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DATE: 05 January 2011

## EXECUTIVE

**Meeting to be held on Wednesday 12 January 2011**

Please see the attached amended version of this report.

- 8 THE LOCAL GOVERNMENT FINANCE SETTLEMENT 2011/2012 TO 2012/13  
AND RELATED BUDGET ISSUES (Pages 3 - 52)**

*Copies of the documents referred to below can be obtained from  
[www.bromley.gov.uk/meetings](http://www.bromley.gov.uk/meetings)*

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# Agenda Item 8

Report No.  
DR10116

London Borough of Bromley

Agenda  
Item No.

## PART 1 - PUBLIC

<Please select>

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**Decision Maker:** **Executive**

**Date:** **12<sup>th</sup> January 2011**

**Decision Type:** Non-Urgent Executive Key

**Title:** **LOCAL GOVERNMENT FINANCE SETTLEMENT 2011/12-2012/13 AND RELATED BUDGET ISSUES**

**Contact Officer:** Mark Gibson, Assistant Director Resources (Audit and Technical)  
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**Chief Officer:** Director of Resources

**Ward:** All

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### Reason for report

This report informs Members of the draft two year local government finance settlement for 2011/12 and 2012/13 announced on 13<sup>th</sup> December 2010 it includes a breakdown of grants and comparative information. The headline formula grant figures are £67.320m for 2011/12 and £59.636m for 2012/13. The report also summarises the resulting financial position for Bromley and provides an update report for financial monitoring in 2010/11.

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### **RECOMMENDATIONS**

2.1 The Executive are requested to;

- (a) note the report and
- (b) agree the detailed budget appended to this report (appendices 5-8) as an initial basis for the final 2011/12 budget

### Corporate Policy

1. Policy Status: Existing policy.
  2. BBB Priority: Excellent Council.
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### Financial

1. Cost of proposal: N/A
  2. Ongoing costs: Recurring cost.
  3. Budget head/performance centre: All Council Budgets (Revenue)
  4. Total current budget for this head: ££132m (2010/11 Budget excluding GLA precept)
  5. Source of funding:
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### Staff

1. Number of staff (current and additional): N/A
  2. If from existing staff resources, number of staff hours: N/A
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### Legal

1. Legal Requirement: Statutory requirement. Statutory requirement: The statutory duties relating to financial reporting are covered within the Local Government Act 1972; the Local Government Finance Act 1998; the Accounts and Audit Regulations 1996; the Local Government Finance Act 1998; the Accounts and Audit Regulations 1996; the Local Government Act 2000 and the Local Government Act 2002.
  2. Call-in: Call-in is not applicable.
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### Customer Impact

1. Estimated number of users/beneficiaries (current and projected): The Council's budget reflects the financial impact of the Council's strategies, service plans etc. which impact on all of the Council's customers (including council tax payers) and users of the services.
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### Ward Councillor Views

1. Have Ward Councillors been asked for comments? No.
2. Summary of Ward Councillors comments: Council wide

### 3. COMMENTARY

3.1 On the 13th December 2010 The Department for Communities and Local Government (CLG) published its consultation on the draft local government finance settlement for 2011/12 and 2012/13. The Local Government Finance Report (England) 2011/12 sets out the amount of revenue support grant for 2011/12, the amounts to be paid to each local authority and the basis of the distribution. The grant is distributed according to the relative needs formula (RNF) for each local authority. The provisional settlement distributes the £29 billion in 2011/12 and the £27 billion in 2012/13 that the October Spending Review allocated to local authorities through formula grant. The Local Government Finance Settlement determines how much grant central government will give to each local authority in England over the next two years.

3.2 Formula grant is based on a complex formula which takes into account defining factors;

- relative needs
- relative resources
- central allocation
- damping

The 'relative needs' is a calculation which reflects factors that affect the costs of service delivery, such as levels of deprivation or labour costs in different areas the aim of which is that more needy areas should receive more formula grant. The 'relative resources' reflects the income that councils are able to raise locally by collecting council tax with areas such as Bromley with a higher council tax base receiving proportionately less formula grant. The 'central allocation' balance is shared evenly out on a 'per capita' basis. 'Damping' which limits the effect of changes from year to year. In the settlement the Government has changed the way formula grant is calculated to take greater account of relative needs and less account of central allocation. Additionally this year the Settlement takes account of the way that certain specific grants have been included in the formula grant in the previous year although this does not equate to the funding actually received.

3.3 As announced in the Comprehensive Spending Review total funding for local authorities will be worth £29.0bn in 2011-12 formula grant funding will be worth £24.9bn, accounting for 83% of this total. The remaining 17% of other major grant funding which excludes schools are broken down in the table 1 below;

Table 1	National £bn	Percentage
Early Intervention Grant	2,214.4	7%
Learning Disability and Health Reform	1,325.6	4%
Council Tax Freeze Grant	650.0	2%
Housing and Council Tax Benefit Subsidy Admin	462.0	2%
Other	477.8	2%
Total	5,129.8	17%

3.4 The Government had previously announced that £3.4 billion of existing Specific and Area Based Grants would be rolled into formula grant from 2011-12 onwards this would be allocated to authorities using the following criteria:

- Existing relative needs formula (RNF). Where the Specific and Area Based Grants are intended to fund services similar to those already included in formula grant (for example, personal social services) an existing RNF will be used to distribute the rolled-in grant.

- Tailored distribution. Where the grants being rolled into formula grant are not adequately reflected by an existing RNF, a new funding model or “tailored distribution” is used which covers seven grants worth just over £2bn in 2010-11, including the Supporting People grant (worth £1.6bn in 2010-11). The methodologies used to distribute the seven grants are outlined in the detailed annexes of the Draft Local Government Finance Report. The tailored distribution will be delivered to local authorities as an additional “block” of funding within formula grant as mentioned above but unfortunately it will then be subject to floor damping and it does not relate to the existing allocations made in 2010/11.

3.5 The National picture relating to these transfers is attached at Appendix 1.

3.6 As in previous years, a funding “floor” is applied to each authority to minimise year-on-year changes in its level of cash grant. In 2011-12 floors will be set at a negative level for the first time, guaranteeing each authority a maximum decrease in funding (rather than a minimum increase, as has previously been the case). A new floor system is proposed which reflects the extent to which authorities rely on formula grant. Each authority’s budget requirement is financed either by formula grant or council tax – “grant dependency” is defined as the proportion of each authority’s 2010/11 budget requirement that was funded through the 2010/11 formula grant. Social Service authorities are grouped into four floor bands according to their level of grant dependency. Bromley has been considered to be in Band 4 giving us the highest level of grant reductions along with three other London Boroughs as noted in the table 2 below.

Table 2 : Social service authority floor levels, 2011-12 and 2012-13

Floor band	2011-12 floor	2012-13 floor	No. of London authorities
Band 1 (most dependent)	-11.3%	-7.4%	17
Band 2	-12.3%	-8.4%	3
Band 3	-13.3%	-9.4%	9
Band 4 (least dependent)	-14.3%	-10.4%	4

3.6 The London comparisons for formula grant shown in appendix 2 demonstrate that low grant authorities like Bromley, Richmond, Kingston and Havering are disproportionately affected by the reductions. Bromley’s formula grant per head for 2011/12 is £213.51 the second lowest in Outer London.

3.7 Bromley’s Grant as per provisional settlement is outlined in the table 3 below. This highlights the formula grant proposed, the amount calculated through the needs assessments as undamped grant as well as the main individual grants for the two years. With the large reduction in both former specific and area based grants there is a radically rationalised list of grants. A brief summary of the changes is outlined in the formula grant adjustments appendix 2a that have been announced with a list of all current grants contained in the analysis of grants appendices 3 (across London allocations) and 4 current grants with their status. Not all the details have been made available and some grants are still subject to review as noted. Also the particular announcements relating to the core grants are made through the relevant sponsoring department and give more details as to the full nature and scope of how the grant can be used as well as any pre-conditions that maybe attached.

**BROMLEY MAIN GRANTS 2011/12-2012/13 -Table 3**

	<b>2010/11</b>	<b>2011/12</b>	<b>2012/13</b>
	£000's	£000's	£000's
Revised Baseline		78,553	66,558
Undamped Formula Grant		57,718	53,303
Floor		-14.3%	-10.4%
FG at the Floor		67,320	59,636
(see explanatory table of adjustments totalling £13.404m appendix 2a			
Floor damping difference		<b>9,602</b>	<b>6,333</b>
<b>ADJUSTED FORMULA GRANT</b>	<b>65,149</b>	<b>67,320</b>	<b>59,636</b>
		2011-12	2012-13
		£000's	£000's
<b>Core Grants</b>			
Learning Disability and Health Reform *	8,408	8,580	8,783
Early Years Intervention Grant	11,962	10,951	11,627
Preventing Homelessness	366	500	366
HB/CT Subsidy Admin Grant**	2,188	2,060	1,957*
NHS funding to support social care and benefit health		3,176	3,042
<b>Total</b>		<b>25,267</b>	<b>25,775</b>
Council Tax Freeze Grant (estimate) ***		3,292	3,292
Lead Local Flood Authority ****		142	253

Notes

\*The Learning Disabilities and Health Reform grant reflects the transfer of responsibility for funding and commissioning of services for adults with learning disabilities from the NHS to local authorities. The grant includes social care revenue, reported and agreed between PCTs and councils, which supported adults with learning disabilities, who previously lived in the long stay hospitals. It also includes former campus residents who have moved to community accommodation.

\*\* Although no allocation for this grant is announced for 2012-13 it has been confirmed in principle by CLG and there is an assumed 5% reduction on the prior year's allocation.

\*\*\* Authorities, which choose to freeze Council Tax in 2011/12, will have the resultant loss to their taxbase funded at a rate of 2.5%

\*\*\*\* This is a new grant the funds will fully cover the costs for local authorities of putting into place and carrying out new responsibilities under the Flood and Water Management Act 2010, such as flood mapping, producing risk management plans and supporting community flood awareness groups.

3.8 In summary the Council, remains at the "grant floor" and given the vagaries of the grant system would appear to be penalised for acting prudently with its limited resources that it has expended over the years. The grant allocation system remains complex and not transparent to the average council tax payer. Bromley continues to receive a low level of central government support through both formula grant and other grants as demonstrated by the comparisons with other London Councils appended to the report. In terms of the forward look for years three and four of the spending review it is likely that the floor damping protection will be further reduced or eliminated.

## Budgetary Impact

- 3.9 Appendices 5-8 identify the detailed Draft 2011/12 Budget which was reported to Executive on 8th December 2010. This represents an initial "baseline" budget before various changes (see section 7 of the report for further details). An updated summary of the draft Council wide 2011/12 budget and future year forecast will be submitted separately once more up to date information is available.
- 3.10 The changes in the grant settlement are complex and in some cases still need further clarification which could impact on the Council's budget position. This report highlights some new grants available to the Council, which represents new monies. Details are provided in the grants analysis attached at Appendix 4 and a summary of the new core grants are itemised in the table 3 above.
- 3.11 The key financial changes to date (excluding the new monies) are summarised as follows:
- (a) The grant transferred to formula grant towards the cost of Freedom Passes/Concessionary Fares of £1.4m which compares with £0.8m assumed in the draft 2011/12 Budget reported to the last meeting of the Executive.
  - (b) The Government has reduced funding to the Council by "top slicing" £0.8m in 2011/12 and a further £0.6m in 2012/13 (cumulative sum of £1.4m per annum from 2012/13) to reflect the national impact of Academies;
  - (c) In many cases there have been known reductions in Government funding anticipated for 2011/12 relating mainly to notified reductions (June 2010) of £1.7m and the fall out of three year specific grant monies (mainly ACS). Total reductions in funding exceed £4.7m which have been met by corresponding reductions in grant related expenditure. The damping loss also impacts on the transferred amount into formula grant;
  - (d) There are grant losses of about £2m relating to CYP consisting of Area Based grant funding and various specific grants which are not met by alternative forms of grant funding. No spending reductions have been identified at this stage to mitigate the impact of these grant losses although there will be proposals as part of reducing the Council's "budget gap";
  - (e) There are reductions in Formula Grant Funding to reflect mainly the impact of private sewers totalling £0.1 rising to £0.25m in 2012/13. This reflects the expected savings to Local Authorities resulting from Defra's Impact Assessment accompanying the Floods and Water Management Act 2010 calculating the transfer of private sewers in 2011..
  - (f) There are potentially further grant losses of £0.3m at this stage where no alternative funding can be identified at this stage;
  - (g) The transfer of specific grant funding to Early Years Intervention Grant and Formula Grant makes no allowance for inflation for 2011/12 which equates to a real reduction of £0.4m to reflect current prices;
- As stated above these changes are before "damping" . The results of "damping" of 14.3% in 2011/12 and 10.4% in 2012/13 are as follows:
- (h) The Early Years Intervention Grant, after allowing for the inclusion of existing grants will result in further reduction in grant funding of £1m in 2011/12 reducing to £0.3m in 2012/13;



(i) The Formulas Grant after allowing for the changes above will reduce by £11.2m in 2011/12 rising to £18.2m in 2012/13.

3.12 Details of the Council wide financial impact of all the changes above will be submitted separately to this Committee.

**Detailed Draft 2011/12 Budget**

3.13 Detailed draft 2011/12 Budgets are attached in Appendices 5- 8 to reflect the Base Budget level 2011/12 reported to Executive on 8th December 2010.

3.14 Appendices 5- 8 set out the draft 2011/12 budget for each Portfolio as follows:

- A summary sheet showing actual 2009/10 expenditure, 2010/11 budget, 2011/12 budget and overall variations in planned spending between 2010/11 and 2011/12;
- A summary of the main reasons for variations in planned spending between 2010/11 and 2011/12 together with supporting notes.
- A high level subjective summary for each Portfolio showing expenditure on employees, premises etc.

In addition further information is available in the Members’ room in the form of a document titled ‘London Borough of Bromley, Draft 2011/12 Budget’ and on ‘One Bromley’ using the link below:

[http://onebromley/BA/Pub\\_Res/Pub\\_FMD/Pages/Budgeting.aspx](http://onebromley/BA/Pub_Res/Pub_FMD/Pages/Budgeting.aspx) under the section ‘Draft Budget Documents’.

3.15 This includes detailed budgets for each service area, together with a summary of variations in planned spending between 2010/11 and 2011/12 and other financial factors.

3.16 Members should note that there will be further significant changes as part of finalising the budget, which have not been reflected in Appendices at this stage. This relates to for example:

- The policy sheets do not reflect the impact of changes in grant funding.
- Options will need to be considered by members to reduce the significant ‘budget gap’ arising from the large reduction in government funding over the settlement period.
- There will be other changes as part of finalising the 2011/12 Budget which includes various items which are uncertain at this stage.
- There remain ongoing growth pressures which are currently being considered by Chief Officers.
- There remains certain key variables which when finalised will impact on the overall budget e.g. pension costs etc.

3.17 An updated Council wide draft 2011/12 Budget and future year forecast will be circulated separately. The separate circulation will include updates on the items in above.

