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## Report of the Director of Resources

### Executive Board

Date: 11<sup>th</sup> February 2011

Subject: Revenue Budget and Council Tax 2011/12

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**Electoral wards affected:**

**Specific implications for:**

Ethnic minorities

Women

Disabled people

Narrowing the gap

Eligible for call In

Not eligible for call in  
(details contained in the report)

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### Executive Summary

1. This report seeks the approval of the Executive Board in recommending to Council a budget and Council Tax for 2011/12. The report sets out the framework for compiling the 2011/12 budget taking into account the Local Government Finance settlement, the initial budget proposals that were agreed by the Executive Board in December 2010, the results of budget consultation and other factors that have influenced the budget now being proposed. The report also provides an update to the equality Impact assessment that was developed as part of the initial budget proposals.
2. The 2011/12 budget presents a significant financial challenge to the Council, which is without precedent in recent times. In addition to a substantial reduction in Government funding, the Council also faces significant cost pressures which have been taken into account in the 2011/12 budget and will also have an impact on the next four years.
3. There are particularly acute cost pressures in both Adult Social Care and Children's Services, and in addition income continues to decline in both City Development and Environment and Neighbourhoods. This budget addresses these issues by providing for increased expenditure on services for vulnerable children and adults including safeguarding, whilst addressing cost and income pressures arising from the current economic conditions.

4. The proposed budget will mean that the Council by the end of 2011/12 will have lost over 1500 jobs compared to the position at the commencement of the current financial year, of which around 1100 will have gone by the 31<sup>st</sup> March 2011.
5. The report asks Executive Board to recommend to Council a budget totalling £582.2m, which would result in the Leeds element of the Council Tax for 2011/12 staying the same as for 2010/11. This excludes Police and Fire precepts which will be incorporated into the report to be submitted to Council on the 23<sup>rd</sup> February 2011.
6. The report also provides an early assessment of the position in respect to 2012/13. It is estimated that for 2012/13 the Council will need to find further savings in excess of £47m. Although not definitive this does give an indication of the scale of the continuing financial challenge that the Council will be facing.
7. In addition, this report also asks Executive Board to recommend to Council an increase in Council House rents, garage rents and service charges of 6.84%.

## **1 INTRODUCTION**

- 1.1. This report sets out the Council's budget for 2011/12. It has been prepared in the context of the Council's initial budget proposals agreed by Executive Board in December 2010 and the Local Government Finance settlement.
- 1.2. This report seeks approval from the Executive Board to recommend to Council that the City Council's Revenue Budget for 2011/12 be approved at £582.228m. This results in a Band D Council Tax of £1,123.49 which is the same level as for 2010/11.
- 1.3. Detailed budget proposals for each service are set out in the directorate budget reports attached. This information will be consolidated into the Annual Financial Plan and the Budget Book;
  - The Annual Financial Plan - this document brings together the revenue budget, capital programme and performance indicators for 2011/12 providing a clear link between spending plans and performance, at directorate level.
  - The Budget Book – this contains detailed budgets for each directorate at both service level and by type of expenditure/income. Further copies of this document are available to members on request and via the intranet.
- 1.4. In accordance with the Council's Budget and Policy Framework<sup>i</sup>, decisions as to the Council's budget and Council Tax are reserved to Council. As such, the recommendation at 12.1 which recommends the budget to Council, is not eligible for call in. Except to the extent to which a further decision making process is referred to, agreement of this budget by Council implies the agreement of actions necessary to deliver the budget as described throughout this report and in the accompanying appendices.
- 1.5. The budget proposals contained within this report have, where appropriate, been the subject of the Council's Equality Impact Assessment process and mitigating measures have been put in place where possible. This is further detailed in section 9 and in the attached Appendix 3.

## **2 INITIAL BUDGET PROPOSALS**

- 2.1. In accordance with the Council's Budget and Policy Framework, initial budget proposals for 2011/12 were approved by the Executive Board on the 15<sup>th</sup> December 2010<sup>ii</sup>, and were submitted to Scrutiny for review and consideration. The proposals were developed within a funding envelope with assumed reductions in the level of government grant based on the announcements within the Government's October 2010 four year Spending Review, but prior to the Local Government Finance Settlement which was announced on 13<sup>th</sup> December. The proposals recognised the major challenge facing the Council in the light of anticipated grant reductions.
- 2.2. The Government's October Spending Review set out the Government's proposals to reduce public spending by £81bn over the four year period 2011/12 to 2014/15. The proposals included a real terms reduction in Government funding for local government of 27%, but it was clear that this reduction would be significantly front loaded, with a real terms reduction in excess of 10% in 2011/12. Based on these national figures, it is forecast that there will be a real terms reduction in government grants available to the Council of £179m by 2014/15, but because of the front loading of the Government's grant cuts, the reduction in funding for 2011/12 was

estimated at £51m. In addition to anticipating a substantial reduction in Government funding, the initial budget proposals also recognised that the Council faces significant financial pressures in a number of areas. These were detailed in the report to the Executive Board, but acknowledged that, as in the current financial year, both Adult Social Care and Children's Services were facing acute demand pressures, whilst income levels in both City Development and Environment and Neighbourhoods were under pressure. In addition, new year pressures around debt and the delivery of the Council's waste strategy were also recognised.

2.3 Based on a review of these pressures and the anticipated reduction in government grants, it was forecast that the Council would need to deliver nearly £90m of savings in 2011/12, which equated to almost 10% of net spending before grants. This was summarised in the table below:

<b>Funding Envelope</b>	<b>£m</b>
Net spend before grants 2010/11	900.274
Formula Grant/Specific Grant:	- 61.974
Council Tax compensation	6.683
Tax Base/New Homes Bonus	4.200
Reduction in Funding	- 51.091
<b>2011/12 spending target</b>	<b>849.183</b>

<b>Spend</b>	<b>£000s</b>
Inflation: NI & Income	- 1.955
Demography:	
Adults	16.300
Children's	11.200
Waste Strategy	1.200
Loss of car parking income	1.000
Street Lighting	0.990
Debt	10.000
Sub-Total Pressures	40.690
Shortfall in government funding	51.091
<b>Funding Gap</b>	<b>89.826</b>

2.4 The initial budget proposals were designed to achieve the level of cost reductions required whilst minimising the impact on services to customers, and reflected the following principles that were agreed by Executive Board at its meeting of 3<sup>rd</sup> November:

- a) The Council should aim to achieve maximum financial benefit from procurement and commissioning. Procurement activities should be organised on a Council wide basis wherever possible.
- b) The Council will develop locality based management arrangements where appropriate

- c) Common business activities across the Council should be centralised and/or should be managed from a central point in the organisation where this can demonstrate better value for money.
- d) Fees and charges should be set at a level to recover full cost, or set at a market rate. Where charges are not at full cost, the financial subsidy should be transparent and be justified in the achievement of outcomes for service users.
- e) Provision of services should be by the most appropriate provider taking into account value for money, quality of service, maturity of the market, in-house resilience, etc.
- f) Where specific grants are reduced, there should be no presumption that the service to which it relates will be reduced, however it will be necessary to demonstrate that it still represents a priority.
- g) Funding of external organisations should all be on the basis of service agreements and should take account of other public sector funders.
- h) Opportunities will be identified and pursued where appropriate, to provide services in collaboration with other local authorities, or other public organisations within the City and if appropriate beyond.
- i) Capital investment will be targeted at priorities. As a general principle, borrowing will only be used to fund projects which generate savings in excess of the cost of borrowing. Other capital investment should therefore be funded by external funding sources or receipts from the sale of assets.
- j) All proposed reductions will be subject to equality impact assessments, and we will ensure that there is a full understanding of the impact of any reductions upon the voluntary and community sector.

2.5 Delivering savings of 10% in one year clearly represents a significant challenge. Whilst a number of policy options have been identified, which will deliver savings over the period of the Spending Review, in light of the front loading of grant reductions, consideration needed to be given to accelerating these options where possible. In addition, it was recognised that it would be necessary to consider proposals to deliver short term savings which over the planning period may be replaced as other longer term options take effect.

2.6 An overview of the proposals within each directorate was presented as an appendix to the report, but in summary, they were:

- Employees – a saving of £30m was targeted from employee expenditure
- Premises - the initial budget proposals anticipated a reduction in premises costs of £5m.
- Other Supplies and Services - in addition to the cash limiting of these budgets savings of at least £10m to £15m from procurement activity was to be targeted. In addition all grant arrangements to be reviewed to ensure that they properly reflect the Council's priorities and represent value for money.
- Transport – a target to reduce the cost of transport in 2011/12 by £3m.
- Capital Charges - the budget proposals targeted a reduction in the assumed increase next year by £5m.
- Payments to other providers - costs to be reduced by £10m through better procurement activity and better partnership working with the Health Service.
- Income – generally income budgets will rise by 3%.
- Specific Grants - reductions implemented in 2010/11 will continue into 2011/12.

### 3 LOCAL GOVERNMENT FINANCE SETTLEMENT

- 3.1 The Council received details of the final local government finance settlement on the 31<sup>st</sup> January 2011. This confirmed only minor adjustments to the provisional settlement which was the subject of a detailed report to Executive Board on 5<sup>th</sup> January 2011<sup>iii</sup>.
- 3.2 The grant settlement is complex in that it not only involves a significant reduction in the overall level of government grants to local authorities, but also involves the reduction in the number of specific grants, and the transfer of some of them into formula grant and into new, what are termed “Core Grants”, including the Dedicated Schools Grant. At the same time, the year on year comparison is then further complicated in that some of the new grants come with new responsibilities.
- 3.3 Excluding PFI grants and those which impact upon schools, the reduction in grants to the Council is £36.844m, but after taking account of new responsibilities, the net position is a reduction of £51.438m, as detailed in the table below.

**Change in Government Grants between 2010/11 and 2011/12  
(Excluding those that impact upon the Schools Budget and PFI grants)**

	2010/11 £000	2011/12 £000
Formula Grant	303,444	315,061
Area Based Grant	73,958	
Other Specific Grants	35,635	
Early Intervention Grant		30,711
Learning Disability and Health Reform Grant		9,972
Housing benefit and council tax administration	6,349	6,714
Preventing Homelessness		1,040
Council Tax Freeze Grant		6,683
Lead Local Flood Authority		146
NHS Funding		9,315
New Homes Bonus		2,900
<b>Total</b>	<b>419,386</b>	<b>382,542</b>
Reduction from 2010/11		36,844
Plus new responsibilities		
Concessionary Fares/Rural Bus Subsidy		4,476
Learning Disability		9,972
Lead Local Flood Authority		146
<b>Revised reduction from 2010/11</b>		<b>51,438</b>

- 3.4 On a cash to cash basis, the Council's formula grant for 2011/12 is an increase of £11.617m compared to 2010/11. This will mean that the Council's net revenue charge for 2011/12 (which is the sum of Council Tax and Formula Grant) will show an increase from 2010/11. However, this masks the real position as the Council's specific grants will show a significant reduction, which brings about an increase in the Council's net revenue charge. After adjusting for the specific grants transferred, and for new responsibilities, the Council's 2011/12 formula grant represents a reduction of £43.926m or 12.2%. After taking account of the new core grants there is a net reduction of £7.5m to other specific grants.
- 3.5 Included within the grant settlement is the Council Tax freeze grant of £6.683m, which is only available to the Council if it freezes its Council Tax, and is equivalent to a 2.5% increase in Council Tax. For any authority which chooses to increase its Council tax, the Secretary of State has indicated that capping powers would be used to curb any "excessive" increases. It is proposed that the Leeds element of the Council Tax is frozen for 2011/12.
- 3.6 Account has also been taken of the New Homes Bonus which is designed by the Government to reward authorities for delivering new homes, and match funds the additional Council Tax for each new home and property brought back into use. The proposed model for implementation is still out at consultation, but based upon property numbers as at October 2010, it is forecast that the Council will receive £2.9m in 2011/12.
- 3.7 In determining a funding envelope for the 2011/12 budget, the reduction in government grants can be partly offset by the additional Council Tax Base. Council on the 19<sup>th</sup> January 2011 approved the Council Tax base for 2011/12<sup>iv</sup>. After taking account of a forecast deficit of £500k on the collection fund, the impact of the new Council Tax base is a net increase is £1.3m. Taking account of this, the reduced funding envelope available to the Council in 2011/12 is

	<b>£000</b>
Reduction in Grants	51,438
Less	
- Additional Council Tax Base	1,300
<b>Reduction Funding Envelope</b>	<b>50,138</b>

- 3.8 The reduction of £50.138m compares to a forecast reduction of £51.091m as included in the initial budget proposals that were submitted to the Executive Board on the 15<sup>th</sup> December 2010. This forecast was determined prior to the settlement and was based upon national figures included in the Government's October Spending Review.

#### **4. CONSULTATION**

- 4.1 Widespread consultation has been undertaken in preparation of the 2011/12 budget which has included:
- All party budget meetings
  - Public consultation
  - Consultation with the third sector and business sector

- Regular meetings with trade unions
- In accordance with the Council's constitution, Scrutiny Boards have been given the opportunity to consider the initial budget proposals
- All staff were invited to make suggestions

4.2 The Council's public consultation on the spending challenge finished on the 17<sup>th</sup> December 2010. A summary of the consultation is attached at Appendix 1 and the detailed consultation results are also available<sup>v</sup>. Directorate budget reports, which are attached identify the ways in which the budget proposals respond to the consultation.

4.3 The initial budget proposals were submitted to scrutiny following their approval by Board on the 15<sup>th</sup> December 2010. Comments were received from Central and Corporate Functions Scrutiny and from the other portfolio boards. A summary of their views are attached at Appendix 2.

4.4 The Chief Executive launched the staff suggestions scheme in a letter to all staff with a special email address set up so colleagues could submit their ideas directly. Over 100 suggestions were submitted in the first 24 hours. A total of approximately 3000 ideas were submitted from around 1000 members of staff. Many similar proposals were brought together in a list of 33 'quick wins' where it was thought immediate action could save money in the short term. These were published on the intranet. A number of 'big themes' began to emerge and these were promoted on a special discussion forum for staff to debate. Those 'big/common themes' included changing the working week, pay cuts, holidays, sick leave, charging for events and bin collections. Responses to each of the themes (7 in total) have been published on the intranet. The 'remaining' ideas - which were very directorate or service specific – are being responded to on an individual basis.

## **5. MAIN FEATURES OF THE PROPOSED BUDGET**

5.1 Directorates have prepared their budgets in accordance with guidelines laid down by the Director of Resources, taking account of the following:-

- No Pay Awards have been provided for 2011/12, but 1% has been included in respect to the National Insurance increase to come into effect from 1<sup>st</sup> April 2011. This equates to £1.7m.
- All other general running costs have been reviewed and cash limited where possible taking account of specific contractual commitments. Specific provision has been made for the £8 per tonne increase in Landfill Tax, which represents an increase of £1.3m per annum.
- Discretionary fees and charges have been reviewed in line with the fees and charges policy, but with at least a 3% increase assumed.

5.2 The budget proposals for 2011/12 reflect the ending of the Education Leeds contract with effect from the 31<sup>st</sup> March 2011, and the re-integration of these services and the transfer of Education Leeds staff back to the Council under TUPE arrangements. Previously the services provided through the Education Leeds contract were included within the Council's budget as a single line within the Children's Services directorate. The cost of these services as from 2011/12 will now be fully reflected in detail within the Council's budget. Whilst most of the costs relating to Education



Leeds will continue to be shown in Children's Services, the support functions will transfer to the Resources directorate, in line with the delivery of all other support services.

- 5.3 As referred to in section 3 above, this budget has been prepared against a backdrop of unprecedented funding reductions for local government. The budget strategy was set out in the Initial Budget Proposals report approved by Executive Board on 15<sup>th</sup> December 2010, which is summarised in section 2 above. Throughout the preparation of the budget the aim as far as possible has been to protect the delivery of front line services, examples of this approach include:
- Reductions within central and corporate services equate to 16%
  - Budgets for consultancy have been reduced by 37%
  - Procurement savings and reductions in supplies and services budget of around £25m.
  - A 3% reduction in the special responsibility allowances of members receiving over £7k pa.
  - Budgets for subscriptions reduced by 8%
  - Marketing and advertising budgets reduced by almost 40%
  - Targets of 12.5% set for reductions in energy usage
  - Non essential building maintenance reduced by £1m.
  - Reduction to the Council's support for culture, including the introduction of charges for a number of cultural events which have traditionally been free.
  - Reducing the publication of the About Leeds newspaper from two to one edition pa.
  - Press and Communication budgets across the Council reduced by £0.6m
- 5.4 Within the budget, additional funding has been found to maintain and in some instances delivery improvements in key priorities, these include:
- Additional funding of £16.3m within in Adult Social Care and £11.2m in Children's Services to meet demand pressures
  - Additional resources of £1.6m for social care fieldwork in Children's Services
  - An extra £1.3m for safeguarding in Children's Services
  - Additional provision of £0.5m to launch a new jobs and skills initiative
  - £0.3m for the Council's financial inclusion strategy
  - £0.8m to support the Council's invest to save programme, which will be critical to deliver efficiencies in future years, thus protecting the delivery of front line service delivery for the future.
  - Additional support of £0.6m for homelessness
- 5.5 Whilst a great deal of effort has been made to ensure that front line services are not directly affected, there are a number of proposals which aim to deliver front line services more efficiently, often through their reconfiguration, or by reducing over capacity. Likewise as anticipated in the initial budget proposals and given the scale of reductions in many of the specific government grants, it is inevitable that some of the reductions have had to be passed on to external providers. The budget proposals also include reductions to some budgets which can only be supported in the short to medium term, including the suspension of vehicle replacement programmes, and the deferral of some highway maintenance and building maintenance expenditure.
- 5.6 The initial proposals set out a number of targeted budget areas in order to reduce the Council's spend sufficiently. Work has continued in respect of all these budget

proposals, and set out below is a summary of the actions which have been incorporated into the proposed budget:

a) Employees

The Council's workforce, excluding schools, at 31<sup>st</sup> March 2010 was 14,566. By the end of March 2011 this number is anticipated to have reduced by 1,093 to 13,473, with the majority of the reduction achieved through staff leaving in the final quarter of the financial year following a voluntary retirement and severance scheme. Staff numbers are expected to reduce by a further 404 during 2011/12, and therefore over the two financial years this amounts to a reduction of 1,497 or 10.3% of the workforce. It should be noted that in view of further grant reductions in 2012/13, the council will inevitably be seeking to reduce staff numbers further during 2011/12

Staff who have volunteered have been allowed to leave unless it would seriously impact on key frontline services, in particular in social care posts. The costs of letting staff go have been spread over a number of years where possible, including the use of a £5.7m capitalisation directive approved by the Secretary of State.

Further savings will be achieved through the strict application of a recruitment freeze throughout the year. Posts will only be filled externally by exception. The total reduction in the Council's pay bill in 2011/12 arising from these measures is estimated to be £45m but this takes account of grant related reductions in staffing and the transfer of an element of the homecare service to external providers.

Extensive redeployment will be required in 2011/12 to ensure that staff resources are redeployed to priority services. A team has been established in the Human Resources service, from within existing resources, to assist this process, and £0.1m of the Council's funding for training has been ring-fenced to support redeployment and re-skilling.

b) Premises

Savings of around £6.0m from premises budgets are proposed. In addition to £1m saving from building maintenance, the budget includes savings from the rationalisation of a number of Council facilities, and savings due to energy savings measures.

c) Procurement

A significant element of the Council's budget relates to the procurement of goods and services from external providers. Savings of £25m from procurement activity and reductions in supplies and services budgets are assumed in the budget. It is anticipated that this will be achieved through more rigorous management of the demand for goods and services, and by making better use of the Council's strong position in the market to negotiate lower prices.

d) Income

In general fees and charges have been increased to reflect the rate of inflation, however where the market will bear it larger increases have been assumed, for example some charges in Sport and Active recreation. New charges have been introduced in some cases, specifically for certain cultural events which are currently provided to the public free of charge. There will also be a review of the level of subsidy within the charges for non-residential Adult Social Care services.

e) Capital Charges

In accordance with the Initial Budget Proposals, provision is made for a £5m increase in capital financing charges, plus the borrowing costs associated with the capitalisation of retirement/severance costs of £0.3m. This will only be achieved by continuing to take advantage of low short term interest rates, and restricting the level of new capital commitments. A separate report on this agenda sets out the details of the capital programme. In the 2011/12 budget, capital receipts have been applied against the capital element of PFI rentals. The effect of this treatment is to reduce the revenue expenditure of the authority by approximately £9.5m in 2011/12 which contributes to the protection of front line services. This saving is net of additional debt costs which will be incurred as capital receipts are replaced by borrowing as a funding source. This is in accordance with proper accounting practice and is consistent with the newly applied international accounting standards for Local Government. This has been discussed and agreed with the Council's external auditors.

f) Use of Reserves

It is proposed to use £2m of reserves to support the 2011/12 budget. The position as to reserves is further discussed in section 7 below.

- 5.7 Attached to this report are detailed budget reports for each directorate which set out the changes within the budget of each directorate. Except to the extent to which a further decision making processes are referred to, agreement of this budget by Council implies the agreement of actions necessary to deliver the budget. In respect to these actions as detailed in the directorate reports, no further consultation is deemed necessary. However, it is recognised that some actions may impact on particular communities and where deemed appropriate consultation and the consideration of mitigating actions will continue. Where directorate reports make reference to further decision making process, then this will be in accordance with the Council's constitution.

## **6. PROPOSED BUDGET 2011/12 - SUMMARY**

- 6.1 It is recommended that the Leeds element of the Council Tax will not increase although changes to the taxbase and the collection fund will generate a cash increase of £1.3m. Together with the increase in Formula Grant of £11.6m, the overall cash increase in the net revenue budget is £12.9m, which represents a 2.26% increase. However, after adjusting for changes in funding, there is a decrease from the adjusted budget of 6.8% as detailed in the following table:

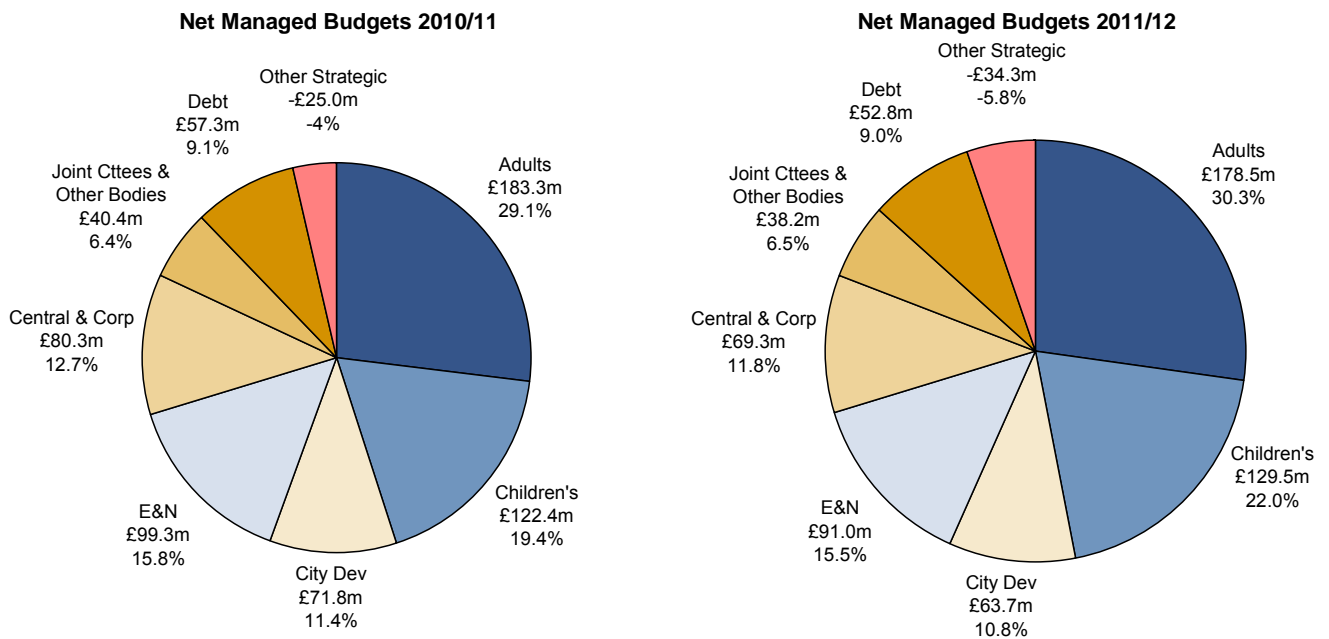
	Adjusted Budget 2010/11 £m	Change £m	Budget 2011/12 £m
Government Grant	359.0	-44.0	315.0
Council Tax	265.9	1.3	267.2
<b>Net Revenue Budget</b>	<b>624.9</b>	<b>-42.7</b>	<b>582.2</b>

	£m
<b>Budget 2010/11</b>	<b>569.3</b>
Adjustments for changes in funding of specific functions and transfers of specific grants to formula grant	55.6
<b>Adjusted Budget 2010/11</b>	<b>624.9</b>
Change in Prices	
Pay	1.7
Price	2.7
Income	-1.8
Service Budget Changes:	
Changes in service levels	4.0
Other factors not affecting level of service	3.8
Efficiency savings	-45.7
Change in contingency fund	-0.7
Change in contribution from earmarked reserves	-0.3
Change in contribution from general reserves	-2.0
Change in capital financing costs	-4.4
	<u>-42.7</u>
<b>Base Budget 2011/12</b>	<b>582.2</b>
<b>Percentage decrease from adjusted budget</b>	<b>-6.80%</b>

- 6.2 Table 1 appended to this report provides a detailed analysis at directorate level; Table 2 shows a subjective summary of the City Budget; and Table 3 shows the budgeted staffing levels for the end of 2011/12.
- 6.3 As explained earlier the 2011/12 grant settlement is exceptionally complex which makes year on year spending comparisons difficult. In order to address this the table below compares the 2011/12 budget with a restated 2010/11 budget, which takes account of grants spending adjustments by directorate.

Directorate	2010/11			2011/12		
	Restated Net Managed Budget £000s	Net budget managed outside service £000s	Net budget £000s	Net managed budget £000s	Net budget managed outside service £000s	Net budget £000s
Adult Social Care	183,305	25,067	208,372	178,474	22,953	201,427
Children's Services	122,440	47,004	169,444	129,471	58,132	187,603
City Development	71,849	49,260	121,109	63,681	51,511	115,192
Environment and Neighbourhoods	99,312	15,507	114,819	90,974	12,593	103,567
Central and Corporate	80,277	(58,650)	21,627	69,285	(59,113)	10,172
Debt	57,269		57,269	52,839		52,839
Joint Cttees & Other Bodies	40,356	(437)	39,919	38,185	(417)	37,768
Strategic Accounts	(24,991)	1,481	(23,510)	(34,256)	(23,445)	(57,701)
<b>NET COST OF DEPARTMENTAL SPENDING</b>	<b>629,817</b>	<b>79,232</b>	<b>709,049</b>	<b>588,653</b>	<b>62,214</b>	<b>650,867</b>
<b>Transfers to / (from) reserves:</b>						
FRS 17	0	(89,221)	(89,221)	0	(71,607)	(71,607)
Other	0	5,023	5,023	0	4,968	4,968
<b>NET COST OF CITY COUNCIL SERVICES</b>	<b>629,817</b>	<b>(4,966)</b>	<b>624,851</b>	<b>588,653</b>	<b>(4,425)</b>	<b>584,228</b>
Contribution to/(from) General Fund Reserves		0	0	(2,000)	0	(2,000)
<b>NET REVENUE CHARGE</b>	<b>629,817</b>	<b>(4,966)</b>	<b>624,851</b>	<b>586,653</b>	<b>(4,425)</b>	<b>582,228</b>

6.4 The following pie charts show the share of the Council's net managed expenditure between directorates over the two years both in cash and percentage terms. Net managed expenditure represents the budgets under the control of individual directorates, excluding items such as capital charges and FRS17 pensions adjustments. It can be seen that the proportion of the Council's spend on Children's Services and Adult Social Care has increased from 48.5% to 52.3% reflecting the Council's need to prioritise spending in these areas.



6.5 The dedicated schools grant (DSG) is a ring-fenced grant that funds both individual schools and the central schools budgets. The Gross DSG in 2010/11 was £413.6m. Based on estimated pupil numbers of 101,274 the Leeds DSG for 2011/12 is forecast to be £500.9m, an increase of £77.9m, but this does include the transfer of a number specific grants to the DSG. These include the schools standards grant, the school development grant, extended school grants and the ethnic minority achievement grant. These transferred grants total £70.8m. The DSG is subject to recoupment in respect to academies, and this for 2011/12 has increased by £22.7m to £32.1m, which means that the DSG available to the Council for 2011/12 is £468.8m, of which £457.5m will be allocated to support the Individual Schools Budget and the Central Schools Budget, The funding received by an individual school will be protected through a minimum funding guarantee. Under the guarantee, funding per pupil received by schools from most formula factors may not reduce by more than 1.5% from the funding per pupil received in 2010/11. In addition to the above changes, the Government is introducing a pupil premium that will be paid to Local Authorities to be passed directly to schools. In total Leeds should receive at least £8.6m of additional funding through this grant in 2011/12. Further details of the schools budget is provided within the directorate report for Children's Services.

6.6 Details of the Housing Revenue Account budget proposals are contained in the attached Environment and Neighbourhoods budget report. In summary,

- The Government issued the final Housing Subsidy Determination for 2011/12 on 10<sup>th</sup> January 2011. In line with the Government's assumptions it is proposed that the Council implements an average rent increase of 6.84% for 2011/12.
- In overall terms, the level of negative subsidy payable in 2011/12 will be £37.2m.
- Rentals from garages (currently £6.07 per week) fall outside the rent restructuring rules and normally rise in line with average rental increases. It is proposed to increase garage rents by 6.84% to £6.49 per week.
- Overall ALMO management fees are to remain at the 2010/11 prices, although incentive payments linked to performance in respect of void management and arrears remains in place and can increase the level of payment received by the ALMOs from the HRA.

6.7 Council Tax

The proposed budget of £582.228m for 2011/12 is consistent with the Leeds element of the Council Tax for 2011/12 being exactly the same as in 2010/11, which will give council tax figures for the Leeds City Council element only for each band as follows:

	<b>2011/12</b>
	<b>£</b>
Band A	748.99
Band B	873.82
Band C	998.66
Band D	1,123.49
Band E	1,373.15
Band F	1,622.82
Band G	1,872.48
Band H	2,246.98

To these sums will be added amounts for Police, Fire and, where appropriate, parishes. These additional amounts will be reported to Council on 23rd February 2011 following the formal decisions about their respective precepts.

## **7. RESERVES POLICY**

- 7.1 Under the 2003 Local Government Act, the Council's Statutory Financial Officer is required to make a statement to Council on the adequacy of reserves. In addition, it is good practice for the authority to have a policy on the level and nature of its reserves and ensure these are monitored and maintained within the range determined by its agreed policy. The purpose of a reserves policy is:
- to maintain reserves at a level appropriate to help ensure longer term financial stability, and
  - to identify any future events or developments which may cause financial difficulty, allowing time to mitigate for these.
- 7.2 The established policy encompasses an assessment of financial risks included in the budget based on directorate budget risk registers<sup>vi</sup>. The risk registers identify areas of the budget which may be uncertain and the at risk element of each budget area has been quantified. This represents the scale of any likely overspend/shortfall in income and does not necessarily represent the whole of a particular budget heading. Each risk area has been scored in terms of the probability and impact on the budget.
- 7.3 As set out in the 2010/11 financial health report elsewhere on this agenda, the Council's reserves at the end of March 2011 are estimated to be at around £21.4m. This budget assumes the use of £2m to support invest to save activities and other one-off expenditure. The budget therefore assumes that reserves at the end of March 2012 will stand at £19.4m. As recommended to members in the financial health report to Executive Board in July, this is a level which provides more cover against the increased risks of the under-achievement of savings budgeted for in 2011/12. It is recommended that the Council should agree this higher level of reserves which represents 3.3% of net expenditure. This does represent a significant increase from the £12m which was previously determined as the Council's minimum level of reserves but is considered necessary in the present circumstances.
- 7.4 The policy also requires directorates to prepare budget action plans to deal with spending variations on budgets controlled by directorates during the year up to a limit of 2% of net managed expenditure. Any budget variations above this amount would be dealt with corporately, using, where necessary, the General Fund reserve.
- 7.5 The table below provides a summary of General Fund and Housing Revenue Account reserves

	2010/11 £m	2011/12 £m
<b>General Fund</b>		
Balance brought forward	16.1	21.4
Budgeted use	0.0	-2.0
Variation at outturn	5.3	0.0
<b>Balance carried forward</b>	<b>21.4</b>	<b>19.4</b>
<b>Housing Revenue Account</b>		
Balance brought forward	4.6	2.5
Generated in year	0.0	0.0
Use in year	(2.1)	0.0
<b>Balance carried forward</b>	<b>2.5</b>	<b>2.5</b>

## **8.0 ROBUSTNESS OF THE BUDGET AND THE ADEQUACY OF RESERVES**

8.1 The Local Government Act (Part II) 2003 placed a requirement upon the Council's statutory finance officer (The Director of Resources) to report to members on the robustness of the budget estimates and the adequacy of the proposed financial reserves.

8.2 In considering the robustness of any estimates, the following criteria need to be considered:-

- the reasonableness of the underlying budget assumptions such as:
  - the reasonableness of provisions for inflationary pressures;
  - the extent to which known trends and pressures have been provided for;
  - the achievability of changes built into the budget;
  - the realism of income targets;
  - the alignment of resources with the Council service and organisational priorities.
- a review of the major risks associated with the budget.
- the availability of any contingency or un-earmarked reserves to meet unforeseen cost pressures.
- the strength of the financial management and reporting arrangements.

8.3 In coming to a view as to the robustness of the 2011/12 budget, the Director of Resources has taken account of the following issues:-

- Detailed estimates are prepared by directorates in accordance with principles laid down by the Director of Resources based upon the current agreed level of service. Service changes are separately identified and plans are in place for them to be managed.
- Estimate submissions have been subject to rigorous review throughout the budget process both in terms of reasonableness and adequacy. This process takes account of previous and current spending patterns in terms of base spending plans and the reasonableness and achievability of additional spending to meet increasing or new service pressures. This is a thorough process involving both financial and non-financial senior managers throughout the Council.



- Significant financial pressures experienced in 2010/11 have, where appropriate, been recognised in preparing the 2011/12 budget.
- Contingency provisions have been included in the General Fund and within the DSG funded services. These provisions are for items not foreseen and for items where there is a risk of variation during the year. In the case of the schools contingency, this would include adjustments required in the application of formula funding, significant increases in pupil numbers, and additional statements of Special Education Needs or exceptional in year cost increases.
- As part of the budget process, directorates have undertaken a risk assessment of their key budgets, documented this assessment in the form of a formal Risk Register, and provided a summary of major risks within the directorate budget documents, many of which are significant. All directorate budgets contain efficiencies, service reviews and savings which will require actions to deliver, and any delay in taking decisions may have significant financial implications. The overall level of risk within the 2011/12 budget is considered high and is really only manageable on the understanding that key decisions are taken or that alternative actions can deliver similar levels of savings without increasing the overall risk level within the budget. Some of the key risks within the budget are as follows:-
  - The level of demand and activity, within the children's social care and looked after children budgets. The reconfiguration and integration of services at a locality level, wrapped around universal services such as schools and children's centres, is a key part of the whole system strategy which is designed to manage the increase in demand and referrals.
  - Assumptions around additional income from the trading of certain functions with schools are not realised.
  - Volatility of demand led budgets within Adults Social Care and the magnitude of price reductions to be negotiated for residential and nursing placements
  - Inflation and pay awards greater than anticipated
  - Interest rate changes greater or sooner than anticipated
  - Failure to restrict capital spending results in additional debt costs
  - Uncertainty over the economic climate which may have a continuing impact on income budgets and the cost of borrowing
  - Challenging efficiency targets across the Council including reducing staffing numbers and generating significant procurement savings
  - Review of the use of legal services will require changes to working practices. May also expose the Council to certain risks in that legal opinion will not always be requested for certain decisions and actions.
  - Risk to Council buildings if essential maintenance work cannot be contained within the reduced budget.
  - The probability of a major ICT incident impacting on service delivery has increased.

8.4 The Council's financial controls are set out in the Council's Financial Procedure Rules<sup>vii</sup>. These provide a significant degree of assurance as to the strength of financial management and control arrangements throughout the Council. These governance arrangements have been enhanced through the ongoing development of procedures to support the Corporate Governance Statement, published annually. The Council has a well established framework for financial reporting at directorate

and corporate levels. Each month the Director of Resources receives a report from each directorate setting out spending to date and projected to the year-end. Action plans are utilised to manage and minimise any significant variations to approved budgets. Given the scale of the financial challenge facing the Council it is proposed that Financial Health reports are submitted to each meeting of the Executive Board in accordance with the following timetable.

Reporting Period	Exec Board Date
1 & 2	22/06/2011
3	27/07/2011
4	24/08/2011
5	12/10/2011
6	02/11/2011
7	07/12/2011
8	04/01/2012
9	10/02/2012
10	07/03/2012
11	11/04/2012
12	16/05/2012

- 8.5 The Council's Reserves policy, as set out in Section 7, requires directorates to have in place action plans to deal with variations in directorate spending up to 2% with the potential for variations up to this level being carried forward. This policy continues to provide a basis for the Council to manage unexpected budget pressures in the future.
- 8.6 The scale of the grant reductions which the Council has had to respond to within its 2011/12 budget are without precedent, These together with exceptional demand pressures impacting on both Adult Social Care and Children's Services have meant that the Council has had to identify a scale and pace of reduction which has meant that the budget does contain a higher level of risk than in previous years. The delivery of the 2011/12 budget will undoubtedly represent a most significant challenge to the Council. The initial budget report outlined the statutory duty of the Director of Resources under Section 114 of the Local Government Finance Act 1988, and it is crucial that this responsibility is fully understood. Section 114 sets out that where the Council's expenditure is likely to exceed its resources, the Responsible Financial Officer appointed under Section 151 of the Local Government Act 1972 (in Leeds, this is the Director of Resources) is obliged to issue a notice in the form of a report to all members of Council, copied to the Council's External Auditor, which requires members to agree appropriate actions within 21 days to bring the Council's financial position back into balance. As emphasised in the previous report, the issue of a Section 114 notice is a very significant step and has serious operational implications. From the date on which the notice is issued the Council is prevented from entering into any further financial commitments until the appropriate actions are agreed. Within this context, the Director of Resources can only consider the proposed budget for 2011/12 as robust and that the level of reserves are adequate with a clear understanding of the following:-

- the level of reserves is in line with the risk based reserves strategy, and is a significant increase from the previously determined minimum level of reserves.
- budget monitoring and scrutiny arrangements are in place which include arrangements for the identification of remedial action, and reporting arrangements to members will be enhanced
- the budget contains a number of challenging targets and other actions, these are clearly identified, and will be subject to specific monitoring by the Council's Corporate Leadership Team, and as such, are at this time considered reasonable and achievable.
- budget reporting to members will be enhanced as outlined at para 8.4
- risks are identified, recorded in the budget risk register and will be subject to control and management.
- as part of the Council's reserves policy directorates are required to have in place a budget action plan which sets out how they will deal with variations during the year up to 2%.
- early actions have been taken to reduce spending including an early leavers initiative
- there is a clear understanding of the duties of the Council's statutory Financial Officer and that the service implications of them being exercised are fully understood by members and senior management alike.

## **9 EQUALITY IMPACT ASSESSMENT OF THE BUDGET**

- 9.1 The Equality Act 2010 requires the Council to have 'due regard' to the need to eliminate unlawful discrimination and promote equality of opportunity. The law requires that the duty to pay 'due regard' be demonstrated in the decision-making process. Assessing the potential equality impact of proposed changes to policies, procedures and practices is one of the key ways in which public authorities can show 'due regard'. Equality impact assessments also ensure that we make well informed decisions based on robust evidence.
- 9.2 The Council is fully committed to assessing and understanding the impact of its decisions on equality and diversity issues. We are currently assessed as "working towards excellent" under the national Equality Framework and are hoping to achieve the "Excellence" standard in April 2011. As part of this work, we have recently reviewed our equality impact assessment processes and have particularly promoted the importance of the process when taking forward key policy or budgetary changes.
- 9.3 A specific equality impact assessment of the budget at a strategic level has been carried out and this is attached as Appendix 3 along with a note outlining our overall approach to equality impact assessments. Separate equality impact assessments have been undertaken in respect to specific actions included in the budget where appropriate and a summary of the position<sup>viii</sup> is available.

9.4 A view from colleagues in Legal Services has been sought on the process adopted for equality impact assessing the budget and associated decisions. Their considered view is that from the work undertaken to date, the process developed is robust and evidences that 'due regard' is being given to equality related issues.

