

Council Budget 2008-2009, Financial Forward Plan and Capital Programme

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REPORT OF CABINET

REVENUE BUDGET & COUNCIL TAX 2008/2009

1. The following recommendations are approved:-

1.1 The council agrees to new prudential borrowing (£119.66m) as set out in Appendix B (page 97)

1.2 Balances

That Council determine the appropriate level of General Fund balances, taking account of all matters set out in the Chief Finance Officer's report on reserves and balances (pages 29-31), i.e. that

- the minimum level of balances should be £10m,
- a target of at least £15m in balances would be appropriate to meet the risks identified in his report and the comments of the External Auditor
- balances should not be reduced in finalising the budget for 2008/09.

Revenue Budget and Council Tax

1.3 The forecast revenue outturn for the year 2007/08 and the estimates of income and expenditure for 2008/09 be approved.

1.4 That it be noted that the Chief Finance Officer under his delegated powers has calculated the amount of £135,944 (band D equivalents) as the Council Tax base for the year 2008/09 in accordance with Regulation 3 of the Local Authorities (Calculation of Council Tax Base) Regulations 1992 made under Section 33(5) of the Local Government Finance Act 1992.

1.5 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:-

- (a) £837,156,980 being the aggregate of the amounts which the Council estimates for the items set out in Section 32(2)(a) to (e) of the Act;
- (b) £599,655,090 being the aggregate of the amounts which the Council estimates for the items set out in Section 32(3)(a) to (c) of the Act;
- (c) £237,501,890 being the amount by which the aggregate at 1.5(a) above exceeds the aggregate at 1.5(b) above, calculated by the Council, in accordance with Section 32(4) of the Act, as its budget requirement for the year;

(d) £90,308,144 being the aggregate of the sums which the Council estimates will be payable for the year into its general fund in respect of redistributed non-domestic rates, revenue support grant or additional grant increased or reduced (as appropriate) by the amount of the sums which the Council estimates will be transferred in the year from:-

(i) its collection fund to its general fund and;

(ii) its general fund to its collection fund in accordance with Sections 97(3) and (4) and 98 (4) and (5) respectively of the Local Government Finance Act 1988;

(e) £1,082.75 being the amount at 1.5(c) above less the amount at 1.5(d) above, all divided by the amount at 1.4 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 2008/2009;

London Borough of Barnet Valuation Bands (£)

| A | B | C | D | E | F | G | H |
|--------|--------|--------|----------|----------|----------|----------|----------|
| 721.83 | 842.14 | 962.44 | 1,082.75 | 1,323.36 | 1,563.97 | 1,804.58 | 2,165.50 |

being the amounts given by multiplying the amount at 1.5(e) 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 is in that 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.

1.6 That it be noted that for the year 2008/09 the Greater London Authority has stated the following amounts in precepts issued to the Council, in accordance with Section 40 of the Local Government Finance Act 1992, for each of the categories of the dwellings shown below:-

Greater London Authority Valuation Bands (£)

| A | B | C | D | E | F | G | H |
|--------|--------|--------|--------|--------|--------|--------|--------|
| 206.55 | 240.97 | 275.40 | 309.82 | 378.67 | 447.52 | 516.37 | 619.64 |

1.7 That, having calculated the aggregate in each case of the amounts at 1.5(e) and 1.6 above, the Council, in accordance with Section 30(2) of the Local Government Finance Act 1992, hereby sets the following amounts as the amounts of Council Tax for the year 2008/09 for each of the categories dwellings shown below: -

| <u>Council Tax for Area</u> | | | | | | | |
|-----------------------------|----------|----------|----------|----------|----------|----------|----------|
| A | B | C | D | E | F | G | H |
| 928.38 | 1,083.11 | 1,237.84 | 1,392.57 | 1,702.03 | 2,011.49 | 2,320.95 | 2,785.14 |

1.8 That in accordance with Section 38(2) of the Act the Chief Executive be instructed to place a notice in the local press of the amounts set under recommendation 1.7 above pursuant to Section 30 of the Local Government Finance Act 1992 within a period of 21 days following the Council's decision.

Housing Revenue Account and Rents

1.9 That the Housing Revenue Account estimates for 2008/09 be approved.

1.10 That, with effect from Tuesday 1 April 2008:-

- (a) The rent of all Council dwellings, with the exception of those included under Recommendation (1.11), be changed in line with the proposals outlined in this report, producing an average increase of 6.3%
- (b) That the rents of all properties relet for whatever reason be moved upwards to the formula rent. Where formula rent is below actual rent no reduction will be made.
- (c) That service charges for all tenants of all flats and maisonettes based on the services they receive be increased to the following charges (per week, 48 week basis):-

| | |
|----------------------|-------|
| Caretaking | £5.16 |
| Caretaking Plus | £6.66 |
| Block Lighting | £0.82 |
| Grounds Maintenance | £0.53 |
| Quarterly Caretaking | £1.03 |
- (d) That there is an increase of 10% on the charge for space and water heating.

- 1.11 That, with effect from Tuesday 1 April 2008: -
- (a) The basic rents of dwellings in the Council's equity sharing scheme at Moorlands Avenue, NW7 be increased as follows:-
 - Current basic rents of £2,313 to £2,460 per annum
 - Current basic rents of £2,130 to £2,265 per annum
 - (b) The net rents of dwellings in the equity share scheme at Friern Hospital are increased by 6.3%.
- 1.12 That, with effect from Tuesday 1 April 2008, the rents of Council garages be increased by 10.0%.
- 1.13 That the Chief Executive be instructed to take the necessary action including the service of the appropriate Notices.

Capital Prudential Code and Borrowing Limits

- 1.14 The Prudential Indicators set out in Appendix C (page 51) be recommended for approval to Council and that the Chief Finance Officer be authorised to raise loans, as required, up to such borrowing limits as the Council may from time to time determine and to finance capital expenditure from financing and operating leases subject to:
- (i) the appropriate provision having been made in the estimates for 2008/09;
 - (ii) authorisation (where necessary) of the expenditure by the appropriate Government Department;
 - (iii) a decision of the committee concerned or under delegated/urgency powers to incur the capital expenditure and that the Cabinet Resources be instructed to approve new projects up to the value of surplus resources outlined in this report, having regard to the priorities identified.

Capital

- 1.15 That the capital programmes be approved, including the additional projects listed on page 42, and that the Chief Officers be authorised to take all necessary action to implement them.

- 1.16 The Chief Finance Officer be authorised to adjust capital project budgets in 2008/09 throughout the capital programme after the 2007/08 accounts are closed and the amounts of slippage and budget carry forward required are known. That where slippage results in the loss of external funding and a new pressure being placed on prudential borrowing, the relevant Director report on options for offsetting this impact by adjusting other capital projects.**

Contracts

- 1.17 That authorisation be given to allow tenders to be sought for contracts listed in Appendix F (page 59)**

Medium Term Financial Strategy (MTFS)

- 1.18 To note that the current annual level of prudential borrowing cannot be sustained long term, and that Cabinet must also seriously consider using significant capital receipts generated in future years to repay borrowing rather than fund further expansion of the capital programme (page 43).**

COUNCIL REVENUE BUDGET & COUNCIL TAX 2008/09

INTRODUCTION

The Cabinet Members submitted their proposed recommendations to Council on the 2008/09 budget and council tax.

The Council's budget is a financial expression of its services and levels of provision but also a conditioner of them. It links the priorities and objectives of the Council as expressed in the Corporate Plan having regard to resources available and taxation consequences of spending decisions.

The Council is required by law to set its budget having considered its estimates of expenditure and income, and for its call on the collection fund to be sufficient to meet its budget needs. This must be done before 11 March 2008 and a meeting of the Council has been arranged for 4 March 2008 to achieve this.

CORPORATE PLAN

The new Corporate Plan for the period 2008/09 to 2011/12 updates the 2007/8 plan as the single operational document that is used to guide and monitor the delivery of the Council's priorities. It sets out the council's priorities and targets and how the authority goes about meeting them.

The Corporate Plan is an important part of the Council's budget and policy making cycle. It provides the forward planning aspect of this framework and has been formulated alongside the Council's budget for the coming financial year. It will be presented to Cabinet in March and Council in April following consultation with Overview and Scrutiny Committees.

RISK MANAGEMENT ISSUES

The Chief Finance Officer's assessment of financial risks and advice on reserves and balances is set out from page 15 onwards of this report.

EQUALITIES AND DIVERSITY ISSUES

The budget is aligned with Council priorities, which includes targeted resources on key groups in line with its commitments to equalities and diversity.

FINANCIAL, STAFFING, ICT AND PROPERTY IMPLICATIONS

This whole report is about the council budget and capital programme.

The Chief Finance Officer is recommending that Cabinet consider this report (specifically pages 15 to 34 on reserves and balances) and determine the appropriate level of balances as £15m with a minimum level of £10m.

Staffing implications arising from these budget proposals were reported to General Functions Committee on 16 January 2008.

ICT and property implications are included in the Budget and Forward Plan statements at Appendix B.

LEGAL ISSUES

It is a requirement of the Local Government Act 2003 that the Council should have regard to the Chief Finance Officer's report on the adequacy of balances when making the budget calculations. Any decision by Council on the level of reserves that differs from that of the Chief Finance Officer will need to be recorded in the decision to demonstrate the Council had fulfilled this statutory requirement.

The Local Government Act 2003 requires the Chief Finance Officer to report to Council as part of the budget process on the robustness of the estimates and the adequacy of the proposed financial reserves, although the final decision on the level and utilisation of reserves rests with the Council and this is set out in the Chief Finance Officer's report later in this paper.

CONSTITUTIONAL POWERS

Financial Regulations (Part 1, Section 2) within the Council Constitution state the following:-

- i. Cabinet will finalise its recommendations to Council on the budget, council

tax and rent levels taking account of the results of budget consultation. This will normally be in February, following announcement of the Final Local Government Finance Settlement.

- ii. Cabinet's recommendations to Council must be made in time for Council to set the budget and council tax before 11 March of the preceding financial year to the financial year to which the recommended budget and council tax relate.
- iii. The budget that Cabinet recommends to Council must be based on reasonable estimates of expenditure and income, and take account of:-
 - outturn forecasts for the current year;
 - guidance from the Chief Finance Officer on the appropriate level of reserves, balances and contingencies;
 - financial risks associated with proposed budget developments, reductions and ongoing projects;
 - affordability of prudential borrowing over the period of the council's financial forward plan;
 - recommendations from the external auditor on matters such as the level of reserves and provisions.
- iv. The budget recommended by Cabinet to Council will incorporate the latest projection of income from fees and charges. During the year Cabinet Resources Committee may approve changes to fees and charges, including the introduction of new charges.

THE BUDGET PROCESS

This council has taken a strategic multi-year approach to budget development for many years. Barnet also has a Medium Term Financial Strategy to formalise the Council's financial aims and intentions and consult local stakeholders as to whether these are consistent with their needs. The strategy is included as Appendix A.

A preliminary assessment of the 2008/09 budget was set out in the Financial Forward Plan approved by Council in March 2007, which forecast a council tax increase of 7.5% based on information available at the time on Government grants and local spending requirements. Two further models were presented incorporating a contingency for emerging budget pressures and a more pessimistic forecast of no increase in Formula Grant. This was used as the base for the 2008/09 Budget and Forward Plan with the objective of achieving a below inflation tax increase as required by the Medium Term Financial Strategy.

These preliminary assessments were used to identify overall reduction targets, taking account of corporate priorities. Given the commitments in the MTFs, the likelihood of a challenging Comprehensive Spending Review settlement, with growth pegged below inflation, it was clear that the financial position of the Council would remain challenging and that savings at about the level of previous years (i.e. £12 - £15 million) would be needed. This presented a major challenge given the £59m of savings already achieved by the Council in previous years.

The need to take early action in planning for future years budgets was clear and the following strategy was adopted:-

- reducing the Council's overall cost base
- challenging existing budget provision and continuing inflationary pressures through further efficiency savings
- enhancing the approach to VFM across the Council
- continuing the policy led delivery of budget

The results of the budget process were presented for public consultation at Council on 18 December 2007.

The Overview and Scrutiny Committees (except Cabinet OSC) have reviewed the relevant budget details for their terms of reference. No matters have been formally referred from the Committees for Cabinet's attention.

REVISED REQUIREMENTS FOR 2007/08

The last budget monitor reported to Cabinet Resources Committee on 14 January forecast balances of £14.4m at 31 March 2008, and an update will be reported to Cabinet Resources Committee on 25 February 2008. The position is discussed later in the report as part of the Chief Financial Officers assessment of the budget in terms of balances and reserves.

The current position of the HRA is also set out later in the report. Any variations are to be met from the accumulated HRA balance.

THE NATIONAL FRAMEWORK & 2008/09 SETTLEMENT FOR BARNET

The Government's Comprehensive Spending Review (CSR) in October 2007 included details of government support to local government over the CSR period. Government claims that the increase in net Aggregate External Finance for local authorities is equivalent to 1% annual growth in real terms over the next three financial years. However, these figures include specific funding for Public Finance Initiative projects and when these are excluded there is no real increase in the second and third years. Government also set a target for local authorities to generate 3% efficiency savings per annum. Overall the CSR was not good news for local government although the implications for each authority were not announced until the Settlement in early December.

The Local Government Minister announced the first three year provisional Local Government Finance Settlement on 6 December 2007. Consultation on this closed on 8 January 2008. The Final Settlement was debated in Parliament on 4 February 2008.

Despite it being a three year settlement, figures for 2009/10 and 2010/11 are provisional, leaving the door open for Ministers to make last minute changes before the start of each year. Nationally, Formula Grant has increased by 3.6% in 2008/09 but in London the average increase is only 2.4% (2.0% for Inner London and 2.9% for Outer London), with increases of 2.8% in 2009/10 and 2.6% in 2010/11.

The Settlement continues the system of 'floors' without ceilings. All authorities above the floor contribute a fixed proportion of their excess above their floor to finance the floor authorities. The minimum grant increases for education and social services authorities in 2008/09 is 2.0% (notional, not cash), 1.75% in 2009/10 and

1.5% in 2010/11.

A summary of Barnet's grant settlement is set out below. The cash increase excludes specific grants transferring to Formula Grant whilst the percentage increase is adjusted for prior year grant changes to enable a like for like comparison.

| Grant Elements | 2007/08 Adjusted Allocations | 2008/09 | 2009/10 Provisional | 2010/11 Provisional |
|--------------------------|------------------------------------|---------------|------------------------|------------------------|
| | £'000 | £'000 | £'000 | £'000 |
| Relative Needs Amount | 83,615 | 87,495 | 90,606 | 93,300 |
| Relative Resource Amount | (54,085) | (61,913) | (62,109) | (62,219) |
| Central Allocation | 58,230 | 62,375 | 64,561 | 66,679 |
| Floor Damping | 532 | 2,100 | (1,108) | (3,204) |
| Formula Grant | 88,292 | 90,057 | 91,950 | 94,556 |
| Cash Increase £'000 | | 2,109 | 1,893 | 2,606 |
| Adjusted Increase % | | 2.0% | 2.3% | 3.0% |

Barnet is at the floor in 2008/9 but provisional figures are slightly above the 2009/11 floors. Even so, every year represents a poor settlement for the Council as inflation and other pressures on a base budget around £220m will always greatly exceed the increase in grant funding on a base budget of around £80m.

Specific grants totalling £5.7m were transferred to Formula Grant in 2008/09. A significant development has been the introduction of the Area Based Grant which replaced the one year only 2007/08 Local Area Agreement grant. The new ABG is not ring-fenced, which has significant implications that are set out on pages 18-20 in this report.

The estimated Dedicated Schools Grant for Barnet is:-

| | |
|---------|-----------|
| 2008/09 | £193.793m |
| 2009/10 | £200.024m |
| 2010/11 | £207.433m |

These figures are subject to change dependant on pupil numbers, and figures will not be confirmed by the Department for Children, Schools & Families (DCSF) until May or June.

The Government's guide to the Settlement is available at their website, at the following address:- <http://www.local.odpm.gov.uk/finance/0809/simpguids.pdf>

CAPPING

The Minister's statement on the Settlement included an expectation that council tax increases in England should be substantially below 5% and that he would not hesitate to use reserve capping powers to protect council tax payers from excessive increases. Further details on the capping regime are set out in Appendix E.

COUNCIL BUDGET 2008/09

Following receipt of the Provisional Local Government Finance Settlement, Cabinet's draft budget proposals were announced to Council on 18 December 2007. Incorporating £9.5m of efficiency savings the provisional council tax increase was 3.5%, well below the current level of inflation and as required by in the Council's Medium Term Financial Strategy.

The budget being recommended to Council on 4 March 2008 is set out in detail in Appendix B. The position is largely unchanged from that announced at Council in December and the proposed council tax increase for Barnet is now 3.49%, against the current rate of inflation (4.1%) as measured by the Retail Prices Index for January.

Setting the budget is an extremely complex exercise. There are a several significant issues and proposals that have been considered in detail as part of the budget process with the aim of setting a robust and balanced budget to achieve the Corporate Plan objectives and align with the Medium Term Financial Strategy. These are reported in more detail as part of the Chief Finance Officer's assessment of the Council's financial standing.

CHIEF FINANCE OFFICER'S REPORT ON BALANCES AND RESERVES

The Local Government Act 2003 places a duty on the Chief Finance Officer to report to Council as part of the budget process on the robustness of the estimates and the adequacy of the proposed financial reserves.

Professional guidance published in January 2003 by CIPFA recommends that account should be taken of several key financial assumptions underpinning the budget alongside the authority's financial management arrangements. The Council's Financial Regulations¹ reflect this guidance as set out above in Constitutional Powers (pages 9-10).

The Chief Finance Officer's review, recommendations for General Fund and HRA balances and impact on decisions that Council must make on the 2008/09 Budget follow.

Services' record in delivering budget developments & reductions

Barnet has a history of poor grant settlements with the council on the grant floor in four out of the six years to 2008/9. In 2003/04 the settlement did not provide sufficient grant to achieve the required level of "passporting" to the Schools Budget, which required an additional contribution to be made from council tax. From 2006/07 to 2008/09 the council has received only the minimum grant increase, which has been insufficient to meet inflationary pressures let alone pressures from increased service demands and the cost of new capital investment.

Over the six year period 2003/04 to 2008/09, the Council budgeted to deliver efficiency savings, service reductions and increased income totalling £69m in order to compensate for the poor grant settlements and deliver low council tax increases. Because the Schools Budget is ring-fenced, these budget reductions had to be delivered entirely from the non-schools budget, which for 2007/08 amounted to £223m (55% of total net service expenditure).

Achieving base budget reductions of £69m in six years is a significant undertaking and some slippage in this is inevitable, and in respect to budget decisions for 2002/03 to 2007/08 a total of £6.3m (9%) has been added back to the base budget in subsequent years. However, these base adjustments for 2007/08 amounted to

¹ Financial Regulations, Part 1, Section 2.5

only £0.1m and the previous two years were around £1m per annum, which reflects improvements in budget estimating and forecasting over earlier years.

Delivering savings of the level budgeted for in recent years is a substantial executive and management undertaking, which until December 2005 was not helped by having to respond to annual Government grant settlements just three months prior to the start of the financial year. Given this context I do not consider that slippage of this order gives any real cause for concern, but slippage has nonetheless occurred and is, therefore, a factor that must be taken into account in making a recommendation to Council on the level of General Fund balances.

On the other side of the coin is the risk that the cost of budget developments and pressures has been underestimated. Given the grant settlements that Barnet has received in recent years the level of service developments (excluding base budget pressures and the cost of prudential borrowing to fund capital investment) has not been significant at £3.3m in 2003/04, £2.4m in 2004/05, £0.2m in 2005/06, £1.0m in 2006/07 and £1.0m in 2007/08.

Developments are also provided for within the capital programme, where the risk of overspending or failure to deliver planned external funding contributions translates into revenue budget pressures through increased prudential borrowing and/or reductions in interest earnings on unused capital receipts. Over recent years there have been some overspends on capital projects, but there have also been improvements in the reporting of capital monitoring to Cabinet Resources Committee and the Capital & Assets Group has sought to improve the initial estimating of projects before they get incorporated in the capital programme.

In summary there remain significant risks to the council's ability to deliver efficiencies and developments within budget. Tighter budgeting in 2007/8 has improved the delivery of savings and reduced the risk of slippage. Even so, slippage is still a possibility and would require a call on balances if compensatory savings were not identified.

Capacity to Manage In-Year Budget Pressures

Following on from the Section 11 Notice in February 2004 the council's financial standing, measured in terms of the level of balances, has considerably improved. The gross budget in 2007/08 is £785m, but in terms of assessing financial risks it is more appropriate to combine this figure with fees and charges, income and specific grants, which produces a total just over £1.35bn. In commercial terms this

represents a significant level of “turnover” and variances from budget are inevitable, particularly when a significant amount of expenditure (e.g. adult and children’s services) and income (e.g. local land charges and planning fees) is demand-led. It should be borne in mind, however, that even just a 1% variance equates to £13m.

In considering the council’s capacity to manage in-year budget pressures I have reviewed the budget volatility reported in budget monitoring during the current and previous two years. The position (excluding schools and the HRA) is summarised below, although it should be recognised that improvements in interest earnings have contributed significantly to the underspends shown, especially in the last three financial years:-

| Outturn Year | Overspends | Underspends | Net | Interest Benefit |
|--------------|------------|-------------|-------|------------------|
| | £m | £m | £m | £m |
| 2003/04 | 15.4 | (13.5) | 1.9 | 0.00 |
| 2004/05 | 15.4 | (16.5) | (1.1) | (1.76) |
| 2005/06 | 8.9 | (12.0) | (3.1) | (4.30) |
| 2006/07 | 4.9 | (7.0) | (2.1) | (4.25) |
| 2007/08 (M9) | 6.1 | (11.0) | (4.9) | (5.00) |

As with the delivery of budget developments and reductions, I do not consider these in-year variances to be exceptional and management action has always enabled some savings to be identified in-year to compensate for overspends. Nonetheless, variances have occurred and are, therefore, a factor that must be taken into account in making a recommendation to Council on the level of General Fund balances.

Budget Risks

The officer Key Priorities Board established three years ago has continued to work through the 2008/09 budget process, to monitor progress and make recommendations to the Council Directors Group and Cabinet. The process of peer challenge facilitates a policy review of all draft budget proposals and an assessment of the risk of non-delivery of savings. It also reduces the risk of “cost shunting” between services.

Council Directors Group and Cabinet have considered financial risks in developing the 2008/09 budget. Items considered to represent the greatest risk to the council’s

financial standing are set out below under three sub-headings – (i) base budget, (ii) budget reductions, and (iii) contingent liabilities.

Risks: Base Budget

These are core budgets that are constantly subject to risks from external factors like service demand and Government policy change, which can typically emerge during the financial year.

- Rents, fees & charges
These income streams total around £75m next year. The council has experienced significant shortfalls in previous years in some areas, e.g. parking income and local land charges.
- Specific grants
For the first time, specific grants were announced in December 2007 for a three year period, which significantly aids forward planning in the medium term. Figures for the latter two years are nonetheless provisional, so risk is not totally removed, and some specific risks are addressed under the section on contingent liabilities.

Area Based Grant (ABG) replaces Local Area Agreement (LAA) grant in 2008/09. The various grants are aggregated by Government into a single monthly payment. Unlike LAA grant, ABG comes with no conditions and it is for the council to determine spending priorities. This is a significant change in the funding regime, which enables the council to review and challenge expenditure that was previously “protected” by the fact that it was grant funded. This flexibility though comes at a price – ABG is now nothing more than a second allocation of Formula Grant, but with one significant exception – there is no floor protection at the end of the three year funding period.

- Interest and debt management
Daily fluctuations in interest rates can affect cashflow and short and long term borrowing. In-year net gains have provided an offset for some significant overspends in recent years, and have been the major contributor to the level of General Fund balances the council now has. The 2008/09 budget consolidates a further improvement of £0.7m next year, but there is already strong market speculation of interest rate cuts from the Bank of England ahead of the start of the financial year, and the advance borrowing for PSCIP (at a sub 4% rate) will begin to be drawn down during 2008/09 as the programme of works

commences.

- **Council Tax collection**

Around £189m in council tax will be collected in 2008/09 to support the council and GLA budgets. Barnet has the largest taxbase in London by a large margin, and has the 5th largest taxbase in the country. Non-collection of council tax measured in fractions of percentage points can have a significant impact on the budget – the budgeted 1.5% non-collection rate amounts to £2.88m. Over-estimation of the tax base can have the same consequences.
- **Housing benefit subsidy and temporary accommodation**

The net cost of housing benefits (£2m) masks the gross spend of £162m. In addition, the council will be spending £8.5m on temporary accommodation. Government has continued the recent trend of reducing subsidy into 2008/09, and further complicates budget planning by constantly amending regulations. Management action to counter the loss of subsidy is incorporated in the budget, but quite small changes (e.g. in subsidy rates) can be magnified by the scale of the gross expenditure.
- **Placements**

Budgets for placements and associated direct costs (e.g. transport) in Adults and Children's Services exceed £100m. These budgets are at significant risk from changes in demand and movements in inflation, particularly where contracts are in place.
- **Public Law Family Fees.**

The Government issued the Public Law Family Fees Consultation Paper on 19 December, with an 11 March deadline for response on three options. The options are not fully developed and so are not capable of being fully costed before the budget is set. The paper also proposed that public funding will no longer be available for local authority residential assessments and that additional provision may be required to recognise that change. Until details are confirmed, a contingency provision of £300,000 has been made, pending an assessment of the cost to services and a full report back to Cabinet Resources Committee as part of budget monitoring, since despite the consultation deadline, CLG made changes to councils' responsibilities in the final grant settlement on 24 January.
- **Dedicated Schools Grant (DSG).**

The figure included in the budget (£194m) is only an estimate, as the grant is

wholly based on annual surveys of the number of pupils in schools and in under-5 settings as at January and these figures are still being collated by DCSF who will not finalise the grant figure until May. If children numbers are lower than anticipated, then the centrally retained budgets within the DSG will need to be reviewed, and savings made in year. The risk of this will be minimised by officers continuing to review the pupil numbers information available before finalising detailed budgets for schools and central DSG budgets.

Risks: Budget Reductions

There is always a risk that some planned savings will not be achieved, either due to a delay or incorrect assumptions – it is not practical to remove this risk by only including budget savings that have already been achieved. Delays are one thing, but incorrect assumptions are of greater concern as they can lead to a base budget problem in the following year as well. Items considered to represent the greatest risk to the council's financial standing are set out below.

- **Adult Services contracting efficiencies**
These amount to £2.3m in 2008/09 and £2.5m in later years, to be delivered through a variety of measures:- making in-house services competitive in the market, using a fairer pricing tool to reduce costs of external contracts for individuals, moving from traditional contracted institutional care to individualised budgets and direct payments. Achieving contracting savings always require a lot of management input, they are not simply achieved by stopping doing something, but the risks are minimised here by having funding in place to deliver the changes.
- **Looked after children external placements**
This is already commented on in the section on base budget risks, but is repeated here because there is a budgeted £300,000 saving in 2008/09.
- **Service reorganisations and reconfigurations**
These efficiency savings amount to £3.15m in total, and in aggregate represent a risk.

Risks: Contingent Liabilities

This section highlights potential one-off or ongoing expenditure that could arise in 2008/09 or later years.