<b>Non-Applicable Sections:</b>	Legal Implications and Personnel Implications
	Provisional Local Government Finance Settlement , <a href="http://www.local.communities.gov.uk/finance/1112/grant.htm">http://www.local.communities.gov.uk/finance/1112/grant.htm</a>

## Appendix 1

**NATIONAL GRANTS ROLLING INTO FORMULA GRANT**

<b>£ million</b>	<b>Baseline</b>	<b>2011-12</b>	<b>2012-13</b>	<b>2013-14</b>	<b>2014-15</b>
<b><u>Communities and Local Government</u></b>					
Supporting People	1,636.00	1,625.00	1,620.00	1,620.00	1,590.21
Housing Strategy for Older People	20.00	15.50	13.50	11.50	10.50
Race Equality	0.17	0.03	0.03	0.03	0.03
Economic Assessment Duty	11.03	1.50	1.50	3.00	3.00
Open Source Planning	-	-	-	15.00	20.00
Fire	-	-	-	49.82	50.28
<b><u>Department for Transport</u></b>					
Concessionary Travel	223.00	224.00	204.00	208.00	212.00
Other Transport Revenue	112.00	79.00	72.00	80.00	83.00
<b><u>Department for Environment, Food and Rural Affairs</u></b>					
Animal Health Enforcement	8.50	4.80	4.00	3.20	2.40
<b><u>Department for Education</u></b>					
<b>Total</b>	<b>114.05</b>	<b>109.34</b>	<b>83.17</b>	<b>70.51</b>	<b>66.34</b>
<b>Previously formed from:</b>					
<i>LSC Staff Transfer</i>	<i>51.47</i>	<i>47.44</i>	<i>43.17</i>	<i>38.91</i>	<i>34.64</i>
<i>Services for Children in Care</i>	<i>54.88</i>	<i>58.40</i>	<i>36.50</i>	<i>28.10</i>	<i>28.20</i>
<i>Child Death Review Processes</i>	<i>7.70</i>	<i>3.50</i>	<i>3.50</i>	<i>3.50</i>	<i>3.50</i>
<b><u>Department of Health</u></b>					
AIDS Support	25.50	27.70	30.30	33.10	36.20
Preserved Rights	235.40	228.84	221.68	215.11	209.80
<b>On-going Personal Social Services</b>	<b>752.34</b>	<b>767.02</b>	<b>784.43</b>	<b>804.98</b>	<b>826.31</b>
<b>Previously formed from:</b>					
<i>Mental Health, Child and Adolescent Mental Health Services, Learning Disability Development Fund, Mental Capacity Act and Independent Mental Capacity Advocate Service, Carers, Adult Social Care Workforce, LINKs</i>	-	-	-	-	-
<b>Re-cycled Personal Social Services (inc. safeguarding and autism)</b>	<b>303.00</b>	<b>318.15</b>	<b>335.75</b>	<b>354.91</b>	<b>373.11</b>
<b>Previously formed from:</b>					
<i>Social Care Reform</i>	-	-	-	-	-
<i>Learning Disability Campus Closure Programme</i>	-	-	-	-	-
<i>Stroke Strategy</i>	-	-	-	-	-
<b>New Personal Social Services Funding</b>	<b>New</b>	<b>530.00</b>	<b>930.00</b>	<b>1,000.00</b>	<b>1,000.00</b>
<b>TOTAL</b>	<b>3,440.99</b>	<b>3,930.87</b>	<b>4,300.36</b>	<b>4,469.16</b>	<b>4,483.18</b>

## Appendix 2 – HEADLINE FORMULA GRANT FIGURES

Local Authority	Adjusted 2010/11 (£m)	Actual 2011/12 (£m)	% change	Adjusted 2011/12 (£m)	Actual 2012/13 (£m)	% change	Floor Damping Band <sup>1</sup>
City of London	107.82	100.30	-7.0%	100.27	93.28	-7.0%	Band 1
Camden	208.31	184.77	-11.3%	184.27	170.63	-7.4%	Band 1
Greenwich	186.70	166.00	-11.1%	165.21	152.98	-7.4%	Band 1
Hackney	253.60	224.94	-11.3%	224.25	207.66	-7.4%	Band 1
Hammersmith and Fulham	140.37	124.51	-11.3%	124.10	114.92	-7.4%	Band 1
Islington	185.85	164.85	-11.3%	164.29	152.14	-7.4%	Band 1
Kensington and Chelsea	123.45	108.27	-12.3%	108.01	98.93	-8.4%	Band 2
Lambeth	248.92	220.79	-11.3%	220.03	203.74	-7.4%	Band 1
Lewisham	208.60	186.54	-10.6%	185.73	171.99	-7.4%	Band 1
Southwark	262.45	232.79	-11.3%	231.99	214.82	-7.4%	Band 1
Tower Hamlets	258.93	229.67	-11.3%	228.76	211.84	-7.4%	Band 1
Wandsworth	172.13	152.68	-11.3%	152.04	140.79	-7.4%	Band 1
Westminster	209.98	186.60	-11.1%	186.13	172.35	-7.4%	Band 1
Barking and Dagenham	115.02	106.03	-7.8%	105.40	99.01	-6.1%	Band 1
Barnet	112.77	99.49	-11.8%	98.65	90.63	-8.1%	Band 3
Bexley	75.88	66.63	-12.2%	66.00	60.52	-8.3%	Band 3
Brent	187.05	165.91	-11.3%	165.06	152.85	-7.4%	Band 1
<b>Bromley</b>	<b>78.55</b>	<b>67.32</b>	<b>-14.3%</b>	<b>66.56</b>	<b>59.64</b>	<b>-10.4%</b>	<b>Band 4</b>
Croydon	138.84	123.27	-11.2%	122.36	112.23	-8.3%	Band 3
Ealing	165.74	145.35	-12.3%	144.48	132.35	-8.4%	Band 2
Enfield	142.45	131.01	-8.0%	130.06	122.28	-6.0%	Band 2
Haringey	172.74	153.22	-11.3%	152.51	141.22	-7.4%	Band 1
Harrow	78.15	70.11	-10.3%	69.55	64.61	-7.1%	Band 3
Havering	64.54	56.52	-12.4%	55.94	51.36	-8.2%	Band 4
Hillingdon	97.17	85.86	-11.6%	85.11	77.77	-8.6%	Band 3
Hounslow	104.37	90.66	-13.1%	89.99	81.64	-9.3%	Band 3
Kingston upon Thames	45.97	39.40	-14.3%	39.04	35.20	-9.8%	Band 4
Merton	76.84	66.62	-13.3%	66.18	59.96	-9.4%	Band 3
Newham	247.94	219.92	-11.3%	218.95	202.75	-7.4%	Band 1
Redbridge	111.15	101.06	-9.1%	100.28	93.65	-6.6%	Band 3
Richmond upon Thames	35.88	30.75	-14.3%	30.40	27.24	-10.4%	Band 4
Sutton	63.73	55.26	-13.3%	54.75	49.60	-9.4%	Band 3
Waltham Forest	139.60	125.91	-9.8%	125.20	116.04	-7.3%	Band 1
<b>ENGLAND</b>	<b>32,653.05</b>	<b>29,409.63</b>	<b>-9.9%</b>	<b>29,275.09</b>	<b>27,138.35</b>	<b>-7.3%</b>	
<b>LONDON</b>							
Inner London boroughs	2,502.18	2,221.13	-11.2%	2,213.49	2,048.62	-7.4%	
Outer London boroughs	2,254.38	2,000.29	-11.3%	1,986.47	1,830.52	-7.9%	
London boroughs	4,756.56	4,221.42	-11.3%	4,199.96	3,879.14	-7.6%	
GLA	2,395.54	2,277.22	-4.9%	2,277.22	2,141.86	-5.9%	
<b>REGION</b>							
North East Region	2,007.16	1,811.34	-9.8%	1,804.76	1,676.84	-7.1%	
North West Region	5,040.32	4,535.07	-10.0%	4,517.58	4,187.73	-7.3%	
Yorkshire and Humber Region	3,469.94	3,117.99	-10.1%	3,104.52	2,879.68	-7.2%	
East Midlands	2,467.24	2,213.78	-10.3%	2,202.08	2,039.58	-7.4%	
West Midlands	3,615.04	3,269.99	-9.5%	3,255.59	3,026.19	-7.0%	
East of England	2,697.84	2,412.54	-10.6%	2,397.28	2,214.41	-7.6%	
London Region	7,217.02	6,560.22	-9.1%	6,538.76	6,078.46	-7.0%	
South East Region	3,587.53	3,200.52	-10.8%	3,179.96	2,923.39	-8.1%	
South West Region	2,550.97	2,288.19	-10.3%	2,274.55	2,112.08	-7.1%	

## Appendix 2a Explanation of movement in Bromley's Adjusted Formula Grant and grants adjustments

Explanation of adjustments of £13,404,471	2011/12	2012/13
	£ 000's	
2010-11 Formula Grant-base and adjusted 2012/13	65,149	67,320
Adjustment D Concessionary Travel	1,378	
Adjustment H Child Death Review Processes	42	
Adjustment I Care Matters White Paper	287	
Adjustment J Mobile Homes Act	1	
Adjustment K Economic Assessment Duty	65	
2010-11 Mental Health Grant	616	
2010-11 Child and Adolescent Mental Health Grant	563	
2010-11 Learning and Disability Development Fund	175	
2010-11 Mental Capacity Act and Independent Mental Capacity	135	
2010-11 Carers Grant	1,291	
2010-11 Adult Social Care Workforce Grant	676	
2010-11 Local Involvement Networks funding	150	
Adjustment M Personal Social Services	1,485	
Adjustment O Private Sewers minus	-127	-118
Adjustment P Planning Inspectorate SUDs Appeals Costs minus	-6	
Adjustment Q Academies minus	-816	-644
Adjustment S Supporting People	5,428	
Adjustment T Housing Strategy for Older People	110	
Adjustment U LSC Staff Transfer	289	
Adjustment V HIV/AIDS	193	
Adjustment W Preserved Rights	1,469	
Total		
Like for like adjustments resulting in revised base before damping	78,553	66,558

Breakdown of Bromley Formula Grant	2011/12	2012/13
	£m	£m
Grants Rolled In Using Tailored Distributions	11.232	11.137
Relative Needs Amount	63.648	57.871
Relative Resource Amount	-60.812	-54.823
Central Allocation	43.650	39.119
<b>Underlying Grant</b>	<b>57.718</b>	<b>53.303</b>
Floor damping	9.602	6.333
<b>Formula Grant</b>	<b>67.320</b>	<b>59.636</b>

## **Appendix 2a Explanation of movement in Bromley's Adjusted Formula Grant and grants adjustments**

### **Formula Grant Adjustments**

The reduced number of grants were as expected and announced in October 2010. The net impact was that the settlement contains an unprecedented number of transfers, adjustments and rolled-in grants which impact on all authorities. This level of change and complexity has proved challenging to complete a reconciliation for the budget and means that both the resources allocated in the current year and the amendments to baselines on which the damping system operates are critical in establishing where the changes are being felt. The changes fall into four distinct categories namely; grants rolling into the settlement using an existing formula, grants rolling into the settlement pound-for-pound, grants rolling into the settlement using new formulae and new or removed burdens. Appendix 3 shows all the grants that are currently in the 2010/11 budget and whether they are ended, being transferred into a new core grant e.g. early intervention, rolled into formula grant or awaiting further information. The calculation of the revised base line shown above which includes a variety of new inclusions does not confer spending power or actual grant to Bromley it is merely a mechanism to allow the calculation of floor damping for 2011/12.

### **Grants Using an Existing Formula**

In these cases the baseline is adjusted by the amount of the grant each authority received in 2010-11 and the money for 2011-12 will simply be added to the control total for that service block. This approach is ideal for smaller grants where a bespoke distribution is unnecessary or for grants that used the RNF formula anyway. The grants rolling-in using this approach are Child Death Review Processes, Services for Children in Care, Economic Assessment Duty, and Ongoing and recycled PSS Grants. In addition there was a negative adjustments for academies where the local authority budget element for the number of academies expected to convert in 2011-12 and 2012-13 has been top sliced within the CLG settlement to local authorities. (Covering adjustments K,P and L)

### **Grants Transferring Pound-for-Pound**

In a clear attempt to minimise turbulence, but at the expense of complexity, the Government has rolled some grants into the settlement "pound-for-pound" i.e. there is no formula as such and each authority receives what it had in the previous year, scaled if necessary to a new total. This is a short-term measure until the system is overhauled for the 2013-14 settlement. An example of this is the grant for the Learning and Skills Council (LSC) staff transfer. (adjustment U above)

### **Grants Using New Formulae**

The Government has also greatly added to the complexity of the settlement by introducing several new sub-blocks with their own formulae e.g. Supporting People which has a raft of new indicators such as single homelessness and mentally ill, Concessionary fare where all upper tier authorities have had their baselines raised by the £223m special grant total distributed using the new formula rather than what they received, Housing Strategy for Older People which uses population, sparsity, part of the Index of Multiple Deprivation and labour costs, HIV/AIDS which uses caseload and a new "living with HIV" indicator and Preserved Rights which uses client numbers and the Area Cost Adjustment. (adjustments D,T,V and W)

## **Appendix 2a Explanation of movement in Bromley's Adjusted Formula Grant and grants adjustments**

### **New or Removed Burdens**

There are other new or removed burdens funded in the settlement including reductions for Private Sewers, the Mobile Homes Act and Planning Inspectorate SUDS appeals costs

### **Schools Grants**

School-related grants have now been split into two categories: grants for frontline schools education services and non-frontline services. Grants for frontline services have now all be rolled into Dedicated Schools Grant and the new Pupil Premium. 11 grants have now been culled and rolled into DSG. The picture is rather different for non-frontline services: all the pre-existing grants have been abolished. Further details will be made available in the report to the CYP portfolio holder when an assessment of the impact of the revised funding regime will be explained.

### **Children's Grants**

The Government has created the Early Years Intervention grant which is a Core Grant see above, it replaces a number of pre-existing specific grants. In aggregate it represents a cut in funding of some 8.5% (£1.011m) next year and 2.8% in 12/13 from the base figure of 11.962m in 10/11. The Department for Education has allocated the grant using a combination of two existing formulae one for Early Years services and a second one for youth services. This grant is not ring fenced but the overall conditions will need to be worked through. The Government propose to work with stakeholders, including local authorities, to consider the distribution approach in time to feed into decisions about allocations for 2013-14.

### **Social Care Grants**

All the pre-existing social care grants have been transferred into Formula Grant with the exception of Learning Disability and Health Reform grant which will remain as a Core Grants see above. This grant includes an element for the operation of the Blue Badge scheme which will transfer from PCTs. The adjusted formula grant calculation includes an allocation of £1.485m for personal social services. (adjustment M) This is not a grant allocation as such merely part of the overall calculation of the formula grant. In addition, local authorities will receive the Public Health grant from 2013-14.

### **Social Care funding from NHS**

Nationally the NHS will transfer up to £1bn (from its capital budget) to revenue, to be spent on measures that support social care but which benefit health services. Initially £300m will be spent to improve re-ablement and thereby reduce future pressures on social care. The remainder will be used to support social care. Local authorities will work with the NHS to decide how best to spend these resources. The NHS is not handing these resources over to local government to do with as they will. Further details about how this will work will be published alongside the NHS Operating Framework. Bromley will not benefit from the nationally announced extra £1billion from the comprehensive spending review in October 2010 because it is a floor authority and the overall settlement reduction has not meant new monies for floor authorities.