## 10 **INITIAL PROJECTION FOR 2012/13**

10.1 The provisional 2010 Local Government Finance settlement covers 2012/13 as well as 2011/12. The details of the settlement for 2012/13 were detailed in the report considered by the board on the 5<sup>th</sup> January, 2011, but in summary 2012/13 sees a further reduction of £24.6m in grants from the government as detailed below:

Grant	2011/12	2012/13	Change	
	£000	£000	£000	%
<b>Formula Grant</b>	315,061	288,073	-26,988	-8.6
<b>Early Intervention</b>	30,711	30,792	81	0.3
<b>Learning Disability and Health Reform</b>	9,972	10,207	235	2.4
<b>Housing Benefit and Council Tax Administration</b>	6,714	6,683	-31	-0.5
<b>Preventing Homelessness</b>	1,040	831	-209	-20.1
<b>Council Tax Freeze</b>	6,683	6,683	0	0.0
<b>Lead Local Flood Authority</b>	146	271	125	85.6
<b>NHS Funding</b>	9,315	8,953	-362	-3.9
<b>New Homes Bonus*</b>	2,900	5,400	2500	86.2
<b>Total</b>	<b>382,542</b>	<b>357,893</b>	<b>-24,649</b>	<b>-6.4</b>
* Local estimate based upon methodology under consultation				

10.2 A high level exercise has been undertaken as to the indicative position for 2012/13. this only takes account of significant unavoidable pressures but by its nature is not exhaustive. This does however suggest that the Council will need to identify further savings of at least £47.4m in 2012/13 as summarised below:-

	<b>£m</b>
<b>Inflation</b>	4.0
<b>Debt Financing</b>	11.0
<b>Reserves</b>	2.0
<b>Directorate Full year effects (FYE)</b>	
Adults demography	3.5
Adults FYE of agreed closures/Home Care	-1.4
Childrens demography	5.78
Childrens savings FYEs	-0.9
Environment & Neighbourhoods	
Landfill Tax	1.6
Car Park Closures	1.4
<b>Sub - Total Directorate FYEs</b>	<b>9.98</b>
<b>Funding Envelope</b>	
Impact of 2012/13 Settlement	24.6
New Homes Bonus/Tax Base	-4.2
<b>Total funding gap</b>	<b>47.4</b>

## **11. IMPLICATIONS FOR COUNCIL POLICY AND GOVERNANCE**

- 11.1 In accordance with the Budget and Policy Framework Rules, the Executive Board are required to make proposals to Council regarding virement limits and the degree of in-year changes which may be undertaken by the Executive. These are set out in Financial Procedure Rules.
- 11.2 These rules have been reviewed during the year and it is not proposed to change the limits which are set out in Appendix 4.

## **12. RECOMMENDATIONS**

- 12.1 The Executive Board is asked to recommend to the Council the adoption of the resolutions below:
- (i) That the Revenue Budget for 2011/12 totalling £582.228m, as detailed and explained in this report and accompanying papers be approved, with no increase in the Leeds' element of the Council Tax for 2011/12.
  - (ii) In respect of the Housing Revenue Account: -
    - (a) that the budget be approved at the average rent increase figure of 6.84%;
    - (b) that the charges for garage rents be increased to £6.49 per week;
    - (c) that service charges are increased in line with rents (6.84%).

## Background Documents

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- <sup>i</sup> LCC constitution – Part 2 article 4
- <sup>ii</sup> Initial budget Proposals – Executive Board report 15<sup>th</sup> December 2010
- <sup>iii</sup> Provisional Local Government Finance Settlement – Exec Board report 5.1.2011
- <sup>iv</sup> Council Tax base Council report 19.01.2011
- <sup>v</sup> Spending challenge Consultation – detailed results
- <sup>vi</sup> Risk based reserves strategy
- <sup>vii</sup> LCC constitution – Part 4 rules and procedures
- <sup>viii</sup> Budget decisions Equality Impact assessment

Table 1

## Statement of 2010/11 net budget and 2011/12 budgets

Service	2010/11			2011/12		
	Net managed budget £000s	Net budget managed outside service £000s	Net budget £000s	Net managed budget £000s	Net budget managed outside service £000s	Net budget £000s
<b>Adult Social Care</b>						
Partnership and Organisational Development	422	0	422	1,057	(773)	284
Access and Inclusion	93,886	16,246	110,132	85,753	11,304	97,057
Strategic Commissioning	13,701	(1,610)	12,091	16,654	902	17,556
Resources	8,512	(6,334)	2,178	7,649	(5,830)	1,819
Learning Disability Services	64,758	16,765	81,523	67,361	17,350	84,711
	<b>181,279</b>	<b>25,067</b>	<b>206,346</b>	<b>178,474</b>	<b>22,953</b>	<b>201,427</b>
<b>Children's Services</b>						
Individual School Budgets - expenditure	431,990	0	431,990	461,124	0	461,124
Individual School Budgets - income	(431,990)	0	(431,990)	(461,124)	0	(461,124)
Partnership Development and Business Support	37,863	1,085	38,948	11,968	14,461	26,429
Learning, Skills and Universal Services	18,332	7,429	25,761	12,274	3,498	15,772
Safeguarding, Targeted and Specialist	87,467	8,106	95,573	89,050	4,252	93,302
Strategy, Commissioning and Performance	5,271	30,385	35,656	16,179	35,921	52,100
	<b>148,933</b>	<b>47,005</b>	<b>195,938</b>	<b>129,471</b>	<b>58,132</b>	<b>187,603</b>
<b>City Development</b>						
Planning and Sustainable Development	3,323	3,223	6,546	4,801	2,953	7,754
Economic Development	4,388	1,537	5,925	425	1,424	1,849
Asset Management	(2,666)	3,629	963	(3,276)	3,135	(141)
Highways and Transportation	26,904	18,040	44,944	22,086	24,588	46,674
Libraries, Arts and Heritage	21,990	12,024	34,014	19,463	7,963	27,426
Recreation	19,363	14,906	34,269	16,877	14,670	31,547
Resources and Strategy	4,009	(4,099)	(90)	3,305	(3,222)	83
	<b>77,311</b>	<b>49,260</b>	<b>126,571</b>	<b>63,681</b>	<b>51,511</b>	<b>115,192</b>
<b>Environment and Neighbourhoods</b>						
Streetscene Environmental Services	28,401	4,141	32,542	27,944	3,225	31,169
Health and Environmental Action	7,656	2,030	9,686	6,813	(636)	6,177
Car Parking Services	(8,003)	1,650	(6,353)	(7,130)	1,599	(5,531)
Community Safety	4,415	1,033	5,448	3,348	1,029	4,377
Regeneration	7,935	451	8,386	7,226	1,322	8,548
Jobs and Skills	2,907	294	3,201	3,360	409	3,769
Community Centres	1,705	1,938	3,643	1,287	1,869	3,156
Housing Services	34,959	2,921	37,880	29,769	2,538	32,307
General Fund Support Services	(44)	44	0	(1,715)	548	(1,167)
Waste Management	20,017	801	20,818	20,200	527	20,727
Safer Leeds Drugs Team	(140)	204	64	(128)	163	35
	<b>99,808</b>	<b>15,507</b>	<b>115,315</b>	<b>90,974</b>	<b>12,593</b>	<b>103,567</b>
<b>Resources</b>						
Financial Management	8,922	(8,922)	0	9,590	(9,590)	0
Business Support Centre	3,844	(3,844)	0	3,347	(3,347)	0
Financial Development	901	(901)	0	992	(992)	0
Cost of Collection	(3,833)	8,345	4,512	(3,683)	7,779	4,096
Revenues, Benefits & Student Support	5,199	(4,714)	485	3,901	(3,721)	180
Housing Benefit	(388)	2,865	2,477	(868)	2,484	1,616
Information Technology	13,876	(9,498)	4,378	13,863	(9,876)	3,987
Human Resources	8,197	(8,197)	0	8,352	(8,352)	0
Audit and Risk	3,008	(2,460)	548	2,686	(2,253)	433
Support Services and Directorate	1,495	(1,495)	0	1,317	(1,317)	0
Public Private Partnership Unit	(982)	640	(342)	641	641	(201)
Corporate Property Management	19,736	(20,030)	(294)	18,132	(18,566)	(434)
Commercial Services General Fund	(176)	56	(120)	(394)	(21)	(415)
Commercial Services Trading	(6,149)	3,860	(2,289)	(7,772)	3,703	(4,069)
	<b>53,650</b>	<b>(44,295)</b>	<b>9,355</b>	<b>48,621</b>	<b>(43,428)</b>	<b>5,193</b>
<b>Corporate Governance</b>						
Professional Legal services	(1,439)	1,390	(49)	(1,709)	1,346	(363)
Democratic Services	6,194	(6,196)	(2)	5,843	(5,836)	7
Procurement	1,554	(1,554)	0	1,631	(1,631)	0
Licensing and Registration	1,544	958	2,502	1,324	919	2,243
	<b>7,853</b>	<b>(5,402)</b>	<b>2,451</b>	<b>7,089</b>	<b>(5,202)</b>	<b>1,887</b>
<b>Planning, Policy and Improvement</b>						
Customer Services	7,234	(4,318)	2,916	7,320	(5,746)	1,574
Leeds Initiative & Partnership	1,782	(1,297)	485	1,598	(740)	858
Business Transformation	912	(912)	0	2,110	(2,110)	0
PPI Management & Support	2,427	(2,427)	0	2,547	(1,887)	660
	<b>12,355</b>	<b>(8,954)</b>	<b>3,401</b>	<b>13,575</b>	<b>(10,483)</b>	<b>3,092</b>
<b>Strategic and Central Accounts</b>	<b>(6,928)</b>	<b>1,044</b>	<b>(5,884)</b>	<b>56,768</b>	<b>(23,862)</b>	<b>32,906</b>
<b>NET COST OF DEPARTMENTAL SPENDING</b>	<b>574,261</b>	<b>79,232</b>	<b>653,493</b>	<b>588,653</b>	<b>62,214</b>	<b>650,867</b>
<b>Transfers to / (from) reserves:</b>						
FRS 17	0	(89,221)	(89,221)	0	(71,607)	(71,607)
Other	0	5,023	5,023	0	4,968	4,968
<b>NET COST OF CITY COUNCIL SERVICES</b>	<b>574,261</b>	<b>(4,966)</b>	<b>569,295</b>	<b>588,653</b>	<b>(4,425)</b>	<b>584,228</b>
Contribution to/(from) General Fund Reserves	0	0	0	(2,000)	0	(2,000)
<b>NET REVENUE CHARGE</b>	<b>574,261</b>	<b>(4,966)</b>	<b>569,295</b>	<b>586,653</b>	<b>(4,425)</b>	<b>582,228</b>

Table 2

## Summary of budget by type of spending or income

	Net Budget 2011/12 £000	% of total	Per Band D Property £
Expenditure			
Employees	883,006	44	3,706
Premises	111,249	6	467
Supplies and services	304,639	15	1,279
Transport	41,502	2	174
Capital costs	95,842	5	402
Transfer payments	277,614	14	1,165
Payments to external service providers	302,869	15	1,271
	2,016,723	100	8,465
Income			
Grants	(958,005)	70	(4,021)
Rents	(189,378)	14	(795)
Fees & charges	(216,809)	16	(910)
	(1,364,192)	100	(5,726)
Net budget	652,531	100	2,739
Contribution to/(from) FRS 17 reserves	(71,378)		(300)
Contribution to/(from) other earmarked reserves	2,575		11
Contribution to/(from) General Fund reserves	(1,500)		(6)
	(70,303)		(295)
Net revenue charge	582,228		2,444

Notes: The number of Band D equivalent properties is 238,247

The total Individual Schools Budget (ISB) has been analysed at a subjective level in the above table. This provisional spend is based on previous expenditure and income patterns but will be subject to final determination by individual schools.

The subjective analysis above includes the Housing Revenue Account (HRA). Therefore the contribution to / (from) other earmarked reserves includes HRA working balances.



**Table 3****Staffing Requirements (full time equivalents)****Table 3**

Directorate	Total as at 31st March 2010	Total as at 31st March 2011	Total as at 31st March 2012
Adult Social Care	2,830	2,555	2,243
Children's Services	2,965	2,732	2,972
City Development	2,648	2,438	2,351
Environments and Neighbourhoods, including HRA	1,844	1,686	1,609
Central and Corporate	4,278	4,062	3,895
<b>Sub Total</b>	<b>14,566</b>	<b>13,473</b>	<b>13,069</b>
Schools based	11,217	10,994	10,581
<b>Grand Total</b>	<b>25,783</b>	<b>24,467</b>	<b>23,650</b>

## Note:

The above figures have been adjusted to reflect the transfer of Education Leeds back to the Council

## Report on findings from the 2010/11 Spending Challenge consultation

### 1 Background

The Spending Challenge consultation offered residents in Leeds the opportunity to give their views on Leeds City Council's approach to the current financial challenges. The evidence it provides will inform the budget setting process for 2011/12. It will also support ongoing engagement work on specific service changes.

#### 1.1 Scope of the consultation

Residents were provided with information that set out the challenges we face and our proposed actions in the following themes:

- Protecting and supporting young people
- Supporting older and disabled people
- Clean and safe neighbourhoods
- Economy, jobs and culture.

Residents were invited to rate the importance of a range of priorities and proposed actions in each theme. They could also suggest their own priorities for the council, and what the council could do less of, more of, stop completely or charge (more) for. Equality monitoring questions followed.

#### 1.2 Access to the consultation

The deadline for responses to the public survey was 17 December 2010. The consultation was available as follows:

- Sent to all households through About Leeds (the civic newspaper), with a Freepost address for response.
- At libraries and One Stop Centres as paper copies and on public access computers.
- Online, promoted on the main council home page, on the switchboard 'hold message' and in About Leeds, through Leeds Voice and at the Equality Assembly, and in local traditional and social media
- The same consultation was sent to the c1700 members of the Leeds Citizens' Panel
- An adapted version was sent to all town and parish councils in Leeds
- An adapted version of the main survey was placed on the Breeze website for children and young people and promoted through regular e-newsletters to BreezeCard holders
- Outreach face to face discussions took place with nine community groups, targeting those in Leeds likely to be least able to participate in other ways due to circumstance, impairment or language barriers

### 1.3 Response to the consultation

Method	Valid responses
The online, About Leeds and One Stop centre/Libraries survey	1588 (results in error margin better than +/-3%)
Leeds Citizens' Panel	499 (results in error margin better than +/-5%)
Breeze consultation	135
Town and Parish councils	4
Outreach discussions	9
Other submissions	1 (Third Sector Leeds)

### 1.4 Processing the data

Colleagues across the council have helped process and analyse the survey data using existing resources. In particular, colleagues within the Business Support Centre, Business Transformation and Communications teams worked flexibly and quickly to produce the results that inform this report.

## 2 Summary of findings

This section presents a highly condensed summary of the key findings and conclusions from all sources of data in the Spending Challenge consultation. Ideally readers should also read the detailed findings which are available on request to get a full understanding of the findings.

### 2.1 The four themes

- Few respondents felt that any of the themes were unimportant.
- Overall, 'making sure neighbourhoods are clean and safe' is the top priority. However, adults also place high importance on 'supporting older and disabled people', while children and young people see 'protecting and supporting' their peers as key.

### 2.2 Our principles

- 'Prioritising front-line services for vulnerable people above everything else' is most commonly seen as important
- Being involved in decision-making is next most important, more so than how services are actually to be delivered

The following aspects of our plans in each area are most commonly seen as important:

### 2.3 Limiting the impact on front-line services

- 'Making better use of buildings even if that meant services had to move' and 'investing now to save in the medium term' are most commonly seen as important

- There is some concern that ‘using our spending power...even if it means not buying locally’ will affect the local economy
  - Moving people to online services and transactions is not seen as important, relative to other issues.
- 2.4 Protecting and supporting children and young people
- Adults place importance on ‘bringing services together where it is practical and makes better use of buildings’ preferably locally, and focussing on those in most need
  - Children and young people are more concerned to be involved in future decisions and that Leeds becomes a ‘child-friendly’ city. These issues are the least likely to be important to adults.
  - Women are more likely than men to see issues relating to children and young people as important
- 2.5 Supporting older and disabled people
- ‘Helping people stay in their own homes for as long as possible’ and giving ‘people more choice in social care services’ are most important to people
  - There is lower importance placed on ‘raising charges for services for those that can afford to pay’ and some concern among respondents this will affect access to, or the fairness of service delivery.
- 2.6 Clean and safe neighbourhoods
- ‘Prioritise our resources to tackle the worst anti-social behaviour’ is of top importance to adults, less so to children and young people.
  - All groups also place importance on expecting ‘more people to take responsibility for their own actions’ and encouraging people to recycle more.
  - Affordable housing is of greater importance to part-time workers than other respondents
  - Those in east Leeds are more likely than others to place importance on the issues in this section
- 2.7 Economy, jobs and culture
- Job creation for local people was most commonly important to respondents. A minority were concerned that ‘outsiders’ were taking job opportunities from local people.
  - Transport infrastructure was also important, especially younger respondents and those with a disability.
- 2.8 Residents’ own suggestions – most common themes across all respondent groups:
- Council should do more -
    - Improve public transport (frequency/links/more routes/park and ride)
    - More help/assistance for elderly/disabled (home care/day care services)
    - More recycling/wider range of recyclable items/more recycling points/encourage more recycling
    - Reduce dog mess/litter/vandalism
    - Encourage people to take more responsibility for their community/place
  - Council should do less -

- Stop wasting money on things no one wants, or is under used/stop unnecessary waste (nothing specific)
- Employing people/too many managers/overstaffing
- Less events/entertainment/council functions (including Bonfire Night/Party in the Park)
- Fewer black bin collections
- Council should stop –
  - Putting on events/entertainment (Bonfire Night/Party in the Park)
  - Stop developments/projects that are not needed/changing for the sake of it
  - Allowing poor staff productivity/getting things wrong so wasting money doing it again, e.g. repairs
  - Prioritising/helping those that ‘do not contribute’ e.g. migrants, unemployed people.
- Overall, Council should prioritise...
  - Services/Care for the elderly/disabled/vulnerable
  - Improvement to public transport/transport infrastructure
  - Community safety/tackling ASB
- Willing to pay or pay more for –
  - Nothing
  - Leisure / sports facilities
  - Non recyclable refuse collection/bulky waste
- Other suggestions to help council deal with financial challenges
  - Reduce staffing levels
  - Always keep costs under review
  - Cap / cut pay levels

## 2.9 Conclusions

- Most of the priorities and actions set out in the Spending Challenge are seen as important by a clear majority of respondents.
- A number of issues need to be explained further to residents and groups as part of future engagement:
  - Generally, what we spend money on and why this is value for money
  - Generally, what steps we take to make the organisation more efficient
  - Possible additional/new charges for adult social care services
  - The role of the third sector in future service delivery
  - The role of the private sector in future service delivery
  - The benefits of moving to online services and transactions
  - The benefits of involving children and young people in future plans and decisions
  - The concept of a ‘truly child friendly city’
- ‘Quick wins’ include deciding what events/entertainment the council will and will not continue to fund, and explaining this to residents.
- Generally, residents are less concerned with the means of delivering services in future (e.g. private, third sector, partnership-working) than being reassured the services will be accountable, value for money and of a high quality.

- Residents and communities taking more responsibility for their actions and neighbourhoods is important to respondents. However, the extent of this involvement needs to be tested, and may currently focus on the physical environment.
- There is a desire in the third sector to take on new and expanded roles in service delivery and community-capacity building. However, there are concerns in key groups e.g. disability groups that funding and facilities will be lost and this will stop this expansion happening.
- There is a need to involve residents of all backgrounds in future decision-making and design of service delivery (and widely demonstrate this is happening), building on the Spending Challenge (and What if Leeds...) consultation.
- Different views and priorities exist between men and women, age groups and geographies. These should be taken into account, as despite a degree of consensus being apparent, each issue in the consultation resulted in differences between respondents, particularly those that may be more vulnerable than others.

## Scrutiny Board Comments on the Initial Budget proposals

Members of the Central and Corporate board at their meeting on 10<sup>th</sup> January 2011 expressed a number of views, but specifically that the process of internal recharges should be reviewed as to whether this is the most efficient accounting mechanism for the council to use. Members of the board also reiterated the importance of scrutiny using VFM methodology when conducting reviews and in fact has commissioned some training for members in this area.

Scrutiny Board (Adult Social Care) at their meeting on the 12 January 2011 concentrated on the budget implications vis a vis residential care and reablement and the thoughts of the Board have already been relayed to the Executive Board.

The Children's Services Scrutiny Board has not undertaken any scrutiny of the budget directly. However, the Board is due to agree its report on outdoor education centres and are of the view that having had the opportunity to see both Herd Farm and Lineham Farm at first hand, and to learn about the services they provide in more detail, the board support in principle the continued operation of the two facilities. However, the board agreed with officers that, in order for this to be a sustainable approach in the longer term, significant savings need to be achieved, and the most effective way to do this would appear to be through greater co-operation between the two facilities on both a formal and informal basis. This includes the streamlining of costs where possible.

City Development Scrutiny Board also looked at the budget on the 11<sup>th</sup> January 2011.

## Equality considerations of the 2011/12 budget

### 1. Approach to equality impact assessments (EIA)

Considerable work has been undertaken to make sure that equality impact assessments are undertaken as part of the budget setting process for 2011-2012.

This report sets out an overview of the approach being taken and progress made in particular with regard to:

- progress to date in equality impact assessing the overall budget strategy;
- the equality-related commitments already made through decisions and proposals; and
- considerations of cumulative impacts.

Public sector bodies are required under equality legislation to consider the impact of changes to policy and spending on equality characteristics. These equality considerations do not preclude cuts or changes in services being made, but do require that these be fully understood, both individually and holistically. Based on national research and guidance, it is clear that the current and future financial challenges facing local authorities mean that it is likely that there will be a disproportionate impact on some of the country's most disadvantaged people and communities.

In Leeds, our approach to equality and diversity, as expressed within our Equality and Diversity Scheme, is to carry out equality impact assessments where there are proposed changes to services so that the implications of decisions are fully understood as they affect specific groups and communities. In addition, it is vital to understand the cumulative impacts of any budget reductions. While picture cannot at this stage be absolutely clear, the processes that have been established will allow such clarity to be achieved over time.

### 2. General commitments

While this overview position is still emerging within the budget proposals set out, the following commitments have been made to make sure that, wherever possible, an equitable and fair approach is being applied. These include commitments to:

- protecting as far as possible funding that is providing services to vulnerable children and adults;
- re-configuring personal care services to better meet people's individual needs;
- continuing to provide additional funding to support those with learning difficulties and mental health problems;
- understanding the implications of increased fees and charges and the impact of these on vulnerable groups (e.g. low income families) and taking steps to mitigate such impact;



- making sure that where possible any changes to the way citizens access services do not disproportionately affect vulnerable groups and communities even if that means that services are provided in a different way;
- understanding and mitigating the implications of rationalisation of council facilities and the reduction or removal of subsidies in certain areas. Careful consideration will be given to the accessibility of facilities both in a geographic sense and a personal finance sense;
- understanding, monitoring and mitigating staffing implications where possible by using voluntary means. Where relocation is required, providing for disabled access and for reasonable adjustments;
- sharing the burden of cuts across all funding streams;
- applying in-house savings wherever possible;
- reducing the council's support services budgets by proportionately more to protect front line services;
- working in partnership with other local authorities and Leeds-based partners such as the NHS to deliver shared services;
- continuing to consult with residents, the business and voluntary sectors and equality groups both on the generalities of the cuts we face as well as on specific issues; and
- for those who can afford to, some people will have to pay more for services.

### **3. Other commitments**

The budget has been developed with the aim of, as far as possible, protecting the delivery of front-line services. Such services include those delivered through awarding grants to third sector organisations. Overall the budget will mean some reductions to the third sector. Grants are awarded to a very wide and diverse range of groups and organisations. It is clear that there will be implications for equality characteristics and equality impact assessments will be carried out as part of the overall grant review currently taking place.

Similar considerations are being made of the implications of the budget reductions as they impact on geographical communities across the city. An initial assessment would suggest that there are approximately five wards across the local authority district that may be affected by the cumulative impact of reductions. It is also important that this dimension is fully understood and where possible mitigation considered. To this end, further work is proposed to design and deliver a mechanism to capture and track the equality impacts of the budget reductions as they pertain to the city as a whole, localities, wards and communities of interest.

### **4. Progress against equality impact assessments**

To make sure that the commitments set out in this section of the report are met, the council has adopted a comprehensive and consistent approach to the application of equality impact assessments. This will allow us to achieve an individual case-by-case as well as an overall picture. Notwithstanding the challenges of achieving the savings set out within the budget, it is hoped that this approach will make sure that wherever possible,

decisions are as fair, open and transparent as possible and that they consider the individual needs and the rights of different people and groups.

A budget decision timetable has been produced. It includes a progress update and commentary relative to the equality impact considerations of the decisions listed. In total, out of 49 decisions listed:

- there are 7 for which an equality impact assessment is not required;
- a total of 19 equality impact assessments have been completed and
- 23 equality impact assessments have yet to be completed or are in progress.

Equality Impact Assessments have been completed or alternatively are not required in respect to all decisions which are assumed to be taken as part of Council agreeing the budget.

## **5. Conclusions**

The approach in Leeds is comparable to that being taken by the other West Yorkshire local authorities. It has also been proposed that the five West Yorkshire local authorities undertake peer reviews on a sample of equality impact assessments of each so as to test for wider compatibility; provide additional reassurances; and to identify and tackle common priority areas or areas of concern.

We know that given the scale and scope of the budget reductions, it is inevitable that there will be implications for just about everyone. However, it is hoped that the progress outlined in this report will provide some reassurance to elected members and their constituent residents that a robust approach to assessing the equality impacts of policy decisions is being undertaken. Difficult decisions are an inevitable part of such challenging times but the approach being taken will mean that those decisions are fully informed and that their individual and cumulative impacts are understood and mitigated against where at all possible.

## **6. Next steps**

Equality impact assessments will continue to be progressed as indicated in the budgeted decision timetable. In finalising these and moving forward the following steps will also be taken:

- monitoring the completion of equality impact assessments included within the budget options;
- quality assurance testing;
- reviews of individual equality impact assessments and actions;
- an evaluation of the outcomes, any amendments to decisions and the consideration of any unintended consequences; and
- designing and delivering a mechanism to capture and track the equality impacts of the budget with a particular emphasis on the city as a whole, locality, wards and communities of interest.

These overarching actions will be delivered by the corporate Equality Team working with directorates to make sure that appropriate processes are in place to capture them.

## **Equality impact assessment - budget 2011-2012**

### **1. Introduction**

This paper outlines the equality impact assessment of the proposed 2011/12 budget. The lead person for this equality impact assessment was Alan Gay, Director of Resources. Members of the assessment team were :

Doug Meeson	Chief Officer (Financial Management)
Helen Mylan	Head of Finance – Resources
Lelir Yeung	Head of Equality
Anne McMaster	Strategic Equality Manager

### **2. Overview**

Leeds City Council like many other public sector organisations is facing a significant financial challenge as a result of the government's spending review and a reduction in grants, which is without precedent in recent times. In addition to the substantial reduction in government funding, the council also faces significant cost pressures which will also need to be taken into account in setting budgets for the next four years.

In view of this, a recommended budget is put forward which outlines the actions that will need to be put in place to meet this budget shortfall.

Public sector bodies are required to consider the impact of changes to policy and spending on equality characteristics. These equality considerations do not preclude cuts or changes in services being made, but do require that these be fully understood, both at an individual decision level, as well as corporately.

Based on national research and guidance, it is clear that the current and future financial challenges facing local authorities mean that it is likely that there will be a disproportionate impact on some of the country's most disadvantaged people and communities. There is a legal requirement to consider the impact of decisions on different equality groups.

There are particularly acute cost pressures in both Adult Social Care and Children's Services, and in addition income continues to decline in both City Development and Environment and Neighbourhoods. This budget addresses these issues by providing for increased expenditure on services for vulnerable children and adults including safeguarding, whilst addressing cost and income pressures arising from the current economic conditions.

### **3. Scope**

This equality impact assessment seeks to analyse the impact of the budget on equality characteristics.

The budget identifies key overarching areas where savings can be made. These form the scope of the equality impact assessment and are:

- employees;
- premises;
- supplies and services;
- transport;
- capital charges;
- payments to other providers;
- income; and
- specific grants.

The council will adopt a comprehensive and consistent approach to the application of equality impact assessments to specific proposals. This will allow us to achieve an individual case-by-case as well as an overall picture.

#### **4. Fact finding – what do we already know**

##### **4.1 Demographics**

Leeds is the second largest metropolitan district in England with an estimated population in excess of 750,000 people. Whilst the Leeds economy as a whole, has been a success story, Leeds has a significant amount of deprivation. Five wards in the city have more than half their super output areas (subdivisions of wards) in the 10 per cent most deprived in England. These five wards tend to have the highest levels of deprivation, proportion of people on unemployment benefits and proportion of households in receipt of council benefits.

Like many other cities in the UK, Leeds is now facing unprecedented change and uncertainty. The University of Leeds predicts that by 2026 the total number of people living in the Leeds local authority area will be 830,000. This will include larger numbers of people from ethnic minorities and higher numbers of younger people as well as an increase in people aged 75 and over. In general people are living longer and there are as many people over 60 as under 16. Although the rate of increase in the proportion of older citizens in Leeds is not likely to be as great as in some neighbouring authorities, it is predicted that the number of people in Leeds aged 65 and over will rise by almost 40 per cent to 153,600 in 2031, around 20 per cent of the population.

In particular:

- Leeds has a significantly higher proportion of 15 to 29 year olds (26 per cent compared to the national average approaching 20 per cent);
- there is a significant student population of over 60,000 studying in the two universities in the city;
- Stonewall estimates that a large city such as Leeds with an established gay scene may be made up of at least 10% lesbian, gay and bisexual people;

- Leeds population broken down by religion or belief is 69.9% Christians, 3% Muslims, 1.1% Sikh, 1.2% Jewish, 0.6% Hindu, 0.2% Buddhist and 24.9% no religion or not stated;
- Leeds is now home to over 130 different nationalities;
- in 2006 the Office for National Statistics (ONS) estimated that 15.1% of the total resident population comprised people from black and minority ethnic communities (including Irish and other white populations), a rise of 5 per cent from the 2001 census; and
- by 2030 the black and minority ethnic population in Leeds is estimated to increase by 55 per cent.

## **4.2 Consultation**

Widespread consultation has been undertaken in preparation of the 2011/12 budget which has included:

- all party budget meetings;
- public consultation;
- consultation with the third sector and business sector;
- regular meetings with trade unions;
- in accordance with the Council's constitution, Scrutiny Boards have been given the opportunity to consider the initial budget proposals; and
- all staff were invited to make suggestions.

The spending challenge consultation in particular offered residents in Leeds the opportunity to give their views on Leeds City Council's approach to the current financial challenges. The evidence it provided informed the budget setting process for 2011/12.

The spending challenge consultation highlighted the following:

- most of the priorities and actions set out in the Spending Challenge are seen as important by a clear majority of respondent;
- there is a desire in the third sector to take on new and expanded roles in service delivery and community-capacity building However, there are concerns in key groups e.g. disability groups that funding and facilities will be lost and this will stop this expansion happening;

- there is a need to involve residents of all backgrounds in future decision-making and design of service delivery (and widely demonstrate this is happening), building on the spending challenge (and What if Leeds...) consultation; and
- different views and priorities exist between men and women, age groups and geographies. These should be taken into account, as despite a degree of consensus being apparent, each issue in the consultation resulted in differences between respondents, particularly those that may be more vulnerable than others.

### 4.3 Workforce profile

At December 2010, there were 18946 staff employed in the council (excluding schools). The make up of staff is:

Gender	Number	%age
Male	6872	36.3%
Female	12074	63.7%
Total	18946	100.0%

Disability	Number	%age
Not disabled	15497	81.8%
Disabled	1159	6.1%
Not specified	2290	12.0%
Total	18946	100.0%

Ethnic Origin	Number	%age
White British	15793	83.4%
BME	2296	12.1%
Not specified	857	4.5%
Total	18946	100.0%

Sexual Orientation	Number	%age
Heterosexual	5104	27.0%
Lesbian, gay or bisexual	139	0.7%
Not specified	13703	72.3%
Total	18946	100.0%

Religion or belief	Number	%age
Christian	4147	21.9%
Other religion	426	2.2%
No religion	1482	7.8%
Not specified	12891	68.1%
Total	18946	100.0%

Age	Number	%age
16 – 30	3207	16.9%
31 - 50	9822	51.9%
51 +	5917	31.2%
Total	18946	100.0%

### 5. Overview of fact finding

For the purpose of this equality impact assessment there are no gaps in the equality and diversity information used to carry out this assessment. However, this may be different for individual equality impact assessments that will be undertaken to implement the budget recommendations.

Further consultation and involvement will be also be required on individual proposals and the spending challenge consultation did identify that being 'involved in the decisions we have to make' is more likely to be important to respondents than how the council actually delivers services, either jointly or through other organisations.

## 6. Equality considerations

The tables below highlights the range of impacts on equality characteristics, stakeholders and other potential barriers.

<b>Equality characteristics</b>		
<input checked="" type="checkbox"/> Age	<input checked="" type="checkbox"/> Carers	<input checked="" type="checkbox"/> Disability
<input checked="" type="checkbox"/> Gender reassignment	<input checked="" type="checkbox"/> Race	<input checked="" type="checkbox"/> Religion or Belief
<input checked="" type="checkbox"/> Sex (male or female)	<input checked="" type="checkbox"/> Sexual orientation	
<input checked="" type="checkbox"/> Other		
<b>Stakeholders</b>		
<input checked="" type="checkbox"/> Services users	<input checked="" type="checkbox"/> Employees	<input checked="" type="checkbox"/> Trade Unions
<input checked="" type="checkbox"/> Partners	<input checked="" type="checkbox"/> Members	<input checked="" type="checkbox"/> Suppliers
<input checked="" type="checkbox"/> Other please specify		
<b>Potential barriers</b>		
<input checked="" type="checkbox"/> Built environment	<input checked="" type="checkbox"/> Location of premises and services	
<input checked="" type="checkbox"/> Information and communication	<input checked="" type="checkbox"/> Customer care	
<input checked="" type="checkbox"/> Timing	<input checked="" type="checkbox"/> Stereotypes and assumptions	
<input checked="" type="checkbox"/> Cost	<input checked="" type="checkbox"/> Consultation and involvement	

## **7. Equality Impacts Identified**

Considerable work has been undertaken to understand the impact of the budget on equality. Equality considerations have been an integral part of the budget setting and decision making process and the budget proposals have, where appropriate, been the subject of the council's equality impact assessment process.

The process has started to highlight which equality characteristics may be affected by any proposals developed from and start to consider as we develop these further how to minimise or eliminate any adverse equality impacts. However, the full picture is still emerging as all equality impact assessments have not yet been completed. These will be undertaken when appropriate on all the specific decisions set out in the budget decision timetable.

However, the equality considerations of the key overarching themes in the budget have started to identify a range of impacts on equality characteristics. At this stage it is indicative only, but there are clearly implications for all equality characteristics.

In particular, there is likely to be negative impact on the following 4 equality characteristics:

- disabled people;
- BME communities;
- older people; and
- low socio-economic groups (there is over representation within this group by disabled people and BME communities)

We should also wherever possible seek to avoid any unintended consequences of any proposals developed. This could be disproportionate impacts on different geographic locations, equality communities and the voluntary and community sector and the cumulative effect of any decisions made.

The following provide equality impacts for the overarching areas outlined in the Budget and some specific examples where mitigation has been considered.

## **8. Staffing**

Over the next four years, it has been estimated that the Council needs to reduce its workforce by between 2500 and 3000 posts (excluding schools). Activity that has been approved included:

- requesting expressions of interest for voluntary leavers;
- where there are changes to services/reductions in grants/funding which impact on staff the managing workforce change procedure is being used. This procedure has had an equality impact assessment;
- all restructures are subject to an equality impact assessment; and



- analysis of those volunteering to leave (Early Leavers Initiative) and those going through the managing workforce change procedure has taken place

Initial analysis of the Early Leavers Initiative indicates that there is no significant disproportionality by gender or ethnicity under this initiative. However 8.5% of the volunteers who are/will be leaving are disabled, which is considerably more than the proportion of disabled staff employed. Work will be undertaken as part of the equality impact assessment to understand this and consider any specific issues that this raises.

Further analysis of updated data will take place as and when it is available.

## **9. Premises**

The council currently spends £79m on premises which needs to be reduced by around £5m. Savings have been identified through restricting building maintenance to essential/health and safety work, and further savings could be achieved through targeting energy consumption. Further savings need to be achieved through closure/rationalisation of buildings.

There are a variety of options which are being considered within the budget which include:

- the Fullfilling Lives programme (learning disability day centres);
- future options for long term residential and day care for older people;
- closure of hostels;
- closure/relocation of one stop centres; and
- sport centre closures

These options form part of a wider programme of decisions that are being delivered by directorates and will be subject to equality impact assessments.

## **10. Procurement and commissioning**

Where there is reduction in funding or decommissioning the service manager will give due consideration to equality and, if appropriate, undertake the equality impact assessment.

The Corporate Commissioning and Procurement Group has discussed embedding equality considerations in future changes. The one council approach to commissioning includes undertaking an equality impact assessment and ensuring equality considerations are taken into account.

There is a commitment to ensure that where different directorates are making cuts to an organisation's funding that they work together to ensure that the future of the organisation is not jeopardised. Where possible, similar discussions are taking place with partners.

## **11. Residential care and daytime support**

Adult Social Care have been working on the council's vision for the future of residential care and daytime support. Consideration of equality and the impact on older and disabled

people has been a key factor in the development of the vision and consequent proposals and will continue to be so as detailed formal consultation takes place on the options for change for individual units and facilities. Involvement in the proposed consultation will be offered to people currently resident or using facilities, their families and carers, staff, the general public, and all relevant partner organisations.

Consultation will also take into account individual's care needs and advocacy will be provided when required and as requested. It is proposed that this detailed formal consultation will also be used to define the potential impact of the options which are recommended for each unit and facility on individuals and to identify how any adverse impacts will be mitigated as the strategy is implemented. It is essential to ensure that this formal consultation embraces not only what is being proposed, but also the rationale behind the proposals; to that end people will be provided with as much information as possible.

The options will be subject to a formal equality impact assessment. In addition an advisory board consisting of representatives from representative stakeholder groups will be established. The purpose of the advisory board would be to provide strategic advice, to inform the development of different delivery models and provide a quality assurance role during both the consultation and, subject to the necessary approvals, implementation phase.

## **12. Leisure centres**

The 2011/12 budget proposals for City Development continue with initiatives which were included in the revenue budget 2010/11. This includes a review of the 10 year vision for council leisure centres. The vision for council leisure centres was subject to a full equality impact assessment and was designed to look at how the infrastructure of leisure could be adapted to meet the needs of current and future residents of Leeds.

The equality impact assessment identified some adverse impacts which included people in 20% most deprived super output areas without access to a car or affordable transport which would impede their ability to get to leisure facilities. The need to consider widening access and inclusion issues for service users and awareness of alternative suitable facilities and impact of reduction/increase in opening hours. Mitigation to counter these included and this will be taken forward as part of any package of cuts:

- development of appropriate design requirements which are accessible;
- consideration of community asset transfer;
- ensure transport assessments are considered;
- outreach and sports development to support priority communities; and
- increase the scope and the extent of discount available for Leeds Card extra

## **13. Charging policies**

Parks and Countryside as part of the review of running costs and the level of subsidies across their services made a decision to remove free entry for LeedsCard and Breezecard holders for Tropical World and Temple Newsam Home Farm , replacing it with the standard discount offered for Leeds Card at other Council attractions. An equality impact

assessment was conducted on the decision that identified potential negative impacts for users with income related benefits, and recommended that further measures are put in place to mitigate this impact.

As a direct result of the equality impact assessment it was decided that LeedsCard Extra holders will receive an increased discount.

**14. Equality impact assessment action plan**

<b>Action</b>	<b>Responsibility</b>
Completion of all equality impact assessments in the Budget	Directors
Develop and implement process to quality assurance and review equality impact assessment and actions	Equality Team
Evaluation of outcomes of equality impact assessments	Equality Team
Design and deliver a mechanism to capture and track the equality impacts of the budget with a particular emphasis on the city as a whole, locality, wards and communities of interest	Equality Team/IKM

**FINANCIAL PROCEDURE RULE 3.6****SUPPLEMENTARY VOTES**

Supplementary Votes will only be considered in exceptional circumstances. The following approvals are required:

Up to £100,000	Director of Resources
Up to £1m	Executive Board
No specific limit	Council

**DELEGATED VIREMENTS**

- 1 Virement between budget book service heads, within the appropriate budget document approved annually by council, will only be permitted in accordance with the following rules and value limits, summarised in Table 1. The virement limits and rules are set annually by Council as part of the budget approval process.

The value limits apply to individual virements and are not cumulative.

- 2 Proposals to vary budgets arising as a result of the need to address a potential overspend (including shortfalls in income), recycling of efficiency gains and changed spending plans will all be required to satisfy the following criteria prior to approval by the decision taker as outlined within the attached table.

In considering proposals to vary budgets, the decision taker will take account of:

- The reason for the request for virement
- The impact on the council as a whole, including employment, legal and financial implications
- The impact on the efficiency of the service as a whole
- The sustainability of the proposals i.e. long term effects
- Whether the proposals are consistent with the council's priorities outlined within the Corporate Plan
- Whether the proposals are consistent with the Budget & Policy Framework
- The cumulative impact of previous virements

In addition, where a virement request exceeds £125k in value the decision taker must seek the advice of the Director of Resources as to the council's overall financial position prior to approval of the request.

- 3 Where *fortuitous savings* have arisen in any budget head, these should be notified to the Director of Resources immediately they are known. Fortuitous savings are defined as those savings where their achievement has not been actively managed

and may include, for example, savings in NNDR or lower than anticipated pay awards. Any fortuitous saving in excess of £100k will not be available for use as a source of virement without the prior approval of the Director of Resources.

- 4 The decision to vire between budget book headings is a Significant Operational Decision, and all virements must comply with the constitutional requirements for this type of decision.

The delegated limits outlined in the attached table do not operate independently from the requirements within the council's Constitution in respect of 'Key & Major' Decisions (as from time to time updated). All 'Key & Major' Decisions which result in the need to operate these delegated limits must first comply with the constitutional requirements, in respect of such decisions, prior to being put forward for virement.

- 5 Where wholly self-financing virements are sought to inject both income and expenditure in respect of approved external funding bids, there is no specific limit to the amount which can be approved by Directors where it is clear that this would not represent a change to existing council Policy, or form a new policy where one does not already exist. In all other cases, approval must be sought from council in accordance with the requirements of the council's Constitution
- 6 All virements requiring approval shall be submitted in a standard format. Sufficient details shall be given to allow the decision to be made and recorded within the Council's Financial records.
- 7 All virement and other budget adjustment schedules should be submitted to the Director of Resources for information.
- 8 The Director of Resources reserves the right to defer any virement to members where there may be policy issues.

