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***REVENUE BUDGET 2008/09***

***Presented to the Council  
5<sup>th</sup> March 2008***

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**THE ROYAL BOROUGH OF KENSINGTON AND  
CHELSEA**

**REVENUE BUDGET 2008/09**

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## **ROYAL BOROUGH OF KENSINGTON AND CHELSEA**

### **Meeting of the Council – 5 March 2008**

#### **Item 7 – Submissions from the Cabinet**

The following budget, plans and strategies were considered by the Cabinet at its meeting on 21 February 2008 and are now submitted to full Council for approval and adoption in accordance with Standing Order 20.

#### **2. REVENUE BUDGET AND COUNCIL TAX 2008/09**

- 2.1 The proposals for this year's budget are based on the Local Government Finance Settlement, the Cabinet Business Plan 'Proposals for Discussion', approved by Cabinet on 9 January 2008, and the Business Group revenue estimates considered by Overview and Scrutiny Committees (OSCs) during January 2008.
- 2.2 In making its budget recommendations, the Council will need to take into account the following:
- The Council's strategic objectives, including the Council Aims and the Community Strategy.
  - The overall resource position and Government guidelines on Council Tax increases.
  - The outcome of consultation exercises with the public and other service stakeholders.
  - The background of the 2007/08 financial position.
  - The potential for improvements in cost effectiveness and the Government's current target for efficiency savings each year.
  - The robustness of the estimates and budgetary risks.
  - The position on contingencies and reserves.
  - Implications for Council Taxpayers.
  - Medium term budget prospects.

#### **LOCAL GOVERNMENT FINANCE SETTLEMENT**

- 2.3 The Local Government Finance Settlement 2008/09 sets the context for the Council's financial planning – funding over £300 million of the authority's annual budget. The final settlement for 2008/09 was issued on 24 January 2008 with provisional settlements for 2009/10 and 2010/11.

#### **Formula Grant Allocation £103 million**

- 2.4 This is a bad settlement for the Royal Borough and for London. We will receive only the minimum ('floor') cash grant increase for the next three years and potentially some time beyond. The floor increase at two per cent is below inflation in 2008/09, and will reduce over the following two years, falling to only £1.6 million in 2010/11. For comparison, the percentage increase for the next three years together (5.3 per cent) is **less** than the increase for 2007/08 alone (5.6 per cent).
- 2.5 The Royal Borough's grant allocation is shown below. The increase is compared with an adjusted base. The adjustments mainly reflect specific grants that have now transferred into the Formula Grant.

| <b>Table 1 Royal Borough Formula Grant</b> |                |                |                | <b>Overall</b> |
|--|----------------|----------------|----------------|----------------|
|  | <b>2008/09</b> | <b>2009/10</b> | <b>2010/11</b> | <b>Change</b>  |
|  | <b>£m</b>      | <b>£m</b>      | <b>£m</b>      | <b>£m</b>      |
| Previous year Formula Grant £m             | 96.5           | 102.6          | 104.4          |                |
| Adjustments £m                             | 4.1            | 0.0            | 0.0            |                |
| Adjusted previous year Formula Grant £m    | 100.6          | 102.6          | 104.4          |                |
| <b>This year's Formula Grant</b>           | <b>102.6</b>   | <b>104.4</b>   | <b>106.0</b>   |                |
| <b>Government Cash Increase £m</b>         | 2.0            | 1.8            | 1.6            | 5.4            |
| <b>% Increase</b>                          | <b>2.0%</b>    | <b>1.75%</b>   | <b>1.5%</b>    | <b>5.3%</b>    |
| <b>Funding Floor £m</b>                    | 19.1           | 14.7           | 9.9            |                |
| <b>Funding Floor %</b>                     | <b>2.0%</b>    | <b>1.75%</b>   | <b>1.5%</b>    |                |

- 2.6 The different elements of the Formula Grant are set out below.

| <b>Table 2 2008/09 Formula Grant Breakdown</b>                         |  | <b>£m</b>    |
|--|--|--------------|
| A share of a basic amount based on number of residents                 |  | 36.7         |
| A top-up for relatively high local services needs                      |  | 103.7        |
| A deduction for the relatively high local tax resources                |  | -56.8        |
| <b>The unprotected grant calculation</b>                               |  | <b>83.6</b>  |
| A safety net addition to bring our grant increase back up to the floor |  | 19.1         |
|  | <b>Total Formula Grant</b>                   | <b>102.6</b> |
| Which consists of:   |  |              |
|  | A share of Revenue Support Grant             | 12.541       |
|  | A share of Business Rates (balancing figure) | 90.091       |

Note: Figures may not add up correctly due to rounding

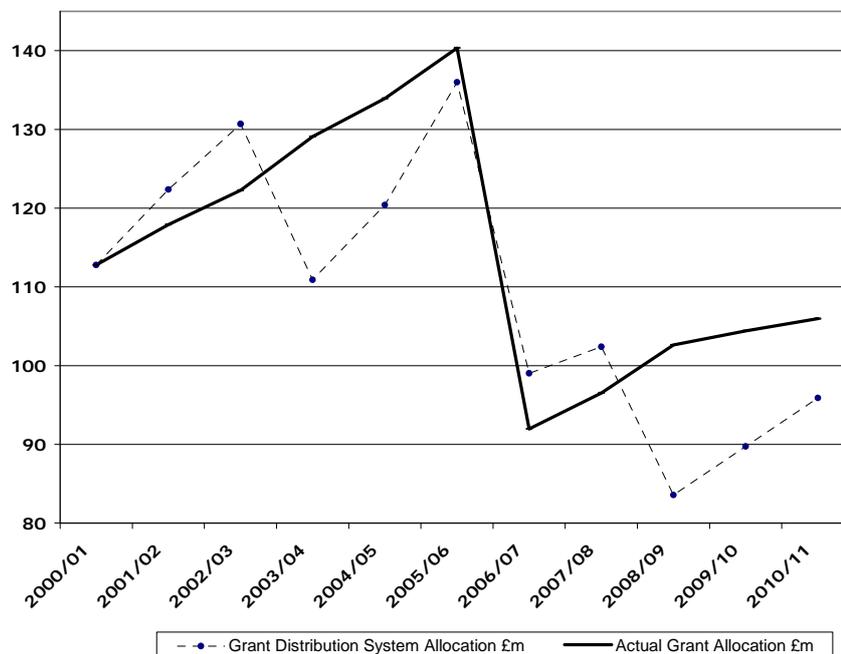
### **Grant Distribution Changes**

- 2.7 The Formula Grant is calculated on the basis of a set of formulae for broad service groups. Grant changes can result from a change in formula methodology, from the basic numbers (data) changing (e.g. the length of roads) or because the amount of money being allocated changes. The main driver of the Council's grant change is the

removal of the previous protection of Personal Social Services formulae for Children and Younger Adults. This has long term negative consequences for most of London, especially inner London and the Royal Borough. The majority of London boroughs (29 of the 33) are at the funding floor, and 24 of them will still be there in 2010/11.

2.8 These changes in methodology have reduced the Royal Borough's Formula Grant by 22.5 per cent (one of the largest falls nationally), offset marginally by positive change to data. Without the grant floor, Formula Grant would have fallen £19 million to £84 million. **Chart 1** overleaf shows the importance of damping mechanisms for the stability and predictability of the Council's financial position.

**Grant Distribution System Versus Actual Formula Grant Allocation**



Note: The large fall in 2006/07 is when the schools funding was taken out of the system (Dedicated Schools Grant created).

2.9 No change has been made this year to the Area Cost Adjustment that compensates inner London for high salary costs. However there will be a review before the next three year settlement.

### Royal Borough and London Relative Position

2.10 London has lost out in comparison to both the shire and metropolitan areas. England as a whole had an increase of +3.5 per cent.

| Table 3 Percentage grant increases | 2008/09 | 2009/10 | 2010/11 |
|------------------------------------|---------|---------|---------|
|                                    | %       | %       | %       |

|                          |            |            |            |
|--------------------------|------------|------------|------------|
| <b>Royal Borough</b>     | <b>2.0</b> | <b>1.8</b> | <b>1.5</b> |
| Inner London             | 2.0        | 1.8        | 1.6        |
| Greater London Authority | 2.3        | 2.3        | 2.3        |
| London                   | 2.3        | 2.1        | 2.0        |
| Metropolitan areas       | 3.7        | 2.9        | 2.6        |
| Shire areas              | 3.9        | 3.2        | 3.0        |
| England                  | 3.5        | 2.8        | 2.6        |

2.11 The Royal Borough responded to the provisional local government finance settlement consultation. The key points made in the response are shown overleaf. They were not adopted in the final settlement:

- To welcome the continued commitment to grant floor guarantees, and the transparency of baseline adjustments. However, the level of floors should be raised to cover the national estimate of inflation. This in itself falls well below the likely cost increases for local government, fuelled by waste disposal and social care costs.
- The Royal Borough has been especially hard hit by the removal of the social care sub-block damping, with a long term impact of near 20 per cent of our Formula Grant funding. The damping counterbalanced the flaws in the social care formulae which have been highlighted by London Councils. The social services sub-block damping should be reinstated.
- The reduction in non-education specific grants compounds the impact on the Royal Borough's and London's funding.
- There is systematic understatement of the population pressures on inner-city London, through mobility, international migration, short term migrants and part time residents. This again argues for a more generous grant floor to compensate for such issues, whose current data deficiencies mean they cannot yet be adequately reflected in formula terms.

2.12 The Formula Grant increase for 2008/09 is in line with the forecast published in the November 2007 Cabinet report. The increase, while very disappointing, will not therefore destabilise the Council's planning for next year. However it does have policy implications. It will create a colder financial environment for the next three years and make the Council even more reliant on its own capacity to generate resources. It should make us more cautious about committing to growth that we may not be able to sustain in following years.

### **Specific grants**

2.13 The outcome on other grants is very complicated. It reflects a mix of different factors: a desire nationally to reduce grant ringfencing to specific purposes, tighter public spending totals, changes in distribution formulae and changed priorities for government

departments. Full details of the grants, as known, are set out in the Revenue Budget Book.

- 2.14 *Reduced ring fencing* means some grants will be transferred into the Formula Grant (£3.9 million, including Children's Grant), and a new lump sum Area Based Grant has been created by amalgamating a set of former service specific grants. *More stringent spending totals* means the majority of grants are frozen in cash terms i.e. there is no inflation allowed. There are reductions in some grants like Supporting People, benefits administration and subsidy for temporary housing. The Local Authority Business Growth Incentive scheme grant, which shares increased business rates yield, will not be paid in 2008/09 and thereafter will be at much lower level, and reward grants will be reduced. Conversely education has been relatively favourably treated with an increase of 11.8 per cent per pupil between 2007/08 and 2010/11<sup>1</sup> (compared with the 5.3 per cent for Formula Grant). *Distribution changes* mean we can expect less Housing and Planning Delivery Grant and allocations on children's mental health are lower. *Changed national priorities* mean there are higher allocations for some training and social care development. Housing Benefit subsidy continues but there will be a new flat rate Local Housing Allowance in 2008/09, so the estimate of both grant and matching expenditure is somewhat uncertain.

#### **Area Based Grant (ABG)**

- 2.15 The Government has provided an audit trail of the amounts that have been consolidated into the Area Based Grant. However the intention of the grant is that councils can apply it to meet their own priorities and there is no requirement to shadow the ups and downs of individual components.

#### **Budgeting for grant**

- 2.16 The approach that has been taken in relation to this variability is that we have held to the spending plans that have emerged through our analysis of the imperatives and opportunities facing the Council and our consultation. Where the grant announcements have been linked to unambiguous new expenditure commitments, that we could not have taken into account, we are proposing to make provision for the new requirement. However we have not generally adjusted spending plans to follow variations in individual grant lines.

#### **Council Tax guidance**

- 2.17 The Government expects average Council Tax next year to be below 5 per cent, and has said it will not hesitate to use capping powers to limit excessive tax increases.

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<sup>1</sup> Increasing from £5,533 per pupil in 2007/08 to £6,186 per pupil in 2010/11.

## CONSULTATION

- 2.18 The Royal Borough has again used budget consultation to inform service priorities and the level of Council Tax to be set for 2008/09 and beyond. The consultation results were reported to Cabinet on 9 January 2008.
- 2.19 The Council consulted the Residents' Panel to seek views on budget priorities and also undertook a SIMALTO (Simultaneous Multi-Attribute Level Trade Off) exercise. The SIMALTO methodology asks respondents to trade off their service preferences (stability, growth and reductions) against the level of Council Tax increase they are prepared to pay.
- 2.20 On the Resident's Panel, 38 per cent of respondents agreed that they would rather see Council Tax rise than see cuts in local services with 37 per cent disagreeing with this statement. Half of respondents positively agree the Council is an efficient organisation and offers value for money.
- 2.21 When asked about budget priorities, residents generally wanted to see services maintained at current levels, but a preference for increased spending was expressed for community safety, older people and people with a mental health need.
- 2.22. The SIMALTO exercise offered Council Tax options tiered up to a maximum of 5 per cent. From the SIMALTO exercise the preferred level of Council Tax increase was around 2 per cent (48 per cent of respondents). Key service enhancements included support for disabled children and family support in schools, youth crime prevention, a range of children's services and an increase in the Parks Police. Reductions that would be most acceptable are increases in service charging, for cemeteries, Environmental Health and Adult Social Care.
- 2.23 Spending and savings proposals are detailed in the Cabinet Business Plan and have also been open to comment by local interest groups and Overview and Scrutiny Committees. The majority of the savings proposals were also published in the November Cabinet report on medium term planning.
- 2.24 A further London-wide survey indicated that residents have concerns about Council Tax. Although the Council's tax at band D is relatively low, high property bands in the borough mean people pay a closer to average level of tax for London.

- 2.25 Overall, the Council's budget proposals reflect the options preferred by residents.
- 2.26 Resource allocation proposals were also set out in the draft Cabinet Business Plan that has been widely circulated to local representative bodies and round-table reports from each major public sector partner on their budget plans were discussed by the Kensington and Chelsea Partnership in January. Discussions have taken place during the year on the financial plans of Royal Borough and its key partners including the Tenant Management Organisation, the Kensington and Chelsea Primary Care Trust, and the Central and North West London Mental Health Trust.

### **BUDGET PROPOSALS**

- 2.27 The proposed revenue budget for 2008/09 totals £508 million, offset by £111 million from fees, charges and other income and £107 million from specific Government grants to services. The budget requirement to be met from the Formula Grant and from Council Tax is £178 million. Some background on the total budget and on Council Tax figures is given in the Revenue Budget Book and further information can be found in the Council's digest of financial information – 'Vital Finances'<sup>2</sup>.
- 2.28 The budget includes the following for 2008/09:
- An allowance for cost increases of £7.4 million. This includes pay and prices costs at 2.5 per cent, with top-ups for specialist areas of supply such as social care and some major contracts. Landfill Tax and the levy from Western Riverside Waste Authority are expected to raise costs by £0.7 million above normal inflation.
  - Additional costs of £0.9 million arising from the Pension Fund three-yearly actuarial review, reported elsewhere on this agenda. This is after releasing the Pension Fund Revaluation Reserve of £5.4 million to the Fund in 2007/08.
  - Spending increases of £5.1 million, £2.4 million of which has been funded by offsetting Business Group savings. Total Business Group savings are £4.9 million.
  - A change of policy in relation to temporary accommodation charging. While income will reduce the Council is maintaining a large programme of initiatives to reduce homelessness.
  - A reduction in the contributions to reserves of £3 million including a release of £0.5 million from the Insurance Reserve, to help relieve the pressure on Council Tax.

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<sup>2</sup> This can be found at: <http://www.rbkc.gov.uk/yourcouncil/councilfinances/vitalfinances.asp>

- An ambitious capital investment programme, supported through an affordable level of revenue contributions
- Maintaining a strong balance sheet.

2.29 Highlights from the budget proposals, as set out in the Cabinet Business Plan, include

- **Children's services:** the Council has reduced the number of children it formally 'looks after' and is focussing resources on early intervention and prevention work, and on providing specialised care services to children who most need help. On average, schools funding will increase by 4.1 per cent to £5,700 per pupil, paid for by a Government grant.
- **Independence and choice:** children with disabilities will benefit from new facilities, while adults who need care will be supported in exercising more independent choice over their care needs.
- **Feeling safe:** although crime rates in the Royal Borough have been falling, residents remain concerned about crime and antisocial behaviour. The Council will increase spending to address youth offending, including the replacement of some Government grant that is ending, and for Parks Police to patrol the north of the Royal Borough.
- **The environment:** the Council wants to protect the Royal Borough's high quality environment and will continue to invest in improving the parks. The number of waste collections in many parts of the Royal Borough is increasing to three times a week and orange recycling sacks will continue to be provided free of charge even though the grant that helped pay for this has now expired. Waste disposal is becoming increasingly expensive as the Council has to pay an extra £8 Landfill Tax for every tonne of waste that householders throw away and which cannot be recycled. The Council will be scrutinising its carbon footprint and environmental sustainability will be an important consideration in its own projects. The planning service will be strengthened, with the costs met largely from income, to ensure the Royal Borough's fine built environment is renewed.
- **An efficiently run council:** the Council has reduced running costs in order to redirects its priorities. Savings and extra income will be redirected to hold down Council Tax and to improve services. This includes strengthening the Council's capacity to manage major change programmes.

2.30 Detailed service budgets for operating expenditure are set out in the Business Group estimates reports. They will be submitted in full to the Council as a Revenue Budget Book. These are summarised in **Tables 4 and 5** overleaf alongside centrally held budgets such as contributions to provisions and reserves. The Revenue Budget Book gives more detail. 2007/08 figures are lower because of specific grants transferred to the Area Based Grant in 2008/09.

| <b>Table 4</b>  | <b>2007/08</b> | <b>2008/09</b> |
|---|----------------|----------------|
|   | <b>£m</b>      | <b>£m</b>      |
| Family and Children's Services  | 45.394         | 53.655         |
| Housing, Health and Adult Social Care   | 62.011         | 69.343         |
| Planning and Borough Development  | 5.549          | 6.310          |
| Transport, Environment and Leisure Services   | 17.583         | 21.012         |
| Corporate Services  | 18.139         | 20.279         |
| <b>Total Service Costs (1)</b>  | <b>148.676</b> | <b>170.599</b> |
| Area Based Grant held corporately (2)   | 0.000          | -9.476         |
| Charges for Capital Assets and Financing  | 3.565          | 1.646          |
| Pension Fund Liabilities (3)  | 5.972          | 8.621          |
| Contingencies and Provisions  | 3.245          | 3.294          |
| Interest (4)  | -8.200         | -9.100         |
| Levies (excluding Garden Squares)   | 2.315          | 2.351          |
| Revenue Reserves  | 5.981          | 2.995          |
| Capital Reserves  | 5.500          | 5.500          |
| <b>Total Spending</b>   | <b>167.054</b> | <b>176.430</b> |
| <b>Notes:</b>   |                |                |
| 1 The total service costs for 2007/08 are reduced by £8.3 million of Area Based Grants (£4.7 million for Family and Children's Services, £3.2 million for Housing, Health and Adult Social Care and £0.4 million for Corporate Services).     |                |                |
| 2 Area Based Grant is a Government term for a subset of the specific grants which can be used flexibly.   |                |                |
| 3 Pension Fund liabilities includes contributions for funding past service deficits together with a reversing amount to offset the current service pension cost arising from Financial Reporting Standard 17 adjustments to services budgets. |                |                |
| 4 Interest has increased due to higher levels of cash balances and investment returns above budget.   |                |                |

| <b>Table 5</b>                                  | <b>£m</b> | <b>£m</b>      |
|---|-----------|----------------|
| 2007/08 Budget (excluding Garden Square Levies) |           | 167.054        |
| Specific grants transferring into Formula Grant |           | 3.865          |
| <b>Adjusted 2007/08 Budget</b>                  |           | <b>170.919</b> |
| Pay and Price Inflation                         |           | 7.376          |
| Locally funded growth                           | 2.363     |                |
| Corporately funded growth                       | 2.691     |                |
| Growth  |           | 5.054          |
| Savings   |           | -4.928         |
| One-Off Budgets Dropping Out                    |           | -0.320         |
| Financing and Other Budget Changes              |           | -1.671         |
| <b>Total Budget Changes</b>                     |           | <b>5.511</b>   |
| <b>Total 2008/09 Budget Requirement</b>         |           | <b>176.430</b> |
| Less Formula Grant                              |           | -102.632       |
| Collection Fund balance                         |           | -0.369         |
| <b>Council Tax 2007/08</b>                      |           | <b>73.429</b>  |
| Taxbase   |           | 98,503         |
| <b>Band D Council Tax</b>                       |           | <b>£745.45</b> |
| <b>Increase £ at Band D</b>                     |           | <b>£18.18</b>  |
| <b>Increase % at Band D</b>                     |           | <b>2.5%</b>    |

2.31 The budget proposals set out £5.1 million of growth and £4.9 million of efficiency and other savings. The changes are detailed in the Revenue Budget Book and in the Cabinet Business Plan. Savings are informed by a review of likely areas of underspending in 2007/08 as well as savings initiatives such as procurement reviews that have been undertaken during the past year. Particular areas where spending variations have been reviewed include:

- Police Community Support officers, where budgets have been reduced to recognise continuous turnover.
- Projected levels of income, particularly in areas that are influenced by movements in the economy or housing market e.g. planning fees, land charges, halls lettings.
- Temporary accommodation and homelessness.
- Social care placement budgets.
- Benefits payments, although the introduction of a new Housing Allowance in 2008/09 will make this budget hard to forecast until we have more experience.

2.32 The budget now includes £0.7 million of expenditure that was not part of the estimates presented to the Overview and Scrutiny Committees. These are items that are related to grant notifications that were received after budgets were compiled. These are Local Area Networks (LINK) grant, Learning Disability Development Fund, Child Death Review Processes grant and Adult Social Care Workforce grant. A total of £0.657 million will be held centrally until detailed spending plans are brought forward.

2.33 The real terms General Fund growth and savings by Business Group (i.e. excluding estimated cost increases) are summarised in **Table 6**. Cashable savings defined as efficiencies in 2008/09 are not expected to meet the Treasury guideline of three per cent, although the guideline also includes the Housing Revenue Account and capital. Parking changes make a major contribution to the net position in the Transport, Environment and Leisure Services Business Group. In addition, the housing budget will increase by £1.6 million to maintain homelessness initiatives as income is reduced.

| <b>Table 6</b>                              | <b>Locally Funded Growth<br/>£'000</b> | <b>Savings<br/>£'000</b> | <b>Subtotal<br/>£'000</b> | <b>Corporately Funded Growth<br/>£'000</b> | <b>Total<br/>£'000</b> |
|---|--|--------------------------|---------------------------|--|------------------------|
| Family and Children's Services              | 757                                    | -1,420                   | -663                      | 1,122                                      | 459                    |
| Housing, Health and Adult Social Care       | 170                                    | -643                     | -473                      | 335  | -138                   |
| Planning and Borough Development            | 289                                    | -377                     | -88                       | 200  | 112                    |
| Transport, Environment and Leisure Services | 360                                    | -1,280                   | -920                      | 277  | -643                   |
| Corporate Services                          | 787                                    | -1,208                   | -421                      | 100  | -321                   |
| Corporately funded growth held centrally    |  |                          |                           | 657  | 657                    |
| <b>Total General Fund</b>                   | <b>2,363</b>                           | <b>-4,928</b>            | <b>-2,565</b>             | <b>2,691</b>                               | <b>126</b>             |

2.34 Changes in levies from external bodies are set out in **Table 7** below.

| <b>Table 7</b>                | <b>2007/08<br/>£m</b> | <b>2008/09<br/>£m</b> | <b>Change<br/>%</b> |
|-------------------------------|-----------------------|-----------------------|---------------------|
| London Boroughs Grants        | 0.693                 | 0.624                 | -10.0%              |
| Environment Agency            | 0.179                 | 0.199                 | 11.2%               |
| London Pension Fund Authority | 1.443                 | 1.528                 | 5.9%                |
| <b>Subtotal</b>               | <b>2.315</b>          | <b>2.351</b>          | <b>1.6%</b>         |
| Garden Square Levies          | 1.186                 | 1.244                 | 4.9%                |
| <b>Total</b>                  | <b>3.501</b>          | <b>3.595</b>          | <b>2.7%</b>         |

Note: Garden Square levies are set out in detail in the **Revenue Budget Book**, pxii.

## **BUDGETARY RISKS**

2.35 This year's budget needs to be set in the context of an assessment of the future year's risks.

### **Grant risks**

2.36 There is now more certainty about the amount of specific grants as a result of the three year settlement. In a small number of cases, highlighted in the Revenue Budget Book, we are still waiting for announcements, including the Leaving Care Grant where we have built-in spending plans in advance of an assumed grant of £300k. The concern now is the ability to scale back expenditure in line with grant reductions, and use of the Specific Grant Loss Reserve is in future likely to focus more on exit transition than on quantum.

### **Demand risks**

2.37 There are risks to income from demand changes, particularly in areas such as land charges, hall lettings, building control and planning income, which are sensitive to the economic cycle. In 2007/08 third quarter budget monitoring, the Council is already seeing signs of this slowdown.

### **Cost risks**

2.38 Cost variances arising from pay and prices changes are covered in-year from the annual contingency budget e.g. continued uncertainty

over the impact of the next pay round; catch-up changes arising on the re-tendering of contracts and uncertainty over interest rates, particularly during the current market turmoil. Pay awards are assumed at 2.5 per cent, higher than the Chancellor's guideline of two per cent, but below the current level of inflation. The latest Retail Price Index is running at four per cent in January 2008, and the Trade Unions' bid is for six per cent. The outcome of the local equal pay exercise is not yet determined, and the Council is aware of claims in other councils for back pay in relation to Single Status, which would fall to our Service Risks reserve if a liability were established.

### Other Service Risks

- 2.39 As part of its routine risk management, the Council's Management Board regularly reviews 'unplanned service risks'. Scanning the horizon in this way is part of the Council's risk mitigation process.

## CONTINGENCIES AND RESERVES

### Contingencies and Central Provisions

- 2.40 The budget contains contingency provision for uncertainties and central provisions where late issues mean specific Business Group plans are still to be brought forward. The central provisions are generally related to grant variations. The amounts for 2007/08 and estimate for 2008/09 are shown in **Table 8**. In 2008/09 it is proposed to consolidate the planning and licensing contingencies within mainstream legal services budgets. The Overview and Scrutiny Committee on Cabinet and Corporate Services has asked for further consideration of this.

| <b>Table 8</b>                                    | <b>2007/08</b> | <b>2008/09</b> |
|---|----------------|----------------|
|   | <b>£m</b>      | <b>£m</b>      |
| <b>Contingencies</b>                              |                |                |
| General Contingency (includes pay and prices)     | 2.600          | 2.600          |
| Licensing appeals                                 | 0.200          | 0.000          |
| Planning costs                                    | 0.050          | 0.000          |
| <b>Total Contingencies</b>                        | <b>2.850</b>   | <b>2.600</b>   |
| <b>Central Provisions</b>                         | <b>0.395</b>   | <b>0.694</b>   |
| <b>Total Contingencies and Central Provisions</b> | <b>3.245</b>   | <b>3.294</b>   |

### Reserves

- 2.41 The budget contains central provisions, contingencies and earmarked reserves that help to ensure that risks do not de-stabilise service provision during the year.
- 2.42 The Council's financial environment is becoming more difficult as the level of historic in-year budget flexibility reduces and the buoyancy of

external finance declines. The demands on services and the needs of the Royal Borough are not reducing. The Council has continuously to review its priorities in response to these issues.

- 2.43 Reserves therefore remain an important part of the Council's financial strategy. They 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 in the face of risks to its income sources.
- 2.44 The Council therefore holds revenue reserves in order to mitigate future risks, such as increased demand and costs; to help absorb the costs of future liabilities, such as insurance or VAT; and to enable the Council to resource policy developments and initiatives without a disruptive impact on Council Tax. Some expenditure, e.g. asset renewal, is managed through reserves to avoid the impact of lumpy spending patterns. At the same time, the Council relies on interest earned through holding reserves to support its general spending plans.
- 2.45 A full list of reserves, projected over the next three years, is given at the Revenue Budget Book together with a statement of the Council's formal policy on reserves.
- 2.46 Capital reserves represent a large part of the total. They play a crucial role in funding the Council's capital investment programme, and renewing assets while avoiding borrowing costs. The planned use of the Capital Expenditure Reserve and Car Parking Reserve to meet capital investment is set out in the Capital Programme report elsewhere on this agenda.
- 2.47 The contribution to the Capital Expenditure Reserve has been maintained in 2008/09. It is proposed to apply this budget in part to meet feasibility, preliminary and other work associated with capital investment that does not create an asset. Any balance unused for these purposes would be transferred to the Reserve. Similar arrangements will apply to preliminary work carried out for projects that are eligible to be funded from the Car Parking Reserve. A list of the proposed work is included in the Capital Programme report on this agenda.
- 2.48 **Table 9** shows budgeted revenue movements on reserves.

| <b>Table 9</b>                         | <b>2007/08</b> | <b>2008/09</b> |
|--|----------------|----------------|
|  | <b>£m</b>      | <b>£m</b>      |
| Service Risks Reserve                  | 0.625          | 0.325          |
| Better City Life Reserve               | 0.600          | 0.600          |
| Severance Reserve                      | 0.500          | 0.500          |
| Specific Grant Loss Reserve            |                | -0.172         |
| Supporting People Reserve              |                | -0.052         |
| Insurance Reserve                      |                | -0.540         |
| IS Initiatives                         | 0.438          | 0.438          |
| Business Group Specific Reserves       | 0.162          | -0.056         |
| Sub Total                              | <b>2.325</b>   | <b>1.043</b>   |
| Car Parking Reserve (Revenue)          | 3.656          | 1.952          |
| <b>Total Revenue Reserve Movements</b> | <b>5.981</b>   | <b>2.995</b>   |
| Capital Expenditure Reserve            | 5.500          | 5.500          |
| <b>Total Reserve Movements</b>         | <b>11.481</b>  | <b>8.495</b>   |

2.49 The use of the Car Parking Reserve is governed by legislation, but surpluses held in the reserve can be used to help pay for highway maintenance and improvements, public transport services, off-street parking, spending in support of the Mayor of London's Transport Strategy, and environmental improvements including parks, open spaces and the street scene.

2.50 The amount of the reserve planned to be released in 2008/09 is over £25 million and forecast future year releases are shown in **Table 10**. More details are given in the Revenue Budget Book.

| <b>Table 10</b>                        | <b>Forecast<br/>2007/08<br/>£m</b> | <b>Forecast<br/>2008/09<br/>£m</b> | <b>Forecast<br/>2009/10<br/>£m</b> | <b>Forecast<br/>2010/11<br/>£m</b> | <b>Forecast<br/>2011/12<br/>£m</b> |
|--|------------------------------------|------------------------------------|------------------------------------|------------------------------------|------------------------------------|
| Balance Brought Forward                | 39.6                               | 37.6                               | 35.3                               | 25.9                               | 21.1                               |
| Add surplus from On-Street Car Parking | 23.0                               | 23.4                               | 23.3                               | 23.3                               | 23.0                               |
| Funding of Revenue Spending            | -20.6                              | -21.4                              | -22.1                              | -22.8                              | -23.3                              |
| <b>Subtotal Revenue Movement</b>       | <b>2.4</b>                         | <b>2.0</b>                         | <b>1.2</b>                         | <b>0.5</b>                         | <b>-0.3</b>                        |
| Funding of Capital Spending            | -4.3                               | -4.3                               | -10.7                              | -5.2                               | -1.9                               |
| <b>Total Movement for Year</b>         | <b>-2.0</b>                        | <b>-2.3</b>                        | <b>-9.4</b>                        | <b>-4.7</b>                        | <b>-2.1</b>                        |
| Balance Carried Forward                | 37.6                               | 35.3                               | 25.9                               | 21.1                               | 19.0                               |

Note: Figures may not sum exactly due to rounding

### **Working Balance**

2.51 The Council's working balance at the end of 2006/07 was £14.3 million, 2.8 per cent of the gross cost of services and 8 per cent of the budget requirement. Based on the indicative out-turn for 2007/08 it is expected that the reserve can continue to be maintained at a constant proportion of the budget.

- 2.52 Business Groups are reviewing the carry forward budgets remaining unused from 2006/07 on the basis that they will be released back to the General Fund after two years if unspent, unless exceptional circumstances apply.
- 2.53 The Cabinet is requested to confirm for the Council's budgetary framework, that the minimum level of working balance should be £10 million. This means that full Council approval is required to reduce the working balance below that level.

#### **Robustness of the budget**

- 2.54 The Executive Director for Finance, Information Systems and Property is required formally to advise on the robustness of the budget figures used to calculate the Council Tax, and on the adequacy of reserves. I am satisfied that the Budget calculations are robust and that the budget takes account of liabilities and financial risks, but in particular assumes that we will not rely on withdrawals from reserves to meet significant recurrent revenue commitments. I consider that current levels of unallocated reserves are strong, and contribute to the Royal Borough's sound financial position, taken into account in both the Standard and Poor's AAA credit rating and our reconfirmed external auditor's Level 4 assessment of financial standing as part of the Use of Resources Assessment (this is the highest rating).

#### **ROYAL BOROUGH COUNCIL TAX**

- 2.55 The budget proposals outlined above and summarised in the Revenue Budget Book produce a Council Tax increase of 2.5 per cent - a Band D figure for the Royal Borough's element of the tax of £745.45 excluding Garden Squares.
- 2.56 Under half of the budget requirement is funded from Council Tax, with 58 per cent coming from Government Formula Grant. This means that varying spending by one per cent increases the Council Tax by 2.5 per cent. Varying spending plans by £1 million would add £10 (1.4 per cent) to the Band D Council Tax.
- 2.57 **Table 11** overleaf shows the proposed tax calculation for the Royal Borough's own expenditure, excluding Garden Squares and the Greater London Authority precept. There is an additional payment for properties where the Garden Square also makes a levy.

| <b>Table 11 Royal Borough Council Tax</b> | <b>£m</b>      |
|---|----------------|
| Budget requirement 2008/09                | 177.674        |
| Less Garden Square Levies                 | -1.244         |
| Less Council Tax Collection Surplus       | -0.369         |
|   | <b>176.061</b> |
| Funded by Formula Grant                   | -102.632       |
| Leaving Funding Required from Council Tax | <b>73.429</b>  |
| Divided by Band D Equivalent Taxbase      | 98,503         |
| <b>= Council Tax at Band D 2008/09</b>    | <b>£745.45</b> |
| Council Tax at Band D 2007/08             | £727.27        |
| <b>Increase £</b>                         | <b>£18.18</b>  |
| <b>Increase %</b>                         | <b>2.5%</b>    |

2.58 The Council agreed the tax base of 98,503 on the 9 January 2008. At the same time the tax bases for the Garden Squares were agreed. The Royal Borough Council Tax for each Band is detailed in the Revenue Budget Book.

### TOTAL COUNCIL TAX

2.59 The Greater London Authority is expected to finalise its 2008/09 precept, the amount it is asking the Council to collect on its behalf, at the London Assembly meeting on the 13 February 2008. **Table 12** overleaf shows the consultation Band D Council Tax figure for 2008/09. The precept figures may therefore alter.

| <b>Table 12</b>                       | <b>2007/08</b> | <b>2008/09</b> | <b>Change</b> |
|---------------------------------------|----------------|----------------|---------------|
|                                       | <b>£</b>       | <b>£</b>       | <b>%</b>      |
| Metropolitan Police                   | £223.60        | £227.02        | 1.5%          |
| London Fire and Emergency Planning    | £47.12         | £50.46         | 7.1%          |
| Transport for London                  | £4.13          | £4.09          | -1.0%         |
| Greater London Authority*             | £30.00         | £30.15         | 0.5%          |
| +Deficit/-Surplus on Collection Funds | -£0.97         | -£1.90         | 95.9%         |
| <b>Total GLA Precept Band D</b>       | <b>£303.88</b> | <b>£309.82</b> | <b>2.0%</b>   |

\* Includes £20 funding for the Olympic and Paralympic Games

2.60 The estimated total Council Tax increase (excluding Garden Square levies) is shown in **Table 13**.

| <b>Table 13</b>                  | <b>2008/09</b>   | <b>Change</b> |
|----------------------------------|------------------|---------------|
|                                  | <b>£</b>         | <b>%</b>      |
| The Royal Borough                | £745.45          | 2.5%          |
| Greater London Authority Precept | £309.82          | 2.0%          |
| <b>Total Council Tax Band D</b>  | <b>£1,055.27</b> | <b>2.3%</b>   |

2.61 Royal Borough and total Council Tax rates for each Band are shown in the **Table 14**. The table shows the percentage of dwellings falling under each band, and that Band G is the most common. For

properties in areas covered by Garden Square levies the amounts for each band are detailed in the Revenue Budget Book.

| <b>Table 14</b> | <b>Royal Borough</b> | <b>Greater London Authority</b> | <b>Total</b>    | <b>% of Dwellings in Band</b> |
|-----------------|----------------------|---------------------------------|-----------------|-------------------------------|
| <b>Band</b>     | <b>£</b>             | <b>£</b>                        | <b>£</b>        | <b>%</b>                      |
| A               | 496.97               | 206.55                          | 703.52          | 1%                            |
| B               | 579.79               | 240.97                          | 820.76          | 4%                            |
| C               | 662.62               | 275.40                          | 938.02          | 11%                           |
| <b>D</b>        | <b>745.45</b>        | <b>309.82</b>                   | <b>1,055.27</b> | <b>16%</b>                    |
| E               | 911.11               | 378.67                          | 1,289.78        | 15%                           |
| F               | 1,076.76             | 447.52                          | 1,524.28        | 14%                           |
| G               | 1,242.42             | 516.37                          | 1,758.79        | 23%                           |
| H               | 1,490.90             | 619.64                          | 2,110.54        | 17%                           |

## **MEDIUM TERM FINANCIAL PLAN**

2.62 The medium term financial plan extends the financial planning horizon for the three years to 2010/11. It is based on the following elements:

- A review of significant external changes likely to have an impact.
- A framework of medium term financial planning principles.
- A projection of the Council's spending and resources.

### **External drivers**

2.63 The Government's Comprehensive Spending Review 2007 has established grant figures for the next three years. At this point it is unclear whether there will be a review in 2009 or only in 2010.

2.64 A new Comprehensive Area Assessment inspection regime will be introduced in 2009. The Audit Commission is currently consulting on its features but it is expected to focus on community outcomes achieved in partnership with other public, voluntary and representative bodies in the borough. This will include wider expectations of the Use of Resources Assessment which plans to include scrutiny of arrangements for natural and staff resources as well as finance.

2.65 The Local Government and Public Involvement in Health Act 2007 contains powers in relation to a number of issues e.g. London parishes or scrutiny of other services. The debate on future local governance draws both on a top-down national approach (198 national performance indicators) and a bottom up impetus e.g. participatory budgeting, more representation on Boards for police or

health. Looking ahead the Mayor of London also has increased influence in relation to waste, planning and skills across London.

- 2.66 A revised Community Strategy and Local Area Agreement may also play a greater role in influencing our expenditure patterns. We can draw on the balance of the Local Public Service Agreement Reward Grant if required to pump-prime targets
- 2.67 A new target that will challenge the Council is the expectation of three per cent annual cashable efficiency savings nationally, across revenue and capital spending. This is not expressed as a local target, although we will have to report annually and progress will be taken into account in Audit Commission inspections. Whilst the Royal Borough has been ahead of target in the existing expectation of 1.25 per cent cashable savings it has not met the higher figure, and its plans have not been designed to achieve that level.
- 2.68 The Government can be expected to continue to develop new legislation affecting local government. The 'new burdens' protocol, requiring government departments to provide additional funding where there are costs in implementation will address, or at least mitigate, the impact of changes. An immediate area of policy change is the development of more personalised care for elderly people and other adults, which suggests there will be changes in mainstream funding patterns, supported by a new specific grant.

## **MEDIUM TERM FINANCIAL PRINCIPLES**

- 2.69 The Royal Borough's residents expect Council services of a high standard. The challenge is to meet this expectation within affordable limits. The Council therefore ensures that it plans for the future and makes provision for both known and likely increases in its costs. The Council's financial planning is guided by medium term financial principles, and these are largely unchanged from 2007/08. These are set out in the Cabinet Business Plan, and reproduced in the Revenue Budget Book.

## **THE COUNCIL'S RESOURCES AND PLANS**

### **Spending projection**

- 2.70 **Table 15** projects the budget requirement over the next three years. These figures are for illustration and will vary as new information emerges during the planning period.

| <b>Table 15</b>             | <b>2008/09</b> | <b>2009/10</b> | <b>2010/11</b> |
|-----------------------------|----------------|----------------|----------------|
|                             | <b>£m</b>      | <b>£m</b>      | <b>£m</b>      |
| Opening budget              | 167.1          | 176.4          | 180.5          |
| Baseline transfer           | 3.9            |                |                |
| <b>Adjusted base budget</b> | <b>170.9</b>   | <b>176.4</b>   | <b>180.5</b>   |
| Cost increases              | 7.4            | 6.6            | 7.0            |
| Corporately funded growth   | 2.4            | 1.0            | 1.0            |
| Internally funded growth    | 2.7            |                |                |
| Less savings                | -4.9           | -2.0           | -2.0           |
| One off budgets             | -0.3           | 0.2            | -0.3           |
| Financing and Other Changes | -1.7           | -1.7           | -1.1           |
| <b>Budget Requirement</b>   | <b>176.4</b>   | <b>180.5</b>   | <b>185.1</b>   |
| Less Formula Grant          | -102.6         | -104.4         | -106.0         |
| Collection Fund Balance     | -0.4           |                |                |
| Council Tax                 | 73.4           | 76.1           | 79.1           |
| <b>Band D Council Tax</b>   | <b>£745</b>    | <b>£769</b>    | <b>£795</b>    |
| Change %                    | 2.5%           | 3.1%           | 3.4%           |

Figures may not sum exactly due to roundings

Assumptions include:

- 2.5 per cent cost increases plus Landfill Tax
- An annual allowance for corporately funded growth of £1 million to be funded by reductions in corporate or centrally held budgets
- Business Groups 'consuming their own smoke' on service pressures, and making a further £2 million contribution towards inflationary costs
- The costs of financing the capital programme being absorbed within this time span by reducing voluntary set aside for debt redemption.

2.71 **Table 15** does not take specific account of future policy growth where commitments have not yet been made. This would include the Olympics.

### **Longer term issues**

2.72 Budget risks include the Landfill Allowances Trading Scheme. Due to the delay in granting planning permission for an incinerator, the Western Riverside Waste Authority (WRWA) is likely to face a shortfall in its Allowances compared with the amount of waste it takes to landfill from 2009/10. This will be mitigated if WRWA can use the commissioning stage to take on some waste, and the exposure will be time limited if the incinerator meets the planned timetable. Nevertheless, with Landfill Tax growing by £8 a tonne each year, waste is one of the largest pressures on the Council's medium term budget.

2.73 The Capital Programme will eventually run down interest income as the Capital Expenditure Reserve is depleted. However, voluntary debt payments previously set aside should enable the Council to

absorb the impact of the new Capital Programme over the next three years.

- 2.74 The liabilities of the Pension Fund can be as volatile as the investment assets. The Council is mindful of the risk of having to meet liabilities if the rate of growth outstrips the increase in Council Tax yield. Mitigating factors are the prudent budget approach taken by responding in full to the recommendations of the latest actuarial valuation, using a lower recovery period than many funds, and moving in one step to the higher contribution rate rather than stepping up over three years. The latest Regulations also permit employee contributions to be revised (nationally) to share the risk from greater longevity.

### **External resources**

- 2.75 The keystone of the Council's projection over the next three years is the prospect for Government grant. Grant will grow much more slowly than in the recent past. Formula Grant increases are on a declining path until 2010/11, and minimum increases can be expected for a further two years beyond. The Council relies on well over £200 million of specific grants. The Revenue Budget Book lists the grants that are anticipated over the next three years. In most cases, other than education, the future level is static or falling. The current schools minimum funding guarantee is also tightening slightly from a 3.1 per cent increase in 2008/09 to 2.9 per cent in the following two years. There is however scope for some expansion of social care if the Council agrees to apply the expanded Social Care Reform Grant.
- 2.76 There may be additional funding from a further allocation of the Local Authority Business Growth Incentive scheme grant payable in 2009/10 and 2010/11. A Reward Grant, smaller than in the first generation, may be achieved if the Council is successful in meeting its Local Area Agreement targets.
- 2.77 Although not part of the Council Tax equation, resources are also in jeopardy in the Housing Revenue Account (HRA), where there are declining subsidy forecasts. The Government has promised a review of the HRA.
- 2.78 The population count underpinning resource allocation remains a concern. Estimates are recognised as particularly controversial in relation to migration and mobility, whilst the methods of estimation to counteract low census rates are also contested. The budget for 2008/09 proposes a new census officer to help the Council achieve greater robustness.

### **Internal resources**

- 2.79 Savings will be increasingly important in funding future cost increases and service developments. Longer term initiatives are being developed, to impact on later years, include homecare information technology, mobile working, accommodation efficiencies and joint procurements. The Council has developed some capacity to undertake business process investigations and has devoted more resource to programme management. It is suggested that the Council should have demanding efficiency expectations of its change programmes, meeting or exceeding the three per cent national target for cashable efficiency savings, in order to protect the steady state parts of the budget from financial attrition.

### **Reserves**

- 2.80 Reserves play a pivotal role in medium and long term planning for financial sustainability. Details of projected reserve balances and movements are shown in the Revenue Budget Book. The biggest reserves are the Capital Expenditure Reserve and the Car Parking Reserve, both of which will play a large part in financing the Council's ambitious capital investment plans.
- 2.81 Over the next three years, the Council expects to rely heavily on the Capital Expenditure Reserve to fund some £53 million of investment, with a further £20 million to be drawn from the Car Parking Reserve for capital investment. Release of reserves will be at a measured pace, as the Council's revenue budget currently relies on the interest generated on cash balances. Mindful of the size of potential future capital investment beyond the current three year horizon, and the impact on the Council Tax, it will, in the longer term, be possible to apply the budget for revenue contributions to capital to support the financing costs of expanded borrowing.
- 2.82 The Council is also planning to release other reserves held to meet future liabilities, such as the annual reduction in Supporting People Grant, although the Insurance Reserve cannot sustain long term annual reductions. The Council has assessed its capacity to cease contributions to the Severance Reserve and Service Risks Reserve over the three year period in order to mitigate the impact on services of declining real terms grant increases.

### **COUNCIL TAX PROJECTION**

- 2.83 The Cabinet has previously agreed to the principle of maintaining a Council Tax rate in the bottom quartile for London and nationally. The medium term budget scenario illustrated above indicates that the Council can maintain this position over the next three years, with a Council Tax increase that is close to the level of inflation.

## **CONCLUSION**

- 2.84 The Council faces external risks to its income base and continuing pressures and risks from demand led budgets. It will strive to deliver demonstrably high standards of service to residents, responding to community issues. It takes a medium term approach to its finances. Its financial position is soundly based and the Council will continue its aim to deliver a relatively low Council Tax.

## **LEGAL IMPLICATIONS**

- 2.85 The Council is required to set a balanced budget. The Chief Finance Officer is also required, under the Local Government Act 2003, Part 2, Section 25, to report on the robustness of the estimates made for the purpose of calculating the Council Tax and the adequacy of reserves. These requirements are met as set out in the report.

## **EQUALITIES IMPLICATIONS**

- 2.86 Assessments of the equalities implications for budget items are undertaken by Business Groups. They are included in summary in the Service Budget Reports submitted to Overview and Scrutiny Committees or will be included in more detail in relevant key decision reports. Some growth items specifically address equalities matters, including the funding of a Design and Access Officer in Planning and Borough Development, enhanced facilities for disabled children, the development of new children's centres and plans to provide additional support to young people and older people requiring care. There will be a reorganisation of the Community Relations Team and a small (£23k) reduction in grants to the voluntary sector that will dampen increases for inflation.

## **2.87 RECOMMENDATIONS**

- (i) The Council is recommended:
- (a) **To approve** the revenue estimates for 2008/09 as submitted in the Revenue Budget Book 2008/09;
  - (b) **To approve** the basis for Medium Term Financial Planning as set out in the Revenue Budget Book (page xv);
  - (c) **To agree** that the General Fund Working Balance should not be reduced below £10 million in 2008/09 within the budgetary framework;

- (d) **To approve** the Reserves Policy as set out in the Revenue Budget Book (page vii);
- (ii) **To note** that at the Council meeting on 23 January 2008 it calculated the following amounts for the year 2008/09 in accordance with regulations made under Sections 33(5) and 34(4) of the Local Government Finance Act 1992:
- (a) **98,503** being the amount calculated by the Council, in accordance with regulation 3 of the Local Authorities (Calculation of Council Tax Base) Regulations 1992, as its Council Tax base for the year; and
- (b) the amounts as set out in column three of the table on page xii of the Revenue Budget Book being the amounts calculated by the Council, in accordance with regulation 6 of the Regulations as the amounts of its Council Tax base for the year for dwellings in those parts of its area to which one or more special items relate.
- (iii) **To agree** that the following amounts be now calculated by the Council for the year 2008/09 in accordance with Sections 32 to 36 of the Local Government Finance Act 1992 (the Act): -
- (a) £177,674,306 being the amount by which the aggregate of the amounts which the Council estimates for the items set out in Section 32 (2) (a) to (e) of the Act; exceeds the aggregate of the amounts which the Council estimates for the items set out in Section 32 (3) (a) to (c) of the Act; calculated by the Council in accordance with Section 32(4) of the Act as its budget requirement for the year.
- (b) £103,001,152 being the aggregate of the sums which the Council estimates will be payable for the year into its General Fund in respect of Formula Grant, reduced by the amount of the sum that the Council estimates will be transferred in the year from its General Fund to its Collection Fund in accordance with Section 97 (4) of the Local Government Finance Act 1988 and any sums relating to the

difference between amounts in respect of community charges credited and charged to the revenue account for any earlier financial year, and any sums pursuant to the direction that is contained in the Collection Fund (Council Tax Benefit)(England) Directions 2001.

- (c) £758.08 being the amount at (iii)(a) above less the amount at (iii)(b) above, all divided by the amount at (ii)(a) above, calculated by the Council, in accordance with Section 33(1) of the Act, as the basic amount of its Council Tax for the year;
- (d) £1,243,728 being the aggregate amount of all special items referred to in Section 34(1) of the Act and listed in column four of the table on page xii of the Revenue Budget Book;
- (e) £745.45 being the amount at (iii)(c) above less the result given by dividing the amount at (iii)(d) above by the amount at (ii)(a) above, calculated by the Council, in accordance with Section 34(2) of the Act, as the basic amount of its Council Tax for the year for dwellings in those parts of its area to which no special item relates;
- (f) the amount as set out in the table on page xii of the Revenue Budget Book opposite each garden square listed in column two, being the amount given by adding to the amount at (iii)(e) above the amount of the special item or items set out in column four relating to dwellings in each of the garden squares divided in each case by the amount set out in column three, calculated by the Council in accordance with Section 34(3) of the Act as the basic amount of its Council Tax for the year for dwellings in those

parts of its area to which one or more special items relate; and

- (g) the amounts as set out in page xiii of the Revenue Budget Book being the amounts given by multiplying the amounts at (iii)(e) and (iii)(f) above by the number which, in the proportion set out in Section 5(1) of the Act, is applicable to dwellings listed in a particular valuation band divided by the number which in the proportion is applicable to dwellings listed in valuation band D, calculated by the Council, in accordance with Section 36(1) of the Act, as the amounts to be taken into account for the year in respect of categories of dwellings listed in different valuation bands.

- (iv) **To note** that for the year 2008/09 the Greater London Authority has stated the following amounts in precepts issued 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 shown below:

| VALUATION BAND | Greater London Authority Council Tax |
|----------------|--------------------------------------|
|                | £                                    |
| A              | 206.55                               |
| B              | 240.97                               |
| C              | 275.40                               |
| D              | 309.82                               |
| E              | 378.67                               |
| F              | 447.52                               |
| G              | 516.37                               |
| H              | 619.64                               |

- (v) Having calculated the aggregate in each case of the amounts at (iii)(g) and (iv) above, in accordance with Section 30(2) of the Local Government Finance Act 1992, to agree to set the following amounts as the total Council Tax for 2008/09 for each of the categories of dwellings shown below:

| <b>VALUATION BAND</b> | <b>Total Council Tax<br/>(Not in Garden Squares)</b> |
|-----------------------|--|
|                       | £  |
| A                     | 703.52   |
| B                     | 820.76   |
| C                     | 938.02   |
| D                     | 1055.27  |
| E                     | 1,289.78   |
| F                     | 1,524.28   |
| G                     | 1,758.79   |
| H                     | 2,110.54   |

with the amounts shown in the table at page xiv of the Revenue Budget Book set as the amounts of Council Tax for those dwellings where special Garden levies apply.

**Background papers**

Budget files

Local Government Finance Settlement files (grant notifications for 2008/09). Details can be found at:

<http://www.local.odpm.gov.uk/finance/0708/grant.htm>

Council Tax Consultation 2008/09 – report to Cabinet 10 January 2008

Council Tax Base 2008/09 – approved by Council 23 January 2008

Vital Finances – digest of financial material. This can be found at:

<http://www.rbkc.gov.uk/yourcouncil/councilfinances/vitalfinances.asp>

**Officer Contact**

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## REVENUE BUDGET SUMMARY

| DESCRIPTION  | Budget<br>2007/08 | Budget<br>2008/09 | %<br>Change |
|--|-------------------|-------------------|-------------|
| <b>Service Budgets</b>                             | <b>£'000</b>      | <b>£'000</b>      |             |
| Family and Children's Services                     | 45,394            | 53,655            |             |
| Housing, Health and Adult Social Care              | 62,011            | 69,343            |             |
| Planning and Borough Development                   | 5,549             | 6,310             |             |
| Transport, Environment and Leisure Services        | 17,583            | 21,012            |             |
| Corporate Services                                 | 18,139            | 20,279            |             |
| <b>Service Budgets Total</b>                       | <b>148,676</b>    | <b>170,599</b>    |             |
| Area Based Grant                                   |                   | (9,476)           |             |
| Contingency and central budgets                    | 3,245             | 3,294             |             |
| <b>Net Cost of Services</b>                        | <b>151,921</b>    | <b>164,417</b>    |             |
| External Interest                                  | 3,450             | 2,821             |             |
| Pension Fund Liabilities                           | 5,972             | 8,621             |             |
| Interest and Investment Income                     | (8,200)           | (9,100)           |             |
| <b>Net Operating Expenditure</b>                   | <b>153,143</b>    | <b>166,759</b>    | <b>8.9%</b> |
| <b>Transfers to(+)/ from(-) reserves:-</b>         |                   |                   |             |
| Capital Financing Account (incl MRP)               | 115               | (1,175)           |             |
| Transfer to Capital Reserves                       | 5,500             | 5,500             |             |
| Transfer to Revenue Reserves                       | 5,981             | 2,995             |             |
| <b>TOTAL EXCLUDING LEVIES</b>                      | <b>164,739</b>    | <b>174,079</b>    | <b>5.7%</b> |
| <b>Levies</b>                                      |                   |                   |             |
| London Boroughs Grants Committee                   | 693               | 624               | -10.0%      |
| Environment Agency                                 | 179               | 199               | 11.2%       |
| London Pensions Fund Authority                     | 1,443             | 1,528             | 5.9%        |
| Garden Squares                                     | 1,186             | 1,244             | 4.9%        |
| <b>Total Levies</b>                                | <b>3,501</b>      | <b>3,595</b>      | <b>2.7%</b> |
| <b>TOTAL ROYAL BOROUGH EXPENDITURE INCL LEVIES</b> | <b>168,240</b>    | <b>177,674</b>    | <b>5.6%</b> |
| <b>EXTERNAL FINANCE:-</b>                          |                   |                   |             |
| Formula Grant                                      | (96,518)          | (102,632)         | 6.3%        |
| Collection Fund Surplus - Council Tax              | 248               | (369)             |             |
| <b>Total External Finance / Collection Fund</b>    | <b>(96,270)</b>   | <b>(103,001)</b>  | <b>7.0%</b> |
| <b>TOTAL RBKC COUNCIL TAX REQUIREMENT</b>          | <b>71,970</b>     | <b>74,673</b>     | <b>3.8%</b> |
| <b>PRECEPTS:-</b>                                  |                   |                   |             |
| Greater London Authority                           | 29,576            | 30,518            | 3.2%        |
| <b>TOTAL LOCAL TAX REQUIREMENT</b>                 | <b>101,546</b>    | <b>105,191</b>    | <b>3.6%</b> |
| <b>TAX BASE - BAND D EQUIVALENTS</b>               | <b>97,328</b>     | <b>98,503</b>     | <b>1.2%</b> |
| <b>COUNCIL TAX - BAND D</b>                        | £                 | £                 |             |
| Royal Borough (excluding Gardens)                  | 727.27            | 745.45            | 2.5%        |
| Greater London Authority                           | 303.88            | 309.82            | 2.0%        |
| <b>TOTAL BASIC COUNCIL TAX - BAND D</b>            | <b>1,031.15</b>   | <b>1,055.27</b>   | <b>2.3%</b> |
| Royal Borough (average including Gardens)          | 739.45            | 758.08            | 2.5%        |
| Greater London Authority                           | 303.88            | 309.82            | 2.0%        |
| <b>TOTAL BASIC COUNCIL TAX - BAND D</b>            | <b>1,043.33</b>   | <b>1,067.90</b>   | <b>2.4%</b> |

## BUSINESS GROUP BUDGET SUMMARY

| SUBJECTIVE ANALYSIS                            | <i>2006/07<br/>Actual<br/>£'000</i> | <b>2007/08<br/>Budget<br/>£'000</b> | <b>2008/09<br/>Budget<br/>£'000</b> |
|--|-------------------------------------|-------------------------------------|-------------------------------------|
| EXPENDITURE                                    |                                     |                                     |                                     |
| Employee Related Expenses                      | <i>108,202</i>                      | 110,565                             | 115,173                             |
| Premises Related Expenses                      | <i>15,937</i>                       | 15,345                              | 15,942                              |
| Transport Related Expenses                     | <i>800</i>                          | 724                                 | 752                                 |
| Supplies and Services                          | <i>37,874</i>                       | 37,023                              | 37,065                              |
| Third Party Payments                           | <i>128,541</i>                      | 126,709                             | 134,203                             |
| Transfer Payments                              | <i>112,658</i>                      | 112,620                             | 112,742                             |
| Capital Charges (1)                            | <i>7,642</i>                        | 7,981                               | 9,296                               |
| Schools Delegated Budgets (3)                  | <i>57,210</i>                       | 55,493                              | 57,653                              |
| <b>TOTAL EXPENDITURE</b>                       | <b><i>468,865</i></b>               | <b>466,461</b>                      | <b>482,826</b>                      |
| LESS INCOME                                    |                                     |                                     |                                     |
| Government Grants                              | <i>224,449</i>                      | 219,561                             | 209,536                             |
| Other Grants, Reimbursements and Contributions | <i>35,178</i>                       | 24,689                              | 25,451                              |
| Customer and Client Receipts                   |                                     |                                     |                                     |
| - Sales, Fees and Charges                      | <i>75,339</i>                       | 67,895                              | 71,108                              |
| - Rents  | <i>4,953</i>                        | 5,617                               | 6,113                               |
| Interest                                       | <i>1</i>                            | 23                                  | 19                                  |
| <b>TOTAL INCOME</b>                            | <b><i>339,920</i></b>               | <b>317,785</b>                      | <b>312,227</b>                      |
| <b>NET EXPENDITURE</b>                         | <b><i>128,945</i></b>               | <b>148,676</b>                      | <b>170,599</b>                      |

Note - the totals for expenditure and income in the table above differ from those in the table below because the Business Group figures below include recharges from other services whereas the figures above have recharges stripped out.

| <b>BUSINESS GROUP SUMMARY</b>               | <i>2006/07 Actual</i>          |                     |                  | <i>2007/08 Budget</i>          |                     |                  | <i>2008/09 Budget</i>          |                     |                  |
|---|--------------------------------|---------------------|------------------|--------------------------------|---------------------|------------------|--------------------------------|---------------------|------------------|
|   | <i>Gross Expenditure £'000</i> | <i>Income £'000</i> | <i>Net £'000</i> | <i>Gross Expenditure £'000</i> | <i>Income £'000</i> | <i>Net £'000</i> | <i>Gross Expenditure £'000</i> | <i>Income £'000</i> | <i>Net £'000</i> |
| Family and Children's Services              | 144,037                        | 100,040             | 43,997           | 141,217                        | 95,823              | 45,394           | 146,729                        | 93,074              | 53,655           |
| Housing, Health and Adult Social Care       | 102,810                        | 47,138              | 55,672           | 105,528                        | 43,517              | 62,011           | 107,861                        | 38,518              | 69,343           |
| Planning and Borough Development            | 7,870                          | 2,688               | 5,182            | 7,572                          | 2,023               | 5,549            | 8,638                          | 2,328               | 6,310            |
| Transport, Environment and Leisure Services | 69,791                         | 54,782              | 15,009           | 69,796                         | 52,213              | 17,583           | 75,038                         | 54,026              | 21,012           |
| Corporate Services                          | 190,747                        | 181,662             | 9,085            | 190,975                        | 172,836             | 18,139           | 193,366                        | 173,087             | 20,279           |
| <b>Total Business Group Expenditure</b>     | <b>515,255</b>                 | <b>386,310</b>      | <b>128,945</b>   | <b>515,088</b>                 | <b>366,412</b>      | <b>148,676</b>   | <b>531,632</b>                 | <b>361,033</b>      | <b>170,599</b>   |

## GOVERNMENT GRANTS BUDGET

**This table shows the latest specific grant budgets for 2007/08 and 2008/09 and allocations for 2009/01 and 2010/11. Allocations for 2009/10 and 2010/11 are currently indicative.**

| <b>Business Group Grants</b>                          |  | <b>Budget</b>  | <b>Latest</b>  | <b>Budget</b>  | <b>Forecast</b> | <b>Forecast</b> |
|---|--|----------------|----------------|----------------|-----------------|-----------------|
| <b>BG</b>   | <b>Grant</b>   | <b>2007/08</b> | <b>2007/08</b> | <b>2008/09</b> | <b>2009/10</b>  | <b>2010/11</b>  |
|   |  | <b>£'000</b>   | <b>£'000</b>   | <b>£'000</b>   | <b>£'000</b>    | <b>£'000</b>    |
| FCS   | Asylum Seekers Support                                   | 851            | 851            | 1,051          | 1,000           | 1,000           |
| FCS   | Children's Services (1)                                  | 1,230          | 1,230          | 0              | 0               | 0               |
| FCS   | Information Sharing Index                                | 152            | 152            | 152            | 0               | 0               |
| FCS   | Learning and Skills Council (Sixth Forms)                | 5,741          | 5,741          | 5,623          | 5,600           | 5,600           |
| FCS   | School Standards/Standards Funds (2)                     | 6,732          | 6,732          | 7,100          | 7,000           | 7,000           |
| FCS   | Sure Start (includes Early Years and Childcare)          | 3,422          | 3,422          | 3,742          | 3,929           | 4,208           |
| FCS   | Unaccompanied Asylum Seeking Children Leaving Care Grant | 0              | 300            | 300            | 300             | 300             |
| FCS   | Youth Opportunities Fund                                 | 131            | 131            | 131            | 131             | 131             |
| FCS   | Young Person's Substance Misuse                          | 65             | 65             | 122            | 100             | 100             |
| HHASC   | Access and Systems Capacity (1)                          | 2,216          | 2,216          | 0              | 0               | 0               |
| HHASC   | AIDS/HIV Support   | 294            | 294            | 275            | 275             | 275             |
| HHASC   | Commission for Social Care Inspection                    | 4              | 4              | 0              | 0               | 0               |
| HHASC   | Delayed Discharge (1)                                    | 421            | 421            | 0              | 0               | 0               |
| HHASC   | Homelessness   | 900            | 875            | 1,168          | 1,170           | 1,170           |
| HHASC   | Climate Change   | 12             | 12             | 0              | 0               | 0               |
| HHASC   | Improving Information Management                         | 139            | 139            | 0              | 0               | 0               |
| HHASC   | Individual Budget Pilots                                 | 150            | 150            | 0              | 0               | 0               |
| HHASC   | Overcrowding   | 0              | 0              | 100            | 0               | 0               |
| HHASC   | Preventative Technology                                  | 213            | 213            | 0              | 0               | 0               |
| HHASC   | Disabled Facilities Grant                                | 210            | 210            | 276            | 300             | 300             |
| HHASC   | Social Care Reform                                       | 0              | 0              | 366            | 866             | 1,082           |
| HHASC   | Supporting People Programme                              | 11,171         | 11,171         | 10,670         | N/A             | N/A             |
| HHASC   | Young Person's Substance Misuse                          | 258            | 258            | 162            | 160             | 160             |
| PBD   | Planning Delivery Grant                                  | 183            | 183            | 122            | 0               | 0               |
| TELS  | Waste Performance and Efficiency Grant                   | 277            | 277            | 0              | 0               | 0               |
| CS  | Community Safety   | 1,524          | 1,743          | 1,381          | 1,300           | 1,300           |
| CS  | Housing and Council Tax Benefit                          | 111,567        | 111,567        | 111,567        | 112,000         | 112,000         |
| CS  | Housing Benefits Administration                          | 2,348          | 2,348          | 2,178          | 2,126           | 2,019           |
| CS  | National Non Domestic Rates Cost of Collection           | 615            | 615            | 605            | 600             | 600             |
| <b>Business Group Grants</b>                          |  | <b>150,826</b> | <b>151,320</b> | <b>147,091</b> | <b>136,857</b>  | <b>137,245</b>  |
| <b>Area Based Grant</b>                               |  | <b>Budget</b>  | <b>Latest</b>  | <b>Budget</b>  | <b>Forecast</b> | <b>Forecast</b> |
| <b>BG</b>   | <b>Grant</b>   | <b>2007/08</b> | <b>2007/08</b> | <b>2008/09</b> | <b>2009/10</b>  | <b>2010/11</b>  |
|   |  | <b>£'000</b>   | <b>£'000</b>   | <b>£'000</b>   | <b>£'000</b>    | <b>£'000</b>    |
| FCS   | Carers   | 179            | 179            | 198            | 216             | 234             |
| FCS   | Child and Adolescent Mental Health Service               | 685            | 685            | 414            | 451             | 489             |
| FCS   | Children's Fund  | 284            | 284            | 284            | 284             | 284             |
| FCS   | Children's Social Care Workforce                         | 0              | 0              | 81             | 84              | 87              |
| FCS   | Care Matters White Paper                                 | 0              | 0              | 134            | 197             | 237             |
| FCS   | Child Death Review Processes                             | 0              | 0              | 32             | 34              | 37              |
| FCS   | Connexions (3)   | 1,279          | 1,793          | 1,793          | 1,702           | 1,531           |
| FCS   | Human Resources Development Strategy                     | 114            | 114            | 0              | 0               | 0               |
| FCS   | National Training Strategy                               | 245            | 245            | 0              | 0               | 0               |
| FCS   | Positive Activities for Young People                     | 0              | 324            | 324            | 324             | 324             |
| FCS   | Schools Standards/Standards Funds (2)                    | 2,150          | 2,181          | 2,179          | 2,342           | 2,101           |
| FCS   | Teenage Pregnancy  | 91             | 91             | 91             | 91              | 91              |
| HHASC   | Adult Social Care Workforce                              | 0              | 0              | 589            | 614             | 639             |
| HHASC   | Carers   | 714            | 715            | 794            | 864             | 936             |
| HHASC   | Human Resources Development Strategy                     | 133            | 133            | 0              | 0               | 0               |
| HHASC   | Learning Disability Development Fund                     | 0              | 0              | 210            | 213             | 217             |
| HHASC   | Mental Capacity Act                                      | 67             | 67             | 108            | 138             | 134             |
| HHASC   | Mental Health  | 793            | 793            | 670            | 717             | 764             |
| HHASC   | National Training Strategy                               | 288            | 288            | 0              | 0               | 0               |
| HHASC   | Preserved Rights   | 997            | 977            | 948            | 915             | 882             |
| HHASC   | Supporting People Administration                         | 223            | 223            | 212            | 195             | 168             |
| HHASC   | Supporting People Programme                              | N/A            | N/A            | N/A            | 10,136          | 9,629           |
| CS  | Community Safety   | 404            | 275            | 275            | 275             | 275             |
| CS  | Local Area Networks (LINK)                               | 0              | 0              | 140            | 142             | 143             |
| <b>Total Area Based Grant</b>                         |  | <b>8,646</b>   | <b>9,367</b>   | <b>9,476</b>   | <b>19,934</b>   | <b>19,202</b>   |
| <b>Total Grants Excluding Dedicated Schools Grant</b> |  | <b>159,472</b> | <b>160,687</b> | <b>156,567</b> | <b>156,791</b>  | <b>156,447</b>  |

|              | <b>Business Group Grants</b>  | <b>Budget</b>  | <b>Latest</b>  | <b>Budget</b>  | <b>Forecast</b> | <b>Forecast</b> |
|--------------|---|----------------|----------------|----------------|-----------------|-----------------|
|              |   | <b>2007/08</b> | <b>2007/08</b> | <b>2008/09</b> | <b>2009/10</b>  | <b>2010/11</b>  |
| <b>BG</b>    | <b>Grant</b>  | <b>£'000</b>   | <b>£'000</b>   | <b>£'000</b>   | <b>£'000</b>    | <b>£'000</b>    |
| FCS          | Dedicated Schools Grant (2)   | 60,272         | 60,272         | 62,445         | 65,257          | 68,457          |
| FCS          | Dedicated Schools Grant London Pay Additional Grant (2)                   | N/A            | N/A            | 120            | 251             | 360             |
|              | Grants Transferring Into Formula Grant (1)                                | N/A            | N/A            | 3,865          | 3,865           | 3,865           |
|              |   |                |                |                |                 |                 |
|              | <b>Total Comparable Grants</b>  | <b>219,744</b> | <b>220,959</b> | <b>222,997</b> | <b>226,164</b>  | <b>229,129</b>  |
| <b>Notes</b> | Allocation estimated at this stage (and may not materialise).             |                |                |                |                 |                 |
| (1)          | Grants transferring into Formula Grant.                                   |                |                |                |                 |                 |
| (2)          | Allocations dependent on final pupil data so may change.                  |                |                |                |                 |                 |
| (3)          | 2007/08 forecast figure restated to make it comparable with future years. |                |                |                |                 |                 |

## RESERVES AND BALANCES AND RESERVES POLICY

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. Several of 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 risks, such as increased demand and costs and to help absorb the costs of future liabilities. 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.

There are a number of larger earmarked reserves of strategic importance that have been given additional scrutiny and examined over a longer future timescale. Other than the Car Parking Reserve none are being used to support recurring expenditure.