### Appendix 3– OTHER REVENUE GRANTS 2011/12

Local Authority	Early Interventi on Grant (£m)	HB CTB Admin (£m)	Learning Disability and Health Reform (£m)	Preventing Homelessness (£m)	Council Tax Freeze Grant (£m)	Transition Grant (£m)
City of London	1.09	0.15	0.00	0.40	0.12	0.00
Camden	12.96	3.06	3.48	2.23	2.46	0.00
Greenwich	16.59	3.12	5.14	0.58	1.92	0.00
Hackney	20.06	4.38	1.84	1.18	1.88	5.78
Hammersmith and Fulham	9.43	2.29	3.96	1.78	1.60	0.00
Islington	13.98	3.63	6.75	1.05	2.12	0.00
Kensington and Chelsea	6.74	2.08	3.64	2.64	1.96	0.00
Lambeth	19.65	4.44	8.22	2.98	2.42	0.00
Lewisham	17.65	4.39	7.69	0.68	2.29	0.00
Southwark	19.54	4.24	12.48	1.73	2.24	0.00
Tower Hamlets	20.38	4.66	1.77	1.93	1.96	3.77
Wandsworth	12.89	3.17	9.42	0.91	1.20	0.00
Westminster	10.41	2.82	7.66	8.33	1.23	0.00
Barking and Dagenham	13.31	2.03	4.13	0.60	1.31	0.00
Barnet	13.17	2.96	10.44	0.70	3.85	0.00
Bexley	8.82	1.67	4.99	0.50	2.35	0.00
Brent	14.17	3.81	7.43	1.68	2.59	0.00
<b>Bromley</b>	<b>10.95</b>	<b>2.06</b>	<b>8.58</b>	<b>0.50</b>	<b>3.30</b>	<b>0.00</b>
Croydon	15.65	3.67	14.89	1.13	3.65	0.00
Ealing	15.45	3.62	6.52	1.22	3.11	0.00
Enfield	14.45	3.45	4.88	0.65	3.03	0.00
Haringey	15.75	3.52	3.55	0.93	2.53	0.00
Harrow	7.74	2.17	4.29	0.60	2.58	0.00
Havering	8.16	1.67	7.44	0.50	2.68	0.00
Hillingdon	10.86	2.42	5.78	0.58	2.77	0.00
Hounslow	11.51	2.42	5.56	0.64	2.38	0.00
Kingston upon Thames	5.08	1.11	3.45	0.50	2.12	0.00
Merton	7.60	1.60	6.65	0.50	2.09	0.00
Newham	22.40	4.06	6.56	0.88	1.76	5.73
Redbridge	9.99	1.98	3.19	0.53	2.51	0.00
Richmond upon Thames	5.94	1.23	8.98	0.70	2.88	0.00
Sutton	7.90	1.55	17.59	0.50	2.11	0.00
Waltham Forest	14.43	2.79	7.22	0.68	2.16	0.00
<b>ENGLAND</b>	<b>2,212.40</b>	<b>461.95</b>	<b>1,325.58</b>	<b>90.34</b>	<b>651.35</b>	<b>84.58</b>
London boroughs	414.70	92.23	214.19	40.86	75.16	15.27

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<b>Appendix 4-Analysis of Government Grants 2011/12</b>	<b>Status</b>	<b>10/11 Budget</b>	<b>2011/12</b>	<b>2012/13</b>
<b>Childrens' services</b>		£'000	£'000	
<b>Specific Grants</b>				
<b>Schools</b>				
Dedicated Schools Grant	DSG	186,535		-
Young People's Learning Agency	DSG	30,664		-
Education Standards Fund Grant	DSG	18,810		-
School Standards Grant	DSG	8,963		-
London Teachers Pay	DSG	966		-
<b>Early Intervention</b>				
Sure Start - Government Funding	Early Intervention	8,830		
Short Breaks for Disabled Children	Early Intervention	-		
Family intervention programme	Early Intervention	414		
Youth Opportunity Fund	Early Intervention	167		
Youth Substance Misuse	Early Intervention			
Contact Point/Info sharing index project grant	Early Intervention	95		
Targeted mental health in schools	Early Intervention	150		
Foundation learning at key stage 4	Early Intervention	88		
				-
<b>Replaced by Early Intervention new grant See below</b>				
<b>Other grants</b>				-
Unaccompanied Asylum Seekers	Tba	380	-	
Youth Justice Board	Tba	327	-	
National extension of the disabled childrens access to Child care	Tba	89	-	
Government Office for London	Tba	41	-	
Integrated working	Tba	45	-	
Teachers Training Agency	Tba	132	-	
Youth Inspectors Fund	Tba	28	-	
<b>Area Based Grant</b>				
<b>Schools</b>				
Education Health Partnerships DCSF	Ended	64	-	
Extended Rights to Free Transport DCSF	Ended	43		

<b>Appendix 4-Analysis of Government Grants 2011/12</b>	<b>Status</b>	<b>10/11 Budget</b>	<b>2011/12</b>	<b>2012/13</b>
			-	
Extended Schools Start Up Costs DCSF	Ended	375	-	
Secondary National Strategy – Behaviour and Attendance DCSF	Ended	68	-	
Secondary National Strategy – Central Coordination DCSF	Ended	164	-	
Primary National Strategy – Central Coordination DCSF	Ended	152	-	
School Development Grant (Local Authority element) DCSF	Ended	582	-	
School Improvement Partners DCSF	Ended	108	-	
School Improvement Partners DCSF	Ended		-	
School Intervention Grant DCSF	Ended	67	-	
School Travel Advisers DCSF	Ended	31	-	
Sustainable Travel General Duty DCSF	Ended	22	-	
14-19 Flexible Funding Pot DCSF	Ended	90	-	
Designated Teacher Funding	Ended	15	-	
<b>Early Intervention etc.</b>				
Children's Social Care Workforce (formerly HRDS and NTS) DCSF	Early Intervention	100	-	
Children's Fund DCSF	Early Intervention	478	-	
Child Trust Fund	Early Intervention	5	-	
Teenage Pregnancy DCSF	Early Intervention	111	-	
Connexions DCSF	Early Intervention	2,409	-	
Positive Activities for Young People DCSF	Early Intervention	326	-	
January Guarantee	Ended	27	-	
Local Child Poverty Duties (Child Poverty Unit)	Ended		-	
			-	
<b>Other grants</b>			-	
Choice Advisers DCSF	Ended	29	-	
<b>Transfer to Formula Grant</b>				
Child and Adolescent Mental Health Services DH	Rolled in	563	-	
Care Matters White Paper DCSF	Rolled in	288	-	
Child Death Review Process	Rolled in	42	-	

<b>Appendix 4-Analysis of Government Grants 2011/12</b>	<b>Status</b>	<b>10/11 Budget</b>	<b>2011/12</b>	<b>2012/13</b>
LSC Staff transfer Special Purpose Grant	Rolled in	283	-	
<b>Use of Standards Fund</b>				
<b>ACS</b>				
<b>Specific Grants</b>				
<b>To be Core Grant re housing and council tax benefit</b>				
Housing and Council Tax Benefit	Core			
<b>Transfer to Formula Grant</b>				
AIDS/HIV	Rolled in	189	-	
<b>Other grants</b>				
Home Office Community Safety (DAT)	Tba	259	-	
Social Care Reform	Rolled in	1,145	-	
Learning Disabilities Campus Closure	Rolled in	1,436	-	
Stroke Care Grant	Rolled in	206	-	
<b>New person social services grant</b>	<b>Rolled in</b>			
Homelessness	Core	135	-	
Overcrowding Pathfinder	Tba	35	-	
Handyman Grant/Hsg strategy for older people	Rolled in	110	-	
<b>Area Based Grant</b>				
Adult Social Care Workforce (formerly HRDS and NTS) DH	Rolled in	676	-	
Carers DH	Rolled in	1,291	-	
Local Involvement Networks DH	Rolled in	150	-	
Mental Capacity Act and Ind.Mental Capacity Advocate Service DH	Rolled in	135	-	
Mental Health DH	Rolled in	615	-	
Preserved Rights DH	Rolled in	1,469	-	
Learning Disabilities Development Fund	Rolled in	175	-	
Supporting People Grant	Rolled in	5,428	-	
<b>Other grants</b>				
Community Call for Action/Overview Scrutiny Committee (HO)	tba	2	-	
Young People Substance Abuse (additional monies) HO	See note	73	-	

<b>Appendix 4-Analysis of Government Grants 2011/12</b>	<b>Status</b>	<b>10/11 Budget</b>	<b>2011/12</b>	<b>2012/13</b>
Supporting People Administration CLG	Rolled in	166	-	
Housing Allocations	Ended	1	-	
<b>Environmental Services</b>				
Preventing Violent Extremism ES	Ended	195	-	
Stronger Safer Communities Fund CLG	Tba see note 1	307	-	
<b>Corporate Services</b>				
<b>To be Core Grant re housing and council tax benefit</b>				
C Tax Subsidy		19,617		
<b>Corporate Other</b>				
Petitions (CLG)				
<b>Renewal &amp; Recreation</b>				
Skills Funding Agency	Tba-see note 2	2,566		
Future Jobs Fund	Tba	164		
Job Centre Plus	Tba	159		
<b>Area Based Grant</b>				
Climate Change (R&R under Planning)	Ended	23		
<b>Transfer to Formula Grant</b>				
Economic Assessment Duty	Rolled in	65		
Concessionary Travel	Rolled in			
Mobile Homes Act	Rolled in			
Private Sewers	Rolled in			
Planning inspectorate	Rolled in			
Academies	Rolled in			
<b>NEW ANNOUNCEMENTS</b>				
Formula Grant (RSG & Business Rates)		56,887		
Revenue Support Grant		8,261		
		65,148	67,320	59,636
<b>Core Grants</b>				
Learning Disability and Health Reform	Core		8.580	8.783
Early Years Intervention Grant	Core		10.951	11.627
Preventing Homelessness	Core		0.500	0.366
Housing Benefit and C Tax Admin subsidy	Core	1,196	2.060	1.957*
NHS funding to support social care and benefit health	Core		3.176	3.042
Council Tax Freeze Grant			3.292	3.292

#### Notes

1.The funding will be provided on an un-ringfenced basis and will replace the (HO element of) SSCF and young people substance misuse and community all for action (ABG) funding streams. The total level of funding and borough allocations are to be announced in mid-January 2011.

2.The grant is received for an academic year and the final 2011/12 allocation will not be known until July 2011, although LBB might receive details of indicative amounts from March/April 2011.

## SUMMARY OF DRAFT 2011/12 REVENUE BUDGET - PORTFOLIO

Base Budget reported to Executive 8th December 2010

2010/11 Budget	Portfolio/Item	2011/12 Draft Budget £'000	2011/12 Band "D" Equivalent £'000
226,794	Children and Young People	239,220	1,800.94
-186,535	Less costs funded through Dedicated Schools Grant	-186,535	-1,404.31
40,259	Sub total	52,685	396.63
94,739	Adult and Community Services	97,235	732.03
38,212	Environment	36,465	274.52
4,698	Public Protection and Safety	4,132	31.11
16,280	Renewal and Recreation	19,917	149.94
14,788	Resources	15,483	116.57
208,976		225,917	1700.80
508	Reversal of Net Capital Charges	-16,702	-125.74
-2,923	Interest on General Fund Balances	-2,685	-20.21
	Additional Cost of Concessionary Fares	792	5.96
	Increase in Formula Grant towards funding Concessionary Fares	-792	-5.96
1,000	Provision for Capital Works	1,000	7.53
3,796	Central Contingency Sum (see Appendix 7)	6,014	45.28
220	Additional Payment to LPFA	270	2.03
	Levies		
507	- London Pension Fund Authority	603	4.54
1,046	- London Boroughs Grants Committee	1,098	8.27
219	- Environment Agency	230	1.73
405	- Lee Valley Regional Park	425	3.20
213,754	Sub Total	216,170	1627.43
-16,936	Area Based Grant	-15,649	-117.81
-65,148	Formula Grant	-65,148	-490.46
131,670	Bromley's Requirement (excluding GLA)	135,373	1019.16

\* Members should note that the above summary excludes the impact of changes to Government grants as part of the Local Government Finance Settlement and other changes shown in section 3.16 of the main report.

## SUMMARY OF DRAFT 2011/12 REVENUE BUDGET - DEPARTMENT

Base Budget reported to Executive 8th December 2010

2010/11 Budget £'000	Portfolio/Item	2011/12 Draft Budget £'000	2011/12 Band "D" Equivalent £'000
226,794	Children and Young People	239,220	1,800.94
-186,535	Less costs funded through Dedicated Schools Grant	-186,535	-1,404.31
40,259	Sub total	52,685	396.63
95,917	Adult and Community Services	97,235	732.03
41,732	Environment	40,597	305.63
13,325	Renewal and Recreation	16,647	125.33
17,743	Resources	18,753	141.18
208,976		225,917	1700.80
508	Reversal of Net Capital Charges	-16,702	-125.74
-2,923	Interest on General Fund Balances	-2,685	-20.21
	Additional Cost of Concessionary Fares	792	5.96
	Increase in Formula Grant towards funding Concessionary Fares	-792	-5.96
1,000	Provision for Capital Works	1,000	7.53
3,796	Central Contingency Sum (see Appendix 7)	6,014	45.28
220	Additional Payment to LPFA	270	2.03
	Levies		
507	- London Pension Fund Authority	603	4.54
1,046	- London Boroughs Grants Committee	1,098	8.27
219	- Environment Agency	230	1.73
405	- Lee Valley Regional Park	425	3.2
213,754	Sub Total	216,170	1627.43
-16,936	Area Based Grant	-15,649	-117.81
-65,148	Formula Grant	-65,148	-490.46
131,670	Bromley's Requirement (excluding GLA)	135,373	1019.16

1233.00

\* Members should note that the above summary excludes the impact of changes to Government grants as part of the Local Government Finance Settlement and other changes shown in section 3.16 of the main report.