#### **OTHER BUDGET ADJUSTMENTS**

- 1 There is a de minimus level for virements of £10k, below which any variations to net managed budgets will be deemed other budget adjustments. Budget movements that are not between budget headings within the net managed budget will also be other budget adjustments.
- 2 The Director of Resources may also approve budget adjustments of unlimited value where these are purely technical in nature. Technical adjustments to budgets are defined as those which have no impact upon the service provided or on income generated.

**Table 1****MAXIMUM DELEGATED LIMITS FOR REVENUE VIREMENT**

<b>Approval Type</b>	<b>Full Council</b>	<b>Executive Board</b>	<b>Director of Resources*</b>	<b>Directors**</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>A) Supplementary Votes (i.e. Release of General Fund Reserves)</b>	<b>No specific limit</b>	<b>1,000,000</b>	<b>100,000</b>	<b>None</b>
<b>B) Virements of the net managed budget into or out of budget book service headings:</b>				
<b>1. Within a Directorate</b>	<b>No specific limit</b>	<b>£1,250,000</b>	<b>£750,000</b>	<b>£125,000</b>
<b>2. Between Directorates</b>	<b>No specific limit</b>	<b>£1,250,000</b>	<b>£750,000</b>	<b>None</b>
<b>C) Self - Financing virements of the net managed budget (from External Funding)</b>				
<b>- policy change</b>	<b>No specific limit</b>	<b>None</b>	<b>None</b>	<b>None</b>
<b>- within current policy</b>	<b>No specific limit</b>	<b>No specific limit</b>	<b>No specific limit</b>	<b>No specific limit</b>

\* With the support of Directors

\*\* Any reference to a Director within the constitution shall be deemed to include reference to all officers listed, except where the context requires otherwise: the assistant chief executives and the chief officers for early years & youth service, children & families, environmental services, housing services, regeneration, highways, libraries arts and heritage, recreation, planning and customer services.

# Draft Budget 2011/12

## Executive Board papers 11th February 2011 – service budgets

The following pages give further background to the full budget report

- Service budget reports expand on the full report at a more detailed level
- Annual Financial Plan (AFP) pages will be published later to give an overview of the services provided and a less technical summary of their budgets
- Budget Book extracts give the full detailed figures at level at which budgets will be controlled

	service budget report	AFP and budget book
Adult Social Care	✓	✓
Children's Services	✓	✓
City Development	✓	✓
Environment and Neighbourhoods		
General Fund	✓	✓
Housing Revenue Account	✓	
Central and Corporate Services	✓	
Resources		✓
Corporate Governance		✓
Planning, Policy and Improvement		✓
Central accounts	✓	✓

All budgets are prepared, balanced and approved to the nearest £10. They are shown to the nearest £1,000 to make them easier to read. Any apparent arithmetical errors are due to this automatic rounding, and budget lines of less than £500 will appear as nil.

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## **Adult Social Care**

# LEEDS CITY COUNCIL

## 2011/12 BUDGET REPORT

### Directorate: Adult Social Care

#### 1 Introduction

- 1.1 This report has been produced in order to inform members of the main variations and factors influencing the directorate's budget for the 2011/12 financial year.

#### 2 Service Context

- 2.1 The national context for Adult Social Care continues to be one of demographic increases, increased life expectancy, increasing complexity of need and service user expectations and a national drive to improve the quality of social care services. These trends, which are leading to increased cost pressures, have been evident for many years, but the economic downturn is putting increasing pressure on public finances and the reductions in public spending announced through the Spending Review in October 2010 have added to the financial challenges faced by Adult Social Care. Against this backdrop, the current funding system for adult social care services has been recognised by the government as unsustainable in the longer term and a White Paper outlining the necessary reform is expected in the spring/summer of 2011.
- 2.2 In 2007, the Government published *'Putting People First: A shared vision and commitment to the transformation of Adult Social Care'*, which describes a reformed adult social care system in England that can respond to the demographic challenges presented by an ageing society and the rising expectations of the people who depend on social care for their quality of life and capacity to have full independent and purposeful lives. In 2010 this was updated as *'Think Local, Act Personal: Next steps for Transforming Adult Social Care'*. It acknowledges that Councils will need to work with partner organisations such as the NHS and care providers, to develop and deliver a personalised, community based care and support system with a focus upon prevention and the shifting of resources from crisis and acute interventions. Also in November 2010 *'A Vision for Adult Social Care: Capable Communities and Active Citizens'* was published by the Department of Health. This document clearly defines the Government's ambition to reform health and social care and the role that Councils and their partners will play in this reform. It states that the Government expects councils to show the leadership needed to make difficult choices to deliver efficiency and transform services.
- 2.3 The vision for Adult Social Services is to ensure those most vulnerable in Leeds are supported in local communities and have access to personalised services enabling them to live healthy, safe and independent lives. It is a community-based approach for everyone, with an emphasis on health and wellbeing, living safely at home for as long as possible and making the fullest use of universal services in local communities. Adult Social Care will bring together, health, wellbeing and social care, supporting preventive services to avoid hospital admission or the need for residential care.
- 2.4 Increasingly social care services, when they are needed, will be provided through personal budgets or direct payments. Adult Social Care will ensure people have good information and support to find the care they need. The local authority will continue to provide assessment and where appropriate, early intervention services for those in crisis. Other services will be provided in partnership with the Health Service and/or by the Voluntary and Independent Sector. Adult Social Care will support the social care sector in Leeds through

the effective commissioning and quality assurance of an increasingly wide range of services. Ensuring the safeguarding of adults will continue to be a key priority.

- 2.5 To deliver the vision within the financial and service context will require a radical review of how Adult Social Care services are delivered across the city. Over the next five years the service provided directly by the Council will become smaller, more specialised and be delivered in partnership with both the NHS and a range of other partners. Adult Social Care will need to continue to commission efficient and effective preventative services, but the means of delivery will need to change. In the future there will be much closer working with the voluntary and independent sectors in ensuring that these services deliver efficient and effective outcomes for vulnerable people in Leeds.
- 2.6 To ensure that people can maximize the benefits from exercising a greater level of choice and control over how their needs are met, and to ensure the best use of resources, will require a reduction in the services delivered directly by the Council and an increase in those provided by the independent and voluntary sectors, including those services procured through the use of personal budgets. This will apply particularly to residential and home care services, but also to day care services.
- 2.7 This vision for Adult Social Care services in Leeds is supported by the outcomes of the Council's Spending Challenge consultation. Of the four themes within the consultation, protecting and supporting older and disabled people was identified as the most important by the general public respondents, as the second most important by the Citizen's Panel respondents and as the third most important by young people through the Breeze website responses. Regarding limiting the impact of the financial challenges faced by the Council on front-line services, prioritising investment in services for vulnerable people was ranked third of the eight aspects included. Of the five aspects of council plans for supporting older and disabled people set out in the consultation, the highest level of support was for helping people to stay in their own homes for as long as possible and giving people more choice in the social care services they get. Helping people to remain in their own homes was particularly highly rated by Citizens Panel members aged over 65 and those with a disability or long-term limiting illness. Slightly less highly rated, but still with a high level of support overall, were: asking other organisations to deliver services for us if they are cheaper and better; and reviewing and perhaps closing and replacing some services where they are underused or outdated.
- 2.8 Adult Social Care is undertaking further consultation with key stakeholders from January to March 2011. This will build on the Council's Spending Challenge consultation and seek views on Adult Social Care's vision and its implementation. It will provide an overall context for the consultations on specific proposals that are outlined in section 3 below. A series of workshops and drop-in events will take place that will cover the range of service proposals across the directorate. This overall approach for stakeholders will run alongside more specific and individualised consultation with those customers directly affected by the proposals.
- 2.9 The Spending Review and subsequent local government finance settlement resulted in significant reductions in the level of resources available to councils. However, there was some recognition of the financial pressures faced by adult social care services in the additional allocations for these services within the reduced local government settlement and within the health funding allocations. The health and local government finance settlements also signal the need for closer working in the future.

2.10 The Adult Social Care budget in Leeds includes recognition of the additional spending pressures being faced. It also includes substantial savings from service reconfiguration so that services better meet people's needs in the future and the level of need for social care support can be met. Whilst this will mean change for some people in receipt of social care, it will not impact on the overall level of service provision to customers.

2.11 In summary, the main changes within the 2011/12 Adult Social Care budget are additional provision for demand pressures funded through efficiency savings within staffing and procurement budgets and through additional funding from the health service.

### 3 Explanation of variations between adjusted 2010/11 and 2011/12 – £4,753k Cr (-2.6%)

3.1 The variation can be summarised as follows:

Net Managed Budget 2010/11	181,279
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#### Adjustments

• Transfers to Formula Grant	358	
• Transfers of functions	<u>1,590</u>	1,948

Adjusted Net Managed Budget 2010/11	183,227
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#### Changes in Prices

• Pay (NI increase)	369	
• Price	408	
• Income	<u>- 213</u>	564

#### Service Budget Changes

• Changes in Service Levels	16,896	
• Other Factors not affecting level of service	- 12,882	
• Efficiency Savings	<u>- 9,331</u>	5,317

Net Managed Budget 2011/12	178,474
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3.2 Adjustments

3.2.1 The Aids Support Grant of £358k in 2009/10 has now been transferred to Formula Grant. The £1,590k for transfers of functions mainly relates to finalising the separation of former Social Services support services functions between Adult Social Care and Children's Services.

3.3 Changes in prices

3.3.1 No provision has been made for a pay award in 2011/12, although the budget includes provision of £369k for the 1% increase in employers' National Insurance rates. Price inflation of £408k has been included to reflect essential requirements. This mainly relates to residential and nursing placements outside the city where we are obliged to pay the fee rates of the host local authority and inflation built into the PFI contract for the Independent Living Project.

3.3.2 Inflationary increases in the level of fees, charges and income from other organisations are estimated to generate additional income of £213k. Most Adult Social Care fees and charges are related to Department for Works and Pensions benefits rates and will be uplifted accordingly from April. Those not linked to benefits rates have been budgeted to increase by 3%, with the exception of meals as outlined in section 3.4.10 below. In addition, increases through the proposals for removing the subsidy within charges for non-residential services are set out in section 3.4.10 below.

### 3.4 Service Budget Changes

#### *Government Grant Changes*

3.4.1 In accordance with government announcements in previous years, the Social Care Reform Grant and Learning Disability Campus Closure Programme Grant grants have ceased. The 2010/11 budgeted amounts were £3,367k and £1,035k respectively, totalling £4,402k. Although these grants have ceased, they have been incorporated within the overall increase in Personal Social Services funding within the Formula Grant. A new core grant of £9,315k is the additional funding earmarked for Adult Social Care within the health budget. It is intended for measures that support social care, which also benefit health, representing a better quality and more efficient service across the health and social care system. £9,972k is also included in the budget in respect of the Learning Disabilities and Health Reform Grant for which there will be an associated increase in spend. This reflects the transfer of responsibility for services from the NHS to local authorities.

#### *Demand Led and Demographic Pressures*

3.4.2 Reflecting the pressures faced during 2010/11 on demand led budgets together with demographic trends, additional budget provision has been made in 2011/12 for community care packages amounting to £16,333k. This comprises £8,609k for community care placements and £7,724k for independent sector domiciliary care, direct payments and personal budgets. This increased budget provision will enable services to be provided at the level of demand experienced in 2010/11, but it does not allow for any further increases in 2011/12. The 2011/12 budget takes into account the projected impact of measures to manage these demographic and demand pressures amounting to £700k. It also includes reduced spend of £2,300k to reflect the anticipated reductions in long term care requirements through increased use of telecare and the city-wide reablement service being operational from April 2011. Procurement savings amounting to £6,426k net have been included, reflecting the expectations from central government that efficiencies are achieved reflecting our purchasing power. Taking all these adjustments into account the net additional budget provision for community care packages is £6,907k. In addition, £1,500k is included for the anticipated full-year effect of health funding allocated in 2010/11 to support the development of reablement services.

3.4.3 Additional provision of £2,700k has been made in 2011/12 for the Council's contribution to the learning disability pooled budget to reflect increased numbers of customers and increasingly complex social care needs. The PFI-funded Independent Living Project for people with learning disabilities and mental health needs will be fully operational by March 2012. Additional provision of £863k has been made for the unitary charge for this scheme, which is in line with the original business case.

#### *Service Reconfiguration*

3.4.4 The vision for the Adult Social Care service outlined in section 2 sets out the need for a smaller directly provided service in the future and the 2011/12 budget reflects the anticipated impact next year within residential and day care services. As outlined in the

report to Executive Board in December 2010, demand for long-term residential care is expected to fall significantly as people increasingly choose more community based support, although demand for specialist care, for example for those with dementia, is likely to increase. Within the residential care sector an increased supply in recent years of new care homes with the most modern facilities has affected demand for Council run homes. The cost per bed of directly provided residential care is also higher than for independent sector homes. The 2011/12 budget reflects the anticipated impact of proposals to reduce the amount of directly provided residential care, net of the cost of purchasing alternative placements for residents in the independent sector. Reduced spend of £234k has been included within the 2011/12 budget to reflect the anticipated part-year effect of closing at least four directly provided homes during the financial year. This is subject to consultation before specific proposals are submitted to Executive Board.

- 3.4.5 There is significant over-capacity within older people's day care and increasingly people are likely to choose other more flexible ways of meeting their needs. The policy direction and local demographic information suggest that future services should be directed to those who have the most complex needs and require specialist services, for example around dementia. People with low to moderate needs are increasingly directed towards locally provided services in the community and the Council's universal services. The 2011/12 budget includes the anticipated impact of proposals to reduce the amount of directly provided day care. As outlined in the report to Executive Board in December 2010, this is subject to consultation before specific proposals are brought back to Executive Board. Reduced spend of £450k has been included within the budget for the anticipated part-year effect of closing at least four day centres for older people during 2011/12.
- 3.4.6 As outlined in the report to Executive Board in November 2010, the learning disability day care service is reconfiguring to provide smaller more localised bases and a greater focus on outreach services. This will help to deliver a more personalised service and reduce expenditure by refocusing resources that are currently tied to buildings that are no longer fit for purpose. It will enable the overall city-wide volume of in-house day service provision to be reduced and for the service to be delivered from four, ultimately three principal locations and a range of satellite community bases working with voluntary, community and faith sector organisations. It is anticipated that three centres will close during 2011/12 with the anticipated part-year net spending reduction of £200k being included in the budget, mainly relating to transport costs. This is subject to consultation and a further report will be submitted to Executive Board. A reduction of £100k is included in the 2011/12 budget for Roseville, which represents the continued modernisation of employment opportunities for disabled people. Working closely with the Roseville Advisory Board and in achieving our objectives it is likely that operations at the laundry will cease within the next two years.
- 3.4.7 Within mental health day services there is scope to work more effectively in partnership with the health and voluntary sectors which will reduce the requirement for Council-run day centres. The reconfiguration of the directly provided mental health day services is proposed to consolidate resources and enable cost efficiencies while delivering a modernised, community focused service. This will include reduced reliance on buildings based services and a greater focus on community based services. These proposals have been subject to consultation with service users, staff and trade unions and a separate report on the February Executive Board agenda requests approval to move to the new service model. Reduced budget provision of £200k is included to reflect the anticipated closure of two day centres during 2011/12. In addition to these day care proposals the 2011/12 budget has been reduced by £471k in respect of the counselling service provided at the Crisis Centre. In recent years the NHS in Leeds has invested heavily in a wide range of alternative counselling and crisis services and this is not a statutory local authority function. Following appropriate stakeholder engagement, decommissioning this service is proposed to take

effect early in the 2011/12 financial year and a separate report on the February Executive Board agenda requests approval for this.

- 3.4.8 The service reconfiguration proposals outlined above link to the outcomes of the Spending Challenge consultation set out in section 2.7 above, specifically: the high level of overall support for asking other organisations to deliver services for us if they are cheaper and better; and reviewing and perhaps closing and replacing some services where they are underused or outdated. There are some age differences in responses in that respondents to the Spending Challenge consultation aged over 75 were least likely to place importance on reviewing and perhaps closing some services. The service reconfiguration proposals also link to the consultation outcomes on limiting the impact of the financial challenges faced by the Council on front-line services. Highest ranked of the eight aspects of this was making better use of our buildings, even if this means that services have to move.
- 3.4.9 Staffing levels within the directly provided home care service continue to reduce through the impact of the Early Leavers Initiative leading to a staffing saving of £2,465k. This is being done in full consultation with staff and trade unions. Some further reductions within the directly provided service amounting to £2,042k are anticipated in 2011/12 through further early leavers and staff switching into other posts within the directorate to reduce the use of agency staff in regulated services. There will be the need for some flexibility in the approach to ensure that front-line services are maintained. This budgeted home care staffing reduction of £4,507k is partly offset by additional spend of £2,742k in the independent sector to take on the work previously undertaken by the directly provided service.
- 3.4.10 The 2011/12 budget includes £500k for the anticipated part-year effect of the proposals for removing the subsidy within charges for non-residential services set out in the report to Executive Board in December 2010. The proposals are subject to a consultation process that is currently underway before specific proposals are submitted to Executive Board. Additional income of £50k is included to reflect revised meals contributions from April 2011 of £4.00 for a two-course main meal and £2.30 for a second meal. These will reduce the subsidy for meals services and they represent increases of 50p and 20p per meal respectively. They will also apply to meals in day services, with corresponding increases for those day services that operate a cafeteria system rather than a set meal.
- 3.4.11 Of the five aspects of council plans for supporting older and disabled people set out in the Spending Challenge consultation, raising charges for services for people who can afford to pay more was the least favoured, although it was supported by 57% of general public respondents, 53% of Citizen's Panel respondents and 33% of young people through the Breeze website responses (55% overall). There are age differences in the responses in that respondents to the Spending Challenge consultation aged over 75 were least likely to see raising charges for people who can pay more as important. Amongst Citizen's Panel respondents, older people are more likely than younger people to place importance on raising charges. These outcomes will be reviewed alongside those from the consultation process on the proposals for removing the subsidy within charges that is currently underway. The outcomes of both these consultation processes will inform the proposals on charges brought back to Executive Board for approval.
- 3.4.12 Adult Social Care currently spends £9.3m on services provided under contract or grant by the voluntary, community and faith sector. Many of these services are provided to people who do not have eligible needs for social care support in relation to the statutory Fair Access to Care Services criteria. Preventative services of this nature are very important but this expenditure needs to be reviewed to ensure value for money and alignment with Adult Social Care priorities. Accordingly, the 2011/12 budget includes a reduction of £1,250k to reflect efficiencies and value for money savings from these services. This will be delivered

in consultation with the individual organisations, which is already underway, rather than through applying a standard reduction to all organisations and the impact will be carefully evaluated before decisions are taken through the delegated decision process. The criteria on which the decisions will be made are: ensuring that organisations are not made financially unviable; minimising the impact on their customers and on employment within the sector; and delivering efficiencies, including through new models of service and collaboration across organisations.

3.4.13 The redesign of services will provide opportunities in the future for further investment in the voluntary, community and faith sector. As an example, some services were commissioned to provide day opportunities for people with learning disabilities when the Moor End Fulfilling Lives centre closed and commissioning a second tranche of these services is currently underway. The potential to transfer the Shopmobility service to an alternative provider which will run at less cost is also being explored.

*Other Efficiency and Procurement Savings*

3.4.14 The staffing budget has been reduced by £1,500k in 2011/12 for the ongoing impact of vacant posts. Further staffing and running expenses savings amounting to £2,455k have been identified, mainly to reflect the ceasing of expenditure specifically related to delivering the early transformation requirements for which the Social Care Reform Grant was allocated. Efficiency savings of £1,140k have also been included in respect of general procurement of supplies and services, transport and energy consumption reductions.

**4 Net Revenue Charge**

4.1 The following table provides a summary of the net revenue charge for the service which brings together the net managed budget and those budgets managed outside the service.

	£000s
Net Managed Budget	178,474
Managed Outside Service	22,953
Net Cost of Service	201,427
Transfers to/from earmarked reserves	- 3,724
Net Revenue Charge	197,703

**5 Eligibility for Services**

5.1 The Council is required to review its line of eligibility for adult community care services annually in accordance with the government’s “Fair Access to Care Services” guidance. Currently in Leeds the line of eligibility is set between moderate and substantial, so those with a substantial or critical risk to their independence have a statutory right to receive a service.

5.2 It is proposed that the line of eligibility remains unchanged for 2011/12 and the budget proposals set out above will ensure that the resources required are in place to support that decision. The proposals set out in this report, particularly spending money differently and more efficiently, will reduce the possibility that the line of eligibility needs to be raised in the future.



## 6 Risk Assessment

- 6.1 In determining the 2011/12 budget, consideration has been given to all the risks which are managed within the directorate's overall risk management framework. Within this framework, a register of those items considered to carry the highest risk and therefore requiring careful and regular monitoring has been prepared.
- 6.2 Adult Social Care has delivered very substantial efficiency and service reconfiguration savings totalling £49m in the last five years and the savings budgeted for 2011/12 include savings from the same areas as those achieved previously. It becomes more challenging to deliver further savings year-on-year and this clearly increases the risks associated with the 2011/12 Adult Social Care budget.
- 6.3 One of the most significant risks relates to the substantial procurement savings in respect of residential and nursing placements and the review of spend on services provided by the voluntary, community and faith sector. The budgeted savings on the price paid for community care placements is dependent on successful negotiations with service providers and the ability of some providers to deliver the scale of reductions within the budgeted timescales. There is also a risk associated with the full-year effect of health funding for reablement as this has not yet been formally agreed with NHS Leeds.
- 6.4 The overall level of staffing savings included within the 2011/12 budget presents some risks in terms of delivery in accordance with budgeted timescales due to the need to ensure that the safe delivery of services is not compromised. The highest risks relate to delivering the savings from directly provided services through further early leavers and staff switching into alternative posts to release agency staff in sufficient numbers within the budgeted timescales.
- 6.5 An ongoing area of risk relates to front-line services of a demand-led nature. Whilst the budget is based on realistic demographic information and substantial additional provision has been made to reflect 2010/11 spending pressures, the nature of demand for these services can be somewhat volatile and subject to demand factors that Adult Social Care cannot directly control. The numbers of service users and the complexity of their needs may exceed the provision made within the budget. With approximately 3,500 placements in total a relatively modest percentage variance in numbers can give rise to a substantial cash variance. These variations could affect community care packages for adults, including those commissioned within the pooled budget for people with learning disabilities.
- 6.6 There are some risks associated with the service transformation included within the 2011/12 budget. Implementing change of this magnitude involves working individually with those customers affected and individually and collectively with the staff. This requires substantial management capacity and there is a risk that the budgeted timescales will not be fully achieved. There is also some risk that the need to incur costs on alternative care providers for customers precedes savings being delivered through decommissioning services to a greater extent than assumed within the budget.

Briefing note prepared by: Ann Hill  
Telephone: 24 78555



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## **Main responsibilities:**

To ensure the provision of social care support for vulnerable groups including older people and adults with mental health problems, learning disabilities or physical and sensory impairment

To take a lead role in the promotion of health and wellbeing within the city

Adult Social Care fulfils these responsibilities through:

### **PREVENTATIVE SERVICES**

- Ensuring that appropriate services are available within the city for those with less intensive needs

### **INFORMATION AND CONTACT SERVICES**

- Providing information to vulnerable adults and their carers about the range of social care support available within the city
- Receiving referrals for social care support

### **ASSESSMENT AND CARE MANAGEMENT**

- Undertaking assessments of those who may have social care needs
- Supporting people to access self-directed support or co-ordinating a care package to meet their needs
- Managing and reviewing care packages

### **SELF DIRECTED CARE**

- Support for people to access direct payments
- Developing individual budgets and self-directed support

### **SUPPORT TO LIVE AT HOME**

- Providing or enabling people to access supported and other accommodation, including extra-care housing and housing support
- Providing equipment and adaptations
- Providing or commissioning home care and community meals services
- Providing or commissioning day support and care services

### **RESIDENTIAL AND NURSING CARE**

- Providing or commissioning residential placements, including specialist provision for people with mental health needs and dementia
- Commissioning nursing placements, including specialist provision for people with dementia



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## Activity and Performance

- Each year the authority is required to calculate a range of statutory performance indicators which are submitted to the Care Quality Commission. From 2008/09 the performance has been monitored through the new National Indicator (NI) set, although this is currently in a state of some transition, with several indicators having been discontinued. Replacement indicators are currently being formulated and these are likely to centre around user views of service provision.

### PREVENTATIVE SERVICES

- In 2010/11 Leeds funded 164 organisations to assist them in providing preventative services to around 16,900 people, of whom 10,000 were elderly and 1,700 were carers.

### INFORMATION AND CONTACT SERVICES

- From the start of 2010/11 to the end of quarter 3, 20,190 new referrals were received. Of these approximately 48% have gone on to some further activity and 52% have been dealt with at source.
- In the first 3 quarters of 2010/11 approximately 5,600 people had a care assessment. Of the assessments completed to date, around 64% have resulted in some form of service being offered.

### ASSESSMENT AND CARE MANAGEMENT

- Leeds currently carries out 83.5% of its assessments of adults and older people within the targeted deadline, which is 7.1% lower than in 2009/10. The change in performance is primarily due to the introduction of more complex (and thus more time-consuming) assessment procedures, which are required in instances where a user receives self-directed support.
- In the first 3 quarters of 2010/11, 86.7% of care packages were delivered within the target 28 days, a decrease of 1.3% from our 2008/09 performance. The target for 2009/10 is 91%

### SELF DIRECTED CARE

- By the end of quarter 3, 2010/11 the number of people receiving self directed care had increased from 14.4% of carers and service users helped to live at home in April to 24.4%. Further increases are expected by the year end.

### SUPPORTING PEOPLE TO LIVE AT HOME

- Approximately two-thirds of people supported at home are older people. At the end of the 3<sup>rd</sup> Quarter 2010/11 Leeds supported 8,300 older people to live at home through a variety of directly provided and commissioned services, following a formal assessment.

### RESIDENTIAL AND NURSING CARE

- Leeds currently provides permanent residential and nursing care for approximately 3,130 people, of whom 2,570 are elderly.
- In 2009/10 Leeds provided new nursing and residential placements to 838 older people and 33 people aged 18-64. Data for 2010/11 will not be available until after the year end.

## Adult Social Care

Summary of budget by service (£000)

Budget Manager	Service	Total 2010/11	Managed by the Service			Managed Outside the Service	Total 2011/12
			Spending	Income	Net		
Deputy Director-Partnership and Organisational Effectiveness	Partnership & Organisational Dev	422	1,435	(378)	1,057	(773)	284
Chief Officer Access and Inclusion	Access & Inclusion	110,132	122,740	(36,987)	85,753	11,304	97,057
Deputy Director Strategic Commissioning	Strategic Commissioning	12,091	17,698	(1,044)	16,654	902	17,556
Chief Officer Resources and Strategy	Resources	2,178	10,075	(2,426)	7,649	(5,830)	1,819
Chief Officer Learning Disabilities & Older People	Learning Disability and Older People	81,523	118,905	(51,544)	67,361	17,350	84,711
Net Cost of Service		206,346	270,852	(92,378)	178,474	22,954	201,427
	Transfers to and from earmarked reserves	(5,735)	0	0	0	(3,724)	(3,724)
Net Revenue Charge		200,611	270,852	(92,378)	178,474	19,229	197,703

# Adult Social Care

## Summary of budget by type of spending or income

£000	Budget 2010/11	Budget 2011/12
<b>Employees</b>		
Direct Pay Costs	71,839	63,562
Agency And Temporary Staff	393	0
National Insurance Contributions	4,710	4,546
Superannuation Costs	9,184	8,338
Other Pension Costs	1,275	1,948
Other Employee Related Costs	492	337
Training And Development	1,748	635
	<b>89,640</b>	<b>79,366</b>
<b>Premises</b>		
Buildings Maintenance	26	91
Grounds Maintenance	74	70
Building Security	75	74
Cleaning And Workplace Refuse	1,158	913
Gas	592	428
Electricity	558	442
Other Utilities	308	300
Rents	49	126
NDR	308	315
Accommodation Charges	0	2
Premises Related Insurance	22	58
	<b>3,169</b>	<b>2,818</b>
<b>Supplies &amp; Services</b>		
Materials And Equipment	2,986	2,720
Stationery And Postage	553	331
Advertising	20	10
IT/Telecommunications	1,142	864
Insurance	159	140
Events And Projects	118	106
Professional Fees and Subscriptions	140	54
Grants And Contributions	1,411	2,116
Allowances	60	46
Consultancy Services	4	39
External Audit Fees	2	1
Other Hired And Contracted Services	1,757	1,176
Publication And Promotion	123	35
PFI Unitary Charges	4,020	5,069
Miscellaneous	547	714
	<b>13,042</b>	<b>13,419</b>
<b>Transport</b>		
Vehicles And Plant Related Expenditure	231	183
Travel Allowances	1,035	1,326
Fuel	39	30
Private Hire	20	12
Transport Related Insurance	16	15
	<b>1,340</b>	<b>1,565</b>
<b>Internal Charges</b>		
Managed Recharges Frm Other Directorates	9,193	8,029
	<b>9,193</b>	<b>8,029</b>
<b>Agency Payments</b>		
Services Provided By Other Organisations	245	252

# Adult Social Care

## Summary of budget by type of spending or income

	£000	Budget 2010/11	Budget 2011/12
<b>Agency Payments</b>			
Services Rendered By Health Authorities		102	103
Contribution To Partnerships		53,564	66,260
Payments To Voluntary Organisations		11,074	10,121
Fees To Carers		467	462
Day Care		54	100
Home Care		9,894	16,547
Sheltered Accommodation		483	478
Nursing Placements		37,853	37,990
Residential Placements		22,941	25,002
		136,676	157,314
<b>Transfer Payments</b>			
Social Care Direct Payments		5,875	5,997
Social Care Individual Budgets		1,977	1,935
		7,852	7,932
<b>Appropriation</b>			
Transfers To/From Capital Reserve		395	409
		395	409
<b>Managed Expenditure</b>		261,307	270,852
<b>Internal Income</b>			
Income From Other Directorates		(11,256)	(8,187)
Recharges Income From Capital		(600)	(600)
		(11,856)	(8,787)
<b>Income - Grants</b>			
Government Grants		(8,055)	(10,280)
DCLG Grants		(4,671)	(4,671)
Other Grants		(55)	(24)
		(12,780)	(14,974)
<b>Income - Charges</b>			
Sale Of Goods And Services		(1,331)	(1,158)
Fees And Charges		(196)	(206)
Contributions		(53,456)	(66,601)
Other Income		(285)	(534)
Rents		(124)	(117)
		(55,391)	(68,617)
<b>Managed Income</b>		(80,027)	(92,378)
<b>Net Managed Budget</b>		<b>181,280</b>	<b>178,474</b>
<b>Accounting Adjustments</b>			
FRS 17 Costs		5,801	3,790
Vehicles And Plant (Non Leasing)		(92)	(66)
Transfers To/From Statutory Reserves		(5,827)	(3,790)
Transfers to Capital Reserve - Vehicles		92	66
Capital Charges		4,126	4,570
		4,100	4,570
<b>Central Recharges</b>			
Central Recharges Expenditure		15,471	14,879
Corporate & Democratic Core Income		(186)	(220)
		15,285	14,660

## Adult Social Care

Summary of budget by type of spending or income

	£000	Budget 2010/11	Budget 2011/12
Other Internal Adjustments			
Internal Reallocations Charges		72,913	65,105
Internal Reallocations Income		(72,966)	(65,105)
		(53)	0
Managed Outside the Service		19,332	19,229
<b>Net Cost of Service</b>		<b>200,611</b>	<b>197,703</b>

# Adult Social Care

Budget Manager : Deputy Director-Partnership and Organisational Effectiveness

Partnership & Organisational Dev			
	£000	Budget 2010/11	Budget 2011/12
Employees			
Direct Pay Costs		654	610
National Insurance Contributions		49	46
Superannuation Costs		91	86
Other Pension Costs		0	23
		794	765
Supplies & Services			
Materials And Equipment		6	3
Stationery And Postage		0	0
IT/Telecommunications		7	0
Professional Fees and Subscriptions		8	5
Grants And Contributions		287	245
Allowances		0	0
Consultancy Services		0	22
External Audit Fees		2	1
Other Hired And Contracted Services		373	357
Publication And Promotion		1	1
		684	635
Transport			
Travel Allowances		12	11
Private Hire		1	0
		13	11
Agency Payments			
Payments To Voluntary Organisations		24	24
		24	24
<b>Managed Expenditure</b>		<b>1,515</b>	<b>1,435</b>
Internal Income			
Income From Other Directorates		(273)	0
		(273)	0
Income - Grants			
Government Grants		(376)	0
Other Grants		(55)	(24)
		(431)	(24)
Income - Charges			
Fees And Charges		(3)	(3)
Contributions		(387)	(351)
		(390)	(354)
<b>Managed Income</b>		<b>(1,094)</b>	<b>(378)</b>
<b>Net Managed Budget</b>		<b>422</b>	<b>1,057</b>
Accounting Adjustments			
FRS 17 Costs		60	44
		60	44
Other Internal Adjustments			
Internal Reallocations Charges		545	135
Internal Reallocations Income		(604)	(953)
		(59)	(817)



# Adult Social Care

Budget Manager : Deputy Director-Partnership and Organisational Effectiveness

Partnership & Organisational Dev			
	£000	Budget 2010/11	Budget 2011/12
Managed Outside the Service		1	(773)
<b>Net Cost of Service</b>		<b>422</b>	<b>284</b>

# Adult Social Care

Budget Manager : Chief Officer Access and Inclusion

Access & Inclusion			
	£000	Budget 2010/11	Budget 2011/12
<b>Employees</b>			
Direct Pay Costs		33,750	26,134
Agency And Temporary Staff		33	0
National Insurance Contributions		2,121	1,773
Superannuation Costs		4,451	3,513
Other Pension Costs		233	880
Other Employee Related Costs		48	26
Training And Development		25	3
		40,661	32,329
<b>Premises</b>			
Grounds Maintenance		11	9
Building Security		27	28
Cleaning And Workplace Refuse		315	217
Gas		64	45
Electricity		87	53
Other Utilities		23	22
Rents		37	19
NNDR		174	104
Accommodation Charges		0	2
		737	499
<b>Supplies &amp; Services</b>			
Materials And Equipment		1,209	1,174
Stationery And Postage		115	50
Advertising		1	0
IT/Telecommunications		509	373
Events And Projects		5	7
Professional Fees and Subscriptions		67	3
Allowances		14	7
Other Hired And Contracted Services		583	294
Publication And Promotion		49	12
Miscellaneous		7	6
		2,559	1,926
<b>Transport</b>			
Vehicles And Plant Related Expenditure		48	44
Travel Allowances		810	1,103
Fuel		18	10
Private Hire		15	7
Transport Related Insurance		1	0
		893	1,164
<b>Internal Charges</b>			
Managed Recharges Frm Other Directorates		895	821
		895	821
<b>Agency Payments</b>			
Services Provided By Other Organisations		243	250
Contribution To Partnerships		374	294
Payments To Voluntary Organisations		1,698	116
Day Care		54	100
Home Care		7,833	14,541
Sheltered Accommodation		483	478
Nursing Placements		37,478	37,614

# Adult Social Care

Budget Manager : Chief Officer Access and Inclusion

Access & Inclusion	£000	Budget 2010/11	Budget 2011/12
Agency Payments			
Residential Placements		22,614	24,676
		70,778	78,069
Transfer Payments			
Social Care Direct Payments		5,875	5,997
Social Care Individual Budgets		1,977	1,935
		7,852	7,932
<b>Managed Expenditure</b>		<b>124,374</b>	<b>122,740</b>
Internal Income			
Income From Other Directorates		(3,264)	(2,060)
		(3,264)	(2,060)
Income - Grants			
Government Grants		(4,330)	0
		(4,330)	0
Income - Charges			
Sale Of Goods And Services		(44)	(34)
Fees And Charges		(14)	(27)
Contributions		(22,601)	(34,651)
Other Income		(125)	(105)
Rents		(110)	(110)
		(22,894)	(34,927)
<b>Managed Income</b>		<b>(30,488)</b>	<b>(36,987)</b>
<b>Net Managed Budget</b>		<b>93,886</b>	<b>85,753</b>
Accounting Adjustments			
FRS 17 Costs		2,600	1,523
Vehicles And Plant (Non Leasing)		(10)	(6)
Capital Charges		417	330
		3,007	1,846
Other Internal Adjustments			
Internal Reallocations Charges		53,483	43,268
Internal Reallocations Income		(40,244)	(33,811)
		13,239	9,458
<b>Managed Outside the Service</b>		<b>16,246</b>	<b>11,304</b>
<b>Net Cost of Service</b>		<b>110,132</b>	<b>97,057</b>

# Adult Social Care

Budget Manager : Deputy Director Strategic Commissioning

Strategic Commissioning			
	£000	Budget 2010/11	Budget 2011/12
<b>Employees</b>			
Direct Pay Costs		2,782	2,415
National Insurance Contributions		206	188
Superannuation Costs		393	341
Other Pension Costs		20	3
Other Employee Related Costs		0	0
Training And Development		13	30
		3,415	2,975
<b>Premises</b>			
Cleaning And Workplace Refuse		0	0
		0	0
<b>Supplies &amp; Services</b>			
Materials And Equipment		12	4
Stationery And Postage		4	2
Advertising		10	1
IT/Telecommunications		16	7
Professional Fees and Subscriptions		46	31
Grants And Contributions		621	1,684
Allowances		0	0
Consultancy Services		2	17
Other Hired And Contracted Services		251	131
Publication And Promotion		22	11
Miscellaneous		0	35
		985	1,923
<b>Transport</b>			
Vehicles And Plant Related Expenditure		27	10
Travel Allowances		36	29
Transport Related Insurance		4	0
		67	39
<b>Internal Charges</b>			
Managed Recharges Frm Other Directorates		0	1
		0	1
<b>Agency Payments</b>			
Services Rendered By Health Authorities		82	70
Payments To Voluntary Organisations		9,003	9,981
Fees To Carers		5	1
Home Care		2,061	2,006
Nursing Placements		376	376
Residential Placements		327	327
		11,853	12,760
<b>Managed Expenditure</b>		16,319	17,698
<b>Internal Income</b>			
Income From Other Directorates		(947)	(91)
		(947)	(91)
<b>Income - Grants</b>			
Government Grants		(1,013)	(107)
		(1,013)	(107)
<b>Income - Charges</b>			
Fees And Charges		(10)	(10)

# Adult Social Care

Budget Manager : Deputy Director Strategic Commissioning

Strategic Commissioning			
	£000	Budget 2010/11	Budget 2011/12
Income - Charges			
Contributions		(649)	(837)
		(658)	(846)
Managed Income		(2,618)	(1,044)
<b>Net Managed Budget</b>		<b>13,702</b>	<b>16,654</b>
Accounting Adjustments			
FRS 17 Costs		243	237
Vehicles And Plant (Non Leasing)		(17)	0
Capital Charges		68	39
		294	276
Other Internal Adjustments			
Internal Reallocations Charges		2,999	5,931
Internal Reallocations Income		(4,904)	(5,305)
		(1,904)	627
Managed Outside the Service		(1,611)	902
<b>Net Cost of Service</b>		<b>12,091</b>	<b>17,556</b>

# Adult Social Care

Budget Manager : Chief Officer Resources and Strategy

Resources	£000	Budget 2010/11	Budget 2011/12
<b>Employees</b>			
Direct Pay Costs		3,827	3,794
National Insurance Contributions		286	348
Superannuation Costs		539	568
Other Pension Costs		776	791
Other Employee Related Costs		374	277
Training And Development		1,634	527
		7,435	6,305
<b>Premises</b>			
Buildings Maintenance		0	65
Grounds Maintenance		1	0
Building Security		3	0
Cleaning And Workplace Refuse		89	46
Gas		50	50
Electricity		63	40
Other Utilities		10	21
NNDR		25	32
Premises Related Insurance		21	58
		261	311
<b>Supplies &amp; Services</b>			
Materials And Equipment		184	100
Stationery And Postage		381	232
Advertising		2	2
IT/Telecommunications		487	359
Insurance		158	140
Events And Projects		17	0
Professional Fees and Subscriptions		17	13
Grants And Contributions		0	185
Allowances		3	2
Consultancy Services		2	0
Other Hired And Contracted Services		267	321
Publication And Promotion		40	1
Miscellaneous		0	0
		1,559	1,354
<b>Transport</b>			
Vehicles And Plant Related Expenditure		0	0
Travel Allowances		34	45
Private Hire		4	4
Transport Related Insurance		0	15
		38	63
<b>Internal Charges</b>			
Managed Recharges Frm Other Directorates		2,246	1,631
		2,246	1,631
<b>Agency Payments</b>			
Payments To Voluntary Organisations		52	0
		52	0
<b>Appropriation</b>			
Transfers To/From Capital Reserve		395	409
		395	409

# Adult Social Care

Budget Manager : Chief Officer Resources and Strategy

Resources			
	£000	Budget 2010/11	Budget 2011/12
Managed Expenditure		11,985	10,075
Internal Income			
Income From Other Directorates		(1,660)	(751)
Recharges Income From Capital		(600)	(600)
		(2,260)	(1,351)
Income - Grants			
Government Grants		(195)	(150)
		(195)	(150)
Income - Charges			
Sale Of Goods And Services		(741)	(649)
Fees And Charges		(164)	(163)
Other Income		(113)	(113)
		(1,019)	(925)
Managed Income		(3,473)	(2,426)
<b>Net Managed Budget</b>		<b>8,512</b>	<b>7,649</b>
Accounting Adjustments			
FRS 17 Costs		(410)	(383)
Capital Charges		1,452	1,736
		1,043	1,353
Central Recharges			
Central Recharges Expenditure		15,471	14,879
Corporate & Democratic Core Income		(186)	(220)
		15,285	14,660
Other Internal Adjustments			
Internal Reallocations Charges		1,223	1,320
Internal Reallocations Income		(23,885)	(23,163)
		(22,662)	(21,843)
Managed Outside the Service		(6,334)	(5,830)
<b>Net Cost of Service</b>		<b>2,178</b>	<b>1,819</b>

# Adult Social Care

Budget Manager : Chief Officer Learning Disabilities & Older People

Learning Disability and Older People			
	£000	Budget 2010/11	Budget 2011/12
<b>Employees</b>			
Direct Pay Costs		30,826	30,610
Agency And Temporary Staff		360	0
National Insurance Contributions		2,048	2,192
Superannuation Costs		3,710	3,831
Other Pension Costs		246	250
Other Employee Related Costs		70	33
Training And Development		76	76
		37,336	36,992
<b>Premises</b>			
Buildings Maintenance		26	26
Grounds Maintenance		62	61
Building Security		46	46
Cleaning And Workplace Refuse		754	650
Gas		478	333
Electricity		408	348
Other Utilities		275	257
Rents		12	107
NDR		110	179
Premises Related Insurance		0	0
		2,171	2,007
<b>Supplies &amp; Services</b>			
Materials And Equipment		1,575	1,441
Stationery And Postage		52	47
Advertising		7	7
IT/Telecommunications		123	125
Insurance		1	0
Events And Projects		96	99
Professional Fees and Subscriptions		3	1
Grants And Contributions		502	2
Allowances		43	36
Other Hired And Contracted Services		283	72
Publication And Promotion		10	10
PFI Unitary Charges		4,020	5,069
Miscellaneous		539	672
		7,255	7,581
<b>Transport</b>			
Vehicles And Plant Related Expenditure		156	130
Travel Allowances		143	137
Fuel		21	20
Private Hire		0	1
Transport Related Insurance		10	0
		330	288
<b>Internal Charges</b>			
Managed Recharges Frm Other Directorates		6,052	5,577
		6,052	5,577
<b>Agency Payments</b>			
Services Provided By Other Organisations		2	2
Services Rendered By Health Authorities		20	33
Contribution To Partnerships		53,189	65,965



# Adult Social Care

Budget Manager : Chief Officer Learning Disabilities & Older People

Learning Disability and Older People			
	£000	Budget 2010/11	Budget 2011/12
Agency Payments			
Payments To Voluntary Organisations		297	0
Fees To Carers		462	462
		53,969	66,461
<b>Managed Expenditure</b>		<b>107,113</b>	<b>118,905</b>
Internal Income			
Income From Other Directorates		(5,112)	(5,285)
		(5,112)	(5,285)
Income - Grants			
Government Grants		(2,141)	(10,023)
DCLG Grants		(4,671)	(4,671)
		(6,811)	(14,693)
Income - Charges			
Sale Of Goods And Services		(546)	(475)
Fees And Charges		(5)	(5)
Contributions		(29,820)	(30,763)
Other Income		(46)	(316)
Rents		(14)	(7)
		(30,431)	(31,565)
<b>Managed Income</b>		<b>(42,355)</b>	<b>(51,544)</b>
<b>Net Managed Budget</b>		<b>64,759</b>	<b>67,361</b>
Accounting Adjustments			
FRS 17 Costs		3,308	2,369
Vehicles And Plant (Non Leasing)		(65)	(60)
Capital Charges		2,189	2,465
		5,432	4,774
Other Internal Adjustments			
Internal Reallocations Charges		14,663	14,450
Internal Reallocations Income		(3,329)	(1,875)
		11,333	12,576
<b>Managed Outside the Service</b>		<b>16,765</b>	<b>17,350</b>
<b>Net Cost of Service</b>		<b>81,523</b>	<b>84,711</b>

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## **Children's Services**

# LEEDS CITY COUNCIL

## 2011/12 BUDGET REPORT

### Directorate: Children's Services

#### 1 Introduction

1.1 This report has been produced in order to inform members of the main variations and factors influencing the budget for the 2011/12 financial year. The budget for 2011/12 needs to be seen within the context of increasing local service demand, significant national policy developments, including the redefined role of the Local Authority as set out in the Education Bill, the local performance challenges for Children's Services previously reported to Executive Board, and significantly reduced levels of government funding.