- Adults – Brent Teaching Primary Care Trust (BTPCT)
The council is currently disputing a care responsibility that the BTPCT is attempting to transfer to us, and a number of other councils. The potential ongoing liability for Barnet is £0.8m, with a slightly higher figure in 2008/09. If the council is not successful in resisting these claims (submitted in May 2007) there is a real risk that other PCTs will follow the same approach, thereby exposing the council to considerable financial risk both for continuing health care funding and particularly with respect to old long stay clients.
- Adults – residential care top-up fees
A complaint has been received from a family claiming that they should not be paying a top up to a care home, which started over four years ago. A second family with a relative in the same care home has now approached the Ombudsman about the same issue, but this case is being taken through the complaints procedure initially. Should the Ombudsman find against Barnet, this case has potentially significant implications for Barnet and the rest of the country.
- Adults – strategic S.256 learning disabilities agreement
Work is progressing on a transfer of learning disability clients and funding from the PCT to the council from 1 April 2008. There are risks associated with the contract, but also benefits for both parties. If the deal goes ahead the S.256 Agreement will need to be approved by Cabinet as it is not yet included in the budget..
- Children’s – post 16 funding transfer
The transfer of 16-19 funding for schools and colleges from the Learning & Skills Council to local authorities commences in January 2010, with legislation enabling this planned for 2008/09. A risk assessment will need to be undertaken on this transfer as part of the 2009/10 budget process.
- Children’s – Children & Young Person’s Bill & Education & Skills Bill
Two Bills included in the Queen's Speech on 6 November 2007 represent financial risks within the Children's Service.

The key proposals in the Children's & Young Person's Bill are:-

- reform of the statutory framework around the care system focused on the needs of the child;

- councils given power to test different models of organising social care by commissioning and regulating services;
- placing the role of designated teacher on a statutory footing and ensuring that children in care do not move school in year 10 and 11 except in exceptional circumstance;
- improving the financial support available to care leavers who go on to higher education;
- ensuring children in care and custody are visited regularly and have a voice in the decision making when they move into independence;
- extending the duty to visit children in youth custody ;
- seeking to improve the support for children cared for by family and friend carers.

The main financial risks arising from the Bill are that councils may not be given sufficient resources to implement the new requirements effectively. There are especially big challenges around securing a sufficient diverse and high standard of care placements, in particular given the potential impact of children leaving care at an older age.

The key proposals in the Education & Skills Bill are:

- raising the minimum age at which young people can leave education or training to 18;
- implementing key elements of Leitch review into long term skill needs;
- new duties which will be placed on young people, parents and employers to ensure or encourage children to participate in education;
- new registration duties on providers and local authorities in relation to people with special educational needs.

This Bill is merely one element in the reform of 14-19 learning including the inherent risks associated with the transfer of funding from LSC to local authorities.

- Children's - Review of the distribution for Dedicated Schools Grant from 2011/12 DSG for 2008/11 is distributed using the "spend plus" method, but there will be a review of the formula for distributing school and early years funding with the aim of developing a single formula based on relative needs and costs rather than current expenditure – this would be effective from 2011/12. The review will start from the premise that the ring-fence on DSG will remain, although Ministers claim that the review will examine the scope for greater flexibility in the use of DSG to support the delivery of Every Child Matters outcomes and

implementation of the Children's Plan.

- Corporate – new Local Area Agreement (LAA)
Barnet's Local Strategic Partnership (LSP) is responsible for the new LAA, which comes into effect in May 2008. This is after the 2008/09 budget and spending priorities have been set, which creates a risk that final performance targets agreed with Government may not align with the funding agreed by partners.

The council remains the Accountable Body and has the lead role in ensuring the funding and delivery of performance targets by partner bodies, but recent guidance is that partners core funding is not subject to determination by the LSP, which removes a risk of council funding being reduced without our consent.

As explained under the specific grants section, Area Based Grant may be reduced or withdrawn as either a Government funding decision or as a sanction against poor performance against targets.

- Corporate – litigation
Legal Services are currently managing a significant number of actual and potential litigation cases from across the council. These have been risk assessed at a potential cost of £0.6m in total, a figure much lower than the worst case scenario.

Separate from this is the deficit claim from Catalyst Housing Group in April 2007 in respect of the period April 2001 to March 2006, and a second claim in July 2007 for the year 2006/07. The sums involved have been reported previously to Cabinet Resources Committee as exempt information. Both claims have been rejected by the Council, and whilst the next formal step open to Catalyst is to refer their claims to arbitration, positive dialogue has been maintained with them in order to seek a negotiated settlement. Such a settlement would look at the scope and cost of the contract going forward (it expires in 2016) and a settlement of the site swaps agreements involving the Perryfields and Merrivale care homes, as well as the deficit claims. Subject to satisfactory negotiations, a target date of early summer has been set for a conclusion.

- Corporate – capitalisation of redundancies
The council's strategy is to capitalise redundancies arising from budget decisions and major restructurings, but the ability to do this always rests on a

Ministerial decision to provide the necessary Direction. If this is not given, the cost falls back on revenue. This risk significantly increased by the Government conducting an annual bidding process against a cap set by the Treasury, and in 2006/07 bids nationally exceeded the Treasury cap and were all scaled back to 57% of the amount requested. Stage 2 approval of up to £2m has been given for 2007/08 although this is no guarantee of an equivalent amount in 2008/09.

- Corporate – pay awards and inflation
All service budgets face ongoing pay and inflationary pressures not recognised by Government grant settlements. Where the budget provision is insufficient, costs will need to be contained within service budgets to limit the call on balances and reduce the pressure on the following year's base budget.
- Corporate – North London Waste Authority (NLWA)
The NLWA considered a preliminary budget report on 20 December 2006, which outlined a £600m programme of capital investment in new facilities over the next ten years. A major driver of this programme is the need to stay within the landfill targets set by Government. Because there has been no increase in Government funding to help local authorities achieve these targets, the NLWA levy is anticipated to double by 2015/16. Our 2008/09 budget already shows a substantial increase in the levy to allow for the costs of the procurement process, although the NLWA continues to investigate the scope for obtaining PFI credits towards the costs of constructing new facilities.
- Corporate – pay and grading review
Single Status has been completely dealt with in Barnet, but there is ongoing work to do around equal pay reviews.
- Corporate – market loans
Borrowing for capital investment comes from two sources, the Public Works Loans Board (PWLB) and the market. Volatility in interest rates has already been mentioned but there is an added risk in respect to the market loans taken out in the form of Lender Option Borrower Option loans (LOBOs). These tie the council into a fixed rate for an initial period of years, after which the lender has the option at regular intervals (the most frequent option being every 6 months) to change the interest rate. The borrower (the council) has the option of accepting the rate change or repaying the debt, the decision being based on the rates currently in the market should the council need to refinance the loan. It is important to stress that the risk here is not whether the borrowing instruments are sound, it's the impact that future interest rate movements might have.

- Corporate – changes to Statements of Recommended (Accounting) Practice
Changes to SORPs are not always just technical changes to statements in the final accounts, they can sometimes have a direct impact on the budget and Council Tax. One major change currently being considered by CIPFA and the wider accounting standards community is accounting for depreciation, which could place “real” charges into the budget.
- Corporate – Spending Review 2009
There is no information on government grant after 2010/11 as this will be determined by the next Government Spending Review, likely to be announced in the summer of 2009. It is almost certain that the current trend in reduced public expenditure growth will continue with sub or zero inflation grant increases and that grant will continue to be redirected away from London. There is also the risk over Area Based Grant, which by 2010/11 will be at least £21m in total, being outside the grant floor regime. Therefore, it is even more critical for the council to maintain its financial standing.
- Corporate – regeneration schemes
The four estate regeneration schemes (West Hendon, Grahame Park, Dollis Valley and Stonegrove) are progressing and the Principal Development Agreements on the first two are already signed, with a third anticipated by the end of 2007/08. Risks associated with these projects have been clearly set out in reports to Cabinet and Cabinet Resources Committee throughout their development, but an element of residual risk remains for a long period of time. Over time as the housing assets transfer from council (HRA) ownership to registered social landlords, the maintenance of surrounding land will revert from the HRA to General Fund. There is a risk that this transfer of responsibility will not be reflected fully in future years’ grant settlements.
- Housing – Subsidy and viability of the HRA
The national housing subsidy system is a mechanism for redistributing resources between local housing authorities and in 2008/9 Barnet must repay £10.9m to the pool. The subsidy settlement for 2008/09 is far tougher than originally anticipated and it creates a risk to the future financial viability of the HRA if repayments continue to increase.
- Environment & Transport – Waste Performance Efficiency Grant (WPEG)
Barnet received nearly £800,000 in WPEG in 2007/08, which has funded the green waste collection service as well as new and replacement recycling

containers. The grant is replaced in 2008/09 by the London Recycling Fund, and new London Waste and Recycling Board will manage and allocate the fund. The lack of clarity at this time creates a financial risk.

- **Environment & Transport – recycling and transport contracts**
These contracts are due to be awarded in February 2008, but after this report has been finalised. Despite the recycling contract being expanded it is currently believed that both these contracts can be contained within existing budget provisions, but clearly until final bids are received and evaluated these remain a base budget risk.
- **Planning & Environmental Protection – Community Infrastructure Levy & Planning Delivery Grant**
Government has shelved its proposal to implement a Planning Gain Supplement and has introduced provisions in the Planning Bill for the new Community Infrastructure Levy, which, Ministers claim, will establish a better way to increase investment in the infrastructure needed by growing communities. The new powers will allow councils to set a CIL for their area following an assessment of local infrastructure needs and consultation with their local community. Different types and sizes of development would pay different amounts depending on local needs to help ensure that the new infrastructure needed to maintain sustainable growth is provided. It is anticipated that local councils will be able to take advantage of these powers from spring 2009. Details will need assessing in relation to the requirements of Barnet and in particular the extent to which funding can be used for both capital and revenue purposes.

In 2008/09 PDG is being replaced by a combination of increases in fees and the new Housing & Planning Delivery Grant (HPDG). At the time of finalising this report the method for allocating HPDG had not been agreed, although it is likely to rely heavily on councils meeting housing growth targets and satisfactory completion of the Local Development Framework. It is likely that our allocation will not be known until summer 2008, but around £0.4m will be required in addition to increased fees to ensure equivalent funding is available to that received under PDG.

- **Planning & Environmental Protection – land charges**
Introduction of Home Information Packs and an associated continued increase in the number of personal search companies has led to a significant reduction in the number of searches conducted, and hence a reduction in income. This

trend is likely to continue into 2008/09 and a predicted down-turn in the housing market is likely to further impact on income levels which are presently budgeted at above £1.5m in 2008/09. Government continues to consult on proposals to set fees centrally or direct how they should be calculated which continues the uncertainty and represents a risk.

- Resources – accommodation strategy

Risks in future years arise from the present position of having moved away from freehold to leasehold accommodation, in the form of:-

- uncertainty on periodic rent reviews;
- our ability to downsize the amount of space we rent in line with reductions in the staffing establishment and introduction of alternative working arrangements (e.g. home and mobile working);
- dilapidations costs at the end of the lease terms.

- Capital – children’s centres

Together for Children (TFC) have now agreed a programme of slippage for each individual children's centre up to December 2008. This agreed spending profile funded from Sure Start grant is achievable within the current children's centre building programme and as a result risks have been significantly reduced. In the event of any further slippage in the programme, there could be a risk that the commitment to the building work would remain but the grant is not claimable. However, a contingency plan is in place to finance any unfunded contractual commitments.

- Capital – Primary Schools Capital Investment Strategy (PSCIP)

The scale and complexity of the capital investment creates an unavoidable risk to the council, but awards and praise from external assessors for the quality of project management and financial planning demonstrates risks are being actively managed. There is a lot of speculation currently about a possible downturn in the housing market, which comes just as we are about to commence the marketing of the first packages of surplus land – these receipts representing the largest component of the programme funding package. Quite how this will play out within Barnet is an unknown and hence a risk.

- Capital – East Barnet School

A decision has been to change architects working on this project as set out in the Leader and Cabinet Member’s delegated powers report in January 2008. This change represents an action to mitigate against a risk within the project, but

clearly going back a stage creates other risks, including the need to re-apply for planning consent.

- **Capital – School projects programme slippage**

The following school projects' income and expenditure profiles have changed which represent risk to the council in terms of external funding lapsing leaving the council with additional borrowing requirements.

 - £2.4m slippage is projected on the redevelopment of The Hyde School and provision of a children's centre. Approval has been received from the Department of Children, Families and Schools (DCFS) to slip £0.5m of the Sure Start grant funding beyond March 2008 for the children's centre;
 - £1.7m slippage is expected on the project to build a children's centre at Underhill Infants School which is funded predominantly by Surestart grant. Approval has been received from DCSF to roll forward £1.0m of grant funding, which was originally required to be used by 31 March 2008, into 2008/09;
 - £4.7m slippage is projected on the redevelopment of Parkfield School and resources will need to be re-profiled.

- **Capital – capital receipts**

A prudent assumption has been made on the level of capital receipts being generated in future years, based on experience. It remains the case, however, that unless the council can identify and complete on a number of £1m+ deals over the period of the Financial Forward Plan, then the current annual increase in prudential borrowing the council is budgeting for will not be sustainable for many more years as the cost of financing this debt will become a significant fixed element of the base budget.

- **Capital – depot**

The council's depot forms part of the Mill Hill East Area Action Plan and will be disposed of at some point in the next few years. Alternative locations are being considered, and there will be capital and revenue implications of the move to a new site.

- **Capital – Capping of Prudential Borrowing**

Since the introduction of Prudential Borrowing, the Government has retained reserve powers to limit local government borrowing, either due to national borrowing exceeding macro targets or at the local level where individual

authorities could be nominated as using excessive borrowing. Restrictions on planned borrowing could seriously hinder the council in achieving its corporate objectives. To date, this power has never been invoked but it remains a potential risk, especially with the slow down in economic and public sector growth.

Relevant External Audit comments

The Council was served with a Section 11 Notice by the External Auditor in February 2004, as part of the Annual Audit Letter for 2003/04. The primary concern of the External Auditor at that time was the level of balances and insurance provision. Subsequent annual External Audit reports have highlighted the Council's positive rapid progress in rebuilding balances and provisions but have also emphasised the need to maintain adequate balances of at least £10m (excluding schools).

The External Auditor's interim report for 2006/07 noted that the General Fund balances are still low when compared to neighbouring Councils and recommends that the Council continues to maintain adequate levels of reserves as a cushion against unplanned expenditure in future years.

General Fund Balances

The following summarises the current forecast of General Fund balances, as reported to Cabinet Resources Committee on 14 January 2008.

| | |
|-----------------------------------|---------|
| | £m |
| Balances @ 31 March 2007 | 12.099 |
| Forecast Variations in 2007/08 | (1.649) |
| Benefits Subsidy Claim 2006/07 | 1.547 |
| Investment Return | 5.000 |
| Allocations agreed from balances | (2.590) |
| Forecast Balances @ 31 March 2008 | 14.407 |

Cabinet Resources Committee noted the positive variations relating to the Benefits final subsidy claim and the investment surplus that together amount to £6.5m. These are windfall gains and cannot be assumed in future years. When these are excluded there is a base overspend of £1.6m which may, if not addressed, result in the depletion of balances in future years.

There is no assumption about the receipt of LABGI in 2007/08. In the 2005/6 and 2006/07 years, Barnet received £2.2m and £3.5m respectively which contributed to rebuilding General Fund balances. Recently there have been legal challenges to the LABGI calculation and the latest case has prevented CLG from distributing the grant for 2007/08. Whilst we can reasonably expect further grant in 2007/08 it is impossible to assess the amount pending the resolution of the latest dispute. Early signs are that further reasons for changes in rateable value will be incorporated into the Year 3 calculation, which is likely to spread the remaining funding over a much larger number of councils.

I have previously recommended £10m as minimum balance. This was in line with views previously expressed by the External Auditor and was a specific recommendation approved by Cabinet on 27 February 2006 and endorsed by Council on 7 March 2006. As mentioned previously, External Audit reports have noted that Barnet's balances have been low when compared to neighbouring Councils balances which for outer London averages £15m. This figure, however, takes no account of the relative size of authorities and Barnet, as one of the largest councils in London, might be expected to have reserves in excess of the average.

The Chief Finance Officer is strongly advising Members to support a target balance of £15m, to allow some flexibility and buffer against in year overspending and unforeseen pressures. This would allow the Council to use balances in the short term without jeopardising the £10m minimum balance in the long term.

General Fund Specific Reserves

The Capital Projects reserve provides for one-off expenditure across the capital programme that does not meet the test for capitalisation, and is also available to meet exceptional costs in delivering capital receipts. Some of this reserve has already been allocated to office moves resulting from the sale and lease of sites at Hendon to Middlesex University. The Restructure Reserve provides for severance costs should the necessary Ministerial Directions to capitalise not be obtained. The other significant reserve is for litigation costs. Most of these reserves are likely to be exhausted within a couple of years and Cabinet may need to be make further provisions for these in later years of the Financial Forward Plan, in accordance with the policy set out in the Medium Term Financial Strategy.

| General Fund Specific Reserves 2008/9 (£'000) | Opening Balance | Potential Changes | Closing Balance |
|--|-----------------|-------------------|-----------------|
| Capital Projects | 4,000 | (2,000) | 2,000 |
| Restructure Reserve | 3,686 | (2,000) | 1,686 |
| Utilities Reserve | 500 | (500) | 0 |
| IS License Reserve | 636 | (636) | 0 |
| Litigation | 2,500 | | 2,500 |
| | 11,322 | (5,136) | 6,186 |
| <u>Committed Later Years</u> | | | |
| PFI Street Lighting | 1,716 | | 1,716 |
| Lottery | 105 | | 105 |
| Totals | 13,143 | (5,136) | 8,007 |

Summary & Recommendations of the Chief Finance Officer

The Council is required by the Local Government Act 2003 to take into account advice from its Chief Finance Officer on the level of balances and reserves. It is also required to take into account any relevant advice provided by the External Auditor.

LAAP² Bulletins are intended to provide guidance that represents good financial management and which should be followed as a matter of course. LAAP Bulletin 55 is a "Guidance Note on Local Authority Reserves & Balances" and advises that if the advice of the Chief Finance Officer is not accepted, this should be recorded formally in the minutes of the Council meeting that approves the council budget. Section 7.2 of this guidance states:-

"The level and utilisation of reserves will be determined formally by the Council, informed by the advice and judgement of the CFO. To enable the Council to reach its decision, the CFO should report the factors that influenced his/her judgement (in accordance with paragraph 6.2) and ensure that the advice given is recorded formally. Where the CFO's advice is not accepted this should be recorded formally in the minutes of the council meeting."

The following table summarises my assessment of the level of financial risks set out earlier in this report:-

² Local Authority Accounting Panel (LAAP)

| Summary of Financial Risks | | |
|--|--------|--------|
| <p>SERVICES' RECORD IN DELIVERING BUDGET DEVELOPMENTS & REDUCTIONS</p> <p>At present there are no significant issues that cause me concern with the council's ability to deliver efficiencies and developments within budget, although experience of the past four years would suggest that some slippage is inevitable and would result in a call on balances if compensatory savings were not identified. The more the base budget is reduced, however, the harder it becomes to deliver savings.</p> | Low | Medium |
| <p>CAPACITY TO MANAGE IN-YEAR BUDGET PRESSURES</p> <p>As with the delivery of budget developments and reductions, I do not consider in-year variances in previous years to be exceptional and management action has always enabled some savings to be identified to compensate for overspends, although a significant proportion of this relates to improved interest earnings. Nonetheless, variances have occurred and are, therefore, a factor that must be taken into account in making a recommendation to Council on the level of General Fund balances</p> | Low | Low |
| <p>KEY FINANCIAL ASSUMPTIONS UNDERPINNING THE BUDGET, ROBUSTNESS OF FORWARD PLAN ESTIMATES & BUDGET PROVISIONS TO COVER MAJOR UNFORESEEN RISKS</p> <p>There are a large number of risks to the 2008/09 and future years' budgets set out in this report, some of which could have a significant impact on balances if they materialise.</p> | Medium | High |

There is no formula for calculating the appropriate level of balances, but it should be determined after taking into account the financial risks facing the council. The council can certainly be managed with lower balances, but this creates a serious risk of every adverse budget variation during the year becoming a crisis. The council's decision making would be continually overshadowed by a weak financial position, diverting executive and management attention from all the other corporate priorities around service delivery.

The level of council balances also has a direct link to the council's score on various aspects of CPA and CAA in future. Within that context, a low level of balances also reduces the council's ability to take risks and so reduces the opportunity to make innovative improvements to service delivery and deliver further efficiency savings.

Having taken into account the forecast level of balances and specific reserves at 31 March 2008, it remains the Chief Finance Officer's recommendation that General Fund balances should not be allowed to fall below £10m. In addition, he recommends that the council aims to match the outer London average of £15m to protect us from short term pressures that may require the drawing down from reserves and reducing balances below the £10m minimum. This is in the light of the risks set out in this report. Any drawing from balances has to be made good in the following year's base budget, which would compound the risks in that year and weaken the Council's financial standing should the minimum level be breached.

Cabinet also needs to continue its rigorous budget monitoring during the coming year and claw back a windfall of underspends to the centre.

In responding to these recommendations, Cabinet and the Council must decide what it considers to be the appropriate level of balances given all the factors set out by the Chief Finance Officer. If it considers an appropriate level to be less than the £10m recommended then it must recognise that this decision must be recorded at the Council meeting that sets the 2008/09 budget and council tax.

Prudential Borrowing

The Prudential Code enables councils to borrow without Government approval, subject to the cost of borrowing being affordable in future years. The poor settlement outlined in this report makes no provision for any increase in any borrowing over 2007/08. Nevertheless, the Financial Forward Plan provides for affordable prudential borrowing as set out in Appendix B (page 97), over the next three years. Provision for the additional cost of this borrowing has been contained within the recommended budget. The Council should recognise this considerable achievement and approve the level of prudential borrowing.

Housing Revenue Account

The Local Government & Housing Act 1989 requires the Housing Revenue Account (HRA) to be maintained as a ring-fenced account and prescribed the debits and credits for it. Any surpluses generated from the HRA can be used to support the account when it fails to break even and for any one year a budget can be set such that there is a drawing on balances, but it is not permissible for an overall HRA budget deficit to be set. It is for the Council to determine what level of balances

should be maintained. At 31 March 2007 the HRA balances were £4.835m, and are forecast to be £4.895m at 31 March 2008.

The principal items of expenditure within the HRA are management and maintenance costs, together with charges for capital expenditure (depreciation and interest). This is substantially met by rent and service charge income from dwellings, garages and commercial premises. However, the national housing subsidy system is a mechanism for redistributing resources between local housing authorities and in 2008/9 Barnet has to repay £10.9m to the pool – this figure is increasing annually. The subsidy settlement for 2008/09 (notified in January 2008) is far tougher than originally anticipated, as it is for all London Boroughs. This year's settlement was for one year only as the Government has signalled its intention to review the housing revenue account subsidy system during 2008/9.

It has been the practice in earlier years to use some of the surpluses generated from the HRA to finance capital investment in the housing stock as capital resources are scarce. This can only be done in future if the level of balances is high enough to meet any contingencies that may arise. The immediate issue for the HRA is, therefore, to return to a position of budget surplus to maintain a healthy position and generate further resources for capital investment.

The financial forward plan for the HRA currently shows a draw down on balances for all but the coming year. This position cannot be sustained in the long term and the Council together with Barnet Homes is reviewing the business plan with a view to bringing the HRA back into surplus in future years. There is clearly a high risk with the HRA at present and the position will need to be closely monitored.

FOR DECISION BY COUNCIL

Council should, taking account of all matters set out in this report, determine what it considers to be the appropriate level of General Fund and HRA balances.

GREATER LONDON AUTHORITY

The Greater London Authority (GLA) precept incorporates the following budget requirements:-

- Mayor's Office
 - GLA Assembly
 - Corporate admin
 - Transport for London
 - London Development Agency
 - Metropolitan Police Authority
 - London Fire & Emergency Planning Authority
 - 2012 Olympics Bid
- } These three components are split for the first time

The Mayor issued his draft budget for consultation on 14 December 2007, proposing a precept increase of 2.43%. The Mayor amended the consultation budget and reduced his final tax increase to 1.95%, which was then agreed by the Assembly on 13 February 2008.

A summary of the provisional levy is set out below;-

| GLA Functions | 2008/09 | 2007/08 | Increase |
|--|---------------|---------------|-------------|
| | £ | £ | % |
| Metropolitan Police Authority | 227.02 | 223.60 | 1.53 |
| London Fire & Emergency Planning Authority | 50.46 | 47.12 | 7.09 |
| Transport for London | 4.09 | 4.13 | (0.97) |
| Greater London Authority | 10.15 | 10.00 | 1.50 |
| London Development Agency | 0.00 | 0.00 | - |
| Olympic Surcharge | 20.00 | 20.00 | - |
| Surplus on Borough Collection Funds | (1.90) | (0.97) | 95.88 |
| Total GLA Group | 309.82 | 303.88 | 1.95 |

The Mayor has extended the Olympic Surcharge by a year. This along with the announcement of a £2bn payoff for Metronet by the Government highlights the

considerable risks faced by London in respect of the GLA's activities. Questions have been asked of how the LDA will deal with the Olympic legacy in terms of profits from the land sales after 2012 and the on-going cost of the remaining operational Olympic facilities.

COLLECTION FUND

On the statutory date (15 January 2008) the Chief Finance Officer forecast the collection of previous years' council tax, as at 31 March 2008. This calculation identified a surplus on the Collection Fund of £0.365m, which has been allocated between Barnet and the GLA – Barnet's share being £250,800. The surplus results from more new properties being completed than forecast when setting the 2007/08 tax base together with improvements in collection following investment in new staff and systems. The estimated collection rate for 2008/09 is 98.5%.

COUNCIL TAXBASE

There are two measures of the taxable capacity of the Authority. The first is the Inland Revenue Valuation Office list, which is adjusted for discounts and exemptions on the council tax system and is used by Government in Formula Grant calculations. The second is used for tax setting purposes and is a calculation made by the Chief Finance Officer, representing the estimated taxable capacity for the year ahead and incorporating the estimated collection rate.

Under delegated powers, the Chief Finance Officer has determined the 2008/09 taxbase to be £135,944 (Band D Equivalents) – the calculation is set out below:-

| Council Taxbase | Band D Equivalent | |
|---------------------------------|--------------------------|----------------|
| | 2007/08 | 2008/09 |
| Number of properties | 157,471 | 158,390 |
| Estimated discounts | (13,663) | (13,806) |
| Estimated other changes | (6,688) | (6,852) |
| Total Relevant Amounts | 137,120 | 137,732 |
| Estimated non-collection (1.5%) | (2,058) | (2,066) |
| Contribution on lieu of MoD | 283 | 278 |
| Council Taxbase | 135,345 | 135,944 |

COUNCIL TAX

The calculation of the council tax for Barnet is set out below:-

| BUDGET | 2007/08 | 2008/09 |
|----------------------------------|--------------------|--------------------|
| | £ | £ |
| BUDGET REQUIREMENT | 222,518,700 | 237,501,890 |
| Formula Grant | (11,823,643) | (11,004,762) |
| Business Rate Income | (70,454,050) | (79,052,582) |
| Collection Fund Transfers | 1,361,970 | (250,800) |
| DEMAND ON COLLECTION FUND | 141,602,977 | 147,193,746 |
| Council Taxbase | 135,345 | 135,944 |
| BASIC AMOUNT OF TAX | 1,046.24 | 1,082.75 |

The GLA precept is £42,118,170, making the total estimated demand on the Collection Fund £189,311,916.

The Council is required to set levels of council tax for each category of dwelling. As there are no special items within Barnet's or the GLA's budgets affecting parts of the borough, there are only eight amounts of tax to set, as set out below:-

| Council Tax Band | Barnet | GLA | Aggregate |
|-------------------------|---------------|------------|------------------|
| | £ | £ | £ |
| A | 721.83 | 206.55 | 928.38 |
| B | 842.14 | 240.97 | 1,083.11 |
| C | 962.44 | 275.40 | 1,237.84 |
| D | 1,082.75 | 309.82 | 1,392.57 |
| E | 1,323.36 | 378.67 | 1,702.03 |
| F | 1,563.97 | 447.52 | 2,011.49 |
| G | 1,804.58 | 516.37 | 2,320.95 |
| H | 2,165.50 | 619.64 | 2,785.14 |

Individual Council Tax bills will reflect occupancy status with discounts for low occupancy (one or no adults) and exemptions for specific circumstances. In addition, some residents will be eligible for Council Tax Benefit. In 2007/08, approximately 19% of council tax payers claimed a full or partial council tax rebate.