## 2011/12 CENTRAL CONTINGENCY SUM

	<b>£'000</b>
Transfer of services for adults with learning difficulties from Bromley PCT	
- LD campus closure programme expenditure	6800
- LD campus closure programme grant	-6800
Southwark Judgement increasing costs of social care support for young adults	100
Changes in legislation which makes costs applicable to all types of planning appeals	150
Potential income loss re: land charges and building control	162
<b>Grants</b>	
Young People Substance Misuse	107
Economic Assessment Duty	65
Climate Change	23
Community Call for Action	2
Public Law Family Fees	34
Child Death Review Process	42
Designated Teacher Funding	14
Positive Activities for Young People	180
Mental Capacity Act and Ind.Mental Capacity Advocate Service	135
Additional Carers Grant	77
Family Intervention Programme & Parenting Project Grants	
- Grant related expenditure	414
- Additional specific grant	-414
Targetd Mental Health in Schools	
- Grant related expenditure	150
- Additional specific grant	-150
Integrated Working Grant	
- Grant related expenditure	45
- Additional specific grant	-45
Youth Inspectors Funding	
- Grant related expenditure	28
- Additional specific grant	-28
Surestart, Early Years & Childcare	
- Grant related expenditure	3,102
- Additional specific grant	-3,102
Personal Care at Home - cost	700
Personal Care at Home - government grant	-700
Other Grants	195
<b>General</b>	
Provision for Recession	1,250
Council Tax Credits	-130
Release of NNDR Credits	-100
Real increase in fuel costs	300
Printing Review - savings re: use of multifunctional devices	-147
Inflation	3,852
Contracts + 1%	379
Increase in grant related expenditure (ABG)	311
Reduction in ABG	-1,670
Increase in ABG	72
<b>Real Changes</b>	
- Exchequer - Inflation	-140
- Additional allowance for increased fuel costs	300
- Savings in use of fuel to offset increasing fuel costs and future carbon tax	-100
- Net loss of income from proposed sale of car park sites	297
<b>Freedom Passes</b>	
- Savings arising from redistribution of costs across London for freedom passes	-1,300
- Revision of Government funding for London	462
Provision for uncertain items	500
Carbon reduction commitment	400
Housing and council tax benefit - real reduction in admin subsidy	150
Other variations	42
	<b>6,014</b>

## Children and Young People

## DRAFT REVENUE BUDGET 2011/12 - SUMMARY

2009/10 Actual	Service Area	2010/11 Budget	Increased costs	Other Changes	2011/12 Draft Budget
£		£	£	£	£
	<b>Access and Inclusion</b>				
6,788,523	Access	6,009,920	0	86,510	6,096,430
8,451,270	Bromley Children and Family Project	9,458,950	0	Cr 111,430	9,347,520
20,987,297	SEN and Inclusion	20,903,900	0	Cr 197,340	20,706,560
492	Special Educational Needs (not in use)	0	0	0	0
36,227,581		36,372,770	0	Cr 222,260	36,150,510
	<b>Schools Related Budgets</b>				
160,573,337	Delegated Budgets	164,009,730	0	359,490	164,369,220
Cr 188,113,190	Schools Budget Grants	Cr 196,463,620	0	Cr 173,020	Cr 196,636,640
7,237,152	Schools Related Budgets Not Delegated	3,883,890	0	12,012,920	15,896,810
Cr 20,302,702		Cr 28,570,000	0	12,199,390	Cr 16,370,610
	<b>Learning and Achievement</b>				
817,207	14-19 Strategy	971,830	0	0	971,830
3,990,206	Integrated Youth Service	3,778,950	0	Cr 20,340	3,758,610
3,055,035	School Improvement Services	4,034,780	0	Cr 782,040	3,252,740
7,862,447		8,785,560	0	Cr 802,380	7,983,180
	<b>Prevention and Social Care</b>				
9,555,088	Care and Resources	17,535,640	0	Cr 5,342,893	12,192,747
403,784	Children in Care Education	648,430	0	0	648,430
2,917,554	Referral and Assessment	1,691,380	0	409,784	2,101,164
4,244,932	Safeguarding and Care Planning	2,927,250	0	Cr 693,755	2,233,495
5,031,181	Safeguarding and Quality Assurance	Cr 1,536,060	0	6,926,904	5,390,844
1,011,348	Youth Offending Team	1,020,280	0	21,480	1,041,760
23,163,887		22,286,920	0	1,321,520	23,608,440
	<b>Strategy and Performance</b>				
164,354	Information Systems - CYP	279,420	0	Cr 1,000	278,420
346,142	Research and Statistics	414,610	0	Cr 1,000	413,610
349,884	Strategic Planning and Commissioning	312,210	0	Cr 67,000	245,210
367,952	Workforce Development and Business Support	377,270	0	Cr 1,000	376,270
1,228,331		1,383,510	0	Cr 70,000	1,313,510
48,179,544		40,258,760	0	12,426,270	52,685,030



**CHILDREN & YOUNG PEOPLE PORTFOLIO**

Ref		VARIATION		ORIGINAL
		2010/11 to	2011/12	BUDGET
		£'000	£'000	£'000
<b>1</b>	<b>2010/11 BUDGET</b>		40,259	
<b>2</b>	<b>Increased Costs</b>		-	
	<b>Full Year Effect of Allocation of Central Contingency</b>			
<b>3</b>	Child Protection Adviser and Consultant Practitioner Posts for 2010/11	195		19,886
<b>4</b>	Review of Management Overheads Costs	(279)		40,259
<b>5</b>	Single Status	<u>200</u>	116	40,259
	<b>Real Changes</b>			
	<b>Savings originally approved by Executive in February 2010</b>			
<b>6</b>	Savings per Clannad Report	(37)		10,865
<b>7</b>	Efficiency savings - Care and Resources	(40)		10,865
<b>8</b>	Reduction in Residential Care as Result of Extended Schools Support	(50)		10,865
<b>9</b>	Reduced Use of Locums in several services	(25)		19,886
<b>10</b>	Increase Threshold / use of DSG - in several services	(50)		19,886
<b>11</b>	Youth Service - Realign Duties to Expand PAYP	(36)		3,188
<b>12</b>	Quality Assurance - Reduction in Staffing	(9)		1,691
<b>13</b>	Quality Assurance - Reduction in Provision for Care Packages	(25)		1,691
<b>14</b>	Cash Freeze Music Service (BYMT)	(20)		433
<b>15</b>	Reduced Recruitment & Retention Costs - School Improvement Services	(10)		1,502
<b>16</b>	Reduction in Staffing - Reduce Universal Support to Schools	(10)		1,502
<b>17</b>	Reduction in Staffing - SEN	(25)		7,364
<b>18</b>	SEN Transport	<u>(200)</u>	(537)	3,512
	<b>Other Real Changes</b>			
<b>19</b>	Care Initiatives Adjustment to offset recharge increase	(7)		n/a
<b>20</b>	Childrens Placements Additional Referrals	1,000		10,865
<b>21</b>	Public Law Outline	<u>(250)</u>	743	10,865
<b>22</b>	Variation in capital charges		12,371	
<b>23</b>	Variation in other recharges		(266)	
	Variation in Building Maintenance		0	
<b>24</b>	Variation in Insurance		(1)	
<b>25</b>	<b>2011/12 DRAFT BUDGET</b>		52,685	

## CHILDREN & YOUNG PEOPLE PORTFOLIO

### Notes on Budget Variations in 2011/12

Ref Comments

#### Full Year Effect of Allocation of Central Contingency

3 Child Protection Adviser and Consultant Practitioner Posts for 2010/11 (£195k)

To address volume pressures in the safeguarding of children.

4 Management & Overhead Review / Efficiency Savings (Cr £279k)

Annual savings of £3 million from the management and overhead review are reflected in the Council's 2010/11 Budget, (including savings agreed as part of the 2009/10 Budget). Annual savings of £279k have been allocated from the 2010/11 Central Contingency

5 Single Status (200k)

The 2010/11 budget included £1,450k to fund the additional costs of single status. This was held in Central Contingency and allocated to budgets in July 2010 following a detailed reconciliation of the ongoing costs of the pay and grading review and changes to terms and conditions.

#### Real Changes

6 Savings arising from closure of Clannad residential service (Cr £37k)

This reflects the further impact of the service re-provision via use of alternative accommodation, adoption/fostering and additional support to foster carers to support the challenging needs of the Looked After Children.

7 Care and Resources - Efficiency savings (Cr £40k)

Savings from reducing dependence on independent fostering.

8 Reduction in Residential Care as Result of Extended Schools Support (Cr £50k.)

Reduction in provision for care packages and transfer of funding from area based grant to DSG.

9 Reduced Use of Locums - Saving spread across several services (Cr. £25k.)

The recruitment of social workers from the USA was expected to reduce costs by avoiding the premium incurred when locums are taken on.

10 Increase Threshold / use of DSG - several services (cr £50k.)

Savings from tightening the eligibility criteria for support, and transferring elements of the costs to DSG funding, thereby reducing the pressure on the Council budget.

11 Youth Service - Realign Duties to Expand PAYP (Cr £36k.)

Using 'Positive Activities for YP' grant to fund existing service expenditure.

12 Quality Assurance - reduction in staffing (Cr. £9k.)

Reduced use of admin officers.

13 Quality Assurance - Reduction in Provision for Care Packages (Cr. £25k)

Reduction in Provision for Care Packages

14 Cash Freeze Music Service (Cr. £20k)

There has been no inflationary increase applied to the grant provided to BYMT.

15 Reduced Recruitment & Retention Costs - School Improvement Services (Cr. 10k.)

There is now less demand on this budget, which allows this reduction.

## **CHILDREN & YOUNG PEOPLE PORTFOLIO**

### **Notes on Budget Variations in 2011/12**

<b>Ref</b>	<b>Comments</b>
16	<u>Reduction in Staffing -School Improvement Services (Cr. 10k.)</u> Reduced staffing as the service moves towards targeting schools in difficulty rather than giving support to all schools.
17	<u>Reduction in Staffing - SEN (Cr. 25k.)</u> Reduced Case Workers
18	<u>SEN Transport (Cr.200k)</u> Savings from the re-tendering of contracts.
19	<u>Care Initiatives Adjustment to offset recharge increase (CR. 7k.)</u> This offsets the increase in recharge from Adult Services Dept.
20	<u>Children's Placements additional Referrals (£1m.)</u> Additional costs from increased referrals nationally following the high profile court case.
21	<u>Public Law Outline (£250k)</u> Additional funding approved for two years only from 2009/10 now drops out from the budget

### **Variation in Recharges**

22	<u>Variations in Capital Charges (£12,371k)</u> The variation is due to a combination of: (i) Depreciation – the impact of revaluations or asset disposals in 2009/10 (after the 2010/11 budget was agreed) and in the first half of 2010/11; (ii) Revenue Expenditure Funded by Capital Under Statute – mainly due to slippage of expenditure previously planned in 2009/10 and to new schemes added in February 2010. (iii) Government Grants Deferred – mainly due to slippage of capital grants and contributions from 2009/10 to 2010/11 and to the inclusion of new grant-funded schemes. These require to be charged to services, but an adjustment is made below the line to avoid a charge on Council Tax.
23	<u>Variation in Other Recharges (Dr £266k)</u> Variations in cross-departmental recharges are offset by corresponding variations elsewhere and therefore have no impact on the overall position.
24	<u>Variation in Insurance (Cr. £1k)</u> Minor adjustments.

**Children and Young People**  
**DRAFT REVENUE BUDGET 2011/12 - SUBJECTIVE SUMMARY**

Service area	Employees £	Premises £	Transport £	Supplies and Services £	Third Party Payments £	Transfer Payments £	Income £	Controllable Recharges	Capital Charges/ Financing	Total Controllable £	Capital Charges/ Financing £	Repairs, Maintenance & Insurance	Property Rental Income	Not Directly Controllable	Recharges In £	Total Cost of Service £	Recharges Out £	Total Net Budget £
<b>Access and Inclusion</b>																		
Access	4,196,270	69,020	160,990	472,100	216,320	283,640	142,440	46,460	0	5,219,440	66,000	39,600	0	105,600	771,390	6,096,430	0	6,096,430
Bonnie Children and Family Project	2,808,800	112,250	8,430	2,504,350	7,957,840	0	4,470,560	32,000	0	8,951,110	2,000	17,420	0	19,420	376,990	9,347,520	0	9,347,520
SEN and Inclusion	5,330,110	193,190	3,419,800	957,730	13,433,980	67,260	3,348,890	470,230	0	20,023,420	2,000	1,000	0	3,000	680,140	20,706,560	0	20,706,560
	<b>12,333,180</b>	<b>374,460</b>	<b>3,589,220</b>	<b>3,934,180</b>	<b>21,608,140</b>	<b>360,900</b>	<b>8,461,880</b>	<b>455,770</b>	<b>0</b>	<b>34,193,970</b>	<b>70,000</b>	<b>58,020</b>	<b>0</b>	<b>128,020</b>	<b>1,828,520</b>	<b>36,150,510</b>	<b>0</b>	<b>36,150,510</b>
<b>Schools Related Budgets</b>																		
Delegated Budgets	0	0	0	194,147,700	0	0	29,778,480	0	0	164,369,220	0	0	0	0	0	164,369,220	0	164,369,220
Schools Budget Grants	543,170	0	0	2,102,120	0	37,200	1,688,910	0	4,142,090	5,155,670	9,361,000	488,550	0	9,849,550	891,590	196,636,640	0	196,636,640
Schools Related Budgets Not Delegated	543,170	0	0	196,249,820	0	37,200	228,084,030	0	4,142,090	27,111,750	9,361,000	488,550	0	9,849,550	891,590	15,896,810	0	15,896,810
	<b>1,086,340</b>	<b>0</b>	<b>0</b>	<b>196,443,920</b>	<b>0</b>	<b>74,400</b>	<b>229,862,410</b>	<b>0</b>	<b>8,284,180</b>	<b>32,263,420</b>	<b>19,722,000</b>	<b>489,050</b>	<b>0</b>	<b>19,741,500</b>	<b>1,783,180</b>	<b>16,969,630</b>	<b>0</b>	<b>16,969,630</b>
<b>Learning and Achievement</b>																		
14-19 Strategy	584,440	0	5,890	251,590	763,830	0	714,320	0	0	891,430	0	0	0	0	80,400	971,830	0	971,830
Integrated Youth Service	2,056,690	124,640	24,590	450,580	1,187,610	0	637,190	67,210	0	3,206,920	166,000	40,190	0	206,190	345,500	3,758,610	0	3,758,610
School Improvement Services	4,434,710	105,840	36,300	19,834,470	0	0	21,529,790	67,210	0	2,948,740	34,000	88,800	0	122,800	5,018,140	8,089,680	4,836,940	3,252,740
	<b>7,075,840</b>	<b>230,480</b>	<b>66,780</b>	<b>20,536,640</b>	<b>1,951,440</b>	<b>0</b>	<b>22,881,300</b>	<b>67,210</b>	<b>0</b>	<b>7,047,090</b>	<b>200,000</b>	<b>128,990</b>	<b>0</b>	<b>328,990</b>	<b>5,444,040</b>	<b>12,820,120</b>	<b>4,836,940</b>	<b>7,983,180</b>
<b>Safeguarding and Social Care</b>																		
Care and Resources	3,199,157	290	49,700	910,610	8,731,880	581,680	832,570	448,000	0	12,192,747	0	0	0	0	0	12,192,747	0	12,192,747
Children in Care Education	304,710	0	2,550	43,400	296,750	1,020	0	0	0	648,430	0	0	0	0	0	648,430	0	648,430
Referral and Assessment	2,000,504	0	27,730	13,840	6,620	52,470	0	186,860	0	2,101,164	0	0	0	0	0	2,101,164	0	2,101,164
Safeguarding and Care Planning	2,167,045	19,060	28,330	35,670	80,920	75,600	0	0	0	2,219,765	13,000	730	0	13,730	0	2,233,495	0	2,233,495
Safeguarding and Quality Assurance	1,604,384	0	20,540	249,640	51,030	0	41,430	275,470	0	2,201,064	3,000	41,430	0	44,430	3,201,810	5,447,304	56,460	5,390,844
Youth Offending Team	1,236,960	49,460	17,160	62,140	20,000	0	403,910	46,000	0	937,830	0	5,050	0	5,050	98,560	1,041,760	0	1,041,760
	<b>10,514,780</b>	<b>68,810</b>	<b>146,010</b>	<b>1,315,300</b>	<b>9,187,200</b>	<b>710,770</b>	<b>1,236,480</b>	<b>405,390</b>	<b>0</b>	<b>20,301,000</b>	<b>16,000</b>	<b>47,210</b>	<b>0</b>	<b>63,210</b>	<b>3,300,690</b>	<b>23,664,900</b>	<b>56,460</b>	<b>23,664,900</b>
<b>Strategy and Performance</b>																		
Information Systems - CYP	147,564	0	500	96,556	0	0	12,560	0	0	244,620	0	0	0	0	33,800	278,420	0	278,420
Research and Statistics	331,210	0	1,120	47,640	0	0	14,010	0	0	367,410	0	0	0	0	46,200	413,610	0	413,610
Strategic Planning and Commissioning	187,960	0	600	5,960	0	0	0	0	0	180,510	0	0	0	0	64,700	245,210	0	245,210
Workforce Development and Business Supp	315,990	0	0	94,800	0	0	0	0	0	325,470	0	0	0	0	50,500	376,270	0	376,270
	<b>982,724</b>	<b>0</b>	<b>2,220</b>	<b>199,636</b>	<b>0</b>	<b>0</b>	<b>26,570</b>	<b>0</b>	<b>0</b>	<b>1,118,010</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>195,500</b>	<b>1,313,510</b>	<b>0</b>	<b>1,313,510</b>
	<b>31,449,694</b>	<b>673,750</b>	<b>3,804,230</b>	<b>222,195,576</b>	<b>32,746,780</b>	<b>1,108,870</b>	<b>260,690,260</b>	<b>117,590</b>	<b>4,142,090</b>	<b>35,548,320</b>	<b>9,647,000</b>	<b>722,770</b>	<b>0</b>	<b>10,369,770</b>	<b>11,660,340</b>	<b>57,578,430</b>	<b>4,893,400</b>	<b>52,685,030</b>