- **Capital Expenditure Reserve** – projections of the use and balances on this reserve are contained in paragraph 6.16 of the report to the Cabinet on the 21 February 2008 entitled *Capital Programme 2008/09 – 2010/11*
- **Car Parking Reserve** – projections of the use and balances on this reserve are contained in paragraph 6.13 of this report. Originally the reserve could only be used to fund expenditure on statutorily defined purposes directly related to transport. The Traffic Management Act 2004 extended the powers to include highways maintenance and environmental improvements. The maximum eligible expenditure for funding in 2008/09 is shown in the table below.

| Service/Purpose  | 2008/09<br>Budget<br>£'000 |
|--|----------------------------|
| <u>Revenue</u>   |                            |
| Schools and Youth (permits, Special Needs Transport, transport)    | 1,696                      |
| Social services (concessionary fares, Taxicard, welfare transport) | 6,084                      |
| Street trees   | 404                        |
| Transport and Highways , Waste Management and Leisure              | 26,515                     |
| Community transport  | 160                        |
| <b>Total Revenue</b>   | <b>34,859</b>              |
| Less contribution from Car Parking Reserve                         | -21,400                    |
| <b>Balance met from Council Tax budget</b>                         | <b>13,459</b>              |
| <u>Capital</u>   |                            |
| Eligible schemes   | 4,267                      |
| Less contribution from Car Parking Reserve                         | -4,267                     |
| <b>Balance met from Council Tax budget</b>                         | <b>0</b>                   |

*The Reserves Policy is set out below. The table that follows provides details of the purpose of each earmarked reserve, the forecast additions to and withdrawals from the reserves, and the projected balance at the end of the next three years. Where balances are static this indicates that there are no planned withdrawals but reserves may be reduced as required to meet future plans and liabilities not yet included in the forecast.*

## **RESERVES POLICY**

### **Strategic context**

1. The Council's financial environment is perpetually changing, as are the demands on services and the needs of the borough. The Council is constantly reformulating its priorities in response to these issues. The Council's financial environment is becoming more difficult as the level of historic in-year budget flexibility reduces and the buoyancy of external finance declines. The demands on services and the needs of the Royal Borough are not reducing. The Council has continuously to 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 therefore 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 while avoiding borrowing costs. At the same time, the Council relies on interest earned through holding reserves to support its general spending plans. The Capital Expenditure Reserve is used to create capacity to meet future capital investment.
5. 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**

6. Reserves are therefore held for the following purposes, some of which may overlap:
  - o Providing a working balance i.e. Housing Revenue Account and General Fund.
  - o 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 reserve, and for the renewal of operational assets, e.g. repairs and renewal, and IT renewal. Meeting future costs and liabilities so as to cushion the effect on services e.g. the Pensions Reserve, the Supporting People Reserve (reduction in grant for supported housing), and the Insurance Reserve for self-funded liabilities arising from insurance claims.
  - To provide resilience against future risks e.g. the Demand Growth Reserve, and the capacity to manage risk.
  - To create policy capacity in a context of forecast declining future external resources e.g. Better City Life.
7. 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.
8. The use of some reserves is limited by regulation. The Collection Fund balance must be set against Council Tax levels, not applied to expenditure. Reserves established through the Housing Revenue Account can only be applied within that account. Schools reserves are generally ring-fenced, although there are certain regulatory exceptions.

### **Management**

9. The Executive Director for Finance, Information Systems and Property reports annually on the adequacy of the reserves, as part of the Council Tax setting and budget report.
10. The approval of the Cabinet Member for Finance and Property is required to the release of reserves (unless already agreed by Council or Cabinet), under the Council's constitution (Part Four D - Financial Procedure Rule 2.07).
11. 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. Its expected normal value is 8 per cent of the net budget requirement (adjusted for Dedicated Schools Grant).
  - 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). This is subject to review if further regulations are issued under the Act relating to the powers to apply parking surpluses.
  - The revenue and capital expenditure plans in the budget for 2008/09 to 2010/11 envisage that the Capital Expenditure Reserve will not fall below £15 million and the Car Parking Reserve would not fall below £20

million by the end of 2010/11, so as to arrange an orderly impact on the Council's revenue resources, given the use of interest generated to support the level of the Council Tax, and so as to be able to fund pipeline capital schemes.

- The Pensions Revaluation Reserve was created to smooth the impact of triennial valuations for the Council Tax whilst enabling the Council to meet liabilities and will be applied in relation to the 2007/08 revaluation.

## RESERVES AND BALANCES FORECAST (31 MARCH EACH YEAR)

| Reserves and Balances                                 | Purpose   | 2008<br>Forecast<br>£'000 | 2009<br>Forecast<br>£'000 | 2010<br>Forecast<br>£'000 | 2011<br>Forecast<br>£'000 |
|---|---|---------------------------|---------------------------|---------------------------|---------------------------|
| <b>Capital Expenditure</b>                            | To fund capital expenditure   | 58,900                    | 47,600                    | 22,400                    | 20,600                    |
| <b>Car Parking</b>                                    | On-street parking surpluses for use on transport, highways and environmental improvements | 37,600                    | 35,300                    | 25,900                    | 21,100                    |
| <b>Strategic Regeneration</b>                         | Funding for strategic regeneration  | 9,082                     | 8,896                     | 8,810                     | 8,794                     |
| <b>Insurance</b>                                      | Meets future insurance liabilities  | 6,667                     | 6,127                     | 6,127                     | 6,127                     |
| <b>Demand Growth</b>                                  | Meets volatile growth pressures   | 5,297                     | 5,297                     | 5,297                     | 5,297                     |
| <b>Local Initiatives</b>                              | For locally determined projects   | 4,892                     | 4,842                     | 4,842                     | 4,842                     |
| <b>Repairs and Renewals</b>                           | Provides for replacement of equipment   | 3,970                     | 4,121                     | 4,121                     | 4,121                     |
| <b>Supporting People</b>                              | Phase in impact of reducing government grant allocations                                  | 3,769                     | 3,717                     | 2,664                     | 1,076                     |
| <b>Excellence All Round</b>                           | For service improvement initiatives and Local Area Agreement (LAA                         | 3,055                     | 1,578                     | 1,273                     | 1,273                     |
| <b>Specific Grant Loss</b>                            | Safeguard against adverse changes in specific grant regimes                               | 2,910                     | 2,738                     | 2,738                     | 2,738                     |
| <b>Service Risks</b>                                  | To mitigate unplanned service problems  | 2,500                     | 2,825                     | 2,525                     | 2,525                     |
| <b>Chelsea Academy Co-Sponsorship</b>                 | Funding for the new school held until paid over to government                             | 2,000                     | 2,000                     | 2,000                     | 0                         |
| <b>Severance</b>                                      | To meet costs arising from job losses   | 1,828                     | 2,328                     | 2,528                     | 2,528                     |
| <b>Better City Life</b>                               | Resources for new local policy priorities   | 1,600                     | 2,200                     | 2,500                     | 2,500                     |
| <b>Value Added Tax (VAT) Liability</b>                | Meet potential future liabilities   | 1,070                     | 1,070                     | 1,070                     | 1,070                     |
| <b>Cost Reduction</b>                                 | Funding for invest to save opportunities  | 764                       | 904                       | 1,000                     | 1,000                     |
| <b>Manresa Road Dilapidations</b>                     | Self explanatory  | 351                       | 0                         | 0                         | 0                         |
| <b>Building Alterations</b>                           | For special repairs and maintenance work  | 325                       | 175                       | 0                         | 0                         |
| <b>Standards Fund Carry Forward</b>                   | Carry forward unspent Standards Fund matched funding to qualify for government grants     | 246                       | 0                         | 0                         | 0                         |
| <b>Corporate Information Systems (IS) Initiatives</b> | To replace office systems   | 216                       | 15                        | 315                       | 315                       |
| <b>Risk Management</b>                                | Pump priming for initiatives  | 189                       | 189                       | 189                       | 189                       |
| <b>Property Strategy Fund</b>                         | Feasibility studies and condition surveys for capital planning                            | 156                       | 91                        | 91                        | 91                        |
| <b>Economic Development</b>                           | For investment in economic development and regeneration initiatives                       | 154                       | 154                       | 154                       | 154                       |
| <b>West Chelsea Initiative</b>                        | Rent income to be spent in South West Chelsea   | 142                       | 34                        | 34                        | 34                        |

|   |   |                |                |                |                |
|---|---|----------------|----------------|----------------|----------------|
| <b>Local Elections</b>                            | To smooth the cost of local government elections every four years                                 | 125            | 200            | 275            | 0              |
| <b>Public Art</b>                                 | Self explanatory  | 102            | 102            | 0              | 0              |
| <b>Community Safety</b>                           | Self explanatory  | 69             | 0              | 0              | 0              |
| <b>Bridge Repairs</b>                             | For periodic repairs required to the bridges  | 61             | 0              | 0              | 0              |
| <b>Canalside House</b>                            | For major repairs and equipment replacement   | 53             | 53             | 53             | 53             |
| <b>General Services Building Maintenance</b>      | Evens out the cost of the annual maintainance programme   | 45             | 0              | 0              | 0              |
| <b>Street Trading Account</b>                     | Under or overspends on street trading   | 33             | 0              | 0              | 0              |
| <b>Legal Advice To Schools</b>                    | Self explanatory  | 27             | 27             | 27             | 27             |
| <b>Mortuary</b>                                   | Contribution to prospective capital works on Horseferry Road Mortuary (jointly with Westminster). | 26             | 26             | 26             | 26             |
| <b>Southern Row</b>                               | Contributions to tenants to fund major works  | 14             | 14             | 14             | 14             |
| <b>Private Health Care Liabilities</b>            | For variances on the private healthcare contract  | 14             | 14             | 14             | 14             |
| <b>Brighten Up the Borough</b>                    | Self explanatory  | 9              | 9              | 9              | 9              |
| <b>Subtotal General Fund Reserves</b>             |   | <b>148,261</b> | <b>132,646</b> | <b>96,996</b>  | <b>86,517</b>  |
| <b>General Fund Working Balance</b>               | Unearmarked cash held   | 14,255         | 14,255         | 14,255         | 14,255         |
| <b>Total General Fund</b>                         |   | <b>162,516</b> | <b>146,901</b> | <b>111,251</b> | <b>100,772</b> |
| <b>HRA Major Repairs</b>                          | For investment in the housing stock   | 6,863          | 1,146          | 1,146          | 0              |
| <b>HRA Working Balance</b>                        | Unearmarked cash held   | 7,904          | 7,972          | 5,567          | 3,000          |
| <b>HRA Lancaster West Estate Management Board</b> | Grant earmarked under management agreement  | 507            | 408            | 408            | 408            |
| <b>HRA Controlled Repairs</b>                     | To fund committed repairs projects  | 31             | 0              | 0              | 0              |
| <b>Total Housing Revenue Account (HRA)</b>        |   | <b>15,305</b>  | <b>9,526</b>   | <b>7,121</b>   | <b>3,408</b>   |
| <b>Schools Reserves</b>                           | Balances held by schools  | 5,782          | 5,782          | 5,782          | 5,782          |
| <b>Collection Fund Balance</b>                    | A statutory account to hold balances on collection of Council Tax                                 | 248            | -369           | 0              | 0              |
| <b>Total Reserves and Balances</b>                |   | <b>183,851</b> | <b>161,840</b> | <b>124,154</b> | <b>109,962</b> |

## GARDEN SQUARES

| ROYAL BOROUGH COUNCIL TAX - GARDEN SQUARES<br>KENSINGTON IMPROVEMENT ACT 1851 |                                  |                       |                |                         |
|---|----------------------------------|-----------------------|----------------|-------------------------|
| (1)   | (2)                              | (3)                   | (4)            | (5)                     |
| CODE  | GARDEN SQUARE                    | BAND D<br>EQUIVALENTS | GARDEN<br>LEVY | GARDEN<br>TAX<br>BAND D |
|   |                                  |                       | £              | £                       |
| 900   | Addison Gardens                  | 124                   | 36,000         | 290.32                  |
| 901   | Arundel Gardens/Ladbroke Gardens | 252                   | 35,500         | 140.87                  |
| 902   | Avondale Park Gardens            | 29                    | 2,000          | 68.97                   |
| 904   | Barkston Gardens                 | 241                   | 29,000         | 120.33                  |
| 906   | Bina Gardens (West)              | 190                   | 21,500         | 113.16                  |
| 907   | Bolton Gardens                   | 115                   | 27,500         | 239.13                  |
| 908   | Bramham Gardens                  | 392                   | 35,000         | 89.29                   |
| 909   | Brompton Square                  | 190                   | 15,000         | 78.95                   |
| 912   | Campden Hill Square              | 89                    | 24,000         | 269.66                  |
| 913   | Campden House Court              | 227                   | 22,500         | 99.12                   |
| 914   | Clarendon Rd/Lansdowne Rd        | 48                    | 12,500         | 260.42                  |
| 915   | Collingham Gardens               | 181                   | 25,000         | 138.12                  |
| 916   | Cornwall Gardens                 | 642                   | 56,000         | 87.23                   |
| 917   | Courtfield Gardens (East)        | 211                   | 19,000         | 90.05                   |
| 918   | Courtfield Gardens (West)        | 457                   | 72,500         | 158.64                  |
| 921   | Earls Court Square               | 293                   | 18,500         | 63.14                   |
| 922   | Edwardes Square                  | 251                   | 48,360         | 192.67                  |
| 925   | Gledhow Gardens                  | 262                   | 38,000         | 145.04                  |
| 928   | Hereford Square                  | 79                    | 15,000         | 189.87                  |
| 929   | Holland Rd/Russell Rd            | 186                   | 17,500         | 94.09                   |
| 930   | Hornton St/Holland St            | 113                   | 10,000         | 88.50                   |
| 933   | Iverna Court                     | 217                   | 12,000         | 55.30                   |
| 936   | Kensington Square                | 120                   | 10,500         | 87.50                   |
| 939   | Lexham Gardens                   | 300                   | 30,000         | 100.00                  |
| 942   | Moreton & Cresswell Gardens      | 116                   | 16,800         | 144.83                  |
| 944   | Nevern Square                    | 301                   | 34,000         | 112.96                  |
| 945   | Norland Square                   | 172                   | 24,000         | 139.53                  |
| 948   | Ovington Square                  | 167                   | 19,000         | 113.77                  |
| 951   | Pembridge Square                 | 206                   | 39,600         | 192.23                  |
| 952   | Philbeach Gardens                | 306                   | 44,000         | 143.79                  |
| 955   | Royal Crescent                   | 181                   | 37,000         | 204.42                  |
| 958   | St James's Gardens               | 155                   | 18,500         | 119.35                  |
| 959   | Stanley Crescent                 | 189                   | 27,500         | 145.50                  |
| 960   | Stanley Gardens (North)          | 121                   | 26,000         | 214.88                  |
| 961   | Stanley Gardens (South)          | 170                   | 49,368         | 290.40                  |
| 962   | Sunningdale Gardens              | 33                    | 2,500          | 75.76                   |
| 965   | Wetherby Gardens                 | 375                   | 55,600         | 148.27                  |

| ROYAL BOROUGH COUNCIL TAX - GARDEN SQUARES<br>TOWN GARDENS PROTECTION ACT 1863 |   |                       |                  |                         |
|--|---|-----------------------|------------------|-------------------------|
| CODE   | GARDEN SQUARE                           | BAND D<br>EQUIVALENTS | GARDEN<br>LEVY   | GARDEN<br>TAX<br>BAND D |
|  |   |                       | £                | £                       |
| 975  | Arundel Gardens/Elgin Crescent          | 265                   | 30,000           | 113.21                  |
| 977  | Blenheim Crescent/Elgin Crescent        | 249                   | 41,000           | 164.66                  |
| 978  | Emperor's Gate                          | 215                   | 4,780            | 22.23                   |
| 979  | Ladbroke Grove                          | 50                    | 2,800            | 56.00                   |
| 980  | Lansdowne Rd/Elgin Crescent             | 138                   | 21,980           | 159.28                  |
| 981  | Lansdowne Rd/Lansdowne Crescent         | 174                   | 42,000           | 241.38                  |
| 982  | Lansdowne Walk / Lansdowne Rd (Hanover) | 148                   | 25,240           | 170.54                  |
| 984  | Montpellier Gardens                     | 115                   | 42,200           | 366.96                  |
| 986  | Notting Hill                            | 38                    | 7,000            | 184.21                  |
|  |   |                       | <b>1,243,728</b> |                         |

# ROYAL BOROUGH OF KENSINGTON AND CHELSEA COUNCIL TAX

|   | ROYAL BOROUGH COUNCIL TAX - BY BAND |          |          |          |          |           |           |           |
|---|-------------------------------------|----------|----------|----------|----------|-----------|-----------|-----------|
|   | A                                   | B        | C        | D        | E        | F         | G         | H         |
| <b>PROPERTIES NOT IN GARDEN SQUARES</b> | £ 496.97                            | £ 579.79 | £ 662.62 | £ 745.45 | £ 911.11 | £ 1076.76 | £ 1242.42 | £ 1490.90 |

| <b>KENSINGTON IMPROVEMENT ACT 1851</b> |                                  | ROYAL BOROUGH COUNCIL TAX - GARDEN SQUARES BY BAND |        |        |          |          |          |          |          |
|--|----------------------------------|--|--------|--------|----------|----------|----------|----------|----------|
| CODE                                   | GARDEN SQUARE                    | A  | B      | C      | D        | E        | F        | G        | H        |
|  |                                  | £  | £      | £      | £        | £        | £        | £        | £        |
| 900                                    | Addison Gardens                  | 690.51   | 805.60 | 920.68 | 1,035.77 | 1,265.94 | 1,496.11 | 1,726.28 | 2,071.54 |
| 901                                    | Arundel Gardens/Ladbroke Gardens | 590.88   | 689.36 | 787.84 | 886.32   | 1,083.28 | 1,280.24 | 1,477.20 | 1,772.64 |
| 902                                    | Avondale Park Gardens            | 542.95   | 633.44 | 723.93 | 814.42   | 995.40   | 1,176.38 | 1,357.37 | 1,628.84 |
| 904                                    | Barkston Gardens                 | 577.19   | 673.38 | 769.58 | 865.78   | 1,058.18 | 1,250.57 | 1,442.97 | 1,731.56 |
| 906                                    | Bina Gardens (West)              | 572.41   | 667.81 | 763.21 | 858.61   | 1,049.41 | 1,240.21 | 1,431.02 | 1,717.22 |
| 907                                    | Bolton Gardens                   | 656.39   | 765.78 | 875.18 | 984.58   | 1,203.38 | 1,422.17 | 1,640.97 | 1,969.16 |
| 908                                    | Bramham Gardens                  | 556.49   | 649.24 | 741.99 | 834.74   | 1,020.24 | 1,205.74 | 1,391.23 | 1,669.48 |
| 909                                    | Brompton Square                  | 549.60   | 641.20 | 732.80 | 824.40   | 1,007.60 | 1,190.80 | 1,374.00 | 1,648.80 |
| 912                                    | Campden Hill Square              | 676.74   | 789.53 | 902.32 | 1,015.11 | 1,240.69 | 1,466.27 | 1,691.85 | 2,030.22 |
| 913                                    | Campden House Court              | 563.05   | 656.89 | 750.73 | 844.57   | 1,032.25 | 1,219.93 | 1,407.62 | 1,689.14 |
| 914                                    | Clarendon Rd/Lansdowne Rd        | 670.58   | 782.34 | 894.11 | 1,005.87 | 1,229.40 | 1,452.92 | 1,676.45 | 2,011.74 |
| 915                                    | Collingham Gardens               | 589.05   | 687.22 | 785.40 | 883.57   | 1,079.92 | 1,276.27 | 1,472.62 | 1,767.14 |
| 916                                    | Cornwall Gardens                 | 555.12   | 647.64 | 740.16 | 832.68   | 1,017.72 | 1,202.76 | 1,387.80 | 1,665.36 |
| 917                                    | Courtfield Gardens (East)        | 557.00   | 649.83 | 742.67 | 835.50   | 1,021.17 | 1,206.83 | 1,392.50 | 1,671.00 |
| 918                                    | Courtfield Gardens (West)        | 602.73   | 703.18 | 803.64 | 904.09   | 1,105.00 | 1,305.91 | 1,506.82 | 1,808.18 |
| 921                                    | Earls Court Square               | 539.06   | 628.90 | 718.75 | 808.59   | 988.28   | 1,167.96 | 1,347.65 | 1,617.18 |
| 922                                    | Edwardes Square                  | 625.41   | 729.65 | 833.88 | 938.12   | 1,146.59 | 1,355.06 | 1,563.53 | 1,876.24 |
| 925                                    | Gledhow Gardens                  | 593.66   | 692.60 | 791.55 | 890.49   | 1,088.38 | 1,286.26 | 1,484.15 | 1,780.98 |
| 928                                    | Hereford Square                  | 623.55   | 727.47 | 831.40 | 935.32   | 1,143.17 | 1,351.02 | 1,558.87 | 1,870.64 |
| 929                                    | Holland Rd/Russell Rd            | 559.69   | 652.98 | 746.26 | 839.54   | 1,026.10 | 1,212.67 | 1,399.23 | 1,679.08 |
| 930                                    | Hornton St/Holland St            | 555.97   | 648.63 | 741.29 | 833.95   | 1,019.27 | 1,204.59 | 1,389.92 | 1,667.90 |
| 933                                    | Ivema Court                      | 533.83   | 622.81 | 711.78 | 800.75   | 978.69   | 1,156.64 | 1,334.58 | 1,601.50 |
| 936                                    | Kensington Square                | 555.30   | 647.85 | 740.40 | 832.95   | 1,018.05 | 1,203.15 | 1,388.25 | 1,665.90 |
| 939                                    | Lexham Gardens                   | 563.63   | 657.57 | 751.51 | 845.45   | 1,033.33 | 1,221.21 | 1,409.08 | 1,690.90 |
| 942                                    | Moreton & Cresswell Gardens      | 593.52   | 692.44 | 791.36 | 890.28   | 1,088.12 | 1,285.96 | 1,483.80 | 1,780.56 |
| 944                                    | Nevern Square                    | 572.27   | 667.65 | 763.03 | 858.41   | 1,049.17 | 1,239.93 | 1,430.68 | 1,716.82 |
| 945                                    | Norland Square                   | 589.99   | 688.32 | 786.65 | 884.98   | 1,081.64 | 1,278.30 | 1,474.97 | 1,769.96 |
| 948                                    | Ovington Square                  | 572.81   | 668.28 | 763.75 | 859.22   | 1,050.16 | 1,241.10 | 1,432.03 | 1,718.44 |
| 951                                    | Pembridge Square                 | 625.12   | 729.31 | 833.49 | 937.68   | 1,146.05 | 1,354.43 | 1,562.80 | 1,875.36 |
| 952                                    | Philbeach Gardens                | 592.83   | 691.63 | 790.44 | 889.24   | 1,086.85 | 1,284.46 | 1,482.07 | 1,778.48 |
| 955                                    | Royal Crescent                   | 633.25   | 738.79 | 844.33 | 949.87   | 1,160.95 | 1,372.03 | 1,583.12 | 1,899.74 |
| 958                                    | St James'S Gardens               | 576.53   | 672.62 | 768.71 | 864.80   | 1,056.98 | 1,249.16 | 1,441.33 | 1,729.60 |
| 959                                    | Stanley Crescent                 | 593.97   | 692.96 | 791.96 | 890.95   | 1,088.94 | 1,286.93 | 1,484.92 | 1,781.90 |
| 960                                    | Stanley Gardens (North)          | 640.22   | 746.92 | 853.63 | 960.33   | 1,173.74 | 1,387.14 | 1,600.55 | 1,920.66 |
| 961                                    | Stanley Gardens (South)          | 690.57   | 805.66 | 920.76 | 1,035.85 | 1,266.04 | 1,496.23 | 1,726.42 | 2,071.70 |
| 962                                    | Sunningdale Gardens              | 547.47   | 638.72 | 729.96 | 821.21   | 1,003.70 | 1,186.19 | 1,368.68 | 1,642.42 |
| 965                                    | Wetherby Gardens                 | 595.81   | 695.12 | 794.42 | 893.72   | 1,092.32 | 1,290.93 | 1,489.53 | 1,787.44 |

| <b>TOWN GARDENS PROTECTION ACT 1863</b> |   | ROYAL BOROUGH COUNCIL TAX - GARDEN SQUARES BY BAND |        |        |          |          |          |          |          |
|---|---|--|--------|--------|----------|----------|----------|----------|----------|
| CODE                                    | GARDEN SQUARE                           | A  | B      | C      | D        | E        | F        | G        | H        |
|   |   | £  | £      | £      | £        | £        | £        | £        | £        |
| 975                                     | Arundel Gardens/Elgin Crescent          | 572.44   | 667.85 | 763.25 | 858.66   | 1,049.47 | 1,240.29 | 1,431.10 | 1,717.32 |
| 977                                     | Blenheim Crescent/Elgin Crescent        | 606.74   | 707.86 | 808.99 | 910.11   | 1,112.36 | 1,314.60 | 1,516.85 | 1,820.22 |
| 978                                     | Emperor's Gate                          | 511.79   | 597.08 | 682.38 | 767.68   | 938.28   | 1,108.87 | 1,279.47 | 1,535.36 |
| 979                                     | Ladbroke Grove                          | 534.30   | 623.35 | 712.40 | 801.45   | 979.55   | 1,157.65 | 1,335.75 | 1,602.90 |
| 980                                     | Lansdowne Rd/Elgin Crescent             | 603.15   | 703.68 | 804.20 | 904.73   | 1,105.78 | 1,306.83 | 1,507.88 | 1,809.46 |
| 981                                     | Lansdowne Rd/Lansdowne Crescent         | 657.89   | 767.53 | 877.18 | 986.83   | 1,206.13 | 1,425.42 | 1,644.72 | 1,973.66 |
| 982                                     | Lansdowne Walk / Lansdowne Rd (Hanover) | 610.66   | 712.44 | 814.21 | 915.99   | 1,119.54 | 1,323.10 | 1,526.65 | 1,831.98 |
| 984                                     | Montpelier Gardens                      | 741.61   | 865.21 | 988.81 | 1,112.41 | 1,359.61 | 1,606.81 | 1,854.02 | 2,224.82 |
| 986                                     | Notting Hill                            | 619.77   | 723.07 | 826.36 | 929.66   | 1,136.25 | 1,342.84 | 1,549.43 | 1,859.32 |

# 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 |  | £<br>703.52                 | £<br>820.76 | £<br>938.02 | £<br>1055.27 | £<br>1289.78 | £<br>1524.28 | £<br>1758.79 | £<br>2110.54 |

| 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                  | 897.06                                     | 1046.57 | 1196.08 | 1345.59 | 1644.61 | 1943.63 | 2242.65 | 2691.18 |
| 901                             | Arundel Gardens/Ladbroke Gardens | 797.43                                     | 930.33  | 1063.24 | 1196.14 | 1461.95 | 1727.76 | 1993.57 | 2392.28 |
| 902                             | Avondale Park Gardens            | 749.50                                     | 874.41  | 999.33  | 1124.24 | 1374.07 | 1623.90 | 1873.74 | 2248.48 |
| 904                             | Barkston Gardens                 | 783.74                                     | 914.35  | 1044.98 | 1175.60 | 1436.85 | 1698.09 | 1959.34 | 2351.20 |
| 906                             | Bina Gardens (West)              | 778.96                                     | 908.78  | 1038.61 | 1168.43 | 1428.08 | 1687.73 | 1947.39 | 2336.86 |
| 907                             | Bolton Gardens                   | 862.94                                     | 1006.75 | 1150.58 | 1294.40 | 1582.05 | 1869.69 | 2157.34 | 2588.80 |
| 908                             | Bramham Gardens                  | 763.04                                     | 890.21  | 1017.39 | 1144.56 | 1398.91 | 1653.26 | 1907.60 | 2289.12 |
| 909                             | Brompton Square                  | 756.15                                     | 882.17  | 1008.20 | 1134.22 | 1386.27 | 1638.32 | 1890.37 | 2268.44 |
| 912                             | Campden Hill Square              | 883.29                                     | 1030.50 | 1177.72 | 1324.93 | 1619.36 | 1913.79 | 2208.22 | 2649.86 |
| 913                             | Campden House Court              | 769.60                                     | 897.86  | 1026.13 | 1154.39 | 1410.92 | 1667.45 | 1923.99 | 2308.78 |
| 914                             | Clarendon Rd/Lansdowne Rd        | 877.13                                     | 1023.31 | 1169.51 | 1315.69 | 1608.07 | 1900.44 | 2192.82 | 2631.38 |
| 915                             | Collingham Gardens               | 795.60                                     | 928.19  | 1060.80 | 1193.39 | 1458.59 | 1723.79 | 1988.99 | 2386.78 |
| 916                             | Cornwall Gardens                 | 761.67                                     | 888.61  | 1015.56 | 1142.50 | 1396.39 | 1650.28 | 1904.17 | 2285.00 |
| 917                             | Courtfield Gardens (East)        | 763.55                                     | 890.80  | 1018.07 | 1145.32 | 1399.84 | 1654.35 | 1908.87 | 2290.64 |
| 918                             | Courtfield Gardens (West)        | 809.28                                     | 944.15  | 1079.04 | 1213.91 | 1483.67 | 1753.43 | 2023.19 | 2427.82 |
| 921                             | Earls Court Square               | 745.61                                     | 869.87  | 994.15  | 1118.41 | 1366.95 | 1615.48 | 1864.02 | 2236.82 |
| 922                             | Edwards Square                   | 831.96                                     | 970.62  | 1109.28 | 1247.94 | 1525.26 | 1802.58 | 2079.90 | 2495.88 |
| 925                             | Gledhow Gardens                  | 800.21                                     | 933.57  | 1066.95 | 1200.31 | 1467.05 | 1733.78 | 2000.52 | 2400.62 |
| 928                             | Hereford Square                  | 830.10                                     | 968.44  | 1106.80 | 1245.14 | 1521.84 | 1798.54 | 2075.24 | 2490.28 |
| 929                             | Holland Rd/Russell Rd            | 766.24                                     | 893.95  | 1021.66 | 1149.36 | 1404.77 | 1660.19 | 1915.60 | 2298.72 |
| 930                             | Hornton St/Holland St            | 762.52                                     | 889.60  | 1016.69 | 1143.77 | 1397.94 | 1652.11 | 1906.29 | 2287.54 |
| 933                             | Iverna Court                     | 740.38                                     | 863.78  | 987.18  | 1110.57 | 1357.36 | 1604.16 | 1850.95 | 2221.14 |
| 936                             | Kensington Square                | 761.85                                     | 888.82  | 1015.80 | 1142.77 | 1396.72 | 1650.67 | 1904.62 | 2285.54 |
| 939                             | Lexham Gardens                   | 770.18                                     | 898.54  | 1026.91 | 1155.27 | 1412.00 | 1668.73 | 1925.45 | 2310.54 |
| 942                             | Moreton & Cresswell Gardens      | 800.07                                     | 933.41  | 1066.76 | 1200.10 | 1466.79 | 1733.48 | 2000.17 | 2400.20 |
| 944                             | Nevern Square                    | 778.82                                     | 908.62  | 1038.43 | 1168.23 | 1427.84 | 1687.45 | 1947.05 | 2336.46 |
| 945                             | Norland Square                   | 796.54                                     | 929.29  | 1062.05 | 1194.80 | 1460.31 | 1725.82 | 1991.34 | 2389.60 |
| 948                             | Ovington Square                  | 779.36                                     | 909.25  | 1039.15 | 1169.04 | 1428.83 | 1688.62 | 1948.40 | 2338.08 |
| 951                             | Pembridge Square                 | 831.67                                     | 970.28  | 1108.89 | 1247.50 | 1524.72 | 1801.95 | 2079.17 | 2495.00 |
| 952                             | Philbeach Gardens                | 799.38                                     | 932.60  | 1065.84 | 1199.06 | 1465.52 | 1731.98 | 1998.44 | 2398.12 |
| 955                             | Royal Crescent                   | 839.80                                     | 979.76  | 1119.73 | 1259.69 | 1539.62 | 1819.55 | 2099.49 | 2519.38 |
| 958                             | St James'S Gardens               | 783.08                                     | 913.59  | 1044.11 | 1174.62 | 1435.65 | 1696.68 | 1957.70 | 2349.24 |
| 959                             | Stanley Crescent                 | 800.52                                     | 933.93  | 1067.36 | 1200.77 | 1467.61 | 1734.45 | 2001.29 | 2401.54 |
| 960                             | Stanley Gardens (North)          | 846.77                                     | 987.89  | 1129.03 | 1270.15 | 1552.41 | 1834.66 | 2116.92 | 2540.30 |
| 961                             | Stanley Gardens (South)          | 897.12                                     | 1046.63 | 1196.16 | 1345.67 | 1644.71 | 1943.75 | 2242.79 | 2691.34 |
| 962                             | Sunningdale Gardens              | 754.02                                     | 879.69  | 1005.36 | 1131.03 | 1382.37 | 1633.71 | 1885.05 | 2262.06 |
| 965                             | Wetherby Gardens                 | 802.36                                     | 936.09  | 1069.82 | 1203.54 | 1470.99 | 1738.45 | 2005.90 | 2407.08 |

| 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          | 778.99                                     | 908.82  | 1038.65 | 1168.48 | 1428.14 | 1687.81 | 1947.47 | 2336.96 |
| 977                              | Blenheim Crescent/Elgin Crescent        | 813.29                                     | 948.83  | 1084.39 | 1219.93 | 1491.03 | 1762.12 | 2033.22 | 2439.86 |
| 978                              | Emperor's Gate                          | 718.34                                     | 838.05  | 957.78  | 1077.50 | 1316.95 | 1556.39 | 1795.84 | 2155.00 |
| 979                              | Ladbroke Grove                          | 740.85                                     | 864.32  | 987.80  | 1111.27 | 1358.22 | 1605.17 | 1852.12 | 2222.54 |
| 980                              | Lansdowne Rd/Elgin Crescent             | 809.70                                     | 944.65  | 1079.60 | 1214.55 | 1484.45 | 1754.35 | 2024.25 | 2429.10 |
| 981                              | Lansdowne Rd/Lansdowne Crescent         | 864.44                                     | 1008.50 | 1152.58 | 1296.65 | 1584.80 | 1872.94 | 2161.09 | 2593.30 |
| 982                              | Lansdowne Walk / Lansdowne Rd (Hanover) | 817.21                                     | 953.41  | 1089.61 | 1225.81 | 1498.21 | 1770.62 | 2043.02 | 2451.62 |
| 984                              | Montpelier Gardens                      | 948.16                                     | 1106.18 | 1264.21 | 1422.23 | 1738.28 | 2054.33 | 2370.39 | 2844.46 |
| 986                              | Notting Hill                            | 826.32                                     | 964.04  | 1101.76 | 1239.48 | 1514.92 | 1790.36 | 2065.80 | 2478.96 |

# THE COUNCIL'S MEDIUM TERM FINANCIAL STRATEGY

## 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 remains broadly constant from past years.

### An emphasis on sound finances

The Council's budgetary strategy focuses on:

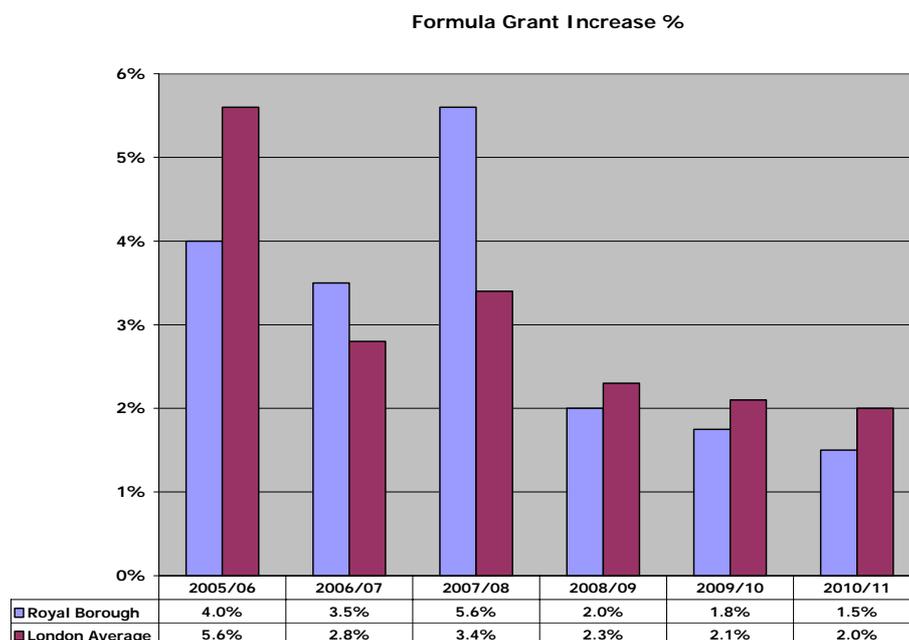
- maintaining Council Tax in the bottom quartile for London;
- improving cost effectiveness, efficiency and income generation through reviews and particularly change programmes;
- managing and mitigating future budget risks by forward planning;
- monitoring income and expenditure and making adequate 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; and
  - reserves to meet the costs of the capital investment programme over the next three years; and
- maintain the Council's 'AAA' (highest) Standard and Poors credit rating, an external validation of the Council's financial standing.

## BACKGROUND FINANCIAL INFORMATION

### Government Formula Grant Increases Five Year Trend



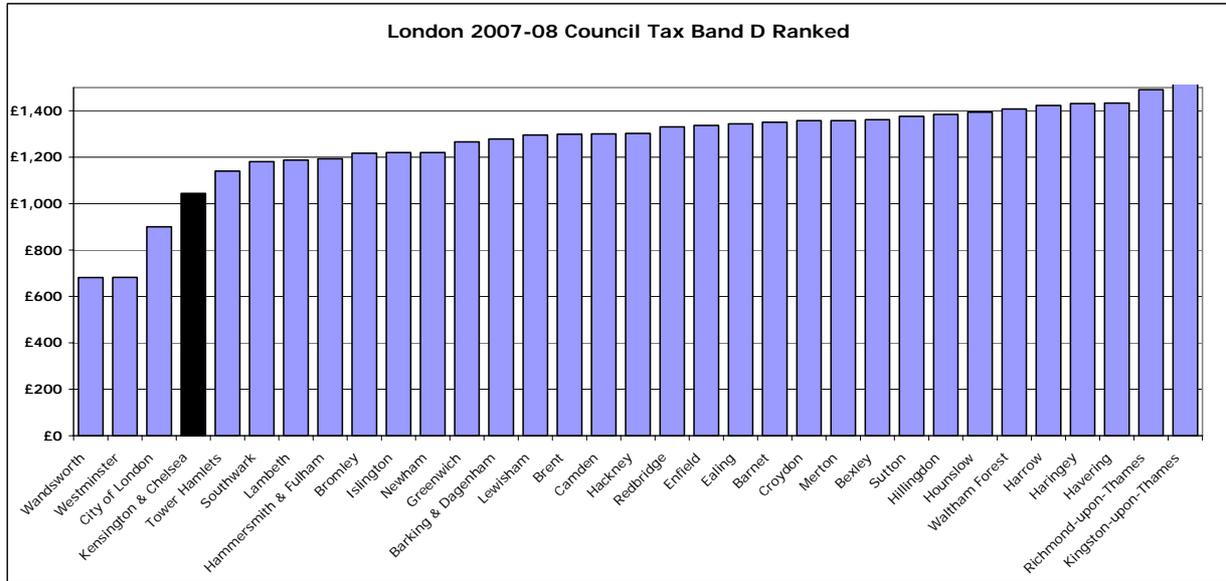
### Royal Borough Grant 'Damping'

Since 2001/02 the amount of Formula Grant the Council receives has been subject to damping arrangements, to reduce annual fluctuations from formula and other changes, e.g. resident population estimates. The table shows how the actual grant and the unconstrained 'system' result differ.

| Year    | Grant Distribution System Allocation £m | Actual Grant Allocation £m | Difference £m | Status  |
|---------|---|----------------------------|---------------|---------|
| 2000/01 | 112.8                                   | 112.8                      | 0.0           |         |
| 2001/02 | 122.4                                   | 117.9                      | -4.5          | Ceiling |
| 2002/03 | 130.7                                   | 122.3                      | -8.4          | Ceiling |
| 2003/04 | 110.9                                   | 129.1                      | 18.2          | Floor   |
| 2004/05 | 120.4                                   | 133.9                      | 13.5          | Floor   |
| 2005/06 | 136.0                                   | 140.3                      | 4.3           | Floor   |
| 2006/07 | 99.0                                    | 92.0                       | -7.0          | Scaled  |
| 2007/08 | 102.4                                   | 96.5                       | -5.9          | Scaled  |
| 2008/09 | 83.6                                    | 102.6                      | 19.1          | Floor   |
| 2009/10 | 89.7                                    | 104.4                      | 14.7          | Floor   |
| 2010/11 | 95.9                                    | 106.0                      | 10.1          | Floor   |

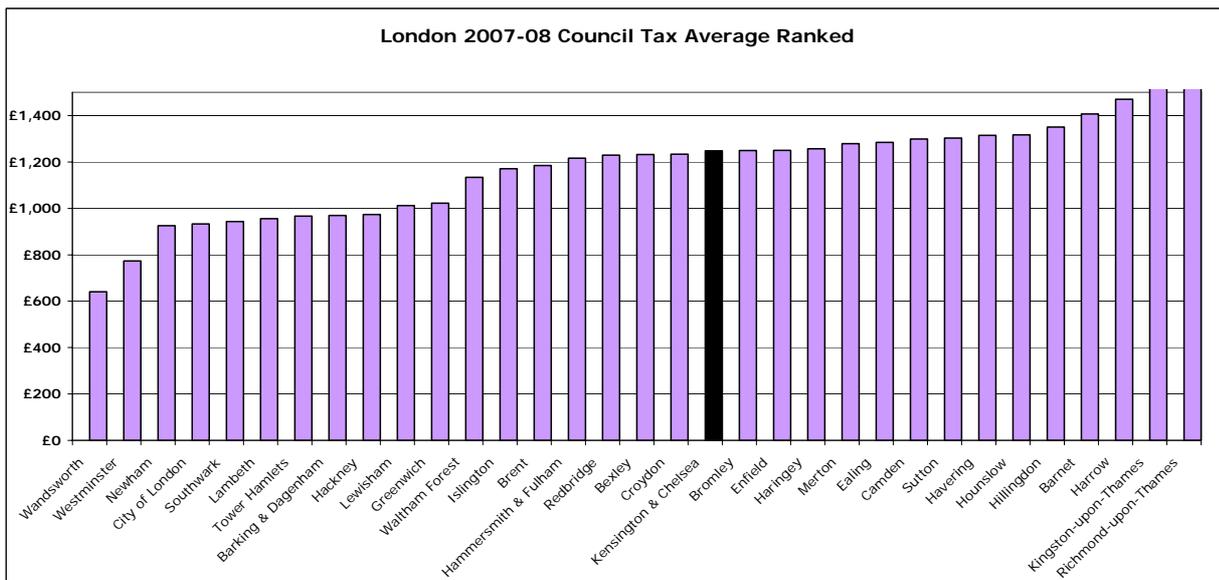
## Council Tax at Band D

The Royal Borough's Band D Council Tax for 2007/08 compared to other London boroughs and England is shown below. The Royal Borough has the fourth lowest Council Tax in London and the fifth lowest in the country for the seventh year running. The figures for Council Tax include the Royal Borough and the Greater London Authority precept (the latter being the same for all London Boroughs).



## Council Tax Average Comparison

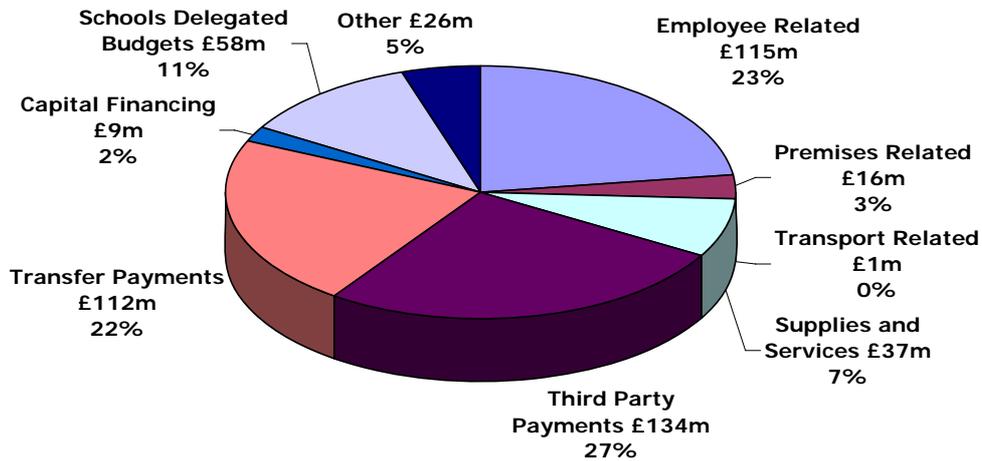
Due a high proportion of properties in the top bands, the average council tax bill per household is £1,248 compared to £1,167 for London and £1,101 for England despite the Royal Borough's relatively low band D tax.



## Royal Borough Budgets

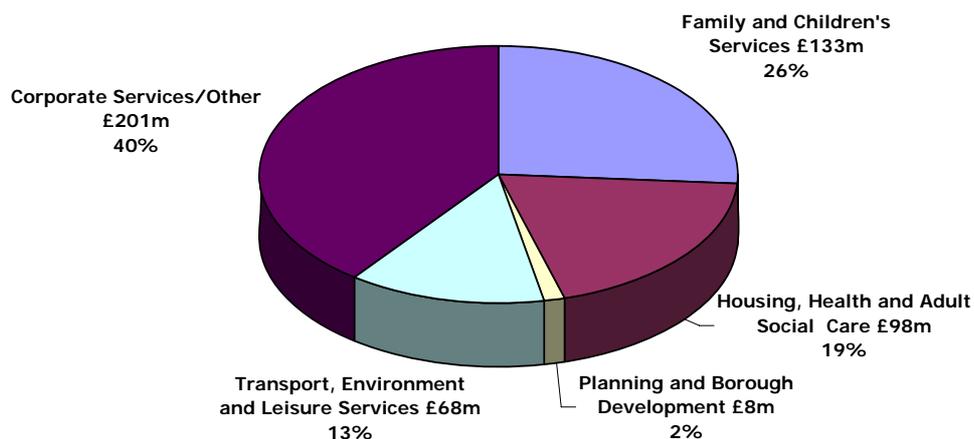
The chart below shows the type of expenditure in the budget and how this is funded – the total for 2008/09 is £508 million gross.

**Royal Borough Budgets 2008/09  
£508 million by Subjective**



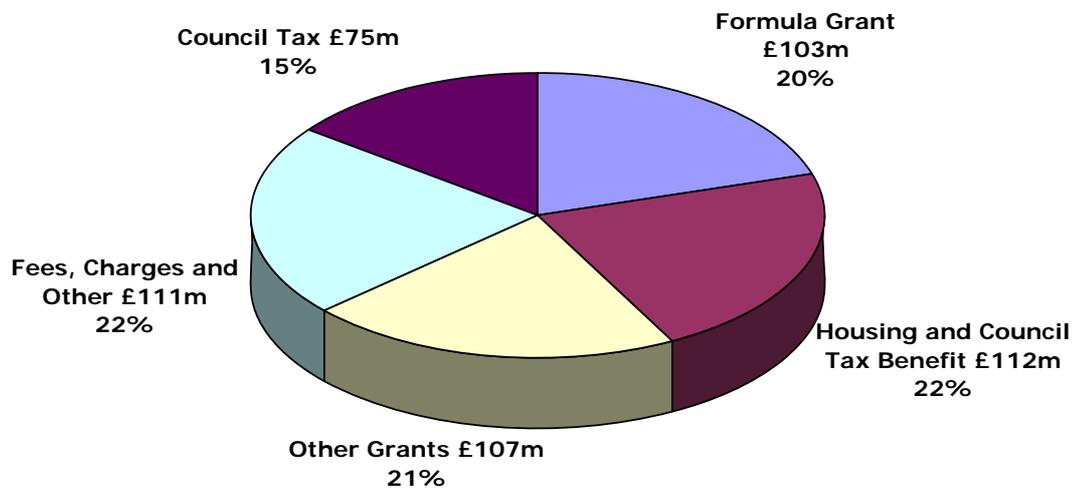
The chart below shows how the gross spending of £508 million is split between the Business Groups and other budgets. The rest includes contingencies and provisions held centrally, levies and reserve contributions.

**Royal Borough Budget 2008/09  
£508 million by Business Group**



The final pie chart shows how the borough's expenditure is funded.

**Royal Borough Budget 2008/09  
£508 million by Funding**



## EXPLANATORY FORWARD

### 1. Price Base

Revenue estimates are budgeted at out-turn prices to include the estimated inflation to the end of 2008/2009.

### 2. Inflation

This includes increases in income such as fees and charges and inflation on expenditure, including the effects of pay awards

### 3. Salaries

Salary budgets are prepared on the basis of a total cash limit for each department rather than on the basis of actual salaries although the allocation of the salary cash limit to different services will normally reflect current staffing levels/grades.

### 4. Employer's Contribution to the Pension Fund

The contribution rate for future service in Business Group budgets has increased as a result of the 2007 actuarial revaluation. Assumptions have been made for increased longevity of pensioners and reduced investment returns. This is partially offset by a reduction elsewhere in the Council's budget relating to the past service deficit due to the improved funding level since the last valuation.

### 5. FRS17 – Pension Fund adjustment

Budgets can vary significantly from year to year. Charges are based on the market value of the Fund's assets and the rate of return on corporate bonds on a particular date which can lead to large differences between years. Charges to Business Group services are reversed out elsewhere in the accounts and do not impact Council Tax levels.

### 6. Central Support Services

The cost of all central departments, administrative buildings and central services are fully charged to service cost centres. The basis of allocation for the main services are as follows: -

| <u>Department</u>                           | <u>Basis of Charge (Main Services)</u>                     |
|---|--|
| Finance                                     | Various – time apportioned <b>or</b> usage related charges |
| Information Systems                         | Numbers of PC's / mailboxes                                |
| Personnel / Payroll                         | Number of employees / payslips                             |
| Legal Services                              | Time recorded charges                                      |
| Property Services                           | Time recorded charges                                      |
| Admin Buildings                             | Floor area occupied  |
| Printing                                    | Number of copies   |
| General Services Management and Maintenance | Time Based Apportionment                                   |

## **7. Information Systems**

Budgets for Information Systems (ISD) charges for maintenance and support budgets have been re-centralised from service department budgets and now appear as recharges to Business Groups rather than third party payments, thus aligning spend and budget management within ISD.

## **8. Departmental Administration Charges**

The costs of management and supports services are allocated to individual services. Within Adult Social Care, the method used to allocate costs has been reviewed and simplified.

## **9. Capital Charges**

Capital Charges are calculated in accordance with CIPFA's capital accounting requirements, which in the 2008/09 budgets represent an provision for depreciation based on the expected life of assets, up to a maximum of 50 years.

## **10. Revenue Budget Changes**

Changes arising from the Cabinet Business Plan are set out at the back of the detailed budgets. The Summary of Changes statement includes references to individual items.

## **11. Area Based Grant**

Some Government Grants previously paid and credited to service revenue accounts are now being combined into Area Based Grant from 2008/09 onwards. This is shown in the same way as Formula Grant (i.e. in support of services generally rather than specific services). Service revenue accounts are therefore showing an increase in 2008/09 as a result of the grants being taken out of the services.



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***FAMILY AND CHILDREN'S SERVICES***  
***REVENUE BUDGET 2008/2009***

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# FAMILY AND CHILDREN'S SERVICES REVENUE BUDGET

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**FAMILY AND CHILDREN'S SERVICES**  
**Subjective Summary**

| Item   | Notes | 2006/07<br>Actual | 2007/08<br>Budget | 2008/09<br>Budget |
|--|-------|-------------------|-------------------|-------------------|
|  |       | <i>£'000</i>      | <i>£'000</i>      | <i>£'000</i>      |
| <b>EXPENDITURE</b>                             |       |                   |                   |                   |
| Employee Related Expenses                      |       | 33,729            | 34,761            | 36,486            |
| Premises Related Expenses                      |       | 3,487             | 3,136             | 3,366             |
| Transport Related Expenses                     |       | 392               | 296               | 290               |
| Schools Dedicated Budgets                      |       | 57,210            | 55,493            | 57,653            |
| Supplies and Services                          |       | 19,026            | 18,323            | 18,853            |
| Third Party Payments                           |       | 20,348            | 18,962            | 19,971            |
| Transfer Payments                              |       | 113               | 149               | 103               |
| Central Support                                |       |                   |                   |                   |
| Central Departments                            |       | 6,155             | 6,830             | 6,754             |
| Other Departments                              |       | 1,018             | 809               | 856               |
| Capital Charges                                |       | 2,559             | 2,458             | 2,397             |
| <b>TOTAL EXPENDITURE</b>                       |       | <b>144,037</b>    | <b>141,217</b>    | <b>146,729</b>    |
| <b>INCOME</b>                                  |       |                   |                   |                   |
| Government Grants                              |       | 26,066            | 23,350            | 18,221            |
| Dedicated Schools Grant                        |       | 56,218            | 60,272            | 62,445            |
| Other Grants, Reimbursements and Contributions |       | 5,661             | 5,612             | 5,895             |
| Customer and Client Receipts                   |       |                   |                   |                   |
| Fees and Charges                               |       | 7,734             | 1,997             | 2,179             |
| Rents  |       | 86                | 155               | 166               |
| SLA Income From Schools                        |       | 3,718             | 3,869             | 3,919             |
| Recharges to Other Revenue Accounts            |       |                   |                   |                   |
| Other Departments                              |       | 557               | 568               | 249               |
| <b>TOTAL INCOME</b>                            |       | <b>100,040</b>    | <b>95,823</b>     | <b>93,074</b>     |
| <b>NET EXPENDITURE</b>                         |       | <b>43,997</b>     | <b>45,394</b>     | <b>53,655</b>     |

## FAMILY AND CHILDREN'S SERVICES Service Summary

| Service  | 2006/7 Actuals |              |               | 2007/08 Budget |              |               | 2008/09 Budget |              |               | Outputs   | Head of Service          |
|--|----------------|--------------|---------------|----------------|--------------|---------------|----------------|--------------|---------------|---|--------------------------|
|  | Exp            | Income       | Net           | Exp            | Income       | Net           | Exp            | Income       | Net           |   |                          |
|  | £'000          | £'000        | £'000         | £'000          | £'000        | £'000         | £'000          | £'000        | £'000         |   |                          |
| <b>Cabinet Member for Family and Children's Services</b>   |                |              |               |                |              |               |                |              |               |   |                          |
| <b>Directorate</b>   |                |              |               |                |              |               |                |              |               |   |                          |
| Executive Directorate Family and Children's Services   | 825            | 75           | 750           | 461            | 75           | 386           | 394            | 75           | 319           |   |                          |
| <b>Total Executive Directorate Family and Children's Services</b>                                | <b>825</b>     | <b>75</b>    | <b>750</b>    | <b>461</b>     | <b>75</b>    | <b>386</b>    | <b>394</b>     | <b>75</b>    | <b>319</b>    |   | <b>EDFCS</b>             |
| <b>Resources</b>   |                |              |               |                |              |               |                |              |               |   |                          |
| Management and Support Services  | 2,198          | 371          | 1,827         | 2,306          | 346          | 1,960         | 2,277          | 360          | 1,917         |   | <b>Head of Resources</b> |
| <b>Total Management and Support Services</b>   | <b>2,198</b>   | <b>371</b>   | <b>1,827</b>  | <b>2,306</b>   | <b>346</b>   | <b>1,960</b>  | <b>2,277</b>   | <b>360</b>   | <b>1,917</b>  |   |                          |
| <b>Community Learning</b>  |                |              |               |                |              |               |                |              |               |   |                          |
| Community Learning Management and Support Services (Recharged)                                   | 1,286          | 1,286        | -             | 1,340          | 1,340        | -             | 1,423          | 1,423        | -             |   | DCL                      |
| Extended Services  | 1,778          | 660          | 1,118         | 1,751          | 665          | 1,086         | 2,489          | 676          | 1,813         | 12 Council funded term time play centres  | DCL                      |
| Youth Support and Development Services   | 4,499          | 2,036        | 2,463         | 4,406          | 2,001        | 2,405         | 5,842          | 973          | 4,869         | 2 Youth and 2 water based activity centres  | DCL                      |
| Adult and Family Learning  | 2,044          | 1,527        | 517           | 2,028          | 1,458        | 570           | 1,998          | 1,306        | 692           | Approximately 10 Voluntary Organisations supported each year and K. and C. College. | DCL                      |
| Community Learning Voluntary Organisations Libraries Management and Support Services (Recharged) | 1,343          | -            | 3             | 1,362          | -            | 1,362         | 1,414          | -            | 1,414         | Approximately 30 Voluntary Organisations supported each year.                       | DCL                      |
| Library Services   | 2,116          | 2,116        | -             | 2,110          | 2,110        | -             | 2,375          | 2,375        | -             |   | DCL                      |
| Archives and Heritage  | 5,929          | 459          | 5,470         | 6,109          | 467          | 5,642         | 6,384          | 461          | 5,923         | Central Library and 5 Branch Libraries  | DCL                      |
| Records Management   | 78             | -            | 78            | 82             | -            | 82            | 83             | -            | 83            |   | DCL                      |
| <b>Total Community Learning</b>  | <b>19,095</b>  | <b>8,081</b> | <b>11,014</b> | <b>19,218</b>  | <b>8,041</b> | <b>11,177</b> | <b>22,049</b>  | <b>7,214</b> | <b>14,835</b> |   | DCL                      |
| <b>Family Services</b>   |                |              |               |                |              |               |                |              |               |   |                          |
| Family Services Management and Support Services  | 4,531          | 4,659        | -             | 4,555          | 4,783        | -             | 4,059          | 4,059        | -             |   | DFS                      |
| Complaints Procedure   | 94             | -            | 94            | 46             | -            | 46            | 45             | -            | 45            |   | DFS                      |
| Performance, Audit and Review  | 1,740          | 104          | 1,636         | 1,758          | 198          | 1,560         | 1,888          | 132          | 1,756         |   | DFS                      |
| Youth Justice  | 1,028          | 374          | 654           | 1,072          | 397          | 675           | 1,320          | 407          | 913           |   | DFS                      |
| Children in Need   | 16,038         | 2,774        | 13,264        | 17,053         | 2,437        | 14,616        | 17,538         | 983          | 16,555        | 152 looked After Children, 7 Guardianships and 125 Care leavers supported.          | DFS                      |
| Children with Complex Needs and Disabilities   | 3,786          | 474          | 3,312         | 3,932          | 562          | 3,370         | 4,757          | 279          | 4,478         |   | DFS                      |
| Asylum   | 1,951          | 1,209        | 742           | 1,122          | 851          | 271           | 1,421          | 1,051        | 370           | 46 Unaccompanied Asylum Seeking Children  | DFS                      |
| <b>Total Family Services</b>   | <b>29,168</b>  | <b>9,594</b> | <b>19,574</b> | <b>29,538</b>  | <b>9,228</b> | <b>20,310</b> | <b>31,028</b>  | <b>6,911</b> | <b>24,117</b> |   | DFS                      |

**FAMILY AND CHILDREN'S SERVICES**  
**Service Summary**

| Service  | 2006/7 Actuals |                |               | 2007/08 Budget |                |               | 2008/09 Budget |                |               | Outputs                                     | Head of Service |
|--|----------------|----------------|---------------|----------------|----------------|---------------|----------------|----------------|---------------|---|-----------------|
|  | Exp            | Income         | Net           | Exp            | Income         | Net           | Exp            | Income         | Net           |   |                 |
|  | £'000          | £'000          | £'000         | £'000          | £'000          | £'000         | £'000          | £'000          | £'000         |   |                 |
| <b>Strategy, Commissioning and Performance</b>       |                |                |               |                |                |               |                |                |               |   |                 |
| Strategy, Commissioning and Performance              | 924            | 208            | 716           | 986            | 190            | 796           | 1,381          | 342            | 1,039         | Approximately 3,800 meals provided each day | DSCP            |
| School Meals Management Contract                     | 2,145          | 2,123          | 22            | 2,256          | 2,168          | 88            | 2,302          | 2,302          | -             |   | DSCP            |
| <b>Total Strategy, Commissioning and Performance</b> | <b>3,069</b>   | <b>2,331</b>   | <b>738</b>    | <b>3,242</b>   | <b>2,358</b>   | <b>884</b>    | <b>3,683</b>   | <b>2,644</b>   | <b>1,039</b>  |   | DSCP            |
| <b>Schools, Quality and Standards</b>                |                |                |               |                |                |               |                |                |               |   |                 |
| Early Years  | 9,165          | 4,214          | 4,951         | 10,033         | 4,374          | 5,659         | 9,294          | 4,468          | 4,826         | 8 Children's Centres                        | DSQS            |
| School Devolved Grant                                | 9,227          | 9,227          | -             | 6,832          | 6,832          | -             | 6,650          | 6,650          | -             |   | DSQS            |
| Schools Strategic Management                         | 3,417          | 669            | 2,748         | 3,273          | 696            | 2,577         | 3,043          | 713            | 2,330         |   | DSQS            |
| Non Delegated Schools Related Grants                 | 3,707          | 2,099          | 1,608         | 4,460          | 2,135          | 2,325         | 4,751          | 523            | 4,228         |   | DSQS            |
| Facilitating School Improvement                      | 2,511          | 1,120          | 1,391         | 2,214          | 911            | 1,303         | 2,159          | 927            | 1,232         |   | DSQS            |
| Supporting SEN                                       | 8,586          | 1,283          | 7,303         | 8,755          | 2,257          | 6,498         | 8,662          | 2,167          | 6,495         |   | DSQS            |
| Assuring Access                                      | 1,112          | 21             | 1,091         | 1,259          | 41             | 1,218         | 1,322          | 42             | 1,280         |   | DSQS            |
| Inter Authority Recoupment                           | 2,399          | 3,391          | - 992         | 2,141          | 3,414          | - 1,273       | 2,233          | 3,550          | - 1,317       |   | DSQS            |
| Delegated Individual Nursery Schools                 | 1,983          | 424            | 1,559         | 1,884          | -              | 1,884         | 2,130          | -              | 2,130         | 4 Schools in the Borough with 229 pupils    | DSQS            |
| Delegated Individual Primary Schools                 | 32,028         | 3,234          | 28,794        | 30,940         | -              | 30,940        | 31,895         | -              | 31,895        | 28 Schools in the Borough with 7,107 pupils | DSQS            |
| Delegated Individual Secondary Schools               | 20,287         | 4,480          | 15,807        | 19,276         | 3,080          | 16,196        | 19,992         | 3,080          | 16,912        | 4 Schools in the Borough with 3,510 pupils  | DSQS            |
| Delegated Individual Special Schools                 | 3,172          | 1,417          | 1,755         | 3,392          | 84             | 3,308         | 3,666          | 83             | 3,583         | 2 Schools, 1 in the Borough with 142 places | DSQS            |
| Dedicated Schools Grant                              | -              | 56,218         | - 56,218      | -              | 60,272         | - 60,272      | -              | 62,445         | - 62,445      |   | DSQS            |
| <b>Total Schools, Quality and Standards</b>          | <b>97,594</b>  | <b>87,797</b>  | <b>9,797</b>  | <b>94,459</b>  | <b>84,096</b>  | <b>10,363</b> | <b>95,797</b>  | <b>84,648</b>  | <b>11,149</b> |   | DSQS            |
| <b>Corporate and Democratic Core</b>                 | <b>297</b>     | <b>-</b>       | <b>297</b>    | <b>314</b>     | <b>-</b>       | <b>314</b>    | <b>279</b>     | <b>-</b>       | <b>279</b>    |   |                 |
| <b>Adjustment for Internal Recharges</b>             | <b>- 8,209</b> | <b>- 8,209</b> | <b>-</b>      | <b>- 8,321</b> | <b>- 8,321</b> | <b>-</b>      | <b>- 8,778</b> | <b>- 8,778</b> | <b>-</b>      |   |                 |
| <b>Total</b>   | <b>144,037</b> | <b>100,040</b> | <b>43,997</b> | <b>141,217</b> | <b>95,823</b>  | <b>45,394</b> | <b>146,729</b> | <b>93,074</b>  | <b>53,655</b> |   |                 |

## FAMILY AND CHILDREN'S SERVICES SUMMARY OF CHANGES

| SUMMARY OF CHANGES  | Budget<br>2008/09 |
|---|-------------------|
|   | £'000             |
| <b>ORIGINAL BUDGET 2007/08</b>  | <b>45,394</b>     |
| <b>PAY AND PRICES CHANGES</b>   |                   |
| Pay awards  | 671               |
| Price Variations - Expenditure  | 737               |
| Price Variations - Income   | -108              |
| <b>Total Pay &amp; Prices Increases</b>   | <b>1,300</b>      |
| <b>CENTRAL SUPPORT SERVICES CHANGES</b>   | <b>-184</b>       |
| <b>TRANSFERS TO/ FROM OTHER COMMITTEES</b>  | <b>245</b>        |
| <b>CAPITAL CHARGES VARIATIONS</b>   | <b>-51</b>        |
| <b>SUB TOTAL</b>  | <b>46,704</b>     |
| <b>FINANCIAL PLAN (See Appendix for details)</b>  |                   |
| <b>Local Growth</b>   |                   |
| Family and Children Programme & Project Support   | 100               |
| Youth Crime Prevention Project (KIKZ)   | 50                |
| Injury Minimisation Programme for Schools   | 10                |
| Additional 1 year funding for adult learning - (St. Clement & St.James)                     | 40                |
| 14-19 Age Group Co-ordinator  | 80                |
| Occupational Therapist - CWD  | 44                |
| Shared Care for CWD   | 20                |
| Adolescents Service - Manager   | 40                |
| Early Family Intervention in Schools  | 100               |
| Foster scheme for Hard to place adolescents   | 50                |
| Kinship Carers for Teenagers  | 40                |
| LAC School Attendance Monitoring  | 8                 |
| Children's Trust Project Director   | 60                |
| Public Information and Response Service   | 65                |
| Information and Communication Technology Help Desk  | 50                |
| <b>Total Local Growth</b>   | <b>757</b>        |
| <b>Corporate Growth</b>   |                   |
| Employment Projects Team - continued for one year (funded from Specific Grant Loss Reserve) | 172               |
| Children's Centre's   | 200               |
| Youth Crime - YOT   | 200               |
| Targeted Youth Support for Crime Prevention   | 40                |
| Play and Sport Provision Investment (10-13 year olds)                                       | 100               |
| Additional Funding for Behaviour Support Team   | 210               |
| St. Quintins - CWD  | 100               |
| Sports in Schools   | 100               |
| <b>Total Planned Growth</b>   | <b>1,122</b>      |
| <b>Total Growth</b>   | <b>1,879</b>      |
| <b>Planned Reductions</b>   |                   |
| School Improvement Service - Staff Restructuring  | -20               |
| Early Years - Staff Restructuring   | -30               |
| PDC - Extra income and cut to EDP   | -45               |
| Efficiencies in SOAG's  | -10               |
| Schools Directorate Efficiencies  | -67               |
| NEG Savings   | -100              |
| Home To School Transport Savings  | -35               |
| Additional Family Centre Income   | -150              |
| Looked After Children   | -445              |
| Budgeting for Leaving Care Grant  | -300              |
| Strategy & Commissioning Rationalisation  | -24               |
| Home to School Transport  | -35               |
| Participation Budget  | -10               |
| Youth Arts  | -15               |
| Reduce Frequency of Courier Service   | -10               |
| Community Learning Supplies & Services  | -38               |
| Twining Budget  | -10               |
| Efficiencies in Resources Team  | -49               |
| IT Hardware Procurement Savings   | -16               |
| Insurance Procurement Savings   | -11               |
| <b>Total Planned Reductions</b>   | <b>-1,420</b>     |
| Adjustment to reflect current service pension liability                                     | -1,228            |
| Increased employer's contribution to pension fund as a result of actuarial revaluation      | 595               |
| Area Based Grant Returned to Corporate  | 4,669             |
| Movement in spend relating to grants now within the Area Based Grant                        | 867               |
| Non-hypothecated grants ending  | 359               |
| Formula Based Grants Returned to Corporate  | 1,230             |
| <b>Total Other Changes</b>  | <b>6,492</b>      |
| <b>FORECAST BUDGET</b>  | <b>53,655</b>     |

## FAMILY AND CHILDREN'S SERVICES NARRATIVE SHEETS

| EXECUTIVE DIRECTORATE – DIRECTORATE AND FAMILY AND CHILDREN INITIATIVES   |                             |                             |                             |
|---|-----------------------------|-----------------------------|-----------------------------|
| BUSINESS UNITS – E9006, E9007 and E9104   |                             |                             |                             |
| Cabinet Member for Family and Children's Services   | <i>Actual<br/>2006/2007</i> | <b>Budget<br/>2007/2008</b> | <b>Budget<br/>2008/2009</b> |
|   | <i>£'000</i>                | £'000                       | £'000                       |
| <b>EXPENDITURE</b>  |                             |                             |                             |
| Employees (1,2)   | 264                         | 212                         | 218                         |
| Premises Related Expenditure (2)  | 16                          | 1                           | 1                           |
| Transport Related Expenditure (2)   | 11                          | 3                           | 3                           |
| Supplies and Services (2)   | 90                          | 11                          | 12                          |
| 3 <sup>rd</sup> Party Payments (2)  | 157                         | 0                           | 0                           |
| <b>Total Direct Expenditure</b>   | <b>538</b>                  | <b>227</b>                  | <b>234</b>                  |
| Central Support Services Recharges  | 287                         | 234                         | 160                         |
| <b>TOTAL EXPENDITURE</b>  | <b>825</b>                  | <b>461</b>                  | <b>394</b>                  |
| <b>INCOME</b>   |                             |                             |                             |
| Corporate and Democratic Core Activities  | 75                          | 75                          | 75                          |
| <b>TOTAL INCOME</b>   | <b>75</b>                   | <b>75</b>                   | <b>75</b>                   |
| <b>NET EXPENDITURE</b>  | <b>750</b>                  | <b>386</b>                  | <b>319</b>                  |
| DESCRIPTION OF SERVICE  |                             |                             |                             |
| <p>This service comprises the Executive Director and Personal Assistant with associated running costs.</p> <p>Also included in this service are the Business Groups new initiatives and 'one off' costs.</p> <p>In 06/07 the costs of the Business Groups Jar Inspection was charged to this service.</p>   |                             |                             |                             |
| MAJOR VARIATIONS  |                             |                             |                             |
| <ul style="list-style-type: none"> <li>• Pay and prices increases of £11,750 have been applied to this budget.</li> <li>(1) £4,110 has been added as increased employer's contribution to pension fund as a result of actuarial revaluation.</li> <li>(2) £258,000 of one off costs for setting up the new business group and for the Jar Inspection, were incurred on this budget in 2006/07.</li> </ul> |                             |                             |                             |

## RESOURCES – MANAGEMENT AND SUPPORT SERVICES

### BUSINESS UNITS – E9001, E9101, E9102, E9103, E9105, E9106, E9109 and E9110

| Cabinet Member for Family and Children's Services | <i>Actual<br/>2006/2007</i> | <i>Budget<br/>2007/2008</i> | <i>Budget<br/>2008/2009</i> |
|---|-----------------------------|-----------------------------|-----------------------------|
|   | <i>£'000</i>                | <i>£'000</i>                | <i>£'000</i>                |
| <b>EXPENDITURE</b>                                |                             |                             |                             |
| Employees (1)                                     | 1,172                       | 1,497                       | 1,610                       |
| Premises Related Expenditure                      | 3                           | 4                           | 2                           |
| Transport Related Expenditure                     | 3                           | 7                           | 7                           |
| Supplies and Services (2)                         | 294                         | 82                          | 76                          |
| 3 <sup>rd</sup> Party Payments (3)                | 112                         | 15                          | 19                          |
| <b>Total Direct Expenditure</b>                   | <b>1,584</b>                | <b>1,605</b>                | <b>1,714</b>                |
| Central Support Services Recharges                | 575                         | 662                         | 521                         |
| Capital Charges                                   | 39                          | 39                          | 42                          |
| <b>TOTAL EXPENDITURE</b>                          | <b>2,198</b>                | <b>2,306</b>                | <b>2,277</b>                |
| <b>INCOME</b>                                     |                             |                             |                             |
| Other Grants and Contributions                    | 12                          | 12                          | 12                          |
| Fees, Charges and Client Income                   | 57                          | 33                          | 34                          |
| Service Level Agreement Charges                   | 40                          | 53                          | 55                          |
| Rent  | 14                          | 0                           | 11                          |
| Recharges to Other Services                       | 222                         | 222                         | 222                         |
| Corporate and Democratic Core Activities          | 26                          | 26                          | 26                          |
| <b>TOTAL INCOME</b>                               | <b>371</b>                  | <b>346</b>                  | <b>360</b>                  |
| <b>NET EXPENDITURE</b>                            | <b>1,827</b>                | <b>1,960</b>                | <b>1,917</b>                |

### DESCRIPTION OF SERVICE

Included in this Service is the Head of Resources, IT, Finance, Office Administration, Asset Management sections and the Business Groups Training Budget.