#### 2 Service Context

2.1 There are 180,000 children in Leeds aged under 19 and it is the Council's statutory responsibility and duty to safeguard and promote the welfare of these children and young people. The Children's Trust Board has agreed the overall vision and approach to improving outcomes for children and young people in Leeds. A simpler and clearer Children and Young People's Plan is being developed. The draft plan for 'Leeds – a child friendly city' is structured around five key outcomes for children and young people in the city:

- Are safe from harm
- Do well in learning and have the skills for life
- Choose healthy lifestyles
- Have fun growing up, and
- Are active citizens who feel they have voice and influence.

The Children and Young People's Plan will provide a shared vision and framework for children's services and partners across the city which is particularly important as we move towards a more integrated model of service delivery in localities. This will require collective effort from all partners to improve outcomes and manage the significant financial pressures.

2.2 The 2011/12 financial year is yet another significant year for the Children Services Directorate. The creation of the new integrated Children's Services Directorate, together with the cessation of Education Leeds as a separate company, provides a critical opportunity to fundamentally review the whole Children's Services budget to better support the new priorities, respond to the outcomes of the Spending Challenge consultation, and the 2011/12 budget strategy and medium-term financial plan. This needs to be seen in the light of changing national policy, increasing service demands and the challenging financial climate. Our financial planning processes are embedded into the overall service review and improvement programme to ensure that ongoing investment and disinvestment decisions provide good value for money and improved performance.

2.3 There has been a significant reduction in national grants and funding for Children's Services, both through the Government's emergency budget in 2010 and also in the Comprehensive Spending Review and Local Government Financial settlement. In

2010/11 the Council received £625.4m in national grants and funding for Children's Services, this was reduced in-year to £617.8m, a 1.2% reduction. As part of the Local Government Finance settlement, a further reduction was made, with the allocation being £608.3m (which includes the new Pupil Premium of £8.6m) giving an overall reduction of £17.1m, or 2.7% from the 2010/11 allocations. This funding reduction is set against the context of significantly increasing demands for services, such as placements for looked after children. In line with the consultation feedback around prioritising resources and services which support the vulnerable, the Children's Services budget for 2011/12 has been set within an overall strategy which seeks to protect the services that support the most vulnerable children, young people and families in the City. The budget strategy also recognises the continuing demand pressures around the number of requests for service, the increasing number of referrals to social care, increasing numbers of children with a child protection plan and the increasing number of children and young people looked after in the care system.

- 2.4 The report to Executive Board in December 2010 outlined the proposed new leadership and management model for Children's Services. These proposals recognise the extremely challenging financial context in which the ambitious change and improvement programme needs to be implemented and the need for efficiencies has been a central consideration throughout the re-design process. This need for financial savings has been balanced by the imperative to provide the right interventions and support at the right time to children and young people and to create a whole system that underpins this. The feedback from the Spending Challenge consultation was that the Council should reduce the cost of management and we have identified efficiencies that will be delivered through the corporate early leaver initiative and also through the deletion of vacant posts. In the medium-term, it is the ability to better manage the placement and referral process for vulnerable children and young people that offers the greatest potential for achieving sustainable efficiencies. The new leadership and management model has been designed to do this through a stronger overall system for supporting and safeguarding children and young people in Leeds.
- 2.5 The integration of services will provide radical opportunities to deliver many services in new ways, bringing together the best of voluntary, private and other statutory sector partners in localities and shaping more services around our schools and children's centres. This is very much in line with the key results from the spending challenge consultation around working jointly with other organisations to deliver services. This is a move towards a more flexible, locality based model of service delivery with local teams working within clusters of schools, drawing on a range of skills sets to deliver intensive support services to the children, young people and families that need them most. Importantly, revised arrangements for social care teams will provide a clearer focus on looked after children and support more manageable child protection case loads. These changes are set within a context of rising numbers of referrals and assessments, and it is envisaged that this new whole system approach, with an emphasis on prevention and intervention, will impact on the numbers of referrals to social care, and ultimately the numbers of looked after children, and therefore cost.
- 2.6 Recognising the emerging strategic structure of the new Children's Services Directorate, the budget has been prepared within the four service groupings;
- Learning, Skills & Universal Services
  - Safeguarding, Targeted & Specialist Services

- Strategy, Commissioning & Performance
- Partnership Development and Business Support

Whilst significant work has been done as part of the budget process to review the budgets across Children's Services, there is still work needed to restructure individual teams and to review the detail of all the budgets to support the delivery of the strategic outcomes and priorities. This review will be based on the principles of zero-based budgeting and because of the fundamentally different approach, will inevitably require further realignment of budgets and resources, based on assessment of need and priorities.

### 3 Explanation of variations between adjusted 2010/11 and 2011/12 - £12,452k Cr (-8.8%)

3.1 The variation can be summarised as follows:

	£000s
Net Managed Budget 2010/11	148,933
Adjustments	
• Transfers of functions	- 2,474
• Other adjustments	- 4,537
Adjusted Net Managed Budget 2010/11	141,922
Changes in Prices	
• Pay	490
• Price	290
• Income	- 258
	522
Service Budget Changes	
• Service Investments	11,210
• Changes in Service Levels	- 5,203
• Other Factors not affecting level of service	- 14,257
• Efficiency Savings	- 4,723
	- 12,973
Net Managed Budget 2011/12	129,471

## **3.2 Key Adjustments**

- 3.2.1 A budget adjustment of £1.93m has been made in 2011/12 as part of finalising the dis-aggregation of support functions and associated budget recharges between Children's Services and Adults Social Care.
- 3.2.2 As part of the creation of the new Directorate, and in line with the corporate strategy around the provision of support services, the Finance and Human Resources functions from Education Leeds will transfer to the Resources Directorate. An adjustment of £1.75m has been made in the 2011/12 budget to reflect this transfer.
- 3.2.3 A consequence of the cessation of Education Leeds as a separate company is the need to change the accounting treatment of central recharges. As a result, the Children's Services net managed budget will reduce by £2.83m with a contra adjustment in the Resources Directorate.

## **3.3 Changes in prices**

- 3.3.1 No provision has been made for a pay award in 2011/12, although the budget includes provision of £0.5m for the increase in employer's National Insurance contributions. In addition, provision has been made for the full-year effect of the 2.3% teachers 2010 pay award.
- 3.3.2 Price increases for 2011/12 are provided for at a general level of 0%, with specific exceptions where applicable. Inflationary increases in the level of fees, charges and income from other organisations have been estimated for at a general level of 3%. The budget also includes provision for the increase in premature retirement costs for school based staff in line with CPI of 3.1%.
- 3.3.3 As part of enabling the children's centres to become financially sustainable, there is a need to consider the provision of subsidised childcare and the level of nursery fees. The current fee is £30 per day it is proposed to increase this by £2 per day, an increase of 6.67%, from April 2011. Consultation has been undertaken with service users and a full Equality Impact Assessment has been completed to inform this decision. This increased fee compares with an average daily fee of £36 across other private, voluntary and independent providers. The Government expects many parents to pay for their childcare, but then provides financial assistance to pay for these nursery fees. Working parents on low or modest income can receive up to 70% assistance (reduced from 80% assistance in 2010/11) with their nursery fee through the childcare element of working tax credit. Many parents not entitled to this working tax credit receive assistance through the 'salary sacrifice' childcare voucher schemes. In addition, parents will continue to benefit from a range of subsidies and support including;
- 15 hours of free nursery education for 3/4 year olds (which equates to 30% of the weekly fee during term-time),
  - The 10% discount for 2<sup>nd</sup> and subsequent children will remain.
  - 15 hours of free nursery education for 2 year olds where the family claims income support (the number of 2 year olds benefiting from free provision will increase as part of the programme to extend free early education and play experiences for all 2 year olds that are economically disadvantaged).
  - Parents starting an educational course prior to their 20<sup>th</sup> birthday can have their childcare costs fully reimbursed through the 'Care to Learn' scheme and many Higher Education students receive 85% of their fee reimbursed through

the HE Student Support Grant. Further Education students may also have their fee paid for by their college.

- Children's Services operates a vulnerable children's fund for children at risk and can offer a free place, or discretionary fees, for a period of time for families in difficulty. Parents/carers also have access to a full range of services including: the credit union scheme, Citizens Advice Bureau for debt counselling and also advice around maximising welfare benefits.
- The provision to waive the fee where a parent/carer is suffering significant financial hardship will also be retained.

3.3.4 The budget for 2011/12 again recognises the need to review the level of base budget funding which supports the provision of out of school residential experiences at Herd Farm. The strategy for Herd Farm is for it to become self-financing by 2013/14 onwards, which in 2011/12 will be achieved by identifying further cost efficiencies, for example through a new staffing structure, and also by generating additional income through increasing charges. The proposal is to raise the schedule of charges by 10% from September 2011 which in 2011/12 will generate additional income of £11k. An Equality Impact Assessment is in place.

3.3.5 In addition, an average 3% increase in Music Centre fees has been provided for to take effect from September 2011.

### **3.4 Changes in Service Levels**

3.4.1 The budget for 2011/12 prioritises resources to support the most vulnerable children and young people in the city. The budget provides significant investment of £11.2m to support the continuing improvements in safeguarding and child protection and the budget also recognises the demand pressures, particularly in the rising cost of accommodation for those children and young people who are looked after.

3.4.2 Clearly, there is a need to address the increasing numbers of referrals to children's social care and the increasing number of children entering the care system. The integrated Children's Services Directorate together with the whole system reconfiguration and integration of services at a locality level, with services wrapped around schools and children's centres, is a key part of managing demand. In addition, processes have already been strengthened for managing the entry into the care system and services are being refocused to ensure a speedy initial response. As part of continuing to strengthen the care planning processes, there is a focus on additional quality assurance of care plans, increasing the use of orders such as special guardianship and residence orders and additional investment in adoptive parents to increase the timeliness of adoptions and free-up existing placement capacity. In terms of managing the mix of placement provision, there is a continuing need to invest in the in-house capacity which will include the recruitment of additional foster carers and re-modelling of the in-house residential estate to expand provision through creating shared care provision and improved provision for transitions to leaving care. Strengthened commissioning and contracting processes across all external placement provision will support this overall children's placement strategy and sufficiency action plan.

3.4.3 As part of this overall investment, to support and sustain the improvement in safeguarding and child protection, the budget includes a £1.3m investment to create an Integrated Safeguarding Unit which will continue to strengthen the child protection, care planning processes and independent reviewing functions. Also, as part of the ongoing work around re-designing the children and young people's social care



functions, the overall budget supports additional resources into social care fieldwork through additional Advanced Practitioner (£0.5m) and Social Worker posts (£1.1m).

3.4.4 In addition to the demand pressures around placement provision, the budget also recognises demand and cost pressures around the provision of legal advice and fees, and the cost of transport for Looked After Children.

3.4.5 From April 2011, the Government has created a new “Early Intervention” core revenue grant which has been formed by combining a number of previous specific grants (£27.3m), for example the Sure Start, Early Years and Childcare grant and also a number of funding streams previously included in the Area Based grant (£11.4m), for example Connexions. As per the table below, the value of the Early Intervention grant is £30.7m in 2011/12 which is £7.9m (21%) less than the sum of the previous grant & funding allocations.

	<b>£'000</b>
Original Grant Allocations - 2010/11	38,657
Reductions in 2010/11	<u>(5,082)</u>
	33,575
Reductions in 2011/12	<u>(2,864)</u>
Early Intervention Grant	<u>30,711</u>

The Early Intervention Grant is not ring-fenced and as such spending priorities are determined locally. In accordance with the overall budget strategy, the £30.7m allocation for 2011/12 has been prioritised to fund targeted and specialist services.

3.4.6 In addition, there are a number of funding streams that were previously included within the former Area Based Grant and which from April 2011 have been built into the Council’s formula grant. These funding streams include Child and Adolescent Mental Health Services (CAMHS), Care Matters, Carers Grant (Children’s element) and the grant to fund the transfer of the Learning and Skills Council team.

3.4.7 In addition, the budget strategy also recognises that there are reductions across a number of other specific grants (£1.2m) and Area Based Grant funding streams (£8.2m). It should be noted that information is still outstanding on a number of funding allocations including music, extended rights to free transport, substance misuse and youth justice, and there is a risk that the amounts included in the budget may be different to the final allocation.

3.4.8 More radical ways of working are needed for universal youth work and it is proposed that reconfigured and integrated universal services for young people are delivered in localities with strong leadership by area committees and with effective partnerships between the statutory, private and voluntary sector, to ensure that maximum services are delivered directly to young people for less cost. This will involve a radical review of the current mix of centre and street based provision, a sharp, targeted focus on meeting the needs of vulnerable and economically disadvantaged young people and an enhanced role for the community based voluntary sector providers that can demonstrate outcomes and cost effectiveness.

3.4.9 There are already a number of services that are commissioned from external partners. Recognising the reductions in grant funding, and the need to prioritise resources towards the strategic priorities, there has been a review of all contracts, service agreements and grants across children’s services. This review of all commissioned activity has focused on service outcomes, quality and value for money, and has also taken into account the outcomes of equality and economic

impact assessments. Representatives from 'umbrella' Voluntary, Community and Faith Sector infrastructure organisations were consulted on the review process and methodology prior to its use. There has been consultation and engagement with provider organisations on the outcomes and recommendations from the review to inform the final decisions which will take place following the February full Council meeting. One of the intended products of the review is to make savings which can contribute to investments in priority areas, such as the funding of the Play Builder developments. Going forward, similar challenge and review processes will be put in place for all externally and internally provided services as we move towards a locality based mode of provision.

- 3.4.10 We are reviewing the provision of educational support for young people/adults with learning disabilities at Vine. The current financial model is not sustainable in the medium-term and there are additional issues around the current accommodation. We are in the process of securing funding from the Young People's Learning Agency for the learning delivery and exploring more suitable accommodation. A report detailing proposals for the sustainable delivery of the services currently provided through Vine will be brought to Executive Board for a decision in June 2011.
- 3.4.11 The 2010/11 financial year saw the completion of the children's centre programme and there are now a total of 58 centres which are located across every community in Leeds. These centres, which provide early education, childcare and wider family support, care and health services, are a fundamental part of narrowing the gap between the most and least advantaged families in the most disadvantaged areas of Leeds. The centres are funded through a mixture of core grant funding (the new Early Intervention grant), early education funding, childcare fee income as well as base budget. Following on from the efficiencies made in previous financial years, a target reduction of £1.5m in the level of base budget support is included in the 2011/12 budget. This reduction, which is part of the medium-term strategy to enable these centres to be sustainable, will be achieved by continuing to target value for money and increasing occupancy levels.
- 3.4.12 The Education Bill redefines the role of the Local Authority with the leadership of school improvement transferring to schools. This together with the removal of Area Based Grant for School Development activities has required a fundamental redesign of the range of school improvement services to be provided by the Local Authority. School Improvement and National Strategy teams are being streamlined to ensure delivery of statutory responsibilities (including leading intervention in schools that require additional support), build capacity in the school system to enable schools to become more accountable for what they do, promote the sharing of best practice and provide a range of services on a traded basis saving £2.1m. Consultation has taken place with schools to develop an enhanced prospectus of services to be offered.
- 3.4.13 Recognising the significant reductions in funding, there is an overall net reduction of 232 full-time equivalent posts across Children's Services. These will be achieved through the early leaver initiative and the deletion of vacant posts. As a consequence of the integration of Education Leeds to the Council, 103 posts will move to the Resources Directorate in respect of the transfer of Finance and Human Resource functions. Continuing support will continue to be provided to Children's Services through these corporately managed functions.
- 3.4.14 In respect of Special Education Needs transport, savings of £0.7m have been built into the budget, which will be achieved through independent travel initiatives and taxi procurement efficiencies.

3.4.15 The dedicated schools grant (DSG) is a ring-fenced grant that funds both schools and central schools budgets. This grant is to be revised in 2011/12 to include many grants paid in 2010/11. The table below shows the grants transferred into the dedicated schools grant for Leeds totalling £70.786m in 2011/12.

<b>Grant</b>	<b>Trsfr to DSG (£m)</b>
School Standards Grant	16.720
Schools Standards Grant (Personalisation)	5.644
School Development Grant (Main, Post-LIG Deprivation and Transition, Specialist Schools, High Performing Specialist Schools)	31.654
School Lunch Grant	1.147
Ethnic Minority Achievement (EMAG)	2.352
1-2-1 Tuition	3.685
Extended School Sustainability	2.645
Extended School Subsidy	2.559
National Strategies (Primary) *	2.872
National Strategies (Secondary) *	1.232
Diploma Formula Grant	0.276
<b>Total</b>	<b>70.786</b>

(\*) It should be noted that the actual grants received in 2010/11 under National Strategies were higher than the figures transferred, and £1.25m of National Strategies grants paid in 2010/11 have been removed in the transfer.

3.4.16 The consolidation of the £70.786m above into the DSG increases the Leeds guaranteed unit of funding (GUF) by £709.29 per pupil to give a new Leeds GUF of £4,945.95 per fte pupil for 2011/12. The national average funding per pupil through the dedicated schools grant is not proposed to increase over the four year funding period.

3.4.17 The 3 and 4 yr old Flexible Pathfinder Early Years grant has been removed but the additional hours provided to Nursery pupils are to be counted in the Dedicated Schools Grant. In 2010/11 the DSG was also supported by £1.9m of area based grant (ABG) which has been removed in 2011/12.

3.4.18 The DSG will be based on the January pupil level annual school census (PLASC) and Early Years census. It is estimated that Secondary numbers aged 11 to 15 will reduce by 500 due to falling rolls. Primary numbers aged 5 to 10 will increase by 700 and early years numbers will increase by approximately 200, both due to rising rolls.

3.4.19 Based on estimated pupil numbers of 101,274 the Leeds DSG for 2011/12 is £500.896m.

<b>Dedicated Schools Grant (DSG)</b>	<b>2010/11 £000</b>	<b>2011/12 £000</b>	<b>Change £000</b>
Gross DSG	422,958	500,896	77,938
Academy Recoupment	(9,350)	(32,100)	(22,750)
DSG Available to LCC	413,608	468,796	55,188
The available DSG supports			
Private, Voluntary and Independent Nursery Education	8,290	11,264	2,974
Education – Individual Schools Budget and Central Schools Budget	405,318	457,532	52,214
DSG Deployed	413,608	468,796	55,188

- 3.4.20 The funding received by an individual school will be protected through a minimum funding guarantee. Under the guarantee, funding per pupil received by schools from most formula factors may not reduce by more than 1.5% from the funding per pupil received in 2010/11, inclusive of grants transferred.
- 3.4.21 In addition to the above changes, the Government is introducing a pupil premium that will be paid to Local Authorities to be passed directly to schools. The grant will be paid based on the following qualification criteria:
- £430 per pupil eligible for free school meals
  - £430 per Looked After Child
  - £200 per pupil identified as a 'Service child' (children of armed forces personnel)
- 3.4.22 In total Leeds should receive at least £8.6m of additional funding through this grant in 2011/12. Where pupils qualify in more than one category schools will receive funding in each qualifying category.
- 3.4.23 Funding for School Sixth Forms and pupils aged over 16 in Special Schools or on outside placements is provided by the Young Persons Learning Agency (YPLA). However, the funding currently received by Sixth Forms is higher than that paid to Sixth Form Colleges and FE Colleges. The YPLA propose to reduce school post-16 funding to the College funding level on a phased basis. However a protection mechanism is to be introduced ensuring that funding does not reduce by more than 3% per funded learner between 2010/11 and 2011/12.
- 3.4.24 Nationally, within the funding settlement, there is no funding in the DSG for inflation over the four year funding period and there is an assumption that schools will make £1bn of efficiency savings from within their current funding. Whilst there is a public sector pay freeze, there are still additional cost pressures on school budgets. For 2011/12 these include;
- Full year effect of the September 2010 2.3% teacher pay award
  - Utilities inflation of 6% to 8%
  - Inflation on contracts e.g. PFI, catering (increased provisions cost)
  - Additional accommodation / in year pupil number growth in Primary
  - Funding for Inclusion (FFI) changes / growth
- 3.4.25 Within the Central Schools Budget (funded by the DSG), provision of £0.3m has been included within the budget for inflationary increases. The costs of educating pupils with special educational needs (SEN) through outside placements are expected to increase by £0.2m; additional contribution to combined budgets is £0.3m; school admissions has

increased by £0.1 to deliver service improvements through the use of the contact centre; the provision for the autism outreach service has increased by £0.2m; increased tribunal costs are estimated at £0.4m and SEN recoupment has gone up by £0.1m.

3.4.26 These pressures are offset by reductions in the following:

- School Contingency - £0.2m.
- School maternity cover - £0.2m.
- The cost of educating pupils other than at school and undertaking alternative programmes - £0.5m.
- Staffing savings of £1.4m have been achieved through the deletion of vacant posts and the early leaver initiative on a range of services (City Learning Centres, pupil planning, SEN and study support).
- Additional study support traded income of £0.2m.

### 3.5 Efficiency savings

3.5.1 As discussed at paragraph 2.4, the creation of the new Children’s Services Directorate has provided an opportunity to fundamentally review the leadership and management structure. Whilst being fit for purpose, the new leadership and management structure will deliver significant financial savings in 2011/12 through the corporate early leaver initiative and through the deletion of vacant posts.

3.5.2 The budget strategy included a general principle that all supplies and services budgets would be reduced by 25% in cash-terms. As part of this detailed review of budgets, savings of £0.8m have been identified and included in the budget.

3.5.3 As mentioned at paragraph 3.4.11, efficiencies of £0.7m will be achieved through independent travel initiatives and taxi procurement efficiencies in Special Education Needs.

## 4 Net Revenue Charge

4.1 The following table provides a summary of the net revenue charge for the service which brings together the net managed budget and those budgets managed outside the service.

	£000s
Net Managed Budget	129,471
Managed Outside Service	58,132
Net Cost of Service	187,603
Transfers to/from earmarked reserves	- 7,082
Net Revenue Charge	180,521

## 5 Risk Assessment

5.1 In determining the 2011/12 budget, consideration has been given to all the risks which are managed within the directorate's overall risk management framework. Within this framework, a register of those items considered to carry the highest risk and therefore requiring careful and regular monitoring has been prepared.

5.2 The key risks in the 2011/12 budget for this directorate are as follows;

- Given the current financial and economic climate, there is a heightened risk within the budget which relates to the level of demand and activity, particularly within the social care and looked after children budgets. The number of looked after children and children in need placed significant pressures on the budget in 2010/11 and these continuing pressures have been recognised in the 2011/12 budget strategy. The reconfiguration and integration of services at a locality level, wrapped around universal services such as schools and children's centres, is a key part of the whole system strategy which is designed to manage the increase in demand and referrals.
- Following the significant reduction in specific Government grant funding, the budget strategy for 2011/12 includes additional income from the trading of certain functions with schools of £0.7m. There is a risk that this traded income might not be fully realised.
- There are a number of funding allocations which are still outstanding (music, extended rights to free transport, substance misuse and youth justice) where there is a risk that the level assumed in the budget might not be realised when the final allocation is known.

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## Service Context:

- There are 180,000 children in Leeds aged under 19 and it is the Council's statutory responsibility and duty to safeguard and promote the welfare of these children and young people. The Children's Trust Board has agreed the overall vision and approach to improving outcomes for children and young people in Leeds. A simpler and clearer Children and Young People's Plan is currently being developed. The draft plan for 'Leeds – a child friendly city' is structured around five key outcomes for children and young people in the city:
  - Are safe from harm
  - Do well in learning and have the skills for life
  - Choose healthy lifestyles
  - Have fun growing up, and
  - Are active citizens who feel they have voice and influence.

The Children and Young People's Plan will provide a shared vision and framework for children's services across the city which is particularly important as we move towards a more integrated model of service delivery in localities, which requires collective effort from all partners to improve outcomes and manage the significant financial pressures.

- The 2011/12 financial year is yet another significant year for the Children Services Directorate. The creation of the new integrated Children's Services Directorate, together with the cessation of Education Leeds as a separate company, provides a critical opportunity to fundamentally review the whole Children's Services budget to better support the new priorities, the 2011/12 budget strategy and medium-term financial plan. This needs to be seen in the light of changing national policy, service demands and the financial climate. Our financial planning processes are embedded into the overall service review and improvement programme to ensure that investment and disinvestment decisions provide good value for money and improved performance.
- There has been a significant reduction in national grants and funding for Children's Services, both through the Government's emergency budget in 2010 and also in the Comprehensive Spending Review and Local Government Financial settlement. In 2010/11 the Council received £625.4m in national grants and funding for Children's Services, this was reduced in-year to £617.8m, a 1.2% reduction. As part of the Local Government Finance settlement, a further reduction was made, with the allocation being £608.3m, which includes the new Pupil Premium of £8.6m, meaning an overall reduction of 2.7% from the 2010/11 allocations. This funding reduction is set against the context of significantly increasing demands for services, such as placements for looked after children. The budget for 2011/12 has been set within an overall strategy which seeks to protect the services that support the most vulnerable children, young people and families in the City. The budget strategy also recognises the continuing demand pressures around the number of requests for service, the increasing number of referrals to social care, increasing numbers of children with a child protection plan and the increasing number of children and young people looked after in the care system.
- The integration of services will provide radical opportunities to deliver many services in new ways, bringing together the best of voluntary, private and other statutory sector partners in localities and shaping more services around our schools and children's centres. This is a move towards a more flexible, locality based model of service delivery with local teams working within clusters of schools, drawing on a range of skills sets to deliver intensive support services to the children, young people and families that need them most. Importantly, revised arrangements for social care teams will provide a clearer focus on looked after children and support more manageable child protection case loads. These changes are set within a context of rising numbers of referrals and assessments, and it is envisaged that this new whole system approach, with an emphasis on prevention and intervention, will impact on the numbers of referrals to social care, and ultimately the numbers of looked after children, and therefore cost.



## Children's Services



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- Recognising the emerging strategic structure of the new Children's Services Directorate, the budget for 2011/12 has been prepared within the four service groupings;
    - Learning, Skills & Universal Services
    - Safeguarding, Targeted & Specialist Services
    - Strategy, Commissioning & Performance
    - Partnership Development and Business Support

Whilst significant work has been done as part of the budget process to review the budgets across Children's Services, there is still work needed to restructure individual teams and to review the detail of all the budgets to support the delivery of the strategic outcomes and priorities. This review will be based on the principles of zero-based budgeting and because of the fundamentally different approach, will inevitably require further realignment of budgets and resources, based on assessment of need and priorities.



## Children's Services

Summary of budget by service (£000)

Budget Manager	Service	Total 2010/11	Managed by the Service			Managed Outside the Service	Total 2011/12
			Spending	Income	Net		
Chief Officer of Partnership, Development & Business Support	Partnership Dev. & Business Support	38,948	16,673	(4,706)	11,968	14,462	26,429
Deputy Director of Learning, Skills and Universal Services	Learning, Skills & Universal Services	25,762	73,545	(61,272)	12,274	3,498	15,772
Deputy Director of Safeguarding, Targeted & Specialist Serv	Safeguarding, Targeted & Specialist	95,573	132,786	(43,735)	89,050	4,252	93,302
Chief Officer of Strategy, Commissioning and Performance	Strategy, Commissioning & Performance	35,657	73,058	(56,879)	16,179	35,920	52,100
Net Cost of Service		195,940	296,062	(166,591)	129,471	58,132	187,603
	Transfers to and from earmarked reserves	(5,155)	0	0	0	(7,082)	(7,082)
Net Revenue Charge		190,785	296,062	(166,591)	129,471	51,050	180,521

# Children's Services

## Summary of budget by type of spending or income

£000	Budget 2010/11	Budget 2011/12
<b>Employees</b>		
Direct Pay Costs	59,201	82,331
Agency And Temporary Staff	69	71
National Insurance Contributions	4,669	6,161
Superannuation Costs	8,190	11,001
Other Pension Costs	7,627	8,773
Other Employee Related Costs	186	316
Training And Development	1,327	916
	<b>81,269</b>	<b>109,569</b>
<b>Premises</b>		
Buildings Maintenance	106	249
Grounds Maintenance	41	45
Building Security	76	104
Cleaning And Workplace Refuse	1,132	1,348
Gas	293	404
Electricity	249	379
Other Utilities	120	170
Rents	469	505
NDR	426	684
Accommodation Charges	188	428
Premises Related Insurance	70	21
	<b>3,172</b>	<b>4,336</b>
<b>Supplies &amp; Services</b>		
Materials And Equipment	2,383	2,310
Stationery And Postage	353	1,082
Advertising	59	103
IT/Telecommunications	1,137	1,810
Insurance	205	194
Events And Projects	224	695
Professional Fees and Subscriptions	19,927	753
Grants And Contributions	9,086	1,484
Services From Education Leeds	459	0
Allowances	228	199
Consultancy Services	83	76
External Audit Fees	17	14
Security Services	24	44
Other Hired And Contracted Services	61,973	54,862
Publication And Promotion	96	40
PFI Unitary Charges	0	483
Education Leeds Contract Charge	59,781	0
Miscellaneous	1,244	1,360
	<b>157,279</b>	<b>65,510</b>
<b>Transport</b>		
Vehicles And Plant Related Expenditure	238	324
Travel Allowances	1,339	2,273
Fuel	52	65
Private Hire	134	4,977
Transport Related Insurance	4	7
	<b>1,767</b>	<b>7,645</b>
<b>Internal Charges</b>		
Managed Recharges Frm Other Directorates	16,983	26,234

# Children's Services

## Summary of budget by type of spending or income

£000	Budget 2010/11	Budget 2011/12
Internal Charges		
Distributed Grants	52,085	9,096
	69,068	35,330
Agency Payments		
Services Provided By Other Organisations	10,697	20,145
Services by Independant/Special Schools	0	7,300
General External Residential Placements	0	12,324
Independent Fostering Agencies	0	5,350
Services Rendered By Health Authorities	0	186
Contribution To Partnerships	0	80
Inhouse Fostering	0	14,552
Care Leavers	0	3,491
Adoption	0	2,522
Payments To Voluntary Organisations	1,922	1,206
Fees To Carers	22,076	562
	34,695	67,718
Transfer Payments		
Education Awards	0	0
School Clothing Vouchers	570	647
Transfers To/From PFI Reserves	(868)	928
Allowances For Children	100	104
Social Care Direct Payments	416	416
Child Trust Fund Top-Up Payments	31	23
Young People's Activities (Connexions)	1,329	0
Transfer Of Surplus	13	18
	1,592	2,136
Capital		
RCCO (Revenue Contribution To Capital)	1,000	1,000
Schools Contingency	2,700	2,550
	3,700	3,550
Appropriations		
Transfers To/From Earmarked Reserves	(293)	(786)
	(293)	(786)
Appropriation		
Transfers To/From Capital Reserve	695	1,055
	695	1,055
Managed Expenditure	352,944	296,062
Internal Income		
Income From Other Directorates	(19,407)	(26,344)
Recharges Income From Capital	(179)	(179)
Redistribution Of Grants Income	(2,777)	(3,406)
	(22,362)	(29,928)
Income - Grants		
Government Grants	(130,442)	(85,221)
DCLG Grants	(31,526)	(31,303)
Other Grants	(9)	0
	(161,976)	(116,523)
Income - Charges		
Sale Of Goods And Services	(1,237)	(2,505)
Fees And Charges	(12,051)	(12,460)

# Children's Services

## Summary of budget by type of spending or income

£000	Budget 2010/11	Budget 2011/12
Income - Charges		
Education Income	(508)	(476)
Contributions	(3,532)	(3,723)
Other Income	(1,003)	(540)
Rents	(1,339)	(433)
	(19,670)	(20,138)
Income - Other		
Interest And Dividends	(3)	(2)
	(3)	(2)
Managed Income	(204,012)	(166,591)
<b>Net Managed Budget</b>	<b>148,933</b>	<b>129,471</b>
Accounting Adjustments		
FRS 17 Costs	5,197	7,103
Vehicles And Plant (Non Leasing)	(21)	(21)
Transfers To/From Statutory Reserves	(5,172)	(7,103)
Transfers to Capital Reserve - Vehicles	21	21
Capital Charges	31,427	36,359
	31,452	36,359
Central Recharges		
Central Recharges Expenditure	10,502	15,106
Corporate & Democratic Core Income	(155)	(415)
	10,347	14,691
Other Internal Adjustments		
Internal Reallocations Charges	11,940	43
Internal Reallocations Income	(11,887)	(43)
	53	0
Managed Outside the Service	41,853	51,050
<b>Net Cost of Service</b>	<b>190,785</b>	<b>180,521</b>

# Children's Services

Budget Manager : Chief Officer of Partnership, Development & Business Support

Partnership Dev. & Business Support			
	£000	Budget 2010/11	Budget 2011/12
<b>Employees</b>			
Direct Pay Costs		445	2,596
National Insurance Contributions		141	194
Superannuation Costs		256	338
Other Pension Costs		7,235	8,154
Other Employee Related Costs		0	13
Training And Development		106	179
		8,183	11,474
<b>Premises</b>			
Buildings Maintenance		1	0
Cleaning And Workplace Refuse		1	0
Premises Related Insurance		13	0
		14	0
<b>Supplies &amp; Services</b>			
Materials And Equipment		72	35
Stationery And Postage		136	487
IT/Telecommunications		314	366
Insurance		1	4
Professional Fees and Subscriptions		601	48
Grants And Contributions		177	0
Allowances		2	2
Consultancy Services		30	20
External Audit Fees		10	9
Security Services		0	16
Other Hired And Contracted Services		536	265
Publication And Promotion		12	10
Education Leeds Contract Charge		59,781	0
Miscellaneous		3	3
		61,674	1,265
<b>Transport</b>			
Travel Allowances		19	34
Fuel		17	20
Transport Related Insurance		0	1
		36	55
<b>Internal Charges</b>			
Managed Recharges Frm Other Directorates		1,495	2,336
Distributed Grants		60	0
		1,554	2,336
<b>Agency Payments</b>			
Services Provided By Other Organisations		0	80
		0	80
<b>Transfer Payments</b>			
School Clothing Vouchers		570	647
Transfers To/From PFI Reserves		(868)	928
		(298)	1,574
<b>Capital</b>			
Schools Contingency		500	500
		500	500
<b>Appropriations</b>			
Transfers To/From Earmarked Reserves		(293)	(612)

# Children's Services

Budget Manager : Chief Officer of Partnership, Development & Business Support

Partnership Dev. & Business Support			
	£000	Budget 2010/11	Budget 2011/12
Appropriations		(293)	(612)
Managed Expenditure		71,371	16,673
Internal Income			
Income From Other Directorates		(662)	(1,362)
Redistribution Of Grants Income		(60)	0
		(722)	(1,362)
Income - Grants			
Government Grants		(31,458)	(3,341)
		(31,458)	(3,341)
Income - Charges			
Fees And Charges		(32)	(1)
Contributions		(342)	0
Other Income		(41)	0
Rents		(914)	(1)
		(1,329)	(2)
Managed Income		(33,508)	(4,706)
<b>Net Managed Budget</b>		<b>37,863</b>	<b>11,968</b>
Accounting Adjustments			
FRS 17 Costs		640	2,771
Transfers To/From Statutory Reserves		4	0
Capital Charges		0	36
		644	2,807
Central Recharges			
Central Recharges Expenditure		8,536	12,081
Corporate & Democratic Core Income		(155)	(415)
		8,381	11,666
Other Internal Adjustments			
Internal Reallocations Charges		312	0
Internal Reallocations Income		(8,251)	(12)
		(7,939)	(12)
Managed Outside the Service		1,085	14,462
<b>Net Cost of Service</b>		<b>38,948</b>	<b>26,429</b>

# Children's Services

Budget Manager : Deputy Director of Learning, Skills and Universal Services

Learning, Skills & Universal Services			
	£000	Budget 2010/11	Budget 2011/12
<b>Employees</b>			
Direct Pay Costs		20,516	29,118
Agency And Temporary Staff		49	40
National Insurance Contributions		1,617	2,305
Superannuation Costs		2,912	4,074
Other Pension Costs		248	405
Other Employee Related Costs		63	111
Training And Development		130	105
		25,535	36,158
<b>Premises</b>			
Buildings Maintenance		7	98
Grounds Maintenance		25	25
Building Security		54	82
Cleaning And Workplace Refuse		777	924
Gas		183	250
Electricity		177	270
Other Utilities		80	114
Rents		378	389
NDR		352	477
Accommodation Charges		188	187
Premises Related Insurance		38	12
		2,259	2,830
<b>Supplies &amp; Services</b>			
Materials And Equipment		794	775
Stationery And Postage		121	222
Advertising		15	2
IT/Telecommunications		250	519
Insurance		56	70
Events And Projects		195	184
Professional Fees and Subscriptions		12,977	429
Grants And Contributions		761	109
Services From Education Leeds		437	0
Allowances		2	7
Consultancy Services		0	8
External Audit Fees		7	5
Security Services		21	28
Other Hired And Contracted Services		5,277	1,591
Publication And Promotion		12	5
Miscellaneous		1,227	1,345
		22,153	5,299
<b>Transport</b>			
Vehicles And Plant Related Expenditure		136	209
Travel Allowances		108	377
Fuel		28	35
Private Hire		4	464
Transport Related Insurance		3	4
		279	1,090
<b>Internal Charges</b>			
Managed Recharges Frm Other Directorates		1,141	2,959
Distributed Grants		51,443	8,199