## Adults and Community Services

**DRAFT REVENUE BUDGET 2011/12 - SUMMARY**

2009/10 Actual	Service Area	2010/11 Budget	Increased costs	Other Changes	2011/12 Draft Budget
£		£	£	£	£
	<b>Care Services</b>				
2,381	AIDS-HIV Grant	0	0	0	0
44,821,336	Assessment and Care Management	43,533,920	0	320,920	43,854,840
Cr 0	Direct Services	Cr 0	0	571,550	571,550
2,082,953	Learning Disabilities Care Management	1,988,600	0	287,480	2,276,080
Cr 0	Learning Disabilities Day Services	0	0	58,090	58,090
0	Learning Disabilities Housing & Support	0	0	128,390	128,390
46,906,670		45,522,520	0	1,366,430	46,888,950
	<b>Commissioning and Partnerships</b>				
1,281,693	Commissioning and Partnerships	1,240,620	0	Cr 120,750	1,119,870
217,484	Drugs and Alcohol	108,210	0	35,690	143,900
18,930,871	Learning Disabilities Services	20,174,290	0	1,097,260	21,271,550
5,416,359	Mental Health Services	5,557,760	0	Cr 14,990	5,542,770
Cr 14,069	Procurement & Contracts Compliance	5,574,150	0	Cr 26,740	5,547,410
25,832,338		32,655,030	0	970,470	33,625,500
	<b>Housing and Residential Services</b>				
299,620	Enabling Activities	268,460	0	Cr 1,690	266,770
2,305,758	Housing Benefits	3,567,360	0	Cr 59,250	3,508,110
1,891,739	Housing Needs	1,652,730	0	447,370	2,100,100
137,943	Housing Strategy & Development	146,360	0	Cr 316,940	Cr 170,580
1,331,716	Private Sector Housing	877,110	0	210,300	1,087,410
1,207,702	Residential Services	1,083,910	0	Cr 110,620	973,290
7,174,477		7,595,930	0	169,170	7,765,100
	<b>Strategic Support Services</b>				
7,584,198	Concessionary Fares	8,597,220	0	0	8,597,220
35,084	Customer Services	32,100	0	Cr 29,630	2,470
181,662	Performance & Information	261,210	0	Cr 44,560	216,650
77,923	Quality Assurance	74,830	0	64,390	139,220
Cr 0	Transforming Social Care	0	0	0	0
7,878,867		8,965,360	0	Cr 9,800	8,955,560
87,792,353		94,738,840	0	2,496,270	97,235,110

**ADULT AND COMMUNITY SERVICES PORTFOLIO**  
**SUMMARY OF BUDGET VARIATIONS 2011/12**

Ref	VARIATION IN 2011/12		ORIGINAL BUDGET 2010/11
	£'000	£'000	£'000
<b>2010/11 BUDGET</b>		94,631	
Transfer of Original Budget for Drugs Action Team from PPS		<u>108</u>	
<b>REVISED 2010/11 ORIGINAL BUDGET</b>		94,739	
<b>Increased Costs</b>		0	
<b>Full Year Effect of Allocation of Central Contingency</b>			
1	Review of management overhead costs	-344	
2	Single Status	1,079	
3	Learning Disabilities Services 2010/11 growth	660	16,137
4	Physical Disabilities Services 2010/11 growth	<u>200</u>	3,359
		1,595	
<b>Movement Between Portfolios / Departments</b>			
5	Drugs Action Team from PPS to ACS Portfolio	76	
6	Transfer of 0.5 fte post to Resources	-31	62
7	Direct Payments contract increase (funded by CYP)	<u>7</u>	143
		52	
<b>Real Changes</b>			
<i>Other Real Changes:</i>			
8	Learning Disabilities Additional Placements	855	16,137
9	Reduction in Housing & Council Tax Benefit Administration Grant	78	869
10	2009/10 Savings re:Disabled Facilities Grants Team	-28	340
11	Extra Care Housing - New Contract Savings	-71	649
	Grants falling out:	0	
12	- LD Campus Closure Grant funded expenditure	-1,436	
	- LD Campus Closure Grant income	1,436	
13	- Social Care Reform Grant funded expenditure	-1,145	
	- Social Care Reform Grant Income	1,145	
14	- Stroke Care Grant funded expenditure	-93	
	- Stroke Care Grant income	<u>93</u>	
		834	
15	Variations in Capital Charges		651
16	Variations in Recharges		
	- External recharges	-631	
	- Internal recharges	<u>0</u>	
		-631	
	Variations in Building Maintenance		0
	Variations in Insurances		-5
	<b>2011/12 DRAFT BUDGET</b>	<u><u>97,235</u></u>	

## **ADULT AND COMMUNITY SERVICES PORTFOLIO**

### **Notes on Budget Variations in 2011/12**

#### **Ref Comments**

##### **Full Year Effect of Allocation of Central Contingency**

1 **Review of management overhead costs Cr £344,000**

Annual savings of £3m from the management and overhead review are reflected in the Council's 2010/11 Budget (including savings agreed as part of the 2009/10 budget). Annual savings of £344k have been allocated from the 2010/11 central contingency sum to reflect the full year savings impacting on ACS Portfolio budgets.

2 **Single Status - Dr £1,079,000**

The 2010/11 budget included £1.45m to fund the additional costs relating to single status. This sum was held within the central contingency and was allocated to Portfolio budgets in July 2010 following a detailed reconciliation of the ongoing costs arising from the pay and grading review and changes to terms and conditions. Of this sum, £1.079m was allocated to ACS Portfolio budgets.

3 **Learning Disabilities Services 2010/11 Growth - Dr £660,000**

£660,000 was released to the ACS budget from the central contingency during 2010/11 to fund growth in the number of Learning Disabilities clients coming through Transition.

4 **Physical Disabilities Services 2010/11 growth - Dr £200,000**

£200,000 was released to the ACS budget from the central contingency during 2010/11 to fund growth in domiciliary care packages for clients with Physical Disabilities.

##### **Movement Between Portfolios / Departments**

5 **Drugs Action Team transfer from PPS to ACS Portfolio - Dr £76,000**

This variation arises from the transfer of the Drugs Action Team from PPS Portfolio to ACS Portfolio during 2010/11.

6 **Transfer of 0.5 fte Post to Resources Directorate - Cr £31,000**

0.5 fte of the LD Business Manager post transferred from ACS to Resources during 2010/11. The other half remains in the ACS Commissioning & Partnerships division.

7 **Direct Payments contract increased cost (funded by CYP) - Dr £7,000**

The increase in the cost of the Direct Payments contract is a result of increased numbers of clients in receipt of direct payments. As a number of clients are not Adults, a contribution has been made by a budget transfer from the CYP Portfolio budget.

##### **Real Changes**

8 **Learning Disabilities Additional Placements - Dr £855,000**

Members have received a number of reports looking at the cost pressures facing the authority over the next few years arising from increased numbers of people with complex learning disabilities going into residential care.

Work has been undertaken by officers to help develop alternative models of care, so that a number of people with learning disabilities can move into supporting living initiatives in the Borough such as the Adult Placement scheme.

There is also ongoing work to review all high cost out of borough placements.

However, despite the foregoing, costs are expected to increase by £855k in 2011/12 due to increased client numbers.

9 Reduction in Housing Benefit Admin Grant - Dr £78,000

There has been a reduction in the amount of grant allocated to Bromley for the administration of Housing and Council Tax benefits.

10 Staff Savings from Disabled Facilities Grant Team - Cr £28,000

This is the full year effect of the 2010/11 saving in staff costs relating to the Disabled Facilities Grant Team within Housing and Residential Services.

11 Extra Care Housing - Cr £71,000

The award of the contract for care & support services in the new extra care housing scheme at Crown Meadow Court, and the proposed transfer of residents from Denton and Cranbrook Court has resulted in savings of £71,000 in 2011/12.

12 LD Campus Closure Grant falling out - Cr £1,436,000, Dr £1,436,000

2010/11 was the third and final year for this grant relating to the closure of PCT Learning Disability Campus sites and arranging client moves to alternative accommodation. However it is anticipated that some of the 2010/11 grant will need to be carried forward to 2011/12 to ensure completion of the programme.

13 Social Care Reform Grant falling out - Cr £1,145,000, Dr £1,145,000

The Social Care Reform Grant ends in 2010/11 and so the budgets relating to the implementation of the Supporting Independence Bromley programme and the grant income will be removed in 2011/12. Although expenditure funded by grant will not exist, the new initiatives will now continue as part of mainstream budgets.

14 Stroke Care Grant falling out - Cr £93,000, Dr £93,000

2010/11 was the third and final year for this grant and so the expenditure and income budget fall out in 2011/12.

15 Variations in Capital Charges - Dr £651,000

The variation on capital charges, etc is due to a combination of the following:

(i) Depreciation – the impact of revaluations or asset disposals in 2009/10 (after the 2010/11 budget was agreed) and in the first half of 2010/11;

(ii) Revenue Expenditure Funded by Capital Under Statute (REFCUS) – mainly due to slippage of expenditure previously planned in 2009/10 and to new schemes added to the programme in February 2010.

(iii) Government Grants Deferred – mainly due to slippage of capital grants and contributions from 2009/10 into 2010/11 and to the inclusion of new grant-funded schemes in the programme in February 2010.

These are all required to be charged to service revenue accounts, but an adjustment is made below the line to avoid a charge on Council Tax.

16 Variations in Recharges - Cr £631,000

Variations in recharges are offset by corresponding variations elsewhere and have no impact on the overall position.



**Adults and Community Services**

**DRAFT REVENUE BUDGET 2011/12 - SUBJECTIVE SUMMARY**

Service area	Employees	Premises	Transport	Supplies and Services	Third Party Payments	Transfer Payments	Income	Controllable Recharges	Capital Charges/Financing	Total Controllable	Capital Charges/Financing	Repairs, Maintenance & Insurance	Property Rental Income	Not Directly Controllable	Recharges In	Total Cost of Service	Recharges Out	Total Net Budget
	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£
<b>Care Services</b>																		
AIDS/HIV Grant	0	0	0	0	61,190	0	189,000	75,960	0	0	0	0	0	0	0	0	0	0
Assessment and Care Management	5,003,380	53,220	71,000	128,830	36,692,470	1,022,120	13,696,670	366,360	803,000	28,908,390	0	208,320	22,240	989,080	15,264,840	45,462,310	1,307,470	43,854,840
Direct Services	8,589,210	59,700	818,500	757,470	86,500	0	1,009,860	398,430	6,220	9,882,110	0	6,220	0	0	1,074,490	9,922,820	9,361,270	571,550
Learning Disabilities Care Management	685,880	0	13,880	0	710,990	711,430	101,960	0	0	2,027,930	0	460	0	460	253,980	2,282,370	0	2,278,080
Learning Disabilities Day Services	2,195,020	101,860	43,230	165,730	666,070	0	1,284,990	99,070	64,000	2,102,910	0	33,160	0	97,160	2,312,230	4,911,900	4,459,610	56,090
Learning Disabilities Housing & Support	1,870,880	55,660	8,570	66,280	0	0	168,390	436,430	20,000	1,395,770	0	39,870	0	59,870	60,610	1,516,250	1,387,860	128,390
	<b>18,261,570</b>	<b>270,460</b>	<b>955,390</b>	<b>1,170,160</b>	<b>38,216,120</b>	<b>1,733,550</b>	<b>16,294,360</b>	<b>1,026,200</b>	<b>887,000</b>	<b>43,286,710</b>	<b>0</b>	<b>288,030</b>	<b>22,240</b>	<b>1,152,790</b>	<b>18,966,190</b>	<b>63,405,650</b>	<b>16,516,700</b>	<b>46,888,950</b>
<b>Commissioning and Partnerships - ACS Portfolio</b>																		
Commissioning and Partnerships	431,920	0	550	137,850	1,557,060	77,490	76,650	406,440	0	2,534,660	0	210	12,670	12,460	421,340	2,843,540	1,823,670	1,119,870
Drugs and Alcohol	137,000	0	1,900	279,840	123,500	0	415,850	101,240	0	227,730	0	130	0	130	48,250	276,110	132,210	143,900
Learning Disabilities Services	97,490	0	280	114,920	17,644,000	0	1,927,460	104,790	0	15,824,420	0	160	0	160	5,446,970	21,271,550	0	21,271,550
Mental Health Services	138,720	0	280	25,870	4,938,650	31,890	406,510	111,560	0	4,840,440	0	15,000	74,990	59,990	782,320	5,642,770	0	5,642,770
Procurement & Contracts Compliance	381,180	0	1,340	13,500	4,166,730	0	0	1,283,640	200	5,846,390	0	200	0	200	280,760	6,127,350	579,940	5,547,410
	<b>1,186,410</b>	<b>0</b>	<b>4,310</b>	<b>571,960</b>	<b>28,429,940</b>	<b>109,380</b>	<b>2,826,470</b>	<b>1,798,090</b>	<b>0</b>	<b>29,273,640</b>	<b>0</b>	<b>15,700</b>	<b>87,660</b>	<b>71,960</b>	<b>6,939,640</b>	<b>36,161,320</b>	<b>2,538,820</b>	<b>33,622,500</b>
<b>Housing and Residential Services</b>																		
Enabling Activities	0	0	0	0	0	0	16,890	0	0	16,890	0	0	0	0	283,660	266,770	0	266,770
Housing Benefits	0	0	0	1,362,800	0	104,591,210	105,991,860	515,630	0	37,650	0	870	0	870	3,545,760	3,508,110	0	3,508,110
Housing Needs	1,757,960	48,230	16,260	335,920	1,166,330	0	1,596,790	0	0	1,210,280	0	280	0	280	895,240	2,106,390	6,290	2,100,100
Housing Strategy & Development	336,650	0	1,180	8,350	0	0	259,840	0	0	86,540	0	0	0	0	360,680	447,500	618,080	170,560
Private Sector Housing	0	0	0	0	0	0	0	0	0	0	0	0	0	0	707,410	1,087,410	0	1,087,410
Residential Services	713,000	0	18,620	35,480	621,000	0	323,010	32,270	300,000	1,332,820	0	370	0	370	315,270	1,648,480	675,170	973,290
	<b>2,807,610</b>	<b>48,230</b>	<b>36,860</b>	<b>1,742,550</b>	<b>1,787,330</b>	<b>104,591,210</b>	<b>108,186,990</b>	<b>547,500</b>	<b>300,000</b>	<b>2,575,100</b>	<b>300,000</b>	<b>1,520</b>	<b>0</b>	<b>381,520</b>	<b>6,108,020</b>	<b>9,064,640</b>	<b>1,299,540</b>	<b>7,765,100</b>
<b>Strategic Support Services</b>																		
Concessionary Fares	16,510	0	0	0	15,680	8,564,930	0	0	0	8,597,220	0	0	0	0	0	8,597,220	0	8,597,220
Customer Services	674,700	0	4,630	223,110	0	0	30,000	0	0	872,440	0	0	0	0	230,350	1,102,790	1,100,320	2,470
Performance & Information	1,522,980	0	5,720	254,050	98,000	0	30,390	256,600	90,000	1,593,760	0	890	0	891,110	499,490	2,004,140	1,787,490	216,650
Quality Assurance	226,300	0	0	0	0	0	27,490	0	0	198,810	0	0	0	0	64,390	263,200	123,980	139,220
Transforming Social Care	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	<b>2,440,890</b>	<b>0</b>	<b>10,350</b>	<b>477,160</b>	<b>113,680</b>	<b>8,564,930</b>	<b>87,880</b>	<b>256,600</b>	<b>90,000</b>	<b>11,262,230</b>	<b>0</b>	<b>890</b>	<b>0</b>	<b>891,110</b>	<b>794,230</b>	<b>11,967,350</b>	<b>3,011,790</b>	<b>8,955,560</b>
	<b>24,696,180</b>	<b>318,710</b>	<b>1,006,110</b>	<b>3,851,850</b>	<b>66,547,070</b>	<b>114,999,070</b>	<b>127,398,700</b>	<b>32,610</b>	<b>300,000</b>	<b>86,397,690</b>	<b>1,177,000</b>	<b>306,140</b>	<b>109,900</b>	<b>1,373,240</b>	<b>32,828,040</b>	<b>120,996,960</b>	<b>23,363,850</b>	<b>97,235,110</b>