The Management and Support Services sections provide a range of support and advisory services across the Business Group.

Several of these services operate under Service Level Agreements with schools for part of their activities.

### MAJOR VARIATIONS

- Pay and prices increases of £57,930 have been applied to this budget.
  - Financial Plan growth of £150,000 has been added for Programme and Project Support and an Information and Communications Technology help desk.
  - Financial Plan savings of £59,000 have been included for efficiencies in Resources Teams and the courier service.
- (1) £25,640 has been added as increased employer's contribution to pension fund as a result of actuarial revaluation.
  - (2) Additional costs in 06/07 were incurred in making payments to schools for family learning and the refurbishment of the new office space, for the Family and Children's Services.
  - (3) Additional costs in 06/07 were incurred in making payments to consultants for reviewing the Family and Children's Services business structure. ISD cost which were charged to 3<sup>rd</sup> Party Payments in 06/07, in 07/08 they became part of the Central Support Services Recharges, leading to a reduction in costs.

**COMMUNITY LEARNING – MANAGEMENT AND SUPPORT SERVICES**

**BUSINESS UNITS – E7110, E7111 and E7145**

| <b>Cabinet Member for Family and Children's Services</b> | <i>Actual<br/>2006/2007</i> | <b>Budget<br/>2007/2008</b> | <b>Budget<br/>2008/2009</b> |
|--|-----------------------------|-----------------------------|-----------------------------|
|  | <i>£'000</i>                | £'000                       | £'000                       |
| <b>EXPENDITURE</b>                                       |                             |                             |                             |
| Employees (1, 2)   | 809                         | 819                         | 892                         |
| Premises Related Expenditure                             | 213                         | 226                         | 220                         |
| Transport Related Expenditure                            | 17                          | 20                          | 11                          |
| Supplies and Services                                    | 100                         | 108                         | 108                         |
| 3 <sup>rd</sup> Party Payments (3)                       | 12                          | 0                           | 0                           |
| <b>Total Direct Expenditure</b>                          | <i>1,151</i>                | 1,173                       | 1,231                       |
| Central Support Services Recharges                       | 135                         | 167                         | 192                         |
| <b>TOTAL EXPENDITURE</b>                                 | <i>1,286</i>                | 1,340                       | 1,423                       |
| <b>INCOME</b>  |                             |                             |                             |
| Other Grants and Contributions                           | 100                         | 101                         | 100                         |
| Fees, Charges and Other Income                           | 2                           | 2                           | 2                           |
| Service Charges (4)                                      | 84                          | 90                          | 54                          |
| Corporate and Democratic Core Activities                 | 26                          | 27                          | 38                          |
| <b>TOTAL INCOME</b>                                      | <i>212</i>                  | 220                         | 194                         |
| <b>NET EXPENDITURE<br/>(FULLY RECHARGED)</b>             | <i>1,074</i>                | 1,120                       | 1,229                       |

**DESCRIPTION OF SERVICE**

- The administration and training costs for the range of Community Learning Services (excluding Libraries) are included in this budget (including the Director of Community Learning and the Senior Management Team of Service Managers). The costs are recharged to the various service delivery budgets within Community Learning. The Community Learning Directorate takes responsibility for the direction of policies and overall management of the Community Learning budget.
- The Community Learning administration function is located at 125 Freston Road (3<sup>rd</sup> floor). This budget includes the cost of this building which is also fully recharged to users of the site.

**MAJOR VARIATIONS**

- Pay and prices increases of £29,500 have been applied to this budget.
- Financial Plan savings of £29,000 have been included for efficiencies in supplies and services.
  - (1) £14,810 has been added as increased employer's contribution to pension fund as a result of actuarial revaluation.
  - (2) £56,960 for salaries has been transferred from Libraries Management Support Services for 50% of the costs of the Director of Community Learning. The cost in future will be done through Departmental Recharges.
  - (3) ISD cost which were charged to 3<sup>rd</sup> Party Payments in 06/07 have in 07/08, became part of the Central Support Services Recharges leading to a reduction in costs.
  - (4) With the re-organisation of the Early Years Service and their subsequent move to the Professional Development Centre, there has been a reduction in service charges income.

| <b>COMMUNITY LEARNING – EXTENDED SERVICES</b>  |                             |                             |                             |
|--|-----------------------------|-----------------------------|-----------------------------|
| <b>BUSINESS UNITS – E1058, E1059, E1060, E6000's, E7116, E7133, E7134 and E7136</b>  |                             |                             |                             |
| <b>Cabinet Member for Family and Children's Services</b>   | <b>Actual<br/>2006/2007</b> | <b>Budget<br/>2007/2008</b> | <b>Budget<br/>2008/2009</b> |
|  | <i>£'000</i>                | <i>£'000</i>                | <i>£'000</i>                |
| <b>EXPENDITURE</b>   |                             |                             |                             |
| Employees (1,2 and 3)  | 1,056                       | 985                         | 1,225                       |
| Premises Related Expenditure   | 73                          | 69                          | 64                          |
| Transport Related Expenditure  | 31                          | 30                          | 15                          |
| Supplies and Services (2 and 3)  | 210                         | 266                         | 535                         |
| 3 <sup>rd</sup> Party Payments (4)   | 18                          | 0                           | 110                         |
| <b>Total Direct Expenditure</b>  | <b>1,388</b>                | <b>1,350</b>                | <b>1,949</b>                |
| Central Support Services Recharges   | 75                          | 97                          | 102                         |
| Departmental Support Services Recharge (5)   | 305                         | 294                         | 429                         |
| Capital Charges  | 10                          | 10                          | 9                           |
| <b>TOTAL EXPENDITURE</b>   | <b>1,778</b>                | <b>1,751</b>                | <b>2,489</b>                |
| <b>INCOME</b>  |                             |                             |                             |
| Government Grants  |                             |                             |                             |
| – Sure Start Early Years Child Grant(2)  | 84                          | 0                           | 278                         |
| - Children's Fund (6)  | 273                         | 284                         | 0                           |
| Other Grants and Contributions   | 73                          | 49                          | 90                          |
| Fees, Charges and Other Income   | 220                         | 322                         | 298                         |
| Rents  | 10                          | 10                          | 10                          |
| <b>TOTAL INCOME</b>  | <b>660</b>                  | <b>665</b>                  | <b>676</b>                  |
|  |                             |                             |                             |
| <b>NET EXPENDITURE</b>   | <b>1,118</b>                | <b>1,086</b>                | <b>1,813</b>                |
| <b>DESCRIPTION OF SERVICE</b>  |                             |                             |                             |
| <p><b>Extended Services</b> secures a range of services for 5-13 year olds.</p> <p>These include: -</p> <ul style="list-style-type: none"> <li>• The Play Service which delivers after school play centres, breakfast clubs and holiday play schemes.</li> <li>• Study Support which coordinates and assures the quality of study support provision in schools, community organisations, libraries and supplementary schools; and which delivers the Summer University programme.</li> <li>• The Children's Fund, a Government grant for the delivery of preventative services for 5-13s.</li> <li>• The participation of children aged 5-13, including the Children's Forum.</li> <li>• Coordination of the Extended Schools programme.</li> </ul>  |                             |                             |                             |
| <b>MAJOR VARIATIONS</b>  |                             |                             |                             |
| <ul style="list-style-type: none"> <li>• Pay and prices increases of £26,680 have been applied to this budget.</li> <li>• Financial Plan growth of £100,000 has been added for Play and Sports Provision for 10-13 year olds.</li> </ul> <p>(1) £13,940 has been added as increased employer's contribution to pension fund as a result of actuarial revaluation.</p> <p>(2) £278,000 has been added to the budget for the General Sure Start Grant for Extended Schools Services.</p> <p>(3) £171,000 has been added to the budget to increase funding on Extended Services and Study Support from funding provided by the Dedicated School Grant.</p> <p>(4) ISD cost which were charged to 3<sup>rd</sup> Party Payments in 06/07 have in 07/08, became part of the Central Support Services Recharges leading to a reduction in costs.</p> <p>(5) Due to the re-organisation of the Early Years Service, Departmental Recharges from the Community Learning Management and Support Services have been reallocated to Extended Services, to reflect this change.</p> <p>(6) The Children's Fund grant now falls under Area Based Grants and it is now shown as general grant in the Council's budget.</p> |                             |                             |                             |

**COMMUNITY LEARNING – YOUTH SUPPORT AND DEVELOPMENT SERVICES**

**BUSINESS UNITS – E6200's, E7112-E7115, E7117, E7119, E7135, E7150 and E7190-E7205**

| <b>Cabinet Member for Family and Children's Services</b> | <i>Actual<br/>2006/2007</i> | <b>Budget<br/>2007/2008</b> | <b>Budget<br/>2008/2009</b> |
|--|-----------------------------|-----------------------------|-----------------------------|
|  | <i>£'000</i>                | £'000                       | £'000                       |
| <b>EXPENDITURE</b>                                       |                             |                             |                             |
| Employees (4)  | 2,433                       | 2,403                       | 2,588                       |
| Premises Related Expenditure (2 and 4)                   | 214                         | 173                         | 256                         |
| Transport Related Expenditure (4)                        | 48                          | 27                          | 38                          |
| Supplies and Services (2,4 and 5)                        | 666                         | 551                         | 873                         |
| 3 <sup>rd</sup> Party Payments (4)                       | 89                          | 160                         | 939                         |
| <b>Total Direct Expenditure</b>                          | <b>3,450</b>                | <b>3,314</b>                | <b>4,694</b>                |
| Central Support Services Recharges                       | 368                         | 370                         | 354                         |
| Departmental Support Services Recharge                   | 609                         | 618                         | 643                         |
| Capital Charges  | 72                          | 104                         | 151                         |
| <b>TOTAL EXPENDITURE</b>                                 | <b>4,499</b>                | <b>4,406</b>                | <b>5,842</b>                |
| <b>INCOME</b>  |                             |                             |                             |
| Government Grants – Connexions (3)                       | 842                         | 792                         | 0                           |
| - Youth Opportunities Fund                               | 128                         | 131                         | 131                         |
| - Positive Activities for Young People (3)               | 321                         | 324                         | 0                           |
| - Young People's Substance Misuse Grant                  | 26                          | 25                          | 26                          |
| - Learning and Skills Council                            | 40                          | 20                          | 0                           |
| - Children's Fund  | 3                           | 0                           | 0                           |
| - Teenage Pregnancy (3)                                  | 56                          | 91                          | 0                           |
| Other Grants and Contributions (5)                       | 452                         | 418                         | 603                         |
| Fees, Charges and Other Income (6)                       | 59                          | 70                          | 94                          |
| Service Charges  | 94                          | 112                         | 103                         |
| Recharges to Other Services                              | 15                          | 18                          | 16                          |
| <b>TOTAL INCOME</b>                                      | <b>2,036</b>                | <b>2,001</b>                | <b>973</b>                  |
| <b>NET EXPENDITURE</b>                                   | <b>2,463</b>                | <b>2,405</b>                | <b>4,869</b>                |

**DESCRIPTION OF SERVICE**

The **Youth Support and Development Service (YSDS)** provide a range of services for young people from the ranges of 13-19 (up to 24 for young people with disability).  
 The range of services on offer include: - **Youth Services, Youth Sports Development, Connexions, Healthy Lifestyles (Including Teenage Pregnancy and Healthy Schools), Youth Arts, Accredited programmes for Young people, Positive Activities for Young People, Youth Participation and Education Business Partnership.**  
 From 08/09 the Royal Borough will cease to be the lead Authority for the Central London Connexions Partnership.

**MAJOR VARIATIONS**

- Pay and prices increases of £40,430 have been applied to this budget.
  - Financial Plan growth of £190,000 has been added for Sport in Schools and a Youth Crime Prevention Projects.
  - Financial Plan savings of £10,000 have been included for efficiencies in the Youth Participation budget.
- (1) £17,770 has been added as increased employer's contribution to pension fund as a result of actuarial revaluation.
  - (2) £41,250 has been transferred from Corporate Services for premises costs, to reflect the true value of rented accommodation given to Voluntary Organisations and Area Initiatives.
  - (3) The Connexions, PAYP and Teenage Pregnancy grants now falls under Area Based Grants and it is now shown as general grant in the Council's budget.
  - (4) From 08/09 the Borough will take over some of the payments currently made by Central London Connexions on its behalf. This has led to a re-organisation on all headings and an increase in spending within the service.
  - (5) £177,900 of additional funding for 2 years from the London Development Agency for Positive Activities for Young People and Youth Opportunities Fund, has been included in this service.
  - (6) Additional income for the Carlyle Gym is anticipated in 08/09.

**COMMUNITY LEARNING – ADULT AND FAMILY LEARNING**

**BUSINESS UNITS – E2508, E7120 and E7122, E7240-E7374, E7410-E7422 and E7500**

| <b>Cabinet Member for Family and Children's Services</b> | <i>Actual<br/>2006/2007</i> | <b>Budget<br/>2007/2008</b> | <b>Budget<br/>2008/2009</b> |
|--|-----------------------------|-----------------------------|-----------------------------|
|  | <i>£'000</i>                | £'000                       | £'000                       |
| <b>EXPENDITURE</b>                                       |                             |                             |                             |
| Employees  | 425                         | 457                         | 467                         |
| Premises Related Expenditure                             | 14                          | 10                          | 4                           |
| Transport Related Expenditure                            | 53                          | 58                          | 58                          |
| Supplies and Services                                    | 124                         | 113                         | 113                         |
| 3 <sup>rd</sup> Party Payments                           | 980                         | 868                         | 894                         |
| Transfer Payments (2)                                    | 113                         | 149                         | 103                         |
| <b>Total Direct Expenditure</b>                          | <b>1,709</b>                | <b>1,655</b>                | <b>1,639</b>                |
| Central Support Services Recharges                       | 114                         | 122                         | 112                         |
| Departmental Support Services Recharge                   | 130                         | 160                         | 156                         |
| Capital Charges  | 91                          | 91                          | 91                          |
| <b>TOTAL EXPENDITURE</b>                                 | <b>2,044</b>                | <b>2,028</b>                | <b>1,998</b>                |
| <b>INCOME</b>  |                             |                             |                             |
| Government Grants – Mandatory Awards                     | 1                           | 0                           | 0                           |
| - Learning and Skills Council (1)                        | 1,458                       | 1,313                       | 1,306                       |
| Other Grants and Contributions (1)                       | 68                          | 145                         | 0                           |
| <b>TOTAL INCOME</b>                                      | <b>1,527</b>                | <b>1,458</b>                | <b>1,306</b>                |
| <b>NET EXPENDITURE</b>                                   | <b>517</b>                  | <b>570</b>                  | <b>692</b>                  |

**DESCRIPTION OF SERVICE**

This budget covers the following: -

**Adult and Community Learning** which is secured through contracts with Kensington and Chelsea College and voluntary organisation, for which the Royal Borough is funded by the London Central Learning and Skills Council.

Also included is the annual funding from the London Central Learning and Skills Council for Family Literacy, Language and Numeracy (FLLN) and Neighbourhood Learning in Deprived Communities (NLDC).

The provision aims to widen adult participation in learning as part of the broader strategy of lifelong learning.

**The Student Support Service** which assesses financial support for students in higher education (the student Loans Company is responsible for making payment). It also provides assistance with transport costs for school children (aged 5-16) and young people up to the age of 19.

Student Support also administers Learner Support and Post 16 Transport Partnership Funds from the Learning and Skills Council.

**The Employment Projects Team** works with local businesses, training providers and unemployed adults. The team manages and runs training and other employment related programmes, develops local initiatives to assist unemployed people and secures external funding and other resources to enable these initiatives to operate. The team operates on a fully self financing basis and is always actively seeking funds to operate. In 08/09 the team has secured funding from the Council's Specific Grant Loss Reserve.

**MAJOR VARIATIONS**

- Pay and prices increases of £11,530 have been applied to this budget.
  - Financial Plan savings of £35,000 have been included for a reduction in the Home to School Transport budget.
- (1) £172,000 for one year only has been accessed from the Council's Specific Grant Loss Reserve. This is to replace various grants and contributions that have come to an end in 06/07 and 07/08 relating to the Employment Projects Team.
- (2) ISD cost which were charged to 3<sup>rd</sup> Party Payments in 06/07 have in 07/08, became part of the Central Support Services Recharges leading to a reduction in costs.

**COMMUNITY LEARNING – VOLUNTARY ORGANISATIONS**

**BUSINESS UNITS – E6300 – E6607**

| <b>Cabinet Member for Family and Children's Services</b> | <i>Actual<br/>2006/2007</i> | <b>Budget<br/>2007/2008</b> | <b>Budget<br/>2008/2009</b> |
|--|-----------------------------|-----------------------------|-----------------------------|
|  | <i>£'000</i>                | £'000                       | £'000                       |
| <b>EXPENDITURE</b>                                       |                             |                             |                             |
| Employees (1 and 2)                                      | 548                         | 1,147                       | 1,166                       |
| Premises Related Expenditure                             | 24                          | 21                          | 21                          |
| Transport Related Expenditure (2)                        | 0                           | 11                          | 12                          |
| Supplies and Services (2)                                | 25                          | 0                           | 0                           |
| 3 <sup>rd</sup> Party Payments (2)                       | 734                         | 152                         | 193                         |
| <b>Total Direct Expenditure</b>                          | <b>1,331</b>                | <b>1,331</b>                | <b>1,392</b>                |
| Capital Charges  | 12                          | 31                          | 22                          |
| <b>TOTAL EXPENDITURE</b>                                 | <b>1,343</b>                | <b>1,362</b>                | <b>1,414</b>                |
| <b>INCOME</b>  |                             |                             |                             |
| Other Grants and Contributions                           | -3                          | 0                           | 0                           |
| <b>TOTAL INCOME</b>                                      | <b>-3</b>                   | <b>0</b>                    | <b>0</b>                    |
| <b>NET EXPENDITURE</b>                                   | <b>1,346</b>                | <b>1,362</b>                | <b>1,414</b>                |

**DESCRIPTION OF SERVICE**

The Royal Borough commissions organisations to deliver youth, play, study support, arts and sports provision for children and young people.

**MAJOR VARIATIONS**

- Pay and prices increases of £32,760 have been applied to this budget.
  - Financial Plan growth of £40,000 has been added for a one off payment for Adult Learning to St. Clements and St. James CDP.
  - Financial Plan savings of £24,000 have been included for efficiencies in the Arts and the overall provision to Voluntary Organisations.
- (1) £2,820 has been added as increased employer's contribution to pension fund as a result of actuarial revaluation.
- (2) Budgets are allocated to the correct subjective levels of expenditure after the budget is set.

**COMMUNITY LEARNING – LIBRARIES MANAGEMENT AND SUPPORT SERVICES**

**BUSINESS UNITS – L0101 – L0203**

| <b>Cabinet Member for Family and Children's Services</b> | <b>Actual<br/>2006/2007</b> | <b>Budget<br/>2007/2008</b> | <b>Budget<br/>2008/2009</b> |
|--|-----------------------------|-----------------------------|-----------------------------|
|  | <i>£'000</i>                | £'000                       | £'000                       |
| <b>EXPENDITURE</b>                                       |                             |                             |                             |
| Employees (1,2 and 3)                                    | 1,070                       | 1,057                       | 1,015                       |
| Premises Related Expenditure (3)                         | 0                           | 0                           | 5                           |
| Transport Related Expenditure                            | 6                           | 8                           | 9                           |
| Supplies and Services (3)                                | 649                         | 567                         | 601                         |
| 3 <sup>rd</sup> Party Payments (3 and 4)                 | 90                          | 81                          | 78                          |
| <b>Total Direct Expenditure</b>                          | <b>1,815</b>                | <b>1,713</b>                | <b>1,708</b>                |
| Central Support Services Recharges                       | 198                         | 324                         | 543                         |
| Departmental Support Services Recharge (2)               | 0                           | 0                           | 49                          |
| Capital Charges  | 103                         | 73                          | 75                          |
| <b>TOTAL EXPENDITURE</b>                                 | <b>2,116</b>                | <b>2,110</b>                | <b>2,375</b>                |
| <b>INCOME</b>  |                             |                             |                             |
| Other Grants and Contributions                           | 4                           | 0                           | 0                           |
| Fees, Charges and Other Income (3)                       | 8                           | 26                          | 11                          |
| Recharges to Other Services                              | 17                          | 17                          | 17                          |
| Corporate and Democratic Core Activities (5)             | 42                          | 44                          | 7                           |
| <b>TOTAL INCOME</b>                                      | <b>71</b>                   | <b>87</b>                   | <b>35</b>                   |
| <b>NET EXPENDITURE (FULLY RECHARGED)</b>                 | <b>2,045</b>                | <b>2,023</b>                | <b>2,340</b>                |

**DESCRIPTION OF SERVICE**

These budgets cover the Libraries central management and support sections and include: -

- Senior management posts responsible for the overall control of the Libraries Service.
- Bibliographical Services – acquisition, cataloguing and classification of all books and other materials added to stock and operation of the inter-lending service in co-operation with other library systems.
- Administrative Services – including general supplies, stationery and stores, orders and payment, telephonist, transport, portering and other administrative support.
- Development and Technical Services – development initiatives, project management, performance monitoring and maintenance and development of Information and Communication Technology (ICT) in Libraries.
- Provision for books and other materials for the Libraries Service.

**MAJOR VARIATIONS**

- Pay and prices increases of £51,410 have been applied to this budget.
- (1) £20,170 has been added as increased employer's contribution to pension fund as a result of actuarial revaluation.
- (2) £56,960 for salaries has been transferred to Community Learning Management and Support Services for 50% of the costs of the Director of Community Learning. The cost now appears on this service as a Departmental Recharge.
- (3) £44,780 has been transferred from Libraries Services after a review of services to this budget.
- (4) ISD cost which were charged to 3<sup>rd</sup> Party Payments in 06/07 have in 07/08, became part of the Central Support Services Recharges leading to a reduction in costs.
- (5) Better guidelines on Corporate and Democratic Core activities have led to a reduction into these costs.

**COMMUNITY LEARNING – LIBRARY SERVICES**

**BUSINESS UNITS – L0211 – L0281**

| <b>Cabinet Member for Family and Children's Services</b> | <b>Actual<br/>2006/2007</b> | <b>Budget<br/>2007/2008</b> | <b>Budget<br/>2008/2009</b> |
|--|-----------------------------|-----------------------------|-----------------------------|
|  | <i>£'000</i>                | <i>£'000</i>                | <i>£'000</i>                |
| <b>EXPENDITURE</b>                                       |                             |                             |                             |
| Employees (1,2 and 5)                                    | 2,133                       | 2,244                       | 2,247                       |
| Premises Related Expenditure (2 and 3)                   | 625                         | 645                         | 679                         |
| Transport Related Expenditure                            | 3                           | 2                           | 2                           |
| Supplies and Services (2 and 5)                          | 83                          | 85                          | 76                          |
| 3 <sup>rd</sup> Party Payments (2 and 4)                 | 61                          | 43                          | 38                          |
| <b>Total Direct Expenditure</b>                          | <b>2,905</b>                | <b>3,019</b>                | <b>3,042</b>                |
| Central Support Services Recharges                       | 729                         | 806                         | 747                         |
| Departmental Support Services Recharge                   | 2,038                       | 2,017                       | 2,327                       |
| Capital Charges  | 257                         | 267                         | 268                         |
| <b>TOTAL EXPENDITURE</b>                                 | <b>5,929</b>                | <b>6,109</b>                | <b>6,384</b>                |
| <b>INCOME</b>  |                             |                             |                             |
| Government Grants–Sure Start Early Years Child Grant(5)  | 51                          | 20                          | 0                           |
| Other Grants and Contributions (5)                       | 30                          | 0                           | 0                           |
| Fees, Charges and Other Income (2)                       | 255                         | 303                         | 315                         |
| Rent   | 43                          | 60                          | 60                          |
| Recharges to Other Services                              | 80                          | 84                          | 86                          |
| <b>TOTAL INCOME</b>                                      | <b>459</b>                  | <b>467</b>                  | <b>461</b>                  |
| <b>NET EXPENDITURE</b>                                   | <b>5,470</b>                | <b>5,642</b>                | <b>5,923</b>                |

**DESCRIPTION OF SERVICE**

This budget covers the following: -

- **Central Library** – This provides back-up services to all other libraries. The main services are as follows: - The First Stop Information, Adult Lending, Children's, music and Audio/Visual and Local Studies Libraries. A major refurbishment of this library is due in 2009/10.
- **Chelsea Library** – Based in Chelsea Old Town Hall, Chelsea Library provides a comprehensive range of services including book A/V lending, quick reference, children's and access to Internet and other ICT.
- **North Kensington Library** – The main library for the north of the Borough. Has the same range of services as Chelsea plus the Learning Space and Boost Basic Skills centre.
- **Brompton Library** – Lending services for adults, children, small quick reference section, Learning Space on the first floor provides ICT based study facilities for parents and children. A Toy Library Service is offered as well as videos and sound recording for loan.
- **Notting Hill Gate Library** – Part time library provides a basic lending service for adults and children, with small quick reference and video collection.
- **Kensal Library** – Part time library serves the Kensal New Town area, providing a lending service for adults and children. The library is base for Community Services and the Boost Basic Skills Centre.
- **Community Library Service** – This service takes the Library Service to housebound residents and to the library collections in community gathering places and Residential Homes.

**MAJOR VARIATIONS**

- Pay and prices increases of £88,810 have been applied to this budget.
- (1) £43,330 has been added as increased employer's contribution to pension fund as a result of actuarial revaluation.
- (2) £44,780 has been transferred to Libraries Management and Support Services after a review of services.
- (3) £30,800 has been transferred from Corporate Services for the increased costs of gas and electricity charges.
- (4) ISD cost which were charged to 3<sup>rd</sup> Party Payments in 06/07 have in 07/08, became part of the Central Support Services Recharges leading to a reduction in costs.
- (5) Various grants and contributions have come to an end in 06/07 and 07/08 and these have been matched by a decrease in expenditure.

**COMMUNITY LEARNING – ARCHIVES AND HERITAGE**

**BUSINESS UNITS – L0314 – L0315**

| <b>Cabinet Member for Family and Children's Services</b> | <i>Actual<br/>2006/2007</i> | <b>Budget<br/>2007/2008</b> | <b>Budget<br/>2008/2009</b> |
|--|-----------------------------|-----------------------------|-----------------------------|
|  | <i>£'000</i>                | £'000                       | £'000                       |
| <b>EXPENDITURE</b>                                       |                             |                             |                             |
| Supplies and Services                                    | 4                           | 0                           | 0                           |
| <b>Total Direct Expenditure</b>                          | 4                           | 0                           | 0                           |
| Central Support Services Recharges                       | 0                           | 7                           | 0                           |
| Departmental Support Services Recharge(1)                | 74                          | 75                          | 83                          |
| <b>TOTAL EXPENDITURE</b>                                 | 78                          | 82                          | 83                          |
| <b>NET EXPENDITURE</b>                                   | 78                          | 82                          | 83                          |

**DESCRIPTION OF SERVICE**

In accordance with the revised guidelines set out in the CIPFA code of practise on the Best Value Accounting, costs relating to the Archives and Heritage functions have been identified separately.

The costs include those relating to Libraries officer time and accommodation spent on these activities. They are initially shown under the relevant service heading and then recharged to these services based on the assessment of the section manager.

**MAJOR VARIATIONS**

(1) The increase in recharges relate to an increase in the premises costs included in the Central Library charged notionally to this service.

**COMMUNITY LEARNING – RECORDS MANAGEMENT**

**BUSINESS UNIT – L0001**

| <b>Cabinet Member for Family and Children's Services</b> | <b><i>Actual<br/>2006/2007</i></b> | <b><i>Budget<br/>2007/2008</i></b> | <b><i>Budget<br/>2008/2009</i></b> |
|--|------------------------------------|------------------------------------|------------------------------------|
|  | <i>£'000</i>                       | <i>£'000</i>                       | <i>£'000</i>                       |
| <b>EXPENDITURE</b>                                       |                                    |                                    |                                    |
| Employees (1)  | 17                                 | 26                                 | 28                                 |
| <b>Total Direct Expenditure</b>                          | 17                                 | 26                                 | 28                                 |
| Central Support Services Recharges                       | 4                                  | 3                                  | 11                                 |
| Departmental Support Services Recharge                   | 1                                  | 1                                  | 2                                  |
| <b>TOTAL EXPENDITURE</b>                                 | 22                                 | 30                                 | 41                                 |
| <b>NET EXPENDITURE</b>                                   | 22                                 | 30                                 | 41                                 |

**DESCRIPTION OF SERVICE**

Local Authorities archive their own records. This process is administered by Records Management departments.

In the Royal Borough the Libraries Service, through the Local Studies department runs this service for all Council departments.

**MAJOR VARIATIONS**

- Pay and prices increases of £750 have been applied to this budget.
- (1) £500 has been added as increased employer's contribution to pension fund as a result of actuarial revaluation.

| <b>FAMILY SERVICES - MANAGEMENT AND SUPPORT SERVICES</b>  |                             |                             |                             |
|---|-----------------------------|-----------------------------|-----------------------------|
| <b>BUSINESS UNITS – S1000, S1001, S1002, S1004, S1010, S1011, S1012, S1403, S1601, S1695, S1802, S2150</b>  |                             |                             |                             |
| <b>Cabinet Member for Family and Children's Services</b>  | <b>Actual<br/>2006/2007</b> | <b>Budget<br/>2007/2008</b> | <b>Budget<br/>2008/2009</b> |
|   | <i>£'000</i>                | <i>£'000</i>                | <i>£'000</i>                |
| <b>EXPENDITURE</b>  |                             |                             |                             |
| Salaries (1, 2 and 4)   | 1,545                       | 1,607                       | 1,334                       |
| Other Employee Costs  | 124                         | 134                         | 141                         |
| Premises  | 175                         | 146                         | 158                         |
| Transport   | 41                          | 37                          | 38                          |
| Supplies and Services (4)   | 166                         | 245                         | 201                         |
| Third Party Payments  | 190                         | 116                         | 17                          |
| <b>Total Direct Expenditure</b>   | <b>2,241</b>                | <b>2,285</b>                | <b>1,889</b>                |
| Central Support Services Recharges  | 1,104                       | 1,296                       | 1,223                       |
| Departmental Support Services Recharge  | 1,126                       | 914                         | 937                         |
| Capital Financing   | 60                          | 60                          | 10                          |
| <b>TOTAL EXPENDITURE</b>  | <b>4,531</b>                | <b>4,555</b>                | <b>4,059</b>                |
| <b>INCOME</b>   |                             |                             |                             |
| Grants and contributions (5)  | 398                         | 399                         | 20                          |
| Fees, Charges and Other Clients   | 0                           | 0                           | 0                           |
| Rent  | 0                           | 58                          | 58                          |
| Recharges from other Departments (3)  | 528                         | 539                         | 218                         |
| Recharges to Other Services   | 3,733                       | 3,787                       | 3,763                       |
| <b>TOTAL INCOME</b>   | <b>4,659</b>                | <b>4,783</b>                | <b>4,059</b>                |
| <b>NET EXPENDITURE<br/>(FULLY RECHARGED)</b>  | <b>(128)</b>                | <b>(228)</b>                | <b>0</b>                    |
| <b>DESCRIPTION OF SERVICE</b>   |                             |                             |                             |
| Family Services' Management and Support Services comprises of functions which support the direct provision of Children's Social Care and Asylum Services to the public. These are required under the CIPFA Best Value Accounting Code of Practice to be fully recharged to client-related services, to Service Strategy or to Corporate and Democratic Core. It comprises the costs of senior management and Business Support. Business Support covers a range of support activities based at Kensington Town Hall, in area offices, and in Council and National Health Service establishments. It includes the provision of advice, information and reception services and public information services for Children and Families Social Care services.   |                             |                             |                             |
| <b>MAJOR VARIATIONS</b>   |                             |                             |                             |
| <ul style="list-style-type: none"> <li>• Pay and price increases have added £93k to the budget.</li> <li>(1) There is an adjustment of £47k to reflect current service pension liability.</li> <li>(2) Salaries for £139k for Early Years Business Support was transferred to Early Years Service area plus budget for £51k which was transferred to set up the Director for CWCND.</li> <li>(3) The reduction of recharges from HHASC is due to the transfer of the Public Information Team Budget relating to Adults Social care. Other recharges for the shared use of Westway and the Contact Centre to Adults Social Care have been reviewed and the amount recharged adjusted.</li> <li>(4) Reduction in salaries and Publicity Budget in the Public Information team.</li> <li>(5) The transfer of the management of income received from the Area Based Grant has been transferred to Corporate. The expenditure budget linked to this remains within the directorate. This includes the Children's Services Grant, CAMHS, HRDS and the NTS.</li> </ul> |                             |                             |                             |

**FAMILY SERVICES - COMPLAINTS PROCEDURE**

**BUSINESS UNIT – S1009**

| <b>Cabinet Member for Family and Children's Services</b> | <b>Actual<br/>2006/2007</b> | <b>Budget<br/>2007/2008</b> | <b>Budget<br/>2008/2009</b> |
|--|-----------------------------|-----------------------------|-----------------------------|
|  | <i>£'000</i>                | <i>£'000</i>                | <i>£'000</i>                |
| <b>EXPENDITURE</b>                                       |                             |                             |                             |
| Salaries   | 0                           | 0                           | 0                           |
| Other Employee Expenses                                  | 0                           | 0                           | 0                           |
| Travelling Expenses                                      | 0                           | 0                           | 0                           |
| Consultants  | 0                           | 0                           | 0                           |
| General Offices Expenses                                 | 0                           | 0                           | 0                           |
| <b>Total Direct Expenditure</b>                          | 0                           | 0                           | 0                           |
| Central Support Services Recharges                       | 0                           | 0                           | 0                           |
| Other Departmental Recharges                             | 94                          | 46                          | 45                          |
| Capital Charges  | 0                           | 0                           | 0                           |
| <b>TOTAL EXPENDITURE</b>                                 | 94                          | 46                          | 45                          |
| <b>NET EXPENDITURE</b>                                   | 94                          | 46                          | 45                          |

**DESCRIPTION OF SERVICE**

This includes the cost of the complaints procedures required by the Children Act 1989. This service is currently managed by HHASC and is being reviewed to split the budget between the two directorates in 2009/10

**MAJOR VARIATIONS**

- The recharge from HHASC for Strategic Management has been reduced.

**FAMILY SERVICES – PERFORMANCE, AUDIT AND REVIEW**

**BUSINESS UNIT – S1005, S1006, S1015, S1610, S1690, S1691 and S1805**

| <b>Cabinet Member for Family and Children's Services</b> | <b>Actual<br/>2006/2007</b> | <b>Budget<br/>2007/2008</b> | <b>Budget<br/>2008/2009</b> |
|--|-----------------------------|-----------------------------|-----------------------------|
|  | <i>£'000</i>                | <i>£'000</i>                | <i>£'000</i>                |
| <b>EXPENDITURE</b>                                       |                             |                             |                             |
| Salaries (1 and 3)                                       | 637                         | 724                         | 749                         |
| Other Employee Expenses                                  | 52                          | 37                          | 39                          |
| Premises Costs   | 12                          | 0                           | 0                           |
| Transport Related Expenditure                            | 6                           | 0                           | 0                           |
| Supplies and Services                                    | 152                         | 194                         | 193                         |
| Third Party Payment                                      | 35                          | 34                          | 35                          |
| <b>Total Direct Expenditure</b>                          | <b>894</b>                  | <b>989</b>                  | <b>1,016</b>                |
| Central Support Services Recharges                       | 67                          | 55                          | 58                          |
| Departmental Recharges (2)                               | 0                           | 0                           | 40                          |
| Departmental Support Services Recharge                   | 779                         | 714                         | 774                         |
| <b>TOTAL EXPENDITURE</b>                                 | <b>1,740</b>                | <b>1,758</b>                | <b>1,888</b>                |
| <b>INCOME</b>  |                             |                             |                             |
| Government Grants – CAF(4)                               | 91                          | 198                         | 132                         |
| Other Grants and Contributions                           | 4                           | 0                           | 0                           |
| Fees, Charges and Other Client Income                    | 9                           | 0                           | 0                           |
| <b>TOTAL INCOME</b>                                      | <b>104</b>                  | <b>198</b>                  | <b>132</b>                  |
| <b>NET EXPENDITURE</b>                                   | <b>1,636</b>                | <b>1,560</b>                | <b>1,756</b>                |

**DESCRIPTION OF SERVICE**

This heading covers:

- Performance, Audit and Review for Family Services
- Looked After Children Support and Review Team
- Child Protection
- Common Assessment Framework

**MAJOR VARIATIONS**

- Pay and price increases have added £24k to the budget.
- (1) There is an adjustment of £24k to reflect current service pension liability.
  - (2) A recharge of £40k from HHASC was added for use of shared premises at EPIC.
  - (3) There is a growth of £30k to pay for a virtual head post.
  - (4) The reduction of £65k in Government Grant Income relates to the transfer of specific grants to the new Area Based Grant which is accounted for at the Corporate level.

| <b>FAMILY SERVICES - YOUTH JUSTICE</b>  |                             |                             |                             |
|---|-----------------------------|-----------------------------|-----------------------------|
| <b>BUSINESS UNIT – S1050, S1051, S1052 and S1640</b>  |                             |                             |                             |
| <b>Cabinet Member for Family and Children's Services</b>  | <b>Actual<br/>2006/2007</b> | <b>Budget<br/>2007/2008</b> | <b>Budget<br/>2008/2009</b> |
|   | <i>£'000</i>                | <i>£'000</i>                | <i>£'000</i>                |
| <b>EXPENDITURE</b>  |                             |                             |                             |
| Salaries (1 and 2)  | 566                         | 598                         | 808                         |
| Other Employee Expenses   | 28                          | 9                           | 9                           |
| Premises Costs  | 114                         | 138                         | 145                         |
| Transport Related Expenditure   | 7                           | 3                           | 3                           |
| Supplies and Services   | 48                          | 65                          | 66                          |
| Third Party Payment   | 51                          | 0                           | 0                           |
| <b>Total Direct Expenditure</b>   | <b>814</b>                  | <b>813</b>                  | <b>1,031</b>                |
| Central Support Services Recharges  | 65                          | 80                          | 82                          |
| Departmental Support Services Recharge  | 149                         | 161                         | 207                         |
| Capital Charges   | 0                           | 18                          | 0                           |
| <b>TOTAL EXPENDITURE</b>  | <b>1,028</b>                | <b>1,072</b>                | <b>1,320</b>                |
| <b>INCOME</b>   |                             |                             |                             |
| Government Grants - YPSM  | 40                          | 40                          | 40                          |
| Other Grants and Contributions  | 331                         | 355                         | 365                         |
| Rent  | 3                           | 2                           | 2                           |
| <b>TOTAL INCOME</b>   | <b>374</b>                  | <b>397</b>                  | <b>407</b>                  |
| <b>NET EXPENDITURE</b>  | <b>654</b>                  | <b>675</b>                  | <b>913</b>                  |
| <b>DESCRIPTION OF SERVICE</b>   |                             |                             |                             |
| This service area covers the Youth Offending Team which provides service for young people who offend. The service is partially funded by the Youth Justice Board, with other contributions from the Young Persons and Substance Misuse Grant and the Probation Service.   |                             |                             |                             |
| <b>MAJOR VARIATIONS</b>   |                             |                             |                             |
| <ul style="list-style-type: none"> <li>Pay and price increases have added £30k to the budget.</li> <li>(1) There is an adjustment of £16k to reflect current service pension liability.</li> <li>(2) There is a growth amount of £200k to create new posts covering Youth Crime - a Looked After Children and an Education Youth Justice Worker and Youth Justice case worker.</li> </ul> |                             |                             |                             |

| <b>FAMILY SERVICES - CHILDREN IN NEED</b>  |                             |                             |                             |
|--|-----------------------------|-----------------------------|-----------------------------|
| <b>BUSINESS UNIT – S1400, S1402, S1410, S1420, S1425, S1427, S1430, S1435, S1440, S1540, S1550, S1581, S1582, S1583, S1590, S1600, S1602, S1603, S1604, S1612, S1613, S1622, S1623, S1632, S1633, S1721, S1723, S1731, S1733, S1734, S1735, S1740, S1741, S1742, S1800, S1812, S1830, S1831, S1832, S1845, S1846, S1850, S1851, S1852, S1900, and S2101</b>  |                             |                             |                             |
| <b>Cabinet Member for Family and Children's Services</b>   | <b>Actual<br/>2006/2007</b> | <b>Budget<br/>2007/2008</b> | <b>Budget<br/>2008/2009</b> |
|  | <i>£'000</i>                | <i>£'000</i>                | <i>£'000</i>                |
| <b>EXPENDITURE</b>   |                             |                             |                             |
| Salaries (1, 2 and 3)  | 5,670                       | 6,225                       | 6,541                       |
| Other Employee Expenses  | 148                         | 158                         | 160                         |
| Premises Costs   | 628                         | 536                         | 553                         |
| Transport Related Expenditure  | 111                         | 40                          | 41                          |
| Supplies and Services  | 452                         | 377                         | 385                         |
| Third Party Payment (4)  | 6,692                       | 7,174                       | 6,694                       |
| <b>Total Direct Expenditure</b>  | <b>13,701</b>               | <b>14,510</b>               | <b>14,374</b>               |
| Central Support Services Recharges   | 547                         | 647                         | 611                         |
| Departmental Support Services Recharge   | 1,784                       | 1,890                       | 2,547                       |
| Capital Charges  | 6                           | 6                           | 6                           |
| <b>TOTAL EXPENDITURE</b>   | <b>16,038</b>               | <b>17,053</b>               | <b>17,538</b>               |
| <b>INCOME</b>  |                             |                             |                             |
| Government Grants – YPSM, Parenting Support (6)  | 1,486                       | 1,830                       | 71                          |
| Other Grants and Contributions (5)   | 709                         | 4                           | 300                         |
| Fees and Charges   | 153                         | 132                         | 132                         |
| Recharges  | 426                         | 471                         | 480                         |
| <b>TOTAL INCOME</b>  | <b>2,774</b>                | <b>2,437</b>                | <b>983</b>                  |
| <b>NET EXPENDITURE</b>   | <b>13,264</b>               | <b>14,616</b>               | <b>16,555</b>               |
| <b>DESCRIPTION OF SERVICE</b>  |                             |                             |                             |
| The council has duties, under the Children's Act 1989, to provide Social Care to Children in Need.   |                             |                             |                             |
| This heading covers services for Looked After Children and young people leaving care, including 2 general purpose children's homes, one leaving care hostel, residential care in the independent sector, family placements (fostering and Adoption) and support for care leavers. This excludes the areas that come under the Head of Children with Complex Needs and Disabilities, which are grouped under a different heading.   |                             |                             |                             |
| The Adolescent Service and the Early Intervention in Families Teams were set up in 2007/08.  |                             |                             |                             |
| <b>MAJOR VARIATIONS</b>  |                             |                             |                             |
| <ul style="list-style-type: none"> <li>• Pay and price increases have added £385k to the budget.</li> <li>(1) There is an adjustment of £191k to reflect the current service pension liability.</li> <li>(2) The Adolescent Service and the Early Intervention Service was set up during 2007/08, under Care Resources. There was a growth amount of £140k to support this.</li> <li>(3) Growth amounts of £40k for the Adolescent Service Manager, £100k for Early Intervention in Schools, £50k for the Foster scheme to place adolescents, £40k for Kinship care for teenagers and £8k for the LAC School Attendance Monitoring.</li> <li>(4) There was a reduction of £445k on the Looked After Children Budget, £366k of which was reduced from this area.</li> <li>(5) A grant income budget of £300k has been set to reflect the expected income from the Leaving Care Grant.</li> <li>(6) £1,760k of Government grant income has been transferred to Corporate as it is now designated as part of the new Area Based Grant.</li> </ul> |                             |                             |                             |

| <b>FAMILY SERVICES - CHILDREN WITH COMPLEX NEEDS AND DISABILITIES</b>  |                             |                             |                             |
|--|-----------------------------|-----------------------------|-----------------------------|
| <b>BUSINESS UNIT – S1210, S1404, S1580, S1605, S1750, S1751, S1752, S1753, S1760, S1820, S1860, S1861, S1862, S1870 and S2105</b>  |                             |                             |                             |
| <b>Cabinet Member for Family and Children's Services</b>   | <b>Actual<br/>2006/2007</b> | <b>Budget<br/>2007/2008</b> | <b>Budget<br/>2008/2009</b> |
|  | <i>£'000</i>                | <i>£'000</i>                | <i>£'000</i>                |
| <b>EXPENDITURE</b>   |                             |                             |                             |
| Salaries (1 and 3)   | 1,910                       | 1,947                       | 2,389                       |
| Other Employee Expenses  | 33                          | 18                          | 23                          |
| Premises Costs   | 130                         | 109                         | 111                         |
| Transport Related Expenditure  | 20                          | 7                           | 8                           |
| Supplies and Services  | 60                          | 30                          | 31                          |
| Third Party Payment (2 and 4)  | 914                         | 1,101                       | 1,362                       |
| <b>Total Direct Expenditure</b>  | <b>3,067</b>                | <b>3,212</b>                | <b>3,924</b>                |
| Central Support Services Recharges   | 180                         | 91                          | 131                         |
| Departmental Recharges (5)   | 0                           | 51                          | 36                          |
| Departmental Support Services Recharge   | 539                         | 578                         | 666                         |
| <b>TOTAL EXPENDITURE</b>   | <b>3,786</b>                | <b>3,932</b>                | <b>4,757</b>                |
| <b>INCOME</b>  |                             |                             |                             |
| Government Grants(6)   | 240                         | 179                         | 0                           |
| Other Grants and Contributions   | 234                         | 383                         | 279                         |
| <b>TOTAL INCOME</b>  | <b>474</b>                  | <b>562</b>                  | <b>279</b>                  |
| <b>NET EXPENDITURE</b>   | <b>3,312</b>                | <b>3,370</b>                | <b>4,478</b>                |
| <b>DESCRIPTION OF SERVICE</b>  |                             |                             |                             |
| <p>This is a new service area within Family Services. It separates out the cost of service for Children with Complex Needs and Disabilities and also includes Parenting and Promoting for Children with Disabilities and the Healthlink Teams, the Emergency Duty Team and the Behavioural Family Support Team, originally funded by CAMHS.</p> <p>The Little House Respite Unit is closing as a residential centre. A contract has been taken out with Hammersmith and Fulham to provide residential respite for children with disabilities under the authority's responsibility. St Quinton's is being renovated to provide Day Care facilities for Children with Disabilities.</p>  |                             |                             |                             |
| <b>MAJOR VARIATIONS</b>  |                             |                             |                             |
| <ul style="list-style-type: none"> <li>• Pay and price increases have added £81k to the budget.</li> <li>(1) There is an adjustment of £58k to reflect current service pension liability.</li> <li>(2) There was a total cut of £445k on the Looked After Children Parenting Budget, £79k of which was reduced from this area.</li> <li>(3) A growth amount of £210k has been added to continue the work of the Behavioural Family Support Team which was originally funded by CAMHS. An additional £100k was allocated to go towards St Quinton's towards the building being renovated to replace the Day Care service previously provided by the Little House. £64k has been added to pay for the Occupational Therapist and the Shared Care post for Children with Disabilities.</li> <li>(4) A review of the service area has led to a budget allocation of £49k for assessments. A review of the allocation of the Parenting budget based on the number of Looked After Children in each team has meant an increase in budget of £256k.</li> <li>(5) There is now a recharge from Environmental Services for the Out of Hours support.</li> <li>(6) Carers Grant income budget of £179k has been transferred to Corporate.</li> </ul> |                             |                             |                             |

| <b>FAMILY SERVICES – SERVICES FOR UNACCOMPANIED ASYLUM SEEKING CHILDREN</b>  |                             |                             |                             |
|--|-----------------------------|-----------------------------|-----------------------------|
| <b>BUSINESS UNIT – S1813, S1816, S1818 and S2012</b>   |                             |                             |                             |
| <b>Cabinet Member for Family and Children's Services</b>   | <b>Actual<br/>2006/2007</b> | <b>Budget<br/>2007/2008</b> | <b>Budget<br/>2008/2009</b> |
|  | <i>£'000</i>                | <i>£'000</i>                | <i>£'000</i>                |
| <b>EXPENDITURE</b>   |                             |                             |                             |
| Salaries   | 318                         | 187                         | 184                         |
| Other Employee Expenses  | 16                          | 0                           | 0                           |
| Transport Related Expenditure  | 1                           | 0                           | 0                           |
| Supplies and Services  | 23                          | 0                           | 0                           |
| Third Party Payment (3)  | 1,235                       | 743                         | 962                         |
| <b>Total Direct Expenditure</b>  | <b>1,593</b>                | <b>930</b>                  | <b>1,146</b>                |
| Central Support Services Recharges (1)   | 122                         | 28                          | 68                          |
| Departmental Support Services Recharge (2)   | 236                         | 164                         | 207                         |
| <b>TOTAL EXPENDITURE</b>   | <b>1,951</b>                | <b>1,122</b>                | <b>1,421</b>                |
| <b>INCOME</b>  |                             |                             |                             |
| Government Grants (3)  | 1,209                       | 851                         | 1,051                       |
| <b>TOTAL INCOME</b>  | <b>1,209</b>                | <b>851</b>                  | <b>1,051</b>                |
| <b>NET EXPENDITURE</b>   | <b>742</b>                  | <b>271</b>                  | <b>370</b>                  |
| <b>DESCRIPTION OF SERVICE</b>  |                             |                             |                             |
| This comprises of the budget provision for supporting unaccompanied asylum seeking children.   |                             |                             |                             |
| The costs of places in council's own homes are excluded but represent an opportunity cost.   |                             |                             |                             |
| <b>MAJOR VARIATIONS</b>  |                             |                             |                             |
| <ul style="list-style-type: none"> <li>• Pay and price increases have added £24k to the budget.</li> <li>(1) Central Support charges increased by £33k.</li> <li>(2) Internal Recharged increased by £42k.</li> <li>(3) The gross Income and Expenditure budgets were increased by £200k to more accurately reflect the increased numbers of weeks that asylum seekers are being supported.</li> </ul> |                             |                             |                             |

| <b>STRATEGY, COMMISSIONING AND PERFORMANCE – MANAGEMENT SUPPORT</b>  |                             |                             |                             |
|--|-----------------------------|-----------------------------|-----------------------------|
| <b>BUSINESS UNIT – E9700, E9701, E9705, E9107, S1200, E1056 and E1057</b>  |                             |                             |                             |
| <b>Cabinet Member for Family and Children’s Services</b>   | <b>Actual<br/>2006/2007</b> | <b>Budget<br/>2007/2008</b> | <b>Budget<br/>2008/2009</b> |
|  | <i>£’000</i>                | <i>£’000</i>                | <i>£’000</i>                |
| <b>EXPENDITURE</b>   |                             |                             |                             |
| Salaries (1 and 2)   | 667                         | 779                         | 1,058                       |
| Other Employee Expenses  | 21                          | 14                          | 36                          |
| Premises Costs   | 2                           | 0                           | 0                           |
| Transport Related Expenditure  | 1                           | 1                           | 1                           |
| Supplies and Services  | 92                          | 40                          | 72                          |
| Third Party Payment  | 9                           | 5                           | 5                           |
| <b>Total Direct Expenditure</b>  | <b>792</b>                  | <b>839</b>                  | <b>1,172</b>                |
| Central Support Services Recharges   | 132                         | 147                         | 209                         |
| <b>TOTAL EXPENDITURE</b>   | <b>924</b>                  | <b>986</b>                  | <b>1,381</b>                |
| <b>INCOME</b>  |                             |                             |                             |
| Government Grants – Sure Start Early Years Child Grant   | 13                          | 0                           | 150                         |
| Other Grants and Contributions   | 25                          | 20                          | 20                          |
| Fees, Charges and Other Client Income  | 59                          | 71                          | 72                          |
| Education Delegated services   | 40                          | 29                          | 30                          |
| Recharges  | 14                          | 13                          | 13                          |
| Recharge to CDC  | 57                          | 57                          | 57                          |
| <b>TOTAL INCOME</b>  | <b>208</b>                  | <b>190</b>                  | <b>342</b>                  |
| <b>NET EXPENDITURE</b>   | <b>716</b>                  | <b>796</b>                  | <b>1,039</b>                |
| <b>DESCRIPTION OF SERVICE</b>  |                             |                             |                             |
| <p>This is a new Directorate set up within Family and Children Services following the restructuring. A new Director for Strategy, Commissioning and performance was set up to cover Research and Information (formerly part of Strategic Management non schools services), Commissioning (formerly part of Children and Families Social Care) and Procurement and Contracts.</p> <p>In addition, The Public Information and Response Team was set up to bring together several existing teams into the new service combining Public Information, Communications and Customer Care and Complaints. A Project Director for Children’s Trust was also set up responsible for leading the implementation of the Children’s Trust by April 2008. Two members of staff were transferred to Research and Information from Family Services in 2007/08.</p> <p>Also includes Children’s Information Service (CIS), which is funded by the Sure Start Grant.</p> <p>This service area provides a range of support and advisory services across the Business Group.</p> |                             |                             |                             |
| <b>MAJOR VARIATIONS</b>  |                             |                             |                             |
| <ul style="list-style-type: none"> <li>• Pay and price increases have added £23k to the budget.</li> <li>• There is an adjustment of £34k to reflect current service pension liability.</li> </ul> <p>(1) Savings of £24k has been made from the alignment of services.</p> <p>(2) There is a growth of £60k for the Children’s Trust Director and £65k for the Public Information and Response Team.</p>  |                             |                             |                             |

**STRATEGY, COMMISSIONING and PERFORMANCE – SCHOOL MEALS MANAGEMENT CONTRACT**

**BUSINESS UNIT – E5528 - E5532**

| <b>Cabinet Member for Family and Children's Services</b> | <b>Actual<br/>2006/2007</b> | <b>Budget<br/>2007/2008</b> | <b>Budget<br/>2008/2009</b> |
|--|-----------------------------|-----------------------------|-----------------------------|
|  | <i>£'000</i>                | <i>£'000</i>                | <i>£'000</i>                |
| <b>EXPENDITURE</b>                                       |                             |                             |                             |
| Salaries   | 94                          | 103                         | 104                         |
| Other Employee Expenses                                  | 3                           | 3                           | 3                           |
| Premises Costs   | 60                          | 20                          | 21                          |
| Transport Related Expenditure                            | 4                           | 4                           | 4                           |
| Supplies and Services                                    | 54                          | 63                          | 64                          |
| Third Party Payment                                      | 1,895                       | 2,020                       | 2,070                       |
| <b>Total Direct Expenditure</b>                          | <b>2,110</b>                | <b>2,213</b>                | <b>2,266</b>                |
| Central Support Services Recharges                       | 35                          | 43                          | 36                          |
| <b>TOTAL EXPENDITURE</b>                                 | <b>2,145</b>                | <b>2,256</b>                | <b>2,302</b>                |
| <b>INCOME</b>  |                             |                             |                             |
| Milk Money   | 8                           | 0                           | 0                           |
| Education Delegated services                             | 2,115                       | 2,168                       | 2,302                       |
| <b>TOTAL INCOME</b>                                      | <b>2,123</b>                | <b>2,168</b>                | <b>2,302</b>                |
| <b>NET EXPENDITURE</b>                                   | <b>22</b>                   | <b>88</b>                   | <b>0</b>                    |

**DESCRIPTION OF SERVICE**

This budget covers the cost of the School Meals Management Contract. Under the Fair Funding framework the School Meals budget were delegated to primary and secondary schools from April 2000 and to nursery schools from 1<sup>st</sup> April 2004.

This is now part of the Strategy, Commissioning and Performance directorate.

**MAJOR VARIATIONS**

- Pay and price increases have added £56k to the budget.

| <b>SCHOOL, QUALITY AND STANDARDS – EARLY YEARS SERVICES</b>  |                             |                             |                             |
|--|-----------------------------|-----------------------------|-----------------------------|
| <b>BUSINESS UNITS – E1000, E1001, E1003, E1033, E1041, E1044, E1051, E1055 and S2100 – S2390</b>   |                             |                             |                             |
| <b>Cabinet Member for Family and Children's Services</b>   | <b>Actual<br/>2006/2007</b> | <b>Budget<br/>2007/2008</b> | <b>Budget<br/>2008/2009</b> |
|  | <i>£'000</i>                | <i>£'000</i>                | <i>£'000</i>                |
| <b>EXPENDITURE</b>   |                             |                             |                             |
| Employees (1)  | 3,965                       | 3,979                       | 4,502                       |
| Premises Related Expenditure   | 619                         | 564                         | 568                         |
| Transport Related Expenditure  | 9                           | 7                           | 6                           |
| Supplies and Services  | 3,109                       | 4,054                       | 3,762                       |
| Third Party Payments   | 167                         | 37                          | 66                          |
| <b>Total Direct Expenditure</b>  | <b>7,870</b>                | <b>8,640</b>                | <b>8,904</b>                |
| Central Support Services Recharges (2)   | 1,273                       | 1,371                       | 361                         |
| Departmental Support Services Recharge   | 0                           | 0                           | 0                           |
| Capital  | 22                          | 22                          | 28                          |
| <b>TOTAL EXPENDITURE</b>   | <b>9,165</b>                | <b>10,033</b>               | <b>9,294</b>                |
| <b>INCOME</b>  |                             |                             |                             |
| Government Grants  | 3,302                       | 3,401                       | 3,314                       |
| Other Grants and Contributions   | 531                         | 731                         | 731                         |
| Fees, Charges and Other Clients Income   | 232                         | 95                          | 390                         |
| Rent   | 30                          | 33                          | 33                          |
| Service Charges  | 0                           | 0                           | 0                           |
| Recharges to Other Services  | 119                         | 114                         | 0                           |
| <b>TOTAL INCOME</b>  | <b>4,214</b>                | <b>4,374</b>                | <b>4,468</b>                |
| <b>NET EXPENDITURE<br/>(FULLY RECHARGED)</b>   | <b>4,951</b>                | <b>5,659</b>                | <b>4,826</b>                |
| <b>DESCRIPTION OF SERVICE</b>  |                             |                             |                             |
| This budget provides for   |                             |                             |                             |
| <ul style="list-style-type: none"> <li>• The delivery of early years and childcare services for parents and children in the borough.</li> <li>• The support and training for childcare practitioners in both the maintained and non-maintained sectors.</li> <li>• The implementation of the Children's Centre initiative.</li> <li>• Roll-out of focused certificated training programmes. <ul style="list-style-type: none"> <li>• Beginning of mainstreaming of Sure Start Local Programme Services to Children's Centres across the borough.</li> </ul> </li> </ul>  |                             |                             |                             |
| <b>MAJOR VARIATIONS</b>  |                             |                             |                             |
| <ul style="list-style-type: none"> <li>• Pay and price increases of £261,230 have been applied to this budget.</li> <li>• In line with reduced Sure Start Grant income a review of expenditure has been reflected in the reduced and revised spending throughout the service</li> </ul> <p>(1) £110,900 has been allocated to the Business Support Team within the Sufficiency and Access programme. £382,750 has been set aside for Early Years Teaching staff costs and Childcare development officers within the Outcomes, Quality and Inclusion initiative of the Early Years programme.</p> <p>(2) Administrative and Support recharges falling within the remit of the Director of Family Services have been transferred out of Early Years.</p> |                             |                             |                             |

**SCHOOLS, QUALITY AND STANDARDS – SCHOOL DEVOLVED GRANTS**

**BUSINESS UNITS – E3000 – E3499**

| <b>Cabinet Member for Family and Children's Services</b> | <b>Actual<br/>2006/2007</b> | <b>Budget<br/>2007/2008</b> | <b>Budget<br/>2008/2009</b> |
|--|-----------------------------|-----------------------------|-----------------------------|
|  | <i>£'000</i>                | <i>£'000</i>                | <i>£'000</i>                |
| <b>EXPENDITURE</b>                                       |                             |                             |                             |
| Employees  | 0                           | 0                           | 0                           |
| Premises Related Expenditure                             | 0                           | 0                           | 0                           |
| Transport Related Expenditure                            | 0                           | 0                           | 0                           |
| Supplies and Services                                    | 9,225                       | 6,832                       | 6,650                       |
| Third Party Payments                                     | 0                           | 0                           | 0                           |
| <b>Total Direct Expenditure</b>                          | <b>9,225</b>                | <b>6,832</b>                | <b>6,650</b>                |
| Central Support Services Recharges                       | 2                           | 0                           | 0                           |
| Departmental Support Services Recharge                   | 0                           | 0                           | 0                           |
| Capital  | 0                           | 0                           | 0                           |
| <b>TOTAL EXPENDITURE</b>                                 | <b>9,227</b>                | <b>6,832</b>                | <b>6,650</b>                |
| <b>INCOME</b>  |                             |                             |                             |
| Government Grants:                                       |                             |                             |                             |
| – Standards Fund (1)                                     | 1,548                       | 1,399                       | 1,699                       |
| - School Standards Grant (2)                             | 7,679                       | 5,433                       | 4,951                       |
| Other Grants and Contributions                           | 0                           | 0                           | 0                           |
| Fees, Charges and Other Clients Income                   | 0                           | 0                           | 0                           |
| Rent   | 0                           | 0                           | 0                           |
| Service Charges  | 0                           | 0                           | 0                           |
| Recharges to Other Services                              | 0                           | 0                           | 0                           |
| <b>TOTAL INCOME</b>                                      | <b>9,227</b>                | <b>6,832</b>                | <b>6,650</b>                |
| <b>NET EXPENDITURE<br/>(FULLY RECHARGED)</b>             | <b>0</b>                    | <b>0</b>                    | <b>0</b>                    |

**DESCRIPTION OF SERVICE**

This budget shows the Council's contribution to Standards Fund Revenue Grants that are delegated to schools

**MAJOR VARIATIONS**

- (1) The Standards Fund has decreased by £182,390 due to an estimated reduction in school pupil numbers which determines the level of the School Development Grant.
- (2) The Schools Standards Grant income and expenditure budgets will be devolved to schools once the actual amounts per school have been agreed following the January pupil count. The figures shown are estimates and will be finalised in line with actual January pupil numbers.

**SCHOOLS, QUALITY AND STANDARDS – SCHOOLS STRATEGIC MANAGEMENT**

**BUSINESS UNITS – E2507–E2509, E2511-E2512, E2610, E2810, E3010, E9512, E9513 and E9601**

| <b>Cabinet Member for Family and Children's Services</b> | <b>Actual<br/>2006/2007</b> | <b>Budget<br/>2007/2008</b> | <b>Budget<br/>2008/2009</b> |
|--|-----------------------------|-----------------------------|-----------------------------|
|  | <i>£'000</i>                | <i>£'000</i>                | <i>£'000</i>                |
| <b>EXPENDITURE</b>                                       |                             |                             |                             |
| Employees (1)  | 689                         | 677                         | 442                         |
| Premises Related Expenditure                             | 23                          | 22                          | 23                          |
| Transport Related Expenditure                            | 1                           | 1                           | 1                           |
| Supplies and Services (2)                                | 575                         | 587                         | 619                         |
| Third Party Payments                                     | 87                          | 70                          | 72                          |
| <b>Total Direct Expenditure</b>                          | <b>1,376</b>                | <b>1,358</b>                | <b>1,156</b>                |
| Central Support Services Recharges (3)                   | 229                         | 269                         | 289                         |
| Departmental Support Services Recharge                   | 0                           | 0                           | 0                           |
| Capital  | 1,812                       | 1,646                       | 1,598                       |
| <b>TOTAL EXPENDITURE</b>                                 | <b>3,417</b>                | <b>3,273</b>                | <b>3,043</b>                |
| <b>INCOME</b>  |                             |                             |                             |
| Government Grants  | 0                           | 0                           | 0                           |
| Other Grants and Contributions                           | 20                          | 18                          | 18                          |
| Fees, Charges and Other Clients Income                   | 632                         | 662                         | 679                         |
| Rent   | 0                           | 0                           | 0                           |
| Service Charges  | 0                           | 0                           | 0                           |
| Recharges to Other Services                              | 16                          | 16                          | 16                          |
| <b>TOTAL INCOME</b>                                      | <b>669</b>                  | <b>696</b>                  | <b>713</b>                  |
| <b>NET EXPENDITURE<br/>(FULLY RECHARGED)</b>             | <b>2,748</b>                | <b>2,577</b>                | <b>2,330</b>                |

**DESCRIPTION OF SERVICE**

This budget provides for:-

- The administration of the Schools Forum.
- The administration of exclusions.
- Centrally retained costs of IT support for the Royal Borough's schools.
- Support for Governing Bodies.
- Capital Charges for all schools projects.

**MAJOR VARIATIONS**

- Pay and price increases of £9,250 have been applied to this budget.
- (1) The reduction of Employee costs is due to the FRS17 pension adjustments.
  - (2) The increase in Supply and Services costs relate to the Schools Contingency required to fund the Personalised Learning and SEN initiatives as required by the DCSF.
  - (3) The ISD costs have been charged as part of central support recharge in 2007/08; previously this was shown as part of Third Party Payments.

| <b>SCHOOLS, QUALITY AND STANDARDS - NON DELEGATED SCHOOL RELATED GRANTS</b>   |                             |                             |                             |
|---|-----------------------------|-----------------------------|-----------------------------|
| <b>BUSINESS UNITS – E2513, E3004, E3014, E3015, E3500 –E3542 and E9602</b>  |                             |                             |                             |
| <b>Cabinet Member for Family and Children’s Services</b>  | <b>Actual<br/>2006/2007</b> | <b>Budget<br/>2007/2008</b> | <b>Budget<br/>2008/2009</b> |
|   | <i>£'000</i>                | <i>£'000</i>                | <i>£'000</i>                |
| <b>EXPENDITURE</b>  |                             |                             |                             |
| Employees   | 1,742                       | 861                         | 803                         |
| Premises Related Expenditure  | 59                          | 12                          | 12                          |
| Transport Related Expenditure   | 1                           | 0                           | 0                           |
| Supplies and Services (3 and 4)   | 1,506                       | 3,259                       | 3,602                       |
| Third Party Payments  | 229                         | 118                         | 119                         |
| <b>Total Direct Expenditure</b>   | <b>3,537</b>                | <b>4,251</b>                | <b>4,536</b>                |
| Central Support Services Recharges  | 164                         | 202                         | 202                         |
| Departmental Support Services Recharge  | 0                           | 0                           | 0                           |
| Capital   | 6                           | 6                           | 13                          |
| <b>TOTAL EXPENDITURE</b>  | <b>3,707</b>                | <b>4,460</b>                | <b>4,751</b>                |
| <b>INCOME</b>   |                             |                             |                             |
| Government Grants (1 and 2)   | 1,601                       | 2,050                       | 436                         |
| Other Grants and Contributions  | 211                         | 0                           | 0                           |
| Fees, Charges and Other Clients Income  | 288                         | 85                          | 87                          |
| Rent  | 0                           | 0                           | 0                           |
| Service Charges   | 0                           | 0                           | 0                           |
| Recharges to Other Services   | 0                           | 0                           | 0                           |
| <b>TOTAL INCOME</b>   | <b>2,099</b>                | <b>2,135</b>                | <b>523</b>                  |
| <b>NET EXPENDITURE<br/>(FULLY RECHARGED)</b>  | <b>1,608</b>                | <b>2,325</b>                | <b>4,228</b>                |
| <b>DESCRIPTION OF SERVICE</b>   |                             |                             |                             |
| This budget provides support for Government Grants (mainly match funding of Standards Funds) and includes expenditure retained by the LA to support schools, pupils and school based staff.   |                             |                             |                             |
| <b>MAJOR VARIATIONS</b>   |                             |                             |                             |
| <ul style="list-style-type: none"> <li>• Pay and price increases of £5,430 have been applied to this budget.</li> <li>(1) £2,178,980 of the Standards Fund grant has been included in the Area Based Grant which has been transferred to Corporate Finance.</li> <li>(2) The Standard Fund provisional retained element increased by £575,750. The LA has the option of retaining or devolving this portion of the funding to schools.</li> <li>(3) Supplies and Services include a growth item of £39,750, transferred from the DSG to facilitate the development of the Speech and Language Therapy Service.</li> <li>(4) Supplies and Services include an additional £135,040 for Extended Schools. This has been allocated through Standards Fund.</li> </ul> |                             |                             |                             |

**SCHOOLS, QUALITY AND STANDARDS – FACILITATING SCHOOL IMPROVEMENT**

**BUSINESS UNITS – E3902 – E3910**

| <b>Cabinet Member for Family and Children's Services</b> | <b>Actual<br/>2006/2007</b> | <b>Budget<br/>2007/2008</b> | <b>Budget<br/>2008/2009</b> |
|--|-----------------------------|-----------------------------|-----------------------------|
|  | <i>£'000</i>                | <i>£'000</i>                | <i>£'000</i>                |
| <b>EXPENDITURE</b>                                       |                             |                             |                             |
| Employees (1)  | 1,056                       | 1,072                       | 971                         |
| Premises Related Expenditure (2)                         | 371                         | 340                         | 427                         |
| Transport Related Expenditure                            | 5                           | 5                           | 5                           |
| Supplies and Services                                    | 561                         | 284                         | 257                         |
| Third Party Payments (3)                                 | 165                         | 107                         | 110                         |
| <b>Total Direct Expenditure</b>                          | <b>2,158</b>                | <b>1,808</b>                | <b>1,770</b>                |
| Central Support Services Recharges (3)                   | 310                         | 363                         | 347                         |
| Departmental Support Services Recharge                   | 0                           | 0                           | 0                           |
| Capital  | 42                          | 42                          | 42                          |
| <b>TOTAL EXPENDITURE</b>                                 | <b>2,511</b>                | <b>2,214</b>                | <b>2,159</b>                |
| <b>INCOME</b>  |                             |                             |                             |
| Government Grants  | 2                           | 0                           | 0                           |
| Other Grants and Contributions                           | 0                           | 0                           | 0                           |
| Fees, Charges and Other Clients Income                   | 860                         | 658                         | 675                         |
| Rent   | 9                           | 20                          | 20                          |
| Service Charges  | 0                           | 0                           | 0                           |
| Recharges to Other Services                              | 248                         | 232                         | 232                         |
| <b>TOTAL INCOME</b>                                      | <b>1,120</b>                | <b>911</b>                  | <b>927</b>                  |
| <b>NET EXPENDITURE<br/>(FULLY RECHARGED)</b>             | <b>1,391</b>                | <b>1,303</b>                | <b>1,232</b>                |

**DESCRIPTION OF SERVICE**

This budget contains funding relating to:

- The residual running costs of the Professional Development Centre (PDC), after recharges have been made to services using the Centre.
- Training budgets for aspects of Continuing Professional Development.
- Training budgets for non-delegated school in-service training and Business group staff.
- The Inspection and Advisory Service.
- Provision for the Language Development Service Team.