MEDIUM TERM FINANCIAL STRATEGY & FINANCIAL FORWARD PLAN

The Medium Term Financial Strategy (MTFS) was approved by Cabinet Resources Committee in March 2007 and is presented in Appendix A. It provides a framework for future years' financial plans.

Forward financial planning is critical to support council performance and achieve its priorities. It is also a requirement under the Prudential Framework that decisions on the budget must be taken in the context of the Forward Plan, with particular attention being paid to the affordability of prudential borrowing over a period of at least 3 years.

An update on the Financial Forward Plan is attached at Appendix D. Some key assumptions have had to be made in constructing this forward plan (e.g. estimated pay awards, inflation, levies, pension contributions, prudential borrowing, investment income), along with targets for efficiency savings and budget reductions. Quite small changes in these variables can have a significant impact on the final council tax figures.

The Settlement announced provisional grant figures for 2009/10 and 2010/11. These are incorporated into the Financial Forward Plan.

Members need to be fully aware of the "gearing" problem that establishment of the Dedicated Schools Grant has created. With the council's net budget in the order of £238m and Government grant in the order of £90m, there is already an in-built requirement to achieve considerable efficiency savings and budget reductions to cope with this funding ratio between council tax and grant of 1.65 : 1. Then on top of that, there is the likelihood of seeing the later years % grant increases of 2.7% and 3.0% being outstripped by % inflation increases on the £238m – and all this before any increased demand for local services, particularly those resulting from an increasing population.

This fundamental gearing problem simply reinforces the requirement to maintain balances throughout 2008/09, and where possible to increase them.

HOUSING REVENUE ACCOUNT

The Housing Revenue Account (HRA) is a statutory ring-fenced account covering all revenue expenditure and income relating to the housing stock. The Council is required to construct a budget to ensure that the account for the year does not show a debit balance. 2008/09 will be the fourth year of management of the housing stock by Barnet Homes, and the summary HRA is shown in Appendix B.

Rent Restructuring

The Government introduced rent restructuring and convergence for local authority and registered social landlords (RSLs) over a 10-year period starting April 2002. All rents would be calculated on the same basis, with 70% based on average earnings for the region (adjusted for numbers of bedrooms) and 30% based on the valuation as at January 1999.

The Government consulted during the summer of 2005 on a 3-year review of rent restructuring, and implemented its proposals in 2006/07. These involved a re-calculation of base formula rents in line with those used for housing association properties, together with higher weightings for properties with three or more bedrooms.

Rents move towards a target figure for each property. This year, the Government has extended the deadline for convergence to 2016/17 for the purposes of calculating the guideline and formula rents. It has also withdrawn the Rental Constraint Allowance which compensated local authorities in part in the last two years for its imposed cap on rent increases, and reintroduced its caps and limits adjustment. However this is not paid until the following year which therefore increases the in-year deficit on the account. It is proposed therefore that rents be increased by an overall average of 6.3%, in line with the guideline rent. The increase to any individual property is limited to inflation (deemed to be 3.9%) plus 0.5% plus £2 per week (on a 52 week basis).

Housing Subsidy

The trend of shifting resources away from London has been continued in the 2008/09 subsidy settlement. Barnet is at or above target levels for management and maintenance allowances and these have been cash-limited at 2007/8 levels, with no protection for inflation. This effectively reduces resources available to the HRA by around £600,000.

There is an additional £4 per dwelling added to the management allowance for the production of energy performance certificates, which will be required for each new letting from October 2008. The management allowance has been set at £644.68 while the maintenance allowance remains at £1,155.47 per dwelling. The guideline rent increase reflects the restructuring referred to above.

The Major Repairs Allowance is also paid as part of housing subsidy. Barnet's allocation has reduced by £38,000 from 2007/8 and has not kept pace with inflation, thereby reducing the resources available to fund the capital programme.

Service Charges

Service charges for tenants were introduced in 2003/04 for specific services (mainly caretaking), and it is proposed that these be increased in line with the overall rent increase cap of 4.4%. Charges for these services will not generally recover the full cost of their provision.

HRA Summary & Working Balance

Total expenditure for 2008/09 is estimated at £52.162m (new BVACOP format), including payment of £10.872m to the Government in respect of housing subsidy. The proposed average rent increase of 6.3% and the increase in tenant service charges is estimated to raise £2.392m, before the effect of sales is taken into account.

Energy prices continue to be volatile with significant increases recently announced by several suppliers. It is necessary to pass these charges on in respect of space and water heating. Barnet Homes is presently undertaking a review of its supply arrangements in order to obtain the best value for money. It is proposed to increase these charges by 10% at this stage, but it may be necessary to review this further during the year.

It is proposed that rents for the Council's shared ownership schemes and hostels be increased in accordance with the general rent increase. It is also recommended that rents on garages be increased by 10%.

The HRA working balance stood at £4.835m on 31 March 2007, and it is anticipated that the HRA will make a small contribution £0.060m to balances in 2007/08. The forward plan shows a balanced account in 2008/09, leaving forecast balances of £4.895m at 31 March 2009.

HRA Minimum Revenue Provision (MRP)

Unlike the General Fund, there is no requirement for the HRA to be charged with the MRP or its depreciation equivalent. The Government's removal of this legal requirement, combined with subsidy changes results in there being no equivalent reduction in debt unless a voluntary charge is made – without subsidy, which has to be found from within HRA resources. Barnet's current policy is to not make a charge which is robust from a legal perspective. The option of making a charge remains a consideration for the council should it prove beneficial to do so.

CAPITAL PROGRAMME

Introduction

The capital programme sets out the plans for investment in buildings, roads, equipment, other assets and capital grants over 2007/08 to 2010/11 and beyond.

The recommended capital programme is set out in Appendix B. Decisions on the level of capital expenditure depend on the availability of various sources of funding. This includes capital grants, capital receipts, developer contributions and borrowing.

Government supports investment in two ways. Capital grants that are generally ring fenced to specific programmes (such as schools) or projects and is real funding to the council. This is in contrast to notional capital allocations that feed into either revenue Formula Grant or Housing Subsidy (referred to as supported borrowing). With below inflation revenue grant increases the reality is that the cost of borrowing is not funded by Government grant.

As such, the council can no longer base capital investment decisions on notional Government figures and must determine the level of investment in accordance with the self-regulatory Prudential Framework. Local authorities may determine the amount of capital investment they can fund by 'unsupported' prudential borrowing based on affordability, prudence, sustainability and good practice. Recently, the council has used prudential borrowing to modernise and maintain its infrastructure. This is not sustainable at previous levels.

Capital Programme

New capital proposals are now supported by a full business case, which detail the contribution schemes will make to achieve the Council's priorities, all the available options for implementing the project and financial implications of each. The relative merits of each proposal are assessed within the context of available capital resources to produce a prioritised capital programme.

The programme incorporates revisions approved through budget monitoring including changes being reported to Cabinet Resources Committee on 25 February. In addition, the following essential non-school capital works are recommended for addition to the existing programme.

| New Scheme | 2008/09 |
|---|-----------|
| | £ |
| Friary House : Voluntary Sector Resource Centre | 700,000 |
| Land & Assets Programme - GIS | 94,000 |
| Land & Assets Programme - Plantech | 50,000 |
| Housing Management System | 334,000 |
| SWIFT Development | 580,000 |
| HRA - extension / de-conversion properties | 250,000 |
| | 2,008,000 |

Provision for revenue costs (running costs and borrowing) are included in the revenue budget. Updated reports will be submitted to Members to confirm final costs.

For the first time an attempt has been made to reflect slippage in the current year within the budget for the coming year, but this has proved to be a more complicated administrative task than originally envisaged. It has therefore been decided to include all information on the capital programme and its funding within Appendix B, which will be circulated separately.

The capital programme is now extremely reliant on external grants and prudential borrowing to fund capital borrowing. The only area of the capital programme that capital receipts are expected to fund a significant part is PSCIP.

The Chief Finance Officer has already referred to a number of capital projects that

present a risk to the Council along with the prudent assumptions made on capital receipts that will be available to support the programme. The planned funding of the capital programme is included in Appendix B. General Fund borrowing is used to fund on average, over 30% of the annual programme. The historical level of annual borrowing is not sustainable and Cabinet may need to consider using significant capital receipts generated in future years to repay borrowing rather than fund further expansion of the capital programme.

The programme has been subject to considerable slippage in previous years with some £15m of 2006/07 capital budget now included in the 2007/08 programme. The latest capital monitor to Cabinet Resources Committee includes a request to reschedule £17.55m of capital expenditure across a range of projects. This is a significant risk, especially where the projects are funded by time-limited capital grants or the investment is budgeted to generate revenue savings. The updated capital programme attempts to reflect this slippage carried forward from 2007/08, but clearly until the accounts are closed the figures for each project are only provisional. This will require a review of project budgets during the first cycle of budget monitoring of 2008/09 and a re-statement of budgets in 2008/09 in the first budget monitor reported to Cabinet Resources Committee.

The HRA programme for the improvement of homes is managed by Barnet Homes. It has entered into partnering agreements with the major contractors who will deliver the bulk of the programme until 2010/11. Funding is via the ALMO Decent Homes borrowing, other supported borrowing, the Major Repairs Allowance, capital receipts and contributions from leaseholders. Decent Homes borrowing approvals have now been confirmed to 2009/10 and due to the excellent performance by Barnet Homes in the delivery of the programme, some £5m has been brought forward from the 2009/10 allocation into 2007/8. This has enabled some work to be brought forward and will enable work with two of their partners to be completed ahead of schedule by the end of 2009/10.

The General Fund Housing programme totals £8m in 2008/09. It includes expenditure supporting housing association projects.

PRUDENTIAL CODE & BORROWING LIMITS

The Prudential Framework gives freedom to local authorities to invest as long as their capital plans are affordable, prudent and sustainable. The CIPFA Prudential Code sets out the indicators that local authorities must use and the factors that they must take into account to show that they have fulfilled these objectives.

The principal constraint on capital investment will be the financial impact on the council tax and rent levels of the housing revenue account, which will be reflected in the indicators of affordability. It will be for the Council to decide on an appropriate level of borrowing in relation to its net capital financing costs and the level of council tax and housing rents.

For 2008/09, Government has provided local authorities with a mix of revenue support for capital financing costs based on notional capital allocations and capital grants via the single capital pot, but it has still to decide whether to continue with the current arrangements or change the balance between revenue support for borrowing and capital grants as part of the CSR. The Council has lobbied for capital support to be provided as capital grants because recent floor settlements result in there being no grant increase for new capital financing costs.

The financial indicators under the Prudential Code and the 2007/08 Treasury Management Strategy & Annual Plan requiring Council approval are set out in Appendix C along with full details of their calculation and purpose.

Medium Term Financial Strategy

Introduction & Context

The Council is producing its first Medium Term Financial Strategy to formalise its financial aims and intentions and to invite comment from residents, local businesses, partners and other stakeholders as to whether these aims and intentions are consistent with their needs. It is also an important step in making the transition from producing single year budgets to having robust financial forward plans that reflect the position of the Council in the medium term.

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

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

Background

As a result of strong budgeting decisions and robust monitoring, the Council's general fund balances have risen steadily over the last three years. Balances have reached the minimum level of £10m recommended by both the Chief Finance Officer and the Council's external auditor.

This strengthened financial standing was enhanced by decisions made during the annual budget setting process where over £59m was removed from the base budget over a period of five years (2003/04 to 2007/08). This was achieved through making substantial efficiency savings to meet central government targets a year early and better managing growth in prioritised services through effective resource allocation by shifting resources away from non-priority areas. These savings took place in the context of diminishing grant allocation from central government including in 2003/04 not receiving sufficient grant to meet the required level that had to be passported to schools.

The improving financial management of the authority has been recognised by the external auditor and has recently seen the Comprehensive Performance Assessment Use of Resources judgement increase to a '3'.

Guiding Principles

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

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

Medium Term Financial Health

- to maintain unearmarked General Fund balances at at least the minimum level recommended by the Chief Finance Officer (currently £10m) and supported by a financial risk assessment;
- to have a strong Treasury Management Strategy that maximises the Council's cashflow and investments;
- to continue to deliver efficiency savings of at least 3% every year and provide services that represent value for money
- to continually review the use of council assets so as to reduce the cost of accommodation year on year and to obtain best consideration for any surplus assets to maximise funds for capital investment and/or the repayment of capital debt;

Integrating Financial Planning with Service Planning

- to continually review services being delivered to residents and local businesses and re-direct resources from lower to higher priority services (in support of the Corporate Plan);
- whilst recognising the importance of maintaining investment in the Council's infrastructure, having adequately resourced corporate support services and ensuring all services are delivering value for money;
- in reviewing services, to prioritise service outcomes but also focus on service delivery mechanisms, taking into account the short and long term risks associated with alternative methods of delivering services;
- to require Cabinet Members and Directors to undertake risk based financial forward planning for their portfolios and services thereby improving the quality of decision making and reducing the risk from changes made to the annual council budget;
- to make use of fees and charges to supplement council tax and other sources of income, and to set these at a level that at least recovers all the costs of service delivery and income collection and recovery, other than in areas where there is a clear policy objective in support of the Corporate Plan;
- to maximise external funding in support of the Corporate Plan, whilst taking into account the full year effects on future years' budgets and levels of council tax resulting from grants that are time limited;
- to undertake capital borrowing in accordance with the Prudential Framework;

Budgetary Control

- to have adequate budget and project monitoring arrangements in place;

- to take decisions to re-direct resources in support of the Corporate Plan at any time during the financial year, rather than wait for the start of the next financial year;
- to maximise collection and recovery of income due to the Council;
- to establish earmarked reserves whenever possible during each financial year to meet future policy objectives, reduce the impact on future years' budgets and levels of council tax increases, and adequately provide for anticipated liabilities in the future;

Sound governance

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

Deliverables

Once adopted and implemented, the Medium Term Financial Strategy will support the Council in its move toward:-

- achieving the vision of “a smaller entity with a smaller, but more efficient corporate support function and a greater concentration of resources on outcomes” and use Shared Services as a lever to identify and obtain increased efficiencies across the Council;
- delivering high quality services whilst maintaining Council Tax increases below the rate of inflation;
- effectively link policy and service development and performance management with financial planning, aligning resources with corporate priorities and away from non-priority areas
- fully integrated capital and revenue financial planning;
- managing better the financial implications of unforeseen events, due to the maintenance of balances at a sensible level;
- achieving a level ‘4’ in the Comprehensive Performance Assessment Use of Resources judgement;
- having clear individual medium term financial strategies for each service area which details the delivery of the Key Priority Plans;
- having robust arrangements for the monitoring of budgets and resources throughout the year;

Financial Risk Management

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

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

- the annual financial risks statement by the Chief Finance Officer that accompanies the annual budget report;
- Key Priority Plans, which support the delivery of corporate priorities;
- regular budget monitoring reports and the annual financial outturn report to Cabinet Resources Committee;
- the annual Statement on Internal Control (SIC)¹, which is considered by the Audit Committee and signed off by the Leader and Chief Executive, and is the product of a corporate risk management framework incorporating service mini-SICs and Internal Control Checklists;
- the annual Use of Resources Assessment.

Links to Other Council Strategies

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

- Sustainable Community Strategy
- Corporate Plan
- Organisational Strategy
- Capital, Assets & Property Strategy
- Treasury Management Strategy
- Debt Management Strategy
- Procurement Strategy
- Risk Management Strategy

¹ The Statement on Internal Control will be replaced by the Statement on Corporate Governance at the end of 2007/08

Glossary of terms

Audit Committee

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

Balances

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

Base Budget

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

Cabinet Resources Committee

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

Chief Finance Officer

The corporate officer responsible for managing the financial risks of an organisation. Also responsible for financial planning and the communication of financial performance and forecasts.

Comprehensive Performance Assessment

Audit Commission's assessment of the authority's performance and the services it provides for local people. This is part of assessing the authority's statutory obligation to secure continuous improvement known as Best Value.

Corporate Plan

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

Council Tax

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

Financial Forward Plan

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

Grant settlement

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

Key Priority Plan

Identification of service objectives and their contributions to the authority's key priorities, setting out targets and priorities for the current year and the next three years.

Internal Control Checklist

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

Prudential Framework

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

Reserves

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

Shared Services

Converged and streamlined operational functions of an organisation ensuring effective and efficient delivery of services. Consisting of the following services: IS Operations; HR Operations; Finance Support; Corporate Services; Revenue Services and the Service Desk.

Statement of Internal Control

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

Use of Resources

Element of the Comprehensive Performance Assessment that assesses how well the authority manages and uses its financial resources. Focuses on the following five areas: Financial Reporting; Financial Management; Financial Standing, Internal Control and Value for Money.

PRUDENTIAL INDICATORS

Introduction

The prudential indicators for the forthcoming and following years must be set before the beginning of the forthcoming year. The Prudential Code financial indicators and Treasury Management Strategy & Annual Plan requiring Council consideration are set out below.

2007/08 Budget & Rent Setting Reports

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

| Ratio of financing costs to net revenue stream | 2006/07 Actual % | 2007/08 Estimate % | 2008/09 Estimate % | 2009/10 Estimate % | 2010/11 Estimate % |
|--|------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| Non-HRA | 0.45 | -1.61 | 0.25 | 1.87 | 2.87 |
| HRA | 51.00 | 34.00 | 42.00 | 44.00 | 43.00 |

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

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

| Incremental Impact on Band D Council Tax | | |
|--|---------|---------|
| 2008/09 | 2009/10 | 2010/11 |
| £1.45 | £0.79 | -£4.17 |

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

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

4. Estimates of the end of year Capital Financing Requirement (CFR) for the current and future years, and the actual CFR at 31 March 2007 are set out below.

| Capital Financing Requirement (CFR) | | | | | |
|--|---------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| | 2006/07 £000 Actual | 2007/08 £000 Estimate | 2008/09 £000 Estimate | 2009/10 £000 Estimate | 2010/11 £000 Estimate |
| Non-HRA | 85,396 | 97,401 | 142,812 | 160,758 | 151,354 |
| HRA | 41,821 | 53,036 | 80,327 | 97,149 | 101,143 |
| CFR presented to Council in March 2007 | | | | | |
| Non-HRA | 99,173 | 122,367 | 125,413 | 133,056 | |
| HRA | 42,536 | 58,596 | 74,794 | 91,402 | |

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

Net borrowing refers to the council's total external borrowing. The Chief Finance Officer reports that the council had no difficulty meeting this requirement in 2006/07, and that there are no difficulties envisaged over the term of the proposed capital programme. This view takes into account current commitments, existing plans, and the proposals in this budget report.

8. **The actual capital expenditure that was incurred in 2006/07 and the estimates of capital expenditure to be incurred for the current and future years that are recommended for approval are as follows:-**

| Capital programme | 2006/07 Actual | 2007/08 Estimate | 2008/09 Estimate | 2009/10 Estimate | 2010/11 Estimate |
|---|-------------------|---------------------|---------------------|---------------------|---------------------|
| | £000 | £000 | £000 | £000 | £000 |
| Adult Social Services | 0 | 405 | 0 | 0 | 0 |
| Central Expenses | 1,147 | 2,000 | 3,960 | 1,500 | 0 |
| Children's Services | 8,053 | 9,499 | 55,341 | 45,029 | 21,864 |
| Environment & Transport | 8,097 | 18,819 | 12,477 | 1,435 | 40 |
| Governance | 0 | 243 | 25 | 0 | 0 |
| Housing General Fund | 6,142 | 8,420 | 7,379 | 2,694 | 3,347 |
| Planning & Environmental Protection Resources | 0 | 8 | 0 | 0 | 0 |
| Strategic Development | 113 | 0 | 374 | 0 | 0 |
| General Fund | 29,652 | 49,473 | 90,627 | 52,228 | 27,321 |
| HRA | 25,192 | 39,027 | 33,843 | 22,748 | 11,238 |
| Total Programme | 54,844 | 88,500 | 124,470 | 74,976 | 38,559 |

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

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

| Authorised limit for external debt | 2007/08 £000 | 2008/09 £000 | 2009/10 £000 | 2010/11 £000 |
|--|-----------------|-----------------|-----------------|-----------------|
| Borrowing | 229,457 | 259,407 | 259,407 | 259,407 |
| Other long term liabilities ¹ | 90,000 | 90,000 | 90,000 | 90,000 |
| | 319,457 | 349,407 | 349,407 | 349,407 |

The Council has decided to adopt as its Authorised Limit for 2008/09 and 2009/10 the calculated limit for 2010/11. By adopting this approach the Council will be able to take advantage of any falls in the interest rate market and take its future borrowing at the optimum time.

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

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

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

| Operational Boundary for external debt | 2007/08 £000 | 2008/09 £000 | 2009/10 £000 | 2010/11 £000 |
|--|-----------------|-----------------|-----------------|-----------------|
| Borrowing | 225,957 | 259,407 | 259,407 | 259,407 |
| Other long term liabilities | 73,500 | 70,000 | 70,000 | 70,000 |
| Total | 299,457 | 329,407 | 329,407 | 329,407 |

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

12. The council's external debt at 31 January 2008 was £215.5m. This is the position at a single point in time, so is not directly comparable to the Authorised Limit or Operational Boundary.

2008/9 Treasury Management Strategy & Annual Plan

13. The council has adopted the CIPFA Code of Practice for Treasury Management in the Public Services.
15. **Cabinet is asked to recommend to Council to set an upper limit on its fixed interest rate exposures for 2008/09, 2009/10 and 2010/11 of 100% of its net outstanding principal sums.**
16. **Cabinet is asked to recommend that the Council sets an upper limit on its variable interest rate exposures for 2008/09, 2009/10 and 2010/11 of 30% of its net outstanding principal sums.**
17. The above mean that the Chief Finance Officer will manage fixed interest rate exposures within the range 70%-100%, and variable interest rate exposures within the range 0%-30%. This is a continuation of current practice and provides flexibility to take advantage of any favourable movements in interest rates.
18. **Cabinet is asked to recommend to Council that it approve and set upper and lower limits for the maturity structure of borrowings as set out in the table below.**

| Fixed Rate Maturity Borrowing | Upper limit | Lower limit |
|--------------------------------|-------------|-------------|
| Under 12 months | 20% | 0% |
| 12 months and within 24 months | 25% | 0% |
| 24 months and within 5 years | 30% | 0% |
| 5 years and within 10 years | 50% | 0% |
| 10 years and above | 95% | 25% |

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

19. **Cabinet is asked to recommend to Council that it approve an upper limit of 30% of borrowing maturing in any one year.**
20. As at 31 January 2008 the council's debt maturity profile was:-

| Debt Maturity Profile | £m | % of Total Borrowing |
|--------------------------------|--------|----------------------|
| Under 12 months | 5.00 | 2.32 |
| 12 months and within 24 months | 3.50 | 1.62 |
| 24 months and within 5 years | 58.00 | 26.92 |
| 5 years and within 10 years | 10.00 | 4.64 |
| 10 years and above | 139.00 | 64.50 |
| Total | 215.50 | 100.00 |

Monitoring

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

Financial Forward Plan 2008-2013

| | 2008/9 | 2009/10 | 2010/11 | 2011/12 | 2012/13 |
|---|----------------|---------------|---------------|---------------|---------------|
| | £m | £m | £m | £m | £m |
| Base budget (net of AEF, DSG & Collection Fund) | 141.60 | 147.19 | 152.34 | 157.67 | 163.19 |
| Pay awards & inflation (excluding Schools Budget) | 5.93 | 6.17 | 6.31 | 6.46 | 6.59 |
| Full year effects | 1.21 | (0.03) | 0.00 | 0.00 | 0.00 |
| Efficiencies | (7.87) | (1.97) | (1.34) | 0.00 | 0.00 |
| Pressures | 12.38 | 7.46 | 1.31 | (0.09) | 0.00 |
| Reductions | (2.39) | (0.50) | 0.00 | 0.00 | 0.00 |
| Collection Fund adjustments | (1.61) | 0.00 | 0.00 | 0.00 | 0.00 |
| Formula Grant (provisional 3-year settlement) | (2.06) | (1.89) | (2.61) | 0.00 | 0.00 |
| | 147.19 | 156.43 | 156.01 | 164.04 | 169.78 |
| Contingency for new budget pressures | 0.00 | 5.00 | 5.00 | 5.00 | 5.00 |
| Budget reductions to be identified | 0.00 | (9.09) | (3.34) | (5.85) | (5.88) |
| Call on Collection Fund | 147.190 | 152.34 | 157.67 | 163.19 | 168.90 |
| Council Tax (Band D) | £1,082.75 | £1,120.61 | £1,159.82 | £1,200.42 | £1,242.42 |
| Medium Term Financial Strategy | 3.49% | 3.50% | 3.50% | 3.50% | 3.50% |

CAPPING REGIME

The Local Government Act 1999 provides the Secretary of State with powers in respect to capping. These operate at two levels - nomination (equivalent to a 'yellow card') and designation (equivalent to a 'red card'). The process is complicated and the following explanations provide an outline. The full legal interpretation of the Act is provided at the end of this Appendix.

There are two routes with nomination: -

- i) the council is given a warning and told to rein in its spending or it will be capped in a future year. A 'notional amount' is set, to be used as the basis for deciding future capping decisions;
- ii) the council is told that it is being designated for the following year - e.g. its cap limit in the current year is greater than its target amount.

Although nomination is likely to be announced around May/June, councils will not find out the capping level for the following year until the local authority finance settlement in November/December.

In year designation is similar to previous capping regimes. The Secretary of State sets a 'maximum amount' (cap) and a 'target'. Where the target maximum amount is different to the target, the council will be told the year by which it is expected to reduce its budget to the target amount.

The current regime is more sophisticated and selective. The Secretary of State intends to take into account the cumulative effect of budget changes over several years,, a council's performance in the delivery of Best Value; local residents' views on the budget; and any award of Beacon status. Target amounts enable budget reductions to the cap limit over several years.

There is no indication that more detailed guidance on the use of these powers will be issued in the foreseeable future. Councils must rely on various sources of information to guess what budget levels will help them avoid capping. Such information includes principles used in previous years and statements by the Secretary of State;. The Secretary of State is under no duty to divulge or consult on the criteria adopted in deciding which authorities to designate.

Authorities that are either designated or nominated may make representations to the Secretary of State. There is also the option to challenge in the courts, but from previous experience councils have found that the House of Lords has viewed the question of whether a budget requirement is excessive to be a matter of political judgement for the Secretary of State, which is not bound by an authority's own view of expenditure needs.

Legal Interpretation -

Capping is abolished and replaced with a new process by Part II of the Local Government Act 1999 (the Act). Section 30 of the Act provides that Schedule 1 to the Act shall apply in relation to the limitation of council tax and precepts as regards the financial year beginning with 1st April 2000 and subsequent financial years. The Schedule inserted as chapter 1VA (that is sections 52A to 52Z) into the Local Government Finance Act 1992.

In outline the provisions on budget as referred to at paragraph 8.22 of the Committee report is as follows: -

The Secretary Of State is given power to **designate or nominate** an authority if in his opinion the amount calculated by the authority as its budget requirement for a financial year (the year under consideration) is excessive (section 52B&D).

The question whether an amount is excessive must be decided in accordance with a set of principles determined by the Secretary of State. One of the principles must include a comparison between the amount calculated by the authority as its budget for the year under consideration and the amount calculated as its budget for a financial year falling before the year under consideration - with 1998 to 1999 being the first year which can be taken into account (section 52B(4)).

The Secretary of State may provide an alternative "notional amount" which in his opinion should be used as the basis of any comparison in place of the amount calculated by the authority as its budget requirement for a financial year falling before the year under consideration (section 52C).