**ENVIRONMENT PORTFOLIO**

**DRAFT REVENUE BUDGET 2011/12 - SUMMARY**

2009/10 Actual	Service Area	2010/11 Budget	Increased costs	Other Changes	2011/12 Draft Budget
£		£	£	£	£
	<b>Customer &amp; Support Services</b>				
Cr 3,482,312	Parking	Cr 4,029,080	0	Cr 244,240	(4,273,320)
147,758	Support Services	129,110	0	Cr 51,310	77,800
(3,334,554)		(3,899,970)	0	Cr 295,550	(4,195,520)
	<b>Public Protection</b>				
204,100	Emergency Planning	219,620	0	(50,960)	168,660
204,100		219,620	0	(50,960)	168,660
	<b>Street Scene &amp; Green Space</b>				
6,227,304	Area Management & Street Cleansing	5,981,100	0	Cr 54,370	5,926,730
155,698	Markets	155,900	0	Cr 12,240	143,660
6,764,040	Parks and Green Space	6,140,390	0	57,880	6,198,270
1,126,903	Street Regulation	0	0	0	0
16,333,079	Waste Services	17,329,830	0	Cr 141,900	17,187,930
30,607,024		29,607,220	0	(150,630)	29,456,590
	<b>Transport &amp; Highways</b>				
5,870,676	Highways	10,269,040	0	Cr 880,550	9,388,490
75,606	Highways Planning	149,350	0	Cr 110,310	39,040
11,202	London Permit Scheme	0	0	0	0
1,606,086	Traffic & Road Safety	1,403,350	0	Cr 203,940	1,199,410
292,017	Transport Strategy	463,460	0	Cr 55,010	408,450
7,855,588		12,285,200	0	(1,249,810)	11,035,390
35,332,159		38,212,070	0	Cr1,746,950	36,465,120

**ENVIRONMENT PORTFOLIO**

**SUMMARY OF BUDGET VARIATIONS 2011/12**

Ref		<b>VARIATION IN 2011/12 £'000</b>	<b>ORIGINAL BUDGET 2010/11 £'000</b>
<b>1</b>	<b>2010/11 BUDGET</b>	38,212	
<b>2</b>	<b>Increased Costs</b>	0	
	<b>Full Year Effect of Allocation of Central Contingency</b>		
<b>3</b>	Contract Price Inflation	378	22,173
<b>4</b>	Review of Management Overheads Costs	Cr 223	1,901
<b>5</b>	Single Status	24	5,969
<b>6</b>	Roll out of Waste Pilot	Cr 200	0
		Cr 21	
	<b>Movements Between Portfolios/Departments</b>	0	
	<b>Real Changes</b>		
	<i>Savings Originally Approved by Executive in February 2010</i>		
<b>7</b>	Public Toilet Closure - Reduction in Cleansing	Cr 10	381
<b>8</b>	Savings roll out of waste pilot	Cr 165	0
<b>9</b>	Reduction in waste tonnage	Cr 700	11,418
		Cr 875	
	<i>Other Real Changes:</i>		
<b>10</b>	Absorption of Inflation Increases for PCNs	93	Cr 3,717
<b>11</b>	Landfill Tax Increases	570	3,473
<b>12</b>	Increase in Refuse/Recycling Collection	32	5,908
		695	
<b>13</b>	Variations in Capital Charges	Cr 1,073	Cr 854
<b>14</b>	Variations in Recharges	Cr 464	3,035
<b>15</b>	Variations in Building Maintenance	0	1,033
<b>16</b>	Variations in Insurances	Cr 9	565
<b>17</b>	<b>2011/12 DRAFT BUDGET</b>	<u><u>36,465</u></u>	

## **ENVIRONMENT PORTFOLIO**

### **Notes on Budget Variations in 2011/12**

#### **Ref Comments**

#### **Full Year Effect of Allocation of Central Contingency**

- 3 Contract Price Inflation Increase (Dr £378k)  
The costs of £378k reflect the full year impact of increased costs on Waste Disposal, Waste Collection, Parking and Street Cleansing allocated from the 2010/11 Central Contingency sum.
- 4 Review of Management Overheads Costs (Cr £223k)  
Annual savings of £3 million from the management and overhead review are reflected in the Council's 2010/11 Budget, (including savings agreed as part of the 2009/10 Budget). Annual savings of £223k have been allocated from the 2010/11 Central Contingency sum to reflect the full year savings impacting on the Environment Portfolio budgets.
- 5 Single Status (Dr £24k)  
The 2010/11 budget included £1,450k to fund the additional costs relating to single status. This sum was held within the Central Contingency and was allocated to Portfolio budgets in July 2010 following a detailed reconciliation of the ongoing costs arising from the pay and grading review and changes to terms and conditions.
- 6 Roll out of Waste Pilot (Cr £200k)  
Part year effect of savings relating to the roll out of the kitchen waste collection service during 2010/11.

#### **Real Changes**

- 7 Public Toilet Closure - Reduction in Cleansing (Cr £10k)  
Savings relating to the withdrawal of a facility.
- 8 Savings roll out of waste pilot (Cr £165k)  
Full year effect of savings relating to the full roll out of the kitchen waste collection service for 2011/12.
- 9 Reduction in waste tonnage (Cr £700k)  
Disposal contract savings related to the reduction of 9,000 tonnes to reflect the latest budget monitoring projections.
- 10 PCN Inflation (Dr £93k)  
Estimates are prepared on the basis that inflation is added to both income and expenditure. As penalty charge notices (for parking and bus lane contraventions) are set by the Mayor of London and therefore statutory, savings have to be found to absorb the inflation rate.
- 11 Increase in Landfill Tax (Dr 570k)  
Adjustment to reflect the increase of £8 per tonne in landfill tax.

12 Increase in Refuse/Recycling Collection (Dr £32k)

The current refuse and recycling collection contract is based on the number of premises rather than bins. The additional costs reflect the anticipated increase in new properties for 2011/12 based on historical data.

13 Variations in Capital Charges (Cr £1,073k)

The variation on capital charges, etc is due to a combination of the following:

(i) Depreciation – the impact of revaluations or asset disposals in 2009/10 (after the 2010/11 budget was agreed) and in the first half of 2010/11;

(ii) Revenue Expenditure Funded by Capital Under Statute (REFCUS) – mainly due to slippage of expenditure previously planned in 2009/10 and to new schemes added to the programme in February 2010.

(iii) Government Grants Deferred – mainly due to slippage of capital grants and contributions from 2009/10 into 2010/11 and to the inclusion of new grant-funded schemes in the programme in February 2010.

These are all required to be charged to service revenue accounts, but an adjustment is made below the line to avoid a charge on Council Tax.

14 Variations in Recharges (Cr £464k)

Variations in cross-departmental recharges are offset by corresponding variations elsewhere and therefore have no impact on the overall position.

15/16 Variations in Building Maintenance and Insurances (Cr £9k)

**ENVIRONMENT PORTFOLIO**  
**DRAFT REVENUE BUDGET 2011/12 - SUBJECTIVE SUMMARY**

Service area	Employees £	Premises £	Transport £	Supplies and Services £	Third Party Payments £	Transfer Payments £	Income £	Controllable Recharges £	Capital Charges/ Financing £	Total Controllable £	Capital Charges/ Financing £	Repairs, Maintenance & Insurance £	Property Rental Income £	Not Directly Controllable £	Recharges In £	Total Cost of Service £	Recharges Out £	Total Net Budget £
<b>Customer &amp; Support Services</b>																		
Parking	730,390	890,350	16,510	574,950	2,195,360	0	(9,991,360)	0	188,000	(5,583,800)	0	70,010	(25,650)	232,360	245,000	(5,106,440)	833,120	(4,273,320)
Support Services	1,440,190	160,270	47,970	206,540	0	0	(15,750)	(184,400)	77,000	1,654,820	0	164,890	(82,000)	159,890	893,610	2,708,320	(2,630,520)	77,800
	<b>2,170,580</b>	<b>1,050,620</b>	<b>64,480</b>	<b>781,490</b>	<b>2,195,360</b>	<b>0</b>	<b>(10,007,110)</b>	<b>(184,400)</b>	<b>265,000</b>	<b>(3,928,980)</b>	<b>0</b>	<b>234,900</b>	<b>(107,650)</b>	<b>392,250</b>	<b>1,138,610</b>	<b>(2,398,120)</b>	<b>(1,797,400)</b>	<b>(4,195,520)</b>
<b>Street Scene &amp; Green Space</b>																		
Area Management & Street Cleansing	911,830	103,780	0	41,340	4,737,300	0	(7,840)	0	56,000	5,786,410	0	94,870	0	150,870	1,096,160	7,023,440	(1,096,710)	5,926,730
Markets	0	2,530	0	117,510	16,310	0	(220,190)	0	0	(83,840)	0	7,120	0	7,120	220,380	143,660	0	143,660
Parks and Green Space	1,487,830	3,529,590	61,940	615,350	355,110	0	(290,670)	0	348,000	5,759,150	0	802,940	(313,930)	837,010	3,194,930	9,791,090	(3,592,820)	6,198,270
Street Regulation	616,390	0	102,920	150,660	0	0	0	0	0	737,370	0	0	0	0	128,720	866,090	(866,090)	0
Waste Services	469,090	22,550	29,770	225,890	18,541,720	0	(2,987,010)	0	0	16,302,010	0	0	0	0	986,770	17,288,780	(100,850)	17,187,930
	<b>3,485,140</b>	<b>3,658,450</b>	<b>194,630</b>	<b>1,018,150</b>	<b>23,650,440</b>	<b>0</b>	<b>(3,505,710)</b>	<b>0</b>	<b>404,000</b>	<b>28,501,100</b>	<b>0</b>	<b>904,930</b>	<b>(313,930)</b>	<b>995,000</b>	<b>5,616,960</b>	<b>35,113,060</b>	<b>(5,656,470)</b>	<b>29,456,590</b>
<b>Transport &amp; Highways</b>																		
Highways & Street Lighting	804,000	1,190,900	60,550	8,663,040	62,210	0	(1,894,050)	(55,000)	(2,599,000)	8,831,650	0	449,450	(11,310)	(2,160,860)	3,662,940	10,333,730	(945,240)	9,388,490
London Permit Scheme	208,610	0	230	122,620	0	0	(487,950)	0	0	(166,490)	0	0	0	0	166,490	0	0	0
Highways Planning	144,150	0	2,170	6,010	0	0	(11,550)	0	3,000	140,780	0	0	0	3,000	132,020	275,800	(236,760)	39,040
Traffic & Road Safety	1,147,870	0	30,110	116,170	232,930	0	(169,920)	(415,940)	0	941,220	0	0	0	0	526,000	1,467,220	(267,810)	1,199,410
Transport Strategy	460,100	0	740	34,080	0	0	(350)	(266,530)	0	229,040	0	0	0	0	245,680	473,720	(65,270)	408,450
	<b>2,764,730</b>	<b>1,190,900</b>	<b>93,800</b>	<b>8,941,920</b>	<b>295,140</b>	<b>0</b>	<b>(2,674,820)</b>	<b>(737,470)</b>	<b>(2,596,000)</b>	<b>9,975,200</b>	<b>0</b>	<b>449,450</b>	<b>(11,310)</b>	<b>(2,157,860)</b>	<b>4,733,130</b>	<b>12,550,470</b>	<b>(1,515,080)</b>	<b>11,035,390</b>
<b>Public Protection</b>																		
Emergency Planning	85,570	0	5,030	26,540	0	0	0	0	0	117,140	0	0	0	0	51,520	168,660	0	168,660
	<b>8,506,020</b>	<b>5,899,970</b>	<b>357,940</b>	<b>10,768,100</b>	<b>26,140,940</b>	<b>0</b>	<b>(16,086,640)</b>	<b>(921,870)</b>	<b>(1,927,000)</b>	<b>34,664,460</b>	<b>0</b>	<b>1,599,280</b>	<b>(432,890)</b>	<b>(770,610)</b>	<b>11,540,220</b>	<b>45,434,070</b>	<b>(9,968,950)</b>	<b>36,465,120</b>