# Children's Services

Budget Manager : Deputy Director of Learning, Skills and Universal Services

Learning, Skills & Universal Services			
	£000	Budget 2010/11	Budget 2011/12
Internal Charges		52,584	11,159
Agency Payments			
Services Provided By Other Organisations		860	11,122
Services by Independant/Special Schools		0	3,013
		860	14,134
Transfer Payments			
Young People's Activities (Connexions)		1,329	0
		1,329	0
Capital			
RCCO (Revenue Contribution To Capital)		1,000	1,000
Schools Contingency		2,200	2,050
		3,200	3,050
Appropriations			
Transfers To/From Earmarked Reserves		0	(174)
		0	(174)
<b>Managed Expenditure</b>		<b>108,200</b>	<b>73,545</b>
Internal Income			
Income From Other Directorates		(615)	(3,300)
Redistribution Of Grants Income		(2,685)	(2,742)
		(3,301)	(6,042)
Income - Grants			
Government Grants		(79,699)	(48,025)
DCLG Grants		(496)	0
Other Grants		(9)	0
		(80,203)	(48,025)
Income - Charges			
Sale Of Goods And Services		(65)	(317)
Fees And Charges		(5,666)	(6,054)
Education Income		(190)	(160)
Contributions		(106)	(391)
Other Income		(253)	(165)
Rents		(83)	(118)
		(6,363)	(7,205)
<b>Managed Income</b>		<b>(89,868)</b>	<b>(61,272)</b>
<b>Net Managed Budget</b>		<b>18,332</b>	<b>12,274</b>
Accounting Adjustments			
FRS 17 Costs		1,481	1,096
Vehicles And Plant (Non Leasing)		(11)	(9)
Capital Charges		903	1,110
		2,373	2,198
Central Recharges			
Central Recharges Expenditure		1,050	1,266
		1,050	1,266



# Children's Services

Budget Manager : Deputy Director of Learning, Skills and Universal Services

Learning, Skills & Universal Services			
	£000	Budget 2010/11	Budget 2011/12
Other Internal Adjustments			
Internal Reallocations Charges		7,619	43
Internal Reallocations Income		(3,612)	(9)
		4,007	34
Managed Outside the Service		7,430	3,498
<b>Net Cost of Service</b>		<b>25,762</b>	<b>15,772</b>

# Children's Services

Budget Manager : Deputy Director of Safeguarding, Targeted & Specialist Serv

Safeguarding, Targeted & Specialist			
	£000	Budget 2010/11	Budget 2011/12
<b>Employees</b>			
Direct Pay Costs		36,270	44,904
Agency And Temporary Staff		20	28
National Insurance Contributions		2,760	3,213
Superannuation Costs		4,742	5,790
Other Pension Costs		142	193
Other Employee Related Costs		118	174
Training And Development		583	588
		44,635	54,888
<b>Premises</b>			
Buildings Maintenance		87	110
Grounds Maintenance		13	15
Building Security		11	7
Cleaning And Workplace Refuse		354	365
Gas		108	101
Electricity		69	81
Other Utilities		39	45
Rents		92	116
NNDR		69	99
Accommodation Charges		0	10
Premises Related Insurance		19	9
		861	959
<b>Supplies &amp; Services</b>			
Materials And Equipment		1,405	1,367
Stationery And Postage		92	337
Advertising		44	59
IT/Telecommunications		338	318
Insurance		148	120
Events And Projects		29	28
Professional Fees and Subscriptions		6,324	175
Grants And Contributions		7,928	1,374
Services From Education Leeds		22	0
Allowances		223	189
Consultancy Services		53	48
External Audit Fees		0	0
Security Services		3	0
Other Hired And Contracted Services		5,167	2,318
Publication And Promotion		10	1
PFI Unitary Charges		0	483
Miscellaneous		14	13
		21,802	6,831
<b>Transport</b>			
Vehicles And Plant Related Expenditure		101	113
Travel Allowances		1,187	1,678
Fuel		7	10
Private Hire		130	130
Transport Related Insurance		1	2
		1,426	1,933
<b>Internal Charges</b>			
Managed Recharges Frm Other Directorates		12,774	13,717

# Children's Services

Budget Manager : Deputy Director of Safeguarding, Targeted & Specialist Serv

Safeguarding, Targeted & Specialist			
	£000	Budget 2010/11	Budget 2011/12
Internal Charges			
Distributed Grants		583	897
		13,356	14,614
Agency Payments			
Services Provided By Other Organisations		9,837	8,574
Services by Independant/Special Schools		0	4,288
General External Residential Placements		0	12,324
Independent Fostering Agencies		0	5,350
Services Rendered By Health Authorities		0	186
Contribution To Partnerships		0	80
Inhouse Fostering		0	14,552
Care Leavers		0	3,491
Adoption		0	2,522
Payments To Voluntary Organisations		635	1,089
Fees To Carers		22,076	562
		32,548	53,018
Transfer Payments			
Education Awards		0	0
Allowances For Children		100	104
Social Care Direct Payments		416	416
Child Trust Fund Top-Up Payments		31	23
		547	543
<b>Managed Expenditure</b>		<b>115,175</b>	<b>132,786</b>
Internal Income			
Income From Other Directorates		(1,077)	(1,645)
Recharges Income From Capital		(179)	(179)
Redistribution Of Grants Income		(32)	(634)
		(1,287)	(2,457)
Income - Grants			
Government Grants		(15,737)	(30,093)
DCLG Grants		(66)	(344)
		(15,803)	(30,437)
Income - Charges			
Sale Of Goods And Services		(3)	(462)
Fees And Charges		(6,340)	(6,217)
Education Income		(318)	(315)
Contributions		(2,964)	(3,216)
Other Income		(651)	(317)
Rents		(342)	(314)
		(10,617)	(10,841)
<b>Managed Income</b>		<b>(27,707)</b>	<b>(43,735)</b>
<b>Net Managed Budget</b>		<b>87,467</b>	<b>89,050</b>
Accounting Adjustments			
FRS 17 Costs		2,895	3,089
Vehicles And Plant (Non Leasing)		(10)	(12)
Capital Charges		571	565
		3,455	3,641

# Children's Services

Budget Manager : Deputy Director of Safeguarding, Targeted & Specialist Serv

Safeguarding, Targeted & Specialist			
	£000	Budget 2010/11	Budget 2011/12
Central Recharges			
Central Recharges Expenditure		916	610
		916	610
Other Internal Adjustments			
Internal Reallocations Charges		3,736	0
Internal Reallocations Income		(1)	0
		3,735	0
Managed Outside the Service		8,106	4,252
<b>Net Cost of Service</b>		<b>95,573</b>	<b>93,302</b>

# Children's Services

Budget Manager : Chief Officer of Strategy, Commissioning and Performance

Strategy, Commissioning & Performance			
	£000	Budget 2010/11	Budget 2011/12
<b>Employees</b>			
Direct Pay Costs		1,970	5,714
Agency And Temporary Staff		0	3
National Insurance Contributions		151	449
Superannuation Costs		281	799
Other Pension Costs		1	21
Other Employee Related Costs		5	19
Training And Development		509	44
		2,917	7,048
<b>Premises</b>			
Buildings Maintenance		11	40
Grounds Maintenance		3	5
Building Security		11	14
Cleaning And Workplace Refuse		0	58
Gas		3	53
Electricity		3	27
Other Utilities		1	11
NDR		5	107
Accommodation Charges		0	231
		38	547
<b>Supplies &amp; Services</b>			
Materials And Equipment		112	133
Stationery And Postage		4	37
Advertising		0	41
IT/Telecommunications		235	608
Events And Projects		0	483
Professional Fees and Subscriptions		24	101
Grants And Contributions		220	0
Allowances		0	1
Other Hired And Contracted Services		50,992	50,688
Publication And Promotion		63	24
		51,650	52,114
<b>Transport</b>			
Vehicles And Plant Related Expenditure		0	2
Travel Allowances		25	184
Private Hire		0	4,382
		25	4,567
<b>Internal Charges</b>			
Managed Recharges Frm Other Directorates		1,574	7,221
		1,574	7,221
<b>Agency Payments</b>			
Services Provided By Other Organisations		0	369
Payments To Voluntary Organisations		1,287	117
		1,287	486
<b>Transfer Payments</b>			
Transfer Of Surplus		13	18
		13	18
<b>Appropriation</b>			
Transfers To/From Capital Reserve		695	1,055
		695	1,055

# Children's Services

Budget Manager : Chief Officer of Strategy, Commissioning and Performance

Strategy, Commissioning & Performance			
	£000	Budget 2010/11	Budget 2011/12
<b>Managed Expenditure</b>		58,199	73,058
Internal Income			
Income From Other Directorates		(17,053)	(20,037)
Redistribution Of Grants Income		0	(30)
		(17,053)	(20,067)
Income - Grants			
Government Grants		(3,547)	(3,761)
DCLG Grants		(30,964)	(30,959)
		(34,511)	(34,720)
Income - Charges			
Sale Of Goods And Services		(1,169)	(1,726)
Fees And Charges		(14)	(189)
Contributions		(120)	(116)
Other Income		(58)	(58)
		(1,361)	(2,090)
Income - Other			
Interest And Dividends		(3)	(2)
		(3)	(2)
<b>Managed Income</b>		(52,928)	(56,879)
<b>Net Managed Budget</b>		<b>5,271</b>	<b>16,179</b>
Accounting Adjustments			
FRS 17 Costs		182	147
Capital Charges		29,953	34,648
		30,135	34,795
Central Recharges			
Central Recharges Expenditure		0	1,148
		0	1,148
Other Internal Adjustments			
Internal Reallocations Charges		273	0
Internal Reallocations Income		(23)	(23)
		251	(23)
<b>Managed Outside the Service</b>		30,386	35,920
<b>Net Cost of Service</b>		<b>35,657</b>	<b>52,100</b>

**City Development**

# LEEDS CITY COUNCIL

## 2011/12 BUDGET REPORT

### Directorate: City Development

#### 1 Introduction

- 1.1 This report has been produced in order to inform members of the main variations and factors influencing the directorate's budget for the 2011/12 financial year.

#### 2 Service Context

- 2.1 The City Development Directorate has a lead responsibility in the Council for the economic, physical and cultural development of Leeds. Over the next 3 to 4 years the Directorate's focus will be maintaining Leeds' ongoing development as a regional, economic and cultural capital and facilitating its economic recovery. These budget proposals aim to protect the Council's contribution to the economic recovery of Leeds and to limit the impact on frontline services wherever possible by reducing back office expenditure and the remodelling of services including closer partnership working with the private and voluntary sector.
- 2.2 This budget has been prepared in line with the budget strategy set out in the initial budget proposals report to Executive Board on 15th December 2010. The strategy set out plans to achieve savings across the Council from employees, premises, procurement and from increasing income.
- 2.3 Staffing comprises by far the largest element of the Directorate's net managed budget at 48% and proposals to reduce staffing form a major part of the budget strategy. In April 2008 staffing numbers in the Directorate were 2,768. Between April 2008 and December 2010 there has been a net reduction in staff of 199, a reduction of 7%. It is estimated that a further 121 staff, will leave the Directorate by the end of March 2011 through the corporate Early Leaver Initiative. By the end of March 2011 it is anticipated that staff numbers will be reduced to 2,438 with a further planned reduction of staff in 2011/12 of 87 to 2,351. This represents a further reduction in staffing of 8% from the December 2010 position.
- 2.4 Another significant cost in the Directorate is the number of facilities and buildings that are currently operated. The budget proposals for 2011/12 continue with initiatives which are included in the revenue budget 2010/11, this includes a review of the 10 year Vision for Council leisure centres. This approach also reflects the outcome of both the Spending Challenge and Citizen Panels consultation where more than 72% of respondents rated as important or very important the action 'review, perhaps close, services which are underused or invite someone else, such as a community group to take them over'.
- 2.5 Running costs and the level of subsidies across all services have been reviewed and the 2011/12 budget includes a number of savings proposals. In addition the Directorate will work closely with the Central Procurement Unit to realise savings in supplies and services expenditure from procurement initiatives.
- 2.6 The Directorate has a large income base which it will continue to look to maintain and increase where possible. The economic recession has resulted in £7m worth of downward trends of income over the last two years, and the budget for 2011/12 does not anticipate significant increases in external income, such as from planning and building fees. It is anticipated that on average fees and charges will be increased by 3% although the budget



does provide for above inflation increases in charges in some service areas. Services such as Highways and Transportation, Parks and Countryside and Architectural Design Services face reducing work loads mainly as a result of reductions to the capital programme and capital grants. Staffing levels in 2011/12 will need to be reduced as a result and the budget proposals include provision for further staffing reviews, including concluding the review proposing to cease the in house Architectural Design Service.

### 3 Explanation of variations between adjusted 2010/11 and 2011/12 - £14,356k (18.4%)

3.1 The variation can be summarised as follows:

	£000s
<b>Net Managed Budget 2010/11</b>	<b>77,312</b>
Adjustments	
• Transfers to Formula Grant	- 15
• Transfers of functions	740
<b>Adjusted Net Managed Budget 2010/11</b>	<b>78,037</b>
Changes in Prices	
• Pay (NI increase)	181
• Price	378
• Income	- 1,215
Service Budget Changes	
• Changes in Service Levels	- 6,462
• Other Factors not affecting level of service	649
• Efficiency Savings	- 7,887
<b>Net Managed Budget 2011/12</b>	<b>63,681</b>

#### 3.2 Adjustments

3.2.1 Transfers to Formula Grants includes a reduction of £15k for Planning Inspectorate appeal costs.

3.2.2 Transfers of functions includes an increase of £650k for items previously included in the central contingency budget. This was to provide a provision against potential shortfalls in planning and building fee income, rental income and sport income against the level assumed in the 2010/11 budget. This has now been allocated directly to service budgets and will enable a reduction to be made in the income budgets in the services mentioned above. As part of an exercise to review and reduce the amount of cross directorate recharging a number of services previously recharged will no longer be charged. These include a number of services in City Development and as a result a net additional £237k has been allocated to this directorate to allow for the loss in income. Other minor changes amount to a net reduction of £147k.

#### 3.3 Changes in prices

3.3.1 No provision has been made for a pay award in 2011/12, although the budget includes provision of £181k for the 1% increase in employers' National Insurance rates.

3.3.2 No allowance has been made for general price inflation and services will need to absorb any inflationary pressures from existing budgets or from procurement savings, with one exception, £378k has been provided for specific contract price increases within Highways and Transportation.

3.3.3 A general increase in charges of 3% where appropriate has been included in the budget and results in an increase in income of £947k. In some services price increases above 3% are anticipated and these are expected to result in additional income of £268k including a 5% increase in charges in Cemeteries and Crematoria and increases to some charges in Sport and Active Recreation.

### 3.4 Changes in Service Levels

3.4.1 With a view to supporting economic recovery in Leeds in the most efficient way a review of destination marketing activity and links with the private sector will be carried out and completed in 2011/12. The Local Enterprise Growth Incentive (LEGI) scheme is a Government funded programme through Area Based Grant and the majority of the programme will end in 2010/11 with the grant also ending in 2010/11. The 2010/11 budget included £3,806k in Economic Development for the programme, mainly for payments to external organisations for the delivery of approved projects. Provision of £300k has been included in the 2011/12 budget for a Legacy Programme which will provide continued funding for a small number of projects but overall there will be a reduction of £3,506k in the Economic Development budget to reflect the much reduced programme in 2011/12.

3.4.2 The 2011/12 budget for Sport and Active Recreation includes savings of £1m to be realised from a review of the implementation of the 10 year vision for Council leisure centres. Proposals include the closure of East Leeds Sports Centre on the 31<sup>st</sup> March 2011 but to make it available for community asset transfer in line with the proposals outlined in the 2010/11 budget report. In addition, following a review of the level of subsidy across sport centre and swimming facilities and the availability of alternative facilities the following proposals are also included in the 2011/12 budget; to progress a proposal for community asset transfer for Garforth Sport Centre as from summer 2011 with a reduction in opening hours to 31 hours a week from 1<sup>st</sup> April 2011. Facilities at Middleton Sport Centre will be enhanced by planned capital investment to playing pitch provision and changing room refurbishment and as part of the proposal to develop Middleton Sport Centre as a dry side centre the swimming pool will close from September 2011. A reduction in the opening hours at Bramley Baths to 29 hours per week will also be implemented from this date.

3.4.3 The 2011/12 Highways and Transportation budget has a target saving of £1.5m. This will be achieved by a thorough review of all revenue and capital spend across the service, with the aim of minimising the effect on highway maintenance as far as possible by re-prioritising resources from other non essential highway improvements. Also within the Highways and Transportation budget a saving of £456k has been included from the contribution the Council currently makes to Metro towards the cost of the 'Free' city centre bus. 2010/11 is the final year of a 5 year agreement that the Council has with Metro to make a contribution to the running of the bus. Following a review of the service it is proposed that from 2011/12 the Council will no longer contribute to this service. An additional £146k has been included in the Flood Risk Management budget for new Lead Local Authority Duties allocated to the Council for producing and maintaining flood risk plans. This is fully funded by a new specific grant.

3.4.4 The Council provides a significant amount of support to a wide variety of Arts and other organisations across the city. Following consultation, whilst it is proposed to reduce these grants the Council will continue to help as many small organisations as possible in the current economic climate and therefore the reductions are phased in line with the size of the

organisations. There will be a 15% reduction to grants £150k and over, a 12% reduction to grants £50k and over and a 7% reduction for grants £5k to £49k. There will be no reduction to the fund for annual small grants. To go some way to compensate for this reduction a new grant fund will be introduced. This will be open to all cultural organisations interested in delivering activity to the people of Leeds as part of major citywide activity including the Cultural Olympiad. A longer term funding strategy will also be developed in conjunction with the organisations. This also reflects the outcome of both the Spending Challenge and Citizen Panels consultation where more than 70% of respondents rated as important or very important the action 'reviewing, and perhaps reducing, money for external organisations'.

3.4.5 The Library service is currently consulting local people on its proposals to improve library provision and increase value for money across the city. The report of the outcome of the consultation will include recommendations for innovative service provision which takes into account assumptions in the 2010/11 budget and an additional saving of £250k as part of the 2011/12 budget strategy. Specific proposals will be outlined in a future report to Executive Board following the completion of the consultation process.

### 3.5 Other Factors not affecting the level of service

3.5.1 An additional £1,094k has been provided in the Highways and Transportation budget for the increase in the contract payments for the Street Lighting PFI contract in line with agreed contract payments. As part of the 2011/12 Government grant settlement there has been a change in the way the contributions to the West Yorkshire Road Safety Partnership are accounted for. In 2010/11 Leeds acted as the Accountable Body for the Partnership and received funding for the contributions to the Partnerships of all the West Yorkshire Partnerships. In the 2011/12 settlement the individual West Yorkshire Districts received the allocation direct. In addition the West Yorkshire Road Safety Partnership has reviewed its funding in 2011/12 and as a result there will be a saving to Leeds of £760k. Overall the reduction to the Highways and Transportation budget as a result of these changes will be £2,800k.

3.5.2 Other changes include an increase of £900k to reflect the abolition during 2010/11 of the Housing and Planning Delivery Grant. This grant has been replaced by the New Homes Bonus Grant and in 2011/12 is accounted for in the Central Accounts budget. An increase of £619k has also been included following the abolition of the Free Swimming grant.

3.5.3 There is a reduction of £2,040k in Highways and Transportation for contributions to the West Yorkshire Road Safety Partnership. In 2010/11 the budget for the contributions for all the West Yorkshire Districts to this Partnership were received and accounted for by Leeds. In the 2011/12 settlement the allocation for these contributions has been provided direct to each District.

3.5.4 An £800k reduction to the Libraries budget reflects the proposed capitalisation of spend on library books previously charged to revenue and a reduction of £226k has been made for projected saving in Legal costs.

3.5.5 Following a revaluation of the National Non Domestic Rating charges for a number of operational properties across the Leisure portfolio additional provision of £568k has been included.

3.5.6 The Parks and Countryside budget includes a saving of £100k from reductions in ancillary farming activities.

3.5.7 The review of the proposal to cease the in house Architectural Design Service will be concluded during 2011/12. This follows a significant reduction in work over the last few years and in the available work programmed in future years. The budget provides a net £450k for the anticipated shortfall in income for this service after allowing for the continuing exercise to reduce its costs.

### 3.6 Efficiency savings

3.6.1 For this directorate the following savings have been identified for 2011/12.

3.6.2 As highlighted in paragraph 2.3 the largest area of expenditure in the Directorate is staffing and a significant part of the Directorate's budget strategy is to continue to review and reduce staffing levels across all services but with a particular emphasis on protecting frontline services. Staffing levels will also need to be reduced to reflect lower workloads in some services such as Highways and Transportation where revenue and capital grant funding has been reduced. A target saving of £3.4m for the Directorate has been included in the 2011/12 budget. The majority of the saving will be achieved from staff leaving the organisation through the corporate Early Leaver Initiative with 121 staff expected to leave by 31<sup>st</sup> March 2011. The saving is net of the additional pension costs incurred by staff leaving through voluntary early retirement. Additional savings will be made from continuing to reduce the number of agency staff employed by in the Directorate although in some services there are cases where agency staff are the most effective business solution in the short term. Additional staff savings will be achieved through the strategy to review the number of building and facilities that the Directorate currently provides including the rationalisation of Council leisure centres. Several major staffing reviews have also taken place in the previous two years, mainly as a direct response to the economic recession and consequent loss of income and the 2011/12 budget proposals include provision for further staffing reviews, including Sport and Active Recreation, Highways and Transportation, a review of the Senior Management structure and concluding the review proposing to cease the in house Architectural Design Service.

3.6.3 The Directorate has significant running cost budgets across most services and a saving of £1.9m has been included in the 2011/12 budget for savings anticipated to be achieved from supplies and services budgets. Savings are expected to be achieved through a number of procurement initiatives.

3.6.4 As stated in paragraph 2.4, the Directorate operates a significant number of buildings. By closely working with the Energy and Fuel Savers units in the Council, it is anticipated that savings in energy through reducing consumption can be realised. A target of £483k has been included in the 2011/12 budget. A saving of £330k is included in the street lighting electricity budget and options for further savings are being developed and will be presented during 2011/12.

3.6.5 Whilst overall the continuing difficult economic conditions means that there is limited scope to generate additional external income there are a number of proposals included in the budget to raise extra income. Additional income of £500k has been included in the Events budget. Charges will be introduced for Opera in the Park and Classical Fantasia with full price tickets charged at £15 plus booking fees reduced by a range of Leeds Card discounts. There will be no charges for Party in the Park or the central Leeds Christmas Lights Switch on as the acts for both events are provided by our media partners. Additional income of £500k has also been included in the Asset Management budget to be generated from new advertising sites.

## 4 Net Revenue Charge

- 4.1 The following table provides a summary of the net revenue charge for the service which brings together the net managed budget and those budgets managed outside the service.

	£000s
Net Managed Budget	63,681
Managed Outside Service	51,512
Net Cost of Service	115,193
Transfers to/from earmarked reserves	- 2,345
Net Revenue Charge	112,848

## 5 Risk Assessment

- 5.1 In determining the 2011/12 budget, consideration has been given to all the risks which are managed within the directorate's overall risk management framework. Within this framework, a register of those items considered to carry the highest risk and therefore requiring careful and regular monitoring has been prepared.
- 5.2 The key risks in the 2011/12 budget for this Directorate are as follows;
- 5.2.1 The budget includes proposals to reduce staffing levels across the Directorate. Whilst a large proportion of the reduction will be achieved through approved early leavers other reductions are dependent on the implementation of the various budget proposals outlined in this report. Staffing levels and the release of vacancies will continue to be closely monitored by City Development Directorate.
- 5.2.2 The Directorate has a significant income base to achieve which is heavily dependent on the prevailing economic conditions. The economic outlook for 2011/12 is uncertain and a worsening of conditions could have a major impact on the income earned by the Directorate. Income budgets are monitored regularly and appropriate action taken should reductions in income occur but short term actions are not always sufficient to offset income shortfalls. In addition, there is a risk that income initiatives such as charging for events and advertising income do not generate sufficient to meet the budget assumptions.
- 5.2.3 There is a risk that procurement initiatives will not realise the level of assumed savings on supplies and services expenditure. The Directorate will work closely with the Central Procurement Unit to deliver the savings but if these are not fully realised then services will need to manage spend within the reduced budgets.
- 5.2.4 The proposed saving on spend in Highways and Transportation will be managed to minimise the impact on highway maintenance but there is still a risk that reduced spend will result in higher insurance claims in the future.
- 5.2.5 Energy budgets have been reduced across operational facilities to allow for planned initiatives to reduce energy consumption. However, a delay in implementing such initiatives and increasing charges for energy could make it difficult to achieve the assumed savings.



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## **Main responsibilities:**

### **Planning Services**

- Planning applications and appeals, putting development strategies and policies into practice to help Leeds become an internationally competitive city with a high quality of life for everyone.

### **Highways Development Services**

- Addressing the highways implications of development and working to deliver the Local Transport Plan.

### **Building Standards**

- Providing building regulation and building structure surveys as well as public safety services, especially with regard to sports stadia.

### **Compliance Services**

- Monitoring compliance with the council's planning and building regulation decisions and dealing positively with breaches of control.

### **Development Enquiry Centre**

- Providing customer focused one-stop services for the whole of the Development Directorate, face to face, by phone and, increasingly, by e-mail and the internet.

### **Sustainable Development**

- Environmental management, policy and awareness, design, landscape and conservation area and listed building advice, tree protection, minerals, waste and contaminated land.

### **Planning and Economic Policy**

- Unitary Development Plan, Local Development Framework (Core Strategy, Area Action Plans, Natural Resources & Waste DPD, Supplementary Planning Documents, Sustainability Appraisals, monitoring and the development of the LDF evidence base), contributing to the preparation of the Regional Spatial Strategy & City Region development, seeking to influence and assessing the implications of national planning policy advice & guidance, planning frameworks/briefs and project implementation (including PFI & Regeneration work).

### **Graphics and Communications**

- Providing graphic design and mapping services to support departmental and corporate activity and developing internet and intranet communications.

### **New initiatives**

- The Localism Bill currently before Parliament proposes that Neighbourhood Plans and Development Orders have a new tier of planning. Details are still to emerge but there are likely to be resource implications for the service.
- The Bill also confirms the introduction of the Community Infrastructure Levy which will replace some aspects of Section 106 Agreements. Resources will be needed to establish a CIL proposal for Leeds.



## **City Development Planning and Sustainable Development**



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- Housing and Planning Delivery grant has been abolished and will be replaced by a New Homes Bonus from 2011-12.





# City Development Economic Development



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## Main responsibilities:

Economic Developments' key objective is to attract people and investment to the city. The work is about improving Leeds as a place, encouraging enterprise and about raising the profile of the city. Key themes for the service are:

- Urban renaissance and regeneration
- Investment and development
- Competitiveness – of Leeds as a place, and of Leeds' businesses
- Encouraging enterprise and tackling financial exclusion, particularly within disadvantaged communities

Perhaps more than most services, Economic Development can only achieve results by working with others. Indeed, staff are committed to working in partnership to provide quality services that meet the needs of the customers and stakeholders.

Economic Services comprises 6 service areas:

- Business and Enterprise – inward investment and marketing, support and attracting funding, Local Enterprise Growth Initiative.
- Tourism, including Conference Leeds, the West Yorkshire Conference Desk
- City Centre Management
- Economic Policy and Programmes - Urban Renaissance, Major Developments, Area Regeneration, Economic Policy Data Information and support for Neighbourhood Renewal
- Markets – Providing and managing retail markets in the city centre and at various town centres across the Leeds district.

The services will help deliver the Vision for Leeds and the council's Corporate Plan.



# City Development Strategic Asset Management



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## **Main responsibilities:**

The aim is to provide a seamless asset management service, which drives continuous improvement in the Council's property portfolio.

The service assists client departments to deliver corporate objectives by:-

- Ensuring that council property is fit for purpose and well located;
- Assisting with development of large capital schemes;
- Providing professional property advice and handling the disposal of property;
- Assisting in the implementation of specific asset management based projects;

As the Council is a major land and property owner in the city, the asset management service plays a key role in helping to shape the physical development of Leeds including the Leeds Arena which will be on site during 2011/12



## Main responsibilities:

A restructuring of the new Highways and Transportation Service was completed in January 2010. This restructuring confirmed the establishment of three service units, namely Highways Services, Transport Policy and Engineering Services

### Highways Services

Highways Services currently maintain 3,000km of roads and adjacent footways in Leeds and main responsibilities include:-

- Delivering a large programme of reactive and planned work to improve the condition of the network, reduce the risk of accidents occurring on the highway and minimise the financial risk of claims.
- A 24 hours a day, 365 days a year emergency response and Winter Maintenance Services.
- The Leeds Street Lighting Private Finance Initiative which is delivering one of the largest refurbishment and maintenance programmes for street lighting in the country. The scheme will see 80,000 lighting columns replaced by July 2011.
- Network Management duties include the monitoring, coordination and control of the activities of utility companies and developers working on the highways to help minimise potential inconvenience, congestion and disruption to road users.
- Traffic Engineering is responsible for the implementation of traffic management and signing schemes to improve the information to road users and allow them to travel in maximum safety. This includes delivery of traffic regulation orders, new traffic signs, speed restrictions and pedestrian crossings.

### Transport Policy

The Transport Policy section includes Transport Strategy, Environmental Studies, Road Casualty Reduction, Transport Policy Monitoring, NGT and UTC working closely with Metro and key transport partners in West Yorkshire to deliver better transport through the Local Transport Plan, land use plans and corporate policy..

- The Transport Strategy group is responsible for the formulation and co-ordination of transport policy development, scheme appraisal and capital expenditure bids. It provides advice on transport policy,, develops strategies and travel change programmes that support transport and spatial planning in addition to monitoring and compiling programmes and bids for transport capital expenditure.
- The Road Casualty Reduction group provides a wide range of services on behalf of the Council and the other Highway Authorities in West Yorkshire. This includes the maintenance of the road accident database, monitoring of changes in accident and casualty trends, and the provision of a road safety education training and promotion service.
- The Environmental Studies group provides a wide range of services on behalf of the Council, including noise, vibration and air quality measurements and assessments with a focus on transport impacts. Work includes Strategic Environmental Assessments and advising on sustainability impacts of major projects and planning applications and supporting plans and measures to mitigate and adapt to climate change including the impacts from transport..
- The Policy Monitoring group is responsible for monitoring the impact of transport policy in Leeds and informing new policy initiatives. It provides a full range of traffic and transportation data collection, analysis and reporting services to the Council and the other West Yorkshire District Councils and other external clients.



# City Development Highways and Transportation Services



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- The Urban Traffic Management and Control (UTMC) Service plays a major role in keeping Leeds a clean, safe and vibrant city by operating and developing the traffic control system, with responsibility for a wide range of traffic and transport issues, from strategic network design through to day-to-day support services including planned and unplanned disruptions to the network.
  - Transport Development Services (formerly Highways Development) will move to Highways and Transportation from Planning with effect from April 2011.

## Engineering Services

Engineering Services provides a comprehensive in-house civil engineering consultancy covering roads, bridges, land drainage and flood risk management.

- Design and delivery of major and minor highway schemes, transportation projects and major council sponsored prestige projects, including the development of proposals for the New Generation Transport (Trolleybus) scheme in partnership with Metro.
- Bridge assessment and strengthening, together with the management of the authority's structures in accordance with national programmes and standards.
- Provision of a geotechnical and site surveying consultancy service including topographical and soil surveys.
- Undertaking all the statutory responsibilities of the council as the land drainage authority for the Leeds Metropolitan District, full riparian responsibilities for Leeds City Council properties, management of watercourses and fountains and undertaking responsibilities in connection with the Flood & Water Management Act..



# City Development Libraries, Arts and Heritage



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## Main responsibilities:

The Libraries, Arts and Heritage Service aims to support the corporate and departmental objectives by –

- Taking a key role in regeneration and inclusion
  - make Leeds a great place to live and visit by encouraging active participation for all in the cultural and creative life of the city
  - help people explore and communicate their history, sense of place, their roots and their sense of community
- Taking a key role in Lifelong Learning
  - support citizenship, equality and democracy
- Promote lifelong learning to encourage individuality, expression self development, achievement and to foster new creative talent
- Pursuing Excellence
  - ensure the customer is at the heart of everything we do
- Rigorously managing priorities, processes and performance (including training, improving communication, ICT and marketing) to exceed expectation.



# City Development Recreation



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## **Main responsibilities:**

The Recreation Services of Parks and Countryside and Sport support Council objectives by:

- Providing a variety of recreation opportunities for all people to enjoy and benefit from.
- Ensuring an enjoyable and sustainable environment through the creation, management and enhancement of parks and greenspaces, allotments and path networks.
- Encouraging health through involvement in physical activity.
- Providing opportunities for self development and learning through sporting, cultural and environmental activity.
- Taking the strategic lead in the development of recreational and sporting opportunities in Leeds.
- Helping to support the city's growing reputation as a great place to live, work and play.
- Delivering targeted programmes to ensure all residents are encouraged to be involved in recreation activities.
- Setting clear priorities, supporting the development of staff and managing performance effectively.
- Providing a sympathetic and caring Burial and Cremation service.
- Taking a strategic approach towards the future development of the service which meets the changing needs of the city and ensures the sustainability of the service.

## City Development

Summary of budget by service (£000)

Budget Manager	Service	Total 2010/11	Managed by the Service			Managed Outside the Service	Total 2011/12
			Spending	Income	Net		
Chief Planning and Sustainable Development Officer	Planning And Sustainable Development	6,546	11,023	(6,222)	4,801	2,953	7,754
Chief Economic Development Officer	Economic Development	5,925	5,560	(5,135)	425	1,423	1,849
Head of City Projects	Asset Management	963	5,095	(8,371)	(3,276)	3,135	(141)
Chief Officer Highways and Transportation	Highways And Transportation	44,944	57,595	(35,509)	22,086	24,588	46,674
Chief Libraries, Arts and Heritage Officer	Libraries, Arts And Heritage	34,014	27,075	(7,613)	19,463	7,964	27,427
Chief Recreation Officer	Recreation	34,269	47,575	(30,698)	16,877	14,670	31,547
Chief Officer Resources and Strategy	Resources and Strategy	(90)	3,742	(438)	3,304	(3,222)	83
Net Cost of Service		126,571	157,667	(93,986)	63,681	51,512	115,193
	Transfers to and from earmarked reserves	(2,351)	0	0	0	(2,345)	(2,345)
Net Revenue Charge		124,220	157,667	(93,986)	63,681	49,167	112,848

# City Development

## Summary of budget by type of spending or income

	£000	Budget 2010/11	Budget 2011/12
<b>Employees</b>			
Direct Pay Costs		66,675	59,087
Agency And Temporary Staff		655	164
National Insurance Contributions		4,635	4,536
Superannuation Costs		8,229	7,749
Other Pension Costs		1,934	2,004
Other Employee Related Costs		625	440
Training And Development		468	403
		83,221	74,383
<b>Premises</b>			
Buildings Maintenance		1,253	1,343
Grounds Maintenance		4,165	4,018
Building Security		693	509
Cleaning And Workplace Refuse		1,744	1,685
Gas		2,002	1,325
Electricity		6,138	5,510
Other Utilities		590	569
Rents		1,311	484
NDR		3,007	3,343
Highways Maintenance		9,614	8,184
Accommodation Charges		614	409
Premises Related Insurance		336	459
		31,466	27,839
<b>Supplies &amp; Services</b>			
Materials And Equipment		11,161	10,904
Stationery And Postage		904	651
Advertising		448	345
IT/Telecommunications		2,414	2,239
Insurance		2,900	2,922
Events And Projects		219	209
Professional Fees and Subscriptions		1,089	615
Grants And Contributions		4,252	3,156
Waste Disposal And Landfill Tax		99	66
Corporate Initiatives & Savings Targets		0	0
Allowances		70	63
Consultancy Services		526	244
External Audit Fees		6	7
Security Services		635	607
Other Hired And Contracted Services		20,864	16,592
Publication And Promotion		966	505
PFI Unitary Charges		0	3,512
Miscellaneous		164	146
		46,717	42,784
<b>Transport</b>			
Vehicles And Plant Related Expenditure		5,114	5,119
Travel Allowances		600	589
Fuel		806	971
Transport Related Insurance		143	150
		6,663	6,830
<b>Internal Charges</b>			
Managed Recharges Frm Other Directorates		1,894	2,898



# City Development

## Summary of budget by type of spending or income

	£000	Budget 2010/11	Budget 2011/12
Internal Charges			
Distributed Grants		0	2
		1,894	2,900
Agency Payments			
Contribution To Partnerships		2,867	0
		2,867	0
Capital			
RCCO (Revenue Contribution To Capital)		250	0
		250	0
Appropriation			
Transfers To/From Capital Reserve		2,857	2,932
		2,857	2,932
<b>Managed Expenditure</b>		<b>175,935</b>	<b>157,667</b>
Internal Income			
Income From Other Directorates		(24,712)	(25,032)
Recharges Income From Capital		(12,621)	(9,766)
Redistribution Of Grants Income		44	0
		(37,289)	(34,798)
Income - Grants			
Government Grants		(8,790)	(8,638)
DCLG Grants		(1,565)	(2,571)
Other Grants		(1,627)	(34)
		(11,981)	(11,243)
Income - Charges			
Sale Of Goods And Services		(6,783)	(6,296)
Fees And Charges		(28,099)	(28,379)
Education Income		(297)	0
Contributions		(1,214)	(1,342)
Other Income		(3,165)	(2,909)
Rents		(7,657)	(6,816)
Income Received From ALMOs		(2,138)	(2,203)
		(49,352)	(47,945)
Income - Other			
Interest And Dividends		0	0
		0	0
<b>Managed Income</b>		<b>(98,624)</b>	<b>(93,986)</b>
<b>Net Managed Budget</b>		<b>77,312</b>	<b>63,681</b>
Accounting Adjustments			
FRS 17 Costs		3,424	3,394
Vehicles And Plant (Non Leasing)		(1,073)	(1,049)
Transfers To/From Statutory Reserves		(3,424)	(3,394)
Transfers to Capital Reserve - Vehicles		1,073	1,049
Capital Charges		28,945	32,308
		28,945	32,308
Central Recharges			
Central Recharges Expenditure		18,698	17,571
Corporate & Democratic Core Income		(735)	(712)
		17,963	16,859

# City Development

## Summary of budget by type of spending or income

	£000	Budget 2010/11	Budget 2011/12
Other Internal Adjustments			
Internal Reallocations Charges		29,482	24,950
Internal Reallocations Income		(29,482)	(24,950)
		0	0
Managed Outside the Service		46,908	49,167
<b>Net Cost of Service</b>		<b>124,220</b>	<b>112,848</b>

# City Development

Budget Manager : Chief Planning and Sustainable Development Officer

Planning And Sustainable Development			
	£000	Budget 2010/11	Budget 2011/12
<b>Employees</b>			
Direct Pay Costs		7,107	7,160
Agency And Temporary Staff		66	66
National Insurance Contributions		565	575
Superannuation Costs		1,093	997
Other Pension Costs		0	210
Other Employee Related Costs		3	3
Training And Development		26	23
		8,860	9,035
<b>Premises</b>			
Buildings Maintenance		70	70
Rents		20	20
		90	90
<b>Supplies &amp; Services</b>			
Materials And Equipment		43	29
Stationery And Postage		18	18
Advertising		85	83
IT/Telecommunications		156	155
Insurance		138	138
Professional Fees and Subscriptions		37	37
Grants And Contributions		13	13
Allowances		4	4
Consultancy Services		6	0
Other Hired And Contracted Services		308	232
Miscellaneous		0	1
		807	709
<b>Transport</b>			
Vehicles And Plant Related Expenditure		15	16
Travel Allowances		121	119
		136	135
<b>Internal Charges</b>			
Managed Recharges Frm Other Directorates		338	1,054
		338	1,054
<b>Managed Expenditure</b>		10,232	11,023
<b>Internal Income</b>			
Income From Other Directorates		(988)	(1,774)
		(988)	(1,774)
<b>Income - Grants</b>			
DCLG Grants		(900)	0
		(900)	0
<b>Income - Charges</b>			
Sale Of Goods And Services		(169)	(93)
Fees And Charges		(4,612)	(4,214)
Education Income		(87)	0
Other Income		(155)	(141)
		(5,022)	(4,448)
<b>Managed Income</b>		(6,909)	(6,222)

# City Development

Budget Manager : Chief Planning and Sustainable Development Officer

Planning And Sustainable Development			
	£000	Budget 2010/11	Budget 2011/12
<b>Net Managed Budget</b>		<b>3,323</b>	<b>4,801</b>
Accounting Adjustments			
FRS 17 Costs		713	490
Capital Charges		4	5
		717	495
Central Recharges			
Central Recharges Expenditure		525	572
		525	572
Other Internal Adjustments			
Internal Reallocations Charges		3,117	2,012
Internal Reallocations Income		(1,135)	(125)
		1,981	1,886
Managed Outside the Service		3,223	2,953
<b>Net Cost of Service</b>		<b>6,546</b>	<b>7,754</b>

# City Development

Budget Manager : Chief Economic Development Officer

Economic Development			
	£000	Budget 2010/11	Budget 2011/12
<b>Employees</b>			
Direct Pay Costs		3,032	2,527
Agency And Temporary Staff		66	20
National Insurance Contributions		232	173
Superannuation Costs		449	400
Other Pension Costs		0	19
Other Employee Related Costs		1	1
Training And Development		15	5
		3,794	3,145
<b>Premises</b>			
Buildings Maintenance		222	208
Building Security		10	10
Cleaning And Workplace Refuse		287	222
Electricity		109	96
Other Utilities		40	40
Rents		120	134
NNDR		278	205
Accommodation Charges		50	0
Premises Related Insurance		19	19
		1,135	934
<b>Supplies &amp; Services</b>			
Materials And Equipment		99	122
Stationery And Postage		41	24
Advertising		125	70
IT/Telecommunications		19	14
Insurance		40	40
Professional Fees and Subscriptions		55	47
Grants And Contributions		201	101
Allowances		10	1
Consultancy Services		216	49
Security Services		188	141
Other Hired And Contracted Services		2,990	417
Publication And Promotion		433	285
Miscellaneous		147	122
		4,565	1,433
<b>Transport</b>			
Vehicles And Plant Related Expenditure		2	1
Travel Allowances		27	22
		29	22
<b>Internal Charges</b>			
Managed Recharges Frm Other Directorates		419	26
		419	26
<b>Managed Expenditure</b>		9,942	5,560
<b>Internal Income</b>			
Income From Other Directorates		(200)	(200)
		(200)	(200)
<b>Income - Grants</b>			
DCLG Grants		(36)	(37)
Other Grants		(37)	0

