINAL BUDGET 2014-15	4,807
Price Variations - Service	
Price Variations - Central Support Services	
INFLATION	51
Reduction in back office costs	- 120
Reduction in Building Control service costs (Re-org savings non-trading)	- 140
Income from pre-application advice fees and planning fees	- 819
SAVINGS	- 1,079
GROWTH	-
Central support charges change	63
Transfers of budget internally	- 21
Change in current service pension liability cost (IAS19)	- 10
Work on Enterprise (growth dropping out after 1 year)	- 115
OTHER	- 83
FORECAST BUDGET 2015-16	3,696

PLANNING AND BOROUGH DEVELOPMENT

Subjective Summary

Subjective Grouping	Notes	2013-14 Actual £'000	2014-15 Budget £'000	2015-16 Budget £'000
Employees	1	5,006	5,236	5,176
Premises-related expenditure		0	0	0
Transport-related expenditure		19	14	13
Supplies and services	2	623	598	433
Third party payments	3	1,366	1,036	851
Support services		1,772	1,787	1,863
Depreciation (and impairment losses)		56	56	56
SPENDING		8,842	8,727	8,392
Government Grants		148	20	0
Other grants, reimbursements and contributions		264	50	70
Customer and Client Receipts	4	6,149	3,850	4,626
INCOME		6,561	3,920	4,696
NET SPENDING		2,281	4,807	3,696

Notes

1. Inflation had added £50,000 to the Employee costs budget. Savings in respect of the Support Services restructure and planned savings on recruitment to vacant posts mean overall the employee costs budget has reduced.
2. Costs have been reduced in the Building Control (non-trading account section) as a direct result of the restructure undertaken in 2013-14.
3. Consultancy budgets have reduced with the removal of the one year funding for the Commercial Enterprise work.
4. The Pre-application Advice fees and Planning Application fees budgets have been increased to reflect higher use. The Building Control trading account income has been reduced to reflect reduced cost budgets and the lower usage of this service.

PLANNING AND BOROUGH DEVELOPMENT

Service Summary

Service	2013-14 Actual			2014-15 Budget			2015-16 Budget		
	Spend £'000	Income £'000	Net £'000	Spend £'000	Income £'000	Net £'000	Spend £'000	Income £'000	Net £'000
Corporate and Democratic Core	259	-	259	244	-	244	276	-	276
Planning Services									
Development Management	4,199	3,265	934	4,334	2,083	2,251	3,988	2,937	1,051
Land Charges	426	1,650	- 1,224	376	1,199	- 823	409	1,199	- 790
Policy	745	440	305	601	80	521	839	78	761
Neighbourhood Planning	453	397	56	450	9	441	498	9	489
Specialist Services	1,664	18	1,646	1,680	7	1,673	1,600	8	1,592
Total Planning Services	7,487	5,770	1,717	7,441	3,378	4,063	7,334	4,231	3,103
Total Building Control	1,247	942	305	1,206	706	500	980	663	317
Adjustment for Internal Recharges	- 151	- 151	-	- 164	- 164	-	- 198	- 198	-
TOTAL PLANNING AND BOROUGH DEVELOPMENT	8,842	6,561	2,281	8,727	3,920	4,807	8,392	4,696	3,696

***PUBLIC HEALTH
REVENUE BUDGET 2015-2016***

PUBLIC HEALTH
Summary of Changes

	£'000
ORIGINAL BUDGET 2014-15	1,199
INFLATION	-
SAVINGS	- 405
GROWTH	1,130
Reduction in General Fund contribution	- 1,199
Allocation of unallocated grant	- 725
OTHER	- 1,924
FORECAST BUDGET 2015-16	-