Designation -

The Secretary of State shall notify the authority amongst others of (1) the designation (2) the amount which he proposes should be the maximum for the amount calculated by the authority as its budget requirement for the year; (3) the target amount for the year, that is, the maximum amount which he proposes the authority could calculate as its budget requirement for the year without the amount calculated being excessive (section 52E).

Nomination -

The Secretary of State shall notify an authority in writing amongst others of (1) the nomination; (2) the amount which he would have proposed as the target amount for the year under consideration if he had designated the authority as regards that year.

The Secretary of State then has to decide whether or not to designate the authority after the nomination.

Designation after Nomination -

If the Secretary of State follows this route, then he shall (a) designate the authority as regards the financial year immediately following the year under consideration; (b) determine an amount which he proposes should be the maximum for the amount calculated by the authority as its budget for the year as regards which the designation is made; (c) determine the target amount for the year as regards which the designation is made (section 52M). The Secretary of State will of course notify the authority of a-c.

No Designation after Nomination -

In this event, the Secretary of State shall determine an amount, which he proposes should be the "notional amount" calculated by the authority as its budget requirement for the year under consideration. He shall notify the authority of that amount and the amount which he would have proposed as the maximum for the amount calculated by the authority as its budget requirement for the year under consideration if he had designated the authority as regards that year (section 52N).

An authority designated or nominated may make representations to the Secretary of State.

CONTRACTS

APPENDIX F

| Department | Contract Name |
|--|--|
| Adult Social Services | Older Adults Nursing Care & EMI Beds Provision Block and Spots |
| | Older Adults Residential Care Provision Spot Contracts |
| | Telecare Alarm Service |
| | Older Adults Provision of Voluntary Sector Service |
| | Learning Disabilities, Provision of Transition Services |
| | Learning Disability Voluntary Sector Funding (LDDF) |
| | Learning Disabilities - s256 contracts (transferred from PCT) |
| | Learning Disabilities, Residential Care and Supported Living provision |
| | Mental Health Recovery Services, Residential and Accommodation Provision |
| | Mental Health Voluntary Sector Provision |
| | Mental Health Supported Living provision |
| | Physical Disabilities, Employment Based Services Provision |
| | Physical Disabilities, Residential and Accommodation Provision |
| | Supporting People Programme - 95 services operating under contracts with 62 provider organisations |
| | Open Access Floating Support |
| | Assertive Outreach Service |
| | Domestic Violence Floating Support |
| | Domiciliary Homecare Contract |
| | Children's Service |
| Barnet Mencap | |
| IPOP | |
| Barnet Play Association | |
| Barnet Community Transport | |
| Central Buying Consortium | |
| Radio-Frequency Identification | |
| Library Management System | |
| Chipping Barnet Library Furniture | |
| South Friern Library Fit-Out | |
| Communications and Consultation | Roundabout sponsorship |
| | Provision of Design Services |
| | Consultation Portal |
| | Place Shaping Survey |
| | Citizens Panel |
| | Newsletter software |
| Corporate Governance | CCTV Maintenance contract. |
| | CCTV Installation 2008/09 |
| | Systems Based Auditing |
| | Internal Audit of Schools |
| | FMS external assessment of schools |

CONTRACTS

APPENDIX F

| Department | Contract Name |
|---|---|
| Environment & Transport | Recycling Services |
| | Fleet Procurement with Maintenance |
| | Service agreement for P&D machines |
| | Parking Process Management Service |
| | Greenspace Security |
| | Building and WC cleansing contract |
| | Gas Under 25,000 Therms |
| | Countryside Rural Footpaths |
| | Countryside Rural Bridleways |
| | Supply of Wheeled Bins (Plastic) |
| | Supply of Wheeled Bins (Metal) |
| | Refuse Sacks |
| | Litter Bin Sacks |
| | Litter Bins |
| | Electricity Under 100kW |
| | Tree maintenance. Hendon. |
| | Large Mechanical & Electrical Projects |
| | Consultants (Design and partnering) |
| | Framework Contracts (planned works) |
| | Finchley and Golders Green Tree Management |
| | Tree works Chipping Barnet Area |
| | Electricity over 100KW |
| | Gas Over 25,000 Therms |
| | A41/Aerodrome Road Junction improvements Scheme |
| | CCTV Installation Contract |
| | CCTV Fibre Optic Cabling Installation Contract with BT |
| | Street Lighting Installation Works Contract |
| | Parking back office software |
| | Pay & Display Machines |
| | Enterprise support services - Greenspace Security |
| | Enterprise cleansing services |
| | Growth Area Fund Round 3 (4 projects) |
| | Minor projects for Schools / Children's Service (Approx. 20 - 30 projects) |
| | Operational Buildings - condition / measured surveys (Approx. 20 sites) |
| Asset Database | |
| Cophall Roof Renewal | |
| Woodhouse Road Conversion | |
| South Friern Library Fit-Out (Building) | |

| Department | Contract Name |
|--|---|
| Housing | Removals & Storage |
| | Temporary Accommodation on Provision 2009/12 |
| | EDRM Back scanning of HNR files |
| | EDRM HNR Web-hosting |
| | Replacement of Housing Management System |
| | Housing Advice |
| | North London Warmth & Comfort Scheme |
| | North London Warmth & Comfort Scheme |
| | North London Decent Homes Contract |
| Planning and Environmental Protection | Scanning of new and historic planning applications and other PEPS |
| | City of London Veterinary Service |
| | Supporting U |
| | Environmental Research Group, Kings College London |
| Resources | WoB - Furniture (Library) |
| | WoB - Lift |
| | WoB - M & E |
| | WoB - IT |
| | WoB - Glazing |
| | WoB - Security (CCTV etc) |
| | WoB - Construction |
| | WoB - Landscaping |
| | WoB - Storage |
| | WoB - Site Clearance |
| | WoB - M & E Installation |
| | WoB - Furniture (CAS) |
| | WoB - RFID |
| | WoB - Fees (e.g. architects, CDM, legal, professional) |
| | Non-Life Insurance - Household Buildings for Leasehold Properties |
| | Non-Life Insurance - Property and Pecuniary Risks |
| | Electricity - Under 100 KW |
| | Heating Oil |
| | Photocopier Equipment |
| | Clothing Contract |
| | Security Services Contract |
| | Printers Approved list |
| | Translation & Interpretation Service |
| | Manage Ned Service - Mobile Telecoms |
| | NLBP Electricity Supply Contract |
| | NLBP Gas Supply Contract |
| | Multi - Function Devices |
| | Nuisance Vehicle Contract |
| | GIS System |

| Department | Contract Name |
|----------------------------------|--|
| Resources (continued) | Social Service System Managed Service |
| | Barnet Online Website Managed Service |
| | Revenues and Benefits System Support |
| | Barnet Online Web form hosting |
| | Cheque production system support |
| | Education MIS system support |
| | BACS validation system |
| | Income management and electronic payment |
| | Legal Case management system support |
| | Committee Papers system support |
| | Environmental Health System Support |
| | Planning & Environmental Protection System Support |
| | Non SAP systems managed services |
| | Desktop monitoring and deployment system |
| | XDAs email synchronisation service |
| | Managed service |
| | Shared Data Centre Project |
| | Corporate Internet Security |
| | Corporate Email Security |
| | Corporate Desktop and Server Anti Virus |
| | Microsoft Enterprise Agreement |
| | BT / IDN - Landline Telecoms |
| | IDN - Tel Rental and Calls |
| | Web Site Security Certificates |
| | Server Hardware Maintenance |
| | Hendon Town Hall Refurbishment |
| | Barnet House - Council chamber |
| | Mill Hill - Strong Room |
| | Hendon Town Hall - Adaptations |
| | NNDR rates Review Council Properties |
| | Hoarding Advertisement |
| | Property Management (HRA) |
| | Property Management (Commercial Portfolio) |
| | Asset Valuations |
| Computer Hardware | |
| Employee Benefits | |
| Actuarial Services | |
| Pension fund custodians | |
| Pension fund advisors | |
| Strategic Development | Barnet Bond Phase 2 |
| | Barnet Bond QS Costs Work |

REVENUE BUDGET 2008/2009

| | 2007/2008 | | 2008/2009 |
|---|--------------------|--------------------|--------------------|
| | Original Estimate | Current Estimate | Original Estimate |
| | £ | £ | £ |
| <u>Council Services</u> | | | |
| Adult Social Services | 79,279,080 | 81,482,250 | 85,553,750 |
| Central Expenses | 20,517,090 | 17,158,140 | 24,691,020 |
| Chief Executive and Communications & Consultation and Policy & Partnerships | 2,552,180 | 2,548,140 | 2,595,480 |
| Children's Service (net of Dedicated Schools Grant) | 56,341,740 | 56,751,400 | 57,418,720 |
| Corporate Governance | 8,429,230 | 8,522,320 | 8,401,940 |
| Environment & Transport | 27,558,740 | 27,306,830 | 28,207,590 |
| Highways - Special Parking Account | (4,741,000) | (4,741,000) | (4,841,000) |
| Housing | 2,108,580 | 2,068,170 | 1,643,170 |
| Planning and Environmental Protection | 948,310 | 981,100 | 1,643,620 |
| Resources | 29,134,900 | 30,239,920 | 31,791,850 |
| Strategic Development | 389,850 | 391,430 | 395,750 |
| BUDGET REQUIREMENT | 222,518,700 | 222,708,700 | 237,501,890 |

REVENUE BUDGET 2008/2009

| | 2007/2008 | | 2008/2009 |
|---|--------------------|--------------------|---------------------|
| | Original Estimate | Current Estimate | Original Estimate |
| | £ | £ | £ |
| Total Service Expenditure | 222,518,700 | 222,708,700 | 237,501,890 |
| Contribution to / (from) Balances | 0 | (190,000) | 0 |
| BUDGET REQUIREMENT | 222,518,700 | 222,518,700 | 237,501,890 |
| Revenue Support Grant | (11,823,643) | (11,823,643) | (11,004,762) |
| Business Rates | (70,454,050) | (70,454,050) | (79,052,582) |
| Collection Fund Adjustments | 1,361,970 | 1,361,970 | (250,800) |
| BARNET'S DEMAND ON THE COLLECTION FUND | 141,602,977 | 141,602,977 | 147,193,746 |
| Greater London Authority - Precept | 41,128,639 | 41,128,639 | 42,118,170 |
| INCOME FROM COUNCIL TAX | 182,731,616 | 182,731,616 | 189,311,916 |

| Components of the Council Tax (Band D) | 2007/2008 | 2008/2009 | Increase |
|--|-----------------|-----------------|--------------|
| | £ | £ | |
| Metropolitan Police | 223.60 | 227.02 | 1.53% |
| London Fire & Emergency Planning Authority | 47.12 | 50.46 | 7.09% |
| Mayor, Administration, Transport for London, Olympic Games and Boroughs' Collection Fund balances. | 33.16 | 32.34 | -2.47% |
| Greater London Authority | 303.88 | 309.82 | 1.95% |
| London Borough of Barnet | 1,046.24 | 1,082.75 | 3.49% |
| Total | 1,350.12 | 1,392.57 | 3.14% |

REVENUE BUDGET 2008/2009

COUNCIL TAX SUMMARY

| Council Tax Bands (based on property values @ 1 April 1991) | | 2007/2008 | 2008/2009 | Tax Yield |
|---|---------------|-----------------|-----------------|-------------|
| | | £ | £ | £ |
| [Up to £40,000] | Band A | 900.08 | 928.38 | 1,300,354 |
| [Over £40,000 & up to £52,000] | Band B | 1,050.09 | 1,083.11 | 7,630,207 |
| [Over £52,000 & up to £68,000] | Band C | 1,200.11 | 1,237.84 | 26,459,430 |
| [Over £68,000 & up to £88,000] | <u>Band D</u> | <u>1,350.12</u> | <u>1,392.57</u> | 33,837,158 |
| [Over £88,000 & up to £120,000] | Band E | 1,650.15 | 1,702.03 | 44,224,382 |
| [Over £120,000 & up to £160,000] | Band F | 1,950.18 | 2,011.49 | 33,922,139 |
| [Over £160,000 & up to £320,000] | Band G | 2,250.20 | 2,320.95 | 32,602,582 |
| [Over £320,000] | Band H | 2,700.24 | 2,785.14 | 9,335,664 |
| | | | | 189,311,916 |

COUNCIL TAXBASE

| Council Taxbase | 2007/2008 | 2008/2009 | |
|---------------------------------------|-----------------------|-----------------------|--------------|
| | Band D Equivalents | Band D Equivalents | Income |
| Total properties (per Valuation List) | 157,471 | 158,390 | 220,569,162 |
| Exemptions | (4,544) | (4,329) | (6,028,436) |
| Disabled reductions | (122) | (123) | (171,286) |
| Discounts (10%, 25% & 50%) | (13,663) | (13,806) | (19,225,821) |
| Adjustments | (2,022) | (2,400) | (3,341,787) |
| Aggregate Relevant Amounts | 137,120 | 137,732 | 191,801,832 |
| Non-Collection (1.5% both years) | (2,058) | (2,066) | (2,877,050) |
| Contributions in lieu from MoD | 283 | 278 | 387,134 |
| | 135,345 | 135,944 | 189,311,916 |

2008/09 Budget Summary and Forward Plan

| Adult Social Services | 2008/9 | 2009/10 | 2010/11 | 2011/12 | 2012/13 |
|--|--------------------|--------------------|--------------------|-------------------|-------------------|
| | £ | £ | £ | £ | £ |
| Base Budget | 79,279,080 | 85,553,750 | 86,355,090 | 87,667,130 | 89,896,090 |
| Virements | 2,171,200 | | | | |
| Pay Awards | 478,620 | 490,590 | 500,400 | 510,410 | 520,620 |
| Standard Inflation - Expenditure | 2,119,980 | 2,172,980 | 2,227,300 | 2,282,980 | 2,340,050 |
| - Income | (524,130) | (537,230) | (550,660) | (564,430) | (578,540) |
| | 83,524,750 | 87,680,090 | 88,532,130 | 89,896,090 | 92,178,220 |
| <u>Efficiencies</u> | | | | | |
| Contracting efficiencies - Delivering value for money and quality through effective contracting | (1,090,000) | (300,000) | (1,155,000) | | |
| Equipment contract - improved contractual model | (100,000) | | | | |
| Transforming how we work - the role of in-house services. Making in-house services competitive in the market place. Modernising services to deliver self directed care | | (176,000) | | | |
| New Choices Project which reduces the reliance on traditional residential care by the creation of modern service options that are non buildings based | (120,000) | | | | |
| Transforming How We Work - Rolling Out Individualised Budgets. Changing the way social care packages are set up to give greater choice to the individual and reduce care package costs | (725,000) | (919,000) | | | |
| Modernising the way we work - Changing the way we work to give more efficient back office support | (142,000) | | | | |
| Modernising the way we work - Improved social work reviewing function | (41,000) | | | | |
| Modernising the way we work - Improved income collection | (100,000) | | | | |
| | (2,318,000) | (1,395,000) | (1,155,000) | 0 | 0 |
| <u>Full Year Effects</u> | | | | | |
| | 0 | 0 | 0 | 0 | 0 |
| <u>Pressures</u> | | | | | |
| Learning Disability high cost placements | 695,000 | 330,000 | | | |
| Transforming how we work - rolling out individualised budgets | 100,000 | | | | |
| Transforming how we work - the role of in-house services | 50,000 | (50,000) | | | |
| Government Grant - Anticipated reduction in specific grants | 290,000 | 290,000 | 290,000 | | |
| Adult Social Services Grants now provided through the Revenue Support Grant rather than as separate grants. | 4,215,000 | | | | |
| | 5,350,000 | 570,000 | 290,000 | 0 | 0 |
| <u>Service Reductions</u> | | | | | |
| Deletion of vacant social worker post | (40,000) | | | | |
| Transforming how we work - the role of in-house services. Making in-house services competitive in the market place. Modernising services to deliver self directed care. (reduction | (245,000) | (500,000) | | | |

2008/09 Budget Summary and Forward Plan

| Adult Social Services | 2008/9 | 2009/10 | 2010/11 | 2011/12 | 2012/13 |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|
| | £ | £ | £ | £ | £ |
| New Choices Project which reduces the reliance on traditional residential care by the creation of modern service options that are non buildings based | (80,000) | | | | |
| Transportation - Reviewing the current arrangements for transport | (60,000) | | | | |
| Cease discretionary training activity | (130,000) | | | | |
| Reduce discretionary HIV/AIDS expenditure in line with Grant | (100,000) | | | | |
| Cease funding of discretionary health post | (45,000) | | | | |
| Reduce discretionary funding for PCT delivered services | (80,000) | | | | |
| More targeted laundry service | (15,000) | | | | |
| Transforming how we work - rolling out individualised budgets. Changing the way social care packages are set up to give greater choice to the individual and reduce care package costs. | (208,000) | | | | |
| | (1,003,000) | (500,000) | 0 | 0 | 0 |
| Budget | 85,553,750 | 86,355,090 | 87,667,130 | 89,896,090 | 92,178,220 |

Revenue Budget 2008-09

| ADULT SOCIAL SERVICES | | | |
|--|---------------------------------|--------------------------------|---------------------------------|
| Cost Centre | 2007/8 Original Estimate | 2007/8 Current Estimate | 2008/9 Original Estimate |
| | £ | £ | £ |
| Business & Performance Support | 3,109,380 | 3,752,190 | 4,215,710 |
| Government Grant | (16,922,750) | (17,178,070) | (13,694,530) |
| Business & Performance | (13,813,370) | (13,425,880) | (9,478,820) |
| Care Management & Commissioning OA | 5,051,970 | 5,060,390 | 4,854,890 |
| Occupational Therapy | 894,240 | 938,420 | 959,740 |
| Care Management & Commissioning EMI | 407,730 | 392,040 | 361,790 |
| External Placements & Services OA | 36,466,670 | 35,293,460 | 33,951,360 |
| External Placements & Services EMI | 1,899,590 | 2,353,170 | 3,061,860 |
| Other Services OA | 111,610 | 111,610 | 96,610 |
| Supporting People Team | 284,820 | 284,820 | 255,650 |
| External Placements & Services SP | 7,497,050 | 7,497,050 | 7,688,830 |
| Health Partnership Older Adults | 52,613,680 | 51,930,960 | 51,230,730 |
| Younger Adults Management | 202,400 | 156,380 | 229,820 |
| Direct Payment Team | 140,580 | 189,460 | 211,840 |
| Commissioning (PSI & LD) | 365,800 | 367,780 | 277,170 |
| Care Management LD | 787,520 | 791,440 | 767,550 |
| Care Management & Commissioning MH | 2,100,450 | 2,243,870 | 2,256,730 |
| Care Management PSI | 1,096,860 | 940,630 | 965,620 |
| External Placements & Services LD | 18,551,660 | 19,031,540 | 19,964,490 |
| In House Provision LD | 5,612,710 | 5,622,110 | 5,435,720 |
| External Placements & Services MH | 4,100,270 | 4,782,420 | 5,125,870 |
| In House Provision MH | 595,730 | 598,330 | 609,280 |
| External Placements & Services PSI | 5,674,720 | 6,843,430 | 6,869,550 |
| In House Provision PSI | 726,840 | 847,150 | 625,810 |
| Drugs & Alcohol Services | 209,200 | 209,200 | 206,910 |
| HIV/AIDS Services | 314,030 | 353,430 | 255,480 |
| Health Partnership Younger Adults | 40,478,770 | 42,977,170 | 43,801,840 |
| Adult Social Services | 79,279,080 | 81,482,250 | 85,553,750 |

| Subjective Analysis | 2007/8 Original Estimate | 2007/8 Current Estimate | 2008/9 Original Estimate |
|--|---------------------------------|--------------------------------|---------------------------------|
| | £ | £ | £ |
| Expenditure | | | |
| Employees | 19,356,240 | 19,588,810 | 20,238,100 |
| Premises | 327,560 | 393,480 | 393,480 |
| Transport | 1,696,100 | 1,733,700 | 1,644,100 |
| Supplies and Services | 13,100,660 | 13,453,910 | 12,815,600 |
| Third Party Payments | 74,410,630 | 75,216,400 | 73,038,750 |
| Transfer Payments | 3,122,280 | 4,108,960 | 6,386,390 |
| Capital Depreciation Charges | 291,960 | 291,960 | 291,960 |
| Total Expenditure | 112,305,430 | 114,787,220 | 114,808,380 |
| Income | | | |
| Government Grants | (16,922,750) | (17,178,070) | (13,694,530) |
| Other Grants, Reimbursements and Contributions | (5,244,720) | (5,288,460) | (3,982,850) |
| Customer & Client Receipts | (10,858,880) | (10,838,440) | (11,577,250) |
| Total Income | (33,026,350) | (33,304,970) | (29,254,630) |
| Net Expenditure | 79,279,080 | 81,482,250 | 85,553,750 |

2008/09 Budget Summary and Forward Plan

| Central Expenses | 2008/9 | 2009/10 | 2010/11 | 2011/12 | 2012/13 |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|
| | £ | £ | £ | £ | £ |
| Original Budget | 20,517,090 | 24,691,020 | 31,334,780 | 33,699,440 | 34,406,470 |
| Virements | (4,038,030) | | | | |
| Pay Awards | 4,750 | 4,850 | 4,950 | 5,050 | 5,150 |
| Standard Inflation - Expenditure | 733,570 | 751,910 | 770,710 | 789,980 | 809,730 |
| - Income | (3,690) | | | | |
| | 17,213,690 | 25,447,780 | 32,110,440 | 34,494,470 | 35,221,350 |
| <u>Efficiencies</u> | | | | | |
| Improvement in Interest Earnings | (292,870) | | | | |
| Review Of Allowances - Strategic HR corporate review of allowances - reduce & rationalise | (200,000) | | | | |
| New Temp Desk contract | (30,000) | | | | |
| Improvements on Collection Fund - early collection interest benefit | (80,000) | | | | |
| | (602,870) | 0 | 0 | 0 | 0 |
| <u>Full Year Effects</u> | | | | | |
| Central Expenses - LPSA Reward Grant | 769,000 | | | | |
| Full year running cost of capital projects | (61,000) | (150,000) | (1,000) | (1,000) | |
| Stores Closure | 22,000 | | | | |
| | 730,000 | (150,000) | (1,000) | (1,000) | 0 |
| <u>Pressures</u> | | | | | |
| PFI electricity - Potential additional costs arising from street lighting PFI contract | 75,000 | 75,000 | | | |
| Capital Programme - cost of borrowing | 1,597,500 | 805,000 | 680,000 | 683,000 | |
| Primary School Capital Investment Programme | 1,440,000 | 2,720,000 | (770,000) | (770,000) | |
| Finalisation of the Capital Programme | 100,000 | | | | |
| Treasury Management - Potential changes in interest charged on market loans | 263,000 | 277,000 | | | |
| Pensions - Additional employer's contributions based on actuarial revaluations | 1,000,000 | 1,040,000 | 1,080,000 | | |
| Levies - Increase in North London Waste levy | 906,800 | 620,000 | 600,000 | | |
| London Pension Fund Authority | 149,350 | | | | |
| Environment Agency | 45,850 | | | | |
| Lee Valley Regional Park | (7,300) | | | | |
| Staffing Pressures - Provision for Redundancies | 1,600,000 | | | | |
| Neighbourhood Renewal Fund - Expenditure dropping out | (1,000,000) | | | | |
| Neighbourhood Renewal Fund - Grant dropping out | 1,000,000 | | | | |
| <u>Central Contingency</u> | | | | | |
| Transport - Increased Contract Costs from start of new Contract for all Council Vehicles in October 2008 | 300,000 | 300,000 | | | |
| Recycling - Increased contract costs from October 2008 due to collection of additional materials | 200,000 | 200,000 | | | |
| General Contingency Provision (including additional provision for pay awards) | 0 | 0 | 0 | 0 | 0 |
| Public Law Family Fees | 300,000 | | | | |
| Base correction addressing service needs across the council | 500,000 | | | | |
| | 8,470,200 | 6,037,000 | 1,590,000 | (87,000) | 0 |

2008/09 Budget Summary and Forward Plan

| Central Expenses | 2008/9 | 2009/10 | 2010/11 | 2011/12 | 2012/13 |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|
| | £ | £ | £ | £ | £ |
| Service Reductions | | | | | |
| Concessionary Fares - Revision relating to new national scheme and government grant | (1,120,000) | | | | |
| Collection Fund & Taxbase | | | | | |
| Grant Settlement | | | | | |
| | (1,120,000) | 0 | 0 | 0 | 0 |
| Budget | 24,691,020 | 31,334,780 | 33,699,440 | 34,406,470 | 35,221,350 |

Note: Current Local Area Agreements provides for up to £9.7m of reward grant. This will be payable in two equal instalments in 2010/11 and 2011/12. 50% of this is Capital and 50% of this is Revenue. The reward is payable to the local Strategic Partnership (LSP) and hence no budgetary provision has been made in the Council's Financial Plans.