**MAJOR VARIATIONS**

- Pay and price increases of £97,990 have been applied to this budget.
- (1) The reduction in Employee costs is due to the savings made in the School Improvement Services sector.
- (2) The increase in premises costs relate to anticipated higher cost of NNDR charges.
- (3) The ISD costs have been charged as part of central support recharge in 08/09; previously this was shown as part of third party payment.

| <b>SCHOOLS, QUALITY AND STANDARDS - SUPPORTING SPECIAL EDUCATIONAL NEEDS</b>  |                             |                             |                             |
|---|-----------------------------|-----------------------------|-----------------------------|
| <b>BUSINESS UNITS – E5000, E5002, E5602 - E5609 and E5611 - E5616</b>   |                             |                             |                             |
| <b>Cabinet Member for Family and Children's Services</b>  | <b>Actual<br/>2006/2007</b> | <b>Budget<br/>2007/2008</b> | <b>Budget<br/>2008/2009</b> |
|   | <i>£'000</i>                | <i>£'000</i>                | <i>£'000</i>                |
| <b>EXPENDITURE</b>  |                             |                             |                             |
| Employees   | 3,660                       | 3,831                       | 3,790                       |
| Premises Related Expenditure  | 111                         | 100                         | 96                          |
| Transport Related Expenditure   | 12                          | 17                          | 17                          |
| Supplies and Services   | 439                         | 376                         | 402                         |
| Third Party Payments (2)  | 3,979                       | 3,985                       | 3,971                       |
| <b>Total Direct Expenditure</b>   | <b>8,201</b>                | <b>8,309</b>                | <b>8,276</b>                |
| Central Support Services Recharges (2)  | 358                         | 405                         | 346                         |
| Departmental Support Services Recharge  | 0                           | 0                           | 0                           |
| Capital   | 27                          | 42                          | 40                          |
| <b>TOTAL EXPENDITURE</b>  | <b>8,586</b>                | <b>8,755</b>                | <b>8,662</b>                |
| <b>INCOME</b>   |                             |                             |                             |
| Government Grants (3)   | 268                         | 1,244                       | 1,154                       |
| Other Grants and Contributions  | 34                          | 0                           | 0                           |
| Fees, Charges and Other Clients Income  | 979                         | 1,010                       | 908                         |
| Rent  | 0                           | 0                           | 0                           |
| Service Charges   | 2                           | 2                           | 2                           |
| Recharges to Other Services (1)   | 0                           | 0                           | 103                         |
| <b>TOTAL INCOME</b>   | <b>1,283</b>                | <b>2,257</b>                | <b>2,167</b>                |
| <b>NET EXPENDITURE<br/>(FULLY RECHARGED)</b>  | <b>7,303</b>                | <b>6,498</b>                | <b>6,495</b>                |
| <b>DESCRIPTION OF SERVICE</b>   |                             |                             |                             |
| <p>This budget provides for 5 main areas of SEN support:</p> <ul style="list-style-type: none"> <li>• The Education Psychology Service.</li> <li>• The Pupil Support Service, which provides support through the Pupil Referral Unit.</li> <li>• The transport service providing home-to-school transport for pupils with Special Educational Needs.</li> <li>• The costs of providing specialist equipment and advice in relation to SEN.</li> <li>• Payments to independent providers of special education.</li> </ul>  |                             |                             |                             |
| <b>MAJOR VARIATIONS</b>   |                             |                             |                             |
| <ul style="list-style-type: none"> <li>• Pay and price increases of £68,500 have been applied to this budget.</li> </ul> <p>(1) A Financial Plan saving of £100,000 has been deducted due to a reduction in routes serviced by Special Needs Transport.</p> <p>(2) The ISD costs have been charged as part of central support recharge in 2008/09; previously this was shown as part of third party payment.</p> <p>(3) The reduction in the Learning and Skills Council Grant is due to the expected reduction in the number of Independent School children.</p> |                             |                             |                             |

**SCHOOLS, QUALITY AND STANDARDS – ASSURING ACCESS**

**BUSINESS UNITS – E5550, E5551 and E9511**

| <b>Cabinet Member for Family and Children's Services</b> | <b>Actual<br/>2006/2007</b> | <b>Budget<br/>2007/2008</b> | <b>Budget<br/>2008/2009</b> |
|--|-----------------------------|-----------------------------|-----------------------------|
|  | <i>£'000</i>                | <i>£'000</i>                | <i>£'000</i>                |
| <b>EXPENDITURE</b>                                       |                             |                             |                             |
| Employees (1)  | 836                         | 950                         | 941                         |
| Premises Related Expenditure                             | 0                           | 0                           | 0                           |
| Transport Related Expenditure                            | 1                           | 9                           | 9                           |
| Supplies and Services                                    | 83                          | 107                         | 135                         |
| Third Party Payments                                     | 49                          | 0                           | 0                           |
| <b>Total Direct Expenditure</b>                          | <b>970</b>                  | <b>1,067</b>                | <b>1,087</b>                |
| Central Support Services Recharges                       | 142                         | 192                         | 235                         |
| Departmental Support Services Recharge                   | 0                           | 0                           | 0                           |
| Capital  | 0                           | 0                           | 0                           |
| <b>TOTAL EXPENDITURE</b>                                 | <b>1,112</b>                | <b>1,259</b>                | <b>1,322</b>                |
| <b>INCOME</b>  |                             |                             |                             |
| Government Grants  | 0                           | 0                           | 0                           |
| Other Grants and Contributions                           | 0                           | 0                           | 0                           |
| Fees, Charges and Other Clients Income                   | 15                          | 35                          | 36                          |
| Rent   | 0                           | 0                           | 0                           |
| Service Charges  | 1                           | 1                           | 1                           |
| Recharges to Other Services                              | 5                           | 5                           | 5                           |
| <b>TOTAL INCOME</b>                                      | <b>21</b>                   | <b>41</b>                   | <b>42</b>                   |
| <b>NET EXPENDITURE<br/>(FULLY RECHARGED)</b>             | <b>1,091</b>                | <b>1,218</b>                | <b>1,280</b>                |

**DESCRIPTION OF SERVICE**

This budget includes the cost of the Education Welfare Service, the Planning and Provision of School Places team and the school Meals Management contract.

**MAJOR VARIATIONS**

- Pay and price increases of £26,710 have been applied to the budget.
- (1) Budget savings of £16,960 have been made against Employee costs.

**SCHOOLS, QUALITY AND STANDARDS - INTER-AUTHORITY RECOUPMENT**

**BUSINESS UNITS – E5000, E5003 – E5004**

| <b>Cabinet Member for Family and Children's Services</b> | <b>Actual<br/>2006/2007</b> | <b>Budget<br/>2007/2008</b> | <b>Budget<br/>2008/2009</b> |
|--|-----------------------------|-----------------------------|-----------------------------|
|  | <i>£'000</i>                | <i>£'000</i>                | <i>£'000</i>                |
| <b>EXPENDITURE</b>                                       |                             |                             |                             |
| Employees  | 0                           | 0                           | 0                           |
| Premises Related Expenditure                             | 0                           | 0                           | 0                           |
| Transport Related Expenditure                            | 0                           | 0                           | 0                           |
| Supplies and Services                                    | 0                           | 0                           | 0                           |
| Third Party Payments – Payments to LAs (1)               | 2,394                       | 2,135                       | 2,220                       |
| <b>Total Direct Expenditure</b>                          | <b>2,394</b>                | <b>2,135</b>                | <b>2,220</b>                |
| Central Support Services Recharges                       | 5                           | 7                           | 13                          |
| Departmental Support Services Recharge                   | 0                           | 0                           | 0                           |
| Capital  | 0                           | 0                           | 0                           |
| <b>TOTAL EXPENDITURE</b>                                 | <b>2,399</b>                | <b>2,141</b>                | <b>2,233</b>                |
| <b>INCOME</b>  |                             |                             |                             |
| Government Grants  | 0                           | 0                           | 0                           |
| Other Grants and Contributions                           | 3,391                       | 3,414                       | 3,550                       |
| Fees, Charges and Other Clients Income (1)               | 0                           | 0                           | 0                           |
| Rent   | 0                           | 0                           | 0                           |
| Service Charges  | 0                           | 0                           | 0                           |
| Recharges to Other Services                              | 0                           | 0                           | 0                           |
| <b>TOTAL INCOME</b>                                      | <b>3,391</b>                | <b>3,414</b>                | <b>3,550</b>                |
| <b>NET EXPENDITURE (FULLY RECHARGED)</b>                 | <b>-992</b>                 | <b>-1,273</b>               | <b>-1,317</b>               |

**DESCRIPTION OF SERVICE**

This budget provides for the cost of resident pupils with statements of Special Education Needs based in other Local Authorities in accordance with the provision specified in individual statements.

It also provides for the income recoverable from other Local Authorities arising from charges for pupils with statements being educated in Royal Borough Schools.

**MAJOR VARIATIONS**

(1) The small increase reflects inflation with the volume of cases being presumed to remain constant.

| <b>SCHOOLS, QUALITY AND STANDARDS - DELEGATED INDIVIDUAL NURSERY SCHOOL</b>   |                  |                  |                  |
|---|------------------|------------------|------------------|
| <b>BUSINESS UNITS – E1002, E1004, E1006, E1007, E2111, AND E2109</b>  |                  |                  |                  |
| <b>Cabinet Member for Family and Children's Services</b>  | <i>Actual</i>    | <b>Budget</b>    | <b>Budget</b>    |
|   | <i>2006/2007</i> | <i>2007/2008</i> | <i>2008/2009</i> |
|   | <i>£'000</i>     | <i>£'000</i>     | <i>£'000</i>     |
| <b>EXPENDITURE</b>  |                  |                  |                  |
| Schools' Delegated Budgets  | 1,983            | 1,884            | 2,130            |
| <b>Total Direct Expenditure</b>   | 1,983            | 1,884            | 2,130            |
| <b>TOTAL EXPENDITURE</b>  | 1,983            | 1,884            | 2,130            |
| <b>INCOME</b>   |                  |                  |                  |
| Fees, Charges and Other Client Income   | 424              | 0                | 0                |
| <b>TOTAL INCOME</b>   | 424              | 0                | 0                |
| <b>NET EXPENDITURE (FULLY RECHARGED)</b>  | 1,559            | 1,884            | 2,130            |
| <b>DESCRIPTION OF SERVICE</b>   |                  |                  |                  |
| <p>The Royal borough maintains 4 community nursery schools. These schools currently provide education for some 229 (217 fte) pupils less than 5 years of age at January 2007</p> <p>The 4 nursery schools receive delegated budgets under the Fair Funding scheme.</p>  |                  |                  |                  |
| <b>MAJOR VARIATIONS</b>   |                  |                  |                  |
| <ul style="list-style-type: none"> <li>• The increase shown is an estimate at this stage based upon the Government's announcement of Dedicated Schools Grant.</li> <li>• The figures above are based upon the requirements of the Minimum Funding Guarantee.</li> <li>• The final Dedicated Schools Budget will be released in May 2008 following confirmation of the national PLASC census on 17<sup>th</sup> January 2008.</li> </ul> |                  |                  |                  |

**SCHOOLS, QUALITY AND STANDARDS - DELEGATED INDIVIDUAL PRIMARY SCHOOL**

**BUSINESS UNITS – E2201 – E2294, E2809 AND E2811**

| Cabinet Member for Family and Children's Services | <i>Actual</i>    | <b>Budget</b>    | <b>Budget</b>    |
|---|------------------|------------------|------------------|
|   | <i>2006/2007</i> | <i>2007/2008</i> | <i>2008/2009</i> |
|   | <i>£'000</i>     | <i>£'000</i>     | <i>£'000</i>     |
| <b>EXPENDITURE</b>                                |                  |                  |                  |
| Schools' Delegated Budgets                        | 32,028           | 30,940           | 31,895           |
| <b>Total Direct Expenditure</b>                   | 32,028           | 30,940           | 31,895           |
| <b>TOTAL EXPENDITURE</b>                          | 32,028           | 30,940           | 31,895           |
| <b>INCOME</b>                                     |                  |                  |                  |
| Fees, Charges and Other Client Income             | 3,234            | 0                | 0                |
| <b>TOTAL INCOME</b>                               | 3,234            | 0                | 0                |
| <b>NET EXPENDITURE (FULLY RECHARGED)</b>          | 28,794           | 30,940           | 31,895           |

**DESCRIPTION OF SERVICE**

The Royal borough maintains 24 primary schools, 12 of which are community schools, 7 are Roman Catholic voluntary aided schools and 7 are Church of England voluntary aided schools. These schools currently provide education for some 7,017 (6,987 fte) pupils between 3 and 11 years. There are 21 nursery classes in primary schools

The 24 primary schools receive delegated budgets under the Fair Funding scheme.

**MAJOR VARIATIONS**

- The increase shown is an estimate at this stage based upon the Government's announcement of Dedicated Schools Grant.
- The figures above are based upon the requirements of the Minimum Funding Guarantee.
- The final Dedicated Schools Budget will be released in May 2008 following confirmation of the national PLASC census on 17<sup>th</sup> January 2008.

| <b>SCHOOLS, QUALITY AND STANDARDS - DELEGATED INDIVIDUAL SECONDARY SCHOOL</b>  |                  |                  |                  |
|--|------------------|------------------|------------------|
| <b>BUSINESS UNITS – E2312–E2399 AND E2609</b>  |                  |                  |                  |
| <b>Cabinet Member for Family and Children's Services</b>   | <i>Actual</i>    | <b>Budget</b>    | <b>Budget</b>    |
|  | <i>2006/2007</i> | <i>2007/2008</i> | <i>2008/2009</i> |
|  | <i>£'000</i>     | <i>£'000</i>     | <i>£'000</i>     |
| <b>EXPENDITURE</b>   |                  |                  |                  |
| Schools' Delegated Budgets   | 20,287           | 19,276           | 19,992           |
| <b>Total Direct Expenditure</b>  | 20,287           | 19,276           | 19,992           |
| <b>TOTAL EXPENDITURE</b>   | 20,287           | 19,276           | 19,992           |
| <b>INCOME</b>  |                  |                  |                  |
| Government Grants  |                  |                  |                  |
| – Learning and Skills Council (1)  | 2,970            | 3,080            | 3,080            |
| Fees, Charges and Other Clients Income   | 1,510            | 0                | 0                |
| <b>TOTAL INCOME</b>  | 4,480            | 3,080            | 3,080            |
| <b>NET EXPENDITURE (FULLY RECHARGED)</b>   | 15,807           | 16,196           | 16,912           |
| <b>DESCRIPTION OF SERVICE</b>  |                  |                  |                  |
| <p>The Royal Borough is responsible for 4 secondary schools, 1 of which is a community school, and 3 are Roman Catholic voluntary aided schools. These schools currently provide education for some 3,510 pupils between 11 and 19 years. Two of the schools have sixth forms, totalling 517 pupils, for which funding is provided through a grant from the Learning and Skills Council.</p> <p>All secondary schools receive delegated budgets under the Fair funding scheme.</p>   |                  |                  |                  |
| <b>MAJOR VARIATIONS</b>  |                  |                  |                  |
| <ul style="list-style-type: none"> <li>• The increase shown is an estimate at this stage based upon the Government's announcement of Dedicated Schools Grant.</li> <li>• The figures above are based upon the requirements of the Minimum Funding Guarantee.</li> <li>• The final Dedicated Schools Budget will be released in May 2008 following confirmation of the national PLASC census on 17<sup>th</sup> January 2008.</li> </ul> <p>(1) The Learning and Skills Council funding allowance will be released in February 2008. The estimates include an allowance based upon the current level of pupils.</p> |                  |                  |                  |

**SCHOOLS, QUALITY AND STANDARDS - DELEGATED INDIVIDUAL SPECIAL SCHOOL**

**BUSINESS UNITS – E2411 – E2434**

| Cabinet Member for Family and Children's Services | <i>Actual</i>    | <b>Budget</b>    | <b>Budget</b>    |
|---|------------------|------------------|------------------|
|   | <i>2006/2007</i> | <b>2007/2008</b> | <b>2008/2009</b> |
|   | <i>£'000</i>     | £'000            | £'000            |
| <b>EXPENDITURE</b>                                |                  |                  |                  |
| Schools' Delegated Budgets                        | 3,172            | 3,392            | 3,666            |
| <b>Total Direct Expenditure</b>                   | 3,172            | 3,392            | 3,666            |
| <b>TOTAL EXPENDITURE</b>                          | 3,172            | 3,392            | 3,666            |
| <b>INCOME</b>                                     |                  |                  |                  |
| Government Grants                                 |                  |                  |                  |
| – Learning and Skills Council (1)                 | 1,074            | 84               | 83               |
| Fees, Charges and Other Clients Income            | 343              | 0                | 0                |
| <b>TOTAL INCOME</b>                               | 1,417            | 84               | 83               |
| <b>NET EXPENDITURE (FULLY RECHARGED)</b>          | 1,755            | 3,308            | 3,583            |

**DESCRIPTION OF SERVICE**

The Royal Borough is responsible for 2 special schools: Chelsea Children's Hospital school and Parkwood Hall, a residential and day school near Swanley, Kent. The latter provides for boys and girls with learning difficulties between 8 and 19 years, and has 75 places. Approximately 2/3 of pupils are resident boarders.

Both schools receive delegated budgets under the Fair Funding scheme. Where places are provided for pupils from other Boroughs the special educational needs costs are recouped from the home authority.

**MAJOR VARIATIONS**

- The increase shown is an estimate at this stage based upon the Government's announcement of Dedicated Schools Grant.
  - The figures above are based upon the requirements of the Minimum Funding Guarantee.
  - The final Dedicated Schools Budget will be released in May 2008 following confirmation of the national PLASC census on 17<sup>th</sup> January 2008.
- (1) The Learning and Skills Council funding allowance will be released in February 2008. The estimates include an allowance based upon the current level of pupils aged 16-19.

**SCHOOLS, QUALITY AND STANDARDS - DEDICATED SCHOOLS GRANT****BUSINESS UNITS – E9000**

| <b>Cabinet Member for Family and Children's Services</b> | <b><i>Actual<br/>2006/2007</i></b> | <b>Budget<br/>2007/2008</b> | <b>Budget<br/>2008/2009</b> |
|--|------------------------------------|-----------------------------|-----------------------------|
|  | <i>£'000</i>                       | £'000                       | £'000                       |
| <b>INCOME</b>  |                                    |                             |                             |
| Government Grants<br>– Dedicated Schools Grant           | <i>56,218</i>                      | 60,272                      | 62,445                      |
| <b>TOTAL INCOME</b>                                      | <i>56,218</i>                      | 60,272                      | 62,445                      |
| <b>NET INCOME</b>  | <i>-56,218</i>                     | -60,272                     | -62,445                     |

**DESCRIPTION OF SERVICE**

This budget holds the new Dedicated Schools Grant and is used to support the overall Schools Budget, which includes the Individual Schools Budget as well as centrally managed items.

**MAJOR VARIATIONS**

**BUSINESS GROUP – CORPORATE AND DEMOCRATIC CORE****BUSINESS UNITS – E7109, E9002, L0100 and S1007**

| <b>Cabinet Member for Family and Children's Services</b> | <b>Actual<br/>2006/2007</b> | <b>Budget<br/>2007/2008</b> | <b>Budget<br/>2008/2009</b> |
|--|-----------------------------|-----------------------------|-----------------------------|
|  | <i>£'000</i>                | <i>£'000</i>                | <i>£'000</i>                |
| <b>EXPENDITURE</b>                                       |                             |                             |                             |
| Supplies and Services                                    | 14                          | 27                          | 17                          |
| <b>Total Direct Expenditure</b>                          | 14                          | 27                          | 17                          |
| Departmental Support Services Recharge (1)               | 283                         | 287                         | 262                         |
| <b>TOTAL EXPENDITURE</b>                                 | 297                         | 314                         | 279                         |
| <b>NET EXPENDITURE</b>                                   | 297                         | 314                         | 279                         |

**DESCRIPTION OF SERVICE**

In accordance with 'Accounting for Best Value' Corporate and Democratic Core comprise the costs of Democratic Representation and Management and Corporate Management.

CIFPA describes Democratic Representation and Management as '...including all aspects of member' activities in that capacity, including corporate programme and service policy making and more general activities relating to governance and representation of local interest'.

Corporate Management is described as '...those activities and costs which provide the infrastructure which allows services to be provided, whether by the authority or not and the information which is required for public accountability.'

This budget also includes the expenditure on Town Twining Activities with Cannes.

**MAJOR VARIATIONS**

- Pay and prices increases of £660 have been applied to this budget.
  - Financial Plan savings of £10,000 have been included for efficiencies in the Town Twining budget in line with previous year's expenditure.
- (1) Better guidelines on Corporate and Democratic Core activities have led to a reduction in these costs.

## REVENUE CHANGES – GROWTH AND SAVINGS

| Ref No.             | Department                              | Description  | Details   | 2008/09<br>£'000 | 2009/10<br>£'000 | 2010/11<br>£'000 |
|---------------------|---|--|---|------------------|------------------|------------------|
| <b>Local Growth</b> |   |  |   |                  |                  |                  |
| 01                  | Family Services                         | Occupational Therapist for Children with Disabilities Team | Continue to improve services to children with disabilities by providing permanent funding for a specialist occupational therapist for children with disabilities        | 44               |                  |                  |
| 02                  | Family Services                         | Manager for Adolescents Service                            | The new service for adolescents with complex needs requires a manager to co-ordinate the service and ensure delivery of benefits  | 40               |                  |                  |
| 03                  | Family Services                         | Early Family Intervention in Schools                       | Early Family Intervention in schools includes a series of pilot projects providing social work services to schools and promoting use of the Common Assessment Framework | 100              |                  |                  |
| 04                  | Family Services                         | Foster Scheme for Hard to Place Adolescents                | Recruitment support and additional payments for specialist foster carers for children with complex needs  | 50               |                  |                  |
| 05                  | Family Services                         | Shared Care Scheme for Children with Disabilities          | Funding for the new shared care, family based respite service, with Hammersmith and Fulham  | 20               |                  |                  |
| 06                  | Family Services                         | Kinship Carers for Teenagers                               | Further developing kinship care and developing a clear framework to measure progress  | 40               |                  |                  |
| 07                  | Family Services                         | Looked After Children School Attendance Monitoring         | Funding to purchase a successful service to check the attendance of looked after children at out of Borough schools on a daily basis                                    | 8                |                  |                  |
| 08                  | Strategy, Commissioning and Performance | Children's Trust Implementation                            | A Children's Trust Project Director is required to drive forward implementation of this major change.   | 60               |                  |                  |

| Ref No.                   | Department                                    | Description  | Details   | 2008/09<br>£'000 | 2009/10<br>£'000 | 2010/11<br>£'000 |
|---------------------------|---|--|---|------------------|------------------|------------------|
| 09                        | Strategy,<br>Commissioning<br>and Performance | Public Information and<br>Response Service                                       | The Public Information and Response<br>Service will be formed to improve<br>external and internal communication<br>and public information and to<br>strengthen the customer voice in<br>commissioning services. | 65               |                  |                  |
| 10                        | Directorate and<br>Support Services           | Information and<br>Communication<br>Technology Help Desk                         | A specialist ICT Customer Service<br>Desk is required to support the<br>Business Group and provide training,<br>monitor data quality and manage user<br>access.   | 50               |                  |                  |
| 11                        | Schools, Quality<br>and Standards             | 14-19 Year Old Co-<br>ordinator  | The establishment of the post of 14-<br>19 Year Old Co-coordinator, with<br>corresponding administrative support,<br>is crucial to the delivery of the new<br>curriculum.                                       | 80               |                  |                  |
| 12                        | Directorate and<br>Support Services           | Family and Children's<br>Services Programme and<br>Project Management<br>Support | There is a need for additional capacity<br>to support project and programme<br>management across the Business<br>Group, to deliver on the very large<br>scale change programmes currently<br>underway           | 100              |                  |                  |
| 13                        | Community<br>Learning                         | Youth Crime Prevention<br>Project (KICKZ)  | Youth Crime Prevention Project<br>(KICKZ)   | 50               |                  |                  |
| 14                        | Schools, Quality<br>and Standards             | Injury Minimisation<br>Programme for Schools                                     | Injury Minimisation Programme for<br>Schools  | 10               |                  |                  |
| 15                        | Community<br>Learning                         | Additional funding for<br>adult learning (St<br>Clements and St James)           | Additional funding for adult learning<br>(St Clements and St James)   | 40               |                  |                  |
| <b>Total Local Growth</b> |   |  |   | <b>757</b>       |                  |                  |

| Ref No.                          | Department                     | Description  | Details  | 2008/09<br>£'000 | 2009/10<br>£'000 | 2010/11<br>£'000 |
|----------------------------------|--------------------------------|--|--|------------------|------------------|------------------|
| <b>Corporately Funded Growth</b> |                                |  |  |                  |                  |                  |
| 01                               | Community Learning             | Replace lost grant for Employment Projects team        | Continue the Employment Projects Team, previously funded largely from ESF funding, which has a proven track record in supporting local people into employment.   | 172              |                  |                  |
| 02                               | Schools, Quality and Standards | Funding for Children's Centres                         | Support the development of the first four Children's Centres in Phase 1 and to support the work needed to designate more centres in Phase 2. Also support the development of additional services as Sure Start services are rolled out across the Borough.                                 | 200              |                  |                  |
| 03                               | Family Services                | Youth Offending Team expansion                         | There has been a 30% increase in casework over the last 3 financial years (04/05 to 06/07). The increase in budget will meet these and the other growing demands and to ensure that the YOT are able to offer a wider range of crime preventative work to reduce offending in the Borough. | 200              |                  |                  |
| 04                               | Community Learning             | Targeted Youth Support for Crime Prevention            | Funding to pilot targeted youth support for vulnerable young people in line with Youth Matters   | 40               |                  |                  |
| 05                               | Community Learning             | Play and sports provision investment (10-13 year olds) | Funding to provide transitions services to meet the needs of 10-13 year olds who tend to fall between the existing play and youth provision for younger and older age groups. These proposals are consistent with the initial themes identified by the London Youth Crime Prevention Board | 100              |                  |                  |

| Ref No.                                | Department         | Description  | Details  | 2008/09<br>£'000 | 2009/10<br>£'000 | 2010/11<br>£'000 |
|--|--------------------|--|--|------------------|------------------|------------------|
| 06                                     | Family Services    | Additional funding for Behaviour and Family Support team   | To continue funding the successful Behaviour and Family Support Team which provides expert CAMHS advice to parents of children with disabilities. This service is particularly important for parents of children with autistic spectrum disorders and learning disabilities.                       | 210              |                  |                  |
| 07                                     | Family Services    | Establishment of a Children with Disabilities Centre   | Support the establishment of the new Children with disabilities Centre at St. Quintin's Family Centre. Funding will be used to provide an interim day service at the Little House and a higher level and range of after-school and holiday provision, whilst the new service is being commissioned | 100              |                  |                  |
| 08                                     | Community Learning | Funding for Sports Activities in Schools   | Funding to improve the percentage of 5-16 year olds in school sports partnerships engaged in at least two hours per week PE and school sport.  | 100              |                  |                  |
| <b>Total Corporately Funded Growth</b> |                    |  |  | <b>1,122</b>     |                  |                  |
| <b>Savings</b>                         |                    |  |  |                  |                  |                  |
| 01                                     | Family Services    | Fewer Looked After Children, saving targeted to early intervention and children with complex needs | The reduction in numbers of looked after children enables a saving to be made against the parenting budget. It is proposed to re-direct money to further improve preventative services and re-shape provision to meet the changing profile of looked after children.                               | -445             |                  |                  |
| 02                                     | Family Services    | Children Leaving Care anticipated grant  | The previously un-budgeted Leaving Care Grant is anticipated to continue in future years.  | -300             |                  |                  |

| Ref No. | Department                     | Description  | Details  | 2008/09<br>£'000 | 2009/10<br>£'000 | 2010/11<br>£'000 |
|---------|--------------------------------|--|--|------------------|------------------|------------------|
| 03      | Community Learning             | Home to School transport savings, follow up to cost review                   | The Home to School Transport budget which provides help to students travelling long distances to access mainstream education (not children with special needs) has a recent history of under spends due to the introduction of free bus travel | -35              |                  |                  |
| 04      | Community Learning             | Youth Participation budget under-spending                                    | Youth Participation budget under-spending  | -10              |                  |                  |
| 05      | Community Learning             | Youth Arts Programme under-spending  | A modest reduction in expenditure on youth arts services is proposed   | -15              |                  |                  |
| 06      | Community Learning             | Reduce Community Learning Supplies and Services budget                       | Reductions in supplies and services budgets of the Youth Support and Development Service   | -38              |                  |                  |
| 07      | Schools, Quality and Standards | Increased income from the Isaac Newton Professional Development Centre (PDC) | Increased income from the Isaac Newton Professional Development Centre (PDC)   | -45              |                  |                  |
| 08      | Schools, Quality and Standards | Schools Directorate Efficiencies   | Reductions in supplies and services budgets of the Schools Quality and Standards Directorate   | -67              |                  |                  |
| 09      | Schools, Quality and Standards | Nursery Education Grant Under-spend  | The budget allocated for Nursery Education Grant type expenditure has been consistently under-spent due to low take up from independent sector day care providers.   | -100             |                  |                  |
| 10      | Schools, Quality and Standards | Reduction in Home to School Transport for Special Educational Needs          | There is considered to be scope to achieve efficiencies in the Home to School Transport budget. This would include exploring the use of individual budgets to encourage parents to make their own arrangements for school transport            | -35              |                  |                  |

| Ref No. | Department                              | Description   | Details  | 2008/09<br>£'000 | 2009/10<br>£'000 | 2010/11<br>£'000 |
|---------|---|---|--|------------------|------------------|------------------|
| 11      | Schools, Quality and Standards          | Increase Family Centre Income (NB Charges frozen)                     | Income targets for the sale of a limited number of childcare places in Family Centres have been comfortably exceeded in 2006/07 and now look over-cautious | -150             |                  |                  |
| 12      | Community Learning                      | Reduce frequency of Education Courier Service                         | A reduction in the frequency of the delivery service to schools operated by the Library Service  | -10              |                  |                  |
| 13      | Community Learning                      | Reduce European Union Twinning budget                                 | The twinning budget has been underspent in the last two years and can be reduced   | -10              |                  |                  |
| 14      | Strategy, Commissioning and Performance | Rationalise strategy and commissioning to reinvest in the team        | There is some scope for staffing efficiencies in the new Strategy, Commissioning and Performance Reporting Directorate due to bringing together new teams  | -24              |                  |                  |
| 15      | Schools, Quality and Standards          | Efficiencies in School Improvement Service                            | A saving in the budget for the school improvement service is possible as some of the functions are now performed within the new early years service        | -20              |                  |                  |
| 16      | Schools, Quality and Standards          | Efficiencies in Early Years Service                                   | There is scope for some efficiencies in staffing in the integrated early years service although the service structure is still being developed             | -30              |                  |                  |
| 17      | Schools, Quality and Standards          | Efficiencies in Schools Organisation, Admission and Governors Support | The Schools Organisation, Admissions and Governor's Support Team can achieve savings without impacting service   | -10              |                  |                  |
| 18      | Directorate and Support Services        | Efficiencies in Resources Team  | Reduced use of agency staff in the Resources service and rationalisation following Business Group restructuring  | -49              |                  |                  |

| <b>Ref No.</b>              | <b>Department</b> | <b>Description</b>              | <b>Details</b>  | <b>2008/09<br/>£'000</b> | <b>2009/10<br/>£'000</b> | <b>2010/11<br/>£'000</b> |
|-----------------------------|-------------------|---------------------------------|---|--------------------------|--------------------------|--------------------------|
| 19                          | All               | IT Hardware Procurement Savings | IT Hardware Procurement Savings across the Business Group | -16                      |                          |                          |
| 20                          | All               | Insurance Procurement Savings   | IT Hardware Procurement Savings across the Business Group | -11                      |                          |                          |
| <b>Total Savings</b>        |                   |                                 |   | <b>-1,420</b>            |                          |                          |
| <b>Business Group Total</b> |                   |                                 |   | <b>459</b>               |                          |                          |

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***HOUSING, HEALTH AND ADULT SOCIAL  
CARE***

***REVENUE BUDGET 2008/2009***

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## HOUSING, HEALTH AND ADULT SOCIAL CARE REVENUE BUDGET

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**HOUSING, HEALTH AND ADULT SOCIAL CARE**  
**Subjective Summary**

| Item   | Notes | 2006/07<br>Actual<br>£'000 | 2007/08<br>Budget<br>£'000 | 2008/09<br>Budget<br>£'000 |
|--|-------|----------------------------|----------------------------|----------------------------|
| <b>EXPENDITURE</b>                             |       |                            |                            |                            |
| Employee Related Expenses                      |       | 27,172                     | 27,329                     | 28,036                     |
| Premises Related Expenses                      |       | 1,401                      | 1,382                      | 1,370                      |
| Transport Related Expenses                     |       | 157                        | 141                        | 143                        |
| Supplies and Services                          |       | 3,414                      | 3,815                      | 3,139                      |
| Third Party Payments                           |       | 63,298                     | 64,757                     | 67,150                     |
| Recharges from:                                |       |                            |                            |                            |
| Other Business Group charges                   |       | 884                        | 972                        | 648                        |
| Inter Business Group:                          |       |                            |                            |                            |
| Central Departments                            |       | 5,541                      | 5,943                      | 5,971                      |
| Capital Financing Charges                      |       | 943                        | 1,189                      | 1,404                      |
| <b>TOTAL EXPENDITURE</b>                       |       | <b>102,810</b>             | <b>105,528</b>             | <b>107,861</b>             |
| <b>INCOME</b>                                  |       |                            |                            |                            |
| Government Grants                              |       | 19,008                     | 19,203                     | 13,017                     |
| Other Grants, Reimbursements and Contributions |       | 21,591                     | 18,273                     | 19,101                     |
| Customer and Client Receipts                   |       |                            |                            |                            |
| Fees and Charges                               |       | 4,799                      | 4,404                      | 4,795                      |
| Rents (Other)                                  |       | 64                         | 126                        | 126                        |
| Interest                                       |       | 0                          | 18                         | 14                         |
| Recharges to Other Revenue Accounts            |       | 0                          | 0                          | 0                          |
| Other Business Groups                          |       | 1,676                      | 1,493                      | 1,465                      |
| <b>TOTAL INCOME</b>                            |       | <b>47,138</b>              | <b>43,517</b>              | <b>38,518</b>              |
| <b>NET EXPENDITURE</b>                         |       | <b>55,672</b>              | <b>62,011</b>              | <b>69,343</b>              |

Notes:

- 1 Employee related costs have increased with the transfer of Parking staff to Customer Services (£454,000), employers contributions to the Pension Fund (£573,000) and pay awards (£730,000)
  
- 2 A reduction in Drug Intervention Programme grant, Benefits Administration grant and the removal of the Safer and Stronger Communities grant as part of new Area Based Grants accounting arrangements

## HOUSING, HEALTH AND ADULT SOCIAL CARE

### Service Summary

| Service   | 2006/7 Actuals |              |               | 2007/08 Budget |              |               | 2008/09 Budget |              |               | Outputs   | Head of Service |
|---|----------------|--------------|---------------|----------------|--------------|---------------|----------------|--------------|---------------|---|-----------------|
|   | Exp            | Income       | Net           | Exp            | Income       | Net           | Exp            | Income       | Net           |   |                 |
|   | £'000          | £'000        | £'000         | £'000          | £'000        | £'000         | £'000          | £'000        | £'000         |   |                 |
| <b>Corporate and Democratic Core - Adults</b>                               | 82             | 0            | <b>82</b>     | 82             | 0            | <b>82</b>     | 70             | 0            | <b>70</b>     |   | ASC             |
| Management and Support Services   | 37             | 0            | <b>37</b>     | 41             | 0            | <b>41</b>     | 42             | 0            | <b>42</b>     |   |                 |
|   | <b>119</b>     | <b>0</b>     | <b>119</b>    | <b>123</b>     | <b>0</b>     | <b>123</b>    | <b>112</b>     | <b>0</b>     | <b>112</b>    |   |                 |
| <b>Adult Social Care Service Strategy</b>                                   | 250            | 0            | <b>250</b>    | 252            | 0            | <b>252</b>    | 266            | 0            | <b>266</b>    |   | ASC             |
| Management and Support Services   | 2              | 0            | <b>2</b>      | 2              | 0            | <b>2</b>      | 1              | 0            | <b>1</b>      |   |                 |
|   | <b>252</b>     | <b>0</b>     | <b>252</b>    | <b>254</b>     | <b>0</b>     | <b>254</b>    | <b>267</b>     | <b>0</b>     | <b>267</b>    |   |                 |
| <b>Services for Older People</b>  |                |              |               |                |              |               |                |              |               |   |                 |
| Assessment and Care Management  | 4,004          | 333          | <b>3,671</b>  | 4,234          | 329          | <b>3,905</b>  | 4,513          | 250          | <b>4,263</b>  |   | ASC             |
| Nursing   | 3,432          | 824          | <b>2,608</b>  | 3,121          | 753          | <b>2,368</b>  | 3,496          | 844          | <b>2,652</b>  | 111 older people supported in nursing homes     | ASC             |
| Residential   | 9,137          | 3,047        | <b>6,090</b>  | 8,485          | 2,306        | <b>6,179</b>  | 9,641          | 2,611        | <b>7,030</b>  | 196 older people supported in residential homes | ASC             |
| Supported Accommodation   | 987            | 103          | <b>884</b>    | 809            | 103          | <b>706</b>    | 1,293          | 103          | <b>1,190</b>  | 81 older people in supported accommodation      | ASC             |
| Home Care   | 6,402          | 2,406        | <b>3,996</b>  | 7,507          | 2,540        | <b>4,967</b>  | 6,561          | 1,392        | <b>5,169</b>  | 1,237 older people receiving home care          | ASC             |
| Day Care  | 2,300          | 232          | <b>2,068</b>  | 2,870          | 705          | <b>2,165</b>  | 2,252          | 290          | <b>1,962</b>  | 284 older people attending day centres          | ASC             |
| Meals   | 468            | 188          | <b>280</b>    | 425            | 175          | <b>250</b>    | 435            | 179          | <b>256</b>    | 244 older people receiving meals at home        | ASC             |
| Other Services  | 1,574          | 1,809        | <b>-235</b>   | 2,781          | 1,624        | <b>1,157</b>  | 2,398          | 544          | <b>1,854</b>  |   | ASC             |
| Management and Support Services   | 2,875          | 0            | <b>2,875</b>  | 3,038          | 0            | <b>3,038</b>  | 2,322          | 0            | <b>2,322</b>  |   |                 |
|   | <b>31,179</b>  | <b>8,942</b> | <b>22,237</b> | <b>33,270</b>  | <b>8,535</b> | <b>24,735</b> | <b>32,911</b>  | <b>6,213</b> | <b>26,698</b> |   |                 |
| <b>Services for People with a Physical Disability or Sensory Impairment</b> |                |              |               |                |              |               |                |              |               |   |                 |
| Assessment and Care Management  | 1,731          | 80           | <b>1,651</b>  | 1,729          | 38           | <b>1,691</b>  | 1,751          | 0            | <b>1,751</b>  |   | ASC             |
| Residential   | 1,048          | 533          | <b>515</b>    | 1,096          | 298          | <b>798</b>    | 1,051          | 152          | <b>899</b>    | 21 people supported in residential homes        | ASC             |
| Home Care   | 1,645          | 62           | <b>1,583</b>  | 1,583          | 68           | <b>1,515</b>  | 2,160          | 66           | <b>2,094</b>  | 226 people receiving home care                  | ASC             |
| Day Care  | 61             | 0            | <b>61</b>     | 41             | 0            | <b>41</b>     | 121            | 0            | <b>121</b>    | 6 people attending day centres                  | ASC             |
| Equipment and Adaptations   | 369            | 0            | <b>369</b>    | 572            | 0            | <b>572</b>    | 576            | 0            | <b>576</b>    | 160 people in receipt of community equipment    | ASC             |
| Other Services  | 478            | 29           | <b>449</b>    | 434            | 236          | <b>198</b>    | 510            | 26           | <b>484</b>    |   | ASC             |
| Management and Support Services   | 735            | 0            | <b>735</b>    | 825            | 0            | <b>825</b>    | 528            | 0            | <b>528</b>    |   |                 |
|   | <b>6,067</b>   | <b>704</b>   | <b>5,363</b>  | <b>6,280</b>   | <b>640</b>   | <b>5,640</b>  | <b>6,697</b>   | <b>244</b>   | <b>6,453</b>  |   |                 |

## HOUSING, HEALTH AND ADULT SOCIAL CARE

### Service Summary

| Service   | 2006/7 Actuals |                 |               | 2007/08 Budget |                 |               | 2008/09 Budget |                 |               | Outputs  | Head of Service |
|---|----------------|-----------------|---------------|----------------|-----------------|---------------|----------------|-----------------|---------------|--|-----------------|
|   | Exp<br>£'000   | Income<br>£'000 | Net<br>£'000  | Exp<br>£'000   | Income<br>£'000 | Net<br>£'000  | Exp<br>£'000   | Income<br>£'000 | Net<br>£'000  |  |                 |
| <b>Services for People with Learning Disabilities</b> |                |                 |               |                |                 |               |                |                 |               |  |                 |
| Assessment and Care Management                        | 531            | 132             | 399           | 620            | 135             | 485           | 697            | 121             | 576           |  | ASC             |
| Residential   | 6,307          | 4,018           | 2,289         | 7,376          | 4,941           | 2,435         | 6,832          | 3,247           | 3,585         | 106 people in residential and supported care   | ASC             |
| Supported Accommodation                               | 1,320          | 215             | 1,105         | 422            | 0               | 422           | 570            | 108             | 462           | 19 people supported in Supported Accommodation |                 |
| Home Care   | 580            | 27              | 553           | 507            | 0               | 507           | 1,219          | 80              | 1,139         | 32 people receiving home care                  | ASC             |
| Day Care  | 1,790          | 222             | 1,568         | 1,766          | 215             | 1,551         | 1,719          | 238             | 1,481         | 27 people attending day centres                | ASC             |
| Other Services  | 185            | 90              | 95            | 704            | 95              | 609           | 329            | 168             | 161           |  | ASC             |
| Management and Support Services                       | 739            | 0               | 739           | 851            | 0               | 851           | 1,039          | 0               | 1,039         |  |                 |
|   | 11,452         | 4,704           | 6,748         | 12,246         | 5,386           | 6,860         | 12,405         | 3,962           | 8,443         |  |                 |
| <b>Services for Adults with Mental Health Needs</b>   |                |                 |               |                |                 |               |                |                 |               |  |                 |
| Assessment and Care Management                        | 1,720          | 347             | 1,373         | 1,857          | 288             | 1,569         | 1,886          | 264             | 1,622         |  | ASC             |
| Residential   | 1,736          | 597             | 1,139         | 1,469          | 1,012           | 457           | 1,840          | 346             | 1,494         | 57 people supported in residential             | ASC             |
| Supported Accommodation                               | 634            | 51              | 583           | 589            | 46              | 543           | 590            | 46              | 544           | 24 people supported in Supported Accommodation |                 |
| Home Care   | 646            | 9               | 637           | 630            | 269             | 361           | 549            | 9               | 540           | 50 people receiving home care                  | ASC             |
| Day Care  | 2,048          | 532             | 1,516         | 1,996          | 452             | 1,544         | 2,218          | 78              | 2,140         | 785 people attending day centres               | ASC             |
| Other Services  | 1,484          | 836             | 648           | 1,697          | 179             | 1,518         | 1,547          | 884             | 663           |  | ASC             |
| Management and Support Services                       | 899            | 0               | 899           | 886            | 0               | 886           | 978            | 0               | 978           |  |                 |
|   | 9,167          | 2,372           | 6,795         | 9,124          | 2,246           | 6,878         | 9,608          | 1,627           | 7,981         |  |                 |
| <b>Services for Other Adults</b>                      |                |                 |               |                |                 |               |                |                 |               |  |                 |
| Substance Misuse                                      | 1,530          | 858             | 672           | 1,891          | 982             | 909           | 1,893          | 829             | 1,064         | 325 substance misusers supported               | ASC             |
| HIV/AIDS  | 662            | 396             | 266           | 651            | 369             | 282           | 640            | 352             | 288           | 60 people with HIV/AIDS supported              | ASC             |
| Management and Support Services                       | 212            | 0               | 212           | 233            | 0               | 233           | 162            | 0               | 162           |  |                 |
|   | 2,404          | 1,254           | 1,150         | 2,775          | 1,351           | 1,424         | 2,695          | 1,181           | 1,514         |  |                 |
| <b>Supported Employment</b>                           |                |                 |               |                |                 |               |                |                 |               |  |                 |
| Management and Support Services                       | 43             | 0               | 43            | 47             | 0               | 47            | 45             | 0               | 45            | 3 attending employment workshops               | ASC             |
|   | 0              | 0               | 0             | 0              | 0               | 0             | 2              | 0               | 2             |  |                 |
|   | 43             | 0               | 43            | 47             | 0               | 47            | 47             | 0               | 47            |  |                 |
| <b>Public Transport</b>                               |                |                 |               |                |                 |               |                |                 |               |  |                 |
| Concessionary Fares                                   | 4,432          | 0               | 4,432         | 4,721          | 0               | 4,721         | 4,334          | 0               | 4,334         | 21,463 people in receipt of Freedom Passes     | ASC             |
| Taxicard  | 698            | 0               | 698           | 867            | 0               | 867           | 880            | 0               | 880           | 2,197 membership of the Taxicard service       | ASC             |
| Management and Support Services                       | 281            | 0               | 281           | 308            | 0               | 308           | 494            | 0               | 494           |  |                 |
|   | 5,411          | 0               | 5,411         | 5,896          | 0               | 5,896         | 5,708          | 0               | 5,708         |  |                 |
| <b>Adults' Management and Support Services</b>        |                |                 |               |                |                 |               |                |                 |               |  |                 |
| Adjustment for Internal Recharges                     | -5,776         | -5,776          | 0             | -6,185         | -6,185          | 0             | -5,568         | -5,568          | 0             |  | ASC             |
| <b>Adult Social Care Total</b>                        | <b>66,597</b>  | <b>18,479</b>   | <b>48,118</b> | <b>70,301</b>  | <b>18,444</b>   | <b>51,857</b> | <b>70,796</b>  | <b>13,573</b>   | <b>57,223</b> |  |                 |

## HOUSING, HEALTH AND ADULT SOCIAL CARE Service Summary

| Service  | 2006/7 Actuals |               |               | 2007/08 Budget |               |               | 2008/09 Budget |               |               | Outputs   | Head of Service |
|--|----------------|---------------|---------------|----------------|---------------|---------------|----------------|---------------|---------------|---|-----------------|
|  | Exp            | Income        | Net           | Exp            | Income        | Net           | Exp            | Income        | Net           |   |                 |
|  | £'000          | £'000         | £'000         | £'000          | £'000         | £'000         | £'000          | £'000         | £'000         |   |                 |
| <b>Housing Services</b>                              |                |               |               |                |               |               |                |               |               |   |                 |
| Corporate and Democratic Core - Housing              | 127            | 0             | 127           | 160            | 0             | 160           | 145            | 0             | 145           |   | HS              |
| Housing Strategy                                     | 504            | 0             | 504           | 396            | 0             | 396           | 317            | 0             | 317           |   | HS              |
| Homelessness and Housing Advice                      | 14,631         | 14,989        | -358          | 12,948         | 12,042        | 906           | 15,388         | 12,488        | 2,900         | 1,153 in temporary accommodation                          | HS              |
| Registered Social Landlords and Housing Advances     | 1,076          | 141           | 935           | 1,268          | 103           | 1,165         | 966            | 104           | 862           | 150 new homes through Let's Start                         | HS              |
| Supporting People                                    | 11,470         | 11,724        | -254          | 11,772         | 11,394        | 378           | 11,558         | 10,780        | 778           | 3,501 people in Supporting People services                | HS              |
| <b>Housing Services Total</b>                        | <b>27,808</b>  | <b>26,854</b> | <b>954</b>    | <b>26,544</b>  | <b>23,539</b> | <b>3,005</b>  | <b>28,374</b>  | <b>23,372</b> | <b>5,002</b>  |   |                 |
| <b>Environmental Health</b>                          |                |               |               |                |               |               |                |               |               |   |                 |
| Food and Training                                    | 1,187          | 213           | 974           | 1,301          | 185           | 1,116         | 1,273          | 200           | 1,073         | 1,629 food inspections; 3,600 candidates trained          | EH              |
| Trading Standards                                    | 478            | 10            | 468           | 538            | 4             | 534           | 494            | 4             | 490           | 616 enforcement activities                                | EH              |
| Environmental Quality                                | 652            | 62            | 590           | 717            | 21            | 696           | 666            | 21            | 645           | Includes 6 air quality monitoring stations                | EH              |
| Health and Safety                                    | 770            | 98            | 672           | 737            | 3             | 734           | 687            | 4             | 683           | 884 Health and Safety inspections                         | EH              |
| Mortuary, Coroners and Pest Control                  | 937            | 163           | 774           | 932            | 212           | 720           | 994            | 218           | 776           | 14,485 pest control inspections/visits                    | EH              |
| Noise and Nuisance                                   | 1,637          | 16            | 1,621         | 1,528          | 5             | 1,523         | 1,581          | 5             | 1,576         | 9,625 service requests                                    | EH              |
| Housing Private Sector                               | 1,756          | 255           | 1,501         | 2,085          | 259           | 1,826         | 2,257          | 382           | 1,875         | 1,200 residential inspections & 264 notices complied with | EH              |
| <b>Environmental Health Total</b>                    | <b>7,417</b>   | <b>817</b>    | <b>6,600</b>  | <b>7,838</b>   | <b>689</b>    | <b>7,149</b>  | <b>7,952</b>   | <b>834</b>    | <b>7,118</b>  |   |                 |
| <b>Executive Functions</b>                           |                |               |               |                |               |               |                |               |               |   |                 |
| Executive Group                                      | 3,788          | 3,788         | 0             | 3,650          | 3,650         | 0             | 4,059          | 4,059         | 0             |   | HHASC           |
| Housing Management and Support Services              | 1,055          | 1,055         | 0             | 1,217          | 1,217         | 0             | 1,000          | 1,000         | 0             |   | HS              |
| Environmental Health Management and Support Services | 1,834          | 1,834         | 0             | 1,919          | 1,919         | 0             | 2,069          | 2,069         | 0             |   | EH              |
| Adjustment for Internal Recharges                    | -5,689         | -5,689        | 0             | -5,941         | -5,941        | 0             | -6,389         | -6,389        | 0             |   |                 |
| <b>Executive Functions Total</b>                     | <b>988</b>     | <b>988</b>    | <b>0</b>      | <b>845</b>     | <b>845</b>    | <b>0</b>      | <b>739</b>     | <b>739</b>    | <b>0</b>      |   |                 |
| <b>Housing, Health and Adult Social Care Total</b>   | <b>102,810</b> | <b>47,138</b> | <b>55,672</b> | <b>105,528</b> | <b>43,517</b> | <b>62,011</b> | <b>107,861</b> | <b>38,518</b> | <b>69,343</b> |   |                 |

### Notes

1. The outputs shown comprise only the main ones relating to the corresponding budget and hence cannot be used to calculate unit costs
2. In Adult Social Care management and support costs have been shown at client group level so that changes arising from the revised methodology for allocating these costs are shown

## HOUSING, HEALTH AND ADULT SOCIAL CARE

| SUMMARY OF CHANGES  | Budget<br>2008/09 |
|---|-------------------|
| <b>ORIGINAL BUDGET 2007/08</b>                                      | £'000<br>62,011   |
| ◦ <b>TECHNICAL CHANGES</b>  |                   |
| Adjustment to reflect current service pension liability             | -928              |
|   | <b>-928</b>       |
| ◦ <b>PAY &amp; PRICES CHANGES</b>                                   |                   |
| Pay awards  | 621               |
| Price Variations - Expenditure                                      | 1,866             |
| Price Variations - Income   | -503              |
| <b>Total Pay &amp; Prices Increase</b>                              | <b>1,984</b>      |
| ◦ <b>CENTRAL SUPPORT SERVICES CHARGES (CSS)</b>                     | <b>-131</b>       |
| ◦ <b>VARIATION IN CHARGES TO/FROM OTHER BUSINESS GROUPS</b>         | <b>-176</b>       |
| ◦ <b>TRANSFERS TO/FROM OTHER SERVICES</b>                           |                   |
| Transfer of IT budgets to Corporate Services                        | -80               |
| Virement to Corporate Services from Temporary Accommodation         | -35               |
|   | <b>-115</b>       |
| ◦ <b>CAPITAL CHARGES VARIATIONS</b>                                 | <b>152</b>        |
| <b>SUB TOTAL</b>  | <b>62,797</b>     |
| ◦ <b>FINANCIAL PLAN REVENUE CHANGES</b>                             |                   |
| <u>Centrally Funded Growth</u>                                      |                   |
| Increase in Temporary Accommodation budget                          | 1,595             |
| Environmental Health Overcrowding Enquiries and Complaints          | 20                |
| Environmental Health Licensing Review Officer                       | 15                |
| Further Development of Personalised Care for Older People           | 60                |
| Reprofiling of PCT funding  | -320              |
| Westway Travellers Site Project Manager                             | 60                |
| Learning and Disabilities Service for Young Adults                  | 45                |
| Housing Advice and Support for Young Adults                         | 50                |
| Development of Personalised Care for Adults with Independent Sector | 50                |
|   | <b>1,575</b>      |
| <u>Local Growth</u>   |                   |
| Information Systems Budgets Correction                              | 80                |
| Contract Support for Business Group                                 | 40                |
| Environmental Health Training Set Up Costs Falling Out              | -5                |
|   | <b>115</b>        |

## HOUSING, HEALTH AND ADULT SOCIAL CARE

| <b>SUMMARY OF CHANGES</b>   | <b>Budget<br/>2008/09</b> |
|---|---------------------------|
| <u>Planned Reductions</u>   |                           |
| More efficient payments to landlords  | -26                       |
| Income from increased Environmental Health and safety training                                | -10                       |
| Environmental Health Advice and Advocacy Reduction  | -10                       |
| Reduction in Private and Voluntary Older People's Placement Budget                            | -400                      |
| Review of Adult Social Care Assessment Service  | -45                       |
| Reduce support costs in Adult Social Care   | -30                       |
| Reduce Substance Misuse/Dual Diagnosis/Joint Homelessness Team Costs                          | -18                       |
| Primary Care Trust Rent for Use of Learning and Disability Service                            | -25                       |
| Reduce Occupational Therapy Budget  | -39                       |
| Insurance procurement saving  | -2                        |
| IT Hardware procurement saving  | -33                       |
|   | <b>-638</b>               |
| <b>TOTAL FINANCIAL PLAN REVENUE CHANGES</b>   | <b>1,052</b>              |
| <b>OTHER VARIATIONS</b>   |                           |
| ◦ Transfer of grants to the Area Based Grant  | 3,204                     |
| Fall out of grants now within the Formula Grant   | 2,635                     |
| Additional Government grants  | -466                      |
| Net growth in Supporting People budget offset by a release from the Supporting People Reserve | 52                        |
| Pension Fund Employers' Contribution  | 493                       |
| Reduction in Concessionary Fares budget   | -509                      |
| Chelsea Care Development  | 85                        |
|   | <b>5,494</b>              |
| <b>TOTAL FORWARD BUDGET</b>   | <b>69,343</b>             |

## HOUSING, HEALTH AND ADULT SOCIAL CARE NARRATIVE SHEETS

| <b>CORPORATE AND DEMOCRATIC CORE</b>  |                  |                  |                  |
|---|------------------|------------------|------------------|
| <b>Cabinet Member for Housing Services,<br/>Adult Social Care, Public Health and<br/>Environmental Health</b>   | <i>Actual</i>    | <b>Budget</b>    | <b>Budget</b>    |
|   | <i>2006/2007</i> | <i>2007/2008</i> | <i>2008/2009</i> |
|   | <i>£'000</i>     | <i>£'000</i>     | <i>£'000</i>     |
| <b>EXPENDITURE</b>  |                  |                  |                  |
| Departmental Recharges  | 246              | 283              | 257              |
| <b>TOTAL EXPENDITURE</b>  | 246              | 283              | 257              |
| <b>INCOME</b>   | 0                | 0                | 0                |
| <b>TOTAL INCOME</b>   | 0                | 0                | 0                |
| <b>NET EXPENDITURE</b>  | 246              | 283              | 257              |
| <b>DESCRIPTION OF SERVICE</b>   |                  |                  |                  |
| <p>In accordance with the Best Value Accounting Code of Practice, the Corporate and Democratic Core comprises the costs of Democratic Representation and Management, and Corporate Management.</p> <p>CIPFA describes Democratic Representation and Management as '...including all aspects of members' activities in that capacity, including corporate, programme and service policy making and more general activities relating to governance and the representation of local interest.'</p> <p>Corporate Management is described as '... those activities and costs which provide the infrastructure which allows services to be provided, whether by the authority or not, and the information which is required for public accountability.'</p> |                  |                  |                  |
| <b>MAJOR VARIATIONS</b>   |                  |                  |                  |
| <p>The reduction in the budget is due to a change in the methodology for calculating departmental recharges. Is it a change in methodology or change in time allocations</p>  |                  |                  |                  |

| <b>THE EXECUTIVE GROUP</b>  |                  |                  |                  |
|---|------------------|------------------|------------------|
| <b>Cabinet Member for Housing Services, Adult Social Care, Public Health and Environmental Health</b>   | <i>Actual</i>    | <b>Budget</b>    | <b>Budget</b>    |
|   | <i>2006/2007</i> | <i>2007/2008</i> | <i>2008/2009</i> |
|   | <i>£'000</i>     | <i>£'000</i>     | <i>£'000</i>     |
| <b>EXPENDITURE</b>  |                  |                  |                  |
| Employees   | 2,678            | 2,473            | 2,763            |
| Premises  | 4                | 0                | 0                |
| Transport Related Expenditure   | 10               | 6                | 7                |
| Supplies and Services   | 164              | 251              | 246              |
| Third Party Payments  | 97               | 32               | 72               |
| <b>Total Direct Expenditure</b>   | <b>2,953</b>     | <b>2,762</b>     | <b>3,088</b>     |
| Central Support Services Recharges  | 835              | 888              | 971              |
| <b>TOTAL EXPENDITURE</b>  | <b>3,788</b>     | <b>3,650</b>     | <b>4,059</b>     |
| <b>INCOME</b>   |                  |                  |                  |
| Other Grants and Contributions  | 55               | 0                | 0                |
| Recharges to Other Services   | 3,733            | 3,650            | 4,059            |
| <b>TOTAL INCOME</b>   | <b>3,788</b>     | <b>3,650</b>     | <b>4,059</b>     |
| <b>NET EXPENDITURE</b>  | <b>0</b>         | <b>0</b>         | <b>0</b>         |
| <b>DESCRIPTION OF SERVICE</b>   |                  |                  |                  |
| <p>The Executive Group is made up of the following sections:</p> <ul style="list-style-type: none"> <li>• Executive Director and Personal Assistant</li> <li>• Resource Management comprising Group Finance, Health and Safety, Information Systems, Property Services and Contract Services</li> <li>• Policy and Performance</li> </ul> <p>The Executive Group is fully recharged to Adult Social Care, Environmental Health, the Department of Housing and Strategic Development, Housing Strategy, the Housing Revenue Account and the Corporate and Democratic Core and other Business Groups.</p>   |                  |                  |                  |
| <b>MAJOR VARIATIONS</b>   |                  |                  |                  |
| <ul style="list-style-type: none"> <li>• Growth funding of £40,000 was agreed as part of the Financial Plan process to provide additional Contract Support within Resource Management.</li> <li>• Increased employer's contribution to the pension fund as a result of the actuarial revaluation has increased the budget by £46,000</li> <li>• A virement from Adult Social Care has increased the budget by £176,000. This relates to a number of posts being transferred to the Executive Group.</li> <li>• A virement from Family &amp; Children's Services to reflect the split of the Public Information Team has increased the budget by £84,000.</li> <li>• CSS has increased by £61,000</li> </ul> |                  |                  |                  |

| <b>ADULT SOCIAL CARE MANAGEMENT AND SUPPORT SERVICES</b>  |                  |                  |                  |
|---|------------------|------------------|------------------|
| <b>Cabinet Member for Housing Services,<br/>Adult Social Care, Public Health and<br/>Environmental Health</b>   | <i>Actual</i>    | <b>Budget</b>    | <b>Budget</b>    |
|   | <i>2006/2007</i> | <i>2007/2008</i> | <i>2008/2009</i> |
|   | <i>£'000</i>     | <i>£'000</i>     | <i>£'000</i>     |
| <b>EXPENDITURE</b>  |                  |                  |                  |
| Employees   | 2,019            | 2,185            | 1,838            |
| Premises Related Expenditure  | 113              | 169              | 173              |
| Transport Related Expenditure   | 13               | 20               | 20               |
| Supplies and Services   | 196              | 414              | 299              |
| Third Party Payments  | 366              | 111              | 29               |
| <b>Total Direct Expenditure</b>   | <i>2,707</i>     | <i>2,899</i>     | <i>2,359</i>     |
| Central Support Services Recharges  | 967              | 1,116            | 1,070            |
| Business Group Support Recharges  | 2,029            | 1,860            | 2,196            |
| Other Departmental Recharges  | 528              | 538              | 218              |
| Capital Charges   | 48               | 58               | 71               |
| <b>TOTAL EXPENDITURE</b>  | <i>6,279</i>     | <i>6,471</i>     | <i>5,914</i>     |
| <b>INCOME</b>   |                  |                  |                  |
| Other Grants and Contributions  | 34               | 4                | 4                |
| Recharges to Other Departments  | 469              | 285              | 342              |
| Recharges to Other Services   | 5,776            | 6,182            | 5,568            |
| <b>TOTAL INCOME</b>   | <i>6,279</i>     | <i>6,471</i>     | <i>5,914</i>     |
| <b>NET EXPENDITURE</b>  | <i>0</i>         | <i>0</i>         | <i>0</i>         |
| <b>DESCRIPTION OF SERVICE</b>   |                  |                  |                  |
| <p>Adult Social Care Management and Support Services comprises services which support the direct provision of services to the public and which, in accordance with the CIPFA Best Value Accounting Code of Practice, are fully recharged to client-related services, to Service Strategy or to the Corporate and Democratic Core.</p> <p>It comprises the cost of senior management and administration. Administration covers a range of support activities based at numerous sites within the Royal Borough, including the provision of advice, information and reception services. It also includes the costs of the Executive Group attributable to Adult Social Care functions.</p>   |                  |                  |                  |
| <b>MAJOR VARIATIONS</b>   |                  |                  |                  |
| <ul style="list-style-type: none"> <li>• Pay and price increases have added £137,000 to the budget.</li> <li>• A transfer of £80,000 has been made to Corporate Services reflecting the re-centralisation of devolved IT budgets. This has been achieved from savings within the Business Group. In addition IT budgets totalling £118,000, previously held within Management and Support Services, have been devolved to individual services within Adult Social Care.</li> <li>• Virements totalling £330,000 have been made from the employee budgets to other services within Adult Social Care and the Executive Group reflecting the transfer of posts.</li> <li>• A Financial Plan reduction of £30,000 relating to support costs has been included.</li> <li>• A reduction of £320,000 in recharges from the Family and Children's Services Business Group partly due to the split of the Public Information Team.</li> </ul> |                  |                  |                  |

| <b>ADULT SOCIAL CARE SERVICE STRATEGY</b>   |                  |                  |                  |
|---|------------------|------------------|------------------|
| <b>Cabinet Member for Housing Services,<br/>Adult Social Care, Public Health and<br/>Environmental Health</b>   | <i>Actual</i>    | <b>Budget</b>    | <b>Budget</b>    |
|   | <i>2006/2007</i> | <i>2007/2008</i> | <i>2008/2009</i> |
|   | <i>£'000</i>     | <i>£'000</i>     | <i>£'000</i>     |
| <b>EXPENDITURE</b>  |                  |                  |                  |
| Departmental Recharges  | 252              | 254              | 267              |
| <b>TOTAL EXPENDITURE</b>  | 252              | 254              | 267              |
| <b>INCOME</b>   | 0                | 0                | 0                |
| <b>TOTAL INCOME</b>   | 0                | 0                | 0                |
| <b>NET EXPENDITURE</b>  | 252              | 254              | 267              |
| <b>DESCRIPTION OF SERVICE</b>   |                  |                  |                  |
| <p>Adult Social Care Service Strategy comprises the cost of the strategic management of the authority. It is defined by the CIPFA Best Value Accounting Code of Practice as consisting of two services:</p> <p>Strategic Management: The director and her immediate staff. The director is expected to contribute the majority of the strategic input to liaison with outside bodies and to plans such as the Community Care Plan.</p> <p>Complaints Procedures include the cost of the complaints procedures required by the NHS and Community Care Act 1990.</p> <p>Both components of Service Strategy consist of recharges from the Executive Group, covering the relevant staff.</p> |                  |                  |                  |
| <b>MAJOR VARIATIONS</b>   |                  |                  |                  |
| <p>The variation is due to a change in departmental recharges.</p>  |                  |                  |                  |

| <b>SERVICES FOR OLDER PEOPLE</b>   |                  |                  |                  |
|--|------------------|------------------|------------------|
| <b>Cabinet Member for Housing Services, Adult Social Care, Public Health and Environmental Health</b>  | <i>Actual</i>    | <b>Budget</b>    | <b>Budget</b>    |
|  | <i>2006/2007</i> | <i>2007/2008</i> | <i>2008/2009</i> |
|  | <i>£'000</i>     | <i>£'000</i>     | <i>£'000</i>     |
| <b>EXPENDITURE</b>   |                  |                  |                  |
| Employees  | 8,370            | 7,478            | 7,817            |
| Premises Related Expenditure   | 693              | 756              | 773              |
| Transport Related Expenditure  | 22               | 17               | 17               |
| Supplies and Services  | 988              | 1,028            | 878              |
| Third Party Payments   | 17,177           | 19,889           | 19,859           |
| <b>Total Direct Expenditure</b>  | <b>27,250</b>    | <b>29,168</b>    | <b>29,344</b>    |
| Central Support Services Recharges   | 837              | 837              | 907              |
| Departmental Recharges   | 2,874            | 3,038            | 2,322            |
| Capital Charges  | 218              | 227              | 338              |
| <b>TOTAL EXPENDITURE</b>   | <b>31,179</b>    | <b>33,270</b>    | <b>32,911</b>    |
| <b>INCOME</b>  |                  |                  |                  |
| Government Grants  | 3,184            | 3,455            | 366              |
| Other Grants and Contributions   | 2,046            | 1,752            | 2,121            |
| Fees, Charges and Other Client Income  | 3,571            | 3,107            | 3,461            |
| Rents  | 0                | 80               | 82               |
| Recharges to Other Services  | 141              | 141              | 183              |
| <b>TOTAL INCOME</b>  | <b>8,942</b>     | <b>8,535</b>     | <b>6,213</b>     |
| <b>NET EXPENDITURE</b>   | <b>22,237</b>    | <b>24,735</b>    | <b>26,698</b>    |
| <b>DESCRIPTION OF SERVICE</b>  |                  |                  |                  |
| <p>The Council provides, or funds other agencies to provide, a range of services to older people with social care needs. These include:</p> <ul style="list-style-type: none"> <li>• A Council-run residential home and the Burgess Field sheltered scheme</li> <li>• Placements in independent sector residential and nursing homes</li> <li>• Home care</li> <li>• Home meals</li> <li>• Direct payments and Individual Budgets</li> <li>• Day care in two Council centres and voluntary sector provision</li> <li>• The Westway Centre elderly persons integrated care scheme, provided jointly with the Health service</li> </ul> <p>Grant and contractual support to a range of services provided by the voluntary sector</p>   |                  |                  |                  |
| <b>MAJOR VARIATIONS</b>  |                  |                  |                  |
| <ul style="list-style-type: none"> <li>• Pay and prices increases have added £711,000 to the budget</li> <li>• Budgets have been increased by £110,000 as part of the Financial Plan process to develop personalised care for Adults and approved growth of £54,000, agreed in the 2007/08 Financial Plan process, to reprofile PCT funding is no longer required and so falls out of the budget.</li> <li>• Financial Plan reductions include £400,000 in private and voluntary older people's placements budgets and £45,000 on the Assessment Service.</li> <li>• A virement of £582,000 has reduced the older people's home care budget and transferred funding to other client groups reflecting the levels of expenditure being incurred.</li> <li>• IT budgets amounting to £127,000 have increased the budget, these were previously held within Management and Support Services.</li> <li>• Provision of £85,000 has been added to support the establishment of Chelsea Care.</li> <li>• Government grants totalling £2,947,000 have been transferred to either the Formula Grant or Area Based Grant are no longer shown within the Adult Social Care budget. The grant funding for 2008/09 relates to the Social Care Reform Grant, the spending power associated with this grant is currently being held corporately.</li> </ul> |                  |                  |                  |