**PUBLIC PROTECTION & SAFETY PORTFOLIO**

**DRAFT REVENUE BUDGET 2011/12 - SUMMARY**

2009/10 Actual	Service Area	2010/11 Budget	Increased costs	Other Changes	2011/12 Draft Budget
£		£	£	£	£
	<b>Public Protection</b>				
275,249	Mortuary & Coroners Service	337,900	0	1,630	339,530
1,323	CCTV	0	0	0	0
4,217,496	Public Protection	4,360,580	0	Cr 568,450	3,792,130
4,494,068		4,698,480	0	(566,820)	4,131,660
4,494,068		4,698,480	0	Cr 566,820	4,131,660

**PUBLIC PROTECTION & SAFETY PORTFOLIO**

**SUMMARY OF BUDGET VARIATIONS 2011/12**

Ref		<b>VARIATION IN 2011/12 £'000</b>	ORIGINAL BUDGET 2010/11 £'000
<b>1</b>	<b>2010/11 BUDGET</b>	4,806	
	Transfer of Original Budget for Drugs Action Team to ACS	Cr 108	
		<u>4,698</u>	
<b>2</b>	<b>Increased Costs</b>		
	<b>Full Year Effect of Allocation of Central Contingency</b>		
<b>3</b>	Review of Management Overheads Costs	Cr 207	674
<b>4</b>	Single Status	<u>18</u> Cr	1,874
	<b>Movements Between Portfolios/Departments</b>		
<b>5</b>	Structural changes to the Drugs Action team	<u>Cr 76</u> Cr	76
	<b>Real Changes</b>		
	<i>Savings Originally Approved by Executive in February 2010:</i>		
<b>6</b>	Public Protection - Staff Savings	<u>Cr 112</u> Cr	2,547
	<i>Other Real Changes:</i>	0	
<b>7</b>	Variations in Capital Charges		0
<b>8</b>	Variations in Recharges	Cr 187	633
<b>9</b>	Variations in Building Maintenance		0
<b>10</b>	Variations in Insurances	Cr 2	9
<b>11</b>	<b>2011/12 DRAFT BUDGET</b>	<u><u>4,132</u></u>	



## **PUBLIC PROTECTION & SAFETY PORTFOLIO**

### **Notes on Budget Variations in 2011/12**

#### **Ref Comments**

#### **Full Year Effect of Allocation of Central Contingency**

- 3 Review of Management Overheads Costs (Cr £207k)  
Annual savings of £3 million from the management and overhead review are reflected in the Council's 2010/11 Budget, (including savings agreed as part of the 2009/10 Budget). Annual savings of £207k have been allocated from the 2010/11 Central Contingency sum to reflect the full year savings impacting on the Public Protection Portfolio budgets.
- 4 Single Status (Dr £18k)  
The 2010/11 budget included £1,450k to fund the additional costs relating to single status. This sum was held within the Central Contingency and was allocated to Portfolio budgets in July 2010 following a detailed reconciliation of the ongoing costs arising from the pay and grading review and changes to terms and conditions.

#### **Movements Between Portfolios/Departments**

- 5 Structural changes to the Drugs Action team (Cr £76k)  
Transfer of budgets relating to the Drugs Action Team Service to the ACS Portfolio.

#### **Real Changes**

- 6 Public Protection Staff Savings (Cr £112k)  
Staff savings target previously agreed by the Executive in February 2010.
- 7 Variations in Capital Charges (£0k)  
The variation on capital charges, etc is due to a combination of the following:
- (i) Depreciation – the impact of revaluations or asset disposals in 2009/10 (after the 2010/11 budget was agreed) and in the first half of 2010/11;
- (ii) Revenue Expenditure Funded by Capital Under Statute (REFCUS) – mainly due to slippage of expenditure previously planned in 2009/10 and to new schemes added to the programme in February 2010
- (iii) Government Grants Deferred – mainly due to slippage of capital grants and contributions from 2009/10 into 2010/11 and to the inclusion of new grant-funded schemes in the programme in February 2010
- These are all required to be charged to service revenue accounts, but an adjustment is made below the line to avoid a charge on Council Tax.
- 8 Variations in Recharges (Cr £187k)  
Variations in cross-departmental recharges are offset by corresponding variations elsewhere and therefore have no impact on the overall position.
- 9/10 Variations in Building Maintenance and Insurances (Cr £2k)

**PUBLIC PROTECTION & SAFETY PORTFOLIO**  
**DRAFT REVENUE BUDGET 2011/12 - SUBJECTIVE SUMMARY**

Service area	Employees £	Premises £	Transport £	Supplies and Services £	Third Party Payments £	Transfer Payments £	Income £	Controllable Recharges £	Capital Charges/ Financing £	Total Controllable £	Repairs, Maintenance & Insurance £	Property Rental Income £	Not Directly Controllable £	Recharges In £	Total Cost of Service £	Recharges Out £	Total Net Budget £
Public Protection																	
Mortuary & Coroners Service	0	0	0	0	328,690	0	0	0	0	328,690	0	0	0	10,840	339,530	0	339,530
CCTV	80,470	28,790	15,850	11,660	425,720	0	(17,000)	0	0	545,490	0	0	0	24,620	570,110	(570,110)	0
Public Protection	2,555,530	0	57,240	521,080	99,570	0	(427,780)	0	0	2,805,640	6,110	0	6,110	1,128,640	3,940,390	(148,260)	3,792,130
	<b>2,636,000</b>	<b>28,790</b>	<b>73,090</b>	<b>532,740</b>	<b>853,980</b>	<b>0</b>	<b>(444,780)</b>	<b>0</b>	<b>0</b>	<b>3,679,820</b>	<b>6,110</b>	<b>0</b>	<b>6,110</b>	<b>1,164,100</b>	<b>4,850,030</b>	<b>(718,370)</b>	<b>4,131,660</b>

**RENEWAL & RECREATION PORTFOLIO**

**DRAFT REVENUE BUDGET 2011/12 - SUMMARY**

2009/10 Actual	Service Area	2010/11 Budget	Increased costs	Other Changes	2011/12 Draft Budget
£		£	£	£	£
	<b>Adult Education Centres</b>				
277,750	Adult Education Centres	95,410	0	83,590	179,000
277,750		95,410	0	83,590	179,000
	<b>Planning</b>				
178,905	Building Control	4,880	0	112,890	117,770
Cr 1,410	Land Charges	0	0	0	0
2,544,501	Planning	2,624,070	0	Cr 193,610	2,430,460
1,202,804	Renewal	908,240	0	23,980	932,220
3,924,799		3,537,190	0	(56,740)	3,480,450
	<b>Recreation</b>				
5,267,675	Culture	5,201,850	0	3,076,580	8,278,430
7,364,293	Libraries & Museums	7,092,990	0	323,490	7,416,480
557,821	Town Centre Management & Business Support	352,070	0	210,640	562,710
13,189,789		12,646,910	0	3,610,710	16,257,620
17,392,338		16,279,510	0	3,637,560	19,917,070

**RENEWAL & RECREATION PORTFOLIO**

**SUMMARY OF BUDGET VARIATIONS 2011/12**

Ref		<b>VARIATION IN 2011/12 £'000</b>	<b>ORIGINAL BUDGET 2010/11 £'000</b>
<b>1</b>	<b>2010/11 BUDGET</b>	16,280	
<b>2</b>	<b>Increased Costs</b>		
	<b>Full Year Effect of Allocation of Central Contingency</b>		
<b>3</b>	Review of Management Overheads Costs	Cr 165	1,765
<b>4</b>	Single Status	50	7,556
<b>5</b>	Building Regulations charging scheme	<u>138</u>	Cr 1,257
		23	
	<b>Movements Between Portfolios/Departments</b>		
<b>6</b>	Communications Analyst Post	<u>37</u>	0
	<i>Savings Originally Approved by Executive in February 2010:</i>		
<b>7</b>	Savings arising from retendering of Churchill Theatre	<u>Cr 160</u> Cr	160 505
	<i>Other Real Changes:</i>		
<b>8</b>	Bromley Mytime -2% Efficiency savings	<u>Cr 13</u> Cr	13 812
<b>9</b>	Variations in Capital Charges		4,236 1,617
<b>10</b>	Variations in Recharges	Cr	479 3,035
<b>11</b>	Variations in Building Maintenance		0 887
<b>12</b>	Variations in Insurances	Cr	7 108
<b>13</b>	<b>2011/12 DRAFT BUDGET</b>	<u><u>19,917</u></u>	

## **RENEWAL & RECREATION PORTFOLIO**

### **Notes on Budget Variations in 2011/12**

#### **Ref Comments**

#### **Full Year Effect of Allocation of Central Contingency**

- 3 Review of Management Overheads Costs (Cr £165k)  
Annual savings of £3 million from the management and overhead review are reflected in the Council's 2010/11 Budget, (including savings agreed as part of the 2009/10 Budget). Annual savings of £165k have been allocated from the 2010/11 Central Contingency sum to reflect the full year savings impacting on the Renewal & Recreation Portfolio budgets.
- 4 Single Status (Dr £50k)  
The 2010/11 budget included £1,450k to fund the additional costs relating to single status. This sum was held within the Central Contingency and was allocated to Portfolio budgets in July 2010 following a detailed reconciliation of the ongoing costs arising from the pay and grading review and changes to terms and conditions.
- 5 Building Regulations charging scheme (Dr £138k)  
This drawdown of funds represents the current financial impact of the introduction of recent legislation concerning Building Control Fees as represented in the Building (Local Authority Charges) Regulations 2010.

#### **Movements Between Portfolios/Departments**

- 6 Communications Analyst Post (Dr £37k)  
Transfer of resources for one communications post from Corporate Services to Renewal and Recreation.

#### **Real Changes**

- 7 Savings arising from retendering of Churchill Theatre (Cr £160k)  
Following the retendering of the Churchill Theatre contract, Members agreed Option 2 which included the arts development provision resulting in an annual saving of £160k for 2011/12, (£210k in 2012/13 onwards).
- 8 Bromley Mytime -2% Efficiency savings (Cr £13k)  
Grant to Bromley Mytime reduced by 2% efficiency savings as set out within the funding agreement.
- 9 Variations in Capital Charges (Dr £4,236k)  
The variation on capital charges, etc is due to a combination of the following:

(i) Depreciation – the impact of revaluations or asset disposals in 2009/10 (after the 2010/11 budget was agreed) and in the first half of 2010/11;

(ii) Revenue Expenditure Funded by Capital Under Statute (REFCUS) – mainly due to slippage of expenditure previously planned in 2009/10 and to new schemes added to the programme in February 2010

(iii) Government Grants Deferred – mainly due to slippage of capital grants and contributions from 2009/10 into 2010/11 and to the inclusion of new grant-funded schemes in the programme in February 2010.

These are all required to be charged to service revenue accounts, but an adjustment is made below the line to avoid a charge on Council Tax.

10 Variations in Recharges (Cr £479k)

Variations in cross-departmental recharges are offset by corresponding variations elsewhere and therefore have no impact on the overall position.

11/12 Variations in Building Maintenance and Insurances (Cr £7k)

**RENEWAL & RECREATION PORTFOLIO**  
**DRAFT REVENUE BUDGET 2011/12 - SUBJECTIVE SUMMARY**

Service area	Employees £	Premises £	Transport £	Supplies and Services £	Third Party Payments £	Transfer Payments £	Income £	Controllable Recharges	Capital Charges/ Financing £	Total Controllable £	Capital Charges/ Financing £	Repairs, Maintenance & Insurance	Property Rental Income	Not Directly Controllable	Recharges In £	Total Cost of Service £	Recharges Out £	Total Net Budget £
Adult Education Centres	2,896,250	289,340	11,530	564,070	0	0	(4,113,750)	0	382,000	(382,260)	382,000	31,380	0	413,380	117,880	179,000	0	179,000
<b>Planning</b>																		
Building Control	969,430	0	28,910	91,040	0	0	(1,118,400)	0	0	(29,020)	0	0	0	0	264,210	235,190	(117,420)	117,770
Land Charges	159,460	0	18,980	18,980	0	0	(464,380)	0	0	(285,940)	0	0	0	0	285,940	0	0	0
Planning	2,060,360	9,200	20,660	361,630	0	0	(1,242,680)	0	0	1,209,170	0	0	0	0	2,764,960	3,974,130	(1,543,670)	2,430,460
Renewal	1,153,150	0	7,390	117,610	0	0	(580)	0	0	1,277,570	0	0	0	0	576,600	1,854,170	(921,950)	932,220
	<b>4,342,400</b>	<b>9,200</b>	<b>56,370</b>	<b>889,260</b>	<b>0</b>	<b>0</b>	<b>(2,826,050)</b>	<b>0</b>	<b>0</b>	<b>2,171,780</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3,891,710</b>	<b>6,063,490</b>	<b>(2,593,040)</b>	<b>3,480,450</b>
<b>Recreation</b>																		
Culture	970,430	153,720	42,020	283,880	1,267,570	5,980	(173,710)	0	4,735,000	3,087,160	4,735,000	234,160	(76,590)	4,892,570	767,690	8,747,420	(468,980)	8,278,430
Libraries and Museums	3,931,390	703,330	35,170	1,134,680	0	0	(499,470)	0	737,000	5,305,080	737,000	722,250	0	1,459,250	719,830	7,478,160	(61,680)	7,416,480
Town Centre Management & Business Support	270,840	0	3,130	120,510	0	0	(43,210)	0	0	351,570	0	0	0	0	211,140	562,710	0	562,710
	<b>5,172,860</b>	<b>857,050</b>	<b>80,820</b>	<b>1,539,080</b>	<b>1,267,570</b>	<b>5,980</b>	<b>(716,390)</b>	<b>0</b>	<b>5,472,000</b>	<b>8,743,810</b>	<b>5,472,000</b>	<b>956,410</b>	<b>(76,590)</b>	<b>6,351,820</b>	<b>1,692,660</b>	<b>16,788,290</b>	<b>(530,670)</b>	<b>16,257,620</b>
	<b>12,411,310</b>	<b>1,155,590</b>	<b>149,420</b>	<b>2,692,390</b>	<b>1,267,570</b>	<b>5,980</b>	<b>(7,656,190)</b>	<b>0</b>	<b>537,260</b>	<b>10,563,330</b>	<b>5,854,000</b>	<b>987,790</b>	<b>(76,590)</b>	<b>6,765,200</b>	<b>5,702,250</b>	<b>23,030,780</b>	<b>(3,113,710)</b>	<b>19,917,070</b>