Revenue Budget 2008-09

CENTRAL EXPENSES

| Profit centre | 2007/8 Original Estimate | 2007/8 Current Estimate | 2008/9 Original Estimate |
|--|--------------------------|-------------------------|--------------------------|
| | £ | £ | £ |
| 10014 Miscellaneous Finance | 2,830,480 | 2,809,880 | 2,818,180 |
| 10015 Corporate Subscriptions | 135,980 | 135,980 | 139,380 |
| 10016 Levies | 21,826,330 | 21,880,150 | 21,982,340 |
| 10017 Central Contingency | 4,196,900 | 666,520 | 3,419,480 |
| 10018 Rate Relief | 414,050 | 414,050 | 424,620 |
| 10019 Capital Financing & Depreciation | (12,809,560) | (12,691,950) | (9,735,030) |
| 10699 Early Retirement Costs | 3,204,360 | 3,224,960 | 4,905,590 |
| 10700 Corporate Fees & Charges | 716,340 | 716,340 | 734,250 |
| 10718 Car Leasing | 2,210 | 2,210 | 2,210 |
| Central Expenses | 20,517,090 | 17,158,140 | 24,691,020 |

| Subjective Analysis | 2007/8 Original Estimate | 2007/8 Current Estimate | 2008/9 Original Estimate |
|--|--------------------------|-------------------------|--------------------------|
| | £ | £ | £ |
| Expenditure | | | |
| Employees | 3,416,110 | 3,394,520 | 5,101,520 |
| Premises | 12,350 | 12,350 | 12,660 |
| Transport | 2,210 | 2,210 | 2,210 |
| Supplies and Services | 1,161,740 | 1,512,690 | 1,043,890 |
| Third Party Payments | 21,826,330 | 21,880,150 | 22,136,430 |
| Transfer Payments | 412,340 | 412,340 | 422,690 |
| Contributions to Reserves | 150,000 | 150,000 | 150,000 |
| Central Contingency (net) | 4,196,900 | 666,520 | 3,419,480 |
| Depreciation Contra | (18,852,600) | (19,378,510) | (18,852,600) |
| Capital Financing & Net Interest Receipts | 8,322,010 | 8,636,170 | 11,388,730 |
| Total Expenditure | 20,647,390 | 17,288,440 | 24,825,010 |
| Income | | | |
| Other Grants, Reimbursements and Contributions | (121,600) | (121,600) | (125,290) |
| Miscellaneous Interest Receipts | (8,700) | (8,700) | (8,700) |
| Total Income | (130,300) | (130,300) | (133,990) |
| Net Expenditure | 20,517,090 | 17,158,140 | 24,691,020 |

Revenue Budget 2008-09

CENTRAL EXPENSES

| Levies | 2007/8 Original Estimate | 2007/8 Current Estimate | 2008/9 Original Estimate |
|---|--------------------------|-------------------------|--------------------------|
| | £ | £ | £ |
| <u>Other Establishments - Third part Payments</u> | | | |
| Thames 21 | 5,120 | 5,120 | 5,250 |
| Probation Service - Justices of the Peace | 780 | 780 | 810 |
| Environment Agency | 249,940 | 248,390 | 274,510 |
| Lea Valley Regional Park | 411,430 | 411,420 | 424,420 |
| London Pension Funds | 377,530 | 404,450 | 573,010 |
| Traffic Control Signals Unit | 411,630 | 411,630 | 422,750 |
| Concessionary Fares | 10,982,990 | 10,982,990 | 10,138,420 |
| | 12,439,420 | 12,464,780 | 11,839,170 |
| <u>Joint Authorities - Third Party Payments</u> | | | |
| North London Waste Authority | 8,013,900 | 8,042,360 | 8,777,410 |
| Coroners Court | 208,000 | 208,000 | 213,200 |
| | 8,221,900 | 8,250,360 | 8,990,610 |
| <u>Other Local Authorities - Third Party</u> | | | |
| London Boroughs Grants | 1,165,010 | 1,165,010 | 1,152,560 |
| Total Levies | 21,826,330 | 21,880,150 | 21,982,340 |

2008/09 Budget Summary and Forward Plan

| Chief Executive and Communications & Consultation and Policy & Partnerships | 2008/9 | 2009/10 | 2010/11 | 2011/12 | 2012/13 |
|--|------------------|------------------|------------------|------------------|------------------|
| | £ | £ | £ | £ | £ |
| Base Budget | 2,552,180 | 2,595,480 | 2,651,360 | 2,708,410 | 2,766,650 |
| Virements | 15,960 | | | | |
| Pay Awards | 44,350 | 45,240 | 46,140 | 47,060 | 48,000 |
| Standard Inflation - Expenditure | 11,340 | 11,620 | 11,910 | 12,210 | 12,520 |
| - Income | (960) | (980) | (1,000) | (1,030) | (1,060) |
| | 2,622,870 | 2,651,360 | 2,708,410 | 2,766,650 | 2,826,110 |
| <u>Efficiencies</u> | | | | | |
| Deletion of post over two years | (27,390) | | | | |
| | (27,390) | 0 | 0 | 0 | 0 |
| <u>Full Year Effects</u> | | | | | |
| | 0 | 0 | 0 | 0 | 0 |
| <u>Pressures</u> | | | | | |
| | 0 | 0 | 0 | 0 | 0 |
| <u>Service Reductions</u> | | | | | |
| | 0 | 0 | 0 | 0 | 0 |
| Budget | 2,595,480 | 2,651,360 | 2,708,410 | 2,766,650 | 2,826,110 |

Revenue Budget 2008-09

| |
|--|
| CHIEF EXECUTIVE AND COMMUNICATIONS & CONSULTATION AND POLICY & PARTNERSHIPS |
|--|

| Cost Centre | 2007/8 Original Estimate | 2007/8 Current Estimate | 2008/9 Original Estimate |
|--|--------------------------|-------------------------|--------------------------|
| | £ | £ | £ |
| 10682 Strategic Directors | 838,190 | 842,070 | 862,830 |
| 10683 Local Partnerships | 393,780 | 376,750 | 358,910 |
| 11112 Leader's Office | 0 | 0 | 20,000 |
| 10690 Arts Centre Development | 295,560 | 295,560 | 295,560 |
| *** Strategic Directors' | 1,527,530 | 1,514,380 | 1,537,300 |
| 10377 Web Team | 98,310 | 202,220 | 206,740 |
| 10685 Consultation | 145,510 | 145,850 | 149,490 |
| 10689 Communications | 530,230 | 428,900 | 439,310 |
| ** Communications | 774,050 | 776,970 | 795,540 |
| 10398 Civic Events | 82,580 | 82,750 | 84,740 |
| ** Civic Events | 82,580 | 82,750 | 84,740 |
| 10392 Mayoral Support | 159,180 | 165,200 | 168,840 |
| ** Mayoral | 159,180 | 165,200 | 168,840 |
| 10397 Municipal Links | 8,840 | 8,840 | 9,060 |
| ** Municipal Links | 8,840 | 8,840 | 9,060 |
| *** Communications & Consultation | 1,024,650 | 1,033,760 | 1,058,180 |
| Chief Executive, CC & PP | 2,552,180 | 2,548,140 | 2,595,480 |

| Subjective Analysis | 2007/8 Original Estimate | 2007/8 Current Estimate | 2008/9 Original Estimate |
|------------------------------|--------------------------|-------------------------|--------------------------|
| | £ | £ | £ |
| Expenditure | | | |
| Employees | 1,802,650 | 1,911,970 | 1,932,610 |
| Premises | 6,710 | 2,490 | 2,540 |
| Transport | 35,690 | 32,390 | 32,840 |
| Supplies and Services | 427,420 | 415,580 | 424,590 |
| Secondary Recharges | 0 | (50,000) | (51,250) |
| Capital Depreciation Charges | 318,000 | 318,000 | 318,000 |
| Contingency | 20,000 | | 20,000 |
| Total Expenditure | 2,610,470 | 2,630,430 | 2,679,330 |
| Income | | | |
| Government Grants | (20,000) | (20,000) | (20,000) |
| Recharges | (17,950) | (41,950) | (43,000) |
| Customer & Client Receipts | (20,340) | (20,340) | (20,850) |
| Total Income | (58,290) | (82,290) | (83,850) |
| Net Expenditure | 2,552,180 | 2,548,140 | 2,595,480 |

2008/09 Budget Summary and Forward Plan

| Children's Service | 2008/9 | 2009/10 | 2010/11 | 2011/12 | 2012/13 |
|---|--------------------|-------------------|-------------------|-------------------|-------------------|
| | £ | £ | £ | £ | £ |
| Base Budget | 241,339,910 | 57,418,720 | 58,659,830 | 59,580,720 | 60,882,110 |
| Dedicated Schools Grant | (184,998,170) | 0 | 0 | 0 | 0 |
| Virements | 416,630 | 0 | 0 | 0 | 0 |
| Pay Awards | 839,560 | 248,210 | 253,170 | 258,230 | 263,390 |
| Standard Inflation - Expenditure | | 421,450 | 431,990 | 442,790 | 453,860 |
| - Income | (228,960) | (6,220) | (6,380) | (6,540) | (6,700) |
| Non-Schools Standard Inflation - Expenditure | 703,830 | 577,670 | 592,110 | 606,910 | 622,080 |
| | 58,072,800 | 58,659,830 | 59,930,720 | 60,882,110 | 62,214,740 |
| Efficiencies | | | | | |
| Proposals for generating income from selling services | (50,000) | | | | |
| Libraries Reorganisation 2007/08. Full Year Effect . | (13,000) | | | | |
| Reorganise Children's information & advice function. | (186,000) | | | | |
| Reorganise workforce development function and delete underspend. | (200,000) | | | | |
| Reorganise support for libraries. | (82,230) | | | | |
| Reorganise performance data function. | (70,000) | | | | |
| Reorganise divisional management. | (18,170) | | | | |
| Management efficiencies from integration of Youth & Connexions | (300,000) | | | | |
| Connexions | (110,000) | | | | |
| Further reduction in number of looked after children and consequent reduction in placement costs. | (300,000) | (350,000) | (350,000) | | |
| Reconfigure support to schools to reflect school improvement and greater support from Dedicated Schools Grant | (295,000) | | | | |
| Increase cost of services traded with schools to ensure income covers management costs. | (115,000) | | | | |
| Offset cost of family support against grant. | (230,000) | | | | |
| Reprofile provision of services in Children's Centres. | (300,000) | | | | |
| Insurance to be Charged to DSG | (191,000) | | | | |
| | (2,460,400) | (350,000) | (350,000) | 0 | 0 |
| Full Year Effects | | | | | |
| Reorganisation of Children & Family Day Centres as Children Centres from 2007. | 0 | 100,000 | | | |
| | 0 | 100,000 | 0 | 0 | 0 |
| Pressures | | | | | |
| Further reduction in number of Looked After Children (Invest to save Mark 2). | 250,000 | 250,000 | 0 | 0 | 0 |
| Children's Service Grant is now provided through the Revenue Support Grant rather than as a separate grant. | 1,456,320 | | | | |
| Computers for Looked After Children | 100,000 | | | | |
| | 1,806,320 | 250,000 | 0 | 0 | 0 |
| Service Reductions | | | | | |
| | 0 | 0 | 0 | 0 | 0 |
| Budget | 57,418,720 | 58,659,830 | 59,580,720 | 60,882,110 | 62,214,740 |

Revenue Budget 2008-09

| CHILDREN'S SERVICE | | | |
|---|--------------------------|-------------------------|--------------------------|
| Profit center | 2007/8 Original Estimate | 2007/8 Current Estimate | 2008/9 Original Estimate |
| | £ | £ | £ |
| Safeguarding & Social Care | | | |
| *** Looking after Children | 18,812,200 | 18,619,840 | 19,499,440 |
| *** Supporting Families | 4,391,050 | 4,871,140 | 4,554,905 |
| *** Child Care | 6,931,900 | 6,937,570 | 6,348,040 |
| *** Safeguarding | 746,280 | 820,180 | 833,510 |
| **** Safeguarding & Social Care | 30,881,430 | 31,248,730 | 31,235,895 |
| *** SEN Investment Strategy | 412,270 | 437,360 | 380,590 |
| *** Admissions to Schools | 595,930 | 553,890 | 567,630 |
| *** Attendance at Schools | 653,450 | 656,490 | 656,340 |
| *** Complex Needs | 16,830,110 | 16,837,620 | 17,370,462 |
| *** Youth & Connexions | 1,983,680 | 2,027,530 | 1,695,370 |
| *** Voice of the Child | 15,560 | 25,640 | 66,420 |
| *** Pupil Referral Units | 1,241,960 | 1,288,140 | 1,284,470 |
| **** Inclusion | 21,792,210 | 21,885,920 | 22,082,012 |
| Schools & Learning | | | |
| *** Schools Causing Concern | 229,550 | 229,550 | 235,160 |
| *** Challenge & Intervention | 1,178,040 | 1,146,520 | 1,091,850 |
| *** Support & Development | 584,480 | 904,456 | 523,460 |
| *** Access to Learning | 1,749,970 | 1,790,850 | 1,667,380 |
| *** Libraries Service | 7,029,420 | 7,126,990 | 7,221,220 |
| **** Schools & Learning | 10,771,460 | 11,198,366 | 10,739,070 |
| Partnership, Performance & Planning | | | |
| *** Part.Perf.& Planning - Central Costs | 635,240 | 82,500 | 124,420 |
| *** Children's Service Finance | 10,300,500 | 9,878,825 | 10,106,540 |
| *** Organisational Development | 1,581,260 | 1,770,140 | 1,529,525 |
| *** RMIT | 425,920 | 432,980 | 373,760 |
| *** Schools Catering | (45,180) | (33,700) | (36,190) |
| *** CS Capital Programme | 280,980 | 282,260 | 289,270 |
| **** Partnership, Performance & Planning | 13,178,720 | 12,413,005 | 12,387,325 |
| Schools Funding | | | |
| *** Schools Funding | 164,832,740 | 165,176,159 | 173,901,900 |
| **** Schools Funding | 164,832,740 | 165,176,159 | 173,901,900 |
| **** Dedicated Schools Grant | (184,998,170) | (184,998,170) | (193,793,972) |
| **** Children's Service Management | 695,630 | 863,310 | 866,490 |
| **** Children's Service Grants | (812,280) | (1,035,920) | 0 |
| **** Children's Service | 56,341,740 | 56,751,400 | 57,418,720 |

Revenue Budget 2008-09

| CHILDREN'S SERVICE | | | |
|---|--------------------------|-------------------------|--------------------------|
| Subjective Analysis | 2007/8 Original Estimate | 2007/8 Current Estimate | 2008/9 Original Estimate |
| | £ | £ | £ |
| Expenditure | | | |
| Employee Related | 218,322,735 | 221,412,638 | 226,796,790 |
| Premises Related | 15,379,945 | 16,014,131 | 14,609,964 |
| Transport Related | 4,841,540 | 4,716,950 | 4,788,950 |
| Supplies and Services | 42,912,495 | 47,371,176 | 49,234,039 |
| Third Party Payments | 25,756,270 | 25,342,795 | 29,207,713 |
| Transfer Payments | 10,020,725 | (1,864,408) | 10,270,243 |
| Support Services | 4,625,850 | 5,413,795 | 3,864,993 |
| Capital Charges | 6,015,623 | 9,109,876 | 8,710,790 |
| Secondary Recharges | 290,350 | 291,800 | 299,070 |
| Expenditure Total | 328,165,533 | 327,808,753 | 347,782,552 |
| Income | | | |
| Government Grants | (249,277,795) | (244,127,658) | (262,497,394) |
| Other Grants, Reimbursements & Contribs | (3,180,361) | (3,973,452) | (4,704,731) |
| Customer & Client Receipts | (19,365,637) | (22,956,243) | (23,161,707) |
| Income Total | (271,823,793) | (271,057,353) | (290,363,832) |
| Net Expenditure | 56,341,740 | 56,751,400 | 57,418,720 |

2008/09 Budget Summary and Forward Plan

| Corporate Governance | 2008/9 | 2009/10 | 2010/11 | 2011/12 | 2012/13 |
|---|------------------|------------------|------------------|------------------|------------------|
| | £ | £ | £ | £ | £ |
| Base Budget | 8,429,230 | 8,401,940 | 8,626,770 | 8,857,220 | 9,093,430 |
| Virements | 19,650 | | | | |
| Pay Awards | 197,360 | 202,290 | 207,350 | 212,530 | 217,840 |
| Standard Inflation - Expenditure | 51,080 | 52,360 | 53,670 | 55,010 | 56,390 |
| - Income | (29,090) | (29,820) | (30,570) | (31,330) | (32,110) |
| | 8,668,230 | 8,626,770 | 8,857,220 | 9,093,430 | 9,335,550 |
| <u>Efficiencies</u> | | | | | |
| Efficiencies arising from the amalgamation of trading standards, licensing and other community safety services and re-organisation as one coherent community protection service | (377,250) | | | | |
| Reduction in staffing and general resources - These reductions relate to a reduced staffing level in Divisional Manager level, Solicitor level and at Assistant level, and includes savings from the use of Counsel and general office savings | (107,500) | | | | |
| Reduction in staffing and contract costs relating to a reduced work programme - These reductions relate to the deletion of an Office Manager post and a reduced spend on contracted audit services associated with a reduction in (lower risk) audits carried out in this period. | (31,000) | | | | |
| Reduction resulting from reducing printing costs and better use of internet and intranet. General savings derived from the cancellation of non essential publications and stationery costs. | (26,540) | | | | |
| | (542,290) | 0 | 0 | 0 | 0 |
| <u>Full Year Effects</u> | | | | | |
| Members Allowances Base Adjustment | 30,000 | | | | |
| Base Budget Correction | 105,000 | | | | |
| | 135,000 | 0 | 0 | 0 | 0 |
| <u>Pressures</u> | | | | | |
| CCTV Shift Allowance | 100,000 | | | | |
| Data Analyst - grant loss | 41,000 | | | | |
| | 141,000 | 0 | 0 | 0 | 0 |
| <u>Service Reductions</u> | | | | | |
| | 0 | 0 | 0 | 0 | 0 |
| Budget | 8,401,940 | 8,626,770 | 8,857,220 | 9,093,430 | 9,335,550 |

Revenue Budget 2008-09

| CORPORATE GOVERNANCE | | | |
|--|---------------------------------|--------------------------------|---------------------------------|
| Cost Centre | 2007/8 Original Estimate | 2007/8 Current Estimate | 2008/9 Original Estimate |
| | £ | £ | £ |
| 11095 Performance and OD Team | 0 | 126,150 | 206,320 |
| **** Performance and OD Team | 0 | 126,150 | 206,320 |
| 10379 Legal Mgmt & Bus Sup | 687,580 | 499,260 | 320,890 |
| 10380 Legal Advocacy Team | 563,780 | 498,150 | 549,420 |
| 10381 Legal Commercial Team | 220,620 | 427,690 | 470,000 |
| 10382 Legal Community Team | 557,840 | 418,330 | 361,660 |
| 10869 BS-Barnet Homes Disbursements | (287,000) | (287,000) | (294,180) |
| **** Legal Services | 1,742,820 | 1,556,430 | 1,407,790 |
| 10391 Committee Administration | 691,090 | 707,860 | 803,080 |
| ** Committee Administration | 691,090 | 707,860 | 803,080 |
| 10393 Members Support | 95,040 | 81,380 | 83,350 |
| 10394 Cabinet Support | 59,810 | 60,600 | 62,110 |
| 10395 Political Assistants | 86,650 | 84,220 | 86,300 |
| 10396 Members Allowances | 1,316,850 | 1,341,350 | 1,373,080 |
| ** Members' Support | 1,558,350 | 1,567,550 | 1,604,840 |
| **** Democratic Svices | 2,249,440 | 2,275,410 | 2,407,920 |
| 10383 Registration of Electors | 304,960 | 305,950 | 313,790 |
| 10388 Municipal Elections | 26,700 | 26,700 | 27,320 |
| *** Elections | 331,660 | 332,650 | 341,110 |
| 10400 Civil Protection | 169,290 | 189,850 | 173,490 |
| *** Civil Protection | 169,290 | 189,850 | 173,490 |
| 10651 CCTV | 1,201,780 | 1,143,540 | 1,224,180 |
| 10653 Priority Intervention Team | 1,107,810 | 1,093,840 | 981,160 |
| 10673 Watling Market | 6,330 | 6,400 | 6,400 |
| 10674 Trading Standards | 417,170 | 418,940 | 256,230 |
| 10822 Licensing | (73,860) | (59,330) | (98,020) |
| *** Community Protection | 2,659,230 | 2,603,390 | 2,369,950 |
| 10021 Safer Communities Unit | 241,590 | 114,390 | 120,060 |
| 10581 Drug Intervention Programme | 0 | 0 | 0 |
| 10583 Drug And Alcohol Team | 27,550 | 28,180 | 31,200 |
| 10996 SSCF | 0 | 0 | 0 |
| *** Community Safety | 269,140 | 142,570 | 151,260 |
| 10002 CAFT | 434,360 | 323,060 | 378,110 |
| *** Corporate Anti-Fraud Team | 434,360 | 323,060 | 378,110 |
| **** Operational Governance | 3,863,680 | 3,591,520 | 3,413,920 |
| 10001 Internal Audit | 573,290 | 621,050 | 605,480 |
| **** Internal Audit | 573,290 | 621,050 | 605,480 |
| 11096 Corp Gov Directors | 0 | 351,760 | 360,510 |
| **** Corporate Governance Directors | 0 | 351,760 | 360,510 |
| Corporate Governance Directorate | 8,429,230 | 8,522,320 | 8,401,940 |

Revenue Budget 2008-09

| CORPORATE GOVERNANCE | | | |
|--|--------------------------|-------------------------|--------------------------|
| Subjective Analysis | 2007/8 Original Estimate | 2007/8 Current Estimate | 2008/9 Original Estimate |
| | £ | £ | £ |
| Expenditure | | | |
| Employees | 8,004,950 | 8,279,610 | 8,281,540 |
| Premises | 40,830 | 37,280 | 23,190 |
| Transport | 120,510 | 90,900 | 80,480 |
| Supplies and Services | 2,376,290 | 2,335,960 | 2,267,100 |
| Third Party Payments | 12000 | 14000 | 14,350 |
| Capital Depreciation Charges | 374,760 | 266,270 | 266,270 |
| Secondary Recharges | 22,340 | 0 | 0 |
| Total Expenditure | 10,951,680 | 11,024,020 | 10,932,930 |
| Income | | | |
| Government Grants | (1,341,630) | (1,238,390) | (1,239,840) |
| Other Grants, Reimbursements and Contributions | (69,550) | (65,660) | (66,800) |
| Customer & Client Receipts | (769,120) | (1,142,500) | (1,167,820) |
| Recharges | (342,150) | (55,150) | (56,530) |
| Total Income | (2,522,450) | (2,501,700) | (2,530,990) |
| Net Expenditure | 8,429,230 | 8,522,320 | 8,401,940 |

2008/09 Budget Summary and Forward Plan

| Environment & Transport | 2008/9 | 2009/10 | 2010/11 | 2011/12 | 2012/13 |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|
| | £ | £ | £ | £ | £ |
| Base Budget | 27,558,740 | 28,207,590 | 28,765,450 | 29,386,310 | 30,020,450 |
| Virements | 380,710 | | | | |
| Pay Awards | 430,870 | 439,490 | 448,280 | 457,250 | 466,400 |
| Standard Inflation - Expenditure | 379,310 | 388,790 | 398,510 | 408,470 | 418,680 |
| - Income | (215,040) | (220,420) | (225,930) | (231,580) | (237,370) |
| | 28,534,590 | 28,815,450 | 29,386,310 | 30,020,450 | 30,668,160 |
| Efficiencies | | | | | |
| Staffing efficiencies within Transport, Domestic Refuse and Greenspaces to enable more efficient service delivery. | (115,000) | | | | |
| Highways Strategy - Restructure Strategy Team reallocating responsibilities | (60,000) | | | | |
| Environment and Transport Administration Review - Consolidation of Administration functions currently spread across different sites | (50,000) | (50,000) | | | |
| Additional Income from Trade Waste - via efficient debt recovery and extra sales | (80,000) | | | | |
| | (305,000) | (50,000) | 0 | 0 | 0 |
| Full Year Effects | | | | | |
| North London Waste Authority - municipal waste reward scheme. | 98,000 | | | | |
| | 98,000 | 0 | 0 | 0 | 0 |
| Pressures | | | | | |
| Drainage Contract - Increased costs of new Drainage contract which began in 2007/08 | 150,000 | | | | |
| | 150,000 | 0 | 0 | 0 | 0 |
| Service Reductions | | | | | |
| Greenspaces - Full year effect of 2007-08 saving that led to a programme of planned changes to a range of parks and open space, fixed facility and arboricultural maintenance regimes. | (270,000) | | | | |
| | (270,000) | 0 | 0 | 0 | 0 |
| Budget | 28,207,590 | 28,765,450 | 29,386,310 | 30,020,450 | 30,668,160 |

Revenue Budget 2008-09

ENVIRONMENT & TRANSPORT

| Cost Centre | 2007/8 Original Estimate | 2007/8 Current Estimate | 2008/9 Original Estimate |
|--|--------------------------|-------------------------|--------------------------|
| | £ | £ | £ |
| 10617 HD-Mngmnt & Perform | 783,940 | 894,340 | 863,430 |
| 10669 Human Resources | 166,240 | | |
| ** Environment&Transport Management & A | 950,180 | 894,340 | 863,430 |
| 10618 Highways Other | 1,072,800 | 2,928 | (563,800) |
| ** Highways | 1,072,800 | 2,928 | (563,800) |
| 10619 Drainage (Gully Cleansing) | 126,750 | 403,417 | 594,530 |
| 10620 Winter Maintenance | 556,650 | 556,650 | 565,580 |
| 10622 Traffic Census | 14,340 | 14,410 | 14,770 |
| 10623 Safer Routes | 83,660 | 214,165 | 217,840 |
| 10624 School Crossing Patrol | 60,840 | 61,080 | 62,510 |
| 10625 Technical Survey | 24,260 | 24,260 | 24,870 |
| 10627 Highway Drainage (Repairs) | 124,390 | | |
| 10628 Public Conveniences | 42,530 | 42,530 | 45,000 |
| 10629 Water Courses | 84,310 | | |
| 10635 Road Structural Planned | 3,271,140 | 3,618,375 | 3,730,070 |
| 10638 Traffic Management | 53,440 | 53,460 | 54,670 |
| 10890 Road Structural Responsive | 1,657,700 | 1,979,012 | 2,191,910 |
| ** Highways Implementation | 6,100,010 | 6,967,359 | 7,501,750 |
| 10631 R.A.S.W.A. | (93,780) | (94,086) | (91,290) |
| 10632 Private Works Reinstatement | (204,920) | 20,773 | 54,970 |
| 10633 Rechargeable works - other | (214,740) | (210,561) | (118,780) |
| 11097 Rechargeable work cross over | 0 | (199,011) | (145,990) |
| ** Highways Inspection & Enforcement | (513,440) | (482,885) | (301,090) |
| 10637 Street Lighting | 2,302,660 | 2,488,368 | 2,633,330 |
| ** Street Lighting | 2,302,660 | 2,488,368 | 2,633,330 |
| 10658 Abandoned Vehicles | 62,030 | | |
| ** Abandoned Vehicles | 62,030 | 0 | 0 |
| 10664 HM-Responsive | 8,360 | 10,830 | 8,850 |
| 10938 HM-Winter Maintenance | 1,000 | 1,300 | 650 |
| 10939 HM-Stand-by | 700 | 910 | 580 |
| 10941 HM-Sign Erection | 2,300 | 2,980 | 3,030 |
| ** Highways Maintenance | 12,360 | 16,020 | 13,110 |
| 10644 Car Parks | (454,350) | (454,350) | (467,950) |
| ** Car Parks | (454,350) | (434,350) | (467,950) |
| 10621 War Memorials | 60,070 | 60,070 | 61,570 |
| 10639 Asset Management | 136,060 | 137,980 | 138,000 |
| ** Environment&Transport Asset Managemen | 196,130 | 198,050 | 199,570 |
| 10343 ES-Policy & Perfmrnce | 79,030 | 0 | |
| ** StreetScene&Greenspaces Management& | 79,030 | 0 | 0 |
| 10770 ES-Transport MaH Drivers | 1,950 | 2,770 | |
| 10771 ES-Transport Oheads | 298,120 | 298,950 | 226,680 |
| 10772 ES-Vehmtce | (93,670) | (91,130) | (107,760) |
| 10773 ES-Spot Hires | 0 | 0 | (20,000) |
| 10774 ES-Leases & SC Rech | (557,420) | (557,420) | (458,370) |
| 10775 ES-SEN Transp | (84,730) | (84,050) | (86,380) |
| 10776 ES-Comctran | (66,530) | (63,290) | (76,850) |
| ** Transport | (502,280) | (494,170) | (522,680) |
| 10656 Recycling | 2,849,220 | 2,650,680 | 3,485,650 |
| 10657 Civic Amenities Sites | 538,910 | 538,910 | 551,070 |
| ** Recycling/Waste Strategy | 3,388,130 | 3,189,590 | 4,036,720 |
| 10365 Verge & Tree | 962,960 | 471,450 | 483,240 |
| 10660 Allotments | (6,650) | (6,650) | (4,450) |
| 10764 Parks & Open Spaces | 2,039,870 | 4,248,620 | 4,045,500 |