| <b>SERVICES FOR PEOPLE WITH A PHYSICAL DISABILITY OR SENSORY IMPAIRMENT</b>   |                  |                  |                  |
|---|------------------|------------------|------------------|
| <b>Cabinet Member for Housing Services, Adult Social Care, Public Health and Environmental Health</b>   | <i>Actual</i>    | <b>Budget</b>    | <b>Budget</b>    |
|   | <i>2006/2007</i> | <i>2007/2008</i> | <i>2008/2009</i> |
|   | <i>£'000</i>     | <i>£'000</i>     | <i>£'000</i>     |
| <b>EXPENDITURE</b>  |                  |                  |                  |
| Employees   | 1,510            | 1,568            | 1,657            |
| Premises Related Expenditure  | 2                | 1                | 1                |
| Transport Related Expenditure   | 1                | 10               | 11               |
| Supplies and Services   | 38               | 33               | 30               |
| Third Party Payments  | 3,579            | 3,619            | 4,207            |
| <b>Total Direct Expenditure</b>   | <b>5,130</b>     | <b>5,231</b>     | <b>5,906</b>     |
| Central Support Services Recharges  | 202              | 244              | 263              |
| Departmental Recharges  | 735              | 805              | 528              |
| <b>TOTAL EXPENDITURE</b>  | <b>6,067</b>     | <b>6,280</b>     | <b>6,697</b>     |
| <b>INCOME</b>   |                  |                  |                  |
| Government Grants   | 418              | 418              | 0                |
| Other Grants and Contributions  | 129              | 63               | 84               |
| Fees, Charges and Other Client Income   | 132              | 134              | 134              |
| Recharges to Other Services   | 25               | 25               | 26               |
| <b>TOTAL INCOME</b>   | <b>704</b>       | <b>640</b>       | <b>244</b>       |
| <b>NET EXPENDITURE</b>  | <b>5,363</b>     | <b>5,640</b>     | <b>6,453</b>     |
| <b>DESCRIPTION OF SERVICE</b>   |                  |                  |                  |
| <p>The Council provides, or funds other agencies to provide, a range of services to people with physical and sensory disabilities. These include:</p> <ul style="list-style-type: none"> <li>• Placements in independent sector residential and nursing homes</li> <li>• Home care</li> <li>• Home meals</li> <li>• Direct payments and Individual Budgets</li> <li>• Day services</li> <li>• Financial support to a number of voluntary organisations</li> <li>• Services under the Chronically Sick and Disabled Persons Act – telephones, alarms, equipment and aids and adaptations.</li> </ul>   |                  |                  |                  |
| <b>MAJOR VARIATIONS</b>   |                  |                  |                  |
| <ul style="list-style-type: none"> <li>• Pay and prices have added £151,000 to the budget</li> <li>• A Financial Plan reduction of £39,000 within the Occupational Therapy service has been included.</li> <li>• A virement of £571,000 has increased the budget for the home care service, reflecting the levels of expenditure being incurred. This budget provision has been transferred from the older people's and mental health services.</li> <li>• A virement of £72,000 has decreased the placements budgets and been transferred to other under 65's placements budgets to reflect the cases being supported.</li> <li>• Government grants totalling £418,000 have been transferred to either the Formula Grant or Area Based Grant and are no longer shown within the Adult Social Care budget.</li> </ul> |                  |                  |                  |

| <b>SERVICES FOR PEOPLE WITH LEARNING DISABILITIES</b>  |                  |                  |                  |
|--|------------------|------------------|------------------|
| <b>Cabinet Member for Housing Services, Adult Social Care, Public Health and Environmental Health</b>  | <i>Actual</i>    | <b>Budget</b>    | <b>Budget</b>    |
|  | <i>2006/2007</i> | <i>2007/2008</i> | <i>2008/2009</i> |
|  | <i>£'000</i>     | <i>£'000</i>     | <i>£'000</i>     |
| <b>EXPENDITURE</b>   |                  |                  |                  |
| Employees  | 1,923            | 2,121            | 2,143            |
| Premises Related Expenditure   | 242              | 137              | 133              |
| Transport Related Expenditure  | 56               | 23               | 22               |
| Supplies and Services  | 145              | 94               | 110              |
| Third Party Payments   | 8,036            | 8,684            | 8,635            |
| <b>Total Direct Expenditure</b>  | <b>10,402</b>    | <b>11,059</b>    | <b>11,043</b>    |
| Central Support Services Recharges   | 270              | 275              | 282              |
| Departmental Recharges   | 739              | 871              | 1,039            |
| Capital Charges  | 41               | 41               | 41               |
| <b>TOTAL EXPENDITURE</b>   | <b>11,452</b>    | <b>12,246</b>    | <b>12,405</b>    |
| <b>INCOME</b>  |                  |                  |                  |
| Government Grants  | 1,097            | 1,097            | 0                |
| Other Grants and Contributions   | 3,232            | 3,839            | 3,613            |
| Fees, Charges and Other Client Income  | 329              | 400              | 302              |
| Rents  | 42               | 46               | 44               |
| Recharges to Other Services  | 4                | 4                | 3                |
| <b>TOTAL INCOME</b>  | <b>4,704</b>     | <b>5,386</b>     | <b>3,962</b>     |
| <b>NET EXPENDITURE</b>   | <b>6,748</b>     | <b>6,860</b>     | <b>8,443</b>     |
| <b>DESCRIPTION OF SERVICE</b>  |                  |                  |                  |
| <p>The Council provides, or funds other agencies to provide, a range of services to people with learning disabilities. These include:</p> <ul style="list-style-type: none"> <li>• A council run residential care home/hostel</li> <li>• Placements in independent sector residential and nursing homes</li> <li>• Home care</li> <li>• Home meals</li> <li>• Direct payments and Individual Budgets</li> <li>• Day services</li> <li>• Support to employment</li> <li>• Financial support to a number of voluntary organisations</li> </ul>   |                  |                  |                  |
| <b>MAJOR VARIATIONS</b>  |                  |                  |                  |
| <ul style="list-style-type: none"> <li>• Pay and prices increases have added £235,000 to the budget</li> <li>• Financial Plan growth of £45,000 has been added to the budget towards the development of a learning and disability service for young adults.</li> <li>• A virement of £66,000 has increased the budget for the home care service reflecting the levels of expenditure being incurred. This budget provision has been transferred from the older people's service.</li> <li>• A virement of £25,000 has increased the placements budgets and been transferred from other under 65's placements budgets to reflect the cases being supported.</li> <li>• Government grants totalling £1,097,000 have been transferred to either the Formula Grant or Area Based Grant and are no longer shown within the Adult Social Care budget.</li> </ul> |                  |                  |                  |

| <b>SERVICES FOR ADULTS WITH MENTAL HEALTH NEEDS</b>   |                  |                  |                  |
|---|------------------|------------------|------------------|
| <b>Cabinet Member for Housing Services,<br/>Adult Social Care, Public Health and<br/>Environmental Health</b>   | <i>Actual</i>    | <b>Budget</b>    | <b>Budget</b>    |
|   | <i>2006/2007</i> | <i>2007/2008</i> | <i>2008/2009</i> |
|   | <i>£'000</i>     | <i>£'000</i>     | <i>£'000</i>     |
| <b>EXPENDITURE</b>  |                  |                  |                  |
| Employees   | 2,170            | 2,260            | 2,294            |
| Premises Related Expenditure  | 287              | 289              | 260              |
| Transport Related Expenditure   | 13               | 8                | 8                |
| Supplies and Services   | 103              | 96               | 99               |
| Third Party Payments  | 5,445            | 5,311            | 5,677            |
| <b>Total Direct Expenditure</b>   | <b>8,018</b>     | <b>7,964</b>     | <b>8,338</b>     |
| Central Support Services Recharges  | 238              | 262              | 280              |
| Departmental Recharges  | 899              | 886              | 978              |
| Capital Charges   | 12               | 12               | 12               |
| <b>TOTAL EXPENDITURE</b>  | <b>9,167</b>     | <b>9,124</b>     | <b>9,608</b>     |
| <b>INCOME</b>   |                  |                  |                  |
| Government Grants   | 992              | 1,027            | 0                |
| Other Grants and Contributions  | 1,324            | 1,118            | 1,467            |
| Fees, Charges and Other Client Income   | 56               | 101              | 160              |
| <b>TOTAL INCOME</b>   | <b>2,372</b>     | <b>2,246</b>     | <b>1,627</b>     |
| <b>NET EXPENDITURE</b>  | <b>6,795</b>     | <b>6,878</b>     | <b>7,981</b>     |
| <b>DESCRIPTION OF SERVICE</b>   |                  |                  |                  |
| <p>The Council provides, or funds other agencies to provide, a range of services to people with mental health problems. These include:</p> <ul style="list-style-type: none"> <li>• Placements in independent sector residential and nursing homes</li> <li>• Home care</li> <li>• Direct payments and Individual Budgets</li> <li>• Day services</li> <li>• Support to homelessness people with mental health problems.</li> <li>• Financial support to a number of voluntary organisations.</li> </ul>  |                  |                  |                  |
| <b>MAJOR VARIATIONS</b>   |                  |                  |                  |
| <ul style="list-style-type: none"> <li>• Pay and prices increases have added £211,000 to the budget</li> <li>• Approved growth of £249,000, agreed in the 2007/08 Financial Plan process, to reprofile PCT funding is no longer required and so falls out of the budget.</li> <li>• A virement of £55,000 has been made from the home care service to increase the Physical Disability home care service budget reflecting the levels of expenditure being incurred.</li> <li>• A virement of £39,000 has increased the placements budgets from other under 65's placements budgets to reflect the cases being supported.</li> <li>• Government grants totalling £1,027,000 have been transferred to either the Formula Grant or Area Based Grant and are no longer shown within the Adult Social Care budget.</li> </ul> |                  |                  |                  |

| <b>SERVICES FOR OTHER ADULTS</b>   |                  |                  |                  |
|--|------------------|------------------|------------------|
| <b>Cabinet Member for Housing Services,<br/>Adult Social Care, Public Health and<br/>Environmental Health</b>  | <i>Actual</i>    | <b>Budget</b>    | <b>Budget</b>    |
|  | <i>2006/2007</i> | <i>2007/2008</i> | <i>2008/2009</i> |
|  | <i>£'000</i>     | <i>£'000</i>     | <i>£'000</i>     |
| <b>EXPENDITURE</b>   |                  |                  |                  |
| Employees  | 798              | 873              | 881              |
| Transport Related Expenditure  | 3                | 2                | 1                |
| Supplies and Services  | 49               | 23               | 10               |
| Third Party Payments   | 1,250            | 1,532            | 1,533            |
| <b>Total Direct Expenditure</b>  | <i>2,100</i>     | 2,430            | 2,425            |
| Central Support Services Recharges   | 92               | 113              | 108              |
| Departmental Recharges   | 212              | 232              | 162              |
| <b>TOTAL EXPENDITURE</b>   | <i>2,404</i>     | 2,775            | 2,695            |
| <b>INCOME</b>  |                  |                  |                  |
| Government Grants  | 652              | 691              | 437              |
| Other Grants and Contributions   | 539              | 540              | 664              |
| Fees, Charges and Other Client Income  | 63               | 120              | 75               |
| Recharges to Other Departments   | 0                | 0                | 5                |
| <b>TOTAL INCOME</b>  | <i>1,254</i>     | 1,351            | 1,181            |
| <b>NET EXPENDITURE</b>   | <i>1,150</i>     | 1,424            | 1,514            |
| <b>DESCRIPTION OF SERVICE</b>  |                  |                  |                  |
| This includes services to people who are substance misusers and services to people with HIV/AIDS.  |                  |                  |                  |
| <b>MAJOR VARIATIONS</b>  |                  |                  |                  |
| <ul style="list-style-type: none"> <li>• Pay and prices have added £58,000 to the budget</li> <li>• A Financial Plan reduction of £18,000 within the substance misuse service has been included.</li> <li>• Government grants totalling £139,000 have been transferred to either the Formula Grant or Area Based Grant are no longer shown within the Adult Social Care budget.</li> </ul> |                  |                  |                  |

| <b>SUPPORTED EMPLOYMENT</b>   |                  |                  |                  |
|---|------------------|------------------|------------------|
| <b>Cabinet Member for Housing Services,<br/>Adult Social Care, Public Health and<br/>Environmental Health</b> | <i>Actual</i>    | <b>Budget</b>    | <b>Budget</b>    |
|   | <i>2006/2007</i> | <i>2007/2008</i> | <i>2008/2009</i> |
|   | <i>£'000</i>     | <i>£'000</i>     | <i>£'000</i>     |
| <b>EXPENDITURE</b>  |                  |                  |                  |
| Third Party Payments  | 42               | 46               | 45               |
| <b>Total Direct Expenditure</b>   | 42               | 46               | 45               |
| Departmental Recharges  | 1                | 1                | 2                |
| <b>TOTAL EXPENDITURE</b>  | 43               | 47               | 47               |
| <b>INCOME</b>   |                  |                  |                  |
| <b>TOTAL INCOME</b>   | 0                | 0                | 0                |
| <b>NET EXPENDITURE</b>  | 43               | 47               | 47               |
| <b>DESCRIPTION OF SERVICE</b>   |                  |                  |                  |
| This includes supported employment activities to all adult client groups e.g. sheltered workshops.            |                  |                  |                  |
| <b>MAJOR VARIATIONS</b>   |                  |                  |                  |
| There are no major variations within this service.  |                  |                  |                  |

| <b>PUBLIC TRANSPORT</b>   |                  |                  |                  |
|---|------------------|------------------|------------------|
| <b>Cabinet Member for Housing Services,<br/>Adult Social Care, Public Health and<br/>Environmental Health</b>   | <i>Actual</i>    | <b>Budget</b>    | <b>Budget</b>    |
|   | <i>2006/2007</i> | <i>2007/2008</i> | <i>2008/2009</i> |
|   | <i>£'000</i>     | <i>£'000</i>     | <i>£'000</i>     |
| <b>EXPENDITURE</b>  |                  |                  |                  |
| Employees   | 149              | 155              | 158              |
| Transport Related Expenditure   | 0                | 4                | 4                |
| Supplies and Services   | 2                | 9                | 3                |
| Third Party Payments  | 4,946            | 5,380            | 5,005            |
| <b>Total Direct Expenditure</b>   | <i>5,097</i>     | 5,548            | 5,170            |
| Central Support Services Recharges  | 33               | 40               | 44               |
| Departmental Support Services Recharge  | 281              | 308              | 494              |
| <b>TOTAL EXPENDITURE</b>  | <i>5,411</i>     | 5,896            | 5,708            |
| <b>TOTAL INCOME</b>   | <i>0</i>         | 0                | 0                |
| <b>NET EXPENDITURE</b>  | <i>5,411</i>     | 5,896            | 5,708            |
| <b>DESCRIPTION OF SERVICE</b>   |                  |                  |                  |
| This comprises the London wide concessionary fares scheme and the Taxicard scheme, funded from the Car Parking Reserve Account.   |                  |                  |                  |
| <b>MAJOR VARIATIONS</b>   |                  |                  |                  |
| <ul style="list-style-type: none"> <li>• Pay and prices increases have added £140,000 to the budget.</li> <li>• The costs of the concessionary fares scheme based on the London wide agreement with Transport for London are £509,000 lower than the current budget provision for 2008/09.</li> </ul> |                  |                  |                  |

| <b>HOUSING MANAGEMENT AND SUPPORT SERVICES</b>  |                  |                  |                  |
|---|------------------|------------------|------------------|
| <b>Cabinet Member for Housing Services,<br/>Adult Social Care, Public Health and<br/>Environmental Health</b>   | <i>Actual</i>    | <b>Budget</b>    | <b>Budget</b>    |
|   | <i>2006/2007</i> | <i>2007/2008</i> | <i>2008/2009</i> |
|   | <i>£'000</i>     | <i>£'000</i>     | <i>£'000</i>     |
| <b>EXPENDITURE</b>  |                  |                  |                  |
| Employees   | 465              | 456              | 451              |
| Transport Related Expenditure   | 4                | 6                | 6                |
| Supplies and Services   | 134              | 146              | 142              |
| Third Party Payments  | 139              | 77               | 1                |
| <b>Total Direct Expenditure</b>   | <b>742</b>       | <b>685</b>       | <b>600</b>       |
| Central Support Services Recharges  | 135              | 194              | 73               |
| Departmental Recharges  | 178              | 338              | 327              |
| <b>TOTAL EXPENDITURE</b>  | <b>1,055</b>     | <b>1,217</b>     | <b>1,000</b>     |
| <b>INCOME</b>   |                  |                  |                  |
| Other Grants, and Contributions   | 11               | 0                | 0                |
| Recharges to Other Services   | 1,044            | 1,217            | 1,000            |
| <b>TOTAL INCOME</b>   | <b>1,055</b>     | <b>1,217</b>     | <b>1,000</b>     |
| <b>NET EXPENDITURE</b>  | <b>0</b>         | <b>0</b>         | <b>0</b>         |
| <b>DESCRIPTION OF SERVICE</b>   |                  |                  |                  |
| <p>This heading includes the salaries and associated costs of the strategic and support service functions within the Department of Housing and Strategic Development (HSD). These comprise:-</p> <ul style="list-style-type: none"> <li>• Strategic, operational planning and joint planning and liaison with other agencies</li> <li>• Client side of the HRA</li> <li>• Research, information and evaluation</li> <li>• Regeneration programme co-ordination</li> </ul> <p>Costs are fully recharged to Adult Social Care, Housing Needs, Enabling, Housing Strategy, the Housing Revenue Account, the Corporate and Democratic Core and other Business Groups. The department also provides the following services, which are shown on separate budget sheets:</p> <ul style="list-style-type: none"> <li>• Development of housing initiatives with housing associations and the private sector (see RSLs and Housing Advances).</li> <li>• Direct services to people in housing need (see Homelessness and Housing Advice)</li> <li>• Development of the housing strategy (see Housing Strategy)</li> </ul> |                  |                  |                  |
| <b>MAJOR VARIATIONS</b>   |                  |                  |                  |
| <ul style="list-style-type: none"> <li>• There is a reduction in the budgets of £75,000 for a one year virement agreed in 07/08 to fund project management work within the Housing Department.</li> <li>• CSS has decreased by £121,000.</li> </ul>   |                  |                  |                  |

| <b>HOUSING STRATEGY</b>   |                  |                  |                  |
|---|------------------|------------------|------------------|
| <b>Cabinet Member for Housing Services,<br/>Adult Social Care, Public Health and<br/>Environmental Health<br/>Deputy Leader and Cabinet Member for<br/>Planning Policy, Housing Policy and<br/>Transportation</b>   | <i>Actual</i>    | <b>Budget</b>    | <b>Budget</b>    |
|   | <i>2006/2007</i> | <i>2007/2008</i> | <i>2008/2009</i> |
|   | <i>£'000</i>     | <i>£'000</i>     | <i>£'000</i>     |
| <b>EXPENDITURE</b>  |                  |                  |                  |
| Supplies and Services   | 117              | 4                | 3                |
| <b>Total Direct Expenditure</b>   | 117              | 4                | 3                |
| Departmental Recharges  | 387              | 392              | 314              |
| <b>TOTAL EXPENDITURE</b>  | 504              | 396              | 317              |
| <b>INCOME</b>   | 0                | 0                | 0                |
| <b>TOTAL INCOME</b>   | 0                | 0                | 0                |
| <b>NET EXPENDITURE</b>  | 504              | 396              | 317              |
| <b>DESCRIPTION OF SERVICE</b>   |                  |                  |                  |
| <p>Housing Strategy is the mandatory heading in CIPFA's Best Value Accounting Code of Practice used to show the following costs:</p> <ul style="list-style-type: none"> <li>• The review of housing needs.</li> <li>• The preparation of the Council's Housing Strategy.</li> <li>• Strategic housing planning and allocation of resources.</li> <li>• Bids for various government initiatives</li> </ul> <p>In practice, the cost of Housing Strategy is made up of recharges from the Executive Group and Department of Housing and Strategic Development. Since it is independent of direct service provision, its cost is not reallocated to housing functions.</p> |                  |                  |                  |
| <b>MAJOR VARIATIONS</b>   |                  |                  |                  |
| <ul style="list-style-type: none"> <li>• A decrease in the departmental recharges arises from a change to the time allocations within the Housing Department.</li> </ul>  |                  |                  |                  |

| <b>HOMELESSNESS AND HOUSING ADVICE (HOUSING NEEDS)</b>  |                  |                  |                  |
|---|------------------|------------------|------------------|
| <b>Cabinet Member for Housing Services,<br/>Adult Social Care, Public Health and<br/>Environmental Health</b>   | <i>Actual</i>    | <b>Budget</b>    | <b>Budget</b>    |
|   | <i>2006/2007</i> | <i>2007/2008</i> | <i>2008/2009</i> |
|   | <i>£'000</i>     | <i>£'000</i>     | <i>£'000</i>     |
| <b>EXPENDITURE</b>  |                  |                  |                  |
| Employees   | 2,378            | 2,993            | 3,124            |
| Premises Related Expenditure  | 15               | 6                | 6                |
| Transport Related Expenditure   | 2                | 0                | 0                |
| Supplies and Services   | 864              | 562              | 572              |
| Third Party Payments  | 10,321           | 8,110            | 10,339           |
| <b>Total Direct Expenditure</b>   | <b>13,580</b>    | <b>11,671</b>    | <b>14,041</b>    |
| Central Support Services Recharges  | 504              | 611              | 797              |
| Departmental Recharges  | 547              | 666              | 550              |
| <b>TOTAL EXPENDITURE</b>  | <b>14,631</b>    | <b>12,948</b>    | <b>15,388</b>    |
| <b>INCOME</b>   |                  |                  |                  |
| Government Grants   | 810              | 900              | 1,223            |
| Other Grants and Contributions  | 14,093           | 10,984           | 11,142           |
| Recharges to Other Services   | 86               | 158              | 123              |
| <b>TOTAL INCOME</b>   | <b>14,989</b>    | <b>12,042</b>    | <b>12,488</b>    |
| <b>NET EXPENDITURE</b>  | <b>(358)</b>     | <b>906</b>       | <b>2,900</b>     |
| <b>DESCRIPTION OF SERVICE</b>   |                  |                  |                  |
| <p>This service includes the CIPFA accounting code of practice categories of homelessness, housing advice and other Council property:-</p> <ul style="list-style-type: none"> <li>• Management of the Town Hall housing reception service</li> <li>• Maintenance of the Council's Housing Register for housing need applicants</li> <li>• Assessment of housing applications and the placement of homeless people in temporary accommodation pending investigation of applications</li> <li>• Nomination of households for rehousing in both the Council's and housing associations' stock</li> <li>• Resettlement of people with mental health problems or with AIDS/HIV in both Council and housing association properties</li> <li>• The Royal Borough's contribution to the management costs of the travellers' site</li> <li>• Implementation of the statutory Housing Register</li> <li>• Housing advice and tenancy relations.</li> </ul>  |                  |                  |                  |
| <b>MAJOR VARIATIONS</b>   |                  |                  |                  |
| <ul style="list-style-type: none"> <li>• Pay and Price increases have added £88,000 to the budget.</li> <li>• Financial Plan growth of £130,000 has been added to the budget which comprises £50,000 towards a new floating support service and £60,000 towards the Westway Travellers site.</li> <li>• Financial Plan savings of £26,000 have been included which will arise from discounts given by Landlords.</li> <li>• A one year virement for homelessness prevention work was included in the 2007/08 budget. A further one-off virement of £1,069,000 in 2008/09 has been included to fund homelessness prevention work. Of this £396,000 has been transferred to Registered Social Landlords, £45,000 to Environmental Health, £35,000 to Corporate Services and the balance has remained within Housing Needs.</li> <li>• The budgets for Temporary Accommodation in 2008/09 reflect the new proposed charging arrangements, these will result in a reduced level of income to the service. In order to balance the budget and fund the prevention work (see above) additional funding of £1.6 million has been added to the budget.</li> <li>• CSS has increased by £171,000.</li> <li>• The increase in government grants represents an increase in the Homelessness Grant now paid directly to RBKC which was previously paid through the London Borough of Hammersmith and Fulham as part of the West London Homelessness Strategy and new funding towards overcrowding.</li> </ul> |                  |                  |                  |

| <b>REGISTERED SOCIAL LANDLORDS AND HOUSING ADVANCES (ENABLING)</b>   |                  |                  |                  |
|--|------------------|------------------|------------------|
| <b>Cabinet Member for Housing Services,<br/>Adult Social Care, Public Health and<br/>Environmental Health</b>  | <i>Actual</i>    | <b>Budget</b>    | <b>Budget</b>    |
|  | <i>2006/2007</i> | <i>2007/2008</i> | <i>2008/2009</i> |
|  | <i>£'000</i>     | <i>£'000</i>     | <i>£'000</i>     |
| <b>EXPENDITURE</b>   |                  |                  |                  |
| Employees  | 323              | 289              | 311              |
| Transport Related Expenditure  | 0                | 1                | 1                |
| Supplies and Services  | 407              | 729              | 403              |
| Third Party Payments   | 3                | 5                | 5                |
| <b>Total Direct Expenditure</b>  | <b>733</b>       | <b>1,024</b>     | <b>720</b>       |
| Central Support Services Recharges   | 106              | 123              | 134              |
| Departmental Recharges   | 237              | 121              | 112              |
| <b>TOTAL EXPENDITURE</b>   | <b>1,076</b>     | <b>1,268</b>     | <b>966</b>       |
| <b>INCOME</b>  |                  |                  |                  |
| Government Grants  | 1                | 0                | 0                |
| Other Grants and Contributions   | 62               |                  |                  |
| Fees, Charges and Other Client Income  | 47               | 73               | 76               |
| Interest   | 22               | 18               | 14               |
| Recharges to Other Services  | 9                | 12               | 14               |
| <b>TOTAL INCOME</b>  | <b>141</b>       | <b>103</b>       | <b>104</b>       |
| <b>NET EXPENDITURE</b>   | <b>935</b>       | <b>1,165</b>     | <b>862</b>       |
| <b>DESCRIPTION OF SERVICE</b>  |                  |                  |                  |
| <p>This heading covers the CIPFA accounting code of practice categories of registered social landlords (RSLs) and housing advances:</p> <ul style="list-style-type: none"> <li>• The Council's work with housing associations and the Housing Corporation to provide homes for families in housing need and to maintain the homes of existing association tenants. The Council also maintains loans with associations. These comprise "residual loans" which are long-term mortgages.</li> <li>• 'Let's Rent' private sector housing initiatives</li> <li>• The administration of mortgages for Right-to-Buy and other individuals.</li> </ul> |                  |                  |                  |
| <b>MAJOR VARIATIONS</b>  |                  |                  |                  |
| <ul style="list-style-type: none"> <li>• Pay and Price increase have added £14,000 to the budget.</li> <li>• A one year virement of £625,000 for homelessness prevention work was included in the 2007/08 budget. A further one year virement of £396,000 for similar work has been included in the 2008/09 budget within supplies and services.</li> </ul>  |                  |                  |                  |

| <b>SUPPORTING PEOPLE</b>   |                  |                  |                  |
|--|------------------|------------------|------------------|
| <b>Cabinet Member for Housing Services,<br/>Adult Social Care, Public Health and<br/>Environmental Health</b>  | <i>Actual</i>    | <b>Budget</b>    | <b>Budget</b>    |
|  | <i>2006/2007</i> | <i>2007/2008</i> | <i>2008/2009</i> |
|  | <i>£'000</i>     | <i>£'000</i>     | <i>£'000</i>     |
| <b>EXPENDITURE</b>   |                  |                  |                  |
| Employees  | 264              | 204              | 198              |
| Supplies and Services  | 24               | 71               | 1                |
| Third Party Payments   | 11,133           | 11,441           | 11,163           |
| <b>Total Direct Expenditure</b>  | <b>11,421</b>    | <b>11,716</b>    | <b>11,362</b>    |
| Central Support Services Recharges   | 49               | 56               | 51               |
| Departmental Recharges   | 0                | 0                | 145              |
| <b>TOTAL EXPENDITURE</b>   | <b>11,470</b>    | <b>11,772</b>    | <b>11,558</b>    |
| <b>INCOME</b>  |                  |                  |                  |
| Government Grants  | 11,613           | 11,394           | 10,670           |
| Fees & Charges   | 111              | 0                | 110              |
| <b>TOTAL INCOME</b>  | <b>11,724</b>    | <b>11,394</b>    | <b>10,780</b>    |
| <b>NET EXPENDITURE</b>   | <b>(254)</b>     | <b>378</b>       | <b>778</b>       |
| <b>DESCRIPTION OF SERVICE</b>  |                  |                  |                  |
| <p>From 1 April 2003, the funding arrangements to enable vulnerable people to live independently in the community were replaced by a single budget administered by local authorities. The Supporting People grant is used to commission a wide range of housing support. Older people, sheltered accommodation and people with special needs are included in the scheme.</p>   |                  |                  |                  |
| <b>MAJOR VARIATIONS</b>  |                  |                  |                  |
| <ul style="list-style-type: none"> <li>• There has been a reduction of £500,000 in the level of grant funding from the Department of Communities and Local Government for the main programme. The administration grant of £212,000 is part of the Area Based Grant and is held corporately and is no longer shown within Housing budgets.</li> <li>• The Supporting People Programme has been reduced following a review of services which was agreed by the Commissioning Body.</li> <li>• A budgeted draw down of £52,000 from the Supporting People Reserve has been included.</li> <li>• A charge for departmental services is now shown to comply with accounting standards.</li> <li>• A fees and charges budget has been set based on the level of income generated in previous years.</li> </ul> |                  |                  |                  |

| <b>ENVIRONMENTAL HEALTH – MANAGEMENT AND SUPPORT SERVICES</b>   |                  |                  |                  |
|---|------------------|------------------|------------------|
| <b>Cabinet Member for Housing Services, Adult Social Care, Public Health and Environmental Health</b>   | <i>Actual</i>    | <b>Budget</b>    | <b>Budget</b>    |
|   | <i>2006/2007</i> | <i>2007/2008</i> | <i>2008/2009</i> |
|   | <i>£'000</i>     | <i>£'000</i>     | <i>£'000</i>     |
| <b>EXPENDITURE</b>  |                  |                  |                  |
| Employees   | 623              | 559              | 834              |
| Premises Related Expenditure  | 3                | 2                | 2                |
| Transport Related Expenditure   | 2                | 2                | 0                |
| Supplies and Services   | 100              | 137              | 136              |
| Third Party Payments  | 70               | 0                | 0                |
| <b>Total Direct Expenditure</b>   | <b>798</b>       | <b>700</b>       | <b>972</b>       |
| Central Support Services Recharges  | 489              | 499              | 376              |
| Departmental Recharges  | 150              | 279              | 306              |
| Other Departmental Recharges  | 357              | 375              | 363              |
| Capital Financing Charges   | 44               | 66               | 52               |
| <b>TOTAL EXPENDITURE</b>  | <b>1,838</b>     | <b>1,919</b>     | <b>2,069</b>     |
| <b>INCOME</b>   |                  |                  |                  |
| Fee and Charges   | 4                | 2                | 2                |
| Recharges to Other Services   | 1,834            | 1,917            | 2,067            |
| <b>TOTAL INCOME</b>   | <b>1,838</b>     | <b>1,919</b>     | <b>2,069</b>     |
| <b>NET EXPENDITURE</b>  | <b>0</b>         | <b>0</b>         | <b>0</b>         |
| <b>DESCRIPTION OF SERVICE</b>   |                  |                  |                  |
| <p>The salaries of managers, personal assistants, project management, and support services staff are shown here with their associated running costs.</p> <p>Support Services carries out a wide variety of functions on behalf of the Department as a whole. In addition to traditional administrative support functions, such as service of statutory notices, typing and file handling, this includes a Business Systems Unit with a brief to sustain and develop information technology and management information systems. Project management is part of this function, identifying and implementing service improvements.</p>  |                  |                  |                  |
| <b>MAJOR VARIATIONS</b>   |                  |                  |                  |
| <p>Pay and price increases have added £45,000 to the budget in 2008/2009.</p> <p>Employee budgets have increased by £265,000 as the result of a departmental restructure involving the centralisation of the administrative and project functions and a newly created service improvement role. In addition budgets have increased by £16,000 due to an increase in superannuation costs arising from an actuarial valuation.</p> <p>Central Support Services budgets have decreased by £136,000. Of this £99,000 can be attributed to reduced accommodation costs.</p> <p>Departmental Recharges have increased by £20,000 as a result of changes in time allocations.</p> <p>Capital charges have decreased by £14,000.</p> |                  |                  |                  |

| <b>ENVIRONMENTAL HEALTH – FOOD AND TRAINING</b>   |                  |                  |                  |
|---|------------------|------------------|------------------|
| <b>Cabinet Member for Housing Services,<br/>Adult Social Care, Public Health and<br/>Environmental Health</b>   | <i>Actual</i>    | <b>Budget</b>    | <b>Budget</b>    |
|   | <i>2006/2007</i> | <i>2007/2008</i> | <i>2008/2009</i> |
|   | <i>£'000</i>     | <i>£'000</i>     | <i>£'000</i>     |
| <b>EXPENDITURE</b>  |                  |                  |                  |
| Employees   | 559              | 716              | 603              |
| Premises Related Expenditure  | 41               | 20               | 21               |
| Transport Related Expenditure   | 4                | 7                | 7                |
| Supplies and Services   | 57               | 68               | 65               |
| Third Party Payments  | 137              | 92               | 95               |
| <b>Total Direct Expenditure</b>   | <b>798</b>       | <b>903</b>       | <b>791</b>       |
| Central Support Services Recharges  | 121              | 113              | 92               |
| Departmental Recharges  | 268              | 285              | 390              |
| <b>TOTAL EXPENDITURE</b>  | <b>1,187</b>     | <b>1,301</b>     | <b>1,273</b>     |
| <b>INCOME</b>   |                  |                  |                  |
| Fees and Charges  | 210              | 182              | 197              |
| Recharge to Corporate and Democratic Core   | 3                | 3                | 3                |
| <b>TOTAL INCOME</b>   | <b>213</b>       | <b>185</b>       | <b>200</b>       |
| <b>NET EXPENDITURE</b>  | <b>974</b>       | <b>1,116</b>     | <b>1,073</b>     |
| <b>DESCRIPTION OF SERVICE</b>   |                  |                  |                  |
| <p>This service investigates food poisoning and infectious disease outbreaks and works to ensure that food is safe to eat in the borough. Officers undertake programmed risk-based inspections of around 1,700 food premises per year for food hygiene and food standards, respond to complaints, food alerts and sample foodstuffs. The team also undertakes health and safety inspections of food premises and investigates accidents and complaints. Enforcement action including the serving of improvement notices, closure of premises, seizure/detention of unsafe food and prosecutions are also taken where appropriate and in line with the Enforcement Policy.</p> <p>The Environmental Health training function is undertaken by the Food Team's services. This involves the provision of direct and contracted training on food hygiene and safety matters to catering workers and managers, and the development of internet based approaches to training.</p> |                  |                  |                  |
| <b>MAJOR VARIATIONS</b>   |                  |                  |                  |
| <p>Pay and price increases have added £28,000 to the budget in 2008/2009.</p> <p>Employee budgets have decreased by £120,000 due to a restructure of the service. In addition budgets have increased by £12,000 due to an increase in superannuation costs following an actuarial valuation.</p> <p>Financial Plan savings of £15,000 have been made. £10,000 relating to an anticipated increase in training income and £5,000 fall out of set up costs for schemes included in last years budgets.</p> <p>Central Support Service charges have decreased by £24,000.</p> <p>Departmental recharges have increased by £98,000 following the restructure of the service.</p>  |                  |                  |                  |

| <b>ENVIRONMENTAL HEALTH – TRADING STANDARDS</b>  |                  |                  |                  |
|--|------------------|------------------|------------------|
| <b>Cabinet Member for Housing Services,<br/>Adult Social Care, Public Health and<br/>Environmental Health</b>  | <i>Actual</i>    | <b>Budget</b>    | <b>Budget</b>    |
|  | <i>2006/2007</i> | <i>2007/2008</i> | <i>2008/2009</i> |
|  | <i>£'000</i>     | <i>£'000</i>     | <i>£'000</i>     |
| <b>EXPENDITURE</b>   |                  |                  |                  |
| Employees  | 261              | 311              | 272              |
| Transport Related Expenditure  | 2                | 1                | 1                |
| Supplies and Services  | 12               | 20               | 21               |
| Third Party Payments   | 2                | 0                | 0                |
| <b>Total Direct Expenditure</b>  | <b>277</b>       | <b>332</b>       | <b>294</b>       |
| Central Support Services Recharges   | 63               | 60               | 43               |
| Departmental Recharges   | 138              | 146              | 157              |
| <b>TOTAL EXPENDITURE</b>   | <b>478</b>       | <b>538</b>       | <b>494</b>       |
| <b>INCOME</b>  |                  |                  |                  |
| Fees and Charges   | 7                | 1                | 1                |
| Recharge to Corporate and Democratic Core  | 3                | 3                | 3                |
| <b>TOTAL INCOME</b>  | <b>10</b>        | <b>4</b>         | <b>4</b>         |
| <b>NET EXPENDITURE</b>   | <b>468</b>       | <b>534</b>       | <b>490</b>       |
| <b>DESCRIPTION OF SERVICE</b>  |                  |                  |                  |
| <p>The Trading Standards Service provides the following:</p> <p>Enforcement of legislation controlling weights and measures, trade descriptions, consumer safety, consumer credit, prices, hallmarking and textile labelling. This requires routine visits to trade premises and also the investigation of complaints. Tasks include testing of weighing and measuring equipment, checking weights and descriptions of goods and examining advertisements, labels and price displays. Test transactions are carried out to see if the correct weight is sold and if goods and services are correctly priced as described, and safe.</p> <p>Advising members of the public and local businesses on Trading Standards matters.</p> <p>Test purchasing for underage sale of alcohol, tobacco, knives and glue.</p> <p>Weighing road vehicles to check whether laden weights exceed legal limits.</p> <p>Testing new and repaired weighing and measuring equipment before use in trade.</p> <p>Seizure of counterfeit goods and enforcement of the Video Recordings Act.</p> |                  |                  |                  |
| <b>MAJOR VARIATIONS</b>  |                  |                  |                  |
| <p>Pay and price increases have added £13,000 to the budget in 2008/2009.</p> <p>Employee budgets have decreased by £32,000 following a restructure of the service. In addition budgets have increased by £5,000 due to an increase in superannuation costs following an actuarial valuation.</p> <p>As part of the Financial Plan process, salaries have decreased by £10,000 relating to a reduction in hours for the Consumer Advice post.</p> <p>Central Support Services budgets have decreased by £18,000.</p>   |                  |                  |                  |

| <b>ENVIRONMENTAL HEALTH – ENVIRONMENTAL QUALITY</b>   |                  |                  |                  |
|---|------------------|------------------|------------------|
| <b>Cabinet Member for Housing Services,<br/>Adult Social Care, Public Health and<br/>Environmental Health</b>   | <i>Actual</i>    | <b>Budget</b>    | <b>Budget</b>    |
|   | <i>2006/2007</i> | <i>2007/2008</i> | <i>2008/2009</i> |
|   | <i>£'000</i>     | <i>£'000</i>     | <i>£'000</i>     |
| <b>EXPENDITURE</b>  |                  |                  |                  |
| Employees   | 335              | 371              | 340              |
| Premises Related Expenditure  | 1                | 0                | 0                |
| Transport Related Expenditure   | 1                | 3                | 3                |
| Supplies and Services   | 56               | 53               | 54               |
| Third Party Payments  | 18               | 27               | 27               |
| <b>Total Direct Expenditure</b>   | <b>411</b>       | <b>454</b>       | <b>424</b>       |
| Central Support Services Recharges  | 73               | 80               | 56               |
| Departmental Recharges  | 168              | 183              | 186              |
| <b>TOTAL EXPENDITURE</b>  | <b>652</b>       | <b>717</b>       | <b>666</b>       |
| <b>INCOME</b>   |                  |                  |                  |
| Government Grant  | 43               | 0                | 0                |
| Recharges to Corporate and Democratic Core  | 19               | 21               | 21               |
| <b>TOTAL INCOME</b>   | <b>62</b>        | <b>21</b>        | <b>21</b>        |
| <b>NET EXPENDITURE</b>  | <b>590</b>       | <b>696</b>       | <b>645</b>       |
| <b>DESCRIPTION OF SERVICE</b>   |                  |                  |                  |
| <p>Environmental Quality provides services which include monitoring ambient air quality and developing proposals to improve it, identifying sites that could be contaminated and overseeing remediation work. It carries out research and gives advice on a wide range of environmental issues including electromagnetic radiation from mobile phone masts, air transport noise and environmental impact assessments. The team carries out public consultation exercises on these issues.</p> |                  |                  |                  |
| <b>MAJOR VARIATIONS</b>   |                  |                  |                  |
| <p>Pay and price increases have added £18,000 to the budget in 2008/2009.</p> <p>Employee budgets have decreased by £35,000 following a restructure of the service. In addition budgets have increased by £7,000 due to an increase in superannuation costs following an actuarial valuation.</p> <p>Central Support Service charges have decreased by £26,000.</p>   |                  |                  |                  |

| <b>ENVIRONMENTAL HEALTH – HEALTH AND SAFETY</b>   |                  |                  |                  |
|---|------------------|------------------|------------------|
| <b>Cabinet Member for Housing Services,<br/>Adult Social Care, Public Health and<br/>Environmental Health</b>   | <i>Actual</i>    | <b>Budget</b>    | <b>Budget</b>    |
|   | <i>2006/2007</i> | <i>2007/2008</i> | <i>2008/2009</i> |
|   | <i>£'000</i>     | <i>£'000</i>     | <i>£'000</i>     |
| <b>EXPENDITURE</b>  |                  |                  |                  |
| Employees   | 450              | 444              | 398              |
| Transport Related Expenditure   | 2                | 3                | 3                |
| Supplies and Services   | 3                | 10               | 10               |
| Third Party Payments  | 30               | 9                | 9                |
| <b>Total Direct Expenditure</b>   | <b>485</b>       | <b>466</b>       | <b>420</b>       |
| Central Support Services Recharges  | 92               | 61               | 65               |
| Departmental Recharges  | 193              | 210              | 202              |
| <b>TOTAL EXPENDITURE</b>  | <b>770</b>       | <b>737</b>       | <b>687</b>       |
| <b>INCOME</b>   |                  |                  |                  |
| Other income  | 95               | 0                | 0                |
| Recharges to Corporate and Democratic Core  | 3                | 3                | 4                |
| <b>TOTAL INCOME</b>   | <b>98</b>        | <b>3</b>         | <b>4</b>         |
| <b>NET EXPENDITURE</b>  | <b>672</b>       | <b>734</b>       | <b>683</b>       |
| <b>DESCRIPTION OF SERVICE</b>   |                  |                  |                  |
| <p><b>Health and Safety</b> The Team investigates accidents and cases of ill health at work and ensures that the health, safety and welfare of employees and members of the public are protected. Some 1,100 premises are inspected annually. Priority areas for inspection work include working at height, slips and trips, workplace transport and other dangerous working practices. Inspections also include occupational health problems to prevent illnesses such as dermatitis and musculoskeletal disorders including repetitive strain injuries. The Team also deals with high-risk activities that have the potential to seriously affect public health including the removal of asbestos and the inspection of wet cooling towers to prevent the growth of Legionella bacteria. Enforcement action in line with the Enforcement Policy includes the service of notices to remedy defects, seizure and detention of dangerous equipment and prosecution for health and safety failures.</p> |                  |                  |                  |
| <b>MAJOR VARIATIONS</b>   |                  |                  |                  |
| <p>Pay and price increases have added £19,000 to the budget in 2008/2009.</p> <p>Employee budgets have decreased by £48,000 following a restructure of the service. In addition budgets have increased by £8,000 due to an increase in superannuation costs following an actuarial valuation.</p> <p>Central Support Services charges have increased by £3,000.</p>   |                  |                  |                  |

| <b>ENVIRONMENTAL HEALTH – MORTUARY, CORONERS AND PEST CONTROL SERVICES</b>  |                  |                  |                  |
|---|------------------|------------------|------------------|
| <b>Cabinet Member for Housing Services,<br/>Adult Social Care, Public Health and<br/>Environmental Health</b>   | <i>Actual</i>    | <b>Budget</b>    | <b>Budget</b>    |
|   | <i>2006/2007</i> | <i>2007/2008</i> | <i>2008/2009</i> |
|   | <i>£'000</i>     | <i>£'000</i>     | <i>£'000</i>     |
| <b>EXPENDITURE</b>  |                  |                  |                  |
| Employees   | 296              | 304              | 307              |
| Transport Related Expenditure   | 3                | 2                | 5                |
| Supplies and Services   | 19               | 21               | 21               |
| Third Party Payments  | 409              | 369              | 423              |
| <b>Total Direct Expenditure</b>   | <b>727</b>       | <b>696</b>       | <b>756</b>       |
| Central Support Services Recharges  | 48               | 62               | 52               |
| Departmental Recharges  | 162              | 169              | 186              |
| Capital Financing Charges   | 0                | 5                | 0                |
| <b>TOTAL EXPENDITURE</b>  | <b>937</b>       | <b>932</b>       | <b>994</b>       |
| <b>INCOME</b>   |                  |                  |                  |
| Fees and Charges  | 163              | 212              | 218              |
| <b>TOTAL INCOME</b>   | <b>163</b>       | <b>212</b>       | <b>218</b>       |
| <b>NET EXPENDITURE</b>  | <b>774</b>       | <b>720</b>       | <b>776</b>       |
| <b>DESCRIPTION OF SERVICE</b>   |                  |                  |                  |
| <p>This comprises the Royal Borough's contribution towards the provision of a mortuary and Coroners' Court service.</p> <p>The control of rats, mice and insect pests is provided by a team of pest control officers, who carry out over 7,000 treatments each year. They also provide a pest control service to other Council departments, Registered Social Landlords and the Tenant Management Organisation. Other work undertaken includes collecting clinical waste.</p>   |                  |                  |                  |
| <b>MAJOR VARIATIONS</b>   |                  |                  |                  |
| <p>Pay and price increases have added £18,000 to the budget in 2008/2009.</p> <p>Employee budgets have increased by £2,000 following a restructure of the department. In addition budgets have increased by £6,000 due to an increase in superannuation costs following an actuarial valuation.</p> <p>Financial Plan growth of £45,000 has been included relating to increased costs with the Mortuary and Coroner's services.</p> <p>Central Support Service charges have reduced by £11,000.</p> <p>Departmental Recharges have increased by £17,000 following a restructure of the service.</p> |                  |                  |                  |

| <b>ENVIRONMENTAL HEALTH – NOISE AND NUISANCE</b>  |                  |                  |                  |
|---|------------------|------------------|------------------|
| <b>Cabinet Member for Housing Services,<br/>Adult Social Care, Public Health and<br/>Environmental Health</b>   | <i>Actual</i>    | <b>Budget</b>    | <b>Budget</b>    |
|   | <i>2006/2007</i> | <i>2007/2008</i> | <i>2008/2009</i> |
|   | <i>£'000</i>     | <i>£'000</i>     | <i>£'000</i>     |
| <b>EXPENDITURE</b>  |                  |                  |                  |
| Employees   | 938              | 890              | 853              |
| Transport Related Expenditure   | 17               | 23               | 24               |
| Supplies and Services   | 21               | 21               | 21               |
| Third Party Payments  | 66               | 23               | 24               |
| <b>Total Direct Expenditure</b>   | <b>1,042</b>     | <b>957</b>       | <b>922</b>       |
| Central Support Services Recharges  | 241              | 165              | 172              |
| Other Departmental Recharges  | 0                | 51               | 72               |
| Departmental Recharges  | 354              | 355              | 415              |
| <b>TOTAL EXPENDITURE</b>  | <b>1,637</b>     | <b>1,528</b>     | <b>1,581</b>     |
| <b>INCOME</b>   |                  |                  |                  |
| Other income  | 13               |                  |                  |
| Establishment Charges – Public Health Act   | 3                | 5                | 5                |
| <b>TOTAL INCOME</b>   | <b>16</b>        | <b>5</b>         | <b>5</b>         |
| <b>NET EXPENDITURE</b>  | <b>1,621</b>     | <b>1,523</b>     | <b>1,576</b>     |
| <b>DESCRIPTION OF SERVICE</b>   |                  |                  |                  |
| <p>This deals with the abatement of environmental pollution, principally noise. Over 10,000 complaints are received every year of noise disturbance from various sources including construction sites, noisy neighbours, parties, burglar alarms and noise from licensed premises. Enforcement action is taken by the serving of notices and prosecutions where appropriate.</p> <p>The majority of noise complaints are received out of office hours. The complaint burden is also very seasonal, with more complaints received in summer than winter, which presents a challenge for managers in allocating resources to meet demand.</p> <p>This service also deals with complaints arising from major infrastructure issues including railway noise and engineering projects which require liaison with other departments including Planning and Borough Development.</p> |                  |                  |                  |
| <b>MAJOR VARIATIONS</b>   |                  |                  |                  |
| <p>Pay and price increases have added £38,000 to the budget in 2008/2009.</p> <p>Employee budgets have decreased by £54,000 following a restructure of the service. In addition budgets have increased by £16,000 due to an increase in superannuation costs following an actuarial valuation.</p> <p>Departmental Recharges have increased by £81,000 following a restructure of the service.</p> <p>Financial Plan Growth of £15,000 has been added to the employees budget to fund 50% of a Licencing Review Officer Post to support the Noise and Nuisance service.</p>   |                  |                  |                  |

| <b>ENVIRONMENTAL HEALTH – HOUSING PRIVATE SECTOR</b>  |                  |                  |                  |
|---|------------------|------------------|------------------|
| <b>Cabinet Member for Housing Services,<br/>Adult Social Care, Public Health and<br/>Environmental Health</b>   | <i>Actual</i>    | <b>Budget</b>    | <b>Budget</b>    |
|   | <i>2006/2007</i> | <i>2007/2008</i> | <i>2008/2009</i> |
|   | <i>£'000</i>     | <i>£'000</i>     | <i>£'000</i>     |
| <b>EXPENDITURE</b>  |                  |                  |                  |
| Employees   | 662              | 680              | 794              |
| Premises Related Expenditure  | 1                | 1                | 1                |
| Transport Related Expenditure   | 1                | 2                | 2                |
| Supplies and Services   | -61              | 26               | 15               |
| Third Party Payments  | 6                | 0                | 2                |
| <b>Total Direct Expenditure</b>   | <b>609</b>       | <b>709</b>       | <b>814</b>       |
| Central Support Services Recharges  | 147              | 151              | 136              |
| Departmental Recharges  | 419              | 445              | 417              |
| Capital Financing Charges   | 581              | 780              | 890              |
| <b>TOTAL EXPENDITURE</b>  | <b>1,756</b>     | <b>2,085</b>     | <b>2,257</b>     |
| <b>INCOME</b>   |                  |                  |                  |
| Government Grants   | 199              | 222              | 321              |
| Other Grants and Contributions  | 23               | 0                | 24               |
| Fees and Charges  | 33               | 37               | 37               |
| <b>TOTAL INCOME</b>   | <b>255</b>       | <b>259</b>       | <b>382</b>       |
| <b>NET EXPENDITURE</b>  | <b>1,501</b>     | <b>1,826</b>     | <b>1,875</b>     |
| <b>DESCRIPTION OF SERVICE</b>   |                  |                  |                  |
| <p>Under its Private Sector Renewal Strategy, the Team aims to improve the housing stock, through enforcement action if necessary, to protect the safety and health of occupying tenants. Action is taken to tackle disrepair, absence of proper fire precautions, overcrowding, lack of amenities, or poor management. Notices are served requiring the execution of works or the closure of unfit houses.</p> <p>The Team also administers a Renovation Grants Scheme which targets scarce resources to those properties and persons in greatest need. Generally this entails bringing homes up to standard in terms of fire safety, repair, amenities, energy efficiency and where possible, home security. The Council's Affordable Warmth Strategy contains a range of initiatives aimed at reducing fuel poverty amongst the most vulnerable residents.</p>   |                  |                  |                  |
| <b>MAJOR VARIATIONS</b>   |                  |                  |                  |
| <p>Pay and price increases have added £32,000 to the budget in 2008/2009.</p> <p>Employee budgets have increased by £21,000 following a restructure of the service, by £24,000 due to a contribution towards salary costs of one of the services staff who is on secondment offset by an increase of £24,000 in income and also by £14,000 due to an increase in superannuation costs following an actuarial valuation. Financial Plan Growth of £20,000 has been added to the employees budget for a post to assess overcrowding enquiries and complaints.</p> <p>Central Support Service charges have decreased by £19,000 and Departmental Recharges have decreased by £38,000 following a restructure of the service.</p> <p>Capital financing charges have increased by £110,000 reflecting an increase in the Renovation Grant Programme. Additional government grants of £66,000 are available to fund this programme.</p> <p>Grant income of £45,000 has been included relating to further work to alleviate overcrowding although the spending power associated with this has not yet been approved.</p> |                  |                  |                  |

| <b>HOUSING REVENUE ACCOUNT</b>  |                  |                  |                  |
|---|------------------|------------------|------------------|
| <b>BUSINESS UNITS N1000 to N6100, H0100,H0200,H0300,H0400</b>   |                  |                  |                  |
| <b>Cabinet Member for Housing Services,<br/>Adult Social Care, Public Health and<br/>Environmental Health</b>   | <i>Actual</i>    | <b>Budget</b>    | <b>Budget</b>    |
|   | <i>2006/2007</i> | <i>2007/2008</i> | <i>2008/2009</i> |
|   | <i>£'000</i>     | <i>£'000</i>     | <i>£'000</i>     |
| <b>EXPENDITURE</b>  |                  |                  |                  |
| Salaries  | 0                | 0                | 0                |
| Premises Related Expenditure  | 17,319           | 16,490           | 16,459           |
| Transport Related Expenditure   | 0                | 0                | 0                |
| Supplies and Services   | 1,176            | 1,169            | 1,385            |
| Agency and Contracted Services  | 12,204           | 12,122           | 11,363           |
| Housing Benefit and Other Transfer Payments   | 0                | 16               | 0                |
| <b>Total Direct Expenditure</b>   | <b>30,699</b>    | <b>29,797</b>    | <b>29,207</b>    |
| Central Support Services Recharges  | 732              | 653              | 678              |
| Departmental Support Services Recharge  | 409              | 495              | 417              |
| Contribution to Working Balance   | 2,254            | 2,796            | 0                |
| Capital Financing Costs   | 18,949           | 19,738           | 19,518           |
| Contingency   | 0                | 0                | 0                |
| <b>TOTAL EXPENDITURE</b>  | <b>53,043</b>    | <b>53,479</b>    | <b>49,820</b>    |
| <b>INCOME</b>   |                  |                  |                  |
| Government Grants   | 9,171            | 7,266            | 4,168            |
| Other Grants and Contributions  | 0                | 0                | 430              |
| Contribution from Working Balance   | 0                | 0                | 309              |
| Fees, Charges and Other Client Income   | 10,974           | 15,327           | 12,626           |
| Rent – Dwellings  | 31,730           | 29,929           | 31,361           |
| Interest  | 1,168            | 957              | 926              |
| <b>TOTAL INCOME</b>   | <b>53,043</b>    | <b>53,479</b>    | <b>49,820</b>    |
| <b>NET EXPENDITURE<br/>(FULLY RECHARGED)</b>  | <b>0</b>         | <b>0</b>         | <b>0</b>         |
| <b>DESCRIPTION OF SERVICE</b>   |                  |                  |                  |
| <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. For 2008/09 rents have again been set in line with the government's rent restructuring formula.</p> |                  |                  |                  |
| <b>MAJOR VARIATIONS</b>   |                  |                  |                  |
| <p>The TMO's base management fee is unchanged from 2007/2008. The TMO's fee includes an additional saving of £420,000.</p> <p>A decrease of £220,000 in capital financing costs. This is due to a decrease in the capital programme.</p> <p>A decrease of £3.098 million in government grants. This is due to a decrease in housing subsidy due to an increase in notional rent income and the removal of the in-year Rental constrains allowance.</p> <p>A decrease in Fees, Charges and Other Income is largely due to a decrease in Major works income.</p>  |                  |                  |                  |

## REVENUE CHANGES – GROWTH AND SAVINGS

| Ref No.                          | Department                | Description                             | Details  | 2008/09<br>£'000 | 2009/10<br>£'000 | 2010/11<br>£'000 |
|----------------------------------|---------------------------|---|--|------------------|------------------|------------------|
| <b>Local Growth</b>              |                           |   |  |                  |                  |                  |
| 1                                | Adult Social Care         | Information Systems budget correction   | ISD budgets were recentralised in 2007/8 and the level of budget to be transferred was higher than the IT budgets HHASC had in place. Savings have been identified in 2008/9 to meet this further budget recentralisation.   | 80               | 0                | 0                |
| 2                                | Housing/Adult Social Care | Contract Support for the Business Group | Additional Contract Support is needed to support the HHASC business group. This is due to the increasing workload from Adult Social Care and, in addition, the Housing Service needs a greater input eg. Stock Options, Supporting People and Housing Initiatives.   | 40               | 0                | 0                |
| 3                                | Environmental Health      | Training set up costs falling out       |  | -5               | 0                | 0                |
| <b>Total Local Growth</b>        |                           |   |  | <b>115</b>       | <b>0</b>         | <b>0</b>         |
| <b>Corporately Funded Growth</b> |                           |   |  |                  |                  |                  |
| 4                                | Environmental Health      | Overcrowding and complaints             | 0.5 fte Housing Officer post to assess overcrowding enquiries/complaints. Introduced in April 06, under the Housing Act 2004, the Housing Health and Safety Rating System (HHSRS) has given local authorities a new tool for tackling severe overcrowding. Instead of using a fixed statutory standard to measure the extent of the problem, the HHSRS assesses the health and safety risks posed to the occupant of a particular property by their living | 20               | 0                | 0                |

|   |                      |   |  |    |   |   |
|---|----------------------|---|--|----|---|---|
|   |                      |   | conditions. Linkages between overcrowding and the new Housing Allocation Scheme will generate demand for assessment which is hard to predict, but an extra 100 enquiries per annum would require at least 0.5 FTE Environmental Housing Officer or suitably experienced Technical Officer.   |    |   |   |
| 5 | Environmental Health | Licensing Review Officer                                  | 0.5 fte Licencing Review Officer to support the Noise and Nuisance service. The change in the smoking legislation will generate increased complaints around pubs and restaurants. The response will be to gather evidence to enable the liquor licence to be reviewed. These reviews are time consuming, requiring liaison with residents, gathering evidence and attendance at committee. | 15 | 0 | 0 |
| 6 | Adult Social Care    | Further development of personalised care for Older People | The Council has been successful in its Individual Budgets pilot programme with older people and people with disabilities. This funding is to enable self-directed care across all Adult Social Care over the next 3 years as part of our strategy to increase choice and control and increase user satisfaction levels.  | 60 | 0 | 0 |
| 7 | Housing              | Westway Travellers Site project manager                   | A strategic review of the Travellers Site has identified there is no overarching strategy to address the needs of the community. Members expect the work with the Travellers' community to be well managed. A  | 60 | 0 | 0 |

|    |                   |   |  |    |   |   |
|----|-------------------|---|--|----|---|---|
|    |                   |   | project manager is needed for at least 2 years (possibly extending to 3) to pull together a number of projects and to develop the strategic leadership plan.   |    |   |   |
| 8  | Adult Social Care | Learning and Disabilities Service for young adults                        | The draft inspection of learning disability service by CSCI highlights the gap in provision of services for young adults with a learning or physical disability following the transition from Children's Services to Adults' Services. It would be possible to expand the capacity of both SCOPE/Community Action team and St Quintins and expand the capacity of bank workers. As well as providing support during school holidays, there is scope to provide additional work experience and sports development. In the first year a development officer is needed to develop the services, with the budget moving to services from year 2 (with the possibility of further growth needed). | 45 | 0 | 0 |
| 9  | Adult Social Care | Housing advice and support for young adults                               | It is anticipated more young people will be awarded tenancies under the New Allocation Scheme and we will need to provide support to enable these young people to maintain their tenancies through expansion of the floating support service.  | 50 | 0 | 0 |
| 10 | Adult Social Care | Development of personalised care for adults within the Independent Sector | The independent sector needs to be developed to provide self-directed care services. £50,000 would set up a training package for support planners in the independent sector and the  | 50 | 0 | 0 |

|  |                      |   |  |            |          |          |
|--|----------------------|---|--|------------|----------|----------|
|  |                      |   | community (including families/peers). One-off allocations not exceeding £2,500 would be given for systems development or initial salaries eg. brokerage support planning advice services.      |            |          |          |
| <b>Total Corporately Funded Growth</b> |                      |   |  | <b>300</b> | <b>0</b> | <b>0</b> |
| <b>Savings</b>                         |                      |   |  |            |          |          |
| 11                                     | Housing              | More efficient payments to landlords                                  | Landlords give us discount for processing invoices and making payments within an agreed period. This enables us to make savings on the cost of accommodation.                                  | -26        | 0        | 0        |
| 12                                     | Environmental Health | Income from increased Environmental Health health and safety training | Estimated untapped demand for training provision.  | -10        | 0        | 0        |
| 13                                     | Environmental Health | Advice and advocacy reduction   | Reduction in hours of post dealing with Consumer Advice and Advocacy from 3 days to 2 days.  | -10        | 0        | 0        |
| 14                                     | Adult Social Care    | Reduction in private and voluntary older people's placement budget    | From an analysis of projected costs, it is estimated that the budget for older people's private and voluntary placements can be reduced. This assumes 10 fewer placements are needed per year. | -400       | 0        | 0        |
| 15                                     | Adult Social Care    | Review of Adult Social Care assessment service                        | Second year of a review of the Assessment Service in Adult Social Care.  | -45        | 0        | 0        |
| 16                                     | Adult Social Care    | Reduce support costs in Adult Social Care                             | Reduction in posts in finance and business support in Adult Social Care over 2 years.  | -30        | 0        | 0        |
| 17                                     | Adult Social Care    | Reduce substance misuse/dual diagnosis/Joint Homelessness team costs  | A combination of salaries and placement budget reductions in substance use/dual diagnosis/Joint Homelessness Team budgets.   | -18        | 0        | 0        |
| 18                                     | Adult Social Care    | Primary Care Trust rent for use of Learning and                       | Saving resulting from the rent contribution received from the  | -25        | 0        | 0        |

|                             |                   |  |  |             |          |          |
|-----------------------------|-------------------|--|--|-------------|----------|----------|
|                             |                   | Disability Service                         | PCT towards the cost of PCT staff using SCOPE building (Learning Disability service).  |             |          |          |
| 19                          | Adult Social Care | Reduce Occupational Therapy Service budget | Reduction of 1.0 fte OT Team Leader post to be achieved through reorganisation of service as part of wider ASC changes. Post currently vacant. | -39         | 0        | 0        |
| 20                          | Adult Social Care | Insurance procurement saving               |  | -2          | 0        | 0        |
| 21                          | Adult Social Care | IT hardware procurement saving             |  | -33         | 0        | 0        |
| <b>Total Savings</b>        |                   |  |  | <b>-638</b> | <b>0</b> | <b>0</b> |
| <b>Business Group Total</b> |                   |  |  | <b>-223</b> | <b>0</b> | <b>0</b> |



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***PLANNING AND BOROUGH  
DEVELOPMENT***

***REVENUE BUDGET 2008/2009***

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**PLANNING AND BOROUGH DEVELOPMENT  
REVENUE BUDGET**

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**PLANNING AND BOROUGH DEVELOPMENT**  
**Subjective Summary**

|                              | Notes | 2006/07<br>Actual<br>£,000 | 2007/08<br>Budget<br>£'000 | 2008/09<br>Budget<br>£'000 |
|------------------------------|-------|----------------------------|----------------------------|----------------------------|
| <b>EXPENDITURE</b>           |       |                            |                            |                            |
| Employee Related Expenses    | 1     | 4,615                      | 4,544                      | 5,197                      |
| Premises Related             |       | 52                         | 0                          | 0                          |
| Transport Related Expenses   |       | 39                         | 55                         | 50                         |
| Supplies and Services        |       | 774                        | 622                        | 655                        |
| Third Party Payments         | 2     | 712                        | 523                        | 441                        |
| Central Support              |       |                            |                            |                            |
| Central Departments          | 3     | 1,657                      | 1,798                      | 2,264                      |
| Capital Charges              |       | 21                         | 30                         | 31                         |
| <b>TOTAL EXPENDITURE</b>     |       | <b>7,870</b>               | <b>7,572</b>               | <b>8,638</b>               |
| <b>INCOME</b>                |       |                            |                            |                            |
| Government Grants            | 4     | 419                        | 251                        | 122                        |
| Customer and Client Receipts |       |                            |                            |                            |
| Fees and Charges             | 5     | 2,260                      | 1,752                      | 2,186                      |
| Other                        |       | 9                          | 20                         | 20                         |
| <b>TOTAL INCOME</b>          |       | <b>2,688</b>               | <b>2,023</b>               | <b>2,328</b>               |
| <b>NET EXPENDITURE</b>       |       | <b>5,182</b>               | <b>5,549</b>               | <b>6,310</b>               |

**Notes**

- 1 Twelve new posts have been included for 2008/09 at a cost of £507,000, of which three are funded from Planning Delivery Grant, four funded from corporate growth and the remaining five from projected additional income
- 2 Tree Root insurance premiums have reduced by £43,000 following a re-tendering exercise. £100,000 relating to preparation of the Local Development Framework drops out in 2008/09 reflecting one off funding from Planning Delivery Grant
- 3 A change in the method of charging for Legal Services has had the effect of increasing this recharge budget by £242,000.
- 4 The amount of Planning Delivery Grant included in the budget has reduced by £129,000 with a lower allocation being received and spending phased over several years
- 5 Planning Applications Fees are budgeted to rise in 2008/09 with a high volume of applications continuing to be received and a 25% increase in fees by the Government from 1st April 2008

**PLANNING AND BOROUGH DEVELOPMENT  
Service Summary**

| Service  | 2006/07 Actual |                 |              | 2007/08 Budget |                 |              | 2008/09 Budget |                 |              | Outputs  | Head of Service |
|--|----------------|-----------------|--------------|----------------|-----------------|--------------|----------------|-----------------|--------------|--|-----------------|
|  | Exp<br>£'000   | Income<br>£'000 | Net<br>£'000 | Exp<br>£'000   | Income<br>£'000 | Net<br>£'000 | Exp<br>£'000   | Income<br>£'000 | Net<br>£'000 |  |                 |
| <b>Cabinet Member for Planning Policy,<br/>Housing Policy and Transportation</b>       |                |                 |              |                |                 |              |                |                 |              |  |                 |
| <b>Building Control</b>  | 1,490          | 1,312           | 178          | 1,854          | 1,108           | 746          | 1,976          | 1,214           | 762          | 1,500 Building Regulation Applications                   | BC              |
| <b>Planning Services</b>   |                |                 |              |                |                 |              |                |                 |              |  |                 |
| Development Control, Land Charges and<br>Planning Information Office                   | 3,287          | 1,279           | 2,008        | 3,103          | 904             | 2,199        | 3,854          | 1,148           | 2,706        | 3,200 Planning Applications; 1,200<br>Enforcement Cases; | HDC             |
| Policy and Graphics  | 937            | 105             | 832          | 794            | 109             | 685          | 945            | 9               | 936          | Production of the LDF                                    | HPP             |
| Design & Conservation  | 927            | 3               | 924          | 821            | 3               | 818          | 846            | 4               | 842          | 1,000 Planning Application Observations                  | HPP             |
| Arboriculture  | 878            | 0               | 878          | 751            | 0               | 751          | 732            | 0               | 732          | 8,000 Street Trees Managed                               | HPP             |
| <b>Total Cabinet Member for Planning Policy,<br/>Housing Policy and Transportation</b> | <b>7,519</b>   | <b>2,699</b>    | <b>4,820</b> | <b>7,323</b>   | <b>2,124</b>    | <b>5,199</b> | <b>8,353</b>   | <b>2,375</b>    | <b>5,978</b> |  |                 |
| Adjustment for Internal Recharges<br>Corporate and Democratic Core                     | -11<br>362     | -11<br>0        | 0<br>362     | -101<br>350    | -101<br>0       | 0<br>350     | -47<br>332     | -47<br>0        | 0<br>332     |  |                 |
| <b>TOTAL PLANNING AND BOROUGH<br/>DEVELOPMENT</b>                                      | <b>7,870</b>   | <b>2,688</b>    | <b>5,182</b> | <b>7,572</b>   | <b>2,023</b>    | <b>5,549</b> | <b>8,638</b>   | <b>2,328</b>    | <b>6,310</b> |  |                 |
| <b>FULLY RECHARGED SERVICES</b>  |                |                 |              |                |                 |              |                |                 |              |  |                 |
| Executive  | 344            | 3               | 341          | 263            | 3               | 260          | 421            | 0               | 421          |  | EDPBD           |
| Technical Support  | 410            | 108             | 302          | 368            | 68              | 300          | 431            | 116             | 315          |  | HOBS            |
| Central Support  | 828            | 49              | 779          | 596            | 0               | 596          | 669            | 0               | 669          |  | HOBS            |
| Development Control Support  | 421            | 0               | 421          | 412            | 0               | 412          | 476            | 0               | 476          |  | HOBS            |
| Forward Planning Support   | 233            | 0               | 233          | 171            | 0               | 171          | 162            | 0               | 162          |  | HOBS            |
| <b>FULLY RECHARGED</b>   | <b>2,236</b>   | <b>160</b>      | <b>2,076</b> | <b>1,810</b>   | <b>71</b>       | <b>1,739</b> | <b>2,159</b>   | <b>116</b>      | <b>2,043</b> |  |                 |

## PLANNING AND BOROUGH DEVELOPMENT

| SUMMARY OF CHANGES  | Ref. | Budget<br>2008/09 |
|---|------|-------------------|
|   |      | £'000             |
| <b>ORIGINAL BUDGET 2007/08</b>                                |      | <b>5,549</b>      |
| <b>o PAY AND PRICES CHANGES</b>                               |      |                   |
| Pay Awards  |      | 108               |
| Price Variations - Expenditure                                |      | 42                |
| <b>Total Pay and Prices Increases</b>                         |      | <b>150</b>        |
| <b>o CENTRAL SUPPORT SERVICES CHANGES</b>                     |      | <b>465</b>        |
| <b>o TRANSFER TO/FROM OTHER BUSINESS GROUPS</b>               |      |                   |
| Transfer to Corporate Services for Planning Solicitor         |      | -50               |
| <b>Total Transfers to/from other Business Groups</b>          |      | <b>-50</b>        |
| <b>o CAPITAL CHARGES VARIATIONS</b>                           |      | <b>1</b>          |
| <b>SUB TOTAL</b>  |      | <b>6,115</b>      |
| <b>o CABINET BUSINESS PLAN</b>                                |      |                   |
| <b>Growth Absorbed by Business Group</b>                      |      |                   |
| Head of Planning Policy                                       | 1    | 70                |
| Two Senior Development Controls Officers                      | 2    | 100               |
| Two Junior Development Control Officers                       | 3    | 79                |
| Design and Access Officer                                     | 4    | 40                |
| <b>Total Growth Absorbed by Business Group</b>                |      | <b>289</b>        |
| <b>Corporately Funded Growth</b>                              |      |                   |
| Town Centre Manager   | 5    | 60                |
| Section 106 Officer   | 6    | 50                |
| Census Officer  | 7    | 40                |
| Planning Solicitor  | 8    | 50                |
| <b>Total Corporately Funded Growth</b>                        |      | <b>200</b>        |
| <b>Planned Reductions</b>                                     |      |                   |
| Increased Planning Application Fee income                     | 9    | -331              |
| IT Hardware Procurement saving                                | 10   | -3                |
| Insurance Procurement saving                                  | 11   | -43               |
| <b>Total Planned Reductions</b>                               |      | <b>-377</b>       |
| <b>o OTHER CHANGES</b>  |      |                   |
| Variation in Planning Delivery Grant from previous year       |      | -26               |
| Variation in spend on Planning Delivery Grant funded projects |      | 91                |
| Spend funded from capital element of Planning Delivery Grant  |      | 87                |
| Pension Fund Actuarial Revaluation                            |      | 99                |
| Adjustment to Reflect Current Service Pension Liability       |      | -168              |
| <b>Total Other Changes</b>                                    |      | <b>83</b>         |
| <b>BUDGET 2008/09 Planning and Borough Development</b>        |      | <b>6,310</b>      |