**Resources**

**DRAFT REVENUE BUDGET 2011/12 - SUMMARY**

2009/10 Actual	Service Area	2010/11 Budget	Increased costs	Other Changes	2011/12 Draft Budget
£		£	£	£	£
	<b>Resources Department</b>				
68,752	<b>Audit and Technical</b>	Cr 49,320	0	85,280	35,960
	<b>Financial Services &amp; Procurement</b>				
0	Exchequer - Payments & Income	Cr 60,940	0	Cr 178,940	Cr 239,880
782,494	Exchequer - Revenue & Benefits	707,620	0	332,640	1,040,260
0	Financial Management	Cr 152,530	0	288,410	135,880
0	Procurement	Cr 215,520	0	276,510	60,990
0	<b>Information Systems</b>	170,060	0	Cr 133,060	37,000
Cr 3,338	<b>Management and Other (Resources)</b>	Cr 32,110	0	16,910	Cr 15,200
847,907		367,260	0	687,750	1,055,010
	<b>Chief Executives Department</b>				
0	<b>Comms</b>	Cr 5,090	0	7,930	2,840
0	<b>Organisation and Improvement</b>	188,330	0	Cr 195,020	Cr 6,690
0	<b>Policy &amp; Partnerships</b>	Cr 316,810	0	293,710	Cr 23,100
	<b>HR</b>				
0	Health & Safety	Cr 5,820	0	6,530	710
0	HR Management	66,200	0	Cr 65,160	1,040
0	HR Strategy and L & D	Cr 70,200	0	72,170	1,970
0	Operational HR	Cr 56,840	0	60,350	3,510
Cr 2,177	<b>Management and Other (C.Exec)</b>	Cr 6,160	0	35,080	28,920
Cr 2,177		Cr 206,390	0	215,590	9,200
	<b>Legal, Democratic &amp; Customer Services</b>				
	<b>Customer Services</b>				
0	Bromley Knowledge	Cr 133,910	0	137,460	3,550
0	Contact Centre	118,840	0	Cr 124,870	Cr 6,030
	<b>Democratic, Electoral &amp; Registrars</b>				
0	Customer Service Development	Cr 3,100	0	Cr 64,780	Cr 67,880
0	Democratic Services	Cr 12,840	0	91,270	78,430
506,173	Electoral	1,034,570	0	Cr 488,320	546,250
372,115	Registration of Birth Death and Marriage	357,740	0	Cr 62,510	295,230
	<b>Legal Services &amp; Facilities Support</b>				
Cr 952,639	Admin Buildings	Cr 1,042,340	0	926,260	Cr 116,080
0	Facilities & Support	Cr 150,080	0	151,760	1,680
0	Legal Services	29,590	0	Cr 25,770	3,820
0	<b>Management and Other (L &amp; DS)</b>	1,680	0	Cr 1,330	350
Cr 74,352		200,150	0	539,170	739,320
	<b>Renewal &amp; Recreation Department</b>				
Cr 1,725,400	<b>Property</b>	Cr 2,954,900	0	Cr 314,810	Cr 3,269,710
	<b>Central Items</b>				
17,136,234	<b>CDC &amp; Non Distributed Costs</b>	17,382,370	300,000	Cr 732,710	16,949,660
17,136,234		17,382,370	300,000	Cr 732,710	16,949,660
16,182,212	<b>Resources Portfolio Total</b>	14,788,490	300,000	394,990	15,483,480



**RESOURCES PORTFOLIO**

**SUMMARY OF BUDGET VARIATIONS 2011/12**

Ref		<b>VARIATION IN 2011/12 £'000</b>	<b>ORIGINAL BUDGET 2010/11 £'000</b>
<b>1</b>	<b>2010/11 BUDGET</b>	14,788	
<b>2</b>	<b>Increased Costs</b>	300	
	<b>Full Year Effect of Allocation of Central Contingency</b>		
<b>3</b>	Contract Price inflation over 2.3%	200	9,495
<b>4</b>	Review of Management Overhead Costs	Cr 1,230	1,230
<b>5</b>	Single Status	<u>79</u> Cr 951	79
	<b>Movements Between Portfolios/Departments</b>		
<b>6</b>	Communications Analyst post	Cr 37	37
<b>7</b>	Learning and Development post	<u>31</u> Cr 6	31
	<b>Real Changes</b>		
	<i>Savings Approved by Executive in February 2010:</i>		
<b>8</b>	Staff Savings	Cr 197	197
<b>9</b>	Reduction in Running Expenses	Cr 117	117
<b>10</b>	Reduction in Spend on External Consultants and Review of IT Infrastructure	Cr 73	441
<b>11</b>	Claw back Building Maintenance Budgets on Sale of Buildings	Cr 99	4,366
<b>12</b>	Generation of New Income Streams & Increased Fees & Charges	<u>Cr 59</u> Cr 545	59
	<i>Savings Approved by Executive during 2010/11</i>		
<b>13</b>	Savings in Exchequer and IT contracts	<u>Cr 1,226</u> Cr 1,226	9,495
	<i>Other Real Changes:</i>		
<b>14</b>	Local Elections	Cr 500	500
<b>15</b>	Increase in Housing Benefit Caseload	480	3,471
<b>16</b>	Reduction in Council Tax / Housing Benefit Admin. Subsidy	<u>106</u>	1,268
<b>17</b>	Variations in Capital Charges	1,025	
<b>18</b>	Variations in Recharges	2,012	
<b>19</b>	Variations in Building Maintenance	0	
<b>20</b>	Variations in Insurances	0	
<b>21</b>	<b>2011/12 DRAFT BUDGET</b>	<u><b>15,483</b></u>	

## **RESOURCES PORTFOLIO**

### **Notes on Budget Variations in 2011/12**

#### **Ref Comments**

#### **Full Year Effect of Allocation of Central Contingency**

- 3 **Contract Price Inflation**  
The costs of £200K reflect the full year impact of increased costs on Exchequer and IT contracts allocated from the 2010/11 Central Contingency sum.
- 4 **Management Overheads**  
Annual savings of £3 million from the management and overhead review are reflected in the Council's 2010/11 Budget, (including savings agreed as part of the 2009/10 Budget). Annual savings of £1,230 K have been allocated from the 2010/11 Central Contingency sum to reflect the full year savings impacting on the Resources Portfolio budgets.
- 5 **Single Status**  
The 2010/11 budget included £1,450k to fund the additional costs relating to single status. This sum was held within the Central Contingency and was allocated to Portfolio budgets in July 2010 following a detailed reconciliation of the ongoing costs arising from the pay and grading review and changes to terms and conditions.

#### **Movements Between Portfolios / Departments**

- 6 **Communications Analyst post**  
A Communications Analyst post has been transferred to the Renewal & Recreation Department.
- 7 **Learning and Development post**  
A Learning and Development Business Managers post has been transferred from the ACS Department.

#### **Real Changes**

*Savings Approved by Executive in July 2010:*

- 8 **Staff Savings**  
Staffing efficiencies identified within Corporate Services as part of the Budget Options Savings required for 2011/12.
- 9 **Reduction in Running Expenses**  
This relates to savings in the Resources and LDCS Departments.
- 10 **Reduction in Spend on External Consultants and Review of IT Infrastructure**  
These savings relate to the IT Division.

11 Claw back Building Maintenance Budgets on Sale of Buildings  
Reduction in R & M costs associated with the sale of Surplus / Investment buildings.

12 Generation of New Income Streams & Increased Fees & Charges  
This relates to Property and Internal Audit

*Savings Approved by Executive during 2010/11*

13 Savings in Exchequer and IT contracts  
These savings result from the re-tendering of contracts.

*Other Real Changes:*

14 Local Elections  
Provision was made in the 2010/11 budget for the Local Election. This falls out in 2011/12.

15 Increase in Housing Benefit Caseload  
Housing Benefit caseload is expected to increase in 2011/12 primarily as a result of the recession.  
This results in additional administrative costs.

16 Reduction in Council Tax / Housing Benefit Admin. Subsidy  
The DWP have reduced the Admin Subsidy for 2011/12.

17 Variations in Capital Charges  
The variation on capital charges, etc is due to a combination of the following:  
(i) Depreciation – the impact of revaluations or asset disposals in 2009/10 (after the 2010/11 budget was agreed) and in the first half of 2010/11;  
(ii) Revenue Expenditure Funded by Capital Under Statute (REFCUS) – mainly due to slippage of expenditure previously planned in 2009/10 and to new schemes added to the programme in February 2010.  
(iii) Government Grants Deferred – mainly due to slippage of capital grants and contributions from 2009/10 into 2010/11 and to the inclusion of new grant-funded schemes in the programme in February 2010.  
These are all required to be charged to service revenue accounts, but an adjustment is made below the line to avoid a charge on Council Tax.

18 Variations in Recharges  
Variations in cross-departmental recharges are offset by corresponding variations elsewhere and therefore have no impact on the overall position.

19 Variations in Building Maintenance

20 Variations in Insurances

**Resources**

**DRAFT REVENUE BUDGET 2011/12 - SUBJECTIVE SUMMARY**

Service area	Employees	Premises	Transport	Supplies and Services	Third Party Payments	Transfer Payments	Income	Controllable Recharges	Capital Charges/Financing	Total Controllable	Capital Charges/Financing	Repairs, Maintenance & Insurance	Property Rental Income	Not Directly Controllable	Recharges In	Total Cost of Service	Recharges Out	Total Net Budget	
	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	
<b>Resources Department</b>																			
Audit and Technical	736,940	0	3,250	555,140	335,990	0 Cr	129,150 Cr	32,990	0	1,469,190	0	0	0	0	330,150	1,799,340 Cr	1,763,380	35,960	
Financial Services & Procurement	1,312,510	0	15,690	48,360	70	0 Cr	1,860	0	0	1,375,770	0	0	0	0	636,020	2,011,790 Cr	2,251,670 Cr	239,880	
Exchange - Payments & Income	459,990	0	1,830	1,209,990	6,831,510	19,369,940 Cr	22,361,970	52,000	0	5,511,000	0	0	0	0	2,181,160	7,692,260 Cr	6,652,000	1,040,260	
Exchange - Revenue & Benefits	2,323,220	0	7,700	317,520	510	0 Cr	158,060 Cr	52,000	0	2,438,700	0	0	0	0	1,278,930	3,717,630 Cr	3,581,920	135,880	
Financial Management	291,640	0	2,970	22,530	0	0 Cr	83,480	0	0	233,650	60,000	0	0	60,000	201,880	495,530 Cr	434,540	60,990	
Procurement	1,958,760	0	1,420	2,196,640	1,661,770	0 Cr	510	0	0	5,238,080	1,310,000	0	0	0	459,060	7,007,140 Cr	6,970,140	37,000	
Information Systems	175,600	0	280	39,930	0	0 Cr	16,410	0	0	199,400	0	1,160	0	0	107,940	308,520 Cr	323,720 Cr	15,200	
Management and Other (Resources)	6,658,660	0	33,140	4,390,920	8,649,850	19,369,940 Cr	22,751,470 Cr	84,980	0	16,465,060	1,370,000	1,160	0	0	5,195,140	23,032,380 Cr	21,977,370	1,055,010	
<b>Chief Executives Department</b>																			
Comms	158,700	0	460	32,470	0	0	0	0	0	191,630	0	0	0	0	67,740	259,370 Cr	256,530	2,840	
Organisation and Improvement	337,570	0	0	20,000	0	0	0	0	0	357,570	0	0	0	0	244,620	602,190 Cr	608,880 Cr	6,690	
Policy & Partnerships	101,700	0	120	20,090	0	0	0	0	0	121,910	0	0	0	0	198,050	319,860 Cr	343,060 Cr	23,100	
HR	190,180	0	0	121,480	0	0 Cr	43,950	0	0	267,710	0	280	0	280	75,710	343,700 Cr	342,990	710	
Health & Safety	302,530	0	7,620	61,840	0	0	0	0	0	371,990	0	40	0	40	110,670	482,700 Cr	481,660	1,040	
HR Management	511,250	0	0	88,040	0	0 Cr	35,270	0	0	564,020	0	60	0	60	187,210	751,290 Cr	749,320	1,970	
HR Strategy and L & D	920,530	0	350	540	0	0 Cr	200,200	0	0	721,220	0	40	0	40	359,290	1,080,510 Cr	1,077,040	3,510	
Operational HR	336,870	0	350	320,920	0	0	0	0	0	658,140	0	0	0	0	173,040	831,180 Cr	802,260	28,920	
Management and Other (C.Exec)	2,659,330	0	8,900	665,380	0	0 Cr	279,420	0	0	3,254,190	0	420	0	420	1,416,330	4,670,940 Cr	4,661,740	9,200	
<b>Legal, Democratic &amp; Customer Services</b>																			
Customer Services	147,520	0	100	14,360	0	0 Cr	2,100	0	0	159,880	0	0	0	0	94,250	254,130 Cr	250,580	3,550	
Bromley Knowledge	857,860	0	80	34,260	0	0	0	0	0	892,200	0	0	0	0	351,720	1,243,920 Cr	1,249,950 Cr	6,030	
Contact Centre	95,370	0	220	5,620	0	0	0	0	0	101,410	0	0	0	0	77,180	178,590 Cr	246,470 Cr	67,880	
Customer Service Development	575,950	0	4,960	1,176,470	0	0 Cr	2,060	0	0	1,755,220	0	0	0	0	872,370	2,627,690 Cr	2,549,260	78,430	
Democratic Services	294,770	0	0	117,220	0	0 Cr	4,860	0	0	407,130	0	50	0	50	496,540	903,720 Cr	357,470	546,250	
Electoral	426,130	0	1,350	25,990	0	0 Cr	472,870	0	0	16,400	0	0	0	0	311,630	295,230	0	295,230	
Registration of Birth Death and Marriage	335,920	1,658,440	3,300	162,460	0	0 Cr	53,210	0	0	2,106,510	534,000	1,195,100 Cr	81,730	1,647,370	659,220	4,413,500 Cr	4,529,580 Cr	116,080	
Admin Buildings	548,490	2,170 Cr	8,140	155,060	0	0 Cr	8,350	0	0	693,230	6,000	2,660	0	6,000	532,810	1,228,040 Cr	1,226,360	1,680	
Facilities & Support	1,478,660	0	3,430	405,040	0	0 Cr	80,870 Cr	20,000	0	1,786,560	0	0	0	2,660	421,940	2,210,680 Cr	2,207,040	3,820	
Legal Services	129,590	0	50 Cr	380	0	0	0	0	0	129,590	0	0	0	0	98,630	228,090 Cr	227,740	350	
Management and Other (L & DS)	4,930,260	1,660,610	5,350	2,099,300	0	0 Cr	624,320 Cr	20,000	0	8,011,200	540,000	1,197,810 Cr	81,730	1,655,080	3,916,460	13,583,770 Cr	12,844,450	739,320	
<b>Renewal &amp; Recreation Department</b>																			
Property	1,995,760	464,620	65,100	307,470	0	0 Cr	1,035,920	0	0	1,795,030	42,000	195,970 Cr	4,504,540 Cr	4,266,370	1,452,460	1,018,660 Cr	2,220,950 Cr	3,269,710	
<b>Central Items</b>																			
CDC & Non Distributed Costs	9,967,590	0	0	0	0	0	0	0	0	9,967,590	0	0	0	0	6,982,070	16,949,660	0	16,949,660	
Resources Portfolio Total	26,371,600	2,125,230	110,490	7,463,070	8,649,850	19,369,940 Cr	24,691,130 Cr	104,980	0	39,494,070	1,952,000	1,995,380 Cr	4,586,070 Cr	1,233,690	16,962,510	57,217,690 Cr	41,734,410	15,483,480	