PUBLIC HEALTH

Subjective Summary

Subjective Grouping	Notes	<i>2013-14 Actual</i> £'000	<i>2014-15 Budget</i> £'000	<i>2015-16 Budget</i> £'000
EXPENDITURE				
Tri-borough costs (Staff and overheads)		1,163	1,607	1,607
Commissioned Services		20,621	20,806	19,607
Supplies and services				
Third party payments				
Other Departments				
Central Departments				
SPENDING		21,784	22,413	21,214
Government Grants		20,636	21,214	21,214
Other grants, reimbursements and contributions				
INCOME		20,636	21,214	21,214
NET SPENDING		1,148	1,199	-

PUBLIC HEALTH

Service Summary

Service	2013-14 Actual			2014-15 Budget			2015-16 Budget		
	Spend £'000	Income £'000	Net £'000	Spend £'000	Income £'000	Net £'000	Spend £'000	Income £'000	Net £'000
Behaviour Change	1,262	-	1,262	1,869	-	1,869	2,327	-	2,327
Sexual Health	4,900	-	4,900	5,446	-	5,446	5,079	-	5,079
Families & Children	2,611	-	2,611	2,913	-	2,913	3,247	-	3,247
Wider and Social Determinants	12	-	12	44	-	44	76	-	76
Substance Misuse	6,065	-	6,065	6,202	-	6,202	6,202	-	6,202
Public Health Investment Fund	-	-	-	-	-	-	268	-	268
CCG Dietetics	1,190	-	1,190	1,190	-	1,190	1,190	-	1,190
Salaries & Overheads	1,163	-	1,163	1,607	-	1,607	1,607	-	1,607
Risk Provision & Ambition Projects	4,581	-	4,581	3,142	-	3,142	1,218	-	1,218
Public Health Grant	-	20,636	-20,636	-	21,214	-21,214	-	21,214	-21,214
TOTAL PUBLIC HEALTH	21,784	20,636	1,148	22,413	21,214	1,199	21,214	21,214	-

TRANSPORT AND TECHNICAL SERVICES
REVENUE BUDGET 2015-2016

TRANSPORT AND TECHNICAL SERVICES

Summary of Changes

	£'000
ORIGINAL BUDGET 2014-15	- 11,327
Price variations - service	447
INFLATION	447
Wi-fi concession fee - guaranteed payment	- 30
Wi-fi concession fee - provisional payment	- 6
Recognition of existing variance in parking suspensions income	- 80
Bi-borough service reviews	- 361
Reduction in Environmental Health running costs	- 50
Recognition of existing income from parking enforcement	- 1,138
Release of Highways project budget no longer required (projects delivered for lower than planned cost)	- 324
Income from Kensington Town Hall car park (new leasing arrangement)	- 102
Release of provision for bad debts no longer required due to improved debt management	- 120
Increased highways licence fee income	- 120
Reduction in Highways and Transport running costs	- 150
SAVINGS	- 2,481
GROWTH	-
Central support charges change	884
Transfers of budget internally	- 255
Depreciation change	39
Change in current service pension liability cost (IAS19)	- 1
OTHER	667
FORECAST BUDGET 2015-16	- 12,694

TRANSPORT AND TECHNICAL SERVICES

Subjective Summary

Subjective Grouping	Notes	<i>2013-14 Actual</i> £'000	<i>2014-15 Budget</i> £'000	<i>2015-16 Budget</i> £'000
Employees		9,023	9,126	9,253
Premises-related expenditure		1,519	1,623	1,102
Transport-related expenditure		37	36	37
Supplies and services		2,478	2,089	1,742
Third party payments		13,618	13,989	13,730
Support services		5,768	6,273	6,862
Depreciation (and impairment losses)		4,258	4,258	4,297
SPENDING		36,700	37,395	37,023
Government Grants		249	0	0
Other grants, reimbursements and contributions		2,222	533	533
Customer and Client Receipts		50,664	48,188	49,184
Interest				
Recharges				
TOTAL INCOME		53,135	48,722	49,717
NET SPENDING		-16,435	-11,327	-12,694