Revenue Budget 2008-09

ENVIRONMENT & TRANSPORT

| Cost Centre | 2007/8 Original Estimate | 2007/8 Current Estimate | 2008/9 Original Estimate |
|---|--------------------------|-------------------------|--------------------------|
| 10765 Sports Grounds | 496,110 | 540,970 | 552,010 |
| 10766 Green Belt Lands | (32,200) | (32,200) | (32,030) |
| 10767 Golf Courses&Sprt G | 705,330 | | |
| 10768 King George Playing Fields | 14,040 | 14,040 | 14,040 |
| 10882 Park&O SpCycGrndMtce | 838,840 | 0 | |
| 10940 HM-Playgrounds | 94,880 | 0 | |
| 10952 Green Spaces Trees Management | 641,500 | 641,500 | 645,600 |
| ** Parks & Greenspaces Development | 5,754,680 | 5,877,730 | 5,703,910 |
| 10663 Grounds Maintenance | 109,490 | 0 | |
| ** Grounds Maintenance | 109,490 | 0 | 0 |
| 10652 Street Cleansing | 4,795,150 | 4,858,210 | 4,963,490 |
| 10655 Domestic Refuse | 5,349,830 | 5,368,720 | 5,399,800 |
| ** Refuse & Cleaning | 10,144,980 | 10,226,930 | 10,363,290 |
| 10654 Trade Waste | (1,143,670) | (1,143,080) | (1,252,000) |
| ** Trade Waste | (1,143,670) | (1,143,080) | (1,252,000) |
| Enviroment & Transport Services | 27,558,740 | 27,306,830 | 28,207,590 |

| Subjective Analysis | 2007/8 Original Estimate | 2007/8 Current Estimate | 2008/9 Original Estimate |
|--|--------------------------|-------------------------|--------------------------|
| | £ | £ | £ |
| Expenditure | | | |
| Employees | 17,630,380 | 17,545,890 | 18,162,260 |
| Premises | 5,254,340 | 2,551,770 | 2,481,290 |
| Transport | 4,739,410 | 4,760,410 | 4,453,100 |
| Supplies and Services | 6,120,000 | 6,392,920 | 5,706,100 |
| Third Party Payments | 563,570 | 563,570 | 578,830 |
| Transfers | | | (18,000) |
| Capital Depreciation Charges | 3,115,800 | 3,115,800 | 3,115,800 |
| Secondary Recharges | 2,060,940 | 4,058,072 | 4,317,910 |
| Total Expenditure | 39,484,440 | 38,988,432 | 38,797,290 |
| Income | | | |
| Government Grants | (2,803,950) | (2,803,950) | (2,665,070) |
| Other Grants, Reimbursements and Contributions | (410,360) | (610,360) | (76,000) |
| Customer & Client Receipts | (8,635,840) | (8,191,742) | (7,747,360) |
| Interest | (75,550) | (75,550) | (101,270) |
| Total Income | (11,925,700) | (11,681,602) | (10,589,700) |
| Net Expenditure | 27,558,740 | 27,306,830 | 28,207,590 |

Revenue Budget 2008-2009

Special Parking Account

| | 2007-2008 | 2007-2008 | 2008-2009 |
|---------------------------------------|---------------------|---------------------|---------------------|
| | Original Estimate | Current Estimate | Original Estimate |
| | £ | £ | £ |
| Income | | | |
| Penalty Charge Notices | (5,099,050) | (5,099,050) | (5,099,050) |
| Permits | (1,179,800) | (1,179,800) | (1,179,800) |
| Pay & Display | (3,049,000) | (3,049,000) | (3,049,000) |
| CCTV Bus lanes | (1,664,029) | (1,664,029) | (1,664,029) |
| Total Income | (10,991,879) | (10,991,879) | (10,991,879) |
| Operating Expenditure | 5,850,879 | 5,850,879 | 5,750,879 |
| Net Operating Surplus | (5,141,000) | (5,141,000) | (5,241,000) |
| Add Capital Expenditure / Debt Charge | 400,000 | 400,000 | 400,000 |
| Net Expenditure in Year | (4,741,000) | (4,741,000) | (4,841,000) |
| Balance brought forward | 0 | | 0 |
| Appropriation to General Fund | 4,741,000 | 4,741,000 | 4,841,000 |
| Balance Carried Forward | 0 | 0 | 0 |

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

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

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

2008/09 Budget Summary and Forward Plan

| Housing General Fund | 2008/9 | 2009/10 | 2010/11 | 2011/12 | 2012/13 |
|---|------------------|------------------|------------------|------------------|------------------|
| | £ | £ | £ | £ | £ |
| Base Budget | 2,108,580 | 1,643,170 | 1,566,030 | 1,657,790 | 1,751,480 |
| Virements | (40,410) | | | | |
| Pay Awards | 68,880 | 70,260 | 71,670 | 73,100 | 74,560 |
| Standard Inflation - Expenditure | 215,050 | 220,430 | 225,940 | 231,590 | 237,380 |
| - Income | (195,930) | (200,830) | (205,850) | (211,000) | (216,280) |
| | 2,156,170 | 1,733,030 | 1,657,790 | 1,751,480 | 1,847,140 |
| <u>Efficiencies</u> | | | | | |
| Reduction of in the temporary accommodation budget | (200,000) | | | | |
| Reduction in costs as numbers in temporary accommodation fall. | (100,000) | (20,000) | | | |
| Staffing reduction enabled by development of on line application assessment facility. | | (75,000) | | | |
| Restructure of Housing Needs and Resources Service supported by improvements in information technology. | (158,000) | (107,000) | | | |
| Corporate Restructure | (90,000) | | | | |
| | (548,000) | (202,000) | 0 | 0 | 0 |
| <u>Full Year Effects</u> | | | | | |
| | 0 | 0 | 0 | 0 | 0 |
| <u>Pressures</u> | | | | | |
| Restructure of Housing Needs and Resources Service | 35,000 | 35,000 | | | |
| | 35,000 | 35,000 | 0 | 0 | 0 |
| <u>Service Reductions</u> | | | | | |
| | 0 | 0 | 0 | 0 | 0 |
| Budget | 1,643,170 | 1,566,030 | 1,657,790 | 1,751,480 | 1,847,140 |

Revenue Budget 2008-09

| HOUSING GENERAL FUND | | | |
|---|--------------------------|-------------------------|--------------------------|
| Cost Centre | 2007/8 Original Estimate | 2007/8 Current Estimate | 2008/9 Original Estimate |
| | £ | £ | £ |
| 10020 Housing & Development | 107,100 | 107,630 | 20,310 |
| 10035 Claremont Rd Community Centre | 2,000 | 2,450 | 2,360 |
| **** Housing Management | 109,100 | 110,080 | 22,670 |
| 10026 Policy& performance | 144,000 | 90,860 | 149,890 |
| 10025 Housing initiatives | 107,080 | 107,570 | 110,230 |
| **** Policy, Performance & Initiatives | 251,080 | 198,430 | 260,120 |
| 10028 HNR Management Team | 198,210 | 208,240 | 222,970 |
| 10029 Housing Advice | 289,040 | 316,640 | 421,150 |
| 10031 Homeless Persons | 419,490 | 508,540 | 175,700 |
| 10032 Housing Resources Team | 303,540 | 359,280 | 360,080 |
| 10991 Complaints & Sys Imp | 0 | 117,050 | 113,270 |
| 10027 Housing Grant Payments | 161,390 | 161,390 | 165,420 |
| 10033 Homelessness Grant | 37,980 | (221,880) | 140 |
| 10034 Housing Supporting People | 0 | 1,670 | 1,680 |
| 10030 Temporary Accommodation | 338,750 | 824,540 | 523,350 |
| 10281 Rent Deposit Scheme | 0 | 100,000 | |
| 10883 Private Sector Leasing | 0 | (494,120) | (446,990) |
| 10992 Barbara Langstone House | 0 | (156,860) | (176,560) |
| 10993 Hsg EDRM | 0 | 35,170 | 170 |
| **** Housing Needs & Resources | 1,360,375 | 1,759,660 | 1,360,380 |
| Housing General Fund | 2,108,580 | 2,068,170 | 1,643,170 |

| Subjective Analysis | 2007/8 Original Estimate | 2007/8 Current Estimate | 2008/9 Original Estimate |
|--|--------------------------|-------------------------|--------------------------|
| | £ | £ | £ |
| Expenditure | | | |
| Employees | 1,979,020 | 2,897,680 | 2,860,960 |
| Premises | 985,940 | 1,018,530 | 927,750 |
| Transport | 23,050 | 33,050 | 33,890 |
| Supplies and Services | 452,290 | 873,720 | 931,630 |
| Third Party Payments | 8,158,600 | 7,992,850 | 8,090,170 |
| Capital Depreciation Charges | 56,160 | 56,160 | 56,160 |
| Secondary Recharges | (172,020) | (649,020) | (660,660) |
| Total Expenditure | 11,483,040 | 12,222,970 | 12,239,900 |
| Income | | | |
| Government Grants | (186,000) | (286,000) | (186,000) |
| Other Grants, Reimbursements and Contributions | (911,920) | (200,920) | (205,950) |
| Customer & Client Receipts | (8,276,540) | (9,667,880) | (10,204,780) |
| Total Income | (9,374,460) | (10,154,800) | (10,596,730) |
| Net Expenditure | 2,108,580 | 2,068,170 | 1,643,170 |

2008/09 Budget Summary and Forward Plan

| Housing Revenue Account | 2008/9 | 2009/10 | 2010/11 | 2011/12 |
|--|----------------|----------------|----------------|----------------|
| | £ | £ | £ | £ |
| Base Budget (net expenditure met by/(contribution to) working balance) | 243,350 | 0 | 150,770 | 651,880 |
| Base Budget Adjustments | | | | |
| Pay awards (LBB) | 57,910 | 60,320 | 61,500 | 62,710 |
| Standard Inflation (LBB) | 6,290 | 6,450 | 6,610 | 6,780 |
| Increased provision for bad debt | 140,000 | 6,000 | 5,000 | 5,000 |
| Housing Subsidy | 1,552,000 | 929,000 | 709,000 | 740,000 |
| Rent, service and heating charge increase | (2,392,120) | (2,915,000) | (2,910,000) | (2,895,000) |
| Loss of rent through sales | 103,270 | 107,000 | 111,000 | 115,000 |
| Additional income from leaseholders | (132,600) | (5,000) | (9,000) | (55,000) |
| Capital Financing Costs | 1,019,000 | 700,000 | 551,000 | 200,000 |
| Management Fee Inflation | 611,440 | 510,000 | 510,000 | 510,000 |
| Repairs and Maintenance Inflation | 266,250 | 255,000 | 254,000 | 246,000 |
| Pension Fund Revaluation (Barnet Homes) | 328,000 | 31,000 | 31,000 | |
| Depreciation (MRA) | (38,000) | 206,000 | 29,000 | (100,000) |
| Housing Benefits - reduced HRA cont. | (350,000) | | | |
| Barnet Homes Inspection | (48,000) | | | |
| | 1,123,440 | (109,230) | (650,890) | (1,164,510) |
| Pressures | | | | |
| Regeneration/sheltered schemes - rent loss through dwellings vacated | 247,850 | 1,097,000 | 1,801,000 | 1,419,000 |
| | 247,850 | 1,097,000 | 1,801,000 | 1,419,000 |
| Efficiencies, Budget Reductions | | | | |
| Restructuring of Housing Services | (49,500) | (50,000) | | |
| Regeneration schemes - removal of start-up | 0 | (211,000) | (222,000) | (234,000) |
| Regeneration schemes - recovery of costs | (571,000) | 171,000 | 400,000 | |
| Barnet Homes - efficiencies and reduced | | | | |
| Repairs and Maintenance | (641,250) | (297,000) | (327,000) | (246,000) |
| Management Costs | (352,890) | (450,000) | (500,000) | (350,000) |
| | (1,614,640) | (837,000) | (649,000) | (830,000) |
| | | | | |
| Budget and Forward Plan - required contribution from/(to) working balance | 0 | 150,770 | 651,880 | 76,370 |

Revenue Budget 2008-09

| HOUSING REVENUE ACCOUNT | | |
|--|----------------------------------|----------------------------------|
| | 2007/08 | 2008/09 |
| | Original Budget £ | Original Budget £ |
| Income | | |
| Dwelling rents | (42,679,000) | (44,675,000) |
| Non-dwelling rents | (1,352,000) | (1,354,000) |
| Tenants' Charges for services and facilities | (2,903,340) | (3,128,590) |
| Leaseholder' Charges for Services and Facilities | (2,616,750) | (2,750,000) |
| Total Income | (49,551,090) | (51,907,590) |
| Expenditure | | |
| Repairs and Maintenance | 8,875,000 | 8,500,000 |
| Supervision and management | | |
| General | 14,748,340 | 14,668,590 |
| Special | 5,334,390 | 5,581,000 |
| Rents, Rates, taxes and other charges | 115,710 | 118,000 |
| Negative housing revenue account subsidy payable | 9,320,000 | 10,872,000 |
| Depreciation and impairment of fixed assets | 8,098,000 | 8,060,000 |
| Debt Management Costs | 3,123,000 | 4,142,000 |
| Increase in bad debt provision | 80,000 | 220,000 |
| Sums directed by the Secretary of State that are income in accordance with UK GAAP | 350,000 | 0 |
| Total Expenditure | 50,044,440 | 52,161,590 |
| Net Cost of HRA Services | 493,350 | 254,000 |
| Interest and investment income | (250,000) | (254,000) |
| Deficit for the year on HRA services | 243,350 | 0 |

2008/09 Budget Summary and Forward Plan

| Planning & Environmental Protection | 2008/9 | 2009/10 | 2010/11 | 2011/12 | 2012/13 |
|--|------------------|------------------|------------------|------------------|------------------|
| | £ | £ | £ | £ | £ |
| Base Budget | 948,310 | 1,643,620 | 1,953,000 | 1,854,260 | 1,967,430 |
| Virements | 32,790 | | | | |
| Pay Awards | 167,280 | 170,630 | 174,040 | 177,520 | 181,070 |
| Standard Inflation - Expenditure | 15,200 | 15,580 | 15,970 | 16,370 | 16,780 |
| - Income | (74,960) | (76,830) | (78,750) | (80,720) | (82,740) |
| | 1,088,620 | 1,753,000 | 2,064,260 | 1,967,430 | 2,082,540 |
| <u>Efficiencies</u> | | | | | |
| Environmental Health – core services - Efficiencies across Environmental Health Services including more efficient use of existing resources and new areas for increased income. | (58,000) | | | | |
| Building Control - Increase in Income - Increased income from Corporate commitments on Council's own development projects to use in house service, e.g. PSCIP | (30,000) | | | | |
| Reductions in Planning support staff. | (45,000) | | | | |
| Hendon Cemetery and Crematorium - Increased income from fees and charges for burials, cremations and related services | (52,000) | | | | |
| | (185,000) | 0 | 0 | 0 | 0 |
| <u>Full Year Effects</u> | | | | | |
| | 0 | 0 | 0 | 0 | 0 |
| <u>Pressures</u> | | | | | |
| Local Development Framework - Statutory requirement to produce Local Development Framework to replace UDP. | 200,000 | | (210,000) | | |
| Land Charges - Expected loss of income from increased deregulation and HIPS introduction | 500,000 | 200,000 | | | |
| Planning Enforcement Team - Additional Enforcement Post | 40,000 | | | | |
| | 740,000 | 200,000 | (210,000) | 0 | 0 |
| <u>Service Reductions</u> | | | | | |
| | 0 | 0 | 0 | 0 | 0 |
| Budget | 1,643,620 | 1,953,000 | 1,854,260 | 1,967,430 | 2,082,540 |

Revenue Budget 2008-09

| PLANNING & ENVIRONMENTAL PROTECTION | | | |
|--|--------------------------|-------------------------|--------------------------|
| Cost Centre | 2007/8 Original Estimate | 2007/8 Current Estimate | 2008/9 Original Estimate |
| | £ | £ | £ |
| 10763 ES Mgt | 320,880 | 663,402 | 616,060 |
| *** Png & Env Protection - Management&A | 320,880 | 663,402 | 616,060 |
| 10038 Planning Service | (299,710) | (291,890) | (504,600) |
| 11073 Planning Core Services | 341,540 | 343,920 | 505,540 |
| 11074 Planning Strategic Services | 454,490 | 458,170 | 775,570 |
| *** Planning | 496,320 | 510,200 | 776,510 |
| 10641 Building Inspection | 160,170 | 161,010 | 179,620 |
| 10642 Structures | (64,900) | (64,050) | (65,690) |
| 10643 Building Control | (250,700) | (246,900) | (304,220) |
| *** Building Control | (155,430) | (149,940) | (190,290) |
| 10667 Care & Repair | (2,690) | (28,400) | (27,690) |
| *** Environmental Services Care & Repair | (2,690) | (28,400) | (27,690) |
| 10661 Hendon Cemetery | (282,400) | (281,660) | (331,730) |
| 10671 Mortuary | 134,800 | 135,200 | 138,240 |
| 10818 Hendon Crematorium | (269,390) | (269,170) | (294,280) |
| 10819 Cem&Crem Management | 190,650 | 217,214 | 228,910 |
| *** Mortuary & Cemetery | (226,340) | (198,416) | (258,860) |
| 10666 Private Sector Housing | 1,867,930 | 1,227,349 | 1,245,090 |
| 10672 Works in Default | 520 | (31,130) | (31,910) |
| 10958 Pest Control | 860 | 120 | (390) |
| 11102 Public Health & Nuisance | 0 | 396,049 | 403,030 |
| *** Environmental Health Private Hou | 1,869,310 | 1,592,388 | 1,615,820 |
| 10821 Food Safety | 414,260 | 421,310 | 419,070 |
| 10823 H and S & Scfc Servs | 353,130 | 291,216 | 310,600 |
| *** ES Health & Sustainability | 767,390 | 712,526 | 729,670 |
| 10390 Land Charges | (2,121,130) | (2,120,660) | (1,617,600) |
| *** Land Charges | (2,121,130) | (2,120,660) | (1,617,600) |
| Planning & Environmental Protection | 948,310 | 981,100 | 1,643,620 |

Revenue Budget 2008-09

| PLANNING & ENVIRONMENTAL PROTECTION | | | |
|--|--------------------------|-------------------------|--------------------------|
| Subjective Analysis | 2007/8 Original Estimate | 2007/8 Current Estimate | 2008/9 Original Estimate |
| | £ | £ | £ |
| Expenditure | | | |
| Employees | 6,762,440 | 6,801,230 | 7,373,540 |
| Premises | 205,460 | 203,360 | 205,240 |
| Transport | 198,770 | 198,770 | 176,480 |
| Supplies and Services | 758,900 | 755,000 | 885,420 |
| Third Party Payments | 12,650 | 12,650 | 11,920 |
| Capital Depreciation Charges | 987,100 | 987,100 | 987,100 |
| Secondary Recharges | (266,430) | (266,430) | (269,730) |
| Total Expenditure | 8,658,890 | 8,691,680 | 9,369,970 |
| Income | | | |
| Government Grants | (729,000) | (729,000) | (374,000) |
| Other Grants, Reimbursements and Contributions | (189,350) | (189,350) | (303,680) |
| Customer & Client Receipts | (6,792,230) | (6,792,230) | (7,048,670) |
| Total Income | (7,710,580) | (7,710,580) | (7,726,350) |
| Net Expenditure | 948,310 | 981,100 | 1,643,620 |

2008/09 Budget Summary and Forward Plan

| Resources | 2008/9 | 2009/10 | 2010/11 | 2011/12 | 2012/13 |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|
| | £ | £ | £ | £ | £ |
| Base Budget | 29,134,900 | 31,791,850 | 32,960,712 | 33,544,070 | 34,337,450 |
| Virements | 1,039,920 | | | | |
| Pay Awards | 480,480 | 490,090 | 499,890 | 509,890 | 520,090 |
| Standard Inflation - Expenditure | 4,609,180 | 4,724,410 | 4,842,520 | 4,963,580 | 5,087,670 |
| - Income | (4,345,930) | (4,454,580) | (4,565,940) | (4,680,090) | (4,797,090) |
| | 30,918,550 | 32,551,770 | 33,737,182 | 34,337,450 | 35,148,120 |
| Efficiencies | | | | | |
| Merge Strategic and Shared Service IT teams - staffing reduction | (60,000) | | | | |
| HR Shared Services E-Recruitment | | (30,000) | | | |
| Merge Closing & Compliance and Development Teams. | (55,000) | | | | |
| Delete Head of Corporate Services post | (60,000) | | | | |
| Merge Business Intelligence with Business Improvement | (60,000) | | | | |
| Property services/FM restructure - admin efficiencies from merger of the two teams | (30,000) | | | | |
| Shared Service Centre - Swift managed services – potential savings from review | (30,000) | | | | |
| Business Improvement Team Corporate events - move to electronic corporate documents | (30,000) | | | | |
| Mobile phones/XDA charges - improved savings over those in this year's budget on the re-tender of contract. | (30,000) | | | | |
| Reduction of IT contingency provisions | (50,000) | | | | |
| Registrars Review of allowances & overtime as part of restructure | (20,000) | (20,000) | | | |
| Property Services - review of advertising hoardings | (90,000) | | | | |
| Graham Park School all weather pitch | (35,000) | | | | |
| Revenues Single Person Discount - working to increase tax base | | | | | |
| OD & Change - training budget reduction of base requirement from £92,000 to £60,000 | (32,000) | | | | |
| Savings From Value For Money Reviews | (50,000) | | | | |
| Housing Benefit Administration | (143,700) | 79,942 | 166,888 | | |
| | (775,700) | 29,942 | 166,888 | 0 | 0 |
| Full Year Effects | | | | | |
| GIS System | | 19,000 | | | |
| Base Budget Correction | 204,000 | | | | |
| Access Point | 100,000 | | | | |
| | 304,000 | 19,000 | 0 | 0 | 0 |
| Pressures | | | | | |
| Bailiff's - Fees for Liability Orders | | 360,000 | (360,000) | | |
| Office accommodation strategy (incorporating Barnet house rent review) | 1,000,000 | | | | |

| Resources | 2008/9 | 2009/10 | 2010/11 | 2011/12 | 2012/13 |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|
| Council Tax Collection - Additional Staff | 345,000 | | | | |
| | 1,345,000 | 360,000 | (360,000) | 0 | 0 |
| Service Reductions | | | | | |
| | 0 | 0 | 0 | 0 | 0 |
| Budget | 31,791,850 | 32,960,712 | 33,544,070 | 34,337,450 | 35,148,120 |

Revenue Budget 2008-09

| RESOURCES | | | |
|--|--------------------------|-------------------------|--------------------------|
| Cost Centre | 2007/8 Original Estimate | 2007/8 Current Estimate | 2008/9 Original Estimate |
| | £ | £ | £ |
| **** Resources Management | 593,380 | 622,520 | 604,420 |
| *** Strategic Finance | 634,370 | 705,092 | 767,360 |
| *** Property & Public Offices | 6,607,540 | 7,489,760 | 8,505,870 |
| *** Strategic HR | 311,590 | 94,810 | 78,590 |
| **** Strategic Services | 7,553,500 | 8,289,662 | 9,351,820 |
| *** Finance Shared Services | 2,035,490 | 1,824,048 | 1,802,390 |
| *** Revenues & Benefits | 4,489,220 | 4,550,210 | 4,901,880 |
| *** Shared Service Centre | 2,198,940 | 2,066,980 | 2,124,120 |
| *** Information Systems | 5,399,770 | 5,335,480 | 5,277,990 |
| *** HR shared Services | 632,170 | 1,252,560 | 1,303,730 |
| *** Procurement | 3,684,050 | 3,754,350 | 3,662,590 |
| **** Shared Services | 18,439,640 | 18,783,628 | 19,072,700 |
| *** Information & Improvement Service | 755,430 | 630,910 | 657,940 |
| ** Customer Services | 1,149,110 | 1,176,560 | 1,406,170 |
| ** Registration of Births Deaths and Marriages | 6,930 | 9,200 | (10,880) |
| *** ODCS Customer Services | 1,156,040 | 1,185,760 | 1,395,290 |
| *** Organisational Development | 371,640 | 460,890 | 436,600 |
| **** Organisational Development & Cust Sr | 2,283,110 | 2,277,560 | 2,489,830 |
| *** Devolved Heads of Finance | 265,270 | 266,550 | 273,080 |
| **** Devolved Services | 265,270 | 266,550 | 273,080 |
| Resources Directorate | 29,134,900 | 30,239,920 | 31,791,850 |

Revenue Budget 2008-09

| RESOURCES | | | |
|--|--------------------------|-------------------------|--------------------------|
| Subjective Analysis | 2007/8 Original Estimate | 2007/8 Current Estimate | 2008/9 Original Estimate |
| | £ | £ | £ |
| Expenditure | | | |
| Employees | 19,898,740 | 20,499,640 | 20,888,780 |
| Premises | 5,843,270 | 6,766,360 | 8,338,590 |
| Transport | 171,540 | 161,920 | 161,980 |
| Supplies and Services | 8,350,180 | 8,117,150 | 8,519,540 |
| Third Party Payments | 1,552,800 | 1,602,800 | 1,591,630 |
| Transfer Payments | 170,272,420 | 170,303,170 | 174,560,750 |
| Capital Depreciation Charges | 2,852,710 | 2,852,710 | 2,849,940 |
| Contingency | 0 | -15,000 | 112,600 |
| Secondary Recharges | (593,970) | | |
| Total Expenditure | 208,347,690 | 210,288,750 | 217,023,810 |
| Income | | | |
| Government Grants | (170,870,470) | (170,805,150) | (175,179,790) |
| Other Grants, Reimbursements and Contributions | (1,763,980) | (1,787,920) | (1,864,300) |
| Customer & Client Receipts | (3,287,820) | (3,442,360) | (3,927,500) |
| Recharges | (3,290,520) | (4,013,400) | (4,260,370) |
| Total Income | (179,212,790) | (180,048,830) | (185,231,960) |
| Net Expenditure | 29,134,900 | 30,239,920 | 31,791,850 |

2008/09 Budget Summary and Forward Plan

| Strategic Development | 2008/9 | 2009/10 | 2010/11 | 2011/12 | 2012/13 |
|----------------------------------|----------------|----------------|----------------|----------------|----------------|
| | £ | £ | £ | £ | £ |
| Base Budget | 389,850 | 395,750 | 400,140 | 404,590 | 409,110 |
| Virements | 1,580 | | | | |
| Pay Awards | 8,030 | 8,190 | 8,350 | 8,520 | 8,690 |
| Standard Inflation - Expenditure | 460 | 470 | 480 | 490 | 500 |
| - Income | (4,170) | (4,270) | (4,380) | (4,490) | (4,600) |
| | 395,750 | 400,140 | 404,590 | 409,110 | 413,700 |
| <u>Efficiencies</u> | | | | | |
| | 0 | 0 | 0 | 0 | 0 |
| <u>Full Year Effects</u> | | | | | |
| | 0 | 0 | 0 | 0 | 0 |
| <u>Pressures</u> | | | | | |
| | 0 | 0 | 0 | 0 | 0 |
| <u>Service Reductions</u> | | | | | |
| | 0 | 0 | 0 | 0 | 0 |
| Budget | 395,750 | 400,140 | 404,590 | 409,110 | 413,700 |

Note: The Council has incurred costs in the preparation of proposals for each of the regeneration projects. These costs may be recovered into the Housing Revenue Account from the development partners when each project has reached a stage specified in each development contract. For Grahame Park it is anticipated that approximately 350,000 will be received, for West Hendon recovery of approximately 600,000 is predicted, although with current delays to the project, this may slip into 2009/10. At Stonegrove, if the project receives a planning consent and the PDA and financial plan are approved by Members, up to £600K will be recovered to the HRA in 2008/9, it is possible that this recovery may slip into 2009/10. Any cost recovery on Dollis Valley will not occur until 2009/10 at the earliest, and it is as likely to be in 2010/11. Cost recovery on Cricklewood Brent Cross will be into the general fund and is the subject of on-going negotiation.