**PLANNING AND BOROUGH DEVELOPMENT  
NARRATIVE SHEETS**

| <b>SERVICE MANAGEMENT AND SUPPORT SERVICES</b>   |                  |                  |                  |
|--|------------------|------------------|------------------|
| <b>EXECUTIVE DIRECTOR AND SUPPORT SERVICES</b>   |                  |                  |                  |
| <b>BUSINESS UNITS T0500, T0300, T0120, T0130, AND T0260</b>  |                  |                  |                  |
| <b>Cabinet Member for Planning Policy,<br/>Housing Policy and Transportation</b>   | <i>Actual</i>    | <b>Budget</b>    | <b>Budget</b>    |
|  | <i>2006/2007</i> | <i>2007/2008</i> | <i>2008/2009</i> |
|  | <i>£'000</i>     | <i>£'000</i>     | <i>£'000</i>     |
| <b>EXPENDITURE</b>   |                  |                  |                  |
| Salaries   | 1,066            | 948              | 1,162            |
| Other Employee Expenses  | 32               | 33               | 26               |
| Staff Training   | 26               | 16               | 19               |
| Office Refurbishment and Furniture   | 101              | 0                | 0                |
| Scanning of Archived Planning Files  | 156              | 33               | 33               |
| Scanning of New Planning Applications  | 81               | 68               | 68               |
| Acolaid Maintenance and Developments   | 22               | 19               | 67               |
| General Office Expenses  | 85               | 78               | 81               |
| IT Support Costs (recentralised 2007/08)   | 65               | 0                | 0                |
| <b>Total Direct Expenditure</b>  | <b>1,634</b>     | <b>1,195</b>     | <b>1,456</b>     |
| Central Support Services Recharges   | 362              | 470              | 506              |
| Departmental Support Services Recharge   | 240              | 145              | 197              |
| <b>TOTAL EXPENDITURE</b>   | <b>2,236</b>     | <b>1,810</b>     | <b>2,159</b>     |
| <b>INCOME</b>  |                  |                  |                  |
| Employees Contributions to Car Leasing   | 4                | 3                | 0                |
| Planning Delivery Grant  | 156              | 68               | 116              |
| Corporate and Democratic Core Activities   | 190              | 177              | 169              |
| <b>TOTAL INCOME</b>  | <b>350</b>       | <b>248</b>       | <b>285</b>       |
| <b>NET EXPENDITURE<br/>(FULLY RECHARGED)</b>   | <b>1,886</b>     | <b>1,562</b>     | <b>1,873</b>     |
| <b>DESCRIPTION OF SERVICE</b>  |                  |                  |                  |
| <p>The support services included are the Executive Director and Personal Assistant, the Head of Planning Policy, Town Centre Manager, Central Support (Post and Filing, Document Imaging, Street Naming and Numbering), Technical Support (IT development, software support, systems administration), support for Development Control and Forward Planning together with department wide budgets for general office costs.</p> <p>The Head of Business Support co-ordinates performance monitoring, service delivery planning and corporate initiatives such as Investors in People across the business group</p>  |                  |                  |                  |
| <b>MAJOR VARIATIONS</b>  |                  |                  |                  |
| <p>Pay and price increases have added £40,000 to the budget for 2008/2009.</p> <p>£70,000 has been included for the new post of Head of Planning Policy to particularly lead on the LDF (Ref 1). £60,000 has been added to fund a new Town Centre Manager (Ref. 5). Savings on PCs procurement have led to a reduction of £3,000 in the budget (Ref. 10).</p> <p>There has been a redirection of £60,000 from Development Control salaries to Support Services salaries to budget at full establishment in Development Control Support and Central Support. Similarly, £20,000 has been redirected from Building Control Salaries to meet the higher costs of the Executive Director and Head of Planning Policy.</p> <p>£48,000 Planning Delivery Grant has been included to fund further development of Acolaid.</p> |                  |                  |                  |

| <b>BUILDING CONTROL</b>   |                  |                  |                  |
|---|------------------|------------------|------------------|
| <b>BUSINESS UNITS T0400 and T0410</b>   |                  |                  |                  |
| <b>Cabinet Member for Planning Policy,<br/>Housing Policy and Transportation</b>  | <b>Actual</b>    | <b>Budget</b>    | <b>Budget</b>    |
|   | <b>2006/2007</b> | <b>2007/2008</b> | <b>2008/2009</b> |
|   | <i>£'000</i>     | <i>£'000</i>     | <i>£'000</i>     |
| <b>EXPENDITURE</b>  |                  |                  |                  |
| Salaries  | 1,035            | 1,193            | 1,286            |
| Other Employee Expenses   | 48               | 55               | 56               |
| Travelling/Parking/Congestion Charges   | 25               | 42               | 38               |
| Bad Debt Provision  | -88              | 3                | 6                |
| General Office Expenses   | 63               | 80               | 82               |
| Consultants   | 50               | 66               | 76               |
| IT Support Costs (recentralised 2007/08)  | 14               | 0                | 0                |
| Dangerous Structures Expenditure  | 10               | 20               | 20               |
| <b>Total Direct Expenditure</b>   | <b>1,157</b>     | <b>1,459</b>     | <b>1,564</b>     |
| Central Support Services Recharges  | 283              | 326              | 327              |
| Departmental Support Services Recharge  | 50               | 69               | 85               |
| <b>TOTAL EXPENDITURE</b>  | <b>1,490</b>     | <b>1,854</b>     | <b>1,976</b>     |
| <b>INCOME</b>   |                  |                  |                  |
| Building Regulation Fees  | 1,277            | 1,071            | 1,177            |
| Other Income  | 25               | 17               | 17               |
| Dangerous Structures Reimbursement  | 10               | 20               | 20               |
| <b>TOTAL INCOME</b>   | <b>1,312</b>     | <b>1,108</b>     | <b>1,214</b>     |
| <b>NET EXPENDITURE</b>  | <b>178</b>       | <b>746</b>       | <b>762</b>       |
| <b>DESCRIPTION OF SERVICE</b>   |                  |                  |                  |
| <p>The department deals with some 1,500 applications/building notices per annum made to the Council under Building Control legislation which covers a variety of activities including erection, extension or alteration of a building, fire precautions, alterations to drainage, ventilation, underpinning foundations, sound and thermal insulation and access for the disabled. Building Control Surveyors vet and approve submitted plans and make site inspections at certain key stages of the construction process to ensure compliance with the regulations.</p> <p>The department also deals with the licensing of special and temporary structures and generally gives advice about fire precautions and building control matters. Senior staff members are on call to provide a twenty four hour service in respect of Dangerous Structures. The cost of the works carried out to secure these structures is fully reimbursed.</p> |                  |                  |                  |
| <b>MAJOR VARIATIONS</b>   |                  |                  |                  |
| <p>Pay and price increases have added £45,000 for 2008/09.</p> <p>There is a £81,000 increase in salaries to fund a potential re-organisation and re-grading exercise due in 2008/09 following the Royal Borough Review of the service.</p> <p>£20,000 of the salaries budget has been redirected to the Executive Support Service to fund further costs of the Executive Director and Head of Planning Policy.</p> <p>£100,000 has been added to Building Control Fees to better reflect the recent level of income being achieved.</p>  |                  |                  |                  |

| <b>DEVELOPMENT CONTROL, PLANNING INFORMATION OFFICE AND LAND CHARGES</b>   |                  |                  |                  |
|--|------------------|------------------|------------------|
| <b>BUSINESS UNIT T0100, T0110 and T0310</b>  |                  |                  |                  |
| <b>Cabinet Member for Planning Policy,<br/>Housing Policy and Transportation</b>   | <i>Actual</i>    | <b>Budget</b>    | <b>Budget</b>    |
|  | <i>2006/2007</i> | <i>2007/2008</i> | <i>2008/2009</i> |
|  | <i>£'000</i>     | <i>£'000</i>     | <i>£'000</i>     |
| <b>EXPENDITURE</b>   |                  |                  |                  |
| Salaries   | 1,372            | 1,339            | 1,552            |
| Other Employee Expenses  | 42               | 40               | 41               |
| Travelling Expenses  | 6                | 6                | 5                |
| Advertising Costs  | 35               | 35               | 36               |
| Postage Costs  | 48               | 38               | 39               |
| General Office Expenses  | 24               | 13               | 14               |
| Consultants  | 44               | 31               | 32               |
| <b>Total Direct Expenditure</b>  | <b>1,571</b>     | <b>1,502</b>     | <b>1,719</b>     |
| Central Support Services Recharges   | 740              | 744              | 1,135            |
| Departmental Support Services Recharge   | 976              | 857              | 1,000            |
| <b>TOTAL EXPENDITURE</b>   | <b>3,287</b>     | <b>3,103</b>     | <b>3,854</b>     |
| <b>INCOME</b>  |                  |                  |                  |
| Planning Application Fees  | 850              | 589              | 940              |
| Land Charges Income  | 49               | 56               | 36               |
| Photocopying charges   | 52               | 11               | 11               |
| Planning Delivery Grant  | 163              | 83               | 6                |
| Corporate and Democratic Core Activities   | 165              | 165              | 155              |
| <b>TOTAL INCOME</b>  | <b>1,279</b>     | <b>904</b>       | <b>1,148</b>     |
| <b>NET EXPENDITURE</b>   | <b>2,008</b>     | <b>2,199</b>     | <b>2,706</b>     |
| <b>DESCRIPTION OF SERVICE</b>  |                  |                  |                  |
| <p>This service is responsible for implementing the Council's planning policies through the exercise of its development control powers. In 2007/08 3,600 planning applications are expected to be considered. Related functions include the enforcement of planning controls, appeals against the Council's planning decisions, liaison with residents' and amenity groups and the maintenance of property based records of planning decisions and planning constraints.</p> <p>The Planning Information Office offers a wide range of advice and information relating to Planning Control and Policy, Conservation Areas, Listed Buildings and Trees. It is now located within the Customer Service Centre. The Land Charges section is responsible for the processing of searches related to Planning matters and the clearance of associated queries.</p>   |                  |                  |                  |
| <b>MAJOR VARIATIONS</b>  |                  |                  |                  |
| <p>Pay and prices have added £74,000 to the budget for 2008/09.</p> <p>£179,000 has been added to the budget to fund four additional Development Control officer posts to meet the increasing workload (Ref. 2 and Ref. 3). A re-allocation within the business group's salary cash limit to reflect current staffing levels has resulted in £60,000 transferred to Support Services.</p> <p>Planning Delivery Grant received for 2007/08 has enabled the establishment of three graduate trainee posts over a period of three years and secured staff bonuses for 2008/09. This has added £93,000 to the salary budget.</p> <p>Planning Fee Income has been increased by £351,000 including £331,000 as part of the Cabinet Business Plan (Ref. 9), and £20,000 to offset reduced photocopying income. The Government has promised a 25% increase in fees from 1<sup>st</sup> April 2008.</p> <p>Only £6,000 Planning Delivery Grant income is included as the remaining £87,000 is the capital element of the grant that is being substituted for revenue centrally.</p> |                  |                  |                  |

| <b>POLICY TEAM AND GRAPHICS</b>  |                  |                  |                  |
|--|------------------|------------------|------------------|
| <b>BUSINESS UNIT T0210 AND T0240</b>   |                  |                  |                  |
| <b>Cabinet Member for Planning Policy,<br/>Housing Policy and Transportation</b>   | <i>Actual</i>    | <b>Budget</b>    | <b>Budget</b>    |
|  | <i>2006/2007</i> | <i>2007/2008</i> | <i>2008/2009</i> |
|  | <i>£'000</i>     | <i>£'000</i>     | <i>£'000</i>     |
| <b>EXPENDITURE</b>   |                  |                  |                  |
| Salaries   | 443              | 372              | 463              |
| Other Employee Expenses  | 10               | 10               | 10               |
| General Office Expenses  | 5                | 6                | 6                |
| Preparation of Local Development Framework<br>(funded by PDG)  | 36               | 100              | 0                |
| Retail Commission Consultants  | 61               | 0                | 0                |
| <b>Total Direct Expenditure</b>  | <b>555</b>       | <b>488</b>       | <b>479</b>       |
| Central Support Services Recharges   | 113              | 115              | 147              |
| Departmental Support Services Recharge   | 269              | 191              | 319              |
| <b>TOTAL EXPENDITURE</b>   | <b>937</b>       | <b>794</b>       | <b>945</b>       |
| <b>INCOME</b>  |                  |                  |                  |
| Sales of Development Plans   | 1                | 1                | 1                |
| Planning Delivery Grant  | 100              | 100              | 0                |
| Graphic Design Charges to Departments  | 0                | 4                | 4                |
| Corporate and Democratic Core Activities   | 4                | 4                | 4                |
| <b>TOTAL INCOME</b>  | <b>105</b>       | <b>109</b>       | <b>9</b>         |
| <b>NET EXPENDITURE</b>   | <b>832</b>       | <b>685</b>       | <b>936</b>       |
| <b>DESCRIPTION OF SERVICE</b>  |                  |                  |                  |
| <p>The Policy Team is responsible for the development and review of statutory planning policies. These are currently set out in the Unitary Development Plan which was formally adopted by the Council in May 2002. On commencement of the Planning and Compulsory Purchase Act 2004, the Policy Team began the preparation of the Councils Local Development Framework documents, which will replace the Unitary Development Plan in 2008.</p> <p>The Policy Team also co-ordinates the preparation of planning briefs, supplementary planning documents and research (such as the Housing Needs Assessment).</p> <p>A Graphic Designer provides a service to all sections in Planning and Borough Development and some work is also undertaken for other departments in the Council.</p>   |                  |                  |                  |
| <b>MAJOR VARIATIONS</b>  |                  |                  |                  |
| <p>Pay and prices have added £19,000 to the budget for 2008/09.</p> <p>In order to secure Council-wide benefits from Section 106 arrangements, £50,000 has been added to the budget to fund a new post to develop, implement and monitor these agreements (Ref. 2).</p> <p>£40,000 has been included for a Census Officer to provide advice to all Council departments on Census issues (Ref. 7).</p> <p>The preparation costs of the Local Development Framework (LDF) have fallen out, but there remains funding within the Business Group's Carry Forward Reserve of £146,000 to complete this work. The Planning Delivery Grant that paid for this work similarly falls out.</p> <p>The increase in Departmental Support Service Recharges reflects the additional costs of the Head of Planning Policy and Town Centre Manager within the Executive which are Policy related.</p> |                  |                  |                  |

| <b>DESIGN AND CONSERVATION</b>   |                  |                  |                  |
|--|------------------|------------------|------------------|
| <b>BUSINESS UNIT T0230</b>   |                  |                  |                  |
| <b>Cabinet Member for Planning Policy,<br/>Housing Policy and Transportation</b>   | <i>Actual</i>    | <b>Budget</b>    | <b>Budget</b>    |
|  | <i>2006/2007</i> | <i>2007/2008</i> | <i>2008/2009</i> |
|  | <i>£'000</i>     | <i>£'000</i>     | <i>£'000</i>     |
| <b>EXPENDITURE</b>   |                  |                  |                  |
| Salaries   | 407              | 395              | 438              |
| Other Employee Expenses  | 9                | 11               | 11               |
| Travelling Expenses  | 2                | 2                | 3                |
| Brighten Up The Borough Fund   | 13               | 16               | 16               |
| Consultants  | 48               | 15               | 15               |
| Graffiti Initiative  | 67               | 72               | 74               |
| General Office Expenses  | 8                | 7                | 6                |
| <b>Total Direct Expenditure</b>  | <b>554</b>       | <b>518</b>       | <b>563</b>       |
| Central Support Services Recharges   | 73               | 67               | 71               |
| Departmental Support Services Recharge   | 279              | 206              | 181              |
| Capital Charges  | 21               | 30               | 31               |
| <b>TOTAL EXPENDITURE</b>   | <b>927</b>       | <b>821</b>       | <b>846</b>       |
| <b>INCOME</b>  |                  |                  |                  |
| Corporate and Democratic Core Activities   | 3                | 3                | 4                |
| <b>TOTAL INCOME</b>  | <b>3</b>         | <b>3</b>         | <b>4</b>         |
| <b>NET EXPENDITURE</b>   | <b>924</b>       | <b>818</b>       | <b>843</b>       |
| <b>DESCRIPTION OF SERVICE</b>  |                  |                  |                  |
| <p>The Design and Conservation Team is responsible for the implementation and review of the Council's Conservation, Urban Design and Historic Buildings policies through design advice; the preparation of Conservation Area Policy Statements in consultation with local amenity groups; grant aid to Historic Building restoration, townscape enhancement schemes and implementing the programme to bring derelict buildings back into beneficial use and the preparation of three supplementary planning documents as part of the Council's Local Development Framework.</p> <p>The team is also responsible for the Brighten Up the Borough Fund and a townscape improvement programme seeking the removal of graffiti and visual clutter.</p> |                  |                  |                  |
| <b>MAJOR VARIATIONS</b>  |                  |                  |                  |
| <p>Pay and prices have added £19,000 to the budget for 2008/09.</p> <p>£40,000 has been added to the budget to fund a new Design and Access Officer created to provide access advice and implement access policies Council wide. The cost is being met from within Business Group resources (Ref. 8).</p>  |                  |                  |                  |

**ARBORICULTURE****BUSINESS UNIT T0250****Cabinet Member for Planning Policy,  
Housing Policy and Transportation**

|  | <i>Actual</i>    | <b>Budget</b>    | <b>Budget</b>    |
|--|------------------|------------------|------------------|
|  | <i>2006/2007</i> | <i>2007/2008</i> | <i>2008/2009</i> |
|  | <i>£'000</i>     | <i>£'000</i>     | <i>£'000</i>     |
| <b>EXPENDITURE</b>                     |                  |                  |                  |
| Salaries                               | 122              | 130              | 131              |
| Other Employee Expenses                | 3                | 3                | 3                |
| General Office Expenses                | 6                | 4                | 4                |
| Tree Root Insurance Costs              | 291              | 232              | 207              |
| Street Tree Planting                   | 36               | 22               | 23               |
| Street Tree Maintenance                | 260              | 190              | 194              |
| <b>Total Direct Expenditure</b>        | <i>718</i>       | 581              | 562              |
| Central Support Services Recharges     | 86               | 77               | 78               |
| Departmental Support Services Recharge | 73               | 93               | 92               |
| <b>TOTAL EXPENDITURE</b>               | <i>877</i>       | 751              | 732              |
| <b>TOTAL INCOME</b>                    | <i>0</i>         | 0                | 0                |
| <b>NET EXPENDITURE</b>                 | <i>877</i>       | 751              | 732              |

**DESCRIPTION OF SERVICE**

The Arboriculture service is responsible for the annual maintenance programme of around 8,000 street trees within the Royal Borough. This is on a three year cycle with a two year cycle for the north of the Borough to reduce the potential for trees causing subsistence problems in the clay soil areas. Planting new trees in appropriate locations is also carried out.

The team also handles applications to do works to protected trees and advises planning officers on the effects new developments will have on trees.

There is also a twenty-four hour emergency service as well as providing the public with arboricultural advice.

**MAJOR VARIATIONS**

Pay and prices have added £31,000 to the budget for 2008/09.

Tree Root Insurance has been reduced by £43,000 due to savings arising on re-tendering long term insurance contracts (Ref. 11).

## REVENUE CHANGES – GROWTH AND SAVINGS

| Ref No.  | Department             | Description                       | Details  | 2008/09<br>£'000 | 2009/10<br>£'000 | 2010/11<br>£'000 |
|--|------------------------|-----------------------------------|--|------------------|------------------|------------------|
| <b>Growth Absorbed by Business Group</b>       |                        |                                   |  |                  |                  |                  |
| 1.   | Support Services       | Head of Planning Policy           | Head of Planning Policy  | 70               |                  |                  |
| 2.   | Planning Services      | Development Control Officers      | Two Senior Development Control Officers  | 100              |                  |                  |
| 3.   | Planning Services      | Development Control Officers      | Two Junior Development Control Officers  | 79               |                  |                  |
| 4.   | Planning Services      | Design and Access Officer         | Design and Access Officer to provide this specialist advice Council wide                 | 40               |                  |                  |
| <b>Total Growth Absorbed by Business Group</b> |                        |                                   |  | <b>289</b>       |                  |                  |
| <b>Corporately Funded Growth</b>               |                        |                                   |  |                  |                  |                  |
| 5.   | Support Services       | Town Centre Manager               | Town Centre Manager  | 60               |                  |                  |
| 6.   | Planning Services      | Section 106 Officer               | Section 106 Officer to achieve improved benefits for the Council through S106 agreements | 50               |                  | -50              |
| 7.   | Planning Services      | Census Officer                    | Census Officer to provide this specialist advice Council wide                            | 40               |                  |                  |
| 8.   | Law and Administration | Planning Solicitor                | Planning Solicitor to support the increased workload related to Planning issues          | 50               |                  |                  |
| <b>Total Corporately Funded Growth</b>         |                        |                                   |  | <b>200</b>       |                  | <b>-50</b>       |
| <b>Savings</b>                                 |                        |                                   |  |                  |                  |                  |
| 9.   | Planning Services      | Planning Applications Fees income | Income from increased volumes and fee 25% fee rise 1/4/08                                | -331             |                  |                  |
| 10.  | Support Services       | IT Hardware Procurement           | Saving on new contract for purchase of PCs and laptops                                   | -3               |                  |                  |
| 11.  | Planning Services      | Insurance Procurement             | Saving on new contract   | -43              |                  |                  |
| <b>Total Savings</b>                           |                        |                                   |  | <b>-377</b>      |                  |                  |
| <b>Business Group Total</b>                    |                        |                                   |  | <b>112</b>       |                  | <b>-50</b>       |

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***TRANSPORT, ENVIRONMENTAL AND  
LEISURE SERVICES***

***REVENUE BUDGET 2008/2009***

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| <p><b>TRANSPORT, ENVIRONMENT AND LEISURE<br/>SERVICES<br/>REVENUE BUDGET</b></p> |
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**TRANSPORT, ENVIRONMENTAL AND LEISURE SERVICES**  
**Subjective Summary**

| Item  | Notes | 2006/07<br>Actual | 2007/08<br>Budget | 2008/09<br>Budget |
|---|-------|-------------------|-------------------|-------------------|
|   |       | £'000             | £'000             | £'000             |
| <b>EXPENDITURE</b>                                |       |                   |                   |                   |
| Employee Related Expenses                         | 1     | 12,938            | 13,632            | 13,562            |
| Premises Related Expenses                         |       | 4,289             | 4,521             | 4,845             |
| Transport Related Expenses                        |       | 79                | 107               | 135               |
| Supplies and Services                             |       | 5,517             | 5,220             | 5,238             |
| Third Party Payments                              | 2     | 38,485            | 37,546            | 41,951            |
| Transfer Payments                                 |       | 0                 | 0                 | 0                 |
| Central Support                                   |       |                   |                   |                   |
| Central Departments                               |       | 6,259             | 6,359             | 6,526             |
| Other Departments                                 |       | 111               | 98                | 88                |
| Capital Charges                                   |       | 2,113             | 2,313             | 2,693             |
| <b>TOTAL EXPENDITURE</b>                          |       | <b>69,791</b>     | <b>69,796</b>     | <b>75,038</b>     |
| <b>INCOME</b>                                     |       |                   |                   |                   |
| Government Grants                                 | 3     | 264               | 277               | 0                 |
| Other Grants, Reimbursements<br>and Contributions |       | 584               | 380               | 370               |
| Customer and Client Receipts                      |       |                   |                   |                   |
| Fees and Charges                                  |       | 52,638            | 50,063            | 52,152            |
| Rents   |       | 896               | 951               | 967               |
| Interest  |       | 1                 | 1                 | 1                 |
| Recharges to Other Revenue A/Cs                   |       |                   |                   |                   |
| Other Departments                                 |       | 399               | 541               | 536               |
| <b>TOTAL INCOME</b>                               |       | <b>54,782</b>     | <b>52,213</b>     | <b>54,026</b>     |
| <b>NET EXPENDITURE</b>                            |       | <b>15,009</b>     | <b>17,583</b>     | <b>21,012</b>     |

**Notes**

- 1 Increased employer's contribution to pension fund as a result of actuarial variation of £269,000 however there has been a reduction of pensions funds contributions on FRS17 of £447,000
- 2 £2.75m York Stone Paving has been transferred from the capital programme to the revenue budget
- 3 Waste Performance and Efficiency Grant is no longer paid to the Royal Borough.

## TRANSPORT, ENVIRONMENTAL AND LEISURE SERVICES

### Service Summary

| Service  | 2006/07 Actual |                 |               | 2007/08 Budget |                 |               | 2008/09 Budget |                 |               | Outputs  | Head of Service |
|--|----------------|-----------------|---------------|----------------|-----------------|---------------|----------------|-----------------|---------------|--|-----------------|
|  | Exp<br>£'000   | Income<br>£'000 | Net<br>£'000  | Exp<br>£'000   | Income<br>£'000 | Net<br>£'000  | Exp<br>£'000   | Income<br>£'000 | Net<br>£'000  |  |                 |
| <b>Cabinet Member for Regeneration,<br/>Environmental Management and Leisure</b>       |                |                 |               |                |                 |               |                |                 |               |  |                 |
| <b>Waste Management</b>  |                |                 |               |                |                 |               |                |                 |               |  |                 |
| Operations - Cleansing   | 12,263         | 157             | 12,106        | 12,621         | 146             | 12,475        | 13,125         | 145             | 12,980        | 65k tonnes of refuse from 84k premises;<br>cleansing 460km footways                                      | WM&L            |
| Commercial Waste and Revenue Services  | 2,346          | 4,137           | -1,791        | 2,502          | 4,438           | -1,936        | 2,552          | 4,743           | -2,191        | Collection of 25k tonnes of waste from 3,200<br>premises   | WM&L            |
| Waste Disposal   | 6,861          | 191             | 6,670         | 7,192          | 210             | 6,982         | 8,110          | 105             | 8,005         | Disposal of 93k tonnes of refuse by WRWA<br>Collection of 12k tonnes from 84,000<br>premises             | WM&L            |
| Recycling  | 2,394          | 266             | 2,128         | 2,408          | 277             | 2,131         | 2,452          | 0               | 2,452         |  | WM&L            |
| Regulation of Street Trading   | 865            | 865             | 0             | 905            | 905             | 0             | 900            | 900             | 0             | 359 licensed sites   | WM&L            |
| Traders Stores   | 74             | 177             | -103          | 83             | 170             | -87           | 87             | 174             | -87           | 57 stores and 2 retail outlets   | WM&L            |
| <b>Leisure &amp; Parks</b>   |                |                 |               |                |                 |               |                |                 |               |  |                 |
| Sports Centres   | 987            | 182             | 805           | 1,020          | 197             | 823           | 1,162          | 148             | 1,014         | 2 Sports Centres - Kensington and Chelsea<br>8 main parks and 100 smaller open spaces<br>(40.3 hectares) | WM&L            |
| Parks and Open Spaces  | 4,097          | 204             | 3,893         | 4,276          | 282             | 3,994         | 4,577          | 241             | 4,336         |  | WM&L            |
| Cemeteries   | 641            | 603             | 38            | 652            | 648             | 4             | 684            | 714             | -30           | 2 Cemeteries - Hanwell and Gunnersbury   | WM&L            |
| <b>Arts and Museums</b>  |                |                 |               |                |                 |               |                |                 |               |  |                 |
| Arts Development and Support   | 341            | 22              | 319           | 394            | 0               | 394           | 452            | 0               | 452           | 42,000 tickets sold for 44 performances in<br>2007   | WM&L            |
| Holland Park Theatre   | 2,061          | 1,558           | 503           | 2,162          | 1,818           | 344           | 2,424          | 1,998           | 426           |  | WM&L            |
| Museums and Galleries  | 934            | 558             | 376           | 622            | 266             | 356           | 687            | 272             | 415           | 4 facilities with 33,000 visitors in 2006/07   | WM&L            |
| <b>Licensing</b>   | 1,014          | 614             | 400           | 1,212          | 536             | 676           | 1,039          | 622             | 417           | 1,000 licensed premises  | EDTELS          |
| <b>Notting Hill Carnival</b>   | 590            | 129             | 461           | 572            | 115             | 457           | 589            | 120             | 469           |  | WM&L            |
| <b>Total Cabinet Member for Regeneration,<br/>Environmental Management and Leisure</b> | <b>35,468</b>  | <b>9,663</b>    | <b>25,805</b> | <b>36,621</b>  | <b>10,008</b>   | <b>26,613</b> | <b>38,840</b>  | <b>10,182</b>   | <b>28,658</b> |  |                 |

## TRANSPORT, ENVIRONMENTAL AND LEISURE SERVICES

### Service Summary

| Service  | 2006/07 Actual |                 |                | 2007/08 Budget |                 |               | 2008/09 Budget |                 |               | Outputs  | Head of Service |
|--|----------------|-----------------|----------------|----------------|-----------------|---------------|----------------|-----------------|---------------|--|-----------------|
|  | Exp<br>£'000   | Income<br>£'000 | Net<br>£'000   | Exp<br>£'000   | Income<br>£'000 | Net<br>£'000  | Exp<br>£'000   | Income<br>£'000 | Net<br>£'000  |  |                 |
| <b>Deputy Leader and Cabinet Member for Planning Policy, Housing Policy and Transportation</b>       |                |                 |                |                |                 |               |                |                 |               |  |                 |
| <b>Transportation and Highways</b>   |                |                 |                |                |                 |               |                |                 |               |  |                 |
| Highway Maintenance  | 9,919          | 748             | 9,171          | 8,063          | 790             | 7,273         | 11,139         | 838             | 10,301        | 208km of public highway, of which, 12.5km maintained by TfL          | T&H             |
| Public Lighting  | 2,209          | 38              | 2,171          | 2,336          | 27              | 2,309         | 2,338          | 25              | 2,313         | 10,500 street lights, 3,500 signs/ bollards and 12,300 Parking Signs | T&H             |
| Rechargeables and Other Street Works   | 811            | 399             | 412            | 415            | 402             | 13            | 449            | 402             | 47            |  | T&H             |
| Traffic Section  | 2,403          | 142             | 2,261          | 2,529          | 72              | 2,457         | 2,713          | 57              | 2,656         |  | T&H             |
| Transportation and Road Safety   | 768            | 106             | 662            | 745            | 30              | 715           | 819            | 66              | 753           | 40 major Planning applications and 500 minor ones                    | T&H             |
| <b>Parking</b>   |                |                 |                |                |                 |               |                |                 |               |  |                 |
| Car Parking Off-Street   | 1,005          | 1,996           | -991           | 1,114          | 1,946           | -832          | 1,072          | 1,943           | -871          | 2 Car Parks-Ken. Town Hall has 450 spaces and Young Street 254       | PO              |
| Car Parking On-Street  | 16,412         | 41,413          | -25,001        | 17,269         | 38,743          | -21,474       | 16,817         | 40,175          | -23,358       | Approx. 38,000 live residents permits/19,000 suspensions per annum   | PO              |
| <b>Total Deputy Leader and Cabinet Member for Planning Policy, Housing Policy and Transportation</b> | <b>33,527</b>  | <b>44,842</b>   | <b>-11,315</b> | <b>32,471</b>  | <b>42,010</b>   | <b>-9,539</b> | <b>35,347</b>  | <b>43,506</b>   | <b>-8,159</b> |  |                 |
| Adjustment for Recharged Services Income and Internal Recharges                                      | 277            | 277             | 0              | 195            | 195             | 0             | 322            | 322             | 0             |  |                 |
| Corporate and Democratic Core  | 319            | 0               | 319            | 310            | 0               | 310           | 262            | 0               | 262           |  |                 |
| Environmental Strategy   | 200            | 0               | 200            | 199            | 0               | 199           | 251            | 0               | 251           |  |                 |
| <b>TOTAL TRANSPORT, ENVIRONMENT AND LEISURE SERVICES</b>   | <b>69,791</b>  | <b>54,782</b>   | <b>15,009</b>  | <b>69,796</b>  | <b>52,213</b>   | <b>17,583</b> | <b>75,022</b>  | <b>54,010</b>   | <b>21,012</b> |  |                 |
| <b>FULLY RECHARGED SERVICES</b>  |                |                 |                |                |                 |               |                |                 |               |  |                 |
| Executive  | 1,746          | 3               | 1,743          | 1,596          | 3               | 1,593         | 1,575          | 3               | 1,572         |  | EDTELS          |
| Contact Centres & Business Support   | 2,870          | 363             | 2,507          | 3,063          | 501             | 2,562         | 3,109          | 496             | 2,613         |  | WM&L            |
| Contracts & Enforcement Support  | 1,740          | 40              | 1,700          | 1,763          | 31              | 1,732         | 2,035          | 31              | 2,004         |  | WM&L            |
| Transportation and Highways Administration   | 1,370          | 33              | 1,337          | 1,315          | 3               | 1,312         | 1,152          | 3               | 1,149         |  | T&H             |
| <b>FULLY RECHARGED</b>   | <b>7,726</b>   | <b>439</b>      | <b>7,287</b>   | <b>7,737</b>   | <b>538</b>      | <b>7,199</b>  | <b>7,871</b>   | <b>533</b>      | <b>7,338</b>  |  |                 |

## TRANSPORT, ENVIRONMENTAL AND LEISURE SERVICES

| SUMMARY OF CHANGES  | Budget<br>2008/09             |
|---|-------------------------------|
| <b>ORIGINAL BUDGET 2007/08</b>  | <b>£'000</b><br><b>17,583</b> |
| ◦ <b>PAY &amp; PRICES CHANGES</b>                                     |                               |
| Pay   | 342                           |
| Price Variations - Expenditure  | 2,727                         |
| Price Variations - Income   | -750                          |
| <b>Total Pay &amp; Price Increases</b>                                | <b>2,319</b>                  |
| ◦ <b>CENTRAL SUPPORT SERVICES CHANGES</b>                             | <b>3</b>                      |
| ◦ <b>VARIATION IN CHARGES TO / FROM OTHER SERVICES</b>                | <b>8</b>                      |
| ◦ <b>TRANSFERS TO/FROM OTHER SERVICES</b>                             |                               |
| Transfer to Corporate Services - Parking Customer Services            | -616                          |
| Transfer to Corporate Services - Disabled Badge Investigation Officer | -29                           |
| Transfer from Corporate Services-Tabernacle                           | 90                            |
| Transfer from Corporate Services - Customer Liaison Service           | 10                            |
| Transfer from Corporate Services - Safer Neighbourhood Officers       | 179                           |
| Transfer from Corporate Services - Telephone Charges - Parking        | 12                            |
| Pension Funds Contribution - FRS17                                    | -441                          |
|   | <b>-795</b>                   |
| ◦ <b>CAPITAL CHARGES VARIATIONS</b>                                   | <b>380</b>                    |
| <b>SUB TOTAL</b>  | <b>19,498</b>                 |
| ◦ <b>RESOURCE CHANGES</b>   |                               |
| <i>These items are shown in more detail on pages 44 to 51</i>         |                               |
| <b>Local Growth</b>   |                               |
| Climate Change Initiative   | 1      50                     |
| CCTV and Out Of Hours   | 2      30                     |
| Increased Provision of Public Toilets                                 | 3      25                     |
| Two Extra Parks Police  | 4      60                     |
| Tree Maintenance Budget   | 5      15                     |
| Grounds Maintenance Growth  | 6      60                     |
| Public Art in Holland Park  | 7      15                     |
| Additional Cleaning for Street Markets                                | 8      15                     |
| Implementing the Sports Strategy                                      | 9      40                     |
| Trialling Cashless Payment for Pay And Display Machines               | 10     50                     |
| <b>Total Local Growth</b>   | <b>360</b>                    |
| <b>Corporately Funded Growth</b>                                      |                               |
| Pay and Display Income  | 11     -800                   |
| Highways Maintenance -York Stone Budget                               | 12     2,750                  |
| Withdrawal of Waste Performance and Efficiency Grant                  | 13      277                   |
| <b>Total Corporately Funded Growth</b>                                | <b>2,227</b>                  |
| <b>Planned Savings</b>  |                               |
| Increased Licensing Income  | 14     -50                    |
| New Gambling Licence Income   | 15     -25                    |
| Reduced back office costs   | 16      -2                    |
| Reduction in Commercial Waste Bad Debt Provision                      | 17     -40                    |
| Increased Commercial Waste Income                                     | 18     -50                    |
| Increase in Cemetery Charges for Non-residents                        | 19     -50                    |
| increase Income from Street Works                                     | 20     -20                    |
| Rental Income for Chelsea Creek Depot                                 | 21     -10                    |
| Transport for London funding for Local Implementation Plan            | 22     -20                    |
| Increased income for Motor Cycle Permits                              | 23     -20                    |
| Pay and Display Machine Refurbishment Budget Reduction                | 24    -230                    |
| Pay and Display CLAM Unit Budget                                      | 25    -158                    |
| Parking Bay Suspensions Income  | 26    -100                    |
| Removal of Parking Bay Suspensions Discount                           | 27      -50                   |
| Pay and Display Income  | 28    -200                    |
| Reduced Parking Information Technology Budget                         | 29    -100                    |
| Reduction in On-Street Enforcement Contract                           | 30      -64                   |
| Insurance Procurement Savings   | 31      -76                   |
| I.T. Hardware Procurement Saving                                      | 32      -15                   |
| <b>Total Planned Reductions</b>                                       | <b>-1,280</b>                 |
| <b>TOTAL RESOURCE CHANGES</b>   | <b>1,307</b>                  |

## TRANSPORT, ENVIRONMENTAL AND LEISURE SERVICES

| <b>SUMMARY OF CHANGES</b>  | <b>Budget<br/>2008/09</b> |
|--|---------------------------|
| <ul style="list-style-type: none"> <li>◦ <b>OTHER CHANGES</b></li> <li>Assumption that Street Trading reserve will be used to balance A/C</li> <li>Reduction in Waste Disposal Charge to Street Trading</li> <li>Increased employer's contribution to pension fund as a result of actuarial variation</li> </ul> | 75<br>-137<br>269         |
| <b>Total</b>   | <b>207</b>                |
| <b>FORECAST BUDGET</b>   | <b>21,012</b>             |

**TRANSPORT, ENVIRONMENTAL AND LEISURE SERVICES  
NARRATIVE SHEETS**

| <b>EXECUTIVE GROUP</b>  |                             |                             |                             |
|---|-----------------------------|-----------------------------|-----------------------------|
| <b>BUSINESS UNITS Y0001, Y0002, Y0008 and Y0009</b>   |                             |                             |                             |
|   | <i>Actual<br/>2006/2007</i> | <b>Budget<br/>2007/2008</b> | <b>Budget<br/>2008/2009</b> |
|   | <i>£'000</i>                | £'000                       | £'000                       |
| <b>EXPENDITURE</b>  |                             |                             |                             |
| Employees   | 1,334                       | 1,194                       | 1,203                       |
| Business Group Training Expenses  | 27                          | 34                          | 33                          |
| Transport Related Expenditure   | 2                           | 3                           | 3                           |
| Consultancy, Research and Special Projects  | 34                          | 39                          | 40                          |
| General Office Expenses   | 73                          | 35                          | 33                          |
| <b>Total Direct Expenditure</b>   | <b>1,470</b>                | <b>1,305</b>                | <b>1,312</b>                |
| Central Support Services Recharges  | 276                         | 291                         | 263                         |
| <b>TOTAL EXPENDITURE</b>  | <b>1,746</b>                | <b>1,596</b>                | <b>1,575</b>                |
| <b>INCOME</b>   |                             |                             |                             |
| Fees and Charges  | 3                           | 3                           | 3                           |
| <b>TOTAL INCOME</b>   | <b>3</b>                    | <b>3</b>                    | <b>3</b>                    |
| <b>NET EXPENDITURE<br/>(FULLY RECHARGED)</b>  | <b>1,743</b>                | <b>1,593</b>                | <b>1,572</b>                |
| <b>DESCRIPTION OF SERVICE</b>   |                             |                             |                             |
| <p>This comprises the Executive Director and Personal Assistant, Group Finance, and Strategy and Service Development with the associated running costs. Also included are the Business Group's training budgets and some centrally held monies under the control of the Executive Director.</p> <p>These costs are fully recharged to the departments and services.</p>   |                             |                             |                             |
| <b>MAJOR VARIATIONS</b>   |                             |                             |                             |
| <p>Pay and price increases have added £39,520 to the budget for 2008/2009.</p> <p>The Employees budget for 2008/2009 includes an additional £23,250 due to increased employer's contributions to the Pension Fund as a result of actuarial variation. This is more than offset by a reduction of £43,680 in the FRS17 charge relating to the past service deficit.</p> <p>£1,450 has been transferred from the Training Expenses budget to Corporate Services following the relocation of Parking Division staff to Customer Services.</p> <p>General Office Expenses have been reduced by £1,490 following corporate savings on Computer Hardware costs and reduced by £2,000 following local savings on Furniture and I.T. budgets (Ref. No. 16).</p> |                             |                             |                             |

| <b>EXECUTIVE – ENVIRONMENTAL STRATEGY</b>   |                             |                             |                             |
|---|-----------------------------|-----------------------------|-----------------------------|
| <b>BUSINESS UNIT Y0006</b>  |                             |                             |                             |
|   | <i>Actual<br/>2006/2007</i> | <b>Budget<br/>2007/2008</b> | <b>Budget<br/>2008/2009</b> |
|   | <i>£'000</i>                | £'000                       | £'000                       |
| <b>EXPENDITURE</b>  |                             |                             |                             |
| Employees   | 0                           | 0                           | 50                          |
| <b>Total Direct Expenditure</b>   | 0                           | 0                           | 50                          |
| Departmental Recharges  | 200                         | 199                         | 201                         |
| <b>TOTAL EXPENDITURE</b>  | 200                         | 199                         | 251                         |
| <b>INCOME</b>   | 0                           | 0                           | 0                           |
| <b>TOTAL INCOME</b>   | 0                           | 0                           | 0                           |
| <b>NET EXPENDITURE</b>  | 200                         | 199                         | 251                         |
| <b>DESCRIPTION OF SERVICE</b>   |                             |                             |                             |
| This budget heading includes recharges from the Strategy and Service Development Division of the Executive.   |                             |                             |                             |
| The areas of work covered include the development of the Council's Environmental Strategy and the coordination of action planning, measurement, publicity and communications. This also includes the North Kensington Environment Project that was originally supported by Neighbourhood Renewal Funding, but which is now embedded in mainstream funding. The project aim is to promote and facilitate environmental improvements to vacant land, buildings and bridges in North Kensington with the involvement of the local community. |                             |                             |                             |
| <b>MAJOR VARIATIONS</b>   |                             |                             |                             |
| Pay and price increases have added £4,950 to the budget for 2008/2009.  |                             |                             |                             |
| £50,000 has been added to the Employees budget for work on Climate Change initiatives (Ref. No. 1).   |                             |                             |                             |

| <b>EXECUTIVE – LICENSING</b>   |                  |                  |                  |
|--|------------------|------------------|------------------|
| <b>BUSINESS UNIT Y0030</b>   |                  |                  |                  |
| <b>Cabinet Member for Regeneration,<br/>Environmental Management and Leisure</b>   | <b>Actual</b>    | <b>Budget</b>    | <b>Budget</b>    |
|  | <b>2006/2007</b> | <b>2007/2008</b> | <b>2008/2009</b> |
|  | <i>£'000</i>     | <i>£'000</i>     | <i>£'000</i>     |
| <b>EXPENDITURE</b>   |                  |                  |                  |
| Employees  | 513              | 633              | 642              |
| Transport Related Expenditure  | 1                | 2                | 2                |
| Analyst Fees   | 0                | 5                | 5                |
| Enforcement  | 0                | 3                | 2                |
| Running Costs  | 26               | 18               | 24               |
| <b>Total Direct Expenditure</b>  | <b>540</b>       | <b>661</b>       | <b>675</b>       |
| Central Support Services Recharges   | 351              | 443              | 255              |
| Other Departmental Recharges   | 59               | 45               | 45               |
| Departmental Recharges   | 64               | 63               | 64               |
| <b>TOTAL EXPENDITURE</b>   | <b>1,014</b>     | <b>1,212</b>     | <b>1,039</b>     |
| <b>INCOME</b>  |                  |                  |                  |
| Licences   | 582              | 503              | 587              |
| Corporate and Democratic Core Activities   | 32               | 33               | 35               |
| <b>TOTAL INCOME</b>  | <b>614</b>       | <b>536</b>       | <b>622</b>       |
| <b>NET EXPENDITURE</b>   | <b>400</b>       | <b>676</b>       | <b>417</b>       |
| <b>DESCRIPTION OF SERVICE</b>  |                  |                  |                  |
| <p>The Licensing Team provides integrated control of premises and persons requiring licences under the Licensing Act 2003 and other licences issued for "special treatments" (acupuncture, beauty parlours, etc.), explosives, fireworks, amusement arcades, etc. There has been a tenfold increase recently in the volume of applications for licences due to the enactment of the Licensing Act 2003, coupled with a demand for monitoring and enforcement. The type of premises licensed under the 2003 Act requires that enforcement activity normally has to take place during unsocial hours. There are approximately 1,000 licensed premises.</p> <p>The Licensing Team has been responsible for research into proposed changes to Gambling legislation and for lobbying government for amendments to the Gambling Act 2005. The Act received Royal Assent in late Spring 2005 and applications under the new regime will commence in early 2007.</p> |                  |                  |                  |
| <b>MAJOR VARIATIONS</b>  |                  |                  |                  |
| <p>Pay and price increases have added £29,590 to the expenditure budget, however income has also been increased by £5,840 resulting in a net increase of £23,750 in 2008/2009.</p> <p>The Employees budget for 2008/2009 includes an additional £12,470 due to increased employer's contributions to the Pension Fund as a result of actuarial variation. This is more than offset by a reduction of £18,840 in the FRS17 charge relating to the past service deficit.</p> <p>An increased Bad Debt Provision has added £4,490 to Running Costs.</p> <p>£1,500 has been transferred from Enforcement to Running Costs to pay for a transcription service.</p> <p>£50,000 has been added to the Income budget to reflect an increase in the number of applications following the Licensing Act 2003 (Ref. No. 14) and £25,000 has been added to the Income budget (Ref. No. 15) for applications envisaged under the new Gambling Act 2005.</p>               |                  |                  |                  |

| <b>WASTE MANAGEMENT AND LEISURE – CONTACT CENTRES AND BUSINESS SUPPORT</b>   |                             |                             |                             |
|--|-----------------------------|-----------------------------|-----------------------------|
| <b>BUSINESS UNITS Y0003, Y2000, Y2060 and Y2090</b>  |                             |                             |                             |
|  | <b>Actual<br/>2006/2007</b> | <b>Budget<br/>2007/2008</b> | <b>Budget<br/>2008/2009</b> |
|  | <i>£'000</i>                | <i>£'000</i>                | <i>£'000</i>                |
| <b>EXPENDITURE</b>   |                             |                             |                             |
| Employees  | 960                         | 1,191                       | 1,226                       |
| Premises Related Expenditure   | 17                          | 20                          | 17                          |
| Transport Related Expenditure  | 2                           | 2                           | 6                           |
| Supplies and Services  | 85                          | 98                          | 101                         |
| Third Party Payments   | 61                          | 22                          | 50                          |
| <b>Total Direct Expenditure</b>  | <b>1,125</b>                | <b>1,333</b>                | <b>1,400</b>                |
| Central Support Services Recharges   | 1,235                       | 1,248                       | 1,225                       |
| Departmental Recharges   | 510                         | 482                         | 484                         |
| <b>TOTAL EXPENDITURE</b>   | <b>2,870</b>                | <b>3,063</b>                | <b>3,109</b>                |
| <b>INCOME</b>  |                             |                             |                             |
| Fees and Charges   | 7                           | 5                           | 5                           |
| Recharges to Other Business Groups   | 356                         | 496                         | 491                         |
| <b>TOTAL INCOME</b>  | <b>363</b>                  | <b>501</b>                  | <b>496</b>                  |
| <b>NET EXPENDITURE (FULLY RECHARGED)</b>   | <b>2,507</b>                | <b>2,562</b>                | <b>2,613</b>                |
| <b>DESCRIPTION OF SERVICE</b>  |                             |                             |                             |
| <p><b>Streetline, Arts and Leisure Line, and Environmental Healthline Contact Centres.</b><br/>           With the exception of Environmental Healthline, these Services also provide administrative support to the Department, including reports relating to Governance, and information technology expertise. All complaints are handled through the service including the majority of performance monitoring. Direct customer services are also provided in the form of coping with the administration of abandoned vehicles, dumps, "Too Big for the Bin" service, donated benches and co-ordination of events in the parks.</p> <p><b>Arts and Leisure Administration</b><br/>           This section provides support for the Arts and Leisure Services. All complaints are handled through the section including the majority of support, purchasing and performance monitoring.</p> <p>The full cost of Environmental Healthline is recharged to the Housing, Health and Adult Social Care Business Group and the other costs are recharged as departmental administration over the appropriate Waste Management and Leisure business units.</p> |                             |                             |                             |
| <b>MAJOR VARIATIONS</b>  |                             |                             |                             |
| <p>Pay and price increases have added £76,570 to the budget in 2008/2009.</p> <p>The Employees budget for 2008/2009 includes an additional £22,650 due to increased employer's contributions to the Pension Fund as a result of actuarial variation. This is more than offset by a reduction of £41,570 in the FRS17 charge relating to the past service deficit.</p> <p>An additional £30,000 is included in Third Party Payments in 2008/2009 to cover any additional costs arising from reorganising the Out of Hours Service (Ref No. 2).</p> <p>The remaining variations arise from the reallocation of expenditure and income internally between business units.</p>   |                             |                             |                             |

**WASTE MANAGEMENT AND LEISURE – CONTRACTS AND ENFORCEMENT SUPPORT**

**BUSINESS UNITS Y2010, Y2020, Y2030, Y2040 and Y2050**

|  | <i>Actual<br/>2006/2007</i> | <b>Budget<br/>2007/2008</b> | <b>Budget<br/>2008/2009</b> |
|--|-----------------------------|-----------------------------|-----------------------------|
|  | <i>£'000</i>                | £'000                       | £'000                       |
| <b>EXPENDITURE</b>                       |                             |                             |                             |
| Employees                                | 1,096                       | 1,129                       | 1,368                       |
| Premises Related Expenditure             | 38                          | 43                          | 44                          |
| Transport Related Expenditure            | 55                          | 67                          | 68                          |
| Equipment and Other Running Costs        | 55                          | 51                          | 51                          |
| <b>Total Direct Expenditure</b>          | <b>1,244</b>                | <b>1,290</b>                | <b>1,531</b>                |
| Central Support Services Recharges       | 169                         | 162                         | 165                         |
| Departmental Recharges                   | 313                         | 302                         | 285                         |
| Capital Charges                          | 14                          | 9                           | 54                          |
| <b>TOTAL EXPENDITURE</b>                 | <b>1,740</b>                | <b>1,763</b>                | <b>2,035</b>                |
| <b>INCOME</b>                            |                             |                             |                             |
| Fixed Penalty Fees                       | 32                          | 25                          | 25                          |
| Other Income                             | 8                           | 6                           | 6                           |
| <b>TOTAL INCOME</b>                      | <b>40</b>                   | <b>31</b>                   | <b>31</b>                   |
| <b>NET EXPENDITURE (FULLY RECHARGED)</b> | <b>1,700</b>                | <b>1,732</b>                | <b>2,004</b>                |

**DESCRIPTION OF SERVICE**

An officer force exists under this heading to monitor and work with the Council's cleansing contractors and to control the many offences that occur on the public highway, over which the Council has jurisdiction. These include abandoned bicycles, shopping trolleys and vehicles, builders' work, dogs, litter, obstructions, and illegal street trading.

A considerable amount of effort is directed towards the control of refuse placed on the public highway. Thousands of bags are opened every year in search of evidence about the ownership of the rubbish.

Additionally, assistance is given to the Recycling Service to help promote the Council's Recycling initiative and to curb illegal street trading.

These costs are recharged to the relevant business units within Waste Management and Leisure and Transportation and Highways.

**MAJOR VARIATIONS**

Pay and price increases have added £44,370 to the budget in 2008/2009.

The Employees budget for 2008/2009 includes an additional £24,980 due to increased employer's contributions to the Pension Fund as a result of actuarial variation. This is more than offset by a reduction of £40,730 in the FRS17 charge relating to the past service deficit.

The Employees budget has been increased in 2008/2009 by a transfer of £178,500 from Corporate Services to fund four safer neighbourhood posts.

The remaining variations arise from the reallocation of expenditure and income internally between business units.

| <b>WASTE MANAGEMENT AND LEISURE – OPERATIONS – CLEANSING</b>  |                  |                  |                  |
|---|------------------|------------------|------------------|
| <b>BUSINESS UNITS Y2301, Y2305, Y2310 and Y2340</b>   |                  |                  |                  |
| <b>Cabinet Member for Regeneration,<br/>Environmental Management and Leisure</b>  | <i>Actual</i>    | <b>Budget</b>    | <b>Budget</b>    |
|   | <i>2006/2007</i> | <i>2007/2008</i> | <i>2008/2009</i> |
|   | <i>£'000</i>     | <i>£'000</i>     | <i>£'000</i>     |
| <b>EXPENDITURE</b>  |                  |                  |                  |
| Public Conveniences Repairs and Maintenance   | 17               | 71               | 74               |
| Payments to Contractors   | 10,206           | 10,549           | 10,867           |
| Refuse Containers   | 5                | 16               | 16               |
| Rents, NNDR, Utilities and Other Running Costs  | 41               | 52               | 49               |
| <b>Total Direct Expenditure</b>   | <b>10,269</b>    | <b>10,688</b>    | <b>11,006</b>    |
| Central Support Services Recharges  | 50               | 58               | 50               |
| Enforcement Recharges   | 1,071            | 1,091            | 1,263            |
| Other Departmental Recharges  | 837              | 748              | 765              |
| Capital Charges   | 36               | 36               | 41               |
| <b>TOTAL EXPENDITURE</b>  | <b>12,263</b>    | <b>12,621</b>    | <b>13,125</b>    |
| <b>INCOME</b>   |                  |                  |                  |
| TMO Contribution to the Animal Warden Service   | 10               | 9                | 9                |
| Sales – “Too Big for the Bin” and Garden Sacks  | 103              | 96               | 99               |
| Public Conveniences   | 44               | 41               | 37               |
| <b>TOTAL INCOME</b>   | <b>157</b>       | <b>146</b>       | <b>145</b>       |
| <b>NET EXPENDITURE</b>  | <b>12,106</b>    | <b>12,475</b>    | <b>12,980</b>    |
| <b>DESCRIPTION OF SERVICE</b>   |                  |                  |                  |
| <p>This business unit shows the costs to the Council of street cleansing, domestic refuse and public conveniences. The current contractors are S.I.T.A. (UK) Ltd. This does not include any payments to Western Riverside Waste Authority as these are shown separately under Waste Disposal.</p> <p>The domestic refuse fleet includes 15 split-back recycling vehicles for the twice-weekly service, as well as other vehicles.</p> <p>The operations also include manual street cleansing, street sweeping by hand and by footway machine, mechanical road sweeping, gully cleansing, carriageway flushing, leaf clearance in season, litter bins, snow and ice clearance and gritting during the winter, grit bin provision and maintenance, and also dump clearance. Regular checks are also made to the Public Conveniences and Autoloo sites throughout the Borough. Cleansing takes place throughout the day and night at frequencies dependent upon location and requirements under the Environmental Protection Act. Also, in compliance with the Act a system of rapid response is in operation, which can respond to justifiable complaints.</p> <p>The Animal Warden Service contract provides resources to patrol housing estates as well as the public highway.</p> <p>The costs for the “Too Big for the Bin” service and sale of garden sacks are also shown here.</p> |                  |                  |                  |
| <b>MAJOR VARIATIONS</b>   |                  |                  |                  |
| <p>Pay and price increases have added £330,950 to the expenditure budget, however income has also been increased by £3,270 resulting in a net increase of £327,680 in 2008/2009.</p> <p>The Public Conveniences budget has been increased by £25,000 in 2008/2009 to provide running costs for additional facilities (Ref No. 3).</p> <p>The Payments to Contractors budget has been increased by £15,000 in 2008/2009 to provide additional cleansing and bag provision on the market streets (Ref No. 8).</p> <p>The remaining variations arise from the reallocation of expenditure and income internally between business units.</p>  |                  |                  |                  |

**WASTE MANAGEMENT AND LEISURE – COMMERCIAL WASTE AND REVENUE SERVICES****BUSINESS UNITS Y2350 and Y2360**

| <b>Cabinet Member for Regeneration,<br/>Environmental Management and Leisure</b> | <i>Actual</i><br><b>2006/2007</b> | <b>Budget</b><br><b>2007/2008</b> | <b>Budget</b><br><b>2008/2009</b> |
|--|-----------------------------------|-----------------------------------|-----------------------------------|
|  | <i>£'000</i>                      | £'000                             | £'000                             |
| <b>EXPENDITURE</b>   |                                   |                                   |                                   |
| Employees  | 393                               | 349                               | 393                               |
| Transport Related Expenditure  | 0                                 | 43                                | 43                                |
| Refuse Containers  | 54                                | 88                                | 91                                |
| Purchase of Sacks  | 162                               | 206                               | 211                               |
| Supplies and Services  | 39                                | 50                                | 41                                |
| Payments to Contractors  | 1,195                             | 1,158                             | 1,188                             |
| Debt Recovery and Bad Debt Provision   | 41                                | 144                               | 104                               |
| <b>Total Direct Expenditure</b>  | <b>1,884</b>                      | <b>2,038</b>                      | <b>2,071</b>                      |
| Central Support Services Recharges   | 99                                | 114                               | 115                               |
| Departmental Recharges   | 363                               | 350                               | 366                               |
| <b>TOTAL EXPENDITURE</b>   | <b>2,346</b>                      | <b>2,502</b>                      | <b>2,552</b>                      |
| <b>INCOME</b>  |                                   |                                   |                                   |
| Commercial Waste Income  | 4,053                             | 4,323                             | 4,640                             |
| Private Street Works and Other Income  | 81                                | 112                               | 100                               |
| Recharges to Other Services  | 3                                 | 3                                 | 3                                 |
| <b>TOTAL INCOME</b>  | <b>4,137</b>                      | <b>4,438</b>                      | <b>4,743</b>                      |
| <b>NET EXPENDITURE</b>   | <b>-1,791</b>                     | <b>-1,936</b>                     | <b>-2,191</b>                     |

**DESCRIPTION OF SERVICE**

The Council's Commercial Waste Portfolio is now managed in-house. This arrangement commenced in April 2005 when the new Waste Management Contract was put in place. The Council was asked to review the effectiveness of the new operation after 12 months. This was done and the decision taken to keep the service in-house but under review.

Commercial Waste makes provisions for the collection of waste material from trading organisations and other premises, for which the Council has a right or duty to charge. Refuse containers such as paladins, skips and compactors are also hired out. Collection of waste material can occur in the morning or evening and on primary routes at night. The service operates seven days per week, 364 days per year.

Taking control of the majority of commercial waste in the Borough helps considerably in managing how it is presented for collection and benefits the recycling initiative. Commercial Waste is collected as part of the main contract, which S.I.T.A. (UK) Ltd operates. Collecting commercial and domestic waste simultaneously has efficiency and economic benefits.

Payments to Western Riverside Waste Authority are not included here, but shown separately under Waste Disposal.

**MAJOR VARIATIONS**

Pay and price increases have added £59,720 to the expenditure budget, however income has also been increased by £268,930 resulting in a net decrease of £209,210 in 2008/2009.

The Employees budget for 2008/2009 includes an additional £6,550 due to increased employer's contributions to the Pension Fund as a result of actuarial variation. This is offset by a reduction of £6,390 in the FRS17 charge relating to the past service deficit.

The bad debt provision budget has been reduced by £40,000 (Ref No. 17) and the commercial waste income budget increased by £50,000 (Ref No. 18).

The remaining variations arise from the reallocation of expenditure and income internally between business units.

**WASTE MANAGEMENT AND LEISURE –WASTE DISPOSAL****BUSINESS UNIT Y2100**

| <b>Cabinet Member for Regeneration,<br/>Environmental Management and Leisure</b> | <i>Actual</i><br><b>2006/2007</b> | <b>Budget</b><br><b>2007/2008</b> | <b>Budget</b><br><b>2008/2009</b> |
|--|-----------------------------------|-----------------------------------|-----------------------------------|
|  | <i>£'000</i>                      | £'000                             | £'000                             |
| <b>EXPENDITURE</b>   |                                   |                                   |                                   |
| WRWA Levy for Domestic Waste, including<br>Landfill Tax                          | 5,828                             | 6,127                             | 7,016                             |
| Payments to WRWA for Commercial Waste,<br>including Landfill Tax                 | 1,025                             | 1,038                             | 1,086                             |
| Hazardous Waste  | -2                                | 5                                 | 5                                 |
| <b>Total Direct Expenditure</b>  | <i>6,851</i>                      | 7,170                             | 8,107                             |
| Central Support Services Recharges   | 10                                | 22                                | 3                                 |
| <b>TOTAL EXPENDITURE</b>   | <i>6,861</i>                      | 7,192                             | 8,110                             |
| <b>INCOME</b>  |                                   |                                   |                                   |
| Recharges to Street Trading Account  | 191                               | 210                               | 105                               |
| <b>TOTAL INCOME</b>  | <i>191</i>                        | 210                               | 105                               |
| <b>NET EXPENDITURE</b>   | <i>6,670</i>                      | 6,982                             | 8,005                             |

**DESCRIPTION OF SERVICE**

This Business Unit covers the costs of disposing of The Royal Borough's refuse by the Western Riverside Waste Authority (WRWA) of which The Royal Borough is a constituent member, along with Wandsworth Borough Council and the London Boroughs of Hammersmith and Fulham, and Lambeth. There is now a part levy part tonnage payment for Domestic Waste, with Commercial Waste being charged solely on a tonnage basis.

In an effort to reduce the amount of waste disposed in Landfill sites the Government introduced a Landfill Tax on 1 October 1996. This tax will increase from £24 to £32 per tonne on 1 April 2008 and is revised annually. This has increased the cost of both Domestic and Commercial Waste disposal. Where appropriate, Commercial Waste charges have been increased to reflect this.

The extra cost of disposal from the introduction of Landfill Trading Allowances will make landfill expensive. However providing the Belvedere waste to energy plant progresses there will only be one difficult year in 2009/2010, unless legislation changes.

**MAJOR VARIATIONS**

Pay and price increases have added £1,042,860 to the budget in 2008/2009.

The remaining variations arise from the reallocation of expenditure internally between business units.

**WASTE MANAGEMENT AND LEISURE – RECYCLING****BUSINESS UNITS Y2160, Y2170 and Y2180**

| <b>Cabinet Member for Regeneration,<br/>Environmental Management and Leisure</b> | <i>Actual</i><br><b>2006/2007</b> | <b>Budget</b><br><b>2007/2008</b> | <b>Budget</b><br><b>2008/2009</b> |
|--|-----------------------------------|-----------------------------------|-----------------------------------|
|  | <i>£'000</i>                      | £'000                             | £'000                             |
| <b>EXPENDITURE</b>   |                                   |                                   |                                   |
| Employees  | 298                               | 349                               | 363                               |
| General Running Expenses   | 43                                | 43                                | 44                                |
| Advertising, Publicity and Initiatives   | 405                               | 363                               | 372                               |
| Payments to Contractors and Service Enhancements                                 | 1,179                             | 1,188                             | 1,219                             |
| <b>Total Direct Expenditure</b>  | <b>1,925</b>                      | <b>1,943</b>                      | <b>1,998</b>                      |
| Central Support Services Recharges   | 47                                | 52                                | 47                                |
| Departmental Recharges   | 370                               | 361                               | 384                               |
| Capital Charges  | 52                                | 52                                | 23                                |
| <b>TOTAL EXPENDITURE</b>   | <b>2,394</b>                      | <b>2,408</b>                      | <b>2,452</b>                      |
| <b>INCOME</b>  |                                   |                                   |                                   |
| Grants and Contributions   | 264                               | 277                               | 0                                 |
| Other Income   | 2                                 | 0                                 | 0                                 |
| <b>TOTAL INCOME</b>  | <b>266</b>                        | <b>277</b>                        | <b>0</b>                          |
| <b>NET EXPENDITURE</b>   | <b>2,128</b>                      | <b>2,131</b>                      | <b>2,452</b>                      |

**DESCRIPTION OF SERVICE**

In June 1993, the Council launched a door-to-door collection service for recycling materials for both domestic and commercial properties. The material is now dealt with by the WRWA via Cremorne Wharf and a temporary Materials Reclamation Facility in East London. The WRWA's own brand new Material Reclamation Facility is unlikely to come online until 2009.

The education function of the Recycling Service is a vital element, which was established to boost participation and maximise the amount of material collected. A team of 5 Recycling Wardens are deployed to promote participation in recycling.

The current service contract provides for split-back vehicles and twice-weekly recycling collections borough-wide. A free distribution of orange recycling bags to all households started in April 2006 and has significantly improved our recycling performance.

**MAJOR VARIATIONS**

Pay and price increases have added £61,300 to the expenditure budget in 2008/2009.

The Employees budget for 2008/2009 includes an additional £6,660 due to increased employer's contributions to the Pension Fund as a result of actuarial variation. This is more than offset by a reduction of £11,950 in the FRS17 charge relating to the past service deficit.

Waste Performance and Efficiency Grant is not payable to the Royal Borough after 2007/2008 and the budget of £277,000 has therefore been removed in 2008/2009 (Ref No. 13).

The remaining variations arise from the reallocation of expenditure internally between business units.

| <b>WASTE MANAGEMENT AND LEISURE – REGULATION OF STREET TRADING</b>   |                  |                  |                  |
|--|------------------|------------------|------------------|
| <b>BUSINESS UNIT Y2402</b>   |                  |                  |                  |
| <b>Cabinet Member for Regeneration,<br/>Environmental Management and Leisure</b>   | <i>Actual</i>    | <b>Budget</b>    | <b>Budget</b>    |
|  | <i>2006/2007</i> | <i>2007/2008</i> | <i>2008/2009</i> |
|  | <i>£'000</i>     | <i>£'000</i>     | <i>£'000</i>     |
| <b>EXPENDITURE</b>   |                  |                  |                  |
| Employees  | 170              | 206              | 208              |
| Premises – Market Office   | 9                | 14               | 10               |
| Transport Related Expenditure  | 5                | 5                | 5                |
| Payments to Cleansing Contractor   | 272              | 280              | 287              |
| Other Running Expenses   | 111              | 28               | 29               |
| Estimated Transfer to/from Street Trading Reserve  | -56              | 10               | 84               |
| <b>Total Direct Expenditure</b>  | <i>511</i>       | <i>543</i>       | <i>623</i>       |
| Central Support Services Recharges   | 37               | 32               | 44               |
| Departmental Recharges   | 126              | 120              | 128              |
| Apportionment of Waste Disposal Costs  | 191              | 210              | 105              |
| <b>TOTAL EXPENDITURE</b>   | <i>865</i>       | <i>905</i>       | <i>900</i>       |
| <b>INCOME</b>  |                  |                  |                  |
| Fees and Charges   | 865              | 905              | 900              |
| <b>TOTAL INCOME</b>  | <i>865</i>       | <i>905</i>       | <i>900</i>       |
| <b>NET EXPENDITURE</b>   | <i>0</i>         | <i>0</i>         | <i>0</i>         |
| <b>DESCRIPTION OF SERVICE</b>  |                  |                  |                  |
| <p>This business unit records the income and expenditure associated with the street trading sites managed by The Royal Borough. The account is intended to be self-balancing in the long term, with income being derived from permanent and temporary site lettings. Licensed sites comprise 72 at Golborne Road, 255 at Portobello Road and 32 isolated sites. The charges are reviewed annually and under present legislation the Council is limited to recovering specified associated costs.</p> <p>Portobello and Golborne Markets cover approximately 2.9 km (1.8 miles) of highway and, of the 313 registered traders, over 76 are food stalls and 43 are antiques stalls. Trading is permitted from 8 a.m. to 7 p.m. on Monday, Tuesday, Wednesday, Friday and Saturday and 8 a.m. to 1 p.m. on Thursday.</p> <p>Isolated sites sell newspapers, fruit and vegetables, and flowers.</p> <p>The cleansing of the market area is carried out by S.I.T.A. (UK) Ltd.</p> |                  |                  |                  |
| <b>MAJOR VARIATIONS</b>  |                  |                  |                  |
| <p>Pay and price increases have added £48,760 to the expenditure budget in 2008/2009.</p> <p>The Employees budget for 2008/2009 includes an additional £3,910 due to increased employer's contributions to the Pension Fund as a result of actuarial variation. This is more than offset by a reduction of £7,110 in the FRS17 charge relating to the past service deficit.</p> <p>The charge to Street Trading for Waste Disposal costs has reduced significantly following a markets waste audit, and the budget for 2008/2009 has decreased by £136,500.</p> <p>The remaining variations arise from the reallocation of expenditure and income internally between business units.</p>   |                  |                  |                  |

| <b>WASTE MANAGEMENT AND LEISURE – TRADERS STORES</b>  |                  |                  |                  |
|---|------------------|------------------|------------------|
| <b>BUSINESS UNIT Y2401</b>  |                  |                  |                  |
| <b>Cabinet Member for Regeneration,<br/>Environmental Management and Leisure</b>  | <i>Actual</i>    | <b>Budget</b>    | <b>Budget</b>    |
|   | <i>2006/2007</i> | <i>2007/2008</i> | <i>2008/2009</i> |
|   | <i>£'000</i>     | <i>£'000</i>     | <i>£'000</i>     |
| <b>EXPENDITURE</b>  |                  |                  |                  |
| Employees   | 6                | 6                | 6                |
| Maintenance, Equipment and Insurance  | 26               | 26               | 26               |
| National Non Domestic Rates   | 18               | 20               | 22               |
| Payments to Cleansing Contractor  | 16               | 16               | 17               |
| <b>Total Direct Expenditure</b>   | <b>66</b>        | <b>68</b>        | <b>71</b>        |
| Central Support Services Recharges  | 1                | 2                | 1                |
| Departmental Recharges  | 3                | 9                | 9                |
| Capital Charges   | 4                | 4                | 6                |
| <b>TOTAL EXPENDITURE</b>  | <b>74</b>        | <b>83</b>        | <b>87</b>        |
| <b>INCOME</b>   |                  |                  |                  |
| Fees and Charges  | 16               | 8                | 8                |
| Rental Income   | 161              | 162              | 166              |
| <b>TOTAL INCOME</b>   | <b>177</b>       | <b>170</b>       | <b>174</b>       |
| <b>NET EXPENDITURE</b>  | <b>-103</b>      | <b>-87</b>       | <b>-87</b>       |
| <b>DESCRIPTION OF SERVICE</b>   |                  |                  |                  |
| This business unit covers the funding and recharge of street traders' stores situated at Lonsdale Mews (19 units), Munro Mews (20 units) and Haydens Place (14 units), and Dunworth Mews (4 units). Also included are the two retail outlets at Westbourne Grove and South Kensington Island. |                  |                  |                  |
| <b>MAJOR VARIATIONS</b>   |                  |                  |                  |
| Pay and price increases have added £2,410 to the expenditure budget, however income has also been increased by £4,250 resulting in a net decrease of £1,840 in 2008/2009.   |                  |                  |                  |
| The remaining variations arise from the reallocation of expenditure and income internally between business units.   |                  |                  |                  |

**WASTE MANAGEMENT AND LEISURE – NOTTING HILL CARNIVAL****BUSINESS UNIT Y2390**

| <b>Cabinet Member for Regeneration,<br/>Environmental Management and Leisure</b> | <i>Actual</i><br><b>2006/2007</b> | <b>Budget</b><br><b>2007/2008</b> | <b>Budget</b><br><b>2008/2009</b> |
|--|-----------------------------------|-----------------------------------|-----------------------------------|
|  | <i>£'000</i>                      | £'000                             | £'000                             |
| <b>EXPENDITURE</b>   |                                   |                                   |                                   |
| Employees  | 123                               | 111                               | 112                               |
| Supplies and Services  | 62                                | 55                                | 63                                |
| Third Party Payments   | 336                               | 347                               | 351                               |
| <b>Total Direct Expenditure</b>  | 521                               | 513                               | 526                               |
| Central Support Services Recharges   | 43                                | 35                                | 37                                |
| Departmental Recharge  | 26                                | 24                                | 26                                |
| <b>TOTAL EXPENDITURE</b>   | 590                               | 572                               | 589                               |
| <b>INCOME</b>  |                                   |                                   |                                   |
| Fees and Charges   | 129                               | 115                               | 120                               |
| <b>TOTAL INCOME</b>  | 129                               | 115                               | 120                               |
| <b>NET EXPENDITURE</b>   | 461                               | 457                               | 469                               |

**DESCRIPTION OF SERVICE**

This Business Unit includes the costs associated with the preparation, enforcement and supervision of the Notting Hill Carnival. The significant costs included in Third Party Payments are payments to the cleansing contractor, hire of toilets, and payment of a grant to London Notting Hill Carnival Ltd. These costs are netted off by income received from street trading licences.