TRANSPORT AND TECHNICAL SERVICES

Service Summary

Service	2013-14 Actual			2014-15 Budget			2015-16 Budget		
	Spend £'000	Income £'000	Net £'000	Spend £'000	Income £'000	Net £'000	Spend £'000	Income £'000	Net £'000
Corporate and Democratic Core			-			-			-
Environmental Health									
Corporate Safety	47	0	47	234	234	-	-	-	-
Licensing	908	690	218	915	586	328	929	586	343
Management & Support Services	134	78	56	56	-	56	-	-	-
Food and Training	1,141	134	1,008	1,308	150	1,158	1,340	148	1,193
Trading Standards	351	1	350	397	1	396	393	1	391
Environmental Strategy	732	252	479	510	-	510	491	-	491
Health and Safety	598	56	542	580	-	580	560	-	560
Contracts and Projects	567	326	241	673	285	387	652	285	367
Noise and Nuisance	1,226	3	1,223	1,313	5	1,309	1,315	5	1,311
Housing Private Sector	981	70	911	1,003	42	961	944	42	902
Total Environmental Health	6,685	1,610	5,075	6,988	1,303	5,686	6,624	1,066	5,558
Transportation and Highways									
T&H-Administration	72	-	72	72	-	72	73	-	73
T&H-Highway Maintenance	7,778	1,492	6,286	8,228	1,184	7,043	7,897	1,204	6,693
T&H-Public Lighting	2,454	112	2,341	2,490	193	2,297	2,563	229	2,334
T&H-Rech. & Other St. Works	938	1,516	577	732	803	71	713	1,021	308
T&H-Traffic Section	3,599	182	3,417	3,682	155	3,527	3,656	155	3,501
T&H-Transportation & Rd Safety	1,465	1,244	222	813	233	580	837	233	604
T&H-Parking Off-Street	1,357	1,875	518	1,345	1,843	498	1,887	1,583	304
Total Transportation and Highways	17,663	6,420	11,243	17,361	4,411	12,950	17,480	4,425	13,055
Car Parking On Street	12,352	45,104	- 32,752	13,045	43,007	- 29,962	12,919	44,225	- 31,307
Adjustment for Recharged Services Income	-	-	-	-	-	-	-	-	-
TOTAL TRANSPORT AND TECHNICAL SERVICES	36,700	53,134	- 16,434	37,395	48,722	- 11,327	37,023	49,717	- 12,694

CORPORATE SERVICES
REVENUE BUDGET 2015-2016

CORPORATE SERVICES

Summary of Changes

	£'000
ORIGINAL BUDGET 2014-15	25,922
INFLATION	848
Reductions in financial services budgets	- 71
Reductions in strategic procurement budgets	- 45
Reduced costs post service reconfiguration in Audit and Risk Managements	- 30
Reduction in information systems costs	- 141
Tri-borough management savings in information systems	- 195
Wi-fi concession income	- 34
Tri-borough management and support cost net savings (Benefits, Council Tax, Customer Services)	- 531
Increased income from property lettings	- 3,409
Reduced mayoral costs	- 17
Reduced back office costs (Contingency Planning, Town Clerks Office, Media/Communications, Governance Services)	- 109
Alternative funding for Economic Development	- 18
Savings from councillor withdrawal from membership of the Local Government Pension Scheme	- 75
Reduced back office costs (Service Improvement Team, Community Engagement and Safety)	- 56
Reduced budget for community engagement projects	- 25
Reduced costs of Local Healthwatch contract	- 10
Reduced community safety budgets	- 111
Increased income from Registrar's Services	- 50
Reduced costs of Occupational Health contract	- 30
Tri-borough Human Resources service savings	- 119
Reduced corporate subscriptions costs	- 75
SAVINGS	- 5,151
Increased running costs of the Council's property	545
Investment in the development and delivery of tri-borough	300
Alignment of the conferences and events budget to match the income achieved.	150
Local funding for Local Support Payments (emergency and crisis support)	435
Increased support for the Council's scrutiny function	40
GROWTH	1,470
Transfers of budget between business groups	3,280
Transfers of budget internally	-
Grant funding for Housing Benefit Administration Subsidy Grant	230
Council Tax Dividend	- 7,500
Technical Accounting Adjustments:	
Central support charges offset against other service groups	- 4,370
Central support charges change between HRA and General Fund	10
Net under-recovery of Support Services	-
Depreciation change	237
Change in current service pension liability cost (IAS19)	- 22
OTHER	- 8,135
FORECAST BUDGET 2015-16	14,954