Revenue Budget 2008-09

| STRATEGIC DEVELOPMENT | | | |
|----------------------------------|--------------------------|-------------------------|--------------------------|
| Cost Centre | 2007/8 Original Estimate | 2007/8 Current Estimate | 2008/9 Original Estimate |
| 10756 Strategic Development Unit | £ 389,850 | £ 391,430 | £ 395,750 |
| Strategic Development | 389,850 | 391,430 | 395,750 |

| Subjective Analysis | 2007/8 Original Estimate | 2007/8 Current Estimate | 2008/9 Original Estimate |
|--|--------------------------|-------------------------|--------------------------|
| | £ | £ | £ |
| Expenditure | | | |
| Employees | 461,310 | 327,890 | 336,050 |
| Transport | 5,520 | 5,520 | 5,660 |
| Supplies and Services | 10,880 | 145,880 | 146,070 |
| Capital Depreciation Charges | 78,950 | 78,950 | 78,950 |
| Total Expenditure | 556,660 | 558,240 | 566,730 |
| Income | | | |
| Other Grants, Reimbursements and Contributions | (166,810) | (166,810) | (170,980) |
| Total Income | (166,810) | (166,810) | (170,980) |
| Net Expenditure | 389,850 | 391,430 | 395,750 |

CAPITAL PROGRAMME: FUNDING

APPENDIX B (ii)

| SERVICE | 2007-08 | | | | | 2008-09 | | | | | 2009-10 | | | | |
|---|---------------|------------------|----------------|---------------|---------------|---------------|------------------|----------------|---------------|----------------|---------------|------------------|----------------|---------------|---------------|
| | Grants | Capital Receipts | S106 / MRA etc | Borrowing | Total | Grants | Capital Receipts | S106 / MRA etc | Borrowing | Total | Grants | Capital Receipts | S106 / MRA etc | Borrowing | Total |
| | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 |
| Adult Social Services | 365 | | | 40 | 405 | | | | | | | | | | |
| Central Expenses | | 2,000 | | | 2,000 | | 1,500 | | 2,460 | 3,960 | | | | 1,500 | 1,500 |
| Children's Service | 6,382 | | 601 | 2,516 | 9,499 | 24,203 | | 1,595 | 29,543 | 55,341 | 18,265 | 5,900 | 792 | 20,072 | 45,029 |
| Corporate Governance | 79 | | | 164 | 243 | 25 | | | | 25 | | | | | |
| Environment & Transport | 13,183 | | 1,537 | 4,099 | 18,819 | 4,418 | | 4,523 | 3,536 | 12,477 | | | 345 | 1,090 | 1,435 |
| Housing General Fund | 1,714 | 3,699 | 2,288 | 719 | 8,420 | 1,497 | 334 | 1,853 | 3,695 | 7,379 | 165 | 1,182 | 1,347 | | 2,694 |
| Planning & Environmental Protection Resources | 303 | 600 | 1,196 | 7,980 | 10,079 | | 400 | 673 | 9,998 | 11,071 | | | | 1,570 | 1,570 |
| Strategic Development | | | | | | | | | 374 | 374 | | | | | |
| Sub total - General Fund | 22,026 | 6,299 | 5,622 | 15,526 | 49,473 | 30,143 | 2,234 | 8,644 | 49,606 | 90,627 | 18,430 | 7,082 | 2,484 | 24,232 | 52,228 |
| Housing Revenue Account | | 564 | 27,248 | 11,215 | 39,027 | 100 | 600 | 5,852 | 27,291 | 33,843 | | 1,572 | 4,354 | 16,822 | 22,748 |
| Total - all services | 22,026 | 6,863 | 32,870 | 26,741 | 88,500 | 30,243 | 2,834 | 14,496 | 76,897 | 124,470 | 18,430 | 8,654 | 6,838 | 41,054 | 74,976 |

| SERVICE | 2010-11 | | | | | Total 2007-11 | | | | |
|---|--------------|------------------|----------------|-----------------------|---------------|---------------|------------------|----------------|-----------------------|----------------|
| | Grants | Capital Receipts | S106 / MRA etc | Borrowing / Repayment | Total | Grants | Capital Receipts | S106 / MRA etc | Borrowing / Repayment | Total |
| | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 |
| Adult Social Services | | | | | | 365 | | | 40 | 405 |
| Central Expenses | | | | | | | 3,500 | | 3,960 | 7,460 |
| Children's Service | 2,311 | 23,948 | | (4,395) | 21,864 | 51,161 | 29,848 | 2,988 | 47,736 | 131,733 |
| Corporate Governance | | | | | | 104 | | | 164 | 268 |
| Environment & Transport | | | | 40 | 40 | 17,601 | | 6,405 | 8,765 | 32,771 |
| Housing General Fund | | 1,347 | 2,000 | | 3,347 | 3,376 | 6,562 | 7,488 | 4,414 | 21,840 |
| Planning & Environmental Protection Resources | | | | 2,070 | 2,070 | 303 | 1,000 | 1,869 | 21,618 | 24,790 |
| Strategic Development | | | | | | | | | 374 | 374 |
| Sub total - General Fund | 2,311 | 25,295 | 2,000 | (2,285) | 27,321 | 72,910 | 40,910 | 18,750 | 87,079 | 219,649 |
| Housing Revenue Account | | 1,966 | 5,278 | 3,994 | 11,238 | 100 | 4,702 | 42,732 | 59,322 | 106,856 |
| Total - all services | 2,311 | 27,261 | 7,278 | 1,709 | 38,559 | 73,010 | 45,612 | 61,482 | 146,401 | 326,505 |

| BORROWING SUMMARY FOR APPROVAL | | | |
|--|--------------|--------------|---------------|
| | HRA | GF | Total |
| | £m | £m | £m |
| 2008/09 | 27.29 | 49.61 | 76.90 |
| 2009/10 | 16.82 | 24.23 | 41.05 |
| 2010/11 | 3.99 | (2.29) | 1.71 |
| 2008/11 | 48.11 | 71.55 | 119.66 |
| Recommendation to council 1.1:- | | | |
| The council agrees to new prudential borrowing for 2008/09 to 2010/11 of £119.66m | | | |

Note : 2010-11 Children's Service borrowing shows repayment of loans by capital receipts from the sale of redundant schools not needed to fund the new PSCIP capital expenditure in year.

CAPITAL PROGRAMME 2007-08 TO 2010-11

CAPITAL FUNDING

| SERVICE | PRIOR YEARS | 2007-08 | 2008-09 | 2009-10 | 2010-11 | Future years | Total | Grants | MRA | Other (incl. S106) | Capital Receipts | Borrowing | 2007/08-2010/11 | Prior years | Total |
|-------------------------------------|----------------|---------------|----------------|---------------|---------------|---------------|----------------|---------------|---------------|--------------------|------------------|----------------|-----------------|----------------|----------------|
| | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 |
| Adult Social Services | | 405 | | | | | 405 | 365 | | | | 40 | 405 | | 405 |
| Central Expenses | 1,144 | 2,000 | 3,960 | 1,500 | | | 8,604 | | | | 3,500 | 3,960 | 7,460 | 1,144 | 8,604 |
| Children's Service | 22,703 | 9,499 | 55,341 | 45,029 | 21,864 | 38,019 | 192,455 | 53,664 | | 9,338 | 66,051 | 40,699 | 169,752 | 22,703 | 192,455 |
| Corporate Governance | 498 | 243 | 25 | | | | 766 | 104 | | | | 164 | 268 | 498 | 766 |
| Environment & Transport | 17,288 | 18,819 | 12,477 | 1,435 | 40 | | 50,059 | 17,365 | | 6,640 | | 8,766 | 32,771 | 17,288 | 50,059 |
| Housing General Fund | 15,849 | 8,420 | 7,379 | 2,694 | 3,347 | | 37,689 | 3,376 | | 7,488 | 6,562 | 4,414 | 21,840 | 15,849 | 37,689 |
| Planning & Environmental Protection | 178 | 8 | | | | | 186 | | | | | 8 | 8 | 178 | 186 |
| Resources | 23,018 | 10,079 | 11,071 | 1,570 | 2,070 | 70 | 47,878 | 303 | | 1,869 | 1,000 | 21,688 | 24,860 | 23,018 | 47,878 |
| Strategic Development | 222 | | 374 | | | | 596 | | | | | 374 | 374 | 222 | 596 |
| Sub total - General Fund | 80,900 | 49,473 | 90,627 | 52,228 | 27,321 | 38,089 | 338,638 | 75,177 | | 25,335 | 77,113 | 80,113 | 257,738 | 80,900 | 338,638 |
| Housing Revenue Account | 67,044 | 39,027 | 33,843 | 22,748 | 11,238 | | 173,900 | 100 | 31,551 | 11,181 | 4,702 | 59,322 | 106,856 | 67,044 | 173,900 |
| Total - all services | 147,944 | 88,500 | 124,470 | 74,976 | 38,559 | 38,089 | 512,538 | 75,277 | 31,551 | 36,516 | 81,815 | 139,435 | 364,594 | 147,944 | 512,538 |

CAPITAL PROGRAMME 2007-08 TO 2010-11

CAPITAL FUNDING

| Adult Social Services | PRIOR YEARS | 2007-08 | 2008-09 | 2009-10 | 2010-11 | Future years | Total | Grants | Other (incl. S106) | Capital Receipts | Borrowing | 2007/08-2010/11 | Prior years funding | Total |
|---|--------------------|----------------|----------------|----------------|----------------|---------------------|--------------|---------------|---------------------------|-------------------------|------------------|------------------------|----------------------------|--------------|
| | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 |
| AS04 Improving the Care Environments for Older People | | 365 | | | | | 365 | 365 | | | | 365 | | 365 |
| AS99 Outstanding commitments on completed schemes | | 40 | | | | | 40 | | | | 40 | 40 | | 40 |
| | | 405 | | | | | 405 | 365 | | | 40 | 405 | 0 | 405 |

CAPITAL PROGRAMME 2007-08 TO 2010-11

CAPITAL FUNDING

| Central Expenses | PRIOR YEARS | 2007-08 | 2008-09 | 2009-10 | 2010-11 | Future years | Total | Grants | Other (incl. S106) | Capital Receipts | Borrowing | 2007/08-2010/11 | Prior years funding | Total |
|-------------------------------|-------------|---------|---------|---------|---------|--------------|-------|--------|--------------------|------------------|-----------|-----------------|---------------------|-------|
| | £000 | Revised | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 |
| CE01 Capitalised Redundancies | 1,144 | 2,000 | 1,500 | 1,500 | | | 6,144 | | | 3,500 | 1,500 | 5,000 | 1,144 | 6,144 |
| CE02 Capital Contingency | | | 2,460 | | | | 2,460 | | | | 2,460 | 2,460 | | 2,460 |
| | 1,144 | 2,000 | 3,960 | 1,500 | | | 8,604 | | | 3,500 | 3,960 | 7,460 | 1,144 | 8,604 |

CAPITAL PROGRAMME 2007-08 TO 2010-11

CAPITAL FUNDING

| Children's Service | PRIOR YEARS | 2007-08 | 2008-09 | 2009-10 | 2010-11 | Future years | Total | Grants | Other (incl. S106) | Capital Receipts | Borrowing | 2007/08-2010/11 | Prior years funding | Total |
|--|-------------|---------|---------|---------|---------|--------------|-------|--------|--------------------|------------------|-----------|-----------------|---------------------|-------|
| | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 |
| CF01 Children's Personal Social Services Capital Allocation (DH) 2006-07 - Looked After Children - IT | 66 | 41 | | | | | 107 | | | | 41 | 41 | 66 | 107 |
| CF03 Integrated Children's Services Capital Grant (DH) 2005-06 | 33 | | | | | | 33 | | | | | | 33 | 33 |
| 2006-07 | | 127 | | | | | 127 | 127 | | | | 127 | 0 | 127 |
| 2007-08 (provisional grant figure - subject to change) | | 155 | | | | | 155 | 155 | | | | 155 | 0 | 155 |
| CF99 Outstanding commitments on completed schemes | | 4 | | | | | 4 | | | | 4 | 4 | 0 | 4 |
| ED01 School Access Initiatives | 615 | | | | | | 615 | | | | | | 615 | 615 |
| 2003-04 Programme | 264 | | | | | | 264 | | | | | | 264 | 264 |
| 2004-05 Programme | 130 | | | | | | 130 | | | | | | 130 | 130 |
| 2005-06 Programme | 150 | 24 | | | | | 174 | | | 24 | 24 | 150 | 174 | 174 |
| 2006-07 Programme | | 180 | 36 | | | | 216 | | | 216 | 216 | 0 | 216 | 216 |
| 2007-08 Programme | | 196 | 20 | | | | 216 | | | 216 | 216 | 0 | 216 | 216 |
| ED05 LEA Liability at VA Schools re major capital schemes (Bishop Douglas) | 101 | 9 | | | | | 110 | | | | 9 | 9 | 101 | 110 |
| ED09 The Compton School - expansion | | | | | | | | | | | | | | |
| Multi Use Games Area | 316 | | | | | | 316 | | | | | | 316 | 316 |
| Main scheme | 5,130 | 0 | | | | | 5,130 | | | | | | 5,130 | 5,130 |

CAPITAL PROGRAMME 2007-08 TO 2010-11

CAPITAL FUNDING

| Children's Service | | PRIOR YEARS | 2007-08 | 2008-09 | 2009-10 | 2010-11 | Future years | Total | Grants | Other (incl. S106) | Capital Receipts | Borrowing | 2007/08-2010/11 | Prior years funding | Total |
|--------------------|---|-------------|---------|---------|---------|---------|--------------|-------|--------|--------------------|------------------|-----------|-----------------|---------------------|-------|
| | | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 |
| ED10 | Frith Manor Rebuild and redevelopment after fire | 7,168 | 21 | | | | | 7,189 | | | | 21 | 21 | 7,168 | 7,189 |
| ED12 | Modernisation - all schools need | | | | | | | | | | | | | | |
| | 2004-05 Building Condition & other schemes | 1,843 | 306 | | | | | 2,149 | 306 | | | | 306 | 1,843 | 2,149 |
| | 2005-06 Building Condition schemes (AMP) | 820 | 35 | 175 | | | | 1,030 | 210 | | | | 210 | 820 | 1,030 |
| ED13 | Modernisation - primary school need | | | | | | | | | | | | | | |
| | 2005-06 | 175 | 0 | 67 | | | | 242 | 67 | | | | 67 | 175 | 242 |
| | 2006-07 | 1,810 | 456 | | | | | 2,266 | 237 | 219 | | | 456 | 1,810 | 2,266 |
| | 2007-08 | | 887 | 650 | | | | 1,537 | | | | 1,537 | 1,537 | 0 | 1,537 |
| | Modernisation Primary and Secondary Future years allocations | | | 3,000 | 1,488 | 1,805 | | 6,293 | 1,505 | | | 4,788 | 6,293 | 0 | 6,293 |
| | Basic Need | | | 500 | 1,044 | | | 1,544 | | | | 1,544 | 1,544 | 0 | 1,544 |
| | Schools Access Initiatives | | | 300 | 300 | | | 600 | | | | 600 | 600 | 0 | 600 |
| ED15 | Modernisation - secondary | 226 | 929 | 2,932 | | | | 4,087 | 929 | 300 | | 2,632 | 3,861 | 226 | 4,087 |

CAPITAL PROGRAMME 2007-08 TO 2010-11

CAPITAL FUNDING

| Children's Service | | PRIOR YEARS | 2007-08 | 2008-09 | 2009-10 | 2010-11 | Future years | Total | Grants | Other (incl. S106) | Capital Receipts | Borrowing | 2007/08-2010/11 | Prior years funding | Total |
|--------------------|--|-------------|---------|---------|---------|---------|--------------|-------|--------|--------------------|------------------|-----------|-----------------|---------------------|-------|
| | | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 |
| ED16 | Surestart -Phase 2 | | 748 | 2,056 | | | | 2,804 | 2,804 | | | | 2,804 | 0 | 2,804 |
| | Surestart - Phase 3 | | | 696 | 1,493 | 806 | | 2,995 | 2,995 | | | | 2,995 | 0 | 2,995 |
| ED17 | Big Lottery Fund Schemes | | | | | | | | | | | | | | |
| | Bell Lane - Sports Hall | 773 | 42 | | | | | 815 | 42 | | | | 42 | 773 | 815 |
| | Moss Hall Junior School - Changing room refurbishment | 333 | (0) | | | | | 333 | | | | | | 333 | 333 |
| | Oak Lodge School - Multi Use Games Area | 14 | 226 | | | | | 240 | 226 | | | | 226 | 14 | 240 |
| | Borough Playground scheme 7 sites - line markings | 10 | 141 | | | | | 151 | 141 | | | | 141 | 10 | 151 |
| | Whitings Hill Primary - Multi Use Games Area | 11 | 141 | | | | | 152 | 141 | | | | 141 | 11 | 152 |
| | | | | | | | | | | | | | | 0 | 0 |
| ED19 | Underhill Infants - Childrens Centre | 49 | 200 | 1,781 | | | | 2,030 | 1,658 | | | 323 | 1,981 | 49 | 2,030 |
| | | | | | | | | | | | | | | 0 | 0 |
| ED20 | Dollis Infants - reprovisioning and expansion of Nursery | 52 | 142 | | | | | 194 | | 142 | | | 142 | 52 | 194 |
| ED21 | Hyde School Rebuild & Childrens Centre | | | | | | | | | | | | | | |
| | Stage 1 - Childrens Centre | 337 | (0) | 1,113 | | | | 1,450 | | | | 1,113 | 1,113 | 337 | 1,450 |
| | Stage 2 - redevelopment of school | | 450 | 5,600 | | | | 6,050 | 1,921 | | | 4,129 | 6,050 | 0 | 6,050 |
| | Contingency | | | 432 | 400 | 18 | | 850 | 432 | | | 418 | 850 | 0 | 850 |
| ED22 | Parkfield School | | | | | | | | | | | | | | |
| | Stage 1 - Childrens Centre | 1,370 | 85 | | | | | 1,455 | | | | 85 | 85 | 1,370 | 1,455 |
| | Stage 2 - redevelopment of school | 353 | 400 | 5,687 | 400 | | | 6,840 | 550 | | | 5,936 | 6,486 | 353 | 6,839 |

CAPITAL PROGRAMME 2007-08 TO 2010-11

CAPITAL FUNDING

| Children's Service | PRIOR YEARS | 2007-08 | 2008-09 | 2009-10 | 2010-11 | Future years | Total | Grants | Other (incl. S106) | Capital Receipts | Borrowing | 2007/08-2010/11 | Prior years funding | Total |
|--|---------------|---------------|---------------|---------------|---------------|---------------|----------------|---------------|--------------------|------------------|---------------|-----------------|---------------------|----------------|
| | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 |
| ED23 Primary Schools Capital Investment Programme (PSCIP) Wave 1 | | 400 | 10,082 | 20,684 | 19,235 | 38,019 | 88,420 | 624 | 7,645 | 66,051 | 14,100 | 88,420 | 0 | 88,420 |
| ED25 East Barnet - Rebuild | 402 | 1,662 | 12,836 | 19,220 | | | 34,120 | 31,220 | 792 | | 1,706 | 33,718 | 402 | 34,120 |
| ED26 Youth Capital funding | 104 | 242 | | | | | 346 | 242 | | | | 242 | 104 | 346 |
| ED27 DfES Primary Pathfinder | | | 6,500 | | | | 6,500 | 6,500 | | | | 6,500 | 0 | 6,500 |
| ED28 Libraries Strategy | | 362 | 878 | | | | 1,240 | | 240 | | 1,000 | 1,240 | 0 | 1,240 |
| ED56 Health & Safety Works | | 632 | | | | | 632 | 632 | | | | 632 | 0 | 632 |
| ED99 Outstanding Commitments on completed schemes | 48 | 257 | | | | | 305 | | | | 257 | 257 | 48 | 305 |
| | 22,703 | 9,499 | 55,341 | 45,029 | 21,864 | 38,019 | 192,455 | 53,664 | 9,338 | 66,051 | 40,699 | 169,752 | 22,703 | 192,455 |
| SCHEMES IMPLEMENTED BY SCHOOLS | | | | | | | | | | | | | | |
| New Deals for Schools Devolved Formula | 6,713 | 3,872 | 1,239 | 2,462 | 3,685 | 3,669 | 21,640 | 14,927 | | | | 14,927 | 6,713 | 21,640 |
| Specialist Schools (capital grant) | 300 | 100 | | | | | 400 | 100 | | | | 100 | 300 | 400 |
| | 29,716 | 13,471 | 56,580 | 47,491 | 25,549 | 41,688 | 214,495 | 68,691 | 9,338 | 66,051 | 40,699 | 184,779 | 29,716 | 214,495 |

CAPITAL PROGRAMME 2007-08 TO 2010-11

CAPITAL FUNDING

| Corporate Governance | PRIOR YEARS | 2007-08 | 2008-09 | 2009-10 | 2010-11 | Future years | Total | Grants | Other (incl. S106) | Capital Receipts | Borrowing | 2007/08-2010/11 | Prior years funding | Total |
|--|-------------|---------|---------|---------|---------|--------------|-------|--------|--------------------|------------------|-----------|-----------------|---------------------|-------|
| | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 |
| LP03 Legal case management system | 166 | 4 | | | | | 170 | | | | 4 | 4 | 166 | 170 |
| LP04 Emergency Response Command Centre | 4 | 160 | | | | | 164 | | | | 160 | 160 | 4 | 164 |
| SD05 Building Safer Communities | 328 | 79 | 25 | | | | 432 | 104 | | | | 104 | 328 | 432 |
| | 498 | 243 | 25 | | | | 766 | 104 | | | 164 | 268 | 498 | 766 |

CAPITAL PROGRAMME 2007-08 TO 2010-11

CAPITAL FUNDING

| Environment & Transport Services | PRIOR YEARS | 2007-08 | 2008-09 | 2009-10 | 2010-11 | Future years | Total | Grants | Other (incl. S106) | Capital Receipts | Borrowing | 2007/08-2010/11 | Prior years funding | Total |
|--|-------------|---------|---------|---------|---------|--------------|-------|--------|--------------------|------------------|-----------|-----------------|---------------------|-------|
| | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 |
| EN02 Waste recycling schemes Green Bins Paper and can recycling banks <i>Waste Performance Efficiency Grant</i> | 978 | 551 | | | | | 1,529 | 551 | | | | 551 | 978 | 1,529 |
| EN03 Parks Infrastructure Old Courthouse Recreation Ground catering facilities <i>Barnet element of larger scheme</i> Security of park boundaries | 44 | | | | | | 44 | | | | | | 44 | 44 |
| | 23 | 7 | | | | | 30 | | | | 7 | 7 | 23 | 30 |
| EN08 Watling Park (S106) CCTV Entrance gates | 44 | | | | | | 44 | | | | | | 44 | 44 |
| | 73 | | | | | | 73 | | | | | | 73 | 73 |
| | | 31 | | | | | 31 | | 15 | | 16 | 31 | 0 | 31 |
| EN10 Glebelands Open Space - Sports Pitches | 7 | 68 | | | | | 75 | | 68 | | | 68 | 7 | 75 |
| EN11 Environmental Officer - capitalisation of salary | 80 | 40 | 40 | 40 | 40 | | 240 | | | | 160 | 160 | 80 | 240 |
| EN12 Closed Circuit Television in Town Centres Radio Communications System | 38 | | 62 | | | | 100 | | | | 62 | 62 | 38 | 100 |
| 2005-06 Programme: High Barnet, Cricklewood, Burnt Oak, Hendon Central (additional camera) | 618 | 10 | | | | | 628 | | | | 10 | 10 | 618 | 628 |

CAPITAL PROGRAMME 2007-08 TO 2010-11

CAPITAL FUNDING

| Environment & Transport Services | PRIOR YEARS | 2007-08 | 2008-09 | 2009-10 | 2010-11 | Future years | Total | Grants | Other (incl. S106) | Capital Receipts | Borrowing | 2007/08-2010/11 | Prior years funding | Total |
|---|-------------|---------|---------|---------|---------|--------------|-------|--------|--------------------|------------------|-----------|-----------------|---------------------|-------|
| | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 |
| EN14 CCTV Installation: NRF Funding East Finchley/Burnt Oak - CCTV, Development & Delivery 2007-08 | 433 | 25 | | | | | 458 | | | | 25 | 25 | 433 | 458 |
| EN15 2006-07 Town Centre Programmes: Installations in Town Centres and works to Control Room | 312 | | | | | | 312 | | | | | | 312 | 312 |
| NRF Funding East Finchley/Burnt Oak - CCTV, Development & Delivery | 141 | 159 | | | | | 300 | 159 | | | | 159 | 141 | 300 |
| EN99 Outstanding Environment services commitments on completed schemes | | 89 | | | | | 89 | | | | 89 | 89 | 0 | 89 |
| HD01 Structural Maintenance of Bridges 2004-05 Programme | 37 | | | | | | 37 | | | | | | 37 | 37 |
| 2007-08 allocation <i>Programmes funded by Transport For London</i> | | 120 | | | | | 120 | 120 | | | | 120 | 0 | 120 |
| HD03 Local Safety Schemes 2004-05 Programme | 1,307 | | | | | | 1,307 | | | | | | 1,307 | 1,307 |
| Chipping Barnet | 39 | | | | | | 39 | | | | | | 39 | 39 |
| Finchley and Golders Green Hendon | | | | | | | | | | | | | | |
| 2005-06 Programme | 166 | | | | | | 166 | | | | | | 166 | 166 |
| Chipping Barnet Finchley and Golders Green Hendon | | | | | | | | | | | | | | |
| 2006-07 programme Chipping Barnet | 316 | 272 | | | | | 588 | 272 | | | | 272 | 316 | 588 |

CAPITAL PROGRAMME 2007-08 TO 2010-11

CAPITAL FUNDING

| Environment & Transport Services | PRIOR YEARS | 2007-08 | 2008-09 | 2009-10 | 2010-11 | Future years | Total | Grants | Other (incl. S106) | Capital Receipts | Borrowing | 2007/08-2010/11 | Prior years funding | Total |
|--|-------------|---------|---------|---------|---------|--------------|-------|--------|--------------------|------------------|-----------|-----------------|---------------------|-------|
| | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 |
| Finchley and Golders Green | | | | | | | | | | | | | | |
| Hendon | | | | | | | | | | | | | | |
| 2007-08 programme | | | | | | | | | | | | | | |
| Chipping Barnet | | 243 | | | | | 243 | 243 | | | | 243 | 0 | 243 |
| Finchley and Golders Green | | 210 | | | | | 210 | 210 | | | | 210 | 0 | 210 |
| Hendon | | 223 | | | | | 223 | 223 | | | | 223 | 0 | 223 |
| Mass Action Accidents on Wet Road Surface | | 240 | | | | | 240 | 240 | | | | 240 | 0 | 240 |
| 2008-9 programme | | | | | | | | | | | | | | |
| Future Scheme Identification | | | 35 | | | | 35 | 35 | | | | 35 | 0 | 35 |
| Mass Action Accidents on Wet Road Surface & pedestrian crossings 08-09 | | | 260 | | | | 260 | 260 | | | | 260 | 0 | 260 |
| Schemes to be Agreed with TFL (Funding confirmed) | | | 200 | | | | 200 | 200 | | | | 200 | 0 | 200 |
| Hendon | | | 300 | | | | 300 | 300 | | | | 300 | 0 | 300 |
| <i>Programmes funded by Transport For London</i> | | | | | | | | | | | | | | |
| HD04 Carriageway Reconstruction - Principal Roads | | | | | | | | | | | | | | |
| 2004-05 Programme | 3,353 | | | | | | 3,353 | | | | | | 3,353 | 3,353 |
| 2005-06 Programme | 642 | | | | | | 642 | | | | | | 642 | 642 |
| 2006-07 Programme | 773 | 657 | | | | | 1,430 | 657 | | | | 657 | 773 | 1,430 |
| 2007-08 allocation | | | | | | | | | | | | | | |
| Chipping Barnet | | 610 | | | | | 610 | 456 | 155 | | | 611 | 0 | 611 |
| Finchley and Golders Green | | 365 | | | | | 365 | 210 | 155 | | | 365 | 0 | 365 |
| Hendon | | 250 | 243 | | | | 493 | 407 | 86 | | | 493 | 0 | 493 |
| 2008-9 allocation | | | | | | | | | | | | | | |
| Hendon | | | 651 | | | | 651 | 651 | | | | 651 | 0 | 651 |
| <i>Programmes funded by Transport For London</i> | | | | | | | | | | | | | | |