# City Development

Budget Manager : Chief Economic Development Officer

Economic Development			
	£000	Budget 2010/11	Budget 2011/12
Income - Grants		(73)	(37)
Income - Charges			
Sale Of Goods And Services		(83)	(129)
Fees And Charges		(2,415)	(1,998)
Contributions		(25)	(25)
Other Income		(287)	(275)
Rents		(2,471)	(2,471)
		(5,281)	(4,898)
Managed Income		(5,554)	(5,135)
<b>Net Managed Budget</b>		<b>4,388</b>	<b>425</b>
Accounting Adjustments			
FRS 17 Costs		290	260
Capital Charges		391	423
		681	683
Central Recharges			
Central Recharges Expenditure		85	93
		85	93
Other Internal Adjustments			
Internal Reallocations Charges		1,923	1,696
Internal Reallocations Income		(1,152)	(1,048)
		770	647
Managed Outside the Service		1,536	1,423
<b>Net Cost of Service</b>		<b>5,925</b>	<b>1,849</b>

# City Development

Budget Manager : Head of City Projects

Asset Management			
	£000	Budget 2010/11	Budget 2011/12
Employees			
Direct Pay Costs		3,817	2,535
Agency And Temporary Staff		0	60
National Insurance Contributions		293	224
Superannuation Costs		551	398
Other Pension Costs		75	197
Other Employee Related Costs		2	2
Training And Development		13	9
		4,751	3,423
Premises			
Buildings Maintenance		73	75
Building Security		45	65
Cleaning And Workplace Refuse		87	63
Gas		36	7
Electricity		84	42
Other Utilities		41	25
Rents		914	55
NNDR		50	153
Accommodation Charges		154	0
Premises Related Insurance		55	55
		1,540	541
Supplies & Services			
Materials And Equipment		20	17
Stationery And Postage		25	24
Advertising		22	11
IT/Telecommunications		76	49
Insurance		15	15
Professional Fees and Subscriptions		163	32
Allowances		2	0
Consultancy Services		102	88
Security Services		5	4
Other Hired And Contracted Services		470	35
Publication And Promotion		1	1
Miscellaneous		2	0
		902	276
Transport			
Vehicles And Plant Related Expenditure		5	5
Travel Allowances		88	74
Fuel		1	1
Transport Related Insurance		0	0
		95	80
Internal Charges			
Managed Recharges Frm Other Directorates		553	742
		553	742
Appropriation			
Transfers To/From Capital Reserve		33	33
		33	33
Managed Expenditure		7,875	5,095
Internal Income			

# City Development

Budget Manager : Head of City Projects

Asset Management			
	£000	Budget 2010/11	Budget 2011/12
Internal Income			
Income From Other Directorates		(1,618)	(1,182)
Recharges Income From Capital		(2,588)	(1,474)
		(4,206)	(2,657)
Income - Charges			
Sale Of Goods And Services		(82)	(84)
Fees And Charges		(975)	(719)
Other Income		(649)	(1,168)
Rents		(4,629)	(3,743)
		(6,335)	(5,714)
Managed Income		(10,541)	(8,371)
<b>Net Managed Budget</b>		<b>(2,666)</b>	<b>(3,276)</b>
Accounting Adjustments			
FRS 17 Costs		284	83
Vehicles And Plant (Non Leasing)		(1)	(1)
Capital Charges		1,194	1,406
		1,477	1,487
Central Recharges			
Central Recharges Expenditure		114	124
		114	124
Other Internal Adjustments			
Internal Reallocations Charges		2,352	1,552
Internal Reallocations Income		(314)	(28)
		2,038	1,524
Managed Outside the Service		3,629	3,135
<b>Net Cost of Service</b>		<b>963</b>	<b>(141)</b>



# City Development

Budget Manager : Chief Officer Highways and Transportation

Highways And Transportation			
	£000	Budget 2010/11	Budget 2011/12
<b>Employees</b>			
Direct Pay Costs		13,823	11,617
Agency And Temporary Staff		319	0
National Insurance Contributions		994	896
Superannuation Costs		1,834	1,615
Other Pension Costs		202	175
Other Employee Related Costs		158	70
Training And Development		125	87
		17,456	14,460
<b>Premises</b>			
Buildings Maintenance		660	812
Grounds Maintenance		3,138	3,077
Building Security		25	22
Cleaning And Workplace Refuse		39	41
Gas		19	9
Electricity		4,303	4,107
Other Utilities		45	32
Rents		1	0
NNDR		88	83
Highways Maintenance		9,614	8,184
Premises Related Insurance		4	3
		17,936	16,369
<b>Supplies &amp; Services</b>			
Materials And Equipment		5,064	4,829
Stationery And Postage		83	46
Advertising		125	91
IT/Telecommunications		339	306
Insurance		2,219	2,280
Events And Projects		2	3
Professional Fees and Subscriptions		67	30
Grants And Contributions		469	0
Waste Disposal And Landfill Tax		60	52
Allowances		9	5
Consultancy Services		30	80
Other Hired And Contracted Services		13,290	13,005
Publication And Promotion		23	16
Miscellaneous		0	4
		21,780	20,745
<b>Transport</b>			
Vehicles And Plant Related Expenditure		3,355	3,431
Travel Allowances		217	211
Fuel		301	344
Transport Related Insurance		64	80
		3,937	4,065
<b>Internal Charges</b>			
Managed Recharges Frm Other Directorates		205	588
		205	588
<b>Agency Payments</b>			
Contribution To Partnerships		2,867	0
		2,867	0

# City Development

Budget Manager : Chief Officer Highways and Transportation

Highways And Transportation	£000	Budget 2010/11	Budget 2011/12
Capital			
RCCO (Revenue Contribution To Capital)		250	0
		250	0
Appropriation			
Transfers To/From Capital Reserve		1,368	1,368
		1,368	1,368
Managed Expenditure		65,799	57,595
Internal Income			
Income From Other Directorates		(15,214)	(15,029)
Recharges Income From Capital		(10,033)	(7,492)
		(25,248)	(22,521)
Income - Grants			
Government Grants		(8,297)	(7,830)
		(8,297)	(7,830)
Income - Charges			
Sale Of Goods And Services		(2,321)	(2,052)
Fees And Charges		(220)	(261)
Education Income		(11)	0
Contributions		(650)	(774)
Other Income		(350)	(161)
Rents		(19)	(20)
Income Received From ALMOs		(1,778)	(1,890)
		(5,350)	(5,159)
Managed Income		(38,894)	(35,509)
<b>Net Managed Budget</b>		<b>26,904</b>	<b>22,086</b>
Accounting Adjustments			
FRS 17 Costs		994	959
Vehicles And Plant (Non Leasing)		(521)	(621)
Capital Charges		13,998	20,592
		14,471	20,930
Central Recharges			
Central Recharges Expenditure		585	628
		585	628
Other Internal Adjustments			
Internal Reallocations Charges		8,592	7,277
Internal Reallocations Income		(5,608)	(4,247)
		2,984	3,030
Managed Outside the Service		18,040	24,588
<b>Net Cost of Service</b>		<b>44,944</b>	<b>46,674</b>

# City Development

Budget Manager : Chief Libraries, Arts and Heritage Officer

Libraries, Arts And Heritage			
	£000	Budget 2010/11	Budget 2011/12
<b>Employees</b>			
Direct Pay Costs		12,336	11,438
Agency And Temporary Staff		197	18
National Insurance Contributions		834	848
Superannuation Costs		1,620	1,582
Other Pension Costs		170	283
Other Employee Related Costs		84	37
Training And Development		63	61
		15,303	14,266
<b>Premises</b>			
Buildings Maintenance		0	10
Grounds Maintenance		11	10
Building Security		222	252
Cleaning And Workplace Refuse		609	683
Gas		335	269
Electricity		525	424
Other Utilities		75	93
Rents		126	143
NNDR		952	1,028
Accommodation Charges		409	409
Premises Related Insurance		107	248
		3,371	3,569
<b>Supplies &amp; Services</b>			
Materials And Equipment		2,368	2,354
Stationery And Postage		193	152
Advertising		51	43
IT/Telecommunications		899	883
Insurance		68	73
Events And Projects		23	25
Professional Fees and Subscriptions		145	169
Grants And Contributions		3,244	2,722
Waste Disposal And Landfill Tax		14	14
Allowances		35	35
Consultancy Services		164	24
External Audit Fees		1	1
Security Services		239	279
Other Hired And Contracted Services		2,324	1,565
Publication And Promotion		357	134
Miscellaneous		12	14
		10,135	8,487
<b>Transport</b>			
Vehicles And Plant Related Expenditure		182	214
Travel Allowances		73	73
Fuel		23	25
Transport Related Insurance		9	9
		287	322
<b>Internal Charges</b>			
Managed Recharges Frm Other Directorates		98	99
Distributed Grants		0	2
		98	100

# City Development

Budget Manager : Chief Libraries, Arts and Heritage Officer

Libraries, Arts And Heritage	£000	Budget 2010/11	Budget 2011/12
Appropriation			
Transfers To/From Capital Reserve		286	332
		286	332
Managed Expenditure		29,480	27,075
Internal Income			
Income From Other Directorates		(1,713)	(1,727)
Recharges Income From Capital		0	(800)
		(1,713)	(2,527)
Income - Grants			
Government Grants		(124)	(598)
DCLG Grants		(7)	(7)
Other Grants		(1,590)	(34)
		(1,721)	(639)
Income - Charges			
Sale Of Goods And Services		(822)	(785)
Fees And Charges		(2,750)	(3,284)
Education Income		(31)	0
Contributions		(84)	(88)
Other Income		(246)	(140)
Rents		(123)	(150)
		(4,056)	(4,446)
Managed Income		(7,489)	(7,613)
<b>Net Managed Budget</b>		<b>21,990</b>	<b>19,463</b>
Accounting Adjustments			
FRS 17 Costs		888	811
Vehicles And Plant (Non Leasing)		(60)	(66)
Capital Charges		6,423	2,708
		7,251	3,452
Central Recharges			
Central Recharges Expenditure		355	296
		355	296
Other Internal Adjustments			
Internal Reallocations Charges		4,441	4,239
Internal Reallocations Income		(24)	(24)
		4,417	4,215
Managed Outside the Service		12,024	7,964
<b>Net Cost of Service</b>		<b>34,014</b>	<b>27,427</b>

# City Development

Budget Manager : Chief Recreation Officer

Recreation			
	£000	Budget 2010/11	Budget 2011/12
<b>Employees</b>			
Direct Pay Costs		25,270	22,731
Agency And Temporary Staff		1	0
National Insurance Contributions		1,617	1,720
Superannuation Costs		2,498	2,578
Other Pension Costs		154	154
Other Employee Related Costs		284	253
Training And Development		168	161
		<b>29,992</b>	<b>27,597</b>
<b>Premises</b>			
Buildings Maintenance		228	169
Grounds Maintenance		1,016	930
Building Security		390	160
Cleaning And Workplace Refuse		723	675
Gas		1,612	1,041
Electricity		1,116	841
Other Utilities		390	380
Rents		129	132
NNDR		1,638	1,874
Premises Related Insurance		150	134
		<b>7,394</b>	<b>6,336</b>
<b>Supplies &amp; Services</b>			
Materials And Equipment		3,499	3,480
Stationery And Postage		97	61
Advertising		40	47
IT/Telecommunications		384	337
Insurance		418	372
Events And Projects		194	182
Professional Fees and Subscriptions		605	284
Grants And Contributions		325	320
Waste Disposal And Landfill Tax		25	0
Corporate Initiatives & Savings Targets		0	0
Allowances		3	10
Consultancy Services		8	4
External Audit Fees		5	5
Security Services		203	182
Other Hired And Contracted Services		1,280	1,161
Publication And Promotion		152	70
PFI Unitary Charges		0	3,512
Miscellaneous		3	5
		<b>7,241</b>	<b>10,033</b>
<b>Transport</b>			
Vehicles And Plant Related Expenditure		1,552	1,451
Travel Allowances		62	78
Fuel		482	601
Transport Related Insurance		69	61
		<b>2,164</b>	<b>2,192</b>
<b>Internal Charges</b>			
Managed Recharges Frm Other Directorates		155	223
		<b>155</b>	<b>223</b>

# City Development

Budget Manager : Chief Recreation Officer

Recreation	£000	Budget 2010/11	Budget 2011/12
Appropriation			
Transfers To/From Capital Reserve		1,165	1,194
		1,165	1,194
Managed Expenditure		48,111	47,575
Internal Income			
Income From Other Directorates		(4,882)	(5,021)
Redistribution Of Grants Income		44	0
		(4,838)	(5,021)
Income - Grants			
Government Grants		(240)	(133)
DCLG Grants		(621)	(2,528)
		(862)	(2,661)
Income - Charges			
Sale Of Goods And Services		(3,257)	(3,107)
Fees And Charges		(16,917)	(17,686)
Education Income		(168)	0
Contributions		(454)	(456)
Other Income		(1,477)	(1,022)
Rents		(414)	(431)
Income Received From ALMOs		(360)	(313)
		(23,048)	(23,015)
Income - Other			
Interest And Dividends		0	0
		0	0
Managed Income		(28,748)	(30,698)
<b>Net Managed Budget</b>		<b>19,363</b>	<b>16,877</b>
Accounting Adjustments			
FRS 17 Costs		1,465	1,655
Vehicles And Plant (Non Leasing)		(489)	(361)
Capital Charges		6,901	7,108
		7,876	8,403
Other Internal Adjustments			
Internal Reallocations Charges		8,421	7,624
Internal Reallocations Income		(1,391)	(1,357)
		7,030	6,267
Managed Outside the Service		14,906	14,670
<b>Net Cost of Service</b>		<b>34,269</b>	<b>31,547</b>

# City Development

Budget Manager : Chief Officer Resources and Strategy

Resources and Strategy			
	£000	Budget 2010/11	Budget 2011/12
<b>Employees</b>			
Direct Pay Costs		1,290	1,079
Agency And Temporary Staff		5	0
National Insurance Contributions		101	100
Superannuation Costs		185	179
Other Pension Costs		1,332	967
Other Employee Related Costs		93	75
Training And Development		59	57
		3,065	2,457
<b>Premises</b>			
Cleaning And Workplace Refuse		0	0
NDR		1	1
Premises Related Insurance		0	0
		1	1
<b>Supplies &amp; Services</b>			
Materials And Equipment		68	74
Stationery And Postage		448	326
IT/Telecommunications		540	494
Insurance		3	4
Professional Fees and Subscriptions		17	16
Allowances		7	7
Other Hired And Contracted Services		202	178
Publication And Promotion		1	1
		1,285	1,100
<b>Transport</b>			
Vehicles And Plant Related Expenditure		2	1
Travel Allowances		13	13
Transport Related Insurance		0	0
		15	14
<b>Internal Charges</b>			
Managed Recharges Frm Other Directorates		126	166
		126	166
<b>Appropriation</b>			
Transfers To/From Capital Reserve		4	4
		4	4
<b>Managed Expenditure</b>		4,497	3,742
<b>Internal Income</b>			
Income From Other Directorates		(97)	(97)
		(97)	(97)
<b>Income - Grants</b>			
Government Grants		(129)	(78)
		(129)	(78)
<b>Income - Charges</b>			
Sale Of Goods And Services		(50)	(46)
Fees And Charges		(210)	(216)
Contributions		0	0
Other Income		(1)	(1)
		(261)	(263)

# City Development

Budget Manager : Chief Officer Resources and Strategy

Resources and Strategy			
	£000	Budget 2010/11	Budget 2011/12
Managed Income		(487)	(438)
<b>Net Managed Budget</b>		<b>4,009</b>	<b>3,304</b>
Accounting Adjustments			
FRS 17 Costs		(1,211)	(864)
Vehicles And Plant (Non Leasing)		(2)	0
Capital Charges		36	67
		(1,177)	(797)
Central Recharges			
Central Recharges Expenditure		17,033	15,858
Corporate & Democratic Core Income		(735)	(712)
		16,298	15,146
Other Internal Adjustments			
Internal Reallocations Charges		637	550
Internal Reallocations Income		(19,857)	(18,119)
		(19,221)	(17,570)
Managed Outside the Service		(4,099)	(3,222)
<b>Net Cost of Service</b>		<b>(90)</b>	<b>83</b>



## **Environment and Neighbourhoods**

# LEEDS CITY COUNCIL 2011/12 BUDGET REPORT

## Directorate: Environment & Neighbourhoods

### 1. Introduction

- 1.1 This report has been produced in order to inform members of the main variations and factors influencing the Directorate's budget for the 2011/12 financial year.

### 2. Service Context

- 2.1 The priority for the Directorate is to ensure that the city is safe and clean, that it helps people meet their housing needs and assists people to find work. These priorities sit in a longer term context of promoting a sustainable approach to the environment and regenerating the most disadvantaged areas of the city.
- 2.2 Given this context and against a background of significant reductions in resources, the Directorate's budget submission is designed to protect services and initiatives which advance these priorities. Specifically priority Streetscene services remain at similar levels to 2010/11, progress continues to be made towards the delivery of the Waste Strategy whilst the continued delivery of efficiencies within Supporting People will ensure that vulnerable adults will continue to receive the appropriate level of support that they require which is consistent with the results of the spending challenge consultation which identified helping people to remain in their own homes as a priority. This approach to Supporting People is at a time when the level of Supporting People grant receivable by Leeds City Council has reduced by a third.
- 2.3 Whilst considerable progress has been made to either mainstream or find alternative funding sources, the reduction in the level of specific grants receivable will inevitably have an impact upon the delivery of a number of initiatives especially in respect of crime reduction. Nevertheless, in this area, the Council is protecting its commitment to PCSOs which complements the "making neighbourhoods stronger and cleaner" priority which is also top priority for the citizens of Leeds.
- 2.4 The one significant area of growth, is the Jobs and Skills budget, which is being increased by £672k, in recognition of the significance of this agenda to the city at this time.

### 3. Explanation of variations between adjusted 2010/11 and 2011/12 - £10,186k Cr (10.06%)

		£000s
Net Managed Budget 2010/11		99,808
Adjustments		
• Transfers to Formula Grant		
• Grant Cuts		
• New Core Grants		
• Transfers of functions		
• Other adjustments		
Adjusted Net Managed Budget 2010/11		101,160
3.1	Changes in Prices	
	• Pay (NI increase)	224
	• Price	1,637
	• Income	159
		-
Service Budget Changes		
	• Changes in Service Levels	- 1,361
	• Other Factors not affecting level of service	- 2,770
	• Efficiency Savings	- 7,757
Net Managed Budget 2011/12		90,974

The variation can be summarised as follows:

#### 3.2 Adjustments

Specific grant (£21k) relating to livestock registration and monitoring that previously had been received from DEFRA has now been incorporated into formula grant.

Expenditure previously included in the Authority's Central Contingency has now been incorporated into the Directorate's budget. This includes £283k relating to kerbside garden collection, £700k in respect of waste tonnages, £415k for variation in Penalty Charge Notice's (PCN) income and £284k for variations in car parking income.

Other variations to the Directorate's budget include the transfers of both the Home Improvement Team, responsible for public health issues, to Adult Social Care (£97k) and the transfer of responsibility for Area Management leadership to Resources Directorate (£129k). In addition resources will transfer to the Business Transformation Team which is based in Resources Directorate (£115k).

There are other minor variations equating to £10k.

#### 3.3 Changes in prices

3.3.1 No provision has been made for a pay award in 2011/12, although the budget includes provision of £224k for the 1% increase in employers' National Insurance rates.

3.3.2 Other price variations of £300k largely reflect the increased cost of fuel. A further £8 per tonne increase in Landfill Tax based on existing activity will cost £1,547k although the impact of increased recycling, largely delivered through recently re-tendered landfill contracts which pre screens materials to remove re-cyclates, reduces the liability to £1,337k.

3.3.3 As a result of variations in the level of car parking income receivable, the Directorate will undertake a review of car parking prices and tariff bandings for both on street and off street parking across the city. This will result in the

implementation of a new pricing structure in 2011/12 (£130k). This decision will be implemented through a delegated decision report and will be informed by an Equality Impact Assessment.

All other price increases at 3% will generate £29k.

### 3.4 Changes in Service Levels

- 3.4.1 Additional resources of £672k have been provided, after the implementation of restructure proposals (£200k) within the Jobs & Skills function. These additional resources will not only contribute towards the redirection of the service to concentrate on outreach to those excluded from the labour market and connect employers to the worklessness agenda but is consistent with identified priorities around job creation for local people. Restructure proposals will be subject to a separate delegated decision and it will be informed by an Equality Impact Assessment.
- 3.4.2 The subsidisation of the Christmas park and ride service through the provision of a free bus service to shoppers has ceased saving £23k.
- 3.4.3 In accordance with a review of the application of car parking policies across the city, a proposed expansion of long stay facilities is projected to generate additional income of £100k.
- 3.4.4 The kerbside garden collection service will be suspended between November and February and this reflects the fact that there is less demand for the service during this period. This action will deliver a net saving of £127k. An initial assessment concludes that an Equality Impact Assessment is not required.
- 3.4.5 Additional bus lane enforcement income of £160k (net) will be generated through the use of a mobile van which will be positioned at known hotspots across the city where offences are being committed. Bus lane enforcement contributes to Council objectives through the Local Transport Plan. These include making the City cleaner, greener and more attractive by reducing pollution through fewer vehicles on the road and improving the quality, capacity, use and accessibility of public transport services in Leeds. An initial assessment concludes that an Equality Impact Assessment is not required.
- 3.4.6 In 2010/11 £854k of activity was retracted from as a result of in year reductions in grant. Further grant reductions in 2011/12 have resulted in further reductions in expenditure (£795k).
- 3.4.7 In respect of SSCF £57k was funding crime reduction initiatives within neighbourhoods such as capture cars and houses, Operation Champion whilst also providing publicity and advice to improve people awareness of the issue e.g. attendance at freshers week at the universities and colleges. An initial assessment indicated that no Equality Impact Assessment needs to be undertaken in respect of this decision.  
Staffing structures, supported by SSCF grant, will be subject to a restructure report (£230k). The appropriate delegated decision which will be informed by an Equality Impact Assessment.
- 3.4.8 In respect of Victim Support payments to West Yorkshire Police in respect of a seconded Police Officer have ceased (£55k). An initial assessment indicated that no Equality Impact Assessment needs to be undertaken in respect of this

decision.

- 3.4.9 Payments to the Counter Terrorism Unit with regard to Preventing Extremism will reduce by a further £195k. In addition £84k was retracted from in 2010/11. An initial assessment indicated that no Equality Impact Assessment needs to be undertaken in respect of this decision.
- 3.4.10 Crime initiatives which include works to properties to reduce repeat burglaries and alleygating will cease (£181k). An initial assessment indicated that no Equality Impact Assessment needs to be undertaken in respect of this decision. This is in addition to a reduction in activity (£179k) in 2010/11 which was in response to the in year reduction in grant that was announced by the Government.
- 3.4.11 As a result of the reduction in funding in respect of Community Enforcement Officers (£147k), there is a requirement to realign the enforcement function to respond to proposals to delegate this function to Area Committees. This will be addressed in a staffing restructure report for which a delegated decision will be taken in March. This decision will be informed by an Equality Impact Assessment.
- 3.4.12 Reductions in LPSA reward grant receivable in 2010/11 impacted upon the additional street cleansing activity that was being undertaken in the inner city (£452k) and this additionality was retracted from by September 2010.
- 3.4.13 A police officer who was seconded to HEAS and was funded by LPSA, has not been replaced following his retirement (£10k).
- 3.4.14 Whilst the decisions for 2011/12 is in response to external funding being cut, actions to consider mitigating any impact on vulnerable groups will be undertaken.

### 3.5 Other Factors not affecting the level of service

- 3.5.1 The Council is to receive an additional £599k Homeless Grant allocation, increase of 136%, in each of 2011/12 and 2012/13 compared to the grant value for 2010/11.  
The additional funding is reflective of the Council's, and partners, innovative practice in tackling homelessness and success in reducing temporary accommodation placements. The additional funding has been sourced from central government savings on housing benefit expenditure relating to temporary accommodation placements. This additional resource will be used to continue the move from standardised services (temporary accommodation) to an intervention package tailored to the specific circumstances of the service user. Equality Impact Assessments have been carried out for key homelessness prevention initiatives and these are being refreshed to ensure that the maximum access and outcomes are generated for all groups from the use of the grant allocation.
- 3.5.2 To reflect the progress of locality working with Area Committees assuming responsibly for aligning resources to meet community priorities, the use of Wellbeing resources to meet priorities will no longer be required and therefore the Wellbeing budget will reduce by £250k. An initial assessment indicates that an Equality Impact Assessment is required but this will be done at the time that the decision is taken with regard to the delegation of services.

- 3.5.3 After taking account of Landfill Tax increases, the effect of new disposal contracts and the variation to the provision of the garden collection services, there is a reduction in expenditure upon the Waste Strategy of £317k. This reduction is due variations in tonnages and savings on bins offsetting increased expenditure on food liners. After taking account of the new landfill contracts, which includes the pre screening of waste collected before it is sent to landfill, the combined recycling and composting rate is estimated to be 40% by the year end. Encouraging people to recycle more is identified as a top priority through the recent public consultation exercise.

It is planned to complete the previously approved roll outs of City wide SORT and garden collection as per the Recycling Improvement Plan in 2011-12. After that there will be no specific new roll outs in 2011-12.

- 3.5.4 Two hostels, Hollies and Richmond Court, currently commissioned through Supporting People will close saving £256k. Richmond Court will close at the end of August and the Hollies at the end of October. In future individuals will be accommodated in dispersed accommodation with appropriate ongoing housing support. The two main drivers for the closure are that homelessness prevention measures have reduced the number of homelessness acceptance cases and service users have expressed a preference for other housing options in particular for dispersed self-contained temporary accommodation with support rather than shared hostel environments. In addition this type of accommodation is more cost effective. An Equality Impact Assessment has been carried out in respect of this proposal.
- 3.5.5 The Council has reduced support to Stop Hate UK to be proportionate to their activity in Leeds, rather than contributing to a national campaign (£150k).
- 3.5.6 By reviewing the activities of the mobile CCTV function and Environmental enforcement combined with the usage and geographical location of Community centres, an appropriate recharge to the Housing Revenue Account is required to be made (£1,080k).
- 3.5.7 Similarly it is proposed that the Signpost service, who work with problem families in the city and offer them an intensive package of support, is charged to the HRA (£789k). This function is intrinsically linked to the package of services that tackle anti social behaviour and the majority of service users are occupying ALMO managed properties.  
The prioritisation of resources to tackle anti-social behaviour has been identified as the most important priority through the spending challenge consultation.
- 3.5.8 Car parking income, based on current trends, is projected to reduce by £817k as a result of reduced patronage of both on street and off street parking facilities across the city. A reduction in Penalty Charge notices issued has contributed to a reduction in income of £330k although this largely offset by additional income (£300k) anticipated through the introduction of bus lane enforcement (excluding mobile bus lane enforcement).
- 3.5.9 East Leeds Household Waste Site is currently closed for refurbishment and until it reopens in the summer of 2011, running cost savings of £88k are anticipated.
- 3.5.10 Income associated with the generation of electricity at the closed landfill site at Gamblethorpe will increase by £79k.

- 3.5.11 In addition savings will be delivered from a reduction in the number of bins being procured (£148k) whilst savings of £297k will be realised through a reduction in PFI procurement costs associated with the delivery of the Waste Strategy.
- 3.5.12 Between the OE 2010/11 and 2011/12 the amount of grant receivable by the Directorate has reduced by £3,602k. Whilst the Council has had to retract from £1,649k of activities funded by grant which has now been withdrawn, new funding of £532k has been identified and £1,421k has been mainstreamed within Leeds City Council's budget. Those areas that have been mainstreamed include priorities around crime reduction, tackling anti social behaviour and maintaining standards of cleanliness all of which are priorities for the city.

Details of the reduction in grants are shown below:

Grant Use	Total Grant Fall out £000	Proposed Actions		
		Withdraw	New Funding	Main stream
		£000	£000	£000
SSCF - Crime Reduction, Drugs & Anti-Social Behaviour	909	311	53	545
Respect - Youth Task Force (ASB initiatives)	223	55	149	19
Preventing Extremism	279	279		
Supporting People Administration grant	339	9	330	
SSCF - Crime Reduction Initiatives	360	360		
Jobs & Skills	54			54
PCSOs	51			51
CCTV	192	26		166
HEAS - Empty Property Team	50			50
Out of Hours Noise Team	100			100
Community Enforcement Officers (HEAS)	293	147		146
Police Officer secondment (HEAS)	10	10		
Refuse Collection - Bin Yards	115			115
Anti Graffiti	102			102
Street Cleansing - Intensive Neighbourhood Management	452	452		
Needle Picking	73			73
<b>Total</b>	<b>3,602</b>	<b>1,649</b>	<b>532</b>	<b>1,421</b>

### 3.6 Efficiency Savings

- 3.6.1 A rationalisation of the JNC structure seeks to consolidate strategic and commissioning functions within the Directorate and respond to a locality based agenda will save £252k (part year effect). Rationalisation of staff structures compliments public priorities around improving staff productivity by bringing services together and the requirement for fewer managers.
- 3.6.2 A review of staff engaged in strategy and performance functions, together with a review of administrative and commissioning functions has identified £350k of

savings. These reviews will then be subject to a Delegated Decision report which will be informed by an Equality Impact Assessment.

- 3.6.3 Leedswatch (CCTV) and the Security Services function is to be amalgamated and savings of £250k are targeted as a result of a reduction in running costs largely resulting from a review of staffing requirements.
- 3.6.4 Across all services within the Directorate 62 FTEs will be leaving under the Early Leavers Initiative. Savings of £1,213k will be realised through the deletion of the posts vacated.
- 3.6.5 Energy costs are projected to reduce across the whole of the accommodation portfolio as a result of improved energy practices being implemented (£80k).
- 3.6.6 A fundamental line by line review of all items of expenditure has resulted in a reduction of budgetary provision of 25% on a number of significant items of expenditure (£646k).
- 3.6.7 Within Supporting People efficiencies of £2,865k can be delivered through the commissioning of external contracts. These savings will be delivered by a combination of renegotiating contract prices across all sectors, by the decommissioning of some activities and sector wide reviews which will require the remodelling of service delivery. Following the review separate delegated decisions will be taken in respect of future payments and these will be informed by Equality Impact Assessments.
- 3.6.8 The current contract with the College of Building for the delivery of construction skills training ends in December 2011. A further phase of commissioning activity will be competitively commissioned to deliver skills outcomes for young people from a potential wider pool of providers at a lower cost. This does not preclude construction skills but also provides the opportunity to look at skill needs aligned to opportunities in the local economy and other existing provision (£200k). The commissioning strategy will be informed by an Equality Impact Assessment.
- 3.6.9 A review of payments to organisations in the voluntary and faith sectors will result in savings of £125k. Following the review separate delegated decisions will be taken in respect of future payments and these will be informed by Equality Impact Assessments.
- 3.6.10 In 2011/12 the full year effect of the Refuse change programme will deliver further efficiencies of £553k over and above the £1.4m included in the 2010/11 base budget.
- 3.6.11 A recent retendering of disposal contracts relating to landfill and garden collection has resulted in a significant reduction in the cost of disposing of these types of waste (£1,098k)
- 3.6.12 As a continuation of the ongoing review relating to Community Centres, there still remains the opportunity to look at the efficient utilisation of these assets (£125k). Following the review separate delegated decisions will be taken in respect of future payments and these will be informed by Equality Impact Assessments.

#### **4. Net Revenue Charge**



4.1 The following table provides a summary of the net revenue charge for the service which brings together the net managed budget and those budgets managed outside the service:

	£000
Net Managed Budget	90,974
Managed Outside Service	12,593
Net Cost of Service	103,567
Transfers From/To Earmarked Reserves	482
Net Revenue Charge	104,049

## 5. Risk Assessment

5.1 In determining the 2011/12 budget, consideration has been given to all the risks which are managed within the directorate's overall risk management framework. Within this framework, a register of those items considered to carry the highest risk and therefore requiring careful and regular monitoring has been prepared.

5.2 The key risks in the 2011/12 budget for this directorate are as follows;

- The budget makes a number of assumptions about price increases. If inflation is higher than anticipated, with the subsequent knock on effect to prices especially in respect of fuel, then the impact will be absorbed by the Directorate.
- Assumptions in respect of income receivable from Car Parking Fixed Penalty Notices (FPNs) and car parking fee income have been incorporated into the budget. Any reductions in the number of FPNs issued and/or reduction in usage of the Authority's car parks will have an impact upon the level of income anticipated in the budget.
- The Directorate's budget incorporates efficiency savings of which a number relate to staffing. There is a risk that delays in the implementation of the targeted actions will deliver a lower level of savings than budgeted for.
- There are a number of operational risks contained within the budget that could impact upon the delivery of a balanced budget. These include assumptions around sickness, the amount of waste generated, activity around asylum seekers and assumptions around the impact of equal pay within Streetscene Services.

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# LEEDS CITY COUNCIL 2011/12 BUDGET REPORT

## Directorate: Environment & Neighbourhoods

### Housing Revenue Account

#### 1. Introduction

- 1.1 The purpose of this report is to inform members of the main variations and factors influencing the 2011/12 Housing Revenue Account (HRA) budget.
- 1.2 The 2011/12 budget has been prepared at outturn prices. This means that allowances for inflation have been included in the budget submission. No provision has been made for a pay award in 2011/12.

#### 2. Key Issues

- 2.1 Annex 1 sets out a summary of the HRA budget for 2010/11 and 2011/12.
- 2.2 The Little London Beeston Hill and Holbeck (LLB&H) PFI project is expected to commence in July 2011, subject to final sign off by the Government. The budget assumes that the scheme will go ahead as planned and therefore all costs and income (including the PFI Allowance paid via the subsidy system) are reflected in the 2011/12 budget.
- 2.3 In October 2010 the Government agreed to end the current HRA system of financing council housing by April 2012. This means that the 2011/12 budget will be the last HRA budget to include Housing Subsidy. From 2012/13 the Council will be able to retain all its rental income in return for a one off debt settlement figure which will be announced later in the year.

#### 3. Key movements 2010/11 to 2011/12 - Income

The key movements in relation to income from the 2010/11 Original Estimate (OE) to the 2011/12 OE are as follows:

- 3.1 **Dwelling Rents** - It is proposed to increasing rents by an average of 6.84% in line with Government guideline. This is expected to generate additional income of £11.4 million in 2011/12. Further details are contained in Section 5 of this report.
- 3.2 **Other rents** - Rental income from shops and other miscellaneous properties is budgeted to reduce by £100k. This is due to shop leases being granted on a less than best basis and higher voids/arrears as a result of the current economic climate. This reduction in income will be partially offset by the proposal to increase garage rents in line with dwelling rents.
- 3.3 **Service Charges** - Increasing service charges in line with dwelling rents will generate additional income of £127k. In addition, an additional £260k has been budgeted in relation to contributions from tenants in respect of Heat Lease.

- 3.4 **Housing Subsidy** - Based on the Final Housing Subsidy Determination the Council's revenue contribution per property has increased from £530 in 2010/11 to £719 in 2011/12. (See Section 7 of this report for details).
- 3.5 **Recharges** - This budget reflects a reduction of £3.3m between 2010/11 and 2011/12. The 2010/11 budget assumed the capitalisation of £2.9m of procurement costs associated with the LLB&H and Lifetime Homes PFI projects. This is no longer required due to the commencement of the LLB&H contract and Lifetime Homes not proceeding. In addition, it is anticipated that the income paid to Property Management Services (PMS) by the ALMOs will reduce by £400k, as a result of reductions in the ALMO capital programmes.
- 3.6 **Other income** - £835k of the £935k increase in income between 2010/11 and 2011/12 is due to agreed contributions from Aire Valley Homes (AVH) and West North West Homes Leeds (WNWHL) towards the LLBH&H PFI scheme. In addition, the HRA will receive £100k income from the Solar Panel Initiative approved by Executive Board in December 2010.

#### 4. **Key movements 2010/11 to 2011/12 - Expenditure**

- 4.1 **Employees** - The reduction of £556k in employee costs is primarily due to vacant posts and the effect of staff leaving under the Council's Early Leavers Initiative.
- 4.2 **Premises** - The increase in premises costs is as a result of increased budgets for lift rescues and fire prevention. An element of this increase will be offset by income from the ALMOs.
- 4.3 **Supplies & Services** - The budget reflects a net increase of £3.7m between 2010/11 and 2011/12. Key variations include:
- the unitary charge payable to the contractor for the LLBH&H PFI (£3.4m), although this will be funded by the PFI allowance receivable from the Government, and is reflected in the Housing Subsidy budget (see Section 7).
  - an increase in insurance charges (£615k) resulting from the need to provide for large claims as advised.
  - a net increase of £225k primarily to pay for the required upgrade to the Orchard Housing System.
  - savings on consultancy of £871k due to the Lifetime Homes PFI no longer proceeding.
  - Staff who previously worked on the Lifetime Homes PFI scheme will continue to provide support to HRA related projects or transfer to projects within other areas of the Council (£406k).
- 4.4 **Recharges** - This has reduced in overall terms by £268k however, there are a number of key movements as follows:-
- A review of the mobile CCTV function and the geographical location of community centres has resulted in an additional recharge of £1m from the General Fund to the HRA.
  - It is proposed that the costs associated with the Signpost service, who work with problem families in the city and offer them an intensive package of support is charged to the HRA (£789k). This service is intrinsically linked to the package of services that tackle anti social behaviour and the majority of service users occupy council properties.

- A net reduction of £541k in the central recharges charged to the HRA. Of this £413k relates to savings on ICT developments.
- A reduction of £150k in the Corporate and Democratic charge to the HRA.
- Savings of £1.1m on Public Private Partnership Unit (PPPU) recharges due to the Lifetime Homes PFI scheme not proceeding.

#### 4.5 **Payments to the ALMOs and BITMO**

4.5.1 It is proposed that the Management Fee paid to each ALMO and BITMO in 2011/12 should remain the same in cash terms as for 2010/11. Incentive payments linked to performance in respect of voids management and arrears remain in place and can increase the level of payments between the HRA and the ALMOs. For 2010/11 these payments to the ALMOs for arrears & voids management are currently projected to be £1.8m.

4.5.2 The reduction in payments of £38m is due to the fallout at the end of 2010/11 of the allowance payable for borrowing incurred in respect of the Decency Programme. This was received through Housing Subsidy and passported in full to the ALMOs. The subsidy received was in excess of actual capital financing costs with the surplus being retained by the ALMOs. From 2011/12 subsidy will only be payable to cover the actual interest charges associated with borrowing undertaken to fund the Decent Homes Programme. This will not be passported to the ALMOs.

4.6 **Provisions** - An analysis of arrears at the end of December 2010 indicated the need to increase the level of bad debt provision due primarily to higher Former Tenant arrears. It is anticipated that this trend will continue and together with an assessment of the potential impact of the Government's Welfare Reforms has resulted in the budget for bad debts being increased by £811k.

4.7 **Capital** - The increase of £1.8m is primarily as result of budgeting to repay debt in line with the HRA debt repayment schedule. This is especially prudent given the Council will take on responsibility and risk in respect of HRA debt management once the current system of financing council housing ends post 2011/12.

#### 5. **Dwelling Rents**

5.1 The level of the Council's dwelling rents are controlled through the application of the Government's Rent Restructuring Policy. The intention of this policy is that tenants across the country should be paying comparable social rents, allowing for variations in type of property and 'economic' circumstances. A formula has been devised to enable social rents across the country to move to 'convergence' by an agreed date, which is now 2015/16.

5.2 The Government issued the Final Housing Subsidy Determination for 2011/12 on 10<sup>th</sup> January 2011. In line with the Government's assumption it is proposed that the Council implements an average rent increase of 6.84% for 2011/12. It should be noted however, that the impact of this on individual tenants will vary according to the Government's rent restructuring formula, which allows individual rents to rise by a maximum of RPI + 0.5%+ £2.00 per week, in order to protect tenants from large rent increases.

Where, because of the Government's rent restructuring formula, actual rents are below the assumed rent increase in the Subsidy Determination (i.e.6.84% for 2011/12), then the Council is compensated for the difference a year in arrears. The

Final Subsidy Determination for 2011/12 reflects the £4.9m compensation due for 2010/11.

5.3 The implementation of an average rent increase of 6.84% will generate additional income of £11.4m.

5.4 The table below shows the average rents for 2010/11 & 2011/12 based on 48 rent weeks.

	<b>2010/11</b>	<b>2011/12</b>	<b>Increase</b>	<b>Increase</b>
	<b>£</b>	<b>£</b>	<b>%</b>	<b>£</b>
<b>Average Rent</b>	<b>61.11</b>	<b>65.29</b>	<b>6.84%</b>	<b>4.18</b>

## 6. Garage Rents

6.1 Rents from garages (currently £6.07 per week) fall outside the rent restructuring rules. It is proposed however, to increase garage rents in line with the increase in dwelling rents 6.84%. This equates to an average increase of 42p per week – making the average garage rent £6.49.

## 7. Housing Subsidy

7.1 Housing subsidy is a notional calculation based on what the Government estimates the Council should spend on housing management and maintenance plus capital financing costs, offset by guideline rental income.

The Allowances per property for 2011/12 as contained in the Final Housing Subsidy Determination compared with the current year are shown in the table below:

	<b>Final Subsidy Determination 2010/11 £</b>	<b>Final Subsidy Determination 2011/12 £</b>	<b>Variance £</b>
<b>Allowances:</b>			
Management Allowance	596	612	16
Maintenance Allowance	1,131	1,131	0
<b>Total Management &amp; Maintenance</b>	<b>1,727</b>	<b>1,743</b>	<b>16</b>
Guideline Rent	(2,908)	(3,107)	(199)
<b>Sub Total</b>	<b>(1,181)</b>	<b>(1,364)</b>	<b>(183)</b>
Major Repairs Allowance	651	645	(6)
<b>Total allowances per property</b>	<b>(530)</b>	<b>(719)</b>	<b>(189)</b>

- 7.2 The table below shows the city wide impact of Housing Subsidy based on the Final Determination. It should be noted that the Determination did not include the PFI allowance for the LLBH&H, however, the Council has been advised by the Government that this will be received via a Special Determination once the project becomes operational, which is anticipated to be July 2011.