CORPORATE SERVICES

Subjective Summary

Subjective Grouping	Notes	2013-14 Actual £'000	2014-15 Budget £'000	2015-16 Budget £'000
EXPENDITURE				
Employees		31,673	29,774	29,218
Premises-related expenditure	1	9,870	10,635	16,263
Transport-related expenditure		92	91	82
Supplies and services		10,821	11,131	9,603
Third party payments		8,931	6,806	6,349
Transfer payments	2	148,320	160,376	141,176
Support Services		24,134	22,589	24,389
Depreciation (and impairment losses)		2,512	2,334	2,571
SPENDING		236,353	243,736	229,651
Government Grants	2	154,996	151,924	140,286
Other grants, reimbursements and contributions		4,022	3,197	3,671
Customer and Client Receipts		17,393	17,422	19,141
Recharges		48,140	45,272	51,599
INCOME		224,551	217,815	214,697
NET SPENDING		11,802	25,921	14,954

Notes

1. The increase in premises related expenditure is due to: £3.7m transfer of premises budgets previously held in other service areas (i.e. outside of Corporate Services); £0.8m transfer of premises contingency and security budgets from 'Supplies and services' subjective grouping; £0.5m growth in new property running costs (e.g. Malton Road Hub); £0.4m inflation.
2. Mainly transfer payments and subsidy relating to Housing Benefit. Also includes £7.5m efficiency dividend budget within 2014-15 'Transfer Payment' heading.

CORPORATE SERVICES

Service Summary

Service	2013-14 Actual			2014-15 Budget			2015-16 Budget		
	Spend £'000	Income £'000	Net £'000	Spend £'000	Income £'000	Net £'000	Spend £'000	Income £'000	Net £'000
Leader of the Council									
Media and Communications	934	304	630	917	180	737	948	180	768
Civic Ceremonial	601	-	601	721	-	721	609	-	609
Tri-Borough (delivering the programme of changes)			2,386			1,602			1,774
2012 Olympics	2,849	463	-	1,801	199	-	1,973	199	-
Total Leader of the Council	4,384	767	3,617	3,439	379	3,060	3,530	379	3,151
Deputy Leader and Cabinet Member for Housing, Property and Regeneration									
Property Services (excluding Commercial Lettings)	24,379	2,313	22,066	24,144	2,746	21,398	28,713	2,596	26,117
Commercial Property Lettings	1,973	5,596	- 3,623	2,495	5,547	- 3,052	3,637	9,326	- 5,689
Economic Regeneration	735	587	148	8,250	346	7,904	786	346	440
Total Deputy Leader and Cabinet Member for Housing, Property and Regeneration	27,087	8,496	18,591	34,889	8,639	26,250	33,136	12,268	20,868
Cabinet Member for Finance and Strategy									
Financial Services, Audit and Risk Management	7,501	1,062	6,439	6,515	1,133	5,382	6,409	1,264	5,145
Housing and Council Tax Benefits	153,858	153,614	244	158,144	155,258	2,886	145,941	142,503	3,438
Local Taxation Administration	3,393	1,973	1,420	3,630	1,752	1,878	3,360	1,985	1,375
Total Cabinet Member for Finance and Strategy	164,752	156,649	8,103	168,289	158,143	10,146	155,710	145,752	9,958
Cabinet Member for Community Safety, Information Systems and Corporate Services									
Community Safety	2,987	620	2,367	2,683	20	2,663	2,715	20	2,695
Customer Services	5,007	41	4,966	4,564	43	4,521	4,997	43	4,954
Governance	1,226	-	1,226	1,430	-	1,430	1,342	-	1,342
Human Resources	4,759	615	4,144	3,864	313	3,551	3,644	382	3,262
Information Systems	8,238	408	7,830	7,798	505	7,293	7,878	539	7,339
Legal Services	3,444	3,612	- 168	3,427	3,471	- 44	2,617	2,595	22
Services to the Public - Registrars and Electoral Services	1,945	1,085	860	2,105	881	1,224	2,462	962	1,500
Total Cabinet Member for Community Safety, IT and Corporate Services	27,606	6,381	21,225	25,871	5,233	20,638	25,655	4,541	21,114