CAPITAL PROGRAMME 2007-08 TO 2010-11

CAPITAL FUNDING

| Environment & Transport Services | | PRIOR YEARS | 2007-08 | 2008-09 | 2009-10 | 2010-11 | Future years | Total | Grants | Other (incl. S106) | Capital Receipts | Borrowing | 2007/08-2010/11 | Prior years funding | Total |
|----------------------------------|--|-------------|---------|---------|---------|---------|--------------|-------|--------|--------------------|------------------|-----------|-----------------|---------------------|-------|
| | | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 |
| HD07/08 | Road Traffic Act - Controlled Parking Zones | 858 | 236 | 103 | | | | 1,197 | | 339 | | | 339 | 858 | 1,197 |
| | Road Traffic Act - Controlled Parking Zones 08-09 | | | 400 | | | | 400 | | 400 | | | 400 | 0 | 400 |
| | <i>Programme funded from Special Parking Account</i> | | | | | | | | | | | | | | |
| HD10 | Footway Reconstruction | | | | | | | | | | | | | | |
| | Borough Roads | 776 | | | | | | 776 | | | | | | 776 | 776 |
| | TFL funded schemes | 435 | 264 | | | | | 699 | 264 | | | | 264 | 435 | 699 |
| | <i>Programmes funded by Transport For London</i> | | | | | | | | | | | | | | |
| | Chipping Barnet | | 154 | | | | | 154 | | 154 | | | 154 | 0 | 154 |
| | Finchley and Golders Green | | 170 | | | | | 170 | | 170 | | | 170 | 0 | 170 |
| | Hendon | | 99 | | | | | 99 | | 99 | | | 99 | 0 | 99 |
| | <i>Schemes funded by Section 106</i> | | | | | | | | | | | | | | |
| HD11 | London Bus Priority Network | | | | | | | | | | | | | | |
| | 2005-06 programme | 110 | | | | | | 110 | | | | | | 110 | 110 |
| | 2006-07 programme | 1,795 | 101 | | | | | 1,896 | 101 | | | | 101 | 1,795 | 1,896 |
| | 2007-08 programme | | | | | | | | | | | | | | |
| | Consultants costs | | 850 | | | | | 850 | 850 | | | | 850 | 0 | 850 |
| | Works | | 789 | | | | | 789 | 789 | | | | 789 | 0 | 789 |
| | 2008/9 programme | | | 700 | | | | 700 | 700 | | | | 700 | 0 | 700 |
| | Consultants costs | | | 719 | | | | 719 | 719 | | | | 719 | 0 | 719 |
| | Works | | | | | | | | | | | | | | |
| | <i>Programme funded by Transport For London</i> | | | | | | | | | | | | | | |

CAPITAL PROGRAMME 2007-08 TO 2010-11

CAPITAL FUNDING

| Environment & Transport Services | PRIOR YEARS | 2007-08 | 2008-09 | 2009-10 | 2010-11 | Future years | Total | Grants | Other (incl. S106) | Capital Receipts | Borrowing | 2007/08-2010/11 | Prior years funding | Total |
|--|-------------|---------|---------|---------|---------|--------------|--------|--------|--------------------|------------------|-----------|-----------------|---------------------|--------|
| | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 |
| HD12 Cycling | 83 | 77 | | | | | 160 | 77 | | | | 77 | 83 | 160 |
| Cycling Non LCN 2008-09 | | | 52 | | | | 52 | 52 | | | | 52 | 0 | 52 |
| Cycling LCN Schemes | | | 60 | | | | 60 | 60 | | | | 60 | 0 | 60 |
| <i>Programme funded by Transport For London</i> | | | | | | | | | | | | | | |
| HD14 Pursley Road - Traffic Management | 16 | 107 | | | | | 123 | | 107 | | | 107 | 16 | 123 |
| <i>Funded by S106 Agreement</i> | | | | | | | | | | | | | | |
| HD15 Safer Routes to Schools | | | | | | | | | | | | | | |
| 2004-05 Programme | 76 | | | | | | 76 | | | | | | 76 | 76 |
| 2005-06 Programme | 227 | | | | | | 227 | | | | | | 227 | 227 |
| 2006-07 Programme | 80 | 159 | | | | | 239 | 159 | | | | 159 | 80 | 239 |
| <i>Programmes funded by Transport For London</i> | | | | | | | | | | | | | | |
| HD19 Cartwright Memorial, St Mary's Church | 16 | 5 | 30 | | | | 51 | | | | 35 | 35 | 16 | 51 |
| HD25 Bus Stop Accessibility | 53 | 90 | | | | | 143 | 90 | | | | 90 | 53 | 143 |
| 2008-09 allocation | | | 30 | | | | 30 | 30 | | | | 30 | 0 | 30 |
| <i>Programmes funded by Transport For London</i> | | | | | | | | | | | | | | |
| HD33 Colindale Development Area | | | | | | | | | | | | | | |
| Reconstruction of the railway bridges | 882 | 6,197 | 3,392 | | | | 10,471 | 6,859 | 2,730 | | | 9,589 | 882 | 10,471 |
| <i>Scheme to be funded by Growth Area Development Fund grant (£7m) and Section 106 agreement (£2.73m).</i> | | | | | | | | | | | | | | |
| A41/Aerodrome Road junction improvement works | | | 1,000 | | | | 1,000 | | 1,000 | | | 1,000 | 0 | 1,000 |

CAPITAL PROGRAMME 2007-08 TO 2010-11

CAPITAL FUNDING

| Environment & Transport Services | PRIOR YEARS | 2007-08 | 2008-09 | 2009-10 | 2010-11 | Future years | Total | Grants | Other (incl. S106) | Capital Receipts | Borrowing | 2007/08-2010/11 | Prior years funding | Total |
|---|-------------|---------|---------|---------|---------|--------------|-------|--------|--------------------|------------------|-----------|-----------------|---------------------|-------|
| | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 |
| Controlled Parking Zones | | | 90 | 45 | | | 135 | | 135 | | | 135 | 0 | 135 |
| Aerodrome Road - additional pedestrian facilities | | | 100 | 150 | | | 250 | | 250 | | | 250 | 0 | 250 |
| Colindale Station Interchange | | | 100 | 150 | | | 250 | | 250 | | | 250 | 0 | 250 |
| <i>Above schemes funded by S106 agreements</i> | | | | | | | | | | | | | | |
| HD34 Minor TFL allocations 2006-07 | | | | | | | | | | | | | | |
| Walking | 50 | | | | | | 50 | | | | | | 50 | 50 |
| Environment | 3 | 6 | | | | | 9 | 6 | | | | 6 | 3 | 9 |
| Parallel Initiatives | 25 | | | | | | 25 | | | | | | 25 | 25 |
| Minor TFL allocations 2007-08 | | | | | | | | | | | | | | |
| Walking & Cycling | | 75 | | | | | 75 | 75 | | | | 75 | 0 | 75 |
| Travel Awareness | | 15 | | | | | 15 | 15 | | | | 15 | 0 | 15 |
| Environment | | 25 | | | | | 25 | 25 | | | | 25 | 0 | 25 |
| Parallel Initiatives | | 50 | | | | | 50 | 50 | | | | 50 | 0 | 50 |
| Minor TfL allocations 2008-09 | | | | | | | | | | | | | | |
| Walking | | | 35 | | | | 35 | 35 | | | | 35 | 0 | 35 |
| Walking - Chipping Barnet | | | 10 | | | | 10 | 10 | | | | 10 | 0 | 10 |
| Walking - Finchely & Golders Green | | | 26 | | | | 26 | 26 | | | | 26 | 0 | 26 |
| Walking - Hendon | | | 25 | | | | 25 | 25 | | | | 25 | 0 | 25 |
| <i>Programmes funded by Transport For London</i> | | | | | | | | | | | | | | |
| HD35 Highways Investment 2006-07 | 2,343 | 573 | 247 | | | | 3,163 | | | | 820 | 820 | 2,343 | 3,163 |
| Highways Investment 2007-08 onwards | | | | | | | | | | | | | | |
| Chipping Barnet | | 782 | 680 | | | | 1,462 | | 116 | | 1,347 | 1,463 | 0 | 1,463 |
| Finchley and Golders Green | | 839 | 656 | | | | 1,495 | | 164 | | 1,331 | 1,495 | 0 | 1,495 |

CAPITAL PROGRAMME 2007-08 TO 2010-11

CAPITAL FUNDING

| Environment & Transport Services | PRIOR YEARS | 2007-08 | 2008-09 | 2009-10 | 2010-11 | Future years | Total | Grants | Other (incl. S106) | Capital Receipts | Borrowing | 2007/08-2010/11 | Prior years funding | Total |
|--|---------------|---------------|---------------|--------------|-----------|--------------|---------------|---------------|--------------------|------------------|--------------|-----------------|---------------------|---------------|
| | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 |
| Hendon <i>Programmes funded by Prudential Borrowing / S106</i> | | 886 | 664 | | | | 1,550 | | 227 | | 1,323 | 1,550 | 0 | 1,550 |
| HD36 School Travel Plans (STP's) 2007-08 allocation | | 694 | | | | | 694 | 694 | | | | 694 | 0 | 694 |
| School Travel Plans (STP's) 2008-09 allocation <i>Programmes funded by Transport For London</i> | | | 320 | | | | 320 | 320 | | | | 320 | 0 | 320 |
| HD38 Carriageways and Footways | | 750 | 750 | 750 | | | 2,250 | | | | 2,250 | 2,250 | 0 | 2,250 |
| HD39 Travel Plan Implementation | | | 33 | | | | 33 | | | | 33 | 33 | 0 | 33 |
| HD40 Signature Street Cleansing Service Plant & Equipment Requirements | | 236 | 74 | | | | 310 | | | | 310 | 310 | 0 | 310 |
| HD43 Congestion Reduction Methods | | 300 | 300 | 300 | | | 900 | | | | 900 | 900 | 0 | 900 |
| Grahame ParkP/Cricklewood Transport Improvements <i>Programmes funded by Prudential Borrowing</i> | | 50 | 50 | | | | 100 | 100 | | | | 100 | 0 | 100 |
| HD44 Local Accessibility Scheme (LAS) Work Programme | | | 40 | | | | 40 | 40 | | | | 40 | 0 | 40 |
| HD45 Ranulf Road Highway | | 20 | | | | | 20 | | 20 | | | 20 | 0 | 20 |
| HD99 Outstanding Transport commitments on completed schemes | 36 | 48 | | | | | 84 | | | | 48 | 48 | 36 | 84 |
| | 17,288 | 18,819 | 12,477 | 1,435 | 40 | | 50,059 | 17,365 | 6,640 | | 8,766 | 32,771 | 17,288 | 50,059 |

CAPITAL PROGRAMME 2007-08 TO 2010-11

CAPITAL FUNDING

| Housing General Fund | PRIOR YEARS | 2007-08 | 2008-09 | 2009-10 | 2010-11 | Future years | Total | Grants | Other (incl. S106) | Capital Receipts | Borrowing | 2007/08-2010/11 | Prior years funding | Total |
|---|---------------|--------------|--------------|--------------|--------------|--------------|---------------|--------------|--------------------|------------------|--------------|-----------------|---------------------|---------------|
| | £000 | Revised | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 |
| HOUSING GENERAL FUND: | | | | | | | | | | | | | | |
| HS01 Housing Association Programme | 5,393 | 2,886 | 1,853 | 1,347 | 2,000 | | 13,479 | | 7,488 | 598 | | 8,086 | 5,393 | 13,479 |
| HS17 GF Regeneration | 7,444 | 3,820 | 3,695 | | | | 14,959 | | | 3,101 | 4,414 | 7,515 | 7,444 | 14,959 |
| HS27 Disabled Facilities Grants - Mandatory | 3,012 | 1,714 | 1,497 | 1,347 | 1,347 | | 8,917 | 3,376 | | 2,529 | | 5,905 | 3,012 | 8,917 |
| HS28 Housing Management System | | | 334 | | | | 334 | | | 334 | | 334 | 0 | 334 |
| | 15,849 | 8,420 | 7,379 | 2,694 | 3,347 | | 37,689 | 3,376 | 7,488 | 6,562 | 4,414 | 21,840 | 15,849 | 37,689 |

CAPITAL PROGRAMME 2007 - 2008 TO 2010 - 2011

CAPITAL FUNDING

| Housing Associations | No. of units | IMPLEMENTATION | | PRIOR YEARS | 2007-08 | 2008-09 | 2009-10 | 2010-11 | Total | Grants | Other (incl. S106) | Capital Receipts | Borrowing | 2007/08-2010/11 | Prior years funding | Total |
|---|--------------|----------------|--------|-------------|---------|---------|---------|---------|-------|--------|--------------------|------------------|-----------|-----------------|---------------------|-------|
| | | START | END | | | | | | | | | | | | | |
| | | | | £000 | £000 | £000 | £000 | | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 |
| EALING FAMILY HOUSING ASSOCIATION | | | | | | | | | | | | | | | | |
| Tarling Rd Site, N2 | | | | | | | | | | | | | | | | |
| 11 X family houses for rent and 6 flats for shared ownership including a 2 x 4 bed wheelchair houses for rent | 17 | Jun-06 | Jun-07 | 2,044 | 511 | | | | 3,066 | | | 511 | | 511 | 2,044 | 2,555 |
| FAMILY HOUSING ASSOCIATION - | | | | | | | | | | | | | | | | |
| Bunns Lane | | | | | | | | | | | | | | | | |
| New Build s106 site. 12 x two bed flats for rent | 12 | Apr-07 | Apr-08 | | 861 | 215 | | | 1,938 | | 1,076 | | | 1,076 | | 1,076 |
| HABINTEG HOUSING ASSOCIATION | | | | | | | | | | | | | | | | |
| Northfields Road Garage Site | | | | | | | | | | | | | | | | |
| 2 new homes including 3 bedroom wheelchair flat | 2 | Jan-07 | Jul-07 | 191 | 48 | | | | 287 | | | 48 | | 48 | 191 | 239 |
| NOTTING HILL HOUSING TRUST - | | | | | | | | | | | | | | | | |
| New Fieldways | | | | | | | | | | | | | | | | |
| New build site for 20 flats for rent | 20 | Jan-06 | Jun-08 | 1,814 | | 454 | | | 2,268 | | 454 | | | 454 | 1,814 | 2,268 |
| METROPOLITAN HOUSING TRUST | | | | | | | | | | | | | | | | |
| Page Street, NW7 | | | | | | | | | | | | | | | | |
| 5 x 4 bedroom homes to rent secured through a S106 agreement | 5 | Mar-06 | Apr-07 | | 544 | 136 | | | 1,224 | | 680 | | | 680 | | 680 |
| SUTHERLAND HOUSING ASSOCIATION | | | | | | | | | | | | | | | | |
| (part of the Genesis Housing Group) | | | | | | | | | | | | | | | | |
| Ossidge Park, N20 | | | | | | | | | | | | | | | | |
| 16 homes 1 and 2 bedroomed to be sold as shared ownership plus an additional 13 units to be funded by the HA using recycled grant | 16 | Feb-06 | Apr-07 | 374 | 94 | | | | 562 | | 55 | 39 | | 94 | 374 | 468 |

CAPITAL PROGRAMME 2007 - 2008 TO 2010 - 2011

CAPITAL FUNDING

| Housing Associations | No. of units | IMPLEMENTATION | | PRIOR YEARS | 2007-08 | 2008-09 | 2009-10 | 2010-11 | Total | Grants | Other (incl. S106) | Capital Receipts | Borrowing | 2007/08-2010/11 | Prior years funding | Total |
|--|--------------|----------------|--------|-------------|---------|---------|---------|---------|--------|--------|--------------------|------------------|-----------|-----------------|---------------------|--------|
| | | START | END | | | | | | | | | | | | | |
| PADDINGTON CHURCHES HOUSING ASSOCIATION - Highway Agency Properties Purchase and refurbishment / repair of family units. | 4 | Mar-02 | Dec-07 | £000 | £000 | £000 | £000 | | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 |
| | | | | 420 | | 32 | 22 | | 54 | 54 | | | | 54 | 420 | 474 |
| PADDINGTON CHURCHES HOUSING ASSOCIATION - Nicoll Court/Wade Court 7 x family sized new build units - Borough Disposal | 7 | Sep-06 | Aug-07 | 550 | 137 | | | | 137 | 137 | | | | 137 | 550 | 687 |
| PADDINGTON CHURCHES HOUSING ASSOCIATION Pert Close, N10 New build of family sized houses to meet to meet current housing needs | 4 | Mar-07 | Mar-08 | | | 325 | 325 | | 650 | 650 | | | | 650 | | 650 |
| WARDEN HOUSING ASSOCIATION Long Lane, N2 6 large family houses | 6 | Jun-07 | Jun-07 | | 691 | 691 | | | 2,073 | 1,382 | | | | 1,382 | | 1,382 |
| NEW BUILD OPPORTUNITIES S106 and Local Authority site disposals | 10 | t.b.a | t.b.a | | | | 1,000 | 2,000 | 3,000 | 3,000 | | | | 3,000 | | 3,000 |
| HOUSING ASSOCIATIONS TOTAL | | | | 5,393 | 2,886 | 1,853 | 1,347 | 2,000 | 13,479 | | 7,488 | 598 | | 8,086 | 5393 | 13,479 |

This schedule includes overprogramming as some schemes may not be achievable. They may be delayed, deferred or deleted.

The council will receive 100% nomination rights for a minimum of 10 years.

CAPITAL PROGRAMME 2007-08 TO 2010-11

CAPITAL FUNDING

| Planning & Environmental Protection | PRIOR YEARS | 2007-08 | 2008-09 | 2009-10 | 2010-11 | Future years | Total | Grants | Other (incl. S106) | Capital Receipts | Borrowing | 2007/08-2010/11 | Prior years funding | Total |
|-------------------------------------|-------------|---------|---------|---------|---------|--------------|-------|--------|--------------------|------------------|-----------|-----------------|---------------------|-------|
| | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 |
| LP01 Local Land Charges | 178 | 8 | | | | | 186 | | | | 8 | 8 | 178 | 186 |
| | 178 | 8 | | | | | 186 | | | | 8 | 8 | 178 | 186 |

CAPITAL PROGRAMME 2007-08 TO 2010-11

CAPITAL FUNDING

| Resources | | PRIOR YEARS | 2007-08 | 2008-09 | 2009-10 | 2010-11 | Future years | Total | Grants | Other (incl. S106) | Capital Receipts | Borrowing | 2007/08-2010/11 | Prior years funding | Total |
|-----------|---|-------------|---------|---------|---------|---------|--------------|--------|--------|--------------------|------------------|-----------|-----------------|---------------------|--------|
| | | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 |
| IT02 | GIS Internet Project | 10 | 10 | | | | | 20 | | | | 10 | 10 | 10 | 20 |
| IT03 | Modernising Our Infrastructure | 4,428 | 249 | | | | | 4,677 | | | | 249 | 249 | 4,428 | 4,677 |
| IT04 | Modernising Core Systems | 11,471 | 300 | | | | | 11,771 | | | | 300 | 300 | 11,471 | 11,771 |
| | Electronic Social Care Record (ESCR) | | 350 | 219 | | | | 569 | | | | 569 | 569 | | 569 |
| | Electronic Documents and Records Management System (EDRM) | 532 | 1,200 | 3,771 | | | | 5,503 | 4 | 1,869 | | 3,098 | 4,971 | 532 | 5,503 |
| IT06 | Mobile Working Strategy Development | | 8 | 72 | | | | 80 | | | | 80 | 80 | | 80 |
| IT07 | NLBP Ground Floor Occupation - IT costs of additional staff relocated to NLBP | 211 | 199 | | | | | 410 | | | | 199 | 199 | 211 | 410 |
| IT09 | Customer Relationship Management System (CRM) | | 1,200 | 1,400 | | | | 2,600 | | | | 2,600 | 2,600 | | 2,600 |
| IT10 | Modernising the Way We Work | | 1,524 | 1,500 | 1,500 | 2,000 | | 6,524 | 284 | | | 6,240 | 6,524 | | 6,524 |
| IT11 | Norwell Case Management Implementation | 12 | 68 | | | | | 80 | | | | 68 | 68 | 12 | 80 |
| IT12 | Business Systems Disaster Recovery | | 100 | 70 | 70 | 70 | 70 | 380 | | | | 380 | 380 | | 380 |
| IT13 | Project & Programme Management Software | | 145 | | | | | 145 | | | | 145 | 145 | | 145 |
| IT14 | Shared Service Centre | | 750 | | | | | 750 | | | | 750 | 750 | | 750 |
| IT15 | SWIFT | | | 580 | | | | 580 | | | | 580 | 580 | | 580 |

CAPITAL PROGRAMME 2007-08 TO 2010-11

CAPITAL FUNDING

| Resources | | PRIOR YEARS | 2007-08 | 2008-09 | 2009-10 | 2010-11 | Future years | Total | Grants | Other (incl. S106) | Capital Receipts | Borrowing | 2007/08-2010/11 | Prior years funding | Total |
|-----------|---|-------------|---------|---------|---------|---------|--------------|-------|--------|--------------------|------------------|-----------|-----------------|---------------------|-------|
| | | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 |
| IT16 | Education Management Information System | 282 | 71 | | | | | 353 | | | | 71 | 71 | 282 | 353 |
| CE03 | Arts Centre Development | 3,174 | 342 | | | | | 3,516 | | | | 342 | 342 | 3,174 | 3,516 |
| CE05 | Copthall Stadium - resurfacing of athletics track | 347 | 14 | 14 | | | | 375 | | | | 28 | 28 | 347 | 375 |
| CE06 | NRF funding | | 15 | | | | | 15 | 15 | | | | 15 | | |
| HD41 | Land & Assets Programme | | | | | | | | | | | | | | |
| | Plantech implementation programme | | 400 | 208 | | | | 608 | | | | 608 | 608 | | 608 |
| | GIS | | 186 | | | | | 186 | | | | 186 | 186 | | 186 |
| HD42 | Arts Depot lift | | | 95 | | | | 95 | | | | 95 | 95 | | 95 |
| ED23 | PSCIP | | | | | | | | | | | | | | |
| | Procurement & Consultant costs | 203 | 800 | 620 | | | | 1,420 | | | | 1,420 | 1,420 | 203 | 1,623 |
| HE01 | North London Business Park - relocation of staff | | | | | | | | | | | | | | |
| | IT costs including desktop and applications, data and voice networks, internal cabling and communications | 2,328 | | | | | | 2,328 | | | | | | 2,328 | 2,328 |
| | Planning - reception area | 11 | 9 | 80 | | | | 100 | | | | 89 | 89 | 11 | 100 |
| HE08 | Energy Efficiency Measures | | 29 | 445 | | | | 474 | | | | 474 | 474 | | 474 |

CAPITAL PROGRAMME 2007-08 TO 2010-11

CAPITAL FUNDING

| Resources | PRIOR YEARS | 2007-08 | 2008-09 | 2009-10 | 2010-11 | Future years | Total | Grants | Other (incl. S106) | Capital Receipts | Borrowing | 2007/08-2010/11 | Prior years funding | Total |
|---|---------------|---------------|---------------|--------------|--------------|--------------|---------------|------------|--------------------|------------------|---------------|-----------------|---------------------|---------------|
| | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 |
| HE09 Hendon Complex | | | | | | | | | | | | | | |
| Hendon Complex Midd Uni Move | 9 | 786 | 897 | | | | 1,692 | | | | 1,683 | 1,683 | 9 | 1,692 |
| HTH Committee room refurb | | 715 | | | | | 715 | | | | 715 | 715 | 0 | 715 |
| HE10 West of Borough Customer Access Facility (Burnt Oak) | | 600 | 400 | | | | 1,000 | | | 1,000 | | 1,000 | 0 | 1,000 |
| HE11 Friary House | | | 700 | | | | 700 | | | | 700 | 700 | | 700 |
| HE99 Outstanding commitments on completed schemes | | 9 | | | | | 9 | | | | 9 | 9 | 0 | 9 |
| | 23,018 | 10,079 | 11,071 | 1,570 | 2,070 | 70 | 47,878 | 303 | 1,869 | 1,000 | 21,688 | 24,860 | 23,018 | 47,878 |

CAPITAL PROGRAMME 2007-08 TO 2010-11

CAPITAL FUNDING

| Strategic Development | | PRIOR YEARS | 2007-08 | 2008-09 | 2009-10 | 2010-11 | Future years | Total | Grants | Other (incl. S106) | Capital Receipts | Borrowing | 2007/08-2010/11 | Prior years funding | Total |
|-----------------------|--|-------------|---------|---------|---------|---------|--------------|-------|--------|--------------------|------------------|-----------|-----------------|---------------------|-------|
| | | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 |
| SD02 | Town Centre Regeneration and Improvement | | | | | | | | | | | | | | |
| | North Finchley | 13 | | 94 | | | | 107 | | | | 94 | 94 | 13 | 107 |
| | East Finchley | 51 | | 51 | | | | 102 | | | | 51 | 51 | 51 | 102 |
| | Finchley Central | 99 | | 8 | | | | 107 | | | | 8 | 8 | 99 | 107 |
| SD03 | Town Centre Initiatives - North Finchley Regeneration | | | | | | | | | | | | | | |
| | Town Centre traffic management schemes | 59 | | 71 | | | | 130 | | | | 71 | 71 | 59 | 130 |
| | Arts Centre development - contribution to Highways works | | | 150 | | | | 150 | | | | 150 | 150 | 0 | 150 |
| | | 222 | | 374 | | | | 596 | | | | 374 | 374 | 222 | 596 |

CAPITAL PROGRAMME 2007-08 TO 2010-11

CAPITAL FUNDING

| Housing Revenue Account | PRIOR YEARS | 2007-08 | 2008-09 | 2009-10 | 2010-11 | Future years | Total | Grants | MRA | Other (incl. S106) | Capital Receipts | Borrowing | 2007/08-2010/11 | Prior years funding | Total |
|---|---------------|---------------|---------------|---------------|---------------|--------------|----------------|------------|---------------|--------------------|------------------|---------------|-----------------|---------------------|----------------|
| | £000 | £000 | £000 | £000 | | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 |
| HRA PROGRAMME: | | | | | | | | | | | | | | | |
| Cash Incentives - Managed by Barnet Homes | 1,976 | 564 | 600 | 500 | 500 | | 4,140 | | | | 2,164 | | 2,164 | 1,976 | 4,140 |
| Housing Renovation Programme Current Programme - Managed by Barnet Homes | | | | | | | | | | | | | | | |
| Transitional Programme | 24,031 | 180 | | | | | 24,211 | | 180 | | | | 180 | 24,031 | 24,211 |
| Partnering Packages | | | | | | | | | | | | | | | |
| Barnet | 10,358 | 9,750 | 6,872 | 4,977 | 3,150 | | 35,107 | 11,952 | 3,640 | | | 9,157 | 24,749 | 10,358 | 35,107 |
| Finchley | 5,126 | 6,450 | 5,532 | 6,307 | 3,994 | | 27,409 | | | | | 22,283 | 22,283 | 5,126 | 27,409 |
| Hendon/Edgware | 11,635 | 15,000 | 13,466 | 7,365 | | | 47,466 | 4,560 | 7,541 | | | 23,730 | 35,831 | 11,635 | 47,466 |
| Sheltered/Hostels | 3,001 | 3,170 | 3,316 | | | | 9,487 | 2,334 | | | | 4,152 | 6,486 | 3,001 | 9,487 |
| Adaptations | 2,757 | 1,362 | 1,395 | 1,430 | 1,466 | | 8,410 | | 3,115 | | 2,538 | | 5,653 | 2,757 | 8,410 |
| Regeneration Estates | 877 | 1,051 | 1,076 | 1,104 | 633 | | 4,741 | | 3,864 | | | | 3,864 | 877 | 4,741 |
| Miscellaneous Works | 5,193 | 1,500 | 1,336 | 1,065 | 1,495 | | 10,589 | | 5,396 | | | | 5,396 | 5,193 | 10,589 |
| Extensions and Deconversions | | | 250 | | | | 250 | 100 | 150 | | | | 250 | | 250 |
| Summers Lane Development | 450 | | | | | | 450 | | | | | | | 450 | 450 |
| HRA Regeneration | 1,640 | | | | | | 1,640 | | | | | | | 1,640 | 1,640 |
| | 67,044 | 39,027 | 33,843 | 22,748 | 11,238 | | 173,900 | 100 | 31,551 | 11,181 | 4,702 | 59,322 | 106,856 | 67,044 | 173,900 |