	<b>Final Subsidy Determination 2010/11</b>	<b>Final Subsidy Determination 2011/12</b>	<b>Variance</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>
Management & Maintenance Allowance	101,339	101,849	510
Guideline Rent	(167,257)	(177,925)	(10,688)
<b>Sub Total</b>	<b>(65,918)</b>	<b>(76,076)</b>	<b>(10,158)</b>
Capital Allowances	19,485	38,888	19,403
<b>Sub Total</b>	<b>(46,433)</b>	<b>(37,188)</b>	<b>9,245</b>
Major Repairs Allowance	37,303	36,803	(500)
<b>Sub Total</b>	<b>(9,130)</b>	<b>(385)</b>	<b>8,745</b>
ALMO Allowance	32,811	0	(32,811)
PFI (Swarcliffe only )	6,097	6,097	0
<b>Net Subsidy position</b>	<b>29,778</b>	<b>5,712</b>	<b>(24,066)</b>
PFI ( LLBH&H)	<b>0</b>	<b>11,716</b>	<b>11,716</b>
<b>Net Subsidy Budget</b>	<b>29,778</b>	<b>17,428</b>	<b>(12,350)</b>

## 8. HRA General Reserve

The HRA General Reserve is currently projected to fall to £2,517k as at the end of 2010/11. It is therefore proposed to budget for a £500k contribution to this reserve to maintain a level of reserves in line with the Council's risk reserve strategy.

## 9. ALMO FRS17 reserves transferred to the HRA

Executive Board on the 3<sup>rd</sup> November 2010 agreed that the Council would act as guarantor to the ALMOs net pension liabilities held within the West Yorkshire Pension Fund. It was also agreed that £15.521m of ALMO cash reserves not required to meet identified business requirements as reflected in the ALMOs current Business Plans would transfer to HRA reserves.

In January 2010 Strategic Landlord Group submitted a bid to the Homes and Communities Agency for additional funding as part of the Backlog Decency funding bid programme. The bid focused on the modernisation of 10 sheltered housing schemes, where there are bedsits and separate bathing/washing facilities to standards in the 21<sup>st</sup> century. This would cost £11.9m. The bid was for £7.9m, with a proposal for Leeds to contribute £4m from ALMO cash reserves which are transferring.

In addition £6.2m of this reserve is required to be utilised to support the 2011/12 HRA capital programme which has been impacted upon as a result of the requirement to utilise capital receipts to support the 2011/12 revenue budget.

A further report containing proposals for the utilisation of the remaining balance will be submitted to Executive Board in March.

## **10. Risks**

10.1 There are a number of risks which, should they materialise would have a significant impact upon the HRA budget. These risks are reviewed throughout the year and action taken to mitigate any impact wherever possible. The HRA maintains a level of reserves in order to meet the impacts of such risks should they occur. Key risks identified are as follows:

- In year changes to subsidy regulations.
- ALMOs may incur additional costs that require additional financial support from the HRA.
- Property numbers during the year may vary significantly from estimates due to fluctuations in the RTB numbers and developments such as the PFI schemes.
- The Government does not provide adequate grant for the Little London, Beeston Hill & Holbeck PFI scheme.
- The impact of the Government's Welfare Reforms, which may increase arrears more than anticipated.

**Housing Revenue Account**  
**Budget 2011/2012**

Annex 1

	2010/11	2011/12
<b><u>Summary Budget</u></b>	<b>Original Estimate</b>	<b>Draft Estimate</b>
	<b>£000s</b>	<b>£000s</b>
<b>Income :-</b>		
Dwelling Rents	165,514	176,958
Other Rents	2,740	2,696
Service Charges	3,943	4,331
Housing subsidy	29,778	17,428
Recharges	5,512	2,175
ALMO recharges to capital	18,710	0
Other Income	3,858	4,793
<b>Total income</b>	<b>230,056</b>	<b>208,380</b>
<b>Expenditure :-</b>		
Employees	4,330	3,774
Premises & repairs	1,314	1,478
Supplies & Services	13,370	17,118
Transport	111	106
Recharges	15,466	15,198
ALMO Management Fees	117,336	79,757
Provisions	2,280	3,141
Capital	75,655	77,381
<b>Total expenditure</b>	<b>229,861</b>	<b>197,952</b>
<b>Net (surplus)/deficit</b>	<b>(194)</b>	<b>(10,428)</b>
<b>Appropriation Account</b>		
Contribution to HRA reserves	0	500
Transfer to (from) Swarcliffe PFI Sinking Fund	0	(362)
Transfer to (from) Little London, Beeston Hill & Holbeck PFI Sinking Fund	0	10,061
Transfer to (from) Pensions Reserve	194	229
<b>Net position (surplus)/deficit</b>	<b>0</b>	<b>0</b>





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## Main responsibilities:

### Streetscene Services

Streetscene services delivers key services aimed at narrowing the gap between disadvantaged and more affluent communities and works towards ensuring all neighbourhoods are clean, green and well maintained. The creation of integrated Streetscene Services is critical to the achievement of these government targets and corporate priorities to improve the cleanliness of the street environment. These key services comprise refuse collection, street cleansing and ancillary services.

Refuse collection services provide for:

- The collection of general and recyclable household municipal waste for 335,000 properties across the city, which house a population of over 760,000 people.
- Collection of dry, recyclable material from over 310,000 domestic properties (this is due to increase by a further 20,000 properties following the roll out of the recycling improvement plan)
- Collection of garden waste from over 210,000 domestic properties (from early 2011)
- Segregated waste pilot in the Rothwell area (8,500 properties) which includes a weekly food waste collection
- Collection of medical waste from domestic and commercial premises across the Leeds metropolitan area

Street cleansing and ancillary services include:

- Provision of street sweeping services, both manual and mechanical, to 11,500 roads
- Emptying over 250,000 gullies city wide
- Litter picking resources deployed as a seven day a week service
- Cleaning of public conveniences

**In 2011/12, part of street cleansing along with parts of the Health and Environmental Action Service and Area Management will be joining to form Environmental Health and Locality Teams in each of the three area management wedges in the city. The Environmental Health and Locality teams will deliver services to meet the needs of their particular areas and neighbourhoods and allocate resources accordingly.**



# Environment and Neighbourhoods Health and Environmental Action Service



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## Main responsibilities:

### Health and Environmental Action Service (HEAS)

The Health and Environmental Action Service comprises three service areas; Pollution Control and Housing, Environmental Action teams (EAT's) and Commercial and Business Support. The service exists to protect and improve health, safety and the environment.

The service deliver the following functions:

- Supports good food safety standards in the city by the inspection of food businesses, and a wide range of interventions including the reporting of good hygiene practice through the “scores on the doors” website.
- Promotes and supports Health, Safety and Welfare at work, through inspections, investigation of accidents and education in the service sector.
- Regulates premises likely to pollute the atmosphere, monitors air quality and investigates complaints about nuisance and pollution.
- Enforces animal health legislation in respect of welfare of livestock at markets and during transportation
- Assists landlords, private tenants and owner-occupiers with housing issues, giving priority to meeting the needs of disabled, elderly and vulnerable people and improving housing decency.
- Provides a range of neighbourhood enforcement activities including pest control, dangerous, stray or roaming dogs, dog fouling, littering, graffiti and flyering, waste in gardens and waste from domestic and commercial bins, overgrown vegetation, fly tipping and abandoned and untaxed vehicles
- Works to improve the council's performance on reducing fuel poverty and the energy efficiency of the housing stock in Leeds
- Provides an agency service to help people with disabilities and older people to have adaptations to their homes in the private sector to enable them to live independently with improved quality of life
- Provides specialist advice and acts as consultees to a range of agencies and licensing authorities and administers a number of licensing schemes directly on behalf of the council.

**In 2011/12, parts of the Health and Environmental Action Service along with some parts of Streetscene Services (street cleansing etc) and Area Management will be joining to form Environmental Health and Locality Teams in each of the three area management wedges in the city. The Environmental Health and Locality teams will deliver services to meet the needs of their particular areas and neighbourhoods and allocate resources accordingly.**



# Environment and Neighbourhoods

## Car Parking



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### **Main responsibilities:**

#### **Car Parking**

The service manages, develops and maintains most of the council's on-street and off-street parking, including Woodhouse Lane car park, paid surface car parks in the city centre and over 40 unpaid district car parks. Parking tickets are issued for offences, and the service administers the fine collection and appeal process. Car parks are maintained and the Division administers all of the residential permits required for permit zones.

Parking services embrace public/private partnerships for parking enforcement; use state of the art ICT to issue and track the enforcement process; identify and implement new parking areas and review parking prices. These reviews not only consider the actual cost of parking, but also policies related to specific parking sectors, e.g. evening parking, districts, etc. The service also controls enforcement of people incorrectly using bus lanes.

Work is generated both reactively and proactively; through intelligence led initiatives and educative approaches. A high profile approach is taken including the use of notices, fixed penalty notices and prosecutions. The Police, trading-standards, environment agency are close partners with the service.



# Environment & Neighbourhoods Community Safety (Including the Safer Leeds Drugs Team)

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## Main responsibilities:

- To tackle crime, drugs, and disorder and address the fear of crime and drug misuse in Leeds, through a number of specific programmes delivered as part of the Safer Leeds delivery Plan and through supporting the Safer Leeds Partnership in its work.

## Anti-Social Behaviour Unit

- Following a comprehensive review with Partner Agencies, and methodology from the Home Office. The Anti-Social Behaviour Unit will be integrated with the ALMOs to provide a neighbourhood based multi-agency ASB service, continuing to work with partners to develop a problem-solving and early intervention approach to anti-social behaviour, including taking enforcement action when required.

## Police Community Support Officers (PCSOs)

- The council continues to match-fund 170 P.C.S.O.s with West Yorkshire Police, having agreed to continue funding for a further three years from April 2008. PCSOs are an integral part of the Neighbourhood Policing Teams and provide a high-visibility patrolling service in each ward.

## Leeds Watch (CCTV operations)

- It is expected that an upgrade to digital monitoring will be completed during the year, resulting in the need for a revenue contribution of £192k towards the cost of unsupported borrowing. This is expected to significantly improve the quality of information gathered and will assist in reducing crime, the fear of crime and will provide reassurance to the public. Data captured by CCTV provides vital evidence to law enforcement agencies in both apprehending and prosecuting offenders and also plays a key role in the prevention and detection of crime committed in public areas. Two mobile CCTV vans work within communities, supporting the targeted multi-agency operations using Automated Number Plate Recognition Systems (ANPR).

**Security Services – Mobile** will transfer to Leeds Watch during 2011/12, and work is progressing towards the integration of Security Services CCTV/Alarm monitoring and the mobile CCTV service with Leeds Watch. Once budget allocations for the service are agreed and a DDP report authorised it is expected that the integration programme will complete. This will bring significant benefits in the development of an overall service that brings together crime reduction, security and the new partnership with Metro, making best use of the new 'state of the art' technology. An efficiency programme will be developed to ensure best value and maximised external income is delivered.

## Burglary Reduction Unit

- The Burglary Reduction Unit commissions target hardening services to improve the security of domestic properties, particularly of repeat victims in order to reduce burglary and repeat victimisation. Other crime reduction activities include the use of property marking (Smartwater), promotion of crime reduction advice and work with partners, such as ALMOs, to improve security to properties. 'Alley-gating' (a ginnel gating programme) will continue in targeted locations to assist in reducing offending.

## Leeds Inter Agency Project (Women and Violence)

- The primary aim of the Leeds Inter-Agency Project is to improve services to women and children by supporting agencies to deliver the Leeds Domestic Violence Strategy. Training has been delivered to a range of service providers and Break the Silence resource packs have been distributed to schools. Work continues to improve the effectiveness of the Criminal Justice System, particularly the Domestic Violence Court.



# Environment & Neighbourhoods Community Safety (Including the Safer Leeds Drugs Team)

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## **Safer Leeds Drugs Team**

- The Safer Leeds Drugs Team leads on the strategic development of substance misuse delivery and its related activities, to meet performance targets set nationally, regionally and locally. Key areas of focus include the Drug Intervention Programme focusing on drug misusing offenders, community treatment programmes, helping young people resist drug and alcohol use, protect communities from drug and alcohol related anti-social and criminal behaviour and providing treatment to enable those with drug and alcohol problems to overcome them. This delivery has substantial funding streams, those are the Pooled Treatment Budget (Department of Health), Drug Interventions Programme grants (Home Office) and mainstream contributions from major partnership stakeholders.
- In addition, the Safer Leeds Commissioning Team has responsibility for the commissioning and performance management of all services delivered through Community Safety, including crime reduction services, drug treatment and all other grant funded services.

## **Safer Leeds Partnership Support Team**

- The Safer Leeds Partnership Support Team services and supports the Safer Leeds Partnership. It is responsible for ensuring the links between city-wide and locally based work are managed and leads on communications with the public and the media on behalf of Safer Leeds. It co-ordinates service planning and performance management for both the Council and the Partnership and coordinates and monitors the community safety and hate crime priority action plans and strategies. The team provides support for Strategic Leads, Division Partnerships and co-ordinates both city-wide and local programmes and projects.



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## Main responsibilities:

### Area Management

- To deliver the Area Committees' priorities stated in the Area Delivery Plans. To provide an area management service which focuses on local priorities, improving services, engaging communities, promoting community cohesion and co-ordinating local partnership working to deliver Leeds Strategic Plan outcomes.
- To pilot new and innovative ways of working in priority neighbourhoods, which seek to maximise local resources and improve efficiency, and build the capacity of front line workers and residents through the new approach to locality working.
- To effectively respond to local priorities through the delivery of the city's Wellbeing Programme.

### Regeneration Projects and Programmes

- To develop and implement major projects and programmes which improve the physical fabric and infrastructure of the city and contribute to its economic well-being and the longer-term transformation and sustainability of deprived neighbourhoods.
- To enable the delivery of housing growth and affordable housing through effective use of assets, inward investment, joint ventures and partnerships.

### Regeneration Policy and Planning

- To identify, secure and manage targeted programmes of activity, which are resourced from both internal and external sources, to meet the City Priority Plan objectives and the delivery of the city's regeneration programme.
- To take a lead role on policy, strategies and action to support the voluntary, community and faith sector, to contribute to the delivery of the City Priority Plans and support the delivery of an intelligence led approach to neighbourhood management.
- To develop and review strategy and policy to inform the service priorities and delivery plans of the Regeneration Service including community centres, neighbourhood services and community cohesion and engagement activities.

### Jobs and Skills

- To assist local employers to recruit, train and retain local people, in particular young people and those affected by long term unemployment.
- To provide information, advice, guidance and skills training to priority groups including those in receipt of out-of-work benefits.
- To work with partner agencies to align services that target out-of-work individuals and link them to training and job opportunities.



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## **Main responsibilities:**

To improve the quality and variety of the housing offer to the people of Leeds by:

- Increasing the supply of homes (all tenures) meeting the decency standard
- Increasing the number of affordable homes
- Increasing levels of reoccupation of long term empty homes
- Expansion of accreditation in the private rented sector
- Reduction in the number of homeless households
- Redressing the mix of housing tenure as appropriate within neighbourhoods
- Increasing opportunities to access housing options across all tenures
- Maximising homeless prevention activity across the city
- Ensuring the use of housing land and assets supports the wider regeneration of neighbourhoods
- Creating pathways for neighbourhoods to influence decisions at neighbourhood level
- Support integration and cohesion at a neighbourhood level



# Environment and Neighbourhoods

## Waste Management



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### Main responsibilities:

#### Waste Management

Waste Management is charged with delivering a waste strategy and waste solution for the city. The service is committed to developing alternative ways of dealing with waste generated in Leeds which will be critical to meeting government targets for increasing recycling, re-use and composting and reducing the amount of waste going to landfill. Leeds has set an ambitious target of recycling over 50% of its waste by 2020 and plans are in place to deliver this. Responsibilities of the team include:

- The delivery of the Waste Strategy for Leeds which sets out the long term vision for the city in terms of waste; that is to reduce, re-use, recycle and recover value from all waste. The commitment to dealing with waste generated in Leeds is critical to meeting a recycling target of 50% by 2020 and also reducing the amount of waste going to landfill.
- Procuring a waste treatment facility in Leeds through a private finance initiative (PFI scheme). This facility will be delivered in partnership with a private waste contractor to treat household waste that cannot be recycled, to get value and energy back in a sustainable way from the material that is currently buried in the ground
- The provision of a recycling and waste disposal service, receiving household and municipal waste from the public and from council departments.
- The operation of 10 household waste sort sites across the city where residents can take various items to be recycled and composted
- The management of 446 recycling bring sites across Leeds where materials such as paper, cans and glass can be deposited for recycling.
- The management of 11 closed landfill sites at which emissions of leachate and methane are monitored.

Waste Management is committed to working in partnership with other sections and partners to deliver the best possible services for the residents in Leeds and seeks to deliver this aim through a strong commitment to staff training and development.



## Environment & Neighbourhoods

Summary of budget by service (£000)

Budget Manager	Service	Total 2010/11	Managed by the Service			Managed Outside the Service	Total 2011/12
			Spending	Income	Net		
Chief Environmental Services Officer	Streetscene Environmental Services	32,542	28,581	(637)	27,944	3,225	31,169
Chief Environmental Services Officer	Health & Environmental Action	9,686	9,196	(2,383)	6,813	(635)	6,177
Chief Environmental Services Officer	Car Parking Services	(6,353)	4,994	(12,124)	(7,130)	1,599	(5,531)
Chief Community Safety Officer	Community Safety	5,448	5,564	(2,216)	3,348	1,029	4,377
Chief Regeneration Officer	Regeneration	8,386	11,280	(4,054)	7,226	1,322	8,547
Chief Regeneration Officer	Jobs And Skills	3,201	7,188	(3,828)	3,360	409	3,769
Chief Regeneration Officer	Community Centres	3,643	1,870	(583)	1,287	1,869	3,156
Almo Performance and Governance Manager	Housing Services	37,880	38,870	(9,100)	29,769	2,537	32,307
Chief Officer Resources and Strategy	General Fund Support Services	0	(414)	(1,301)	(1,715)	548	(1,167)
Chief Environmental Services Officer	Waste Management	20,818	23,188	(2,988)	20,199	527	20,727
Chief Community Safety Officer	Safer Leeds Drugs Team	64	8,968	(9,096)	(128)	163	35
Net Cost of Service		115,315	139,284	(48,310)	90,974	12,593	103,567
	Transfers to and from earmarked reserves	(66)	0	0	0	482	482
Net Revenue Charge		115,249	139,284	(48,310)	90,974	13,075	104,049

# Environment & Neighbourhoods

## Summary of budget by type of spending or income

	£000	Budget 2010/11	Budget 2011/12
<b>Employees</b>			
Direct Pay Costs		39,853	35,327
Agency And Temporary Staff		943	735
National Insurance Contributions		2,936	2,829
Superannuation Costs		5,295	4,797
Other Pension Costs		1,288	1,432
Other Employee Related Costs		269	277
Training And Development		239	156
		50,823	45,552
<b>Premises</b>			
Buildings Maintenance		135	260
Grounds Maintenance		32	30
Building Security		276	131
Cleaning And Workplace Refuse		147	97
Gas		143	40
Electricity		457	203
Other Utilities		150	116
Rents		3,105	1,464
NDR		1,357	1,241
Accommodation Charges		1,869	1,529
Premises Related Insurance		46	32
		7,717	5,144
<b>Supplies &amp; Services</b>			
Materials And Equipment		1,829	1,414
Stationery And Postage		352	299
Advertising		41	26
IT/Telecommunications		954	973
Insurance		110	119
Events And Projects		63	62
Professional Fees and Subscriptions		3,622	4,314
Grants And Contributions		6,312	4,981
Recycling And Reuse		3,344	2,635
Waste Disposal And Landfill Tax		11,886	13,381
Allowances		689	575
Consultancy Services		661	372
Security Services		285	260
Other Hired And Contracted Services		5,996	5,597
Publication And Promotion		517	325
Miscellaneous		30	37
		36,691	35,370
<b>Transport</b>			
Vehicles And Plant Related Expenditure		6,710	6,516
Travel Allowances		346	348
Fuel		2,323	2,531
Transport Related Insurance		250	274
		9,628	9,668
<b>Internal Charges</b>			
Managed Recharges Frm Other Directorates		2,505	1,918
Charges To/From HRA		1,028	1,053
		3,534	2,971
<b>Agency Payments</b>			

# Environment & Neighbourhoods

## Summary of budget by type of spending or income

£000	Budget 2010/11	Budget 2011/12
Agency Payments		
Services Provided By Other Organisations	41,187	36,640
Sheltered Accommodation	2,510	2,575
	43,697	39,216
Appropriation		
Transfers To/From Capital Reserve	1,344	1,362
	1,344	1,362
Managed Expenditure	153,434	139,284
Internal Income		
Income From Other Directorates	(4,586)	(6,110)
Recharges Income From Capital	(468)	(423)
Charge To/From HRA	(5,122)	(7,010)
Redistribution Of Grants Income	(214)	(214)
	(10,390)	(13,758)
Income - Grants		
Government Grants	(6,425)	(6,422)
DCLG Grants	(3,088)	(1,040)
Other Grants	(584)	(392)
	(10,097)	(7,854)
Income - Charges		
Sale Of Goods And Services	(1,163)	(1,180)
Fees And Charges	(18,924)	(15,169)
Contributions	(8,170)	(7,562)
Other Income	(3,665)	(1,705)
Rents	(968)	(810)
Income Received From ALMOs	(226)	(247)
	(33,115)	(26,674)
Income - Other		
Interest And Dividends	(24)	(24)
	(24)	(24)
Managed Income	(53,626)	(48,310)
<b>Net Managed Budget</b>	<b>99,808</b>	<b>90,974</b>
Accounting Adjustments		
FRS 17 Costs	2,206	1,936
Vehicles And Plant (Non Leasing)	(2,140)	(2,418)
Transfers To/From Statutory Reserves	(2,206)	(1,936)
Transfers to Capital Reserve - Vehicles	2,140	2,418
Capital Charges	6,034	4,006
	6,034	4,006
Central Recharges		
Central Recharges Expenditure	10,581	10,037
Corporate & Democratic Core Income	(1,174)	(968)
	9,407	9,069
Other Internal Adjustments		
Internal Reallocations Charges	22,220	23,857
Internal Reallocations Income	(22,220)	(23,857)
	0	0
Managed Outside the Service	15,441	13,075

# Environment & Neighbourhoods

Summary of budget by type of spending or income

	£000	Budget 2010/11	Budget 2011/12
<b>Net Cost of Service</b>		<b>115,249</b>	<b>104,049</b>

# Environment & Neighbourhoods

Budget Manager : Chief Environmental Services Officer

Streetscene Environmental Services			
	£000	Budget 2010/11	Budget 2011/12
<b>Employees</b>			
Direct Pay Costs		13,733	12,720
Agency And Temporary Staff		821	636
National Insurance Contributions		961	974
Superannuation Costs		1,552	1,525
Other Pension Costs		271	282
Other Employee Related Costs		202	204
Training And Development		92	61
		17,632	16,402
<b>Premises</b>			
Buildings Maintenance		1	1
Building Security		86	86
Cleaning And Workplace Refuse		27	30
Gas		3	3
Electricity		35	26
Other Utilities		39	94
Rents		2	3
NNDR		29	33
Premises Related Insurance		0	1
		223	276
<b>Supplies &amp; Services</b>			
Materials And Equipment		845	771
Stationery And Postage		50	41
Advertising		0	0
IT/Telecommunications		52	28
Insurance		29	48
Professional Fees and Subscriptions		4	27
Allowances		6	4
Security Services		1	0
Other Hired And Contracted Services		1,661	2,070
Publication And Promotion		0	0
		2,649	2,991
<b>Transport</b>			
Vehicles And Plant Related Expenditure		5,309	5,263
Travel Allowances		14	8
Fuel		2,001	2,184
Transport Related Insurance		218	243
		7,542	7,699
<b>Internal Charges</b>			
Managed Recharges Frm Other Directorates		12	9
Charges To/From HRA		24	24
		36	33
<b>Appropriation</b>			
Transfers To/From Capital Reserve		1,150	1,181
		1,150	1,181
<b>Managed Expenditure</b>		29,231	28,581
<b>Internal Income</b>			
Income From Other Directorates		(301)	(225)
Redistribution Of Grants Income		(214)	(214)

# Environment & Neighbourhoods

Budget Manager : Chief Environmental Services Officer

Streetscene Environmental Services			
	£000	Budget 2010/11	Budget 2011/12
Internal Income		(515)	(439)
Income - Charges			
Fees And Charges		(84)	(86)
Other Income		(145)	(34)
Income Received From ALMOs		(86)	(78)
		(316)	(198)
Managed Income		(831)	(637)
<b>Net Managed Budget</b>		<b>28,401</b>	<b>27,944</b>
Accounting Adjustments			
FRS 17 Costs		745	789
Vehicles And Plant (Non Leasing)		(1,727)	(2,082)
Capital Charges		3,088	2,707
		2,106	1,413
Central Recharges			
Central Recharges Expenditure		110	95
		110	95
Other Internal Adjustments			
Internal Reallocations Charges		5,673	6,830
Internal Reallocations Income		(3,748)	(5,113)
		1,925	1,717
Managed Outside the Service		4,141	3,225
<b>Net Cost of Service</b>		<b>32,542</b>	<b>31,169</b>

# Environment & Neighbourhoods

Budget Manager : Chief Environmental Services Officer

Health & Environmental Action	£000	Budget 2010/11	Budget 2011/12
<b>Employees</b>			
Direct Pay Costs		6,457	5,885
Agency And Temporary Staff		26	41
National Insurance Contributions		463	423
Superannuation Costs		885	817
Other Pension Costs		70	131
Other Employee Related Costs		20	33
Training And Development		35	34
		<b>7,955</b>	<b>7,365</b>
<b>Premises</b>			
Buildings Maintenance		28	60
Building Security		36	0
Cleaning And Workplace Refuse		16	0
Gas		2	1
Electricity		6	6
Other Utilities		1	1
Rents		68	91
NNDR		4	4
Premises Related Insurance		0	0
		<b>161</b>	<b>162</b>
<b>Supplies &amp; Services</b>			
Materials And Equipment		153	132
Stationery And Postage		121	98
Advertising		22	9
IT/Telecommunications		217	179
Insurance		6	5
Professional Fees and Subscriptions		48	44
Grants And Contributions		29	60
Allowances		7	1
Consultancy Services		12	6
Security Services		0	14
Other Hired And Contracted Services		606	516
Publication And Promotion		80	32
Miscellaneous		11	4
		<b>1,312</b>	<b>1,101</b>
<b>Transport</b>			
Vehicles And Plant Related Expenditure		160	68
Travel Allowances		130	176
Fuel		34	29
Transport Related Insurance		8	6
		<b>331</b>	<b>279</b>
<b>Internal Charges</b>			
Managed Recharges Frm Other Directorates		293	236
Charges To/From HRA		53	53
		<b>346</b>	<b>289</b>
<b>Managed Expenditure</b>		<b>10,107</b>	<b>9,196</b>
<b>Internal Income</b>			
Income From Other Directorates		(440)	(458)
Charge To/From HRA		(81)	(62)

# Environment & Neighbourhoods

Budget Manager : Chief Environmental Services Officer

Health & Environmental Action	£000	Budget 2010/11	Budget 2011/12
Internal Income		(521)	(520)
Income - Charges			
Sale Of Goods And Services		(311)	(188)
Fees And Charges		(1,341)	(1,299)
Other Income		(225)	(244)
Rents		(2)	(2)
Income Received From ALMOs		(51)	(130)
		(1,930)	(1,863)
Managed Income		(2,451)	(2,383)
<b>Net Managed Budget</b>		<b>7,656</b>	<b>6,813</b>
Accounting Adjustments			
FRS 17 Costs		512	443
Vehicles And Plant (Non Leasing)		(56)	(30)
Capital Charges		31	(2,480)
		488	(2,068)
Central Recharges			
Central Recharges Expenditure		333	314
		333	314
Other Internal Adjustments			
Internal Reallocations Charges		2,943	2,971
Internal Reallocations Income		(1,734)	(1,853)
		1,209	1,119
Managed Outside the Service		2,030	(635)
<b>Net Cost of Service</b>		<b>9,686</b>	<b>6,177</b>



# Environment & Neighbourhoods

Budget Manager : Chief Environmental Services Officer

Car Parking Services	£000	Budget 2010/11	Budget 2011/12
<b>Employees</b>			
Direct Pay Costs		2,449	2,383
National Insurance Contributions		170	167
Superannuation Costs		343	334
Other Pension Costs		12	12
Other Employee Related Costs		5	9
Training And Development		21	10
		2,999	2,915
<b>Premises</b>			
Grounds Maintenance		25	25
Building Security		44	33
Cleaning And Workplace Refuse		3	3
Electricity		88	75
Other Utilities		7	7
Rents		7	7
NNDR		617	668
Premises Related Insurance		0	5
		790	823
<b>Supplies &amp; Services</b>			
Materials And Equipment		339	304
Stationery And Postage		77	82
Advertising		13	14
IT/Telecommunications		163	139
Insurance		27	21
Professional Fees and Subscriptions		24	29
Other Hired And Contracted Services		640	534
Publication And Promotion		1	0
		1,284	1,123
<b>Transport</b>			
Vehicles And Plant Related Expenditure		67	65
Travel Allowances		2	2
Fuel		22	28
Transport Related Insurance		6	8
		96	102
<b>Internal Charges</b>			
Managed Recharges Frm Other Directorates		14	15
Charges To/From HRA		15	15
		30	30
<b>Managed Expenditure</b>		5,199	4,994
<b>Internal Income</b>			
Income From Other Directorates		(405)	(395)
		(405)	(395)
<b>Income - Charges</b>			
Fees And Charges		(12,764)	(11,613)
Other Income		(25)	(107)
Rents		(8)	(8)
		(12,798)	(11,729)
<b>Managed Income</b>		(13,202)	(12,124)

# Environment & Neighbourhoods

Budget Manager : Chief Environmental Services Officer

Car Parking Services	£000	Budget 2010/11	Budget 2011/12
<b>Net Managed Budget</b>		<b>(8,003)</b>	<b>(7,130)</b>
Accounting Adjustments			
FRS 17 Costs		212	223
Vehicles And Plant (Non Leasing)		(2)	(2)
Capital Charges		840	770
		1,050	991
Central Recharges			
Central Recharges Expenditure		192	298
		192	298
Other Internal Adjustments			
Internal Reallocations Charges		4,737	4,574
Internal Reallocations Income		(4,328)	(4,263)
		408	311
Managed Outside the Service		1,650	1,599
<b>Net Cost of Service</b>		<b>(6,353)</b>	<b>(5,531)</b>

# Environment & Neighbourhoods

Budget Manager : Chief Community Safety Officer

Community Safety	£000	Budget 2010/11	Budget 2011/12
<b>Employees</b>			
Direct Pay Costs		2,393	2,209
Agency And Temporary Staff		(4)	0
National Insurance Contributions		195	182
Superannuation Costs		387	358
Other Pension Costs		19	57
Other Employee Related Costs		6	1
		2,996	2,808
<b>Premises</b>			
Buildings Maintenance		0	0
Building Security		0	0
Cleaning And Workplace Refuse		12	12
Electricity		14	12
Rents		59	71
NNDR		44	46
		129	142
<b>Supplies &amp; Services</b>			
Materials And Equipment		9	9
Stationery And Postage		3	3
IT/Telecommunications		185	193
Insurance		4	5
Events And Projects		0	0
Professional Fees and Subscriptions		3	3
Grants And Contributions		1,425	264
Allowances		1	1
Other Hired And Contracted Services		1,826	1,647
		3,456	2,125
<b>Transport</b>			
Vehicles And Plant Related Expenditure		4	4
Travel Allowances		16	16
Fuel		9	9
Transport Related Insurance		0	0
		29	29
<b>Internal Charges</b>			
Managed Recharges Frm Other Directorates		330	241
Charges To/From HRA		39	39
		369	280
<b>Appropriation</b>			
Transfers To/From Capital Reserve		194	181
		194	181
<b>Managed Expenditure</b>		7,174	5,564
<b>Internal Income</b>			
Charge To/From HRA		(1,590)	(1,693)
		(1,590)	(1,693)
<b>Income - Grants</b>			
Government Grants		(562)	0
		(562)	0
<b>Income - Charges</b>			
Contributions		(141)	(141)

# Environment & Neighbourhoods

Budget Manager : Chief Community Safety Officer

Community Safety			
	£000	Budget 2010/11	Budget 2011/12
Income - Charges			
Other Income		(467)	(382)
		(608)	(523)
Managed Income		(2,760)	(2,216)
<b>Net Managed Budget</b>		<b>4,415</b>	<b>3,348</b>
Accounting Adjustments			
FRS 17 Costs		230	195
Capital Charges		24	26
		255	221
Central Recharges			
Central Recharges Expenditure		326	315
		326	315
Other Internal Adjustments			
Internal Reallocations Charges		1,002	993
Internal Reallocations Income		(550)	(500)
		452	492
Managed Outside the Service		1,033	1,029
<b>Net Cost of Service</b>		<b>5,448</b>	<b>4,377</b>

# Environment & Neighbourhoods

Budget Manager : Chief Regeneration Officer

Regeneration	£000	Budget 2010/11	Budget 2011/12
<b>Employees</b>			
Direct Pay Costs		4,620	4,640
National Insurance Contributions		367	389
Superannuation Costs		640	632
Other Pension Costs		180	200
Other Employee Related Costs		1	1
Training And Development		15	0
		5,823	5,863
<b>Premises</b>			
Cleaning And Workplace Refuse		2	2
Gas		3	2
Electricity		5	4
Other Utilities		1	1
Rents		63	20
NNDR		21	21
		94	51
<b>Supplies &amp; Services</b>			
Materials And Equipment		51	27
Stationery And Postage		29	22
Advertising		6	3
IT/Telecommunications		78	56
Insurance		2	3
Professional Fees and Subscriptions		497	457
Grants And Contributions		4,472	4,221
Waste Disposal And Landfill Tax		0	0
Allowances		9	13
Consultancy Services		95	3
Other Hired And Contracted Services		449	215
Publication And Promotion		43	24
Miscellaneous		1	0
		5,732	5,043
<b>Transport</b>			
Travel Allowances		80	44
		80	44
<b>Internal Charges</b>			
Managed Recharges Frm Other Directorates		480	210
Charges To/From HRA		69	69
		549	279
<b>Managed Expenditure</b>		12,278	11,280
<b>Internal Income</b>			
Income From Other Directorates		(976)	(416)
Recharges Income From Capital		(153)	(423)
Charge To/From HRA		(818)	(1,731)
		(1,947)	(2,570)
<b>Income - Grants</b>			
Government Grants		(644)	(1,121)
DCLG Grants		(864)	0
Other Grants		(334)	(80)
		(1,842)	(1,201)

# Environment & Neighbourhoods

Budget Manager : Chief Regeneration Officer

Regeneration			
	£000	Budget 2010/11	Budget 2011/12
Income - Charges			
Fees And Charges		(5)	(4)
Contributions		(430)	(260)
Other Income		(107)	(17)
Rents		(2)	(2)
Income Received From ALMOs		(10)	0
		(554)	(283)
Managed Income		(4,343)	(4,054)
<b>Net Managed Budget</b>		<b>7,935</b>	<b>7,226</b>
Accounting Adjustments			
FRS 17 Costs		238	244
Capital Charges		(40)	810
		198	1,054
Central Recharges			
Central Recharges Expenditure		285	243
		285	243
Other Internal Adjustments			
Internal Reallocations Charges		1,354	1,739
Internal Reallocations Income		(1,386)	(1,714)
		(32)	25
Managed Outside the Service		451	1,322
<b>Net Cost of Service</b>		<b>8,386</b>	<b>8,547</b>

# Environment & Neighbourhoods

Budget Manager : Chief Regeneration Officer

Jobs And Skills	£000	Budget 2010/11	Budget 2011/12
<b>Employees</b>			
Direct Pay Costs		1,827	1,854
Agency And Temporary Staff		42	0
National Insurance Contributions		138	138
Superannuation Costs		217	261
Other Pension Costs		557	563
Other Employee Related Costs		5	2
Training And Development		17	16
		2,802	2,834
<b>Premises</b>			
Building Security		10	10
Cleaning And Workplace Refuse		16	16
Gas		24	21
Electricity		23	20
Other Utilities		4	4
Rents		70	70
NNDR		71	71
Accommodation Charges		31	31
Premises Related Insurance		1	1
		251	244
<b>Supplies &amp; Services</b>			
Materials And Equipment		60	28
Stationery And Postage		28	27
IT/Telecommunications		41	53
Insurance		5	5
Events And Projects		0	0
Professional Fees and Subscriptions		2,516	2,950
Grants And Contributions		99	99
Allowances		548	548
Other Hired And Contracted Services		88	175
Publication And Promotion		5	9
		3,390	3,894
<b>Transport</b>			
Vehicles And Plant Related Expenditure		35	20
Travel Allowances		24	23
Transport Related Insurance		0	0
		59	43
<b>Internal Charges</b>			
Managed Recharges Frm Other Directorates		135	149
Charges To/From HRA		24	24
		158	172
<b>Managed Expenditure</b>		6,661	7,188
<b>Internal Income</b>			
Income From Other Directorates		(350)	0
Charge To/From HRA		0	(200)
		(350)	(200)
<b>Income - Grants</b>			
Government Grants		(2,373)	(2,644)
Other Grants		(250)	(312)

# Environment & Neighbourhoods

Budget Manager : Chief Regeneration Officer

Jobs And Skills			
	£000	Budget 2010/11	Budget 2011/12
Income - Grants		(2,623)	(2,956)
Income - Charges			
Sale Of Goods And Services		(98)	(9)
Fees And Charges		(94)	(107)
Contributions		(524)	(491)
Rents		(65)	(65)
		(781)	(672)
Managed Income		(3,754)	(3,828)
<b>Net Managed Budget</b>		<b>2,907</b>	<b>3,360</b>
Accounting Adjustments			
FRS 17 Costs		(415)	(380)
Capital Charges		(74)	75
		(489)	(305)
Central Recharges			
Central Recharges Expenditure		172	144
		172	144
Other Internal Adjustments			
Internal Reallocations Charges		1,452	2,231
Internal Reallocations Income		(840)	(1,662)
		612	569
Managed Outside the Service		295	409
<b>Net Cost of Service</b>		<b>3,201</b>	<b>3,769</b>



# Environment & Neighbourhoods

Budget Manager : Chief Regeneration Officer

Community Centres	£000	Budget 2010/11	Budget 2011/12
Employees			
Other Employee Related Costs		0	0
		0	0
Premises			
Rents		0	5
NDR		193	204
Accommodation Charges		1,839	1,499
Premises Related Insurance		40	21
		2,072	1,728
Supplies & Services			
IT/Telecommunications		11	8
Insurance		0	0
Events And Projects		4	4
Professional Fees and Subscriptions		4	3
Grants And Contributions		0	15
Other Hired And Contracted Services		65	25
		85	56
Internal Charges			
Managed Recharges Frm Other Directorates		68	80
Charges To/From HRA		6	6
		74	86
<b>Managed Expenditure</b>		<b>2,231</b>	<b>1,870</b>
Internal Income			
Income From Other Directorates		(193)	(161)
Charge To/From HRA		0	(213)
		(193)	(374)
Income - Charges			
Fees And Charges		(268)	(209)
Contributions		(64)	0
		(332)	(209)
<b>Managed Income</b>		<b>(525)</b>	<b>(583)</b>
<b>Net Managed Budget</b>		<b>1,705</b>	<b>1,287</b>
Accounting Adjustments			
Capital Charges		1,215	1,198
		1,215	1,198
Central Recharges			
Central Recharges Expenditure		645	595
		645	595
Other Internal Adjustments			
Internal Reallocations Charges		78	75
		78	75
Managed Outside the Service		1,938	1,869
<b>Net Cost of Service</b>		<b>3,643</b>	<b>3,156</b>

# Environment & Neighbourhoods

Budget Manager : Almo Performance and Governance Manager

Housing Services	£000	Budget 2010/11	Budget 2011/12
<b>Employees</b>			
Direct Pay Costs		4,522	3,322
National Insurance Contributions		361	270
Superannuation Costs		726	393
Other Pension Costs		110	107
Other Employee Related Costs		3	2
Training And Development		31	11
		5,754	4,105
<b>Premises</b>			
Buildings Maintenance		31	9
Building Security		99	1
Cleaning And Workplace Refuse		69	22
Gas		108	10
Electricity		227	9
Other Utilities		87	0
Rents		2,831	1,243
NNDR		213	20
Accommodation Charges		(1)	(1)
Premises Related Insurance		1	1
		3,665	1,315
<b>Supplies &amp; Services</b>			
Materials And Equipment		345	121
Stationery And Postage		23	10
IT/Telecommunications		158	282
Insurance		3	3
Events And Projects		0	0
Professional Fees and Subscriptions		514	792
Grants And Contributions		286	323
Allowances		119	8
Consultancy Services		16	0
Other Hired And Contracted Services		264	135
Publication And Promotion		0	0
Miscellaneous		2	0
		1,729	1,673
<b>Transport</b>			
Vehicles And Plant Related Expenditure		18	28
Travel Allowances		67	66
Fuel		2	1
Transport Related Insurance		1	1
		88	96
<b>Internal Charges</b>			
Managed Recharges Frm Other Directorates		233	194
Charges To/From HRA		765	790
		998	984
<b>Agency Payments</b>			
Services Provided By Other Organisations		32,151	28,121
Sheltered Accommodation		2,510	2,575
		34,661	30,697
<b>Managed Expenditure</b>		46,894	38,870