**MAJOR VARIATIONS**

Pay and price increases have added £14,480 to the expenditure budget, however income has also been increased by £2,880 resulting in a net increase of £11,600 in 2008/2009.

The Employees budget for 2008/2009 includes an additional £2,100 due to increased employer's contributions to the Pension Fund as a result of actuarial variation. This is more than offset by a reduction of £3,590 in the FRS17 charge relating to the past service deficit.

The remaining variations arise from the reallocation of expenditure and income internally between business units.

**WASTE MANAGEMENT AND LEISURE – SPORTS CENTRES****BUSINESS UNITS Y2850 and Y2860**

| <b>Cabinet Member for Regeneration,<br/>Environmental Management and Leisure</b> | <i>Actual</i>    | <b>Budget</b>    | <b>Budget</b>    |
|--|------------------|------------------|------------------|
|  | <i>2006/2007</i> | <i>2007/2008</i> | <i>2008/2009</i> |
|  | <i>£'000</i>     | <i>£'000</i>     | <i>£'000</i>     |
| <b>EXPENDITURE</b>   |                  |                  |                  |
| Employees  | 115              | 135              | 130              |
| Building and Car Park Maintenance  | 55               | 41               | 47               |
| National Non Domestic Rates  | 216              | 224              | 230              |
| Insurance  | 24               | 25               | 21               |
| Sports Centre and Car Park Contractors and Service Enhancements                  | 131              | 134              | 230              |
| Supplies and Services  | 52               | 62               | 101              |
| <b>Total Direct Expenditure</b>  | <b>593</b>       | <b>621</b>       | <b>759</b>       |
| Central Support Services Recharges   | 54               | 66               | 60               |
| Departmental Recharges   | 148              | 141              | 142              |
| Capital Charges  | 192              | 192              | 201              |
| <b>TOTAL EXPENDITURE</b>   | <b>987</b>       | <b>1,020</b>     | <b>1,162</b>     |
| <b>INCOME</b>  |                  |                  |                  |
| Kensington Car Park  | 131              | 135              | 85               |
| Transfer Rents   | 37               | 52               | 53               |
| Other Income   | 14               | 10               | 10               |
| <b>TOTAL INCOME</b>  | <b>182</b>       | <b>197</b>       | <b>148</b>       |
| <b>NET EXPENDITURE</b>   | <b>805</b>       | <b>823</b>       | <b>1,014</b>     |

**DESCRIPTION OF SERVICE**

This Business Unit covers the Borough's two sports centres, which are currently managed by Cannons Health and Fitness Ltd. This contract commenced on 1 April 2005 and runs for a period of 12 years with a possible break at 6 years.

Chelsea Sports Centre is located at Chelsea Manor Street in the Chelsea Old Town Hall complex. It includes a 25 x 9 metre swimming pool and a 4 x 9 metre learner pool. There is also a sports hall, fitness gym and a dance studio. Charges are reviewed annually.

Kensington Leisure Centre is located at Walmer Road, North Kensington. The Centre includes a 33.3 x 15 metre pool and a 10 x 15 metre teaching pool. There is also a fitness gym, dance studio, 2 sports halls, 2 squash courts, crèche, children's soft play area, café-bar and an outdoor play area. Charges are reviewed annually.

**MAJOR VARIATIONS**

Pay and price increases have added £124,130 to the expenditure budget, however income has also been increased by £1,300 resulting in a net increase of £122,830 in 2008/2009.

The Employees budget for 2008/2009 includes an additional £2,580 due to increased employer's contributions to the Pension Fund as a result of actuarial variation. This is more than offset by a reduction of £3,580 in the FRS17 charge relating to the past service deficit.

An additional £40,000 has been included in the Supplies and Services budget in 2008/2009 to provide resources to implement the new Physical Activity and Sports Strategy (Ref No. 9).

The income budget for the Kensington Leisure Centre Car Park has been reduced by £50,000 in 2008/2009 as a result of the effect of the congestion charge, and is offset by an increase in the On-Street Car Parking income budget.

The remaining variations arise from the reallocation of expenditure and income internally between business units.

| <b>WASTE MANAGEMENT AND LEISURE – PARKS AND OPEN SPACES</b>  |                                   |                                   |                                   |
|--|-----------------------------------|-----------------------------------|-----------------------------------|
| <b>BUSINESS UNITS Y2710, Y2720, Y2750, Y2780 and Y2790</b>   |                                   |                                   |                                   |
| <b>Cabinet Member for Regeneration,<br/>Environmental Management and Leisure</b>   | <i>Actual</i><br><b>2006/2007</b> | <b>Budget</b><br><b>2007/2008</b> | <b>Budget</b><br><b>2008/2009</b> |
|  | <i>£'000</i>                      | <i>£'000</i>                      | <i>£'000</i>                      |
| <b>EXPENDITURE</b>   |                                   |                                   |                                   |
| Employees  | 745                               | 889                               | 878                               |
| Premises Related Expenditure   | 411                               | 441                               | 517                               |
| Grounds Maintenance Contractors  | 1,624                             | 1,614                             | 1,780                             |
| Transport Related Expenditure  | 11                                | 14                                | 14                                |
| Contribution to Lee Valley Regional Park   | 288                               | 292                               | 300                               |
| Supplies and Services  | 150                               | 178                               | 199                               |
| <b>Total Direct Expenditure</b>  | <b>3,229</b>                      | <b>3,428</b>                      | <b>3,688</b>                      |
| Central Support Services Recharges   | 433                               | 189                               | 198                               |
| Departmental Recharges   | 326                               | 531                               | 553                               |
| Capital Charges  | 109                               | 128                               | 138                               |
| <b>TOTAL EXPENDITURE</b>   | <b>4,097</b>                      | <b>4,276</b>                      | <b>4,577</b>                      |
| <b>INCOME</b>  |                                   |                                   |                                   |
| Grants and Re-imbursments  | 19                                | 38                                | 38                                |
| Holland Park Car Park  | 79                                | 96                                | 56                                |
| Rental Income  | 34                                | 52                                | 54                                |
| Other Income   | 25                                | 49                                | 50                                |
| Recharges to Other Services  | 20                                | 20                                | 16                                |
| Transfer Rents   | 27                                | 27                                | 27                                |
| <b>TOTAL INCOME</b>  | <b>204</b>                        | <b>282</b>                        | <b>241</b>                        |
| <b>NET EXPENDITURE</b>   | <b>3,893</b>                      | <b>3,994</b>                      | <b>4,336</b>                      |
| <b>DESCRIPTION OF SERVICE</b>  |                                   |                                   |                                   |
| <p>These business units include the maintenance and upkeep of parks and open spaces and the Council's contribution to Lee Valley Regional Park. In addition, the Parks Police and the monitoring of the Council's CCTV are included here.</p> <p>The Borough's 8 main parks cover some 34 hectares (84 acres), the main provision being Holland Park, 22.5 hectares of which approximately 10 hectares (25 acres) is woodland. In addition, approximately 100 smaller open spaces, public squares, landscaped highway verges, reservation and traffic islands are managed by this service totalling approximately 17.8 hectares making a grand total of 40.3 hectares.</p> <p>The parks and open spaces provide a diverse range of amenities for active and passive recreation including formal and informal gardens, sports facilities, children's playgrounds, wildlife areas, paddling pools, refreshment facilities and car parking. Grounds maintenance and management of sports facilities in parks is undertaken by contract by Quadron Services. The new contract commenced from January 2008 and will run for 12 years with a possible break at 6 years.</p> <p>During park opening hours, the Parks Police service provides a community policing service to all the parks and open spaces in the Royal Borough with constant high profile patrolling in Holland Park and a peripatetic service to the remainder.</p> |                                   |                                   |                                   |
| <b>MAJOR VARIATIONS</b>  |                                   |                                   |                                   |
| <p>Pay and price increases have added £223,780 to the budget in 2008/09.</p> <p>The Employees budget for 2008/2009 includes an additional £17,000 due to increased employer's contributions to the Pension Fund as a result of actuarial variation. This is more than offset by a reduction of £26,780 in the FRS17 charge relating to the past service deficit.</p> <p>There are budget increases in 2008/2009 of £60,000 for grounds maintenance (Ref No. 6), £60,000 for two extra parks police (Ref No. 4), £15,000 for tree maintenance (Ref No. 5) and £15,000 for public art in Holland Park (Ref No. 7).</p> <p>The income budget for Holland Park Car Park has been reduced by £40,000 in 2008/2009 as a result of the effect of the congestion charge, and is offset by an increase in the On-Street Car Parking income budget.</p> <p>The remaining variations arise from the reallocation of expenditure and income internally between business units.</p>   |                                   |                                   |                                   |

**WASTE MANAGEMENT AND LEISURE – CEMETERIES****BUSINESS UNIT Y2800**

| <b>Cabinet Member for Regeneration,<br/>Environmental Management and Leisure</b> | <i>Actual</i>    | <b>Budget</b>    | <b>Budget</b>    |
|--|------------------|------------------|------------------|
|  | <i>2006/2007</i> | <i>2007/2008</i> | <i>2008/2009</i> |
|  | <i>£'000</i>     | <i>£'000</i>     | <i>£'000</i>     |
| <b>EXPENDITURE</b>   |                  |                  |                  |
| Employees  | 64               | 76               | 62               |
| Repairs and Maintenance  | 46               | 48               | 49               |
| Electricity, Water and NNDR  | 33               | 32               | 34               |
| Equipment and General Running Costs  | 12               | 10               | 10               |
| Grounds Maintenance and Grave Digging<br>Contractors and Service Enhancements    | 345              | 354              | 393              |
| <b>Total Direct Expenditure</b>  | <i>500</i>       | <i>520</i>       | <i>547</i>       |
| Central Support Services Recharges   | 35               | 31               | 33               |
| Departmental Recharges   | 95               | 90               | 91               |
| Capital Charges  | 11               | 11               | 12               |
| <b>TOTAL EXPENDITURE</b>   | <i>641</i>       | <i>652</i>       | <i>684</i>       |
| <b>INCOME</b>  |                  |                  |                  |
| Sales – Burial Rights  | 258              | 275              | 301              |
| Interment Fees and Related Charges   | 345              | 373              | 413              |
| <b>TOTAL INCOME</b>  | <i>603</i>       | <i>648</i>       | <i>714</i>       |
| <b>NET EXPENDITURE</b>   | <i>38</i>        | <i>4</i>         | <i>-30</i>       |

**DESCRIPTION OF SERVICE**

The Council's cemeteries are located at Gunnersbury and Hanwell. Gunnersbury Cemetery has 19,745 grave spaces (22 acres) and Hanwell has 13,500 (19 acres). Grave digging and all grounds maintenance are undertaken by Quadron Services. Charges for sales and burials are reviewed annually. The financial policy with regard to this business unit is to aim for a zero net expenditure whilst maintaining a discount to Borough Residents.

**MAJOR VARIATIONS**

Pay and price increases have added £47,930 to the expenditure budget, however income has also been increased by £16,150 resulting in a net increase of £31,780 in 2008/2009.

The Employees budget for 2008/2009 includes an additional £1,440 due to increased employer's contributions to the Pension Fund as a result of actuarial variation. This is more than offset by a reduction of £3,120 in the FRS17 charge relating to the past service deficit.

Income budgets have been increased by £50,000 in 2008/2009 and it is anticipated that this will be achieved by increasing charges for non-residents above the rate of inflation (Ref No. 19).

The remaining variations arise from the reallocation of expenditure and income internally between business units.

**WASTE MANAGEMENT AND LEISURE – ARTS DEVELOPMENT AND SUPPORT****BUSINESS UNITS L0301, L0307 and L0323-L0327**

| <b>Cabinet Member for Regeneration,<br/>Environmental Management and Leisure</b> | <i>Actual</i>    | <b>Budget</b>    | <b>Budget</b>    |
|--|------------------|------------------|------------------|
|  | <i>2006/2007</i> | <i>2007/2008</i> | <i>2008/2009</i> |
|  | <i>£'000</i>     | <i>£'000</i>     | <i>£'000</i>     |
| <b>EXPENDITURE</b>   |                  |                  |                  |
| Employees  | 109              | 88               | 125              |
| Premises Related Expenditure   | 26               | 0                | 0                |
| Supplies and Services  | 41               | 135              | 43               |
| Grants   | 47               | 58               | 150              |
| <b>Total Direct Expenditure</b>  | <b>223</b>       | <b>281</b>       | <b>317</b>       |
| Central Support Services Recharges   | 43               | 46               | 63               |
| Departmental Recharges   | 75               | 67               | 71               |
| <b>TOTAL EXPENDITURE</b>   | <b>341</b>       | <b>394</b>       | <b>452</b>       |
| <b>INCOME</b>  |                  |                  |                  |
| Grants and Contributions   | 6                | 0                | 0                |
| Fees and Charges   | 16               | 0                | 0                |
| <b>TOTAL INCOME</b>  | <b>22</b>        | <b>0</b>         | <b>0</b>         |
| <b>NET EXPENDITURE</b>   | <b>319</b>       | <b>394</b>       | <b>452</b>       |

**DESCRIPTION OF SERVICE**

The Arts Service aims to create, develop and support the arts infrastructure across the Royal Borough, including arts and voluntary organisations, schools, and business. Partnership and collaboration work is co-ordinated and developed across all business groups. The Arts Service administers and manages the Arts Grants Fund for the Borough.

**MAJOR VARIATIONS**

Pay and price increases have added £8,490 to the expenditure budget in 2008/2009.

The Employees budget for 2008/2009 includes an additional £2,380 due to increased employer's contributions to the Pension Fund as a result of actuarial variation. This is more than offset by a reduction of £5,220 in the FRS17 charge relating to the past service deficit.

The supplies and services budget for 2007/2008 included additional funding for Arts Service Development, £56,000 of which has been transferred to Museums and Galleries from 2008/2009.

The grants budget has been increased by £90,000 in 2008/2009 following the transfer of responsibility for the Tabernacle from Corporate Services to TELS.

The remaining variations arise from the reallocation of expenditure internally between business units.

| <b>WASTE MANAGEMENT AND LEISURE – HOLLAND PARK THEATRE</b>   |                                   |                                   |                                   |
|--|-----------------------------------|-----------------------------------|-----------------------------------|
| <b>BUSINESS UNITS L0309, L0310, L0311 and L0313</b>  |                                   |                                   |                                   |
| <b>Cabinet Member for Regeneration,<br/>Environmental Management and Leisure</b>   | <i>Actual</i><br><b>2006/2007</b> | <b>Budget</b><br><b>2007/2008</b> | <b>Budget</b><br><b>2008/2009</b> |
|  | <i>£'000</i>                      | £'000                             | £'000                             |
| <b>EXPENDITURE</b>   |                                   |                                   |                                   |
| Employees  | 332                               | 364                               | 372                               |
| Production and Infrastructure Costs  | 1,406                             | 1,415                             | 1,584                             |
| Other Expenditure  | 197                               | 249                               | 266                               |
| <b>Total Direct Expenditure</b>  | <b>1,935</b>                      | <b>2,028</b>                      | <b>2,222</b>                      |
| Central Support Services Recharges   | 56                                | 59                                | 64                                |
| Departmental Recharges   | 68                                | 63                                | 66                                |
| Capital Charges  | 2                                 | 12                                | 72                                |
| <b>TOTAL EXPENDITURE</b>   | <b>2,061</b>                      | <b>2,162</b>                      | <b>2,424</b>                      |
| <b>INCOME</b>  |                                   |                                   |                                   |
| Sales from Tickets, Programmes and Tables  | 1,232                             | 1,363                             | 1,512                             |
| Sponsorship and Corporate Hospitality  | 179                               | 310                               | 320                               |
| Catering Commission  | 38                                | 40                                | 41                                |
| Advertising, Donations and Other Third Party Income  | 109                               | 105                               | 125                               |
| <b>TOTAL INCOME</b>  | <b>1,558</b>                      | <b>1,818</b>                      | <b>1,998</b>                      |
| <b>NET EXPENDITURE</b>   | <b>503</b>                        | <b>344</b>                        | <b>426</b>                        |
| <b>DESCRIPTION OF SERVICE</b>  |                                   |                                   |                                   |
| <p>This budget covers the support staff and other costs of operating the Opera Holland Park season in the Holland Park Theatre, which runs from the beginning of June to the middle of August. A new canopy and new seating were put in place for 2007.</p> <p>Income can be quite volatile depending on external support, the elements and review.</p>  |                                   |                                   |                                   |
| <b>MAJOR VARIATIONS</b>  |                                   |                                   |                                   |
| <p>Pay and price increases have added £53,890 to the expenditure budget, however income has also been increased by £35,710 resulting in a net increase of £18,180 in 2008/2009.</p> <p>The Employees budget for 2008/2009 includes an additional £7,060 due to increased employer's contributions to the Pension Fund as a result of actuarial variation. This is more than offset by a reduction of £8,040 in the FRS17 charge relating to the past service deficit.</p> <p>Capital Charges have increased by £59,490 in 2008/2009 as a result of the expenditure on the new canopy and seating.</p> <p>The remaining variations arise from the reallocation of expenditure and income internally between business units.</p> |                                   |                                   |                                   |

**WASTE MANAGEMENT AND LEISURE – MUSEUMS AND GALLERIES****BUSINESS UNITS L0303, L0304, L0305, L0306, L0321 and L0322**

| <b>Cabinet Member for Regeneration,<br/>Environmental Management and Leisure</b> | <i>Actual</i>    | <b>Budget</b>    | <b>Budget</b>    |
|--|------------------|------------------|------------------|
|  | <i>2006/2007</i> | <i>2007/2008</i> | <i>2008/2009</i> |
|  | <i>£'000</i>     | <i>£'000</i>     | <i>£'000</i>     |
| <b>EXPENDITURE</b>   |                  |                  |                  |
| Employees  | 363              | 312              | 322              |
| Premises Related Expenditure   | 114              | 117              | 126              |
| Supplies and Services  | 269              | 83               | 123              |
| Third Party Payments   | 81               | 10               | 18               |
| <b>Total Direct Expenditure</b>  | <b>827</b>       | <b>522</b>       | <b>589</b>       |
| Central Support Services Recharges   | 62               | 57               | 57               |
| Departmental Recharges   | 45               | 43               | 41               |
| <b>TOTAL EXPENDITURE</b>   | <b>934</b>       | <b>622</b>       | <b>687</b>       |
| <b>INCOME</b>  |                  |                  |                  |
| Grants and Contributions   | 267              | 0                | 0                |
| Fees, Charges and Other Client Income  | 291              | 266              | 272              |
| <b>TOTAL INCOME</b>  | <b>558</b>       | <b>266</b>       | <b>272</b>       |
| <b>NET EXPENDITURE</b>   | <b>376</b>       | <b>356</b>       | <b>415</b>       |

**DESCRIPTION OF SERVICE**

This budget covers:

**Leighton House** is a unique example of Victorian design accommodating an extensive collection of drawings and paintings by Lord Leighton. The house contains two galleries that are used for prestige shows of contemporary and Victorian art.

**Linley Sambourne House** is one of the finest examples of a late Victorian house. It still retains much of its original furnishings and artefacts.

**The Orangery and Ice House** offer international programmes of contemporary visual and applied arts exhibitions (April to October). The Orangery also serves as a venue for hire for events including press and product launches, social occasions and formal functions.

**MAJOR VARIATIONS**

Pay and price increases have added £22,190 to the expenditure budget, however income has also been increased by £6,640 resulting in a net increase of £15,550 in 2008/2009.

The Employees budget for 2008/2009 includes an additional £6,100 due to increased employer's contributions to the Pension Fund as a result of actuarial variation. This is more than offset by a reduction of £10,740 in the FRS17 charge relating to the past service deficit.

In 2007/2008 additional funding for Arts Service Development was included in Arts Development and Support, and £56,000 of this has been transferred to Museums and Galleries from 2008/2009 and added to expenditure budgets.

The remaining variations arise from the reallocation of expenditure and income internally between business units.

| <b>TRANSPORTATION AND HIGHWAYS – ADMINISTRATION</b>  |                             |                             |                             |
|--|-----------------------------|-----------------------------|-----------------------------|
| <b>BUSINESS UNIT Y7005, Y7105 and Y7205</b>  |                             |                             |                             |
|  | <i>Actual<br/>2006/2007</i> | <b>Budget<br/>2007/2008</b> | <b>Budget<br/>2008/2009</b> |
|  | <i>£'000</i>                | £'000                       | £'000                       |
| <b>EXPENDITURE</b>   |                             |                             |                             |
| Employees  | 480                         | 480                         | 468                         |
| Transport Related Expenditure  | 3                           | 3                           | 3                           |
| Stationery, Printing, Photocopying,<br>Telephones, Post  | 42                          | 34                          | 35                          |
| Office Equipment and Other Minor Expenses  | 6                           | 6                           | 4                           |
| I.T Expenditure  | 50                          | 15                          | 20                          |
| <b>Total Direct Expenditure</b>  | <b>581</b>                  | <b>538</b>                  | <b>530</b>                  |
| Central Support Services Recharges   | 417                         | 443                         | 293                         |
| Departmental Support Services Recharge   | 372                         | 334                         | 329                         |
| <b>TOTAL EXPENDITURE</b>   | <b>1,370</b>                | <b>1,315</b>                | <b>1,152</b>                |
| <b>INCOME</b>  |                             |                             |                             |
| Fees and Charges   | 33                          | 3                           | 3                           |
| <b>TOTAL INCOME</b>  | <b>33</b>                   | <b>3</b>                    | <b>3</b>                    |
| <b>NET EXPENDITURE FULLY RECHARGED</b>   | <b>1,337</b>                | <b>1,312</b>                | <b>1,149</b>                |
| <b>DESCRIPTION OF SERVICE</b>  |                             |                             |                             |
| <p>The salaries of the managers, their personal assistants and support services staff are shown here with their associated running costs.</p> <p>These costs plus departmental-wide overheads, which cannot be specifically charged to individual business units, are fully allocated over the Department's operational functions.</p>   |                             |                             |                             |
| <b>MAJOR VARIATIONS</b>  |                             |                             |                             |
| <p>Pay and price increases have added £32,790 to the expenditure budget in 2008/09</p> <p>The Employees budget for 2008/2009 includes an additional £9,190 due to increased employer's contributions to the Pension Fund as a result of actuarial variation. This is more than offset by a reduction of £18,780 in the FRS17 charge relating to the past service deficit.</p> <p>The I.T. budgets have been reduced by £1,430 as a result of an I.T. Hardware Procurement saving (Ref.No.32).</p> <p>There has been a change in methodology in the reallocation of Central Support Services for ISD costs and these are now recharged directly to services rather than Administration.</p> <p>The remaining variations arise from the reallocation of expenditure internally between business units.</p> |                             |                             |                             |

| <b>TRANSPORTATION AND HIGHWAYS – HIGHWAY MAINTENANCE</b>  |                  |                  |                  |
|---|------------------|------------------|------------------|
| <b>BUSINESS UNIT Y7210 – Y7226</b>  |                  |                  |                  |
| <b>Deputy Leader and Cabinet Member for Planning Policy, Housing Policy and Transportation</b>  | <i>Actual</i>    | <b>Budget</b>    | <b>Budget</b>    |
|   | <i>2006/2007</i> | <i>2007/2008</i> | <i>2008/2009</i> |
|   | <i>£'000</i>     | <i>£'000</i>     | <i>£'000</i>     |
| <b>EXPENDITURE</b>  |                  |                  |                  |
| Employees   | 600              | 584              | 661              |
| Premises Related Expenditure  | 12               | 6                | 9                |
| Transport Related Expenditure   | 33               | 34               | 33               |
| Insurance Costs   | 408              | 357              | 304              |
| Office Equipment, Consultants and other Running Costs   | 131              | 111              | 113              |
| Carriageway Repairs and Improvements  | 2,010            | 2,393            | 2,445            |
| Footway Repairs and Improvements  | 5,183            | 2,931            | 5,755            |
| Bridge Maintenance  | 61               | 98               | 100              |
| Guard Railings and Bollards   | 45               | 64               | 66               |
| Seats, Name Plates, Memorials, Anti-Flyposting etc.   | 128              | 145              | 149              |
| <b>Total Direct Expenditure</b>   | <i>8,611</i>     | <i>6,723</i>     | <i>9,635</i>     |
| Central Support Services Recharges  | 131              | 156              | 191              |
| Departmental Support Services Recharge  | 795              | 768              | 813              |
| Capital Charges   | 382              | 416              | 500              |
| <b>TOTAL EXPENDITURE</b>  | <i>9,919</i>     | <i>8,063</i>     | <i>11,139</i>    |
| <b>INCOME</b>   |                  |                  |                  |
| Bus Shelter Advertising, Hoardings, Road Closures and Rents   | 740              | 779              | 830              |
| Recharges to Other Services   | 8                | 11               | 8                |
| <b>TOTAL INCOME</b>   | <i>748</i>       | <i>790</i>       | <i>838</i>       |
| <b>NET EXPENDITURE</b>  | <i>9,171</i>     | <i>7,273</i>     | <i>10,301</i>    |
| <b>DESCRIPTION OF SERVICE</b>   |                  |                  |                  |
| <p>There are 208 kilometres (130 miles) of public highway in The Royal Borough, of which 12.5 kilometres (8 miles) are maintained under the responsibility of TfL as part of the Greater London Authority. This business unit funds works under the following categories: -</p> <p>Programmed and non-programmed footway and carriageway works, with emphasis placed on high quality works in accordance with the Council's policy. Highway inspections and maintenance of guard rails, bollards, road markings, street name plates, memorials and fountains, benches and the inspection and maintenance of bridges.</p> <p>Repairs and renewals of road gullies and highway drainage and implementation of traffic management schemes. All work is undertaken by contractors.</p> <p>Also included is the administration of temporary road closures, the bus shelter contract and the control of advertising on banners.</p> |                  |                  |                  |
| <b>MAJOR VARIATIONS</b>   |                  |                  |                  |
| <p>Pay and price increases have added £191,900 to the budget for expenditure and £17,930 to income</p> <p>The Employees budget for 2008/2009 includes an additional £11,450 due to increased employer's contributions to the Pension Fund as a result of actuarial variation. This is more than offset by a reduction of £21,160 in the FRS17 charge relating to the past service deficit.</p> <p>There are Insurance procurement savings of £64,000 expected (Ref. No. 31), £2,750,000 has been permanently incorporated into the Footway Budget for York Stone (Ref. No. 12) and the Rental Income at Chelsea Creek is expected to increase by £10,000 (Ref. No. 21 ).</p>  |                  |                  |                  |

| <b>TRANSPORTATION AND HIGHWAYS – PUBLIC LIGHTING</b>  |                  |                  |                  |
|---|------------------|------------------|------------------|
| <b>BUSINESS UNITS Y7250 – Y7256</b>   |                  |                  |                  |
| <b>Deputy Leader and Cabinet Member for Planning Policy, Housing Policy and Transportation</b>  | <i>Actual</i>    | <b>Budget</b>    | <b>Budget</b>    |
|   | <b>2006/2007</b> | <b>2007/2008</b> | <b>2008/2009</b> |
|   | <i>£'000</i>     | <i>£'000</i>     | <i>£'000</i>     |
| <b>EXPENDITURE</b>  |                  |                  |                  |
| Employees   | 267              | 256              | 218              |
| Energy Costs  | 408              | 472              | 484              |
| Contract Cleaning   | 115              | 112              | 115              |
| Transport Related Expenditure   | 12               | 14               | 14               |
| Office Expenses – Telephones, Clothing and I.T.   | 17               | 20               | 20               |
| Repairs, Replacements and Improvements  | 1,051            | 1,137            | 1,165            |
| <b>Total Direct Expenditure</b>   | <b>1,870</b>     | <b>2,011</b>     | <b>2,016</b>     |
| Central Support Services Recharges  | 77               | 69               | 73               |
| Departmental Support Services Recharge  | 70               | 64               | 57               |
| Capital Charges   | 192              | 192              | 192              |
| <b>TOTAL EXPENDITURE</b>  | <b>2,209</b>     | <b>2,336</b>     | <b>2,338</b>     |
| <b>INCOME</b>   |                  |                  |                  |
| Charges for Private Lanterns  | 35               | 24               | 24               |
| Other Fees and Charges  | 1                | 1                | 1                |
| Corporate and Democratic Core Activities  | 2                | 2                | 0                |
| <b>TOTAL INCOME</b>   | <b>38</b>        | <b>27</b>        | <b>25</b>        |
| <b>NET EXPENDITURE</b>  | <b>2,171</b>     | <b>2,309</b>     | <b>2,313</b>     |
| <b>DESCRIPTION OF SERVICE</b>   |                  |                  |                  |
| <p>This service includes the maintenance and replacement of the street lighting columns, lanterns, illuminated and non-illuminated signs, Albert and Chelsea river bridge lighting, illuminated bollards, pedestrian crossing equipment and maintenance of Pay and Display equipment.</p> <p>There is a total of approximately 13,500 lighting points maintained by this section including street lights, illuminated signs and bollards on the public highway, lighting under the Westway and private street lighting. White light is being introduced on both main roads and residential streets as a replacement for high pressure sodium, and there are now Heritage and modern styles of main road lighting unit.</p> <p>Cleaning is carried out every 6 months and lamps are changed every 3 years. The income received reflects private street lighting maintenance undertaken by the lighting section.</p> <p>Green energy has been purchased since October 2000 and all installation and maintenance of public lighting is contracted out.</p> |                  |                  |                  |
| <b>MAJOR VARIATIONS</b>   |                  |                  |                  |
| <p>Pay and price increases have added £53,030 to the budget for 2008/2009.</p> <p>The Employees budget for 2008/2009 includes an additional £5,030 due to increased employer's contributions to the Pension Fund as a result of actuarial variation. This is more than offset by a reduction of £9,800 in the FRS17 charge relating to the past service deficit.</p> <p>Following a review of Corporate and Democratic Core Activities there is now no recharge for this Service.</p>   |                  |                  |                  |

**TRANSPORTATION AND HIGHWAYS – RECHARGEABLE AND OTHER STREET WORKS**

**BUSINESS UNITS Y7230 – Y7237**

| Deputy Leader and Cabinet Member for Planning Policy, Housing Policy and Transportation | <i>Actual</i>    | <b>Budget</b>    | <b>Budget</b>    |
|---|------------------|------------------|------------------|
|   | <i>2006/2007</i> | <b>2007/2008</b> | <b>2008/2009</b> |
|   | <i>£'000</i>     | £'000            | £'000            |
| <b>EXPENDITURE</b>  |                  |                  |                  |
| Employees   | 230              | 235              | 244              |
| Transport Related Expenses  | 1                | 1                | 1                |
| Consultants   | 29               | 33               | 34               |
| General Office Expenses   | 5                | 13               | 13               |
| Provision for Bad Debts   | 448              | 44               | 52               |
| <b>Total Direct Expenditure</b>   | 713              | 326              | 344              |
| Central Support Services Recharges  | 32               | 30               | 44               |
| Departmental Support Services Recharge  | 66               | 59               | 61               |
| <b>TOTAL EXPENDITURE</b>  | 811              | 415              | 449              |
| <b>INCOME</b>   |                  |                  |                  |
| Administration Fees on Rechargeable Works   | 399              | 402              | 402              |
| <b>TOTAL INCOME</b>   | 399              | 402              | 402              |
| <b>NET EXPENDITURE</b>  | 412              | 13               | 47               |

**DESCRIPTION OF SERVICE**

The expenditure and income relating to various categories of rechargeable works appear under this business unit. Rechargeable works are undertaken for a wide variety of organisations and individual charges are reviewed annually.

a) Lamping: The Council recovers its expenditure where possible on the placement of lamps and barriers to protect the general public from obstructions on the highway.

b) Coal plates: Members of the public who have dangerous coal plates in front of their property may either have them removed or safe ones fitted at their expense.

c) The cost of providing vehicle crossovers, and damage to the highway caused by scaffolds, skips etc. is recharged to the developer.

d) Damage to street furniture is recharged to perpetrators where possible.

New Roads and Street Works Act 1991 (NRSW Act): A small team maintains the streetworks register and carries out rechargeable inspections of Utility company works on the highway, and generates additional income from defects if nationally agreed standards are not maintained. This Act also enables charges to be applied for over-running utility company works, and the detailed arrangements for this are changing under the new Traffic Management Act.

**MAJOR VARIATIONS**

The Employees budget for 2008/2009 includes an additional £4,670 due to increased employer's contributions to the Pension Fund as a result of actuarial variation. This is more than offset by a reduction of £7,950 in the FRS17 charge relating to the past service deficit.

The provision for Bad Debts has been increased by £6,350.

It was anticipated that an additional £20,000 Streetworks income could be achievable (Ref No. 20).

The remaining variations arise from the reallocation of expenditure internally between business units.

**TRANSPORTATION AND HIGHWAYS – TRAFFIC SECTION**

**BUSINESS UNIT Y7130**

| <b>Deputy Leader and Cabinet Member for Planning Policy, Housing Policy and Transportation</b> | <i>Actual</i>    | <b>Budget</b>    | <b>Budget</b>    |
|--|------------------|------------------|------------------|
|  | <i>2006/2007</i> | <i>2007/2008</i> | <i>2008/2009</i> |
|  | <i>£'000</i>     | <i>£'000</i>     | <i>£'000</i>     |
| <b>EXPENDITURE</b>   |                  |                  |                  |
| Employees  | 280              | 395              | 340              |
| Transport Related Expenditure  | 5                | 2                | 4                |
| General Office Expenses  | 43               | 17               | 10               |
| Urban Traffic Control  | 216              | 201              | 235              |
| Traffic Management and Safety Schemes  | 59               | 59               | 67               |
| Traffic Management Consultants   | 570              | 491              | 527              |
| <b>Total Direct Expenditure</b>  | <i>1,173</i>     | <i>1,165</i>     | <i>1,183</i>     |
| Central Support Services Recharges   | 95               | 113              | 144              |
| Departmental Support Services Recharge   | 141              | 130              | 119              |
| Capital Charges  | 994              | 1,121            | 1,267            |
| <b>TOTAL EXPENDITURE</b>   | <i>2,403</i>     | <i>2,529</i>     | <i>2,713</i>     |
| <b>INCOME</b>  |                  |                  |                  |
| Fees and Charges   | 97               | 5                | 34               |
| Corporate and Democratic Core Activities   | 45               | 67               | 23               |
| <b>TOTAL INCOME</b>  | <i>142</i>       | <i>72</i>        | <i>57</i>        |
| <b>NET EXPENDITURE</b>   | <i>2,261</i>     | <i>2,457</i>     | <i>2,656</i>     |

**DESCRIPTION OF SERVICE**

The Traffic Section leads on the Council's streetscape initiative including the development of the Council's Streetscape manual and major streetscape projects, for example, the improvements in Kensington High Street and those proposed for Sloane Square.

This service is responsible for the development of policy documents on traffic and parking issues and investigating traffic problems and the design of traffic management schemes where appropriate.

Staff consider and design where possible a wide range of measures aimed at securing improved highway and pedestrian facilities to reduce accidents for all categories of road user. There is close liaison with the Police, the Traffic Technology Services (TTS) and Transport for London.

**MAJOR VARIATIONS**

Pay and price increases have added £62,450 to the budget for 2008/2009.

The Employees budget for 2008/2009 includes an additional £7,920 due to increased employer's contributions to the Pension Fund as a result of actuarial variation. This is more than offset by a reduction of £12,200 in the FRS17 charge relating to the past service deficit

It is anticipated that Transport for London will contribute £20,000 in Borough Support (Ref No. 22).

The remaining variations arise from the reallocation of expenditure internally between business units.

| <b>TRANSPORTATION AND HIGHWAYS –TRANSPORTATION AND ROAD SAFETY</b>  |                  |                  |                  |
|---|------------------|------------------|------------------|
| <b>BUSINESS UNIT Y7110 and Y7120</b>  |                  |                  |                  |
| <b>Deputy Leader and Cabinet Member for Planning Policy, Housing Policy and Transportation</b>  | <i>Actual</i>    | <b>Budget</b>    | <b>Budget</b>    |
|   | <i>2006/2007</i> | <i>2007/2008</i> | <i>2008/2009</i> |
|   | <i>£'000</i>     | <i>£'000</i>     | <i>£'000</i>     |
| <b>EXPENDITURE</b>  |                  |                  |                  |
| Employees   | 324              | 382              | 422              |
| Transport Related Expenditure   | 2                | 3                | 2                |
| Road Safety initiatives, Campaigns and Presentations  | 26               | 39               | 44               |
| General Office Expenses   | 40               | 9                | 23               |
| London Wide lorry Ban Contribution  | 5                | 5                | 10               |
| Transportation Consultants  | 129              | 78               | 81               |
| <b>Total Direct Expenditure</b>   | <b>526</b>       | <b>516</b>       | <b>582</b>       |
| Central Support Services Recharges  | 78               | 71               | 92               |
| Departmental Support Services Recharge  | 164              | 158              | 145              |
| <b>TOTAL EXPENDITURE</b>  | <b>768</b>       | <b>745</b>       | <b>819</b>       |
| <b>INCOME</b>   |                  |                  |                  |
| Other Income  | 101              | 25               | 43               |
| Corporate and Democratic Core Activities  | 5                | 5                | 23               |
| <b>TOTAL INCOME</b>   | <b>106</b>       | <b>30</b>        | <b>66</b>        |
| <b>NET EXPENDITURE</b>  | <b>662</b>       | <b>715</b>       | <b>753</b>       |
| <b>DESCRIPTION OF SERVICE</b>   |                  |                  |                  |
| <p>The section deals with major projects, which affect the Council, including congestion charging and the Exhibition Road Project.</p> <p>This service is responsible for transportation policy, in particular the Unitary Development Plan (UDP) chapters on Transportation and Development Standards. Staff are also engaged directly on the highway and transportation aspects of Development Control, the provision of facilities for cyclists, road safety education and training, and indirectly with all matters relating to the provision of public transport in the Borough.</p>   |                  |                  |                  |
| <b>MAJOR VARIATIONS</b>   |                  |                  |                  |
| <p>Pay and price increases have added £22,710 to the budget for 2008/2009.</p> <p>The Employees budget for 2008/2009 includes an additional £7,620 due to increased employer's contributions to the Pension Fund as a result of actuarial variation. This is more than offset by a reduction of £13,500 in the FRS17 charge relating to the past service deficit</p> <p>Additional licence income of £16,180 is expected for 2008/09 however this is required to fund the cost of running the scheme and is included as General Office Expenses.</p> <p>The recharges to Corporate and Democratic Core have increased following a Review.</p> |                  |                  |                  |

| <b>TRANSPORTATION AND HIGHWAYS – CAR PARKING OFF-STREET</b>  |                  |                  |                  |
|--|------------------|------------------|------------------|
| <b>BUSINESS UNIT Y8001 and Y8150</b>   |                  |                  |                  |
| <b>Deputy Leader and Cabinet Member for Planning Policy, Housing Policy and Transportation</b>   | <i>Actual</i>    | <b>Budget</b>    | <b>Budget</b>    |
|  | <i>2006/2007</i> | <i>2007/2008</i> | <i>2008/2009</i> |
|  | <i>£'000</i>     | <i>£'000</i>     | <i>£'000</i>     |
| <b>EXPENDITURE</b>   |                  |                  |                  |
| Employees  | 84               | 94               | 93               |
| Utilities – Electricity/Water/NNDR   | 283              | 298              | 303              |
| Repairs and Maintenance  | 64               | 102              | 97               |
| Credit and Debit Card Charges  | 8                | 4                | 12               |
| Insurance  | 30               | 31               | 26               |
| Management Fee – Kensington Town Hall Car Park   | 221              | 243              | 250              |
| <b>Total Direct Expenditure</b>  | <i>690</i>       | <i>772</i>       | <i>781</i>       |
| Central Support Services Recharges   | 144              | 155              | 57               |
| Departmental Support Services Recharge   | 47               | 48               | 47               |
| Capital Charges  | 124              | 139              | 187              |
| <b>TOTAL EXPENDITURE</b>   | <i>1,005</i>     | <i>1,114</i>     | <i>1,072</i>     |
| <b>INCOME</b>  |                  |                  |                  |
| Kensington Town Hall Car Park  | 1,413            | 1,358            | 1,355            |
| Young Street Car Park  | 383              | 388              | 388              |
| Lots Road Rental Income  | 200              | 200              | 200              |
| <b>TOTAL INCOME</b>  | <i>1,996</i>     | <i>1,946</i>     | <i>1,943</i>     |
| <b>NET EXPENDITURE</b>   | <i>-991</i>      | <i>-832</i>      | <i>-871</i>      |
| <b>DESCRIPTION OF SERVICE</b>  |                  |                  |                  |
| <p>The Council owns two car parks located at Kensington Town Hall and Young Street. Income from the Town Hall Car Park is derived from charges to the public and users within the Council. The Council approves the scale of charges, which are reviewed annually.</p> <p>The Young Street Car Park has a long term leasing arrangement and the Council receives income based on the number of spaces and a percentage of the turnover. The scale of charges is broadly in line with the Town Hall Car Park.</p> |                  |                  |                  |
| <b>MAJOR VARIATIONS</b>  |                  |                  |                  |
| <p>Pay and price increases have added £17,200 to the budget for 2008/2009.</p> <p>The Capital Charges have increased by £48,620 as a result of the implementation of the new TAMS system at Kensington Town Hall Car Park.</p> <p>The remaining variations arise from the reallocation of expenditure internally between business units.</p>   |                  |                  |                  |

| <b>TRANSPORTATION AND HIGHWAYS – CAR PARKING ON-STREET</b>  |                  |                  |                  |
|---|------------------|------------------|------------------|
| <b>BUSINESS UNITS Y8000 and Y8100 – Y8365</b>   |                  |                  |                  |
| <b>Deputy Leader and Cabinet Member for Planning Policy, Housing Policy and Transportation</b>  | <i>Actual</i>    | <b>Budget</b>    | <b>Budget</b>    |
|   | <b>2006/2007</b> | <b>2007/2008</b> | <b>2008/2009</b> |
|   | <i>£'000</i>     | £'000            | £'000            |
| <b>EXPENDITURE</b>  |                  |                  |                  |
| Employees   | 4,026            | 4,140            | 3,621            |
| Premises (Mainly Car Pound)   | 246              | 295              | 266              |
| Transport Related Expenditure   | 47               | 58               | 56               |
| Compliance Services Contractors   | 5,959            | 6,436            | 6,520            |
| London Councils   | 436              | 423              | 447              |
| Meters Replacement, Repairs, Markings, CPZ Reviews  | 1,186            | 1,419            | 1,091            |
| Supplies and Services ( Including I.T. Expenditure)   | 1,402            | 1,255            | 1,167            |
| <b>Total Direct Expenditure</b>   | <b>13,302</b>    | <b>14,026</b>    | <b>13,168</b>    |
| Central Support Services Recharges  | 2,281            | 2,416            | 2,953            |
| Departmental Support Services Recharge  | 804              | 802              | 686              |
| Other Departmental Recharges  | 25               | 25               | 26               |
| <b>TOTAL EXPENDITURE</b>  | <b>16,412</b>    | <b>17,269</b>    | <b>16,833</b>    |
| <b>INCOME</b>   |                  |                  |                  |
| Pay and Display Machines  | 18,924           | 15,190           | 16,280           |
| Residents Permits   | 4,526            | 4,724            | 4,878            |
| Compliance Services   | 15,592           | 16,547           | 16,547           |
| Parking Suspensions   | 2,335            | 2,265            | 2,472            |
| Recharges to Other Services and Other Income  | 36               | 17               | 14               |
| <b>TOTAL INCOME</b>   | <b>41,413</b>    | <b>38,743</b>    | <b>40,191</b>    |
| <b>NET EXPENDITURE</b>  | <b>-25,001</b>   | <b>-21,474</b>   | <b>-23,358</b>   |
| <b>DESCRIPTION OF SERVICE</b>   |                  |                  |                  |
| <p>(1) <b>DIRECTORATE OF FINANCE, INFORMATION SYSTEMS AND PROPERTY</b> - administers the collection of cash from the pay and display machines, Kensington Town Hall Car Park, the Lots Road Car Pound and debt collection on the suspension service.</p> <p>(2) <b>TRANSPORTATION AND HIGHWAYS DEPARTMENT</b> - administers: -</p> <p>(i) The addition and deletion of parking places on-street and all amendments to the Orders.</p> <p>(ii) The Orders relating to diplomatic parking, free motorcycle parking and waiting and loading restrictions.</p> <p>(iii) The control and issue of Residents' and doctors' parking permits.</p> <p>(iv) The preparation, letting and supervision of the term contracts for the maintenance of the Council's Pay and Display, and maintenance aspects of car parking on-street including carriageway markings, signs relating to the controlled parking and other waiting and loading restrictions.</p> <p>(v) The operation of the parking place suspension service.</p> <p>(vi) The Parking Enforcement Service (Compliance Service) following the introduction of the Road Traffic Act 1991 on 4 July 1994.</p> <p>(3) <b>DIRECTORATE OF SOCIAL SERVICES</b> - receives and vets all applications for disabled parking permits/spaces.</p>  |                  |                  |                  |
| <b>MAJOR VARIATIONS</b>   |                  |                  |                  |
| <p>Pay and price increases have increased the budget by £249,770 in 2008/2009. (Exp +£424,280 and income -£174,510).</p> <p>The Employees budget includes an additional £82,410 due to increased employer's contribution to the Pension Fund as a result of an actuarial variation and is more than offset by a reduction of £125,010 relating to the past service deficit..</p> <p>£616,000 has been transferred to Corporate Services following the relocation of Parking staff to Customer Services.</p> <p>£28,700 has been transferred to Corporate Services following the relocation of the Disabled Badge Investigation service.</p> <p>£12,100 has been added to the Telephones Charges budget following a transfer from Corporate Services.</p> <p>The Pay and Display Machine Income budget has been increased by £90,000 to offset a shortfall on Leisure Services.</p> <p>Financial Plan changes have reduced the budget by a net -£1.679m. This comprises of + £50k Trialling Cashless Payment for PDM (Ref. 10), -£800k PDM Income (Ref. 11), -£20k Motor Cycle Permits income (Ref.23), -£230k PDM Refurbishment budget reduction (Ref. 24), -£158k PDM CLAM Unit budget (Ref. 25), -£100k Parking Bay Suspensions Income (Ref. 26), -£50k Removal of Parking Bay Suspensions Discount (Ref. 27), -£200k PDM Income (Ref. 28), -£100k Reduced Parking I.T. budget (Ref. 29), -£64k Reduction in On Street Enforcement Contract (Ref. 30), -£7k I.T. Hardware Procurement Saving (Ref. 32).</p> |                  |                  |                  |

## REVENUE CHANGES – GROWTH AND SAVINGS

| Ref No.      | Department       | Description                           | Details  | 2008/09<br>£'000 | 2009/10<br>£'000 | 2010/11<br>£'000 |
|--------------|------------------|---------------------------------------|--|------------------|------------------|------------------|
| Local Growth |                  |                                       |  |                  |                  |                  |
| 1            | Executive        | Climate Change Initiative             | The Council is exploring its desire to demonstrate knowledge and leadership to businesses and residents in setting an example in its awareness and behaviour in regard to climate change. We need new resources to provide expert advice on improving the Council's carbon footprint, coordinating, research and developing and monitoring climate change and sustainability strategies. | 50               |                  |                  |
| 2            | Waste Management | CCTV and Out of Hours Service         | There is a proposal to have a dedicated CCTV monitoring Service. The current team also deal with other telephone calls. Should this split occur there is likely to be an extra cost to the Council either in staffing terms or using an agency.  | 30               |                  |                  |
| 3            | Waste Management | Increased Provision of Public Toilets | Last year a budget was created to install a new autoloo or equivalent. At that time the Council intended to add one new facility each year. The cost shown here is the annual rental of an autoloo.  | 25               |                  |                  |

| Ref No. | Department       | Description                | Details  | 2008/09<br>£'000 | 2009/10<br>£'000 | 2010/11<br>£'000 |
|---------|------------------|----------------------------|--|------------------|------------------|------------------|
| 4       | Waste Management | Two Extra Parks Police     | The current service is too small to provide an adequate service to the northern parks. The proposed addition of Little Wormwood Scrubs will put a further burden on the service. Two extra police will enable improved service provision.  | 60               |                  |                  |
| 5       | Arts and Leisure | Tree Maintenance Budget    | The ageing stock of trees in the Borough's parks and open spaces requires additional maintenance. The impact of climate change on the health and suitability of our park and open space trees needs to be considered. We propose a survey of our park and open space trees, an assessment of their survivability over the next 50 years, an assessment of the most appropriate replacement policy, and a programme of remedial works drawn up. | 15               |                  |                  |
| 6       | Arts and Leisure | Grounds Maintenance Growth | Additional funds are required to improve standards and increased activity including playground equipment and parks infrastructure.   | 60               |                  |                  |
| 7       | Arts and Leisure | Public Art in Holland Park | This item is dealt with on an ad hoc basis using other parks budgets. The current voluntary curator is retiring and will be replaced with a paid part time option. It may be possible to combine this with a part time post/consultancy in the arts service to make a specialist public  | 15               |                  |                  |

| Ref No.            | Department       | Description  | Details   | 2008/09<br>£'000 | 2009/10<br>£'000 | 2010/11<br>£'000 |
|--------------------|------------------|--|---|------------------|------------------|------------------|
|                    |                  |  | art position.   |                  |                  |                  |
| 8                  | Waste Management | Cost of Additional Cleansing and Bag Provision on Market Streets | The fee paid by traders includes the cost of waste disposal. Unfortunately non market waste is finding its way into the market collections. Therefore new and more expensive methods are required to ensure that the waste charge is fair.  | 15               |                  |                  |
| 9                  | Arts and Leisure | Implementing the Sports Strategy                                 | The new Physical Activity and Sports Strategy will describe how we and our partners can encourage participation in sport and physical activity by residents in deprived areas, black and ethnic groups, adults with mental health issues and obese individuals in all age groups. The strategy may recommend that the GP referral scheme could be improved, but The PCT are most unlikely to provide any funding. New resources will be required to deliver the strategy. | 40               |                  |                  |
| 10                 | Parking          | Introduce Cashless Payment for Pay and Display Parking           | The technology now exists to pay for visitor parking using mobile telephones. This requires a commission so that in the short term it would be more expensive to provide both services. The big pay back is when cash options are withdrawn allowing reductions in P&D machine monitoring, maintenance and repairs.   | 50               |                  |                  |
| Total Local Growth |                  |  |   | 360              |                  |                  |

| Ref No.                                | Department                | Description                              | Details   | 2008/09<br>£'000 | 2009/10<br>£'000 | 2010/11<br>£'000 |
|--|---------------------------|--|---|------------------|------------------|------------------|
| <b>Corporately Funded Growth</b>       |                           |  |   |                  |                  |                  |
| 11                                     | Parking                   | Pay and Display Income                   | If current trends continue, the pay and display income budget will over-achieve it's target because we over-estimated the impact of the congestion charge on visitor parking  | -800             |                  |                  |
| 12                                     | Highways and Construction | Highways Maintenance – York Stone Budget | A one-off extra budget has been agreed annually since 2004/05 to enable the planned footway maintenance programme to be carried out in York Stone. This bid represents the continuation of the programme in 2008/09 and it being a more permanent feature in future budgets.  | 2,750            |                  |                  |
| 13                                     | Waste Management          | Waste Performance and Efficiency Grant   | Unhypothecated grant awards have been made for 2006/07 and 2007/08 towards the costs of meeting the Council's Waste Strategy and recycling targets. The Council agreed its strategy prior to the notification of this grant so it has helped to mitigate the extra costs. The grant has been withdrawn now comes under the London Councils. | 277              |                  |                  |
| <b>Total Corporately Funded Growth</b> |                           |  |   | <b>2,227</b>     |                  |                  |
| <b>Savings</b>                         |                           |  |   |                  |                  |                  |
| 14                                     | Executive                 | Licensing Income                         | There are a larger number of Liquor applications and variations than we predicted. Increased enforcement has also resulted in more Special Treatments Licences.   | -50              |                  |                  |

| Ref No. | Department                | Description                                      | Details  | 2008/09<br>£'000 | 2009/10<br>£'000 | 2010/11<br>£'000 |
|---------|---------------------------|--|--|------------------|------------------|------------------|
| 15      | Executive                 | New Gambling Licence Income                      | This is a sustainable new income as the Council now has responsibility for issuing these licences. There are approximately 50 premises with an annual fee of £500.   | -25              |                  |                  |
| 16      | Executive                 | Reduced back Office Costs                        | No major Group Finance IT or furniture purchases are anticipated in the near future so these budgets can be reduced to meet the anticipated level of need.   | -2               |                  |                  |
| 17      | Waste Management          | Reduction in Commercial Waste Bad Debt Provision | The team's performance on debt minimisation and recovery has been good, allowing further reductions to the budget  | -40              |                  |                  |
| 18      | Waste Management          | Increase Commercial Waste Income                 | The team have won some new contracts and will win more during the year. However, the team have struggled to make past income targets and this proposal remains a risk. Income should increase from initiatives to ensure that customers are paying the correct amount for the number of bags they put out. | -50              |                  |                  |
| 19      | Arts and Leisure          | Increase Non Residents Cemetery Charges          | We propose increasing the cemetery charges for non-residents by 10% above the rate of inflation, and for residents by 5%   | -50              |                  |                  |
| 20      | Highways and Construction | Increased Income from Streetworks                | We propose increasing the number of defect inspections, generating income from utility companies.  | -20              |                  |                  |

| Ref No. | Department                | Description  | Details   | 2008/09<br>£'000 | 2009/10<br>£'000 | 2010/11<br>£'000 |
|---------|---------------------------|--|---|------------------|------------------|------------------|
| 21      | Highways and Construction | Rental Income from Chelsea Creek Depot                     | The Lighting contractor is now occupying space cleared by Highways and paying extra rent.   | -10              |                  |                  |
| 22      | Policy and Transportation | Transport for London funding for Local Implementation Plan | In recent years the Council has received TfL grant towards the cost of preparing the Local Implementation Plan and its predecessors. This income has been regarded as a bonus. We propose creating a revenue income budget as the TfL contributions are unlikely to cease.  | -20              |                  |                  |
| 23      | Parking                   | Motor Cycle Parking Permits                                | New policy will increase the number of motor cycle bays, including secure bays, and give residents the option of which type of permit will suit them best. This includes a full permit option. Reductions are available for those holding an advanced rider certificate. This proposal assumes an increase in income as a result of the change. | -20              |                  |                  |
| 24      | Parking                   | Pay and Display Machine Survey and Refurbishment Budget.   | This one off budget for 2007/08 was created from extra parking income to conduct a survey of the machines and, where necessary, refurbish to extend their useful life. The budget can be removed in 2008/09.  | -230             |                  |                  |

| Ref No. | Department | Description   | Details  | 2008/09<br>£'000 | 2009/10<br>£'000 | 2010/11<br>£'000 |
|---------|------------|---|--|------------------|------------------|------------------|
| 25      | Parking    | Pay and Display Machine<br>CLAM Units Budget        | This is a one off budget over two years to fit CLAM units to all P&D machines in order to improve their reliability, reduce tampering and paper jams. The programme of work will be completed this year and the budget can be removed.   | -158             |                  |                  |
| 26      | Parking    | Parking Bay Suspensions<br>Income                   | In 2006/07 this income budget over-achieved. While the longer term future is difficult to predict, it is reasonable to assume that some of the uplift is sustainable in the medium term.   | -100             |                  |                  |
| 27      | Parking    | Removal of the Parking Bay<br>Suspension Discount   | A recent Key Decision changing the policy on suspensions removes this discount. However, all discounts currently in operation will be honoured so the policy will take a couple of years to be fully enacted.  | -50              | -100             |                  |
| 28      | Parking    | Pay and Display Income                              | Income from this source has continued to perform better each year since the low point of 2001/02. We anticipate £1m income above budget of which £800,000 is due to the congestion charge impact being below our initial expectation, along with £200,000 from Business Group initiatives to sustain income. | -200             |                  |                  |
| 29      | Parking    | Reduced Parking<br>Information Technology<br>Budget | A major new integrated IT system is now in place and the office is well equipped. Maintaining a budget of this size as contingency   | -100             |                  |                  |

| Ref No.                     | Department         | Description                                 | Details   | 2008/09<br>£'000 | 2009/10<br>£'000 | 2010/11<br>£'000 |
|-----------------------------|--------------------|---|---|------------------|------------------|------------------|
|                             |                    |   | is not appropriate.   |                  |                  |                  |
| 30                          | Parking            | Reduction in On Street Enforcement Contract | The current contract has efficiency reductions built into the annual payments. The budget can be reduced accordingly. | -64              | -13              | -13              |
| 31                          | Corporate Services | Insurance Procurement savings               |   | -76              |                  |                  |
| 32                          | Corporate Services | IT Hardware procurement savings             |   | -15              |                  |                  |
| <b>Total Savings</b>        |                    |   |   | <b>-1,280</b>    | <b>-113</b>      | <b>-13</b>       |
| <b>Business Group Total</b> |                    |   |   | <b>1,307</b>     | <b>-113</b>      | <b>-13</b>       |

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***CORPORATE SERVICES***  
***REVENUE BUDGET 2008/2009***

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# CORPORATE SERVICES REVENUE BUDGET

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**CORPORATE SERVICES**  
**Subjective Summary**

| Item                                   | Notes | 2006/07<br>Actual | 2007/08<br>Budget | 2008/09<br>Budget |
|--|-------|-------------------|-------------------|-------------------|
|  |       | £'000             | £'000             | £,000             |
| <b>EXPENDITURE</b>                     |       |                   |                   |                   |
| Employee Related Expenses              | 1     | 30,913            | 31,708            | 33,212            |
| Premises Related Expenses              |       | 6,880             | 6,502             | 6,544             |
| Transport Related Expenses             |       | 142               | 134               | 143               |
| Supplies and Services                  |       | 9,551             | 9,515             | 9,605             |
| Third Party Payments                   |       | 7,082             | 6,536             | 6,228             |
| Transfer Payments                      |       | 77                | 110               | 135               |
| Benefit Payments                       |       | 113,681           | 113,796           | 113,796           |
| Central Support                        |       |                   |                   |                   |
| Central Departments                    |       | 20,282            | 20,568            | 20,811            |
| Other Departments                      |       | 51                | 13                | 14                |
| Capital Charges                        |       | 2,088             | 2,093             | 2,878             |
| <b>TOTAL EXPENDITURE</b>               |       | <b>190,747</b>    | <b>190,975</b>    | <b>193,366</b>    |
| <b>INCOME</b>                          |       |                   |                   |                   |
| Government Grants                      | 2     | 9,938             | 4,892             | 4,164             |
| Benefit Subsidy                        |       | 112,536           | 111,567           | 111,567           |
| Other Grants (LABGI) and Contributions | 3     | 7,342             | 173               | 85                |
| Customer and Client Receipts           |       |                   |                   |                   |
| Fees and Charges                       |       | 7,899             | 9,659             | 9,776             |
| Rents                                  |       | 3,907             | 4,385             | 4,854             |
| Interest                               |       | 0                 | 4                 | 4                 |
| Recharges to Other Revenue Accounts    |       |                   |                   |                   |
| Departmental                           |       | 343               | 351               | 485               |
| Central Departments                    |       | 39,697            | 41,805            | 42,152            |
| <b>TOTAL INCOME</b>                    |       | <b>181,662</b>    | <b>172,836</b>    | <b>173,087</b>    |
| <b>NET EXPENDITURE</b>                 |       | <b>9,085</b>      | <b>18,139</b>     | <b>20,279</b>     |

Notes:

1 Employee related costs have increased with the transfer of Parking staff to Customer Services (£454,000), employers contributions to the Pension Fund (£573,000) and pay awards (£730,000)

2 A reduction in Drug Intervention Programme grant, Benefits Administration grant and the removal of the Safer and Stronger Communities grant as part of new Area Based Grants accounting arrangements

3 Local Authority Business Growth Incentives Scheme (LABGI) received £6.7m in 2006/07.

## CORPORATE SERVICES Service Summary

| Service   | 2006/07 Actual |                 |               | 2007/08 Budget |                 |               | 2008/09 Budget |                 |               | Outputs  | Head of Service |
|---|----------------|-----------------|---------------|----------------|-----------------|---------------|----------------|-----------------|---------------|--|-----------------|
|   | Exp<br>£'000   | Income<br>£'000 | Net<br>£'000  | Exp<br>£'000   | Income<br>£'000 | Net<br>£'000  | Exp<br>£'000   | Income<br>£'000 | Net<br>£'000  |  |                 |
| <b>Cabinet Member for Corporate Services</b>                          |                |                 |               |                |                 |               |                |                 |               |  |                 |
| <b>SUPPORT SERVICES</b>   |                |                 |               |                |                 |               |                |                 |               |  |                 |
| Finance   | 9,131          | 1,062           | 8,069         | 9,384          | 998             | 8,386         | 11,434         | 860             | 10,574        | Financial management, treasury, payment and income service, audit and risk management, accounting services and customer services | EDFISP          |
| Property Services   | 1,231          | 221             | 1,010         | 1,289          | 174             | 1,115         | 1,393          | 175             | 1,218         | Property advice, planning and valuation service.   | DPS             |
| Personnel   | 5,511          | 397             | 5,114         | 5,566          | 385             | 5,181         | 5,675          | 687             | 4,988         | Payroll and personnel service for 4,100 employees.   | DPGS            |
| General Services  | 16,704         | 2,539           | 14,165        | 16,318         | 1,810           | 14,508        | 16,006         | 1,979           | 14,027        | Maintenance of five corporate buildings  | DPGS            |
| Governance  | 1,474          | 94              | 1,380         | 2,070          | 38              | 2,032         | 1,586          | 47              | 1,539         | Supporting 520 meetings a year   | DLA             |
| Legal Services  | 3,253          | 1,070           | 2,183         | 3,067          | 925             | 2,142         | 3,425          | 608             | 2,817         | Legal advice   | DLA             |
| <b>Total Cabinet Member for Corporate</b>                             | <b>37,304</b>  | <b>5,383</b>    | <b>31,921</b> | <b>37,693</b>  | <b>4,329</b>    | <b>33,364</b> | <b>39,519</b>  | <b>4,356</b>    | <b>35,163</b> |  |                 |
| <b>Leader of the Council</b>  |                |                 |               |                |                 |               |                |                 |               |  |                 |
| Information Systems   | 9,717          | 2,001           | 7,716         | 7,606          | -140            | 7,746         | 8,274          | 315             | 7,959         | System development and support, IT planning and data standards.  | HITS            |
| Media and Communications  | 671            | 10              | 661           | 602            | 11              | 591           | 632            | 11              | 621           | Manages the Council's internal and external communications   | HC              |
| <b>Total Leader of the Council</b>                                    | <b>10,388</b>  | <b>2,011</b>    | <b>8,377</b>  | <b>8,208</b>   | <b>-129</b>     | <b>8,337</b>  | <b>8,906</b>   | <b>326</b>      | <b>8,580</b>  |  |                 |
| <b>RECHARGED</b>  | <b>47,692</b>  | <b>7,394</b>    | <b>40,298</b> | <b>45,901</b>  | <b>4,200</b>    | <b>41,701</b> | <b>48,425</b>  | <b>4,682</b>    | <b>43,743</b> |  |                 |
| <b>Cabinet Member for Corporate Services</b>                          |                |                 |               |                |                 |               |                |                 |               |  |                 |
| Services to the Public - Land Charges, Registrars, Electoral Services | 1,907          | 2,322           | -415          | 1,694          | 2,105           | -411          | 1,706          | 2,005           | -299          | Processing 5,000 land charge searches  | DPGS            |
| Contingency Planning  | 155            | 0               | 155           | 207            | 0               | 207           | 213            | 0               | 213           | Maintains the plan for civil emergencies   | DPGS            |
| Civic Ceremonial  | 510            | 1               | 509           | 589            | 1               | 588           | 679            | 0               | 679           | Support for the Mayor  | DLA             |
| <b>Total Cabinet Member for Corporate</b>                             | <b>2,572</b>   | <b>2,323</b>    | <b>249</b>    | <b>2,491</b>   | <b>2,106</b>    | <b>385</b>    | <b>2,598</b>   | <b>2,005</b>    | <b>593</b>    |  |                 |

## CORPORATE SERVICES Service Summary

| Service   | 2006/07 Actual |                 |              | 2007/08 Budget |                 |              | 2008/09 Budget |                 |              | Outputs   | Head of Service |
|---|----------------|-----------------|--------------|----------------|-----------------|--------------|----------------|-----------------|--------------|---|-----------------|
|   | Exp<br>£'000   | Income<br>£'000 | Net<br>£'000 | Exp<br>£'000   | Income<br>£'000 | Net<br>£'000 | Exp<br>£'000   | Income<br>£'000 | Net<br>£'000 |   |                 |
| <b>Cabinet Member for Finance and Property</b>                |                |                 |              |                |                 |              |                |                 |              |   |                 |
| Housing and Council Tax Benefits                              | 118,903        | 117,445         | 1,458        | 119,734        | 115,940         | 3,794        | 118,797        | 115,926         | 2,871        | Administering 21,000 Benefits claims  | HCSB            |
| Local Taxation Administration                                 | 3,042          | 1,340           | 1,702        | 3,054          | 1,445           | 1,609        | 3,539          | 1,400           | 2,139        | Administering 90,000 Council tax demands  | HCSB            |
| Commercial Lettings   | 883            | 3,242           | -2,359       | 1,180          | 3,900           | -2,720       | 1,459          | 3,979           | -2,520       | Managing 310 Commercial properties  | HCSB            |
| <b>Total Cabinet Member for Finance and Property</b>          | <b>122,828</b> | <b>122,027</b>  | <b>801</b>   | <b>123,969</b> | <b>121,285</b>  | <b>2,683</b> | <b>123,795</b> | <b>121,305</b>  | <b>2,490</b> |   |                 |
| <b>Cabinet Member for Service Improvement</b>                 |                |                 |              |                |                 |              |                |                 |              |   |                 |
| Community Relations, Service Improvement, Public Consultation | 1,348          | 0               | 1,348        | 1,380          | 0               | 1,380        | 1,787          | 0               | 1,787        | Manages Comprehensive Performance Assessment process, performance improvement activities. Promotes good community relations. Co-ordinates the Council's consultation exercises. | DSSI            |
| Voluntary Sector Support                                      | 2,878          | 126             | 2,752        | 3,024          | 118             | 2,906        | 2,802          | 142             | 2,660        | 30 Voluntary organisations supported  | DSSI            |
| <b>Total Cabinet Member for Service Improvement</b>           | <b>4,226</b>   | <b>126</b>      | <b>4,100</b> | <b>4,405</b>   | <b>118</b>      | <b>4,287</b> | <b>4,589</b>   | <b>142</b>      | <b>4,447</b> |   |                 |
| <b>Cabinet Member for Community Safety</b>                    |                |                 |              |                |                 |              |                |                 |              |   |                 |
| Community Safety and Drugs Intervention Programme             | 4,495          | 2,222           | 2,273        | 4,402          | 2,075           | 2,327        | 3,374          | 1,336           | 2,038        | 50 PCSO's funded directly by the Council, co-ordinates community safety initiatives and community action against drugs.   | DSSI            |
| <b>Total Cabinet Member for Community Safety</b>              | <b>4,495</b>   | <b>2,222</b>    | <b>2,273</b> | <b>4,402</b>   | <b>2,075</b>    | <b>2,327</b> | <b>3,374</b>   | <b>1,336</b>    | <b>2,038</b> |   |                 |