CORPORATE SERVICES

Service Summary

Service	2013-14 Actual			2014-15 Budget			2015-16 Budget		
	Spend £'000	Income £'000	Net £'000	Spend £'000	Income £'000	Net £'000	Spend £'000	Income £'000	Net £'000
Cabinet Member for Voluntary Organisations and Resident Engagement									
Community Engagement, Service Improvement, Public Consultation	1,975	34	1,941	1,987	-	1,987	1,809	-	1,809
Voluntary Sector Support	3,050	30	3,020	2,641	-	2,641	2,678	-	2,678
Total Cabinet Member for Voluntary Organisations and Resident Engagement	5,025	64	4,961	4,628	-	4,628	4,487	-	4,487
Corporate and Democratic Core	4,773	219	4,554	5,380	140	5,240	5,103	140	4,963
Non Distributed Costs	1,924	3,864	- 1,940	1,240	372	868	922	372	550
TOTAL CORPORATE SERVICES (before Recharges)	235,551	176,440	59,111	243,736	172,906	70,830	228,543	163,452	65,091
Support Service Recharges	-	47,309	- 47,309	-	44,909	- 44,909	-	50,137	- 50,137
Departmental Recharges	802	802	-	-	-	-	1,108	1,108	-
TOTAL CORPORATE SERVICES	236,353	224,551	11,802	243,736	217,815	25,921	229,651	214,697	14,954

ADULT AND FAMILY LEARNING
REVENUE BUDGET 2015-2016

ADULT AND FAMILY LEARNING

Summary of Changes

	£'000
ORIGINAL BUDGET 2014-15	81
INFLATION	1
Central support charges change	26
Transfers of budget internally	1
Change in current service pension liability cost (IAS19)	1
OTHER	28
FORECAST BUDGET 2015-16	110

ADULT AND FAMILY LEARNING

Subjective Summary

Subjective Grouping	Notes	2013-14 Actual £'000	2014-15 Budget £'000	2015-16 Budget £'000
EXPENDITURE				
Employees	1	297	280	283
Transport-related expenditure		0	1	1
Supplies and services	1	64	157	158
Third party payments	1	911	850	837
Support Services	1	141	61	68
SPENDING		1,413	1,349	1,347
Government Grants	1	1,315	1,268	1,237
INCOME		1,315	1,268	1,237
NET SPENDING		98	81	110

Notes

- The 2013-14 actuals includes the residual spending on the Awards, Employment Project Services and European Projects that are no longer carried out by the Council.

ADULT AND FAMILY LEARNING

Service Summary

Service	2013-14 Actual			2014-15 Budget			2015-16 Budget		
	Spend £'000	Income £'000	Net £'000	Spend £'000	Income £'000	Net £'000	Spend £'000	Income £'000	Net £'000
Community Learning	1,136	1,017	119	1,119	1,054	65	1,148	1,054	94
Adult Skills	217	194	23	230	214	16	199	183	16
European Projects*	51	104	- 53	-	-	-	-	-	-
Awards Service*	3	-	3	-	-	-	-	-	-
Employment Projects Team*	6	-	6	-	-	-	-	-	-
TOTAL ADULTS AND FAMILY LEARNING	1,413	1,315	98	1,349	1,268	81	1,347	1,237	110