**CORPORATE SERVICES**  
**Service Summary**

| Service  | 2006/07 Actual |                 |               | 2007/08 Budget |                 |               | 2008/09 Budget |                 |               | Outputs  | Head of Service |
|--|----------------|-----------------|---------------|----------------|-----------------|---------------|----------------|-----------------|---------------|--|-----------------|
|  | Exp<br>£'000   | Income<br>£'000 | Net<br>£'000  | Exp<br>£'000   | Income<br>£'000 | Net<br>£'000  | Exp<br>£'000   | Income<br>£'000 | Net<br>£'000  |  |                 |
| <b>Cabinet Member for Regeneration,</b>  |                |                 |               |                |                 |               |                |                 |               |  |                 |
| Economic Regeneration and Westway Development Trust                                | 1,053          | 7,637           | -6,584        | 1,692          | 1,224           | 468           | 2,024          | 1,444           | 580           | Co-ordinates regeneration activities, including Local Area Agreement. Schools use of Westway Sports centre.                    | DSSI            |
| <b>Total Cabinet Member for Regeneration, Environmental Management and Leisure</b> | <b>1,053</b>   | <b>7,637</b>    | <b>-6,584</b> | <b>1,692</b>   | <b>1,224</b>    | <b>468</b>    | <b>2,024</b>   | <b>1,444</b>    | <b>580</b>    |  |                 |
| Non Distributed Costs  | 2,111          | 63              | 2,048         | 1,962          | 0               | 1,962         | 2,207          | 0               | 2,207         | Vacant office space, added years pension costs   |                 |
| Corporate and Democratic Core  | 5,770          | 173             | 5,597         | 6,153          | 22              | 6,131         | 6,354          | 22              | 6,333         | Costs of democracy, including Members and the Town Clerk, external audit and inspections, Treasury Management and bank charges |                 |
| <b>TOTAL CORPORATE SERVICES (before Recharges)</b>                                 | <b>190,747</b> | <b>141,965</b>  | <b>48,782</b> | <b>190,975</b> | <b>131,030</b>  | <b>59,944</b> | <b>193,366</b> | <b>130,936</b>  | <b>62,431</b> |  |                 |
| Recharges to Services  |                | 39,697          | -39,697       | 0              | 41,805          | -41,805       |                | 42,152          | -42,152       |  |                 |
| <b>TOTAL CORPORATE SERVICES</b>  | <b>190,747</b> | <b>181,662</b>  | <b>9,085</b>  | <b>190,975</b> | <b>172,835</b>  | <b>18,139</b> | <b>193,366</b> | <b>173,088</b>  | <b>20,279</b> |  |                 |

## CORPORATE SERVICES

| SUMMARY OF CHANGES - SUPPORT SERVICES                                | Ref | Budget<br>2008/09 |
|--|-----|-------------------|
|  |     | £'000             |
| <b>ORIGINAL BUDGET 2007/08</b>                                       |     | <b>41,805</b>     |
| o <b>COST CHANGES</b>  |     |                   |
| Pay awards   |     | 475               |
| Price Variations - Expenditure                                       |     | 700               |
| Price Variations - Income  |     | -10               |
| Extra inflation for Audit consultants contract                       |     | 26                |
| <b>Total Cost Changes</b>  |     | <b>1,191</b>      |
| o <b>CENTRAL SUPPORT SERVICES CHANGES</b>                            |     | <b>-753</b>       |
| o <b>TRANSFERS TO/FROM OTHER SERVICES</b>                            |     |                   |
| Transfer to Customer Services of Parking staff                       |     | 616               |
| Transfer to TELS for Out of Hours budget shortfall                   |     | -10               |
| Transfer to Parking for Young Street telephones                      |     | -12               |
| Transfer from PBD for a Planning Solicitor                           |     | 50                |
| Transfer from HHASC for recentralisation of ISD budgets              |     | 80                |
| Transfer from FCS for Legal disbursements to be held centrally       |     | 100               |
| <b>Total Transfers to/from other Business Groups</b>                 |     | <b>824</b>        |
| o <b>TRANSFERS TO/FROM NON RECHARGEABLE SERVICES</b>                 |     | <b>19</b>         |
| o <b>CAPITAL CHARGES VARIATIONS</b>                                  |     | <b>350</b>        |
| <b>SUB TOTAL</b>   |     | <b>43,436</b>     |
| o <b>CABINET BUSINESS PLAN</b>                                       |     |                   |
| <b>Growth Absorbed by Business Group</b>                             |     |                   |
| Audit post to meet devolved external audit requirements              | 1   | 40                |
| Part cost of financial accountant                                    | 7   | 30                |
| Information Systems running costs associated with second server farm | 2   | 100               |
| Project Manager for Customer Services                                | 3   | 80                |
| Property Services post to deliver Asset Management Plans             | 4   | 56                |
| Media and Communications software licence costs                      | 6   | 10                |
| Loss of income from the TMO for Legal Services                       | 5   | 100               |
| <b>Total Growth Absorbed by Business Group</b>                       |     | <b>416</b>        |

## CORPORATE SERVICES

| SUMMARY OF CHANGES - SUPPORT SERVICES                                   | Ref | Budget<br>2008/09 |
|---|-----|-------------------|
|   |     | £'000             |
| <b>Corporate Savings</b>  |     |                   |
| Insurance premiums renegotiated   | 9   | -133              |
| <b>Total Corporate Savings</b>  |     | <b>-133</b>       |
| <b>Planned Reductions</b>   |     |                   |
| Deletion of Accounts Payable post - efficiency                          | 8   | -35               |
| Contingency release for Customer Services Project Manager               | 10  | -80               |
| Full year effect of Mainframe decommissioning                           | 11  | -40               |
| Contract saving on network maintenance                                  | 12  | -20               |
| General Information Systems budget savings                              | 13  | -26               |
| Contract saving in purchase of PC's and laptops                         | 14  | -25               |
| Reduced Overview and Scrutiny research budget                           | 15  | -32               |
| Reduce Media and Communications printing costs                          | 16  | -4                |
| Reduce Personnel costs  | 17  | -29               |
| Savings on payslip production   | 18  | -23               |
| Reduce General Services costs   | 19  | -90               |
| Relinquish lease on Allen Street  | 20  | -160              |
| <b>Total Planned Reductions</b>   |     | <b>-564</b>       |
| <b>o OTHER CHANGES</b>  |     |                   |
| Adjustment to reflect current service pension liability                 |     | -673              |
| Planning and Licensing Contingency now included in Legal Services       |     | 250               |
| Increased employer's contribution to Pension Fund following revaluation |     | 386               |
| <b>Total Other Changes</b>  |     | <b>-37</b>        |
| <b>SUPPORT SERVICES BUDGET 2008/09</b>                                  |     | <b>43,118</b>     |

## CORPORATE SERVICES

| SUMMARY OF CHANGES - CENTRAL SERVICES                                | Ref | Budget<br>2008/09 |
|--|-----|-------------------|
|  |     | £'000             |
| <b>ORIGINAL BUDGET 2007/08</b>                                       |     | <b>18,139</b>     |
| o <b>COST CHANGES</b>  |     |                   |
| Pay awards   |     | 255               |
| Price Variations - Expenditure                                       |     | 463               |
| Price Variations - Income  |     | -2                |
| <b>Total Cost Changes</b>  |     | <b>716</b>        |
| o <b>CENTRAL SUPPORT SERVICES CHANGES</b>                            |     | <b>640</b>        |
| o <b>TRANSFERS TO/FROM OTHER BUSINESS GROUPS</b>                     |     |                   |
| Transfer from Parking for Blue Badge Officer to Benefits Claims unit |     | 29                |
| Transfer to FCS/HHASC for cost of External Audit of grant claims     |     | -47               |
| Transfer to TELS for Tabernacle management                           |     | -90               |
| Transfer to TELS for four safer neighbourhood officers               |     | -179              |
| <b>Total Transfers to/from other Business Groups</b>                 |     | <b>-287</b>       |
| o <b>TRANSFERS TO/FROM RECHARGEABLE SERVICES</b>                     |     | <b>-19</b>        |
| o <b>CAPITAL CHARGES VARIATIONS</b>                                  |     | <b>371</b>        |
| <b>SUB TOTAL</b>   |     | <b>19,560</b>     |
| o <b>CABINET BUSINESS PLAN</b>                                       |     |                   |
| <b>Corporately Funded Growth</b>                                     |     |                   |
| Reduce target for Land Charges Income                                | 24  | 100               |
| <b>Total Corporately Funded Growth</b>                               |     | <b>100</b>        |
| <b>Growth Absorbed by Business Group</b>                             |     |                   |
| Reduced government Benefit Administration Grant                      | 21  | 170               |
| Programme and Project Management team (4 posts)                      | 22  | 183               |
| Half chauffeur post reinstated                                       | 23  | 18                |
| <b>Total Growth Absorbed by Business Group</b>                       |     | <b>371</b>        |

## CORPORATE SERVICES

| SUMMARY OF CHANGES - CENTRAL SERVICES  | Ref | Budget<br>2008/09 |
|--|-----|-------------------|
|  |     | £'000             |
| <b>Planned Reductions</b>  |     |                   |
| Reduction in Benefits service staff costs  | 27  | -20               |
| Reduction in Benefits administration costs   | 228 | -15               |
| Contingency release to offset loss of Benefits Administration grant  | 29  | -170              |
| Reduced Council Tax postage costs  | 30  | -15               |
| Extra income from cash collection service  | 31  | -10               |
| Contract saving in PC's and laptops  | 14  | -8                |
| Increase in commercial lettings income   | 32  | -70               |
| Policy and Partnership Unit budget reductions  | 33  | -34               |
| Turnover budget adjustment for Police Community Support Officers   | 34  | -100              |
| <b>Total Planned Reductions</b>  |     | <b>-442</b>       |
| <b>o OTHER CHANGES</b>   |     |                   |
| Adjustment to reflect current service pension liability  |     | -315              |
| Increased employer's contribution to Pension Fund following revaluation  |     | 187               |
| Release from Economic Development Reserve for cost of<br>Economic Development Team   |     | 99                |
| Safer and Stronger Communities grant income removed from budget<br>with new Area Based Grants regime whereby grants are held centrally |     | 276               |
| Council Tax write offs now identified separately from Collection Fund  |     | 443               |
| <b>Total Other Changes</b>   |     | <b>690</b>        |
| <b>CENTRAL SERVICES BUDGET 2008/09</b>   |     | <b>20,279</b>     |

**CORPORATE SERVICES  
NARRATIVE SHEETS**

| <b>FINANCE AND CUSTOMER SERVICES</b>  |                             |                             |                             |
|---|-----------------------------|-----------------------------|-----------------------------|
| <b>BUSINESS UNITS P4602 to P4613, P4619 to P4640, P4701 and P5913</b>   |                             |                             |                             |
| <b>Cabinet Member for Corporate Services</b>  | <b>Actual<br/>2006/2007</b> | <b>Budget<br/>2007/2008</b> | <b>Budget<br/>2008/2009</b> |
|   | <i>£'000</i>                | <i>£'000</i>                | <i>£'000</i>                |
| <b>EXPENDITURE</b>  |                             |                             |                             |
| Employees   | 4,781                       | 5,249                       | 6,466                       |
| Premises Related Expenditure  | 22                          | 9                           | 9                           |
| Transport Related Expenditure   | 14                          | 19                          | 22                          |
| Supplies and Services   | 651                         | 811                         | 801                         |
| Third Party Payments  | 848                         | 436                         | 477                         |
| Liability Insurance Premiums  | 641                         | 524                         | 443                         |
| <b>Total Direct Expenditure</b>   | <b>6,957</b>                | <b>7,048</b>                | <b>8,218</b>                |
| Central Support Service Charges   | 2,041                       | 2,203                       | 3,083                       |
| Capital Charges   | 133                         | 133                         | 133                         |
| <b>TOTAL EXPENDITURE</b>  | <b>9,131</b>                | <b>9,384</b>                | <b>11,434</b>               |
| <b>INCOME</b>   |                             |                             |                             |
| Fees, Charges & Other Client Income   | 379                         | 349                         | 200                         |
| Cash Collection contract for Hammersmith and Fulham   | 513                         | 482                         | 493                         |
| Charges to the TMO for Finance Services   | 111                         | 116                         | 116                         |
| Insurance costs recovered from Schools  | 59                          | 51                          | 51                          |
| <b>TOTAL INCOME</b>   | <b>1,062</b>                | <b>998</b>                  | <b>860</b>                  |
| <b>NET EXPENDITURE TO BE RECOVERED</b>  | <b>8,069</b>                | <b>8,386</b>                | <b>10,574</b>               |
| <b>DESCRIPTION OF SERVICE</b>   |                             |                             |                             |
| <p><b>Executive Director</b>, Personal Assistant and office support.</p> <p><b>Financial Services</b> incorporating Corporate Services Group Finance, Financial Planning, Resource Utilisation, Strategic Procurement, Financial Systems, Corporate Finance, Treasury Management, Pension Fund Accounting and Accountancy Control.</p> <p><b>Customer Services and Revenues</b> includes Accounts Receivable, Customer Services and Cashiers with Housing Benefit and Local Taxation Administration shown on a separate page</p> <p><b>Internal Audit and Risk Management</b>, including Insurance and Claims Investigation.</p>  |                             |                             |                             |
| <b>MAJOR VARIATIONS</b>   |                             |                             |                             |
| <p>Pay and price increases have added £260,000 to the budget for 2008/09.</p> <p>Efficiency savings have been achieved through deleting an Accounts Payable post (£35,000, Ref 8) and outsourcing the administration of Pensions (£15,000). £10,000 extra income for the cash collection service provided to Hammersmith and Fulham for extra collections is included (Ref 31).</p> <p>A contribution from the Business Group contingency of £80,000 has been allocated to fund a Programme Manager in Customer Services for two years (Ref 3 &amp; 10). A release of £40,000 from the Insurance Reserve due to a better claims experience has been redirected to fund an auditor to support additional workload (Ref 1 &amp; 26). Insurance procurement saving of £81,000 (Ref 9).</p> <p>Following a recommendation of the Audit Committee, a post to support financial accounting will be established for 2008/09 costing £55,000.</p> <p>Re-organisations have transferred 16 ½ posts from Parking to Customer Services which together with running costs and overheads equates to £616,000, the Corporate Investigation Unit (15 posts) has transferred to Internal Audit adding £640,000 to the budget and the Pensions Administration Team has transferred to Personnel removing £346,000 from the budget. These re-organisations also result in an increase in Central Support Services charges</p> |                             |                             |                             |

| <b>INFORMATION SYSTEMS</b>  |                             |                             |                             |
|---|-----------------------------|-----------------------------|-----------------------------|
| <b>BUSINESS UNITS P4810 to P4831</b>  |                             |                             |                             |
| <b>Leader of the Council</b>  | <b>Actual<br/>2006/2007</b> | <b>Budget<br/>2007/2008</b> | <b>Budget<br/>2008/2009</b> |
|   | <i>£'000</i>                | <i>£'000</i>                | <i>£'000</i>                |
| <b>EXPENDITURE</b>  |                             |                             |                             |
| Employees   | 4,674                       | 4,781                       | 4,786                       |
| Transport Related Expenditure   | 36                          | 44                          | 43                          |
| Supplies and Services   | 1,052                       | 976                         | 931                         |
| Network/Infrastructure costs  | 399                         | 412                         | 339                         |
| Software Licences   | 328                         | 273                         | 320                         |
| ISD Support Costs (recentralised 2007/08)   | 634                         | 0                           | 0                           |
| Consultants   | 59                          | 59                          | 50                          |
| <b>Total Direct Expenditure</b>   | <b>7,182</b>                | <b>6,545</b>                | <b>6,469</b>                |
| Central Support Service Charges   | 1,186                       | 1,339                       | 1,271                       |
| Capital Charges   | 510                         | 379                         | 534                         |
| <b>TOTAL EXPENDITURE</b>  | <b>8,878</b>                | <b>8,263</b>                | <b>8,274</b>                |
| <b>INCOME</b>   |                             |                             |                             |
| Development Team charges to Capital projects  | 2,997                       | 478                         | 278                         |
| External Income from Schools/Connexions   | 165                         | 39                          | 37                          |
| <b>TOTAL INCOME</b>   | <b>3,162</b>                | <b>517</b>                  | <b>315</b>                  |
| <b>NET EXPENDITURE TO BE RECOVERED</b>  | <b>5,716</b>                | <b>7,746</b>                | <b>7,959</b>                |
| <b>DESCRIPTION OF SERVICE</b>   |                             |                             |                             |
| <p>The Information Systems Department provides a comprehensive IT service to all Business Groups.</p> <p>The department manages Council-wide systems for E-mail, Telephone Management, Internet and Intranet, Server farm, Network Infrastructure and IT Support for the use of PCs and peripherals.</p> <p>ISD Strategic Development includes strategic management of the Council's IT infrastructure, setting standards and monitoring performance.</p> <p>Other services provided are – Data Protection, IT Training, Development and maintenance of key application systems and the Business Improvement team co-ordinates the implementation of e-government and quality initiatives.</p>  |                             |                             |                             |
| <b>MAJOR VARIATIONS</b>   |                             |                             |                             |
| <p>Pay and price increases have added £195,000 to the budget for 2008/09.</p> <p>Efficiency savings have been achieved from the deletion of the remaining post from decommissioning the mainframe (£40,000, Ref 11), £75,000 from the re-tendering of the Network maintenance contract, not replacing a project management post £45,000, re-tendering the contract for PCs and laptops saving £100,000 (Ref 14) Council wide of which £33,000 was internally to the department. General discretionary budgets have been reduced by £26,000 (Ref 13).</p> <p>Running costs of £100,000 associated with the second server farm have been added to the budget in 2008/09 (Ref 2) which was funded from the contract saving on PCs and laptops mentioned above.</p> <p>The target for the Development Team to achieve in charging their time to capital projects has been reduced by £200,000 for 2008/09 funded from the re-direction of resources internal to FISP.</p> |                             |                             |                             |

| <b>PROPERTY SERVICES</b>   |                             |                             |                             |
|--|-----------------------------|-----------------------------|-----------------------------|
| <b>BUSINESS UNIT P4001</b>   |                             |                             |                             |
| <b>Cabinet Member for Corporate Services</b>   | <b>Actual<br/>2006/2007</b> | <b>Budget<br/>2007/2008</b> | <b>Budget<br/>2008/2009</b> |
|  | <i>£'000</i>                | <i>£'000</i>                | <i>£'000</i>                |
| <b>EXPENDITURE</b>   |                             |                             |                             |
| Employees  | 916                         | 1,023                       | 1,082                       |
| Premises Related Expenditure   | 7                           | 5                           | 5                           |
| Town Hall Car Park passes and travel allowances  | 5                           | 3                           | 4                           |
| Supplies and Services  | 76                          | 73                          | 76                          |
| Third Party Payments   | 58                          | 8                           | 18                          |
| <b>Total Direct Expenditure</b>  | <b>1,062</b>                | <b>1,112</b>                | <b>1,185</b>                |
| Central Support Service Charges  | 162                         | 170                         | 206                         |
| Capital Charges  | 7                           | 7                           | 2                           |
| <b>TOTAL EXPENDITURE</b>   | <b>1,231</b>                | <b>1,289</b>                | <b>1,393</b>                |
| <b>INCOME</b>  |                             |                             |                             |
| Fees for advice given to external clients  | 21                          | 19                          | 20                          |
| Charges to the TMO for property advice   | 200                         | 155                         | 155                         |
| <b>TOTAL INCOME</b>  | <b>221</b>                  | <b>174</b>                  | <b>175</b>                  |
| <b>NET EXPENDITURE TO BE RECOVERED</b>   | <b>1,010</b>                | <b>1,115</b>                | <b>1,218</b>                |
| <b>DESCRIPTION OF SERVICE</b>  |                             |                             |                             |
| <p>The Department has four operational areas: -</p> <p>Acquisitions and disposals which includes the Councils current property requirements and the Right To Buy Scheme.</p> <p>Management of the Commercial Property Portfolio which includes property that the Council itself leases. (note Commercial Property income and expenses are shown elsewhere on page 35).</p> <p>General valuation advice which includes day to day property advice to all the Business Groups, including the annual property review</p> <p>Strategic Property Management including the preparation of the Corporate Asset Management Plan.</p> |                             |                             |                             |
| <b>MAJOR VARIATIONS</b>  |                             |                             |                             |
| <p>Pay and price increases have added £32,000 to the budget in 2008/09.</p> <p>A senior Valuer post has been added at a cost of £56,000 to support the Council's Asset Management Plan agenda (Ref 4).</p>   |                             |                             |                             |

| <b>PERSONNEL SERVICES</b>  |                             |                             |                             |
|--|-----------------------------|-----------------------------|-----------------------------|
| <b>BUSINESS UNITS P0401, P0403, P4402 to P4423 and P4614</b>   |                             |                             |                             |
| <b>Cabinet Member for Corporate Services</b>   | <b>Actual<br/>2006/2007</b> | <b>Budget<br/>2007/2008</b> | <b>Budget<br/>2008/2009</b> |
|  | <i>£'000</i>                | <i>£'000</i>                | <i>£'000</i>                |
| <b>EXPENDITURE</b>   |                             |                             |                             |
| Employees  | 2,894                       | 2,810                       | 3,001                       |
| Supplies and Services  | 153                         | 297                         | 190                         |
| Third Party Payments   | 289                         | 158                         | 167                         |
| Learning and Development Training  | 247                         | 270                         | 285                         |
| Private Health Insurance Employee costs  | 383                         | 186                         | 1                           |
| Pensions Administration Contract   | 0                           | 0                           | 157                         |
| Occupational Health Scheme Contract  | 174                         | 190                         | 178                         |
| Payroll/Personnel Contract (Resourcelink)  | 203                         | 190                         | 171                         |
| <b>Total Direct Expenditure</b>  | <b>4,343</b>                | <b>4,101</b>                | <b>4,150</b>                |
| Central Support Service Charges  | 1,209                       | 1,381                       | 1,422                       |
| Capital Charges  | 84                          | 84                          | 103                         |
| <b>TOTAL EXPENDITURE</b>   | <b>5,636</b>                | <b>5,566</b>                | <b>5,675</b>                |
| <b>INCOME</b>  |                             |                             |                             |
| Fees, Charges and Other Client Income  | 158                         | 91                          | 93                          |
| Charge to Pension Fund   | 0                           | 0                           | 300                         |
| Charges to the TMO   | 46                          | 63                          | 63                          |
| Costs recovered from Schools   | 193                         | 231                         | 231                         |
| <b>TOTAL INCOME</b>  | <b>397</b>                  | <b>385</b>                  | <b>687</b>                  |
| <b>NET EXPENDITURE TO BE RECOVERED</b>   | <b>5,239</b>                | <b>5,181</b>                | <b>4,988</b>                |
| <b>DESCRIPTION OF SERVICE</b>  |                             |                             |                             |
| The Personnel department has three teams each headed by a Personnel Manager.   |                             |                             |                             |
| <b>Recruitment and staff development</b> sets corporate policies and standards, manages contracts for recruitment advertising and temporary staff, provides core training and specific training for the Business Groups as requested. The team also runs the Council's training centre and manages the business administration trainee scheme. |                             |                             |                             |
| <b>Employee relations</b> provides managers and staff with advice and guidance and leads on job evaluation and performance management. The corporate health and safety team is also included.  |                             |                             |                             |
| <b>Policy, systems and payroll</b> ensures compliance with legislation and developing employment policy and ResourceLink (the payroll / personnel system) other personnel IT systems and Intranet material. This team also produces corporate management information relating to the workforce.  |                             |                             |                             |
| <b>MAJOR VARIATIONS</b>  |                             |                             |                             |
| Pay and price increases have added £139,000 to the budget for 2008/09.   |                             |                             |                             |
| The Pension Administration section has transferred here from Financial Services, increasing the expenditure by £346,000 offset by a recharge of £300,000 to the Pension Fund   |                             |                             |                             |
| There has been a reduction in the Occupational Health Service contract of £17,000.   |                             |                             |                             |
| The introduction of in-house printing and on line payslips has enabled a saving of £23,000 to be made (Ref 18).  |                             |                             |                             |
| A review of general office costs has enabled a saving of £12,000 to be achieved.   |                             |                             |                             |

| <b>GENERAL SERVICES</b>   |                             |                             |                             |
|---|-----------------------------|-----------------------------|-----------------------------|
| <b>BUSINESS UNITS P0503 to P1813 and P2401 to P2404</b>   |                             |                             |                             |
| <b>Cabinet Member for Corporate Services</b>  | <b>Actual<br/>2006/2007</b> | <b>Budget<br/>2007/2008</b> | <b>Budget<br/>2008/2009</b> |
|   | <i>£'000</i>                | <i>£'000</i>                | <i>£'000</i>                |
| <b>EXPENDITURE</b>  |                             |                             |                             |
| Employees   | 2,850                       | 2,655                       | 2,621                       |
| Administrative Buildings Maintenance  | 1,828                       | 1,569                       | 1,667                       |
| Lease costs Young Street and Allen Street   | 336                         | 317                         | 112                         |
| Premises Related Expenditure  | 486                         | 560                         | 478                         |
| Energy costs (gas and electricity)  | 1,118                       | 1,227                       | 1,272                       |
| Business Rates for Administrative Buildings   | 2,204                       | 2,205                       | 2,224                       |
| Transport Related Expenditure   | 21                          | 27                          | 30                          |
| Supplies and Services   | 960                         | 916                         | 780                         |
| Third Party Payments  | 347                         | 337                         | 330                         |
| <b>Total Direct Expenditure</b>   | <b>10,500</b>               | <b>10,163</b>               | <b>9,514</b>                |
| Central Support Service Charges   | 5,289                       | 5,873                       | 5,321                       |
| Capital Charges   | 915                         | 915                         | 1,171                       |
| <b>TOTAL EXPENDITURE</b>  | <b>16,704</b>               | <b>16,951</b>               | <b>16,006</b>               |
| <b>INCOME</b>   |                             |                             |                             |
| Fees, Charges and Other Client Income   | 192                         | 125                         | 138                         |
| Charges to the TMO for various services   | 35                          | 53                          | 6                           |
| Hall Lettings Income  | 1,067                       | 1,394                       | 1,333                       |
| Rent for Allen Street   | 168                         | 168                         | 80                          |
| Charges to Parking and Libraries  | 343                         | 352                         | 422                         |
| <b>TOTAL INCOME</b>   | <b>1,805</b>                | <b>2,092</b>                | <b>1,979</b>                |
| <b>NET EXPENDITURE TO BE RECOVERED</b>  | <b>14,899</b>               | <b>14,859</b>               | <b>14,027</b>               |
| <b>DESCRIPTION OF SERVICE</b>   |                             |                             |                             |
| <p>General Services provides accommodation and central services for the whole Council<br/> The <b>Head of General Services</b> and the division's <b>Business Support</b> team, which also operates the Council's staff identity and security card scheme.<br/> <b>Facilities Management</b> manages and maintains the main corporate buildings (Kensington Town Hall, Council Offices Pembroke Road, and Chelsea Town Hall) and some properties operated by the Transport, Environment and Leisure Services.<br/> <b>Conference and Events</b> provides lettings accommodation at Kensington Town Hall (including the Great and Small Halls) and at Chelsea Old Town Hall.<br/> <b>Central Services</b> include the Contracts Team (which manages corporate contracts, including fleet leasing and supplies contract) and Print and Post services.</p> |                             |                             |                             |
| <b>MAJOR VARIATIONS</b>   |                             |                             |                             |
| <p>Pay and price increases have added £395,000 to the budget for 2008/09</p> <p>Efficiency savings have been achieved through the deletion of the Print Manager post (£40,000), less paper being used in the Print Room saving £18,000, cessation of the performance related bonus scheme (£32,000) and relinquishing the lease on Allen Street saving £160,000 in rent and running costs (Ref 20).</p> <p>The building maintenance reserve is being wound down with all one off maintenance projects in future being part of the Council's capital programme and agreed through that process. The annual contribution to the reserve from revenue will drop by £43,000 in 2008/09 (Ref 35) so there will be no further contribution from revenue thereafter.</p>   |                             |                             |                             |

| <b>GOVERNANCE SERVICES</b>   |                             |                             |                             |
|--|-----------------------------|-----------------------------|-----------------------------|
| <b>BUSINESS UNITS P4201 to P4209</b>   |                             |                             |                             |
| <b>Cabinet Member for Corporate Services</b>   | <b>Actual<br/>2006/2007</b> | <b>Budget<br/>2007/2008</b> | <b>Budget<br/>2008/2009</b> |
|  | <i>£'000</i>                | <i>£'000</i>                | <i>£'000</i>                |
| <b>EXPENDITURE</b>   |                             |                             |                             |
| Employees  | 686                         | 843                         | 887                         |
| Supplies and Services  | 66                          | 141                         | 113                         |
| ISD Support Costs (recentralised 2006/07)  | 18                          | 0                           | 0                           |
| Overview and Scrutiny Committees' research costs   | 27                          | 75                          | 45                          |
| Licensing Act Administration costs   | 150                         | 195                         | 0                           |
| <b>Total Direct Expenditure</b>  | <b>947</b>                  | <b>1,254</b>                | <b>1,045</b>                |
| Central Support Service Charges  | 527                         | 816                         | 541                         |
| <b>TOTAL EXPENDITURE</b>   | <b>1,474</b>                | <b>2,070</b>                | <b>1,586</b>                |
| <b>INCOME</b>  |                             |                             |                             |
| Fees, Charges and Other Client Income  | 38                          | 14                          | 14                          |
| Contributions from Metropolitan Police Authority for Police and Community Consultative Group   | 56                          | 24                          | 33                          |
| <b>TOTAL INCOME</b>  | <b>94</b>                   | <b>38</b>                   | <b>47</b>                   |
| <b>NET EXPENDITURE TO BE RECOVERED</b>   | <b>1,380</b>                | <b>2,032</b>                | <b>1,539</b>                |
| <b>DESCRIPTION OF SERVICE</b>  |                             |                             |                             |
| <p>The service is in the Law and Administration Department. It is managed by the Head of Governance Services who reports to the Director of Law and Administration.</p> <p>The Governance Services Section facilitates effective and efficient decision-making and robust corporate governance systems. Services are tailored to provide effective support for the Leader and Deputy Leader, Cabinet Members and the Leader of the Opposition, OSC Members and Chairmen of Regulatory Committees. There is also a Members' Secretary providing support to all other Members.</p> <p>The Section is divided into three teams – (i) the Leadership Team which provides bespoke support to the Leader and Deputy Leader; (ii) the Cabinet Secretariat, which supports the other eight Cabinet Members, services a wide range of formal and informal executive-side meetings and administers the Forward Plan and Key Decision processes; and (iii) the Council/Scrutiny Team which is custodian of the Constitution and services a range of key statutory forums and the Council's overview and scrutiny arrangements. In addition, the section's staff work closely with colleagues across the Council on scrutiny development; service the local Police &amp; Community Consultative Group and the local strategic partnership; run the Borough Film Office and lead on a range of local and corporate projects and the Colville Area Initiative.</p> |                             |                             |                             |
| <b>MAJOR VARIATIONS</b>  |                             |                             |                             |
| <p>Pay and price increases have added £52,000 to the budget for 2008/09.</p> <p>There is a reduction of £32,000 in the research budget for Overview and Scrutiny Committees (Ref 15).</p> <p>Costs associated with the Licencing Act 2005 have now settled down and two legal posts (£120,000) have transferred to Legal Services and £50,000 has been moved into Employees reflecting where the expenditure will be in the future.</p>  |                             |                             |                             |

| <b>LEGAL SERVICES</b>   |                             |                             |                             |
|---|-----------------------------|-----------------------------|-----------------------------|
| <b>BUSINESS UNITS P4331-P4341</b>   |                             |                             |                             |
| <b>Cabinet Member for Corporate Services</b>  | <b>Actual<br/>2006/2007</b> | <b>Budget<br/>2007/2008</b> | <b>Budget<br/>2008/2009</b> |
|   | £'000                       | £'000                       | £'000                       |
| <b>EXPENDITURE</b>  |                             |                             |                             |
| Employees   | 2,043                       | 2,102                       | 2,201                       |
| Supplies and Services   | 165                         | 132                         | 137                         |
| Legal Disbursements   | 241                         | 170                         | 224                         |
| Instructing Counsel fees  | 405                         | 210                         | 415                         |
| <b>Total Direct Expenditure</b>   | <b>2,854</b>                | <b>2,614</b>                | <b>2,977</b>                |
| Central Support Service Charges   | 396                         | 450                         | 445                         |
| Capital Charges   | 3                           | 3                           | 3                           |
| <b>TOTAL EXPENDITURE</b>  | <b>3,253</b>                | <b>3,067</b>                | <b>3,425</b>                |
| <b>INCOME</b>   |                             |                             |                             |
| Court Costs (income from Business Groups in previous years)   | 385                         | 131                         | 82                          |
| Legal Costs Awarded to the Council  | 163                         | 139                         | 139                         |
| Charges to the TMO for advice   | 502                         | 633                         | 365                         |
| Charges to Schools for advice   | 20                          | 22                          | 22                          |
| <b>TOTAL INCOME</b>   | <b>1,070</b>                | <b>925</b>                  | <b>608</b>                  |
| <b>NET EXPENDITURE TO BE RECOVERED</b>  | <b>2,183</b>                | <b>2,142</b>                | <b>2,817</b>                |
| <b>DESCRIPTION OF SERVICE</b>   |                             |                             |                             |
| <p><i>Legal Services is managed by the Director of Law and Administration and comprises two legal teams (Litigation and Land) led by the Chief Solicitor, each managed by a Principal Solicitor. There is also a Business Support Team managed by the Business Manager.</i></p> <p>The <b>Litigation</b> team comprises three sections. The General and Civil Litigation sections represent the Council on civil litigation in the County Court and High Court and criminal litigation in the Magistrates Court and the Crown Court. The Social Services section deals with care and supervision orders for children, community care issues, mental health and education supervision orders.</p> <p>The <b>Land</b> team comprises two sections. The Property and Planning section provides legal services in relation to Property (commercial and residential sales and purchases), Planning, Highways and Licensing. The Corporate Law and Contracts section offers advice on governance, regulation of investigatory powers, human rights, data protection, freedom of information, education and employment law and deals with all procurement and contract advice and disputes.</p> <p>The <b>Business Support</b> team provides administrative, IT and budgetary support.</p> |                             |                             |                             |
| <b>MAJOR VARIATIONS</b>   |                             |                             |                             |
| <p>Pay and price increases have added £76,000 to the budget for 2008/09.</p> <p>A Planning and Licensing contingency of £250,000, previously held centrally has been devolved to Legal Services and is included under Instructing Counsel fees. This reflects a change in management responsibility for disbursements with Legal Services taking over from business groups. £100,000 has been transferred from Family and Children Services as this will no longer be needed.</p> <p>A corporate growth bid of £50,000 submitted by Planning and Borough Development is included for a planning solicitor.</p> <p>The continued loss of income from the Tenant Management Organisation has been managed through re-directing resources from within Legal Services (£150,000) and other parts of the business group allowing the income target to be reduced by £100,000 (Ref 5).</p>  |                             |                             |                             |

| <b>MEDIA AND COMMUNICATIONS</b>   |                             |                             |                             |
|---|-----------------------------|-----------------------------|-----------------------------|
| <b>BUSINESS UNIT P5101</b>  |                             |                             |                             |
| <b>Leader of the Council</b>  | <b>Actual<br/>2006/2007</b> | <b>Budget<br/>2007/2008</b> | <b>Budget<br/>2008/2009</b> |
|   | <i>£'000</i>                | <i>£'000</i>                | <i>£'000</i>                |
| <b>EXPENDITURE</b>  |                             |                             |                             |
| Employees   | 302                         | 352                         | 359                         |
| Supplies and Services   | 173                         | 71                          | 82                          |
| Publications costs  | 95                          | 84                          | 81                          |
| IT Support costs (recentralised 2007/08)  | 12                          | 0                           | 0                           |
| <b>Total Direct Expenditure</b>   | <b>582</b>                  | <b>507</b>                  | <b>522</b>                  |
| Central Support Service Charges   | 89                          | 95                          | 110                         |
| <b>TOTAL EXPENDITURE</b>  | <b>671</b>                  | <b>602</b>                  | <b>632</b>                  |
| <b>INCOME</b>   |                             |                             |                             |
| Miscellaneous Income  | 10                          | 11                          | 11                          |
| <b>TOTAL INCOME</b>   | <b>10</b>                   | <b>11</b>                   | <b>11</b>                   |
| <b>NET EXPENDITURE</b>  | <b>661</b>                  | <b>591</b>                  | <b>621</b>                  |
| <b>DESCRIPTION OF SERVICE</b>   |                             |                             |                             |
| <p>The Media and Communications Office aims to inform Royal Borough audiences of the services provided by the Council, achieve the widest possible understanding of the Council's achievements and any challenges that might threaten those achievements, help the Council to influence debate on issues that will affect Kensington and Chelsea, manage the news agenda efficiently and effectively and protect and enhance the Royal Borough's corporate identity.</p> <p>The Media and Communications Office undertakes the following core activities;</p> <ul style="list-style-type: none"> <li>• Creating publicity material to support and inform about major corporate developments.</li> <li>• Nurturing media contacts to maximise print and broadcast opportunities for key Council issues.</li> <li>• Publishing the Royal Borough Newspaper on a bi-monthly basis and Staff Room and RBKC Partner Direct on a quarterly basis.</li> <li>• Organising launch events for major corporate initiatives and providing advice to other parts of the Council when they wish to organise a launch.</li> <li>• Issuing press releases and statements.</li> <li>• Responding to general enquiries about Council activity that come into the news desk.</li> <li>• Planned media, publicity and support to sustain key campaign priorities.</li> <li>• Brand guardianship and securing photography.</li> </ul> <p>In addition there can be other bespoke communications projects to assist the promotion of Council activities.</p> |                             |                             |                             |
| <b>MAJOR VARIATIONS</b>   |                             |                             |                             |
| <p>Pay and price increases have added £15,000 to the budget for 2008/09.</p> <p>The annual cost of the licence fee for the Newsflash software has increased the budget in 2008/09 by £10,000 (Ref 6).</p> <p>The savings in printing costs for RBKC Direct have allowed the budget to be cut by £4,000 (Ref 16).</p>  |                             |                             |                             |

| <b>HOUSING AND COUNCIL TAX BENEFITS</b>   |                             |                             |                             |
|---|-----------------------------|-----------------------------|-----------------------------|
| <b>BUSINESS UNITS P5902, P5910 to P5912 and P5915</b>   |                             |                             |                             |
| <b>Cabinet Member for Finance and Property</b>  | <b>Actual<br/>2006/2007</b> | <b>Budget<br/>2007/2008</b> | <b>Budget<br/>2008/2009</b> |
|   | <i>£'000</i>                | <i>£'000</i>                | <i>£'000</i>                |
| <b>EXPENDITURE</b>  |                             |                             |                             |
| Employees   | 3,382                       | 3,309                       | 3,192                       |
| Bad Debt Provision  | 691                         | 676                         | 800                         |
| General Office Expenses   | 423                         | 351                         | 354                         |
| Contingency for service fluctuations  | -20                         | 324                         | 154                         |
| Housing and Council Tax Benefit Payments  | 113,683                     | 113,796                     | 113,796                     |
| <b>Total Direct Expenditure</b>   | <b>118,159</b>              | <b>118,456</b>              | <b>118,296</b>              |
| Central Support Service Charges   | 961                         | 740                         | 844                         |
| Capital Charges   | 91                          | 91                          | 159                         |
| <b>TOTAL EXPENDITURE</b>  | <b>119,211</b>              | <b>119,287</b>              | <b>119,299</b>              |
| <b>INCOME</b>   |                             |                             |                             |
| Housing Benefit Administration Grant  | 2,610                       | 2,349                       | 2,178                       |
| Recovery of Overpaid Benefits   | 1,069                       | 2,024                       | 2,154                       |
| Housing and Council Tax Benefit Subsidy   | 113,766                     | 111,567                     | 111,567                     |
| <b>TOTAL INCOME</b>   | <b>117,445</b>              | <b>115,940</b>              | <b>115,899</b>              |
| <b>NET EXPENDITURE</b>  | <b>1,766</b>                | <b>3,347</b>                | <b>3,400</b>                |
| <b>DESCRIPTION OF SERVICE</b>   |                             |                             |                             |
| <p>The Council has a statutory responsibility to administer Housing Benefit and Council Tax Benefit.</p> <p>The work consists of the receipt, verification, assessment and maintenance of benefit claims, recovery of overpaid benefit and claiming subsidy from the Department of Work and Pensions.</p>   |                             |                             |                             |
| <b>MAJOR VARIATIONS</b>   |                             |                             |                             |
| <p>Pay and price increases have added £119,000 to the budget for 2008/09.</p> <p>Efficiency savings have been identified through staff turnover, allowing the salary budget to be reduced by £20,000 (Ref 27) and a reduction in general offices costs by £15,000 (Ref 28).</p> <p>The Benefits contingency has been reduced by £170,000 to compensate for the Government's reduction in Administration grant (Ref 21 &amp; 29).</p> <p>The Claims Investigation team has been transferred to Internal Audit so reducing the budget by £640,000.</p> <p>The provision for bad debts has increased reflecting current trends, but is offset by income from the recovery of overpaid Benefits</p> |                             |                             |                             |

| <b>LOCAL TAXATION ADMINISTRATION</b>   |                             |                             |                             |
|--|-----------------------------|-----------------------------|-----------------------------|
| <b>BUSINESS UNITS P5801 and P5810</b>  |                             |                             |                             |
| <b>Cabinet Member for Finance and Property</b>   | <b>Actual<br/>2006/2007</b> | <b>Budget<br/>2007/2008</b> | <b>Budget<br/>2008/2009</b> |
|  | <i>£'000</i>                | <i>£'000</i>                | <i>£'000</i>                |
| <b>EXPENDITURE</b>   |                             |                             |                             |
| Employees  | 1,381                       | 1,309                       | 1,182                       |
| Supplies and Services  | 367                         | 431                         | 377                         |
| Business Rates Contract  | 463                         | 482                         | 507                         |
| Third Party Payments   | 57                          | 43                          | 8                           |
| Bad Debt Provision for Council Tax write offs  | 0                           | 0                           | 400                         |
| Business Rates Discretionary Rate Relief   | 77                          | 110                         | 112                         |
| <b>Total Direct Expenditure</b>  | <b>2,345</b>                | <b>2,375</b>                | <b>2,586</b>                |
| Central Support Service Charges  | 697                         | 679                         | 953                         |
| <b>TOTAL EXPENDITURE</b>   | <b>3,042</b>                | <b>3,054</b>                | <b>3,539</b>                |
| <b>INCOME</b>  |                             |                             |                             |
| Business Rates Cost of Collection Allowance  | 606                         | 615                         | 605                         |
| Court Costs recovered  | 694                         | 791                         | 759                         |
| Income from Bailiffs   | 35                          | 34                          | 35                          |
| Other Income   | 5                           | 5                           | 1                           |
| <b>TOTAL INCOME</b>  | <b>1,340</b>                | <b>1,445</b>                | <b>1,400</b>                |
| <b>NET EXPENDITURE</b>   | <b>1,702</b>                | <b>1,609</b>                | <b>2,139</b>                |
| <b>DESCRIPTION OF SERVICE</b>  |                             |                             |                             |
| <p>Council Tax and National Non-Domestic Rates (NNDR - Business Rates) are administered by the Revenues Division. The services provided are the</p> <ul style="list-style-type: none"> <li>• management and monitoring of the outsourced Business Rates contract</li> <li>• ensuring the correct billing and collection of income from the Royal Borough's 7,990 commercial properties</li> <li>• determining the liability of Council Tax payers for the Council Tax</li> <li>• the collection and recovery of Council Tax from 85,600 properties.</li> </ul>               |                             |                             |                             |
| <b>MAJOR VARIATIONS</b>  |                             |                             |                             |
| <p>Pay and price increases have added £87,000 to the budget in 2008/09.</p> <p>Efficiency savings have been achieved through encouraging people onto direct debit and sending fewer payment slips so reducing postage costs by £15,000 (Ref 30).</p> <p>With the transfer of five posts from Local Taxation to the new Customer Services Centre there has been a budget reduction of £122,000.</p> <p>A provision for writing off Council Tax bad debts has been included for 2008/09. These write off were previously being charged to the Council Tax Collection Fund.</p> |                             |                             |                             |

**COMMERCIAL LETTINGS****BUSINESS UNITS P5720 to P5723****Cabinet Member for Finance and Property**

|                                 | <i>Actual<br/>2006/2007</i> | <b>Budget<br/>2007/2008</b> | <b>Budget<br/>2008/2009</b> |
|---------------------------------|-----------------------------|-----------------------------|-----------------------------|
|                                 | <i>£'000</i>                | £'000                       | £'000                       |
| <b>EXPENDITURE</b>              |                             |                             |                             |
| Premises Related Expenditure    | 264                         | 272                         | 290                         |
| Supplies and Services           | 42                          | 40                          | 41                          |
| Provision for Bad Debts         | -77                         | 42                          | 42                          |
| Consultants                     | 19                          | 40                          | 30                          |
| <b>Total Direct Expenditure</b> | <b>248</b>                  | <b>394</b>                  | <b>403</b>                  |
| Central Support Service Charges | 302                         | 316                         | 380                         |
| Capital Charges                 | 333                         | 470                         | 676                         |
| <b>TOTAL EXPENDITURE</b>        | <b>883</b>                  | <b>1,180</b>                | <b>1,459</b>                |
| <b>INCOME</b>                   |                             |                             |                             |
| Miscellaneous income            | 50                          | 15                          | 0                           |
| Commercial Property Rents       | 3,192                       | 3,885                       | 3,979                       |
| <b>TOTAL INCOME</b>             | <b>3,242</b>                | <b>3,900</b>                | <b>3,979</b>                |
| <b>NET EXPENDITURE</b>          | <b>-2,359</b>               | <b>-2,720</b>               | <b>-2,520</b>               |

**DESCRIPTION OF SERVICE**

This covers the Council's commercial property portfolio which has over 310 properties.

**MAJOR VARIATIONS**

Pay and price increases have added £16,000 to the budget in 2008/09.

There has been an increase in the commercial lettings income target of £70,000 (Ref 32), of which £56,000 has been used to fund a new Senior Valuer to support the Asset Management Plan (Ref 4).

**GENERAL SERVICES – SERVICES TO THE PUBLIC****BUSINESS UNITS P2001 to P2201****Cabinet Member for Corporate Services**

|  | <i>Actual<br/>2006/2007</i> | <b>Budget<br/>2007/2008</b> | <b>Budget<br/>2008/2009</b> |
|--|-----------------------------|-----------------------------|-----------------------------|
|  | <i>£'000</i>                | £'000                       | £'000                       |
| <b>EXPENDITURE</b>                       |                             |                             |                             |
| Employees                                | 958                         | 880                         | 944                         |
| Premises Related Expenditure             | 15                          | 13                          | 18                          |
| Supplies and Services                    | 354                         | 190                         | 191                         |
| IT Support costs (recentralised 2006/07) | 18                          | 0                           | 0                           |
| <b>Total Direct Expenditure</b>          | <b>1,345</b>                | <b>1,083</b>                | <b>1,153</b>                |
| Central Support Service Charges          | 562                         | 611                         | 553                         |
| <b>TOTAL EXPENDITURE</b>                 | <b>1,907</b>                | <b>1,694</b>                | <b>1,706</b>                |
| <b>INCOME</b>                            |                             |                             |                             |
| Land Charges Income                      | 1,736                       | 1,530                       | 1,430                       |
| Citizenship Ceremonies                   | 99                          | 112                         | 112                         |
| Civil Partnership Ceremonies             | 46                          | 29                          | 29                          |
| Other Registrars fees                    | 441                         | 434                         | 434                         |
| <b>TOTAL INCOME</b>                      | <b>2,322</b>                | <b>2,105</b>                | <b>2,005</b>                |
| <b>NET EXPENDITURE</b>                   | <b>-415</b>                 | <b>-411</b>                 | <b>-299</b>                 |

**DESCRIPTION OF SERVICE**

**Electoral Services** has responsibility for maintaining and updating the Register of Electors, including an annual canvass of all premises in the Royal Borough. The section also organises and conducts all elections and by-elections.

**Local Land Charges** maintains the Local Land Charges Register and provides a prompt response to all Local Land Charge search applications.

The **Register Office**, based at Chelsea Old Town Hall, provides a registration service for births, deaths and marriages, civil partnerships and citizenship ceremonies. The service also provides naming ceremonies, commitment ceremonies and renewal of vows ceremonies. The Registrar's service is also responsible for approving venues in the Royal Borough for conducting civil marriages and other civil ceremonies under the *Marriages (Approved Premises) Regulations for 1995 and the Civil Partnership Act 2004*.

**MAJOR VARIATIONS**

Pay and price increases have added £43,000 to the budget for 2008/09.

The Council has recognised the effect the downturn in the economy has on the volume of Land Charge searches being submitted and has reduced the income target by £100k (Ref 24).

| <b>GENERAL SERVICES – CONTINGENCY PLANNING</b>  |                                    |                                    |                                    |
|---|------------------------------------|------------------------------------|------------------------------------|
| <b>BUSINESS UNIT P2601</b>  |                                    |                                    |                                    |
| <b>Cabinet Member for Corporate Services</b>  | <b><i>Actual<br/>2006/2007</i></b> | <b><i>Budget<br/>2007/2008</i></b> | <b><i>Budget<br/>2008/2009</i></b> |
|   | <i>£'000</i>                       | <i>£'000</i>                       | <i>£'000</i>                       |
| <b>EXPENDITURE</b>  |                                    |                                    |                                    |
| Employees   | 94                                 | 127                                | 146                                |
| Supplies and Services   | 31                                 | 42                                 | 21                                 |
| <b>Total Direct Expenditure</b>   | 125                                | 169                                | 167                                |
| Central Support Service Charges   | 30                                 | 38                                 | 46                                 |
| <b>TOTAL EXPENDITURE</b>  | 155                                | 207                                | 213                                |
| <b>INCOME</b>   |                                    |                                    |                                    |
| <b>TOTAL INCOME</b>   | 0                                  | 0                                  | 0                                  |
| <b>NET EXPENDITURE</b>  | 155                                | 207                                | 213                                |
| <b>DESCRIPTION OF SERVICE</b>   |                                    |                                    |                                    |
| <p>This service maintains and updates the Council's plan for response to civil emergencies and co-ordinates responses when requested to do so by the Police or other similar agencies.</p> <p>The Council's Business Continuity Plan is also maintained and updated by this team.</p> |                                    |                                    |                                    |
| <b>MAJOR VARIATIONS</b>   |                                    |                                    |                                    |
| <p>Pay and price increases have added £5,000 to the budget for 2008/09.</p>   |                                    |                                    |                                    |

| <b>CIVIC CEREMONIAL</b>  |                             |                             |                             |
|--|-----------------------------|-----------------------------|-----------------------------|
| <b>BUSINESS UNITS P2501</b>  |                             |                             |                             |
| <b>Cabinet Member for Corporate Services</b>   | <b>Actual<br/>2006/2007</b> | <b>Budget<br/>2007/2008</b> | <b>Budget<br/>2008/2009</b> |
|  | <i>£'000</i>                | <i>£'000</i>                | <i>£'000</i>                |
| <b>EXPENDITURE</b>   |                             |                             |                             |
| Employees  | 245                         | 234                         | 264                         |
| Transport Related Expenditure  | 18                          | 12                          | 15                          |
| Supplies and Services  | 114                         | 111                         | 110                         |
| <b>Total Direct Expenditure</b>  | <b>377</b>                  | <b>357</b>                  | <b>389</b>                  |
| Central Support Service Charges  | 243                         | 229                         | 272                         |
| Capital Charges  | 2                           | 2                           | 18                          |
| <b>TOTAL EXPENDITURE</b>   | <b>621</b>                  | <b>588</b>                  | <b>679</b>                  |
| <b>INCOME</b>  |                             |                             |                             |
| <b>TOTAL INCOME</b>  | <b>0</b>                    | <b>0</b>                    | <b>0</b>                    |
| <b>NET EXPENDITURE</b>   | <b>621</b>                  | <b>588</b>                  | <b>679</b>                  |
| <b>DESCRIPTION OF SERVICE</b>  |                             |                             |                             |
| <p>The service is managed by the Director of Law and Administration.</p> <p><i>The service comprises the Civic Officer and Secretary to the Mayor, Assistant Secretary to the Mayor, Personal Assistant to the Mayoralty, Mace-bearer, two Deputy Mace-bearer and Chauffeur.</i></p> |                             |                             |                             |
| <b>MAJOR VARIATIONS</b>  |                             |                             |                             |
| <p>Pay and price increases have added £16,000 to the budget for 2008/09.</p> <p>£18,000 has been added to the salaries budget for the re-instatement of half a chauffeur post (Ref 23).</p>  |                             |                             |                             |

**COMMUNITY RELATIONS, SERVICE IMPROVEMENT and PUBLIC CONSULTATION**

**BUSINESS UNIT P5743, P5744, P5745, P5749, P5753 and P5756**

| <b>Cabinet Member for Service Improvement</b> | <i>Actual</i>    | <b>Budget</b>    | <b>Budget</b>    |
|---|------------------|------------------|------------------|
|   | <i>2006/2007</i> | <i>2007/2008</i> | <i>2008/2009</i> |
|   | <i>£'000</i>     | <i>£'000</i>     | <i>£'000</i>     |
| <b>EXPENDITURE</b>                            |                  |                  |                  |
| Employees                                     | 787              | 798              | 1,289            |
| Supplies and Services                         | 137              | 134              | 163              |
| Consultation Consultants                      | 94               | 73               | 105              |
| <b>Total Direct Expenditure</b>               | <i>1,018</i>     | <i>1,005</i>     | <i>1,557</i>     |
| Central Support Service Charges               | 162              | 192              | 404              |
| Capital Charges                               | 0                | 0                | 23               |
| <b>TOTAL EXPENDITURE</b>                      | <i>1,180</i>     | <i>1,197</i>     | <i>1,984</i>     |
| <b>INCOME</b>                                 | <i>0</i>         | <i>0</i>         | <i>0</i>         |
| <b>TOTAL INCOME</b>                           | <i>0</i>         | <i>0</i>         | <i>0</i>         |
| <b>NET EXPENDITURE</b>                        | <i>1,180</i>     | <i>1,197</i>     | <i>1,984</i>     |

**DESCRIPTION OF SERVICE**

The Community Relations Team takes a corporate lead on the inter-related themes of community engagement, community cohesion and equalities. They perform an integral consultancy role, proactively working with Business Groups as well as the community, offering expertise and developing projects which inform service delivery.

Service Improvement Team manages the Council's improvement programme which includes

- the Vital Improvements and Vital Signs reports
- the Comprehensive Performance Assessment
- Royal Borough Reviews
- Co-ordinates the Council's business planning process and oversees the work on equalities.

The Consultation Team helps the Council respond to residents by understanding the diverse nature of it's customers, their needs, expectations and experiences. The team conducts consultation activities which are used to inform service delivery and maximise the value obtained from the information collected.

**MAJOR VARIATIONS**

Pay and price increases have added £46,000 to the budget for 2008/09.

A new Programme and Project Management team of four posts has been included adding £183,000 to the Employees budget.

Efficiency savings have been achieved through a re-organisation allowing the deletion of one post (£42,000) and from a £10,000 reduction in the consultant's budget associated with Royal Borough Reviews.

| <b>VOLUNTARY SECTOR SUPPORT</b>  |                  |                  |                  |
|--|------------------|------------------|------------------|
| <b>BUSINESS UNITS P5710, P5711, P5747, P5760 and P6101</b>   |                  |                  |                  |
| <b>Cabinet Member for Service Improvement</b>  | <i>Actual</i>    | <b>Budget</b>    | <b>Budget</b>    |
|  | <i>2006/2007</i> | <i>2007/2008</i> | <i>2008/2009</i> |
|  | <i>£'000</i>     | <i>£'000</i>     | <i>£'000</i>     |
| <b>EXPENDITURE</b>   |                  |                  |                  |
| Employees  | 129              | 135              | 139              |
| Premises Related Expenditure   | 69               | 66               | 148              |
| Market rents for Voluntary Organisations in Council properties   | 148              | 148              | 146              |
| Supplies and Services  | 16               | 11               | 26               |
| Grants to Voluntary Organisations  | 2,189            | 2,290            | 2,187            |
| Grant to Portobello Business Centre  | 118              | 108              | 106              |
| <b>Total Direct Expenditure</b>  | <b>2,669</b>     | <b>2,758</b>     | <b>2,752</b>     |
| Central Support Service Charges  | 200              | 205              | 111              |
| Capital Charges  | 9                | 9                | 43               |
| <b>TOTAL EXPENDITURE</b>   | <b>2,878</b>     | <b>3,024</b>     | <b>2,854</b>     |
| <b>INCOME</b>  |                  |                  |                  |
| Fees, Charges and Other Client Income  | 38               | 30               | 30               |
| Rent received from organisations occupying Canalside House   | 88               | 88               | 112              |
| <b>TOTAL INCOME</b>  | <b>126</b>       | <b>118</b>       | <b>142</b>       |
| <b>NET EXPENDITURE</b>   | <b>2,752</b>     | <b>2,906</b>     | <b>2,712</b>     |
| <b>DESCRIPTION OF SERVICE</b>  |                  |                  |                  |
| <p>The Voluntary Sector Team is responsible for managing the Corporate Services grants programme.</p> <p>Other key tasks include work across the Council to facilitate a joined-up approach, undertaking partnership work and working with pan London agencies.</p>  |                  |                  |                  |
| <b>MAJOR VARIATIONS</b>  |                  |                  |                  |
| <p>Pay and price increases have added £67,000 to the budget for 2008/09</p> <p>The cost of free and reduced lets of Council meeting rooms by voluntary organisations and charities is now included, adding £71,000 to the budget</p> <p>There has been a reduction of £23,000 in total grant available for the Voluntary Sector (Ref 37)</p> <p>Income from rentals of Canalside House have increased following the re-development of the building to be completed in 2008/09.</p> |                  |                  |                  |

| <b>ECONOMIC REGENERATION and WESTWAY DEVELOPMENT TRUST</b>  |                  |                  |                  |
|---|------------------|------------------|------------------|
| <b>BUSINESS UNITS P5201, P5713, P5762, P5763 and P5773</b>  |                  |                  |                  |
| <b>Cabinet Member for Regeneration,<br/>Environmental Management and Leisure</b>  | <i>Actual</i>    | <b>Budget</b>    | <b>Budget</b>    |
|   | <i>2006/2007</i> | <i>2007/2008</i> | <i>2008/2009</i> |
|   | <i>£'000</i>     | <i>£'000</i>     | <i>£'000</i>     |
| <b>EXPENDITURE</b>  |                  |                  |                  |
| Employees   | 20               | 74               | 177              |
| Premises Related Expenditure  | 49               | 63               | 68               |
| Supplies and Services   | 48               | 51               | 65               |
| Cremorne Gardens income funding local initiatives   | 105              | 40               | 0                |
| Grant to Westway Development Trust for use of the Westway Sports Centre   | 184              | 206              | 211              |
| Pilot scheme for Area Initiatives   | 0                | 180              | 180              |
| Local Area Agreement projects   | 370              | 984              | 1,229            |
| <b>Total Direct Expenditure</b>   | <b>776</b>       | <b>1,598</b>     | <b>1,930</b>     |
| Central Support Service Charges   | 76               | 93               | 118              |
| Capital Charges   | 1                | 1                | 12               |
| <b>TOTAL EXPENDITURE</b>  | <b>853</b>       | <b>1,692</b>     | <b>2,060</b>     |
| <b>INCOME</b>   |                  |                  |                  |
| Local Area Agreement Delivery Fund  | 370              | 984              | 1,229            |
| Rent for Cremorne Gardens temporary lease   | 325              | 40               | 0                |
| Rent from Business Units  | 235              | 200              | 215              |
| Local Enterprise Growth Initiative  |                  |                  |                  |
| <b>TOTAL INCOME</b>   | <b>930</b>       | <b>1,224</b>     | <b>1,444</b>     |
| <b>NET EXPENDITURE</b>  | <b>-77</b>       | <b>468</b>       | <b>616</b>       |
| <b>DESCRIPTION OF SERVICE</b>   |                  |                  |                  |
| <p>The Regeneration Team's remit is to develop and co-ordinate regeneration activities across the Council and its partners. The focus is on improving the employment prospects of residents, creating opportunities, fostering enterprise and maintaining an attractive business environment in the Royal Borough.</p> <p>Westway Development Trust was established to develop the land under Westway in North Kensington for Community use which has taken the form of commercial, industrial and recreational projects. The Management Committee consists of representatives of the local community, including Councillors.</p> |                  |                  |                  |
| <b>MAJOR VARIATIONS</b>   |                  |                  |                  |
| <p>Pay and price increases have added £12,000 to the budget for 2008/09.</p> <p>Employee costs have increased with the creation of the Economic Development Team funded from surplus income from Baseline Studios and LABGI.</p> <p>The temporary lease of Cremorne Gardens will cease in 2007/08 so removing both the income and related expenditure of projects to be funded from the budget for 2008/09.</p>   |                  |                  |                  |

| <b>COMMUNITY SAFETY AND DRUGS INTERVENTION PROGRAMME</b>   |                             |                             |                             |
|--|-----------------------------|-----------------------------|-----------------------------|
| <b>BUSINESS UNITS P5748, P5751, P5765, P5768, P5769 and P5772</b>  |                             |                             |                             |
| <b>Cabinet Member for Community Safety</b>   | <b>Actual<br/>2006/2007</b> | <b>Budget<br/>2007/2008</b> | <b>Budget<br/>2008/2009</b> |
|  | <i>£'000</i>                | <i>£'000</i>                | <i>£'000</i>                |
| <b>EXPENDITURE</b>   |                             |                             |                             |
| Employees  | 202                         | 274                         | 571                         |
| Supplies and Services  | 111                         | 30                          | 80                          |
| Police Community Support Officers  | 1,824                       | 1,802                       | 1,520                       |
| Grant funded projects  | 2,291                       | 1,927                       | 1,220                       |
| <b>Total Direct Expenditure</b>  | <b>4,168</b>                | <b>4,033</b>                | <b>3,391</b>                |
| Central Support Service Charges  | 151                         | 241                         | 230                         |
| <b>TOTAL EXPENDITURE</b>   | <b>4,379</b>                | <b>4,274</b>                | <b>3,621</b>                |
| <b>INCOME</b>  |                             |                             |                             |
| Community Safety Grants  | 39                          | 57                          | 57                          |
| Safer and Stronger Communities Fund  | 405                         | 338                         | 84                          |
| Metropolitan Police Authority Partnership Fund   | 50                          | 50                          | 50                          |
| Basic Command Unit   | 232                         | 232                         | 232                         |
| Drug Action Team   | 131                         | 96                          | 0                           |
| Drugs Intervention Programme   | 1,365                       | 1,302                       | 1,008                       |
| <b>TOTAL INCOME</b>  | <b>2,222</b>                | <b>2,075</b>                | <b>1,431</b>                |
| <b>NET EXPENDITURE</b>   | <b>2,157</b>                | <b>2,199</b>                | <b>2,190</b>                |
| <b>DESCRIPTION OF SERVICE</b>  |                             |                             |                             |
| <p>Community Safety works to reduce crime and disorder and the misuse of drugs within the Royal Borough. This is achieved by regular analysis of crime data and working in partnership with local police and voluntary agencies. The team work to a 3 year community safety cycle, developing local strategies. Yearly programmes of actions are commissioned, monitored and evaluated which address reducing crime and the perceptions of crime within the borough.</p> <p>The Council's contribution to the costs of Police Community Support Officers (PCSOs) employed by the Metropolitan Police Authority provides a service in all wards.</p> <p>Drugs Intervention Programme is funded through the Home Office and is a locally managed project which ensures offenders with drug problems receive the appropriate treatment programme.</p> |                             |                             |                             |
| <b>MAJOR VARIATIONS</b>  |                             |                             |                             |
| <p>Pay and price increases have added £73,000 to the budget in 2008/09.</p> <p>The PCSOs budget has been reduced by £100,000 reflecting staff turnover rates (Ref 34) and £179,000 has been transferred to TELS for four Safer Neighbourhood officers.</p> <p>The Drug Action Team will no longer receive government funding from 2008/09.</p> <p>The Safer and Stronger Communities grant continues for 2008/09 but is subsumed into the new Area Based Grant and is accounted for centrally in a similar way to Revenue Support Grant so no longer is included here.</p>   |                             |                             |                             |

## REVENUE CHANGES – GROWTH AND SAVINGS (SUPPORT SERVICES)

| Ref No.            | Department                | Description  | Details   | 2008/09<br>£'000 | 2009/10<br>£'000 | 2010/11<br>£'000 |
|--------------------|---------------------------|--|---|------------------|------------------|------------------|
| Local Growth       |                           |  |   |                  |                  |                  |
| 1                  | Audit and Risk Management | Internal Audit post                                | Additional Internal Audit post to meet additional workload.                 | 40               |                  |                  |
| 2                  | Information Systems       | Second Server Farm running costs                   | Second server farm running costs.   | 100              |                  |                  |
| 3                  | Customer Services         | Customer Services project manager                  | Customer Services project manager.  | 80               |                  | -80              |
| 4                  | Property Services         | Senior Property Services post                      | Property Services post to deliver Asset Management Plan.                    | 56               |                  |                  |
| 5                  | Legal Services            | Loss of income from Tenant Management Organisation | Loss of income from Tenant Management Organisation.                         | 100              |                  |                  |
| 6                  | Media and Communications  | Software licence cost                              | Software licence cost   | 10               |                  |                  |
| 7                  | Financial Services        | Part cost of Financial Accountant                  | Part cost of financial accountant following Audit Committee recommendation. | 30               |                  |                  |
| Total Local Growth |                           |  |   | <b>416</b>       |                  | -80              |
| Savings            |                           |  |   |                  |                  |                  |
| 8                  | Financial Services        | Deletion of Accounts Payable post                  | Deletion of Accounts Payable post from efficiency gain.                     | -35              |                  |                  |
| 9                  | Audit and Risk Management | Insurance Procurement saving                       | Insurance Procurement saving  | -133             |                  |                  |
| 10                 | Financial Services        | Contingency release                                | Contingency release to fund Customer Services Manager.                      | -80              |                  | 80               |
| 11                 | Information Systems       | Mainframe saving                                   | Full year effect of Mainframe decommissioning.                              | -40              |                  |                  |
| 12                 | Information Systems       | Network maintenance contract saving                | Reduced contract costs of Network maintenance.                              | -20              |                  |                  |
| 13                 | Information Systems       | Reduction in general office costs                  | Reduction in general office costs.  | -26              |                  |                  |

| Ref No.                       | Department               | Description                                     | Details   | 2008/09<br>£'000 | 2009/10<br>£'000 | 2010/11<br>£'000 |
|-------------------------------|--------------------------|---|---|------------------|------------------|------------------|
| 14                            | Information Systems      | PC and Laptop purchase savings                  | Contract saving on cost of PCs and laptops (to fund server farm/business resilience). | -100             |                  |                  |
| 15                            | Policy and Partnerships  | Overview and Scrutiny research budget reduction | Overview and Scrutiny research budget reduction.                                      | -32              |                  |                  |
| 16                            | Media and Communications | Reduced printing costs                          | Reduced printing costs.   | -4               |                  |                  |
| 17                            | Personnel                | Reduced Personnel costs                         | Reduced Personnel costs.  | -29              |                  |                  |
| 18                            | Personnel                | Savings on payslip production                   | Savings on payslip production.  | -23              |                  |                  |
| 19                            | General Services         | Reduced General Services budgets                | Efficiency savings on print room costs and performance related pay scheme.            | -90              |                  |                  |
| 20                            | General Services         | Relinquish lease on Allen Street                | Relinquish lease on Allen Street.   | -160             |                  |                  |
| <b>Total Savings</b>          |                          |   |   | <b>-772</b>      |                  | <b>80</b>        |
| <b>Support Services Total</b> |                          |   |   | <b>-356</b>      |                  |                  |

## REVENUE CHANGES – GROWTH AND SAVINGS (CENTRAL SERVICES)

| Ref No.                                | Department                     | Description                                     | Details   | 2008/09<br>£'000 | 2009/10<br>£'000 | 2010/11<br>£'000 |
|--|--------------------------------|---|---|------------------|------------------|------------------|
| <b>Local Growth</b>                    |                                |   |   |                  |                  |                  |
| 21                                     | Revenues                       | Reduction in Benefits Administration grant      | 5% Government reduction in Benefits Administration grant                            | 170              |                  |                  |
| 22                                     | Policy and Partnerships        | Programme and Project Management Team           | Programme and Project Management team (four posts).                                 | 183              |                  |                  |
| 23                                     | Civic Ceremonial               | Part-time chauffeur post                        | Part-time chauffeur post reinstated.  | 18               |                  |                  |
| <b>Total Local Growth</b>              |                                |   |   | <b>371</b>       |                  |                  |
| <b>Corporately Funded Growth</b>       |                                |   |   |                  |                  |                  |
| 24                                     | Personnel and General Services | Land Charges Fees                               | A decrease in the projected income target due to a turn down in the housing market. | 100              |                  |                  |
| <b>Total Corporately Funded Growth</b> |                                |   |   | <b>100</b>       |                  |                  |
| <b>Savings</b>                         |                                |   |   |                  |                  |                  |
| 25                                     | Personnel                      | Saving from outsourcing Pensions administration | Saving from outsourcing of Pensions administration.                                 | -15              |                  |                  |
| 26                                     | Audit and Risk Management      | Lower insurance claims                          | Lower Insurance claims reduce reserve.  | -40              |                  |                  |
| 27                                     | Revenues                       | Reduction in Benefits service staff costs       | Reduction in Benefits service staff costs.  | -20              |                  |                  |
| 28                                     | Revenues                       | Reduction in Benefits administration costs      | Reduction in Benefits administrative costs.   | -15              |                  |                  |
| 29                                     | Revenues                       | Benefits contingency release                    | Benefits contingency release to match loss of Administration Grant.                 | -170             |                  |                  |
| 30                                     | Revenues                       | Reduce Council Tax postage costs                | Reduce Council Tax postage costs.   | -15              |                  |                  |
| 31                                     | Revenues                       | Extra income from cash collection service       | Extra income from Cash Collection service.  | -10              |                  |                  |
| 32                                     | Property Services              | Commercial Lettings income                      | Increase in income from commercial lettings.  | -70              |                  |                  |

| <b>Ref No.</b>                | <b>Department</b>              | <b>Description</b>                                | <b>Details</b>   | <b>2008/09<br/>£'000</b> | <b>2009/10<br/>£'000</b> | <b>2010/11<br/>£'000</b> |
|-------------------------------|--------------------------------|---|--|--------------------------|--------------------------|--------------------------|
| 33                            | Policy and Partnerships        | Budget reductions                                 | Budget reductions from staff savings and consultants                 | -34                      |                          |                          |
| 34                            | Policy and Partnerships        | Reduced cost of Police Community Support Officers | Budget adjustment for turnover of Police Community Support Officers. | -100                     |                          |                          |
| 35                            | General Services               | Reduce building maintenance budget                | Reduce building maintenance budget.                                  | -43                      |                          |                          |
| 36                            | Personnel and General Services | Reduction in London Borough Grants                | Reduction in contribution to London Borough Grants.                  | -68                      |                          |                          |
| 37                            | Policy and Partnerships        | Reduced grant funding for Voluntary Organisations | Reduction in grant funding for Voluntary Organisations.              | -23                      |                          |                          |
| <b>Total Savings</b>          |                                |   |  | <b>-623</b>              |                          |                          |
| <b>Central Services Total</b> |                                |   |  | <b>-152</b>              |                          |                          |