# Environment & Neighbourhoods

Budget Manager : Almo Performance and Governance Manager

Housing Services	£000	Budget 2010/11	Budget 2011/12
Internal Income			
Income From Other Directorates		(111)	(2,574)
Recharges Income From Capital		(316)	0
Charge To/From HRA		(1,324)	(1,811)
		(1,751)	(4,384)
Income - Grants			
Government Grants		(233)	(233)
DCLG Grants		(2,194)	(1,040)
		(2,427)	(1,273)
Income - Charges			
Fees And Charges		(4,180)	(1,727)
Other Income		(2,624)	(920)
Rents		(891)	(733)
Income Received From ALMOs		(39)	(39)
		(7,733)	(3,419)
Income - Other			
Interest And Dividends		(24)	(24)
		(24)	(24)
Managed Income		(11,935)	(9,100)
<b>Net Managed Budget</b>		<b>34,959</b>	<b>29,769</b>
Accounting Adjustments			
FRS 17 Costs		392	169
Vehicles And Plant (Non Leasing)		(12)	(25)
Capital Charges		554	587
		934	732
Central Recharges			
Central Recharges Expenditure		760	707
		760	707
Other Internal Adjustments			
Internal Reallocations Charges		2,422	2,292
Internal Reallocations Income		(1,195)	(1,193)
		1,227	1,099
Managed Outside the Service		2,921	2,537
<b>Net Cost of Service</b>		<b>37,880</b>	<b>32,307</b>

# Environment & Neighbourhoods

Budget Manager : Chief Officer Resources and Strategy

General Fund Support Services	£000	Budget 2010/11	Budget 2011/12
Employees			
Direct Pay Costs		911	(594)
National Insurance Contributions		75	54
Superannuation Costs		129	83
Other Pension Costs		12	17
Other Employee Related Costs		4	0
Training And Development		1	0
		1,130	(439)
Premises			
Rents		0	(50)
Premises Related Insurance		3	0
		3	(50)
Supplies & Services			
Materials And Equipment		5	3
Stationery And Postage		13	1
IT/Telecommunications		19	0
Insurance		0	1
Professional Fees and Subscriptions		4	0
Other Hired And Contracted Services		2	47
Publication And Promotion		35	0
Miscellaneous		14	18
		93	70
Transport			
Vehicles And Plant Related Expenditure		0	0
Travel Allowances		2	1
		2	1
Internal Charges			
Managed Recharges Frm Other Directorates		36	4
		36	4
Managed Expenditure		1,265	(414)
Internal Income			
Charge To/From HRA		(1,309)	(1,301)
		(1,309)	(1,301)
Managed Income		(1,309)	(1,301)
<b>Net Managed Budget</b>		<b>(44)</b>	<b>(1,715)</b>
Accounting Adjustments			
FRS 17 Costs		76	41
		76	41
Central Recharges			
Central Recharges Expenditure		7,758	7,232
Corporate & Democratic Core Income		(1,174)	(968)
		6,584	6,264
Other Internal Adjustments			
Internal Reallocations Charges		1,174	909
Internal Reallocations Income		(7,790)	(6,666)
		(6,616)	(5,757)

# Environment & Neighbourhoods

Budget Manager : Chief Officer Resources and Strategy

General Fund Support Services			
	£000	Budget 2010/11	Budget 2011/12
Managed Outside the Service		44	548
<b>Net Cost of Service</b>		<b>0</b>	<b>(1,167)</b>

# Environment & Neighbourhoods

Budget Manager : Chief Environmental Services Officer

Waste Management	£000	Budget 2010/11	Budget 2011/12
<b>Employees</b>			
Direct Pay Costs		2,557	2,547
Agency And Temporary Staff		59	59
National Insurance Contributions		178	202
Superannuation Costs		362	342
Other Pension Costs		59	62
Other Employee Related Costs		22	24
Training And Development		28	24
		3,264	3,261
<b>Premises</b>			
Buildings Maintenance		76	191
Grounds Maintenance		7	5
Cleaning And Workplace Refuse		1	11
Gas		4	4
Electricity		58	50
Other Utilities		11	9
Rents		6	6
NNDR		167	175
Premises Related Insurance		0	3
		329	454
<b>Supplies &amp; Services</b>			
Materials And Equipment		21	17
Stationery And Postage		8	16
IT/Telecommunications		31	34
Insurance		33	27
Events And Projects		58	58
Professional Fees and Subscriptions		8	9
Recycling And Reuse		3,344	2,635
Waste Disposal And Landfill Tax		11,886	13,382
Consultancy Services		538	363
Security Services		284	246
Other Hired And Contracted Services		396	233
Publication And Promotion		352	260
Miscellaneous		2	15
		16,961	17,294
<b>Transport</b>			
Vehicles And Plant Related Expenditure		1,117	1,068
Travel Allowances		12	13
Fuel		255	279
Transport Related Insurance		17	16
		1,401	1,376
<b>Internal Charges</b>			
Managed Recharges Frm Other Directorates		903	781
Charges To/From HRA		22	22
		925	803
<b>Managed Expenditure</b>		22,880	23,188
<b>Internal Income</b>			
Income From Other Directorates		(1,810)	(1,882)
		(1,810)	(1,882)

# Environment & Neighbourhoods

Budget Manager : Chief Environmental Services Officer

Waste Management	£000	Budget 2010/11	Budget 2011/12
Income - Charges			
Sale Of Goods And Services		(754)	(983)
Fees And Charges		(188)	(123)
Other Income		(71)	0
Income Received From ALMOs		(40)	0
		(1,053)	(1,106)
Managed Income		(2,863)	(2,988)
<b>Net Managed Budget</b>		<b>20,017</b>	<b>20,199</b>
Accounting Adjustments			
FRS 17 Costs		177	178
Vehicles And Plant (Non Leasing)		(344)	(279)
Capital Charges		395	314
		228	212
Central Recharges			
Central Recharges Expenditure		0	93
		0	93
Other Internal Adjustments			
Internal Reallocations Charges		1,220	1,114
Internal Reallocations Income		(647)	(893)
		573	222
Managed Outside the Service		801	527
<b>Net Cost of Service</b>		<b>20,818</b>	<b>20,727</b>

# Environment & Neighbourhoods

Budget Manager : Chief Community Safety Officer

Safer Leeds Drugs Team	£000	Budget 2010/11	Budget 2011/12
Employees			
Direct Pay Costs		384	360
National Insurance Contributions		29	28
Superannuation Costs		54	50
		466	438
Internal Charges			
Charges To/From HRA		11	11
		11	11
Agency Payments			
Services Provided By Other Organisations		9,036	8,519
		9,036	8,519
Managed Expenditure		9,514	8,968
Income - Grants			
Government Grants		(2,613)	(2,424)
DCLG Grants		(30)	0
		(2,643)	(2,424)
Income - Charges			
Contributions		(7,011)	(6,672)
		(7,011)	(6,672)
Managed Income		(9,654)	(9,096)
<b>Net Managed Budget</b>		<b>(140)</b>	<b>(128)</b>
Accounting Adjustments			
FRS 17 Costs		41	35
		41	35
Other Internal Adjustments			
Internal Reallocations Charges		164	128
		164	128
Managed Outside the Service		204	163
<b>Net Cost of Service</b>		<b>64</b>	<b>35</b>



## **Central and Corporate Services**

# LEEDS CITY COUNCIL

## 2011/12 BUDGET REPORT

### Directorate: Central and Corporate

#### 1 Introduction

- 1.1 This report has been produced in order to inform members of the main variations and factors influencing the directorate's budget for the 2011/12 financial year.

#### 2 Service Context

- 2.1 Central and Corporate Services incorporates the Resources Directorate and the portfolios of the two Assistant Chief Executives (Planning, Policy and Improvement and Corporate Governance.) The overall net reduction to the Central and Corporate managed budget is £13.6m (16%) in 2011/12.
- 2.2 Certain themes coming from the recent 'Spending Challenge' consultation have been taken into account within the Central and Corporate budget, in particular 'making better use of buildings'. Proposals both within Corporate Property Management around reducing spend on buildings maintenance and saving on energy costs, as well as rationalisation of specific buildings within Customer Services link directly to this theme. These are detailed in sections 3.4.3 and 3.6.2 below.
- 2.3 **Resources Directorate** has a net managed budget of £83m and 3,495 full time equivalent staff.
- 2.3.1 It combines all the major support service infrastructure for the Council (Financial and HR Services, ICT and buildings) the shared back office for all support service transactions (the Business Support Centre), regulatory and project management functions (including Audit and Risk and the Public Private Partnership Unit) and Corporate Property Management. It also includes Commercial Services (which comprises trading services; fleet, property and catering) and a range of operational welfare services run on behalf of Adults and Children's services. These include passenger transport and adult community meals. In July 2010 long term generic homecare will also transfer to Commercial Services. Resources Directorate also provides the city's Revenues and Benefits Service.
- 2.3.2 Over the past three years £4million staff savings have been taken out of the Council's support services. The reduction this year is a further £4.7m (12%.) This means that over a four year period the staff cost of support services within the Council will have reduced by nearly £9m (20%). This will ease the pressure of costs to front line services and deliver further efficiencies, through centralising specialist functions such as capital planning. Reductions of this scale are not without risks, in terms of ensuring sufficient business expertise is available to support operational managers (faced with increased challenges in delivering budget pressures and reducing staff numbers.) A balance also needs to be struck in terms of not compromising the Council's resilience in areas such as ICT and Emergency Planning.
- 2.3.3 The budget for Revenues and Benefits reflects a cut in staffing of £872k (9%). This arises out of the cessation of the student loans function, which has now transferred to Central Government. It also, reflects a reduction in resources available to investigate benefit fraud (though resources will still be in place to target high value fraud) and less home visits to

check for changes in circumstances, with more benefit take up activity moving from home visit to postal campaigns (though visits covered under Fairer Charging will continue),

2.3.4 This budget assumes a contribution to the general fund of £4.7m from Commercial Services, in addition to £1.1m savings to be passported directly to Adults and Children's Services (arising from deploying their welfare catering and transport.) There are risks here associated with the increase in commodity prices (particularly wheat and fuel).

2.3.5 A significant strand of savings identified in Resources budget is the deferring of investment in property and fleet services. Building Maintenance will be cut by £1m (15%) and no fleet vehicles will be replaced in 2011/12. This suspension of cyclical investment cannot be desirable in the long run, as it stores up problems and leads to a higher level of investment requirement a later date. These measures though will deliver £1.8m of savings in 2011/12.

2.3.6 The 2011/12 budget reflects 280 less full time equivalent staff than it did a year previously (as a result of natural turnover and staff being released through voluntary retirement and severance.) Another £1m will need to be delivered in 2011/12 through restructuring services. Again a balance will need to be struck to ensure the integrity of the Council's management of people, funds and information is not compromised and that risks (both for the city and for the many staff deployed in high risk operations) are properly managed.

**2.4 Planning, Policy and Improvement (PPI)** has a net managed budget of £12.9m representing 507 full time equivalent staff.

2.4.1 The 2011/12 budget delivers £911k of savings, equating to 7% of net managed budget.

2.4.2 Front-line customer service operations (contact centre and one stop centres) account for 60% of overall budget. The strategy has sought to minimise reduction at the front-line. Overall, there is a 4% reduction in customer services operations, through a review of running cost budgets and non-replacement of non-front line staff.

2.4.3 The overall budget and the strategy has sought to maximise savings wherever possible on non-essential support services. Overall, there is a 13% reduction in the corporate budget (Leeds Initiative and Partnerships, Business Transformation and Management and Support). Further savings to be targeted for 2012/13 and 2013/14.

2.4.4 PPI are leading a major improvement agenda to deliver savings for 2011/12 and beyond:

- Invest to save initiatives (Customer Access, Business Management and Changing the Workplace).
- Communications Review: council wide savings of £0.6m are reflected in 2011/12 budget and further savings to be achieved by further reductions through implementation of a review of communications across the Council.
- Service Improvement: estimated Council wide savings of £0.5m in 2011/12 - further savings to be achieved by fte reductions through further council-wide review work.

**2.5 Corporate Governance** has a net managed budget of £8.2m representing 392 full time equivalent staff. In terms of the budget, the two agendas are:

- Procurement Review: delivering council wide savings
- Legal Services: fundamental review of spend on legal services, both internal and externally procured services with targeted savings of £1m

### 3 Explanation of variations between adjusted 2010/11 and 2011/12 - £10,990k (-9.8%)

3.1 The variation can be summarised as follows:

	£000s
<b>Net Managed Budget 2010/11</b>	<b>73,857</b>
Adjustments	
• Transfers of Functions	2,893
• Other adjustments	3,526
<b>Adjusted Net Managed Budget 2010/11</b>	<b>80,276</b>
Changes in Prices	
• Pay (NI increase)	394
• Price	-
• Income	11
Service Budget Changes	
• Changes in Service Levels	52
• Other Factors not affecting level of service	2,290
• Efficiency Savings	13,610
<b>Net Managed Budget 2011/12</b>	<b>69,287</b>

### 3.2 Adjustments

3.2.1 In keeping with the corporate model for the delivery of HR and financial services, these support service functions will transfer into the Resources directorate from Education Leeds in 2011/12, as the company is wound up. This amounts to a net transfer of £1,751k.

3.2.3 The proposal agreed by Executive Board in December regarding the transfer of area management and locality enablement has meant a transfer of relevant budgets into Policy and Planning and Improvement (£259k).

3.2.4 The direct payments and income functions of Adult Social Care will transfer to the Financial Management team supporting the directorate, and an adjustment of £233k is included to reflect this. This is to support the ability of Adult Social Care to optimise income collection and responds to the growing transactional demands resulting from the increase in direct payments.

3.2.5 Other transfers include staff moving into the 'Changing the Workplace' team (£200k), The Admissions Team from Education Leeds will also be transferred into the Contact Centre (£230k). Other minor transfers account for a £117k adjustment.

### **3.3 Changes in prices**

- 3.3.1 No provision has been made for a pay award in 2011/12, although the budget includes provision of £394k for the 1% increase in employers' National Insurance rates.
- 3.3.2 Generally no price increases have been reflected in the income budgets of the trading services except where these relate to commodity price inflation.

### **3.4 Changes in Service Levels**

- 3.4.1 The Student Support function has been reducing for a number of years and is finally being ceased in 2011/12 (as the function transfers to Central Government) with a saving of £172k which is offset by a reduction in grant funding.
- 3.4.2 2011/12 will see the first full year of operation of the two new joint service centres: the Compton and the Reginald Centres. The net cost to the revenue budget will be £395k which has been met from existing budget from the services occupying the centres.
- 3.4.3 As part of an ongoing review of One Stop Centre provision, linking in directly with changes within other services across the Council, it is intended to close Halton Moor One Stop Centre on 1.4.11. The withdrawal of the other services, (in particular the leisure centre) means that, from a practical and financial perspective, continued delivery of a one stop centre at the site is not sustainable. This, combined with a continued fall in enquiry volumes at the centre (due to the recent opening of the Compton Centre, 2.8 miles away), as well as the close proximity of the existing Osmondthorpe One Stop Centre, have led to this decision being made. In addition, Otley and Aireborough One Stop Centres will be relocated into neighbouring libraries during the financial year. Other opportunities for co-location of services will continue to be explored. Equality Impact Assessments have been completed in respect of the closure and the two relocations.
- 3.4.4 It is proposed that the Council will reduce its contribution to Marketing Leeds by £100k (25%) in 2011/12.
- 3.4.5 The 'About Leeds' publication will only be produced once a year in hard copy, saving £67k, however other means of communication with the public, mainly electronic, will be pursued.
- 3.4.6 In response to providing financial assistance for some of the most deprived areas of the city, an amount of £287k has been provided within Customer Services to support the credit union network via the One Stop Centre network.
- 3.4.7 The proposed budget for the Public Private Partnership Unit reflects the significant shift nationally in PFI funded schemes. Expenditure will reduce by £1.1m in 2011/12 and charges to internal clients will go down by £2m. The Public Private Partnership Unit's work with external bodies (mainly the Police service) will generate additional income of £0.7m. This is regarded as a national exemplar of skills sharing across the region.

### **3.5 Other Factors not affecting the level of service**

- 3.5.1 Within Resources, a loss of external income amounting to £339k has been reflected. This is mainly a reduction in court fees in respect of Council tax but also a loss of external business for the Business Support Centre (conversion of schools to 'Academies') and a loss of external income in Audit and Risk (mainly loss of the 'Financial Management in Schools' audit).

3.5.2 The move of Education Leeds back into the Council means that relief amounting to £80k in respect of NNDR for Merrion House will no longer apply.

3.5.3 A saving of £0.5m in respect of Housing Benefits has been reflected in the budget. This comprises two elements. Firstly, a change to the calculation of 'bad debt provision' which basically assumes that a higher proportion of housing benefit 'overpayments' will be recovered. Secondly, there is an assumption that the number and value of overpayments will increase in 2011/12.

3.5.4 A reduction in income of £2,290k represents a decrease in charges to directorates across the Council, as a result of savings to be made in Passenger Transport and Legal Services.

### **3.6 Efficiencies and Savings**

3.6.1 Support Services (Financial Services, ICT and HR)  
*Budget saving: £4.7m*

The budget represents a 9.75% reduction in staff equating to 100 full time equivalents. This level of reduction means that the services need to fundamentally change. Part of this will be achieved by more centralisation and standardisation of functions aligned with better use of technology, such as the Employee/Manager self service development currently in progress. However there is a need to focus on providing the basic core work, which may mean some areas of work that have previously been undertaken for services will not be possible.

3.6.2 Corporate Property Management  
*Budget saving: £2.5m*

The budget of £6.5m for the maintenance of Council Buildings has been reduced by £1m. This means only essential repairs and health and safety requirements will be undertaken. In addition the budget for maintenance of empty ('void') properties has been reduced by £200k (from £450k to £250k) and also a target for capitalisation of certain repairs of £450k has been assumed.

A target of reducing energy consumption by £220k has been reflected in support of the Council's commitment to reducing the environmental impact of buildings.

Staff savings within the service amount to £658k, mainly achieved through the Early Leavers Initiative.

3.6.3 Revenues and Benefits  
*Budget saving: £1m*

The pay budget has been reduced by £872k (9%) and running costs by £136k. A restructure is already in progress and reductions in Housing Benefits visitors, the Fraud Investigation team and certain other areas are being actioned.

3.6.4 Passenger Services and Community Meals  
*Budget saving: £1.1m (saving reflected in client budgets)*

The 2011/12 budget for Passenger Transport will deliver a total saving of £900k for Adult Social Care and Children's services through improved procurement and modernising fleet activity to encourage socially more inclusive transport, (travel trainers, smaller, more flexible vehicles.)

The charge to Adult Social care for Community Meals will be reduced by £200k, reflecting increased sales of meals and savings from closing the in-house frozen food distribution unit.

### 3.6.5 Commercial Services *Budget saving of £2,9m*

Property Maintenance is forecast to improve its surplus by £610k in 2011/12, reflecting in – part, the amalgamation of cleaning services into one management unit from three.

It is assumed that the Schools Meals delegated budget is uplifted by 4% (an additional £264k) and that the price of a school meal is increased by 5p from September 2011 (additional income of £85k). Further efficiencies will come from externalising frozen food distribution. These measures are key to maintaining the nutritional quality of meals, in the light of significant pressures on food prices.

Fleet services will generate savings of £800k from deferring the replacement of Council vehicles in 2011/12 and a further £134k from increased productivity in the maintenance workshop.

### 3.6.6 Review of Legal Services *Budget saving: £1m*

A reduction in the cost of Legal Services to the Council has been reflected in the budget. This will be achieved by reviewing client demand; including the need for certain legal work and assessing the most appropriate means of provision.

### 3.6.7 Democratic Services *Budget saving: £428k*

The budget reflects a 3% reduction in Special Responsibility Allowances above £7,000, which amounts to £20k. The Deputy Lord Mayor's allowance is also being reduced by £5k.

The staffing budget has been reduced by £269k, largely reflecting the early leavers initiative. In addition, a review of running costs has also been undertaken and savings of £134k are reflected in the budget.

### 3.6.8 Planning, Policy and Improvement *Budget saving: £782k*

Whilst focussing on maintaining existing service levels, as well as coping with the changes within one stop provision, a savings of £285k is reflected in Customer Services representing both staffing (£189k) and running cost (£83k) reductions. Pay savings in the other service areas amount to £260k and a review of running costs and subscriptions to outside bodies has yielded a further £237k. The budget proposes to restrict the 'About Leeds' publication to one printed edition per year, saving £67k.

In addition, year one savings from the review of communications are estimated at £0.6m: £0.4m from non-filling of currently vacant posts across the whole Council and a further £0.2m target (reflected in the 'strategic budget') to be realised in year.

### 3.6.9 Invest to Save

The change agenda will make a significant contribution to improving services whilst delivering considerable financial savings across the whole Council during the next 4 years. A revenue injection of £0.8m is reflected in the budget relating to specific programmes of work:

- Changing the workplace
- Customer Access
- Business management

## 4. Net Revenue Charge

4.1 The following table provides a summary of the net revenue charge for the service which brings together the net managed budget and those budgets managed outside the service.

	£000s
Net Managed Budget	69,287
Managed Outside Service	- 59,114
Net Cost of Service	10,173
Transfers to/from earmarked reserves	- 4,027
Net Revenue Charge	6,146

## 5 Risk Assessment

5.1 In determining the 2011/12 budget, consideration has been given to all the risks which are managed within the directorate's overall risk management framework. Within this framework, a register of those items considered to carry the highest risk and therefore requiring careful and regular monitoring has been prepared.

5.2 The key risks in the 2011/12 budget for this directorate are as follows:

- Pay savings amounting to £1.6m have been included on the assumption that staff will leave during the year and not be replaced. Within Resources a further £1m saving has been included in respect of further staff restructures and early retirements.
- Risk to Council buildings if essential and backlog maintenance work cannot be contained within the reduced budget.
- Housing Benefits overpayments assumptions. £200k of the £500k 'saving' relates to adjustment to bad debt provision, the remainder is largely not within the control of the Council.
- Level of capitalisation assumed in Resources budget (£3.8m for ICT developments, £450k building maintenance).
- Additional income for Commercial trading services £350k is dependent on gaining work, mainly from a tender situation.
- Review of Legal Services (£1m): will require changes to working practices, which may also expose the Council to certain risks.
- The probability of a major ICT incident impacting on service delivery has increased.
- The delivery of critical business projects enabled by ICT may be delayed which could impact on service outcomes.
- Lack of sufficient business expertise and capacity to support corporate and operational management and meeting statutory requirements.

Briefing note prepared by: Charles Oxtoby  
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## Resources



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## Main responsibilities:

### Audit and Risk

- Provide an independent and objective assurance on the control environment established to help the council achieve its objectives.
- Be responsible for developing, promoting and implementing Council policy and good practice in the areas of risk management and business continuity management.
- Develop integrated plans with all directorates/partner agencies and co-ordinate the council's response to an emergency.
- Developing and monitoring corporate value for money (VFM)

### Financial Development and Financial Management

- Provide overall strategic financial management of the council's finances.
- Maximise the council's financial resources within levels of acceptable risk.
- Promote efficient and effective stewardship of assets and resources.
- Ensure compliance with statutory financial obligations.
- Providing senior managers, budget holders and staff with financial information, guidance and advice to enable them to take responsibility to effectively manage their revenue and capital budgets and to align available resources to priorities.

### Revenues and Benefits

- Provide an integrated and inclusive benefits service that is prompt, accurate, secure and sensitive to the needs of the citizens of Leeds and other stakeholders.
- Provide accurate and timely assessments in respect of council's Fairer Charging Scheme.
- Determine the appropriate level of financial support for all higher education students in Leeds.
- Working with key partners, to promote and improve access and take-up of financially assessed services.
- Maximise the collection of local taxation and other income from residents and businesses in Leeds.
- Ensure proper banking arrangements are in place.
- Provide a range of modern payment options for citizens to use.



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## Information and Communication Technology (ICT) Services

- Key stakeholder and contributor in the formulation and delivery of the council's strategic plans.
- To maintain and develop the council's ICT infrastructure and software application portfolio to support changing business needs which enable all users to have access to the required information and systems in order to provide excellent services to the citizens of Leeds and beyond.
- Support, develop and implement technical solutions which underpin all council services.
- Support 20,000 telephones, 530 council sites, over 14,000 pcs, all schools and children in Leeds and remote connections to partners, crossing council boundaries.

## Human Resources

- Ensure our workforce meets current and future needs of services and reflect the Leeds community.
- Improve levels of safety and wellbeing in the workplace to ensure employees achieve and sustain high levels of performance and attendance. Help managers to properly manage attendance and significantly reduce absence.
- Develop a culture of high performance and systematic learning in which employees have the right knowledge and skills.
- Introduce a fair, flexible and competitive pay and reward structure that encourages employees to perform well.
- Maintain effective relationships with trade unions to provide a modern working environment with excellent communication and involvement for all employees.
- Support the organisation by developing a culture that recognises the role of people in promoting the values of the council.

## Business Support Centre

The Business Support Centre operates through a shared services approach providing a range of support services to the council and a number of external parties. Services provided are:

- Payroll Services providing a fully comprehensive end-to-end payroll service for all employees of the council and a number of external bodies. Ensures the council meets all contractual and statutory obligations for payroll.
- Pensions Service is responsible for pension administration for both the local government scheme and the teachers' pension scheme. Also provides interpretation and advice on pension regulations, advice to staff on pension options and on retirement options.
- Central Payments Service is responsible for payment of all of the council's bills ensuring that bills are paid at the optimum time, balancing the requirement to pay promptly with managing cash flow to the council's advantage.
- HR Administration Service is responsible for maintaining the records of all employees of the council, including Criminal Records Bureau checks plus renewals and compilation and maintenance of model employee files associated with the wider safeguarding agenda. Also responsible for administration of the council's recruitment function and developing and advising on good recruitment processes.



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## Corporate Property Management

- Corporate Property Management's main purpose is to look after the council's buildings and deliver the full range of property and facilities management services to support the council's activities.
- Management of facilities related services (Print Management, Reprographics, Mail Services and City Signs)
- Assist services and Asset Management in the development and implementation of the corporate and service asset management plans to ensure that the council uses its assets efficiently and effectively to support the corporate priorities.

## Public Private Partnership Unit

- The unit offers advice, guidance, support, scrutiny and a corporate overview to the Executive Board, Corporate Management Team and the Council's Strategic Investment Board. The unit was established in 2001 to assist client departments to secure inward investment primarily through the government's Private Finance Initiative (PFI), to deliver long term solutions to agreed council priorities (with contracts of up to 30 years duration).
- To provide advice, assistance and independent scrutiny to client departments and their managers on the methods required for the preparation of initial proposals, feasibility studies (including option appraisal) and the submission of formal business cases to sponsoring government departments. The unit manages the use of external legal, financial and technical advisors through framework contracts to assist in the delivery of the Council's PFI portfolio of projects.
- To provide this support to client departments from project inception, through procurement, and beyond the start of service commencement or delivery. The unit also provides advice on contract monitoring, project re-financing, benchmarking and market testing, which are critical long-term aspect of such projects.

## Commercial Services:

### Property Maintenance Services

- Building and specialist services to the council's Arms Length Management Organisations (ALMOs) and to council departments in relation to responsive and other property repairs.
- Service and installation function in specialist works and trades, including mechanical and engineering, lifts, asbestos, gas, flooring and major contracts. The division also provides routine internal building cleaning services for client departments and some external clients.
- Security services for client departments covering 24 hour central monitoring, 24 hour patrol and alarm response wardens, static guarding and alarm and CCTV installation.

### Transport Services

- Key front line duties providing transport services for elderly day care centres, adult training centres, children in the care of the Adult Services and Children's Services directorates, and children with statements of special education needs on behalf of Education Leeds.
- The School Crossing Patrol service provides 180 crossing sites within the Leeds boundary to ensure that pedestrians cross safely. Crossing Patrols are now legally empowered to stop traffic and to assist any pedestrians to cross, not just children.



# Resources



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- Vehicle Management and Maintenance services manage the provision of vehicles and plant required by the council's operational departments. This service is also responsible for the regulatory safety inspection of the fleet, together with the routine service and repair of over 1,000 vehicles. In addition, the team operates a fuel management service which provides fuelling facilities for all council departments from various sites across the city.

## **Catering**

- In Education, the service currently provides meals to 205 primary and special schools, 15 high schools and 28 early years centres.
- In 2009/10 the Community Meals service, which provides a seven day hot meals service, will expand the pilot city wide.

## **Cleaning**

- Comprehensive internal building cleaning services are also provided to education establishments across the city.

## Resources

Summary of budget by service (£000)

Budget Manager	Service	Total 2010/11	Managed by the Service			Managed Outside the Service	Total 2011/12
			Spending	Income	Net		
Chief Officer Financial Management	Financial Management	0	10,766	(1,175)	9,590	(9,590)	0
Chief Officer Financial Management	Business Support Centre	0	5,333	(1,985)	3,348	(3,348)	0
Chief Officer Financial Development	Financial Development	0	1,349	(357)	992	(992)	0
Chief Revenues and Benefits Officer	Cost Of Collection	4,513	56,452	(60,136)	(3,684)	7,779	4,096
Chief Revenues and Benefits Officer	Revenues, Benefits and Student Support	485	11,471	(7,569)	3,901	(3,721)	180
Chief Revenues and Benefits Officer	Housing Benefit	2,476	252,318	(253,186)	(868)	2,485	1,616
Chief ICT Officer	Information Technology	4,378	24,583	(10,720)	13,863	(9,876)	3,987
Chief Officer HR	Human Resources	0	10,372	(2,020)	8,352	(8,352)	0
Chief Officer Audit and Risk	Audit & Risk	548	2,803	(116)	2,686	(2,254)	433
Chief Officer Resources and Strategy	Support Services And Directorate	114	1,319	(2)	1,317	(1,317)	0
Chief Officer Resources and Strategy	Central Recharges Account	0	0	0	0	0	0
Chief Officer PPPU	Public Private Partnership Unit	(342)	2,822	(3,664)	(842)	641	(201)
Chief Officer CPM	Corporate Property Management	(294)	27,657	(9,525)	18,132	(18,567)	(434)
Chief Officer Commercial Services	Commercial Services	(233)	16,020	(16,415)	(395)	(21)	(415)
Chief Officer Commercial Services	Commercial Services Trading	(2,289)	48,242	(56,014)	(7,772)	3,703	(4,069)
Net Cost of Service		9,356	471,507	(422,885)	48,622	(43,429)	5,193
	Transfers to and from earmarked reserves	(2,097)	0	0	0	(2,185)	(2,185)
Net Revenue Charge		7,259	471,507	(422,885)	48,622	(45,614)	3,007

# Resources

## Summary of budget by type of spending or income

	£000	Budget 2010/11	Budget 2011/12
<b>Employees</b>			
Direct Pay Costs		79,091	72,754
Agency And Temporary Staff		1,968	1,616
National Insurance Contributions		5,076	4,932
Superannuation Costs		9,351	8,836
Other Pension Costs		1,818	2,105
Other Employee Related Costs		581	553
Training And Development		1,031	730
		98,914	91,526
<b>Premises</b>			
Buildings Maintenance		6,721	5,282
Grounds Maintenance		128	110
Building Security		782	754
Cleaning And Workplace Refuse		1,919	1,969
Gas		667	574
Electricity		1,204	1,088
Other Utilities		313	283
Rents		5,269	5,631
NDR		2,985	3,188
Accommodation Charges		14	14
Premises Related Insurance		101	183
		20,104	19,075
<b>Supplies &amp; Services</b>			
Materials And Equipment		9,190	8,921
Stationery And Postage		2,179	1,733
Advertising		7	3
IT/Telecommunications		9,436	8,894
Insurance		86	106
Events And Projects		9	7
Professional Fees and Subscriptions		1,530	1,957
Recycling And Reuse		4	1
Allowances		11	7
Consultancy Services		49	3
External Audit Fees		588	563
Security Services		1	0
Other Hired And Contracted Services		5,382	5,621
Publication And Promotion		84	40
Miscellaneous		2,620	358
		31,174	28,212
<b>Transport</b>			
Vehicles And Plant Related Expenditure		7,772	6,938
Travel Allowances		507	576
Fuel		4,887	4,875
Private Hire		6,665	6,332
Transport Related Insurance		201	239
		20,032	18,959
<b>Internal Charges</b>			
Managed Recharges Frm Other Directorates		1,036	714
Charges To/From HRA		1,367	67
		2,404	781
<b>Transfer Payments</b>			

# Resources

## Summary of budget by type of spending or income

£000	Budget 2010/11	Budget 2011/12
Transfer Payments		
Compensation Payments	1	1
Council Tax Benefit Payments	48,615	56,142
Discretionary NNDR Rebates	184	184
Housing Benefit Payments	218,685	252,318
	267,485	308,645
Appropriation		
Transfers To/From Capital Reserve	4,753	4,308
	4,753	4,308
Managed Expenditure	444,866	471,507
Internal Income		
Income From Other Directorates	(90,280)	(84,919)
Recharges Income From Capital	(347)	(324)
Charge To/From HRA	(1,367)	(67)
	(91,994)	(85,311)
Income - Grants		
Government Grants	(269,458)	(310,717)
DCLG Grants	(1,250)	(1,231)
	(270,709)	(311,948)
Income - Charges		
Sale Of Goods And Services	(1,560)	(1,346)
Fees And Charges	(981)	(3,370)
Education Income	(11,159)	(6,103)
Contributions	(86)	(65)
Other Income	(9,408)	(8,582)
Rents	(132)	(1,038)
Income Received From ALMOs	(5,189)	(5,122)
	(28,514)	(25,626)
Managed Income	(391,217)	(422,885)
<b>Net Managed Budget</b>	<b>53,649</b>	<b>48,622</b>
Accounting Adjustments		
FRS 17 Costs	3,337	3,268
Vehicles And Plant (Non Leasing)	(1,694)	(1,395)
Transfers To/From Statutory Reserves	(3,337)	(3,268)
Transfers to Capital Reserve - Vehicles	1,240	1,083
Capital Charges	13,872	12,219
	13,418	11,907
Central Recharges		
Central Recharges Expenditure	40,008	36,303
Central Recharges Income	(100,972)	(97,508)
Corporate & Democratic Core Income	(2,956)	(2,993)
	(63,920)	(64,198)
Other Internal Adjustments		
Internal Reallocations Charges	157,155	152,937
Internal Reallocations Income	(153,044)	(146,259)
	4,111	6,677
Managed Outside the Service	(46,390)	(45,614)
<b>Net Cost of Service</b>	<b>7,259</b>	<b>3,007</b>



# Resources

Summary of budget by type of spending or income

£000	Budget 2010/11	Budget 2011/12

# Resources

Budget Manager : Chief Officer Financial Management

Financial Management			
	£000	Budget 2010/11	Budget 2011/12
Employees			
Direct Pay Costs		7,519	8,439
National Insurance Contributions		548	656
Superannuation Costs		970	1,159
Other Pension Costs		99	153
Other Employee Related Costs		4	2
Training And Development		110	76
		9,250	10,485
Premises			
Buildings Maintenance		0	1
Premises Related Insurance		0	13
		0	14
Supplies & Services			
Materials And Equipment		5	8
Stationery And Postage		4	14
Advertising		2	2
IT/Telecommunications		93	92
Insurance		3	4
Events And Projects		0	0
Professional Fees and Subscriptions		26	28
Allowances		0	0
Other Hired And Contracted Services		7	33
		140	182
Transport			
Travel Allowances		30	84
		30	84
Internal Charges			
Managed Recharges Frm Other Directorates		24	0
		24	0
Appropriation			
Transfers To/From Capital Reserve		2	2
		2	2
Managed Expenditure		9,446	10,766
Internal Income			
Income From Other Directorates		(322)	(998)
Recharges Income From Capital		(8)	(8)
		(330)	(1,006)
Income - Charges			
Sale Of Goods And Services		(2)	(2)
Fees And Charges		(13)	(12)
Education Income		(39)	24
Contributions		(36)	(65)
Other Income		(30)	(43)
Income Received From ALMOs		(74)	(72)
		(194)	(170)
Managed Income		(524)	(1,175)
<b>Net Managed Budget</b>		<b>8,922</b>	<b>9,590</b>

# Resources

Budget Manager : Chief Officer Financial Management

Financial Management			
	£000	Budget 2010/11	Budget 2011/12
Accounting Adjustments			
FRS 17 Costs		534	661
Capital Charges		1	0
		536	661
Central Recharges			
Central Recharges Income		(62)	(56)
Corporate & Democratic Core Income		(154)	(143)
		(215)	(199)
Other Internal Adjustments			
Internal Reallocations Charges		1,718	1,725
Internal Reallocations Income		(10,960)	(11,778)
		(9,242)	(10,053)
Managed Outside the Service		(8,922)	(9,590)
<b>Net Cost of Service</b>		<b>0</b>	<b>0</b>

# Resources

Budget Manager : Chief Officer Financial Management

Business Support Centre			
	£000	Budget 2010/11	Budget 2011/12
Employees			
Direct Pay Costs		4,213	3,721
National Insurance Contributions		284	258
Superannuation Costs		583	525
Other Pension Costs		126	158
Other Employee Related Costs		2	1
Training And Development		21	7
		5,229	4,669
Premises			
Buildings Maintenance		1	1
Building Security		1	1
Rents		6	0
NNDR		3	1
		11	3
Supplies & Services			
Materials And Equipment		10	6
Stationery And Postage		160	131
IT/Telecommunications		344	331
Insurance		2	2
Professional Fees and Subscriptions		191	185
Allowances		3	1
Other Hired And Contracted Services		14	(8)
		723	649
Transport			
Travel Allowances		8	7
		8	7
Internal Charges			
Managed Recharges Frm Other Directorates		12	6
		12	6
Managed Expenditure		5,984	5,333
Internal Income			
Income From Other Directorates		(1,406)	(1,584)
		(1,406)	(1,584)
Income - Charges			
Sale Of Goods And Services		(66)	(56)
Fees And Charges		(9)	(9)
Education Income		(280)	0
Other Income		(217)	(222)
Rents		0	0
Income Received From ALMOs		(161)	(113)
		(734)	(401)
Managed Income		(2,140)	(1,985)
<b>Net Managed Budget</b>		<b>3,844</b>	<b>3,348</b>
Accounting Adjustments			
FRS 17 Costs		254	224
Capital Charges		358	355
		613	579

# Resources

Budget Manager : Chief Officer Financial Management

Business Support Centre			
	£000	Budget 2010/11	Budget 2011/12
Central Recharges			
Central Recharges Income		(258)	720
		(258)	720
Other Internal Adjustments			
Internal Reallocations Charges		5,110	4,584
Internal Reallocations Income		(9,308)	(9,231)
		(4,199)	(4,646)
Managed Outside the Service		(3,844)	(3,348)
<b>Net Cost of Service</b>		<b>0</b>	<b>0</b>

# Resources

Budget Manager : Chief Officer Financial Development

Financial Development			
	£000	Budget 2010/11	Budget 2011/12
Employees			
Direct Pay Costs		1,021	856
National Insurance Contributions		82	69
Superannuation Costs		143	121
Other Pension Costs		19	36
Other Employee Related Costs		1	0
Training And Development		4	4
		1,270	1,086
Supplies & Services			
Materials And Equipment		8	3
Stationery And Postage		9	6
IT/Telecommunications		44	38
Insurance		0	1
Professional Fees and Subscriptions		7	214
Allowances		0	0
External Audit Fees		1	0
Other Hired And Contracted Services		0	(4)
		70	257
Transport			
Travel Allowances		3	3
		3	3
Internal Charges			
Managed Recharges Frm Other Directorates		210	1
		210	1
Appropriation			
Transfers To/From Capital Reserve		2	2
		2	2
Managed Expenditure		1,555	1,349
Internal Income			
Income From Other Directorates		(260)	0
Recharges Income From Capital		(306)	(317)
		(567)	(317)
Income - Charges			
Sale Of Goods And Services		(27)	(27)
Fees And Charges		(5)	(5)
Education Income		(44)	0
Other Income		0	0
Income Received From ALMOs		(10)	(7)
		(87)	(40)
Managed Income		(654)	(357)
<b>Net Managed Budget</b>		<b>901</b>	<b>992</b>
Accounting Adjustments			
FRS 17 Costs		74	49
Capital Charges		2	0
		75	49

## Resources

Budget Manager : Chief Officer Financial Development

Financial Development			
	£000	Budget 2010/11	Budget 2011/12
Central Recharges			
Central Recharges Income		(369)	(61)
Corporate & Democratic Core Income		(478)	(474)
		(847)	(535)
Other Internal Adjustments			
Internal Reallocations Charges		659	637
Internal Reallocations Income		(788)	(1,143)
		(129)	(506)
Managed Outside the Service		(901)	(992)
<b>Net Cost of Service</b>		<b>0</b>	<b>0</b>

## Resources

Budget Manager : Chief Revenues and Benefits Officer

Cost Of Collection	£000	Budget 2010/11	Budget 2011/12
Supplies & Services			
External Audit Fees		4	4
Other Hired And Contracted Services		123	123
		126	126
Transfer Payments			
Council Tax Benefit Payments		48,615	56,142
Discretionary NNDR Rebates		184	184
		48,799	56,326
Managed Expenditure		48,925	56,452
Income - Grants			
Government Grants		(47,923)	(55,405)
DCLG Grants		(1,250)	(1,231)
		(49,173)	(56,637)
Income - Charges			
Fees And Charges		0	(2,139)
Other Income		(3,585)	(1,360)
		(3,585)	(3,499)
Managed Income		(52,758)	(60,136)
<b>Net Managed Budget</b>		<b>(3,833)</b>	<b>(3,684)</b>
Central Recharges			
Central Recharges Expenditure		1,095	1,013
		1,095	1,013
Other Internal Adjustments			
Internal Reallocations Charges		7,250	6,767
		7,250	6,767
Managed Outside the Service		8,345	7,779
<b>Net Cost of Service</b>		<b>4,513</b>	<b>4,096</b>



# Resources

Budget Manager : Chief Revenues and Benefits Officer

Revenues, Benefits and Student Support			
	£000	Budget 2010/11	Budget 2011/12
Employees			
Direct Pay Costs		8,145	7,295
Agency And Temporary Staff		26	0
National Insurance Contributions		563	496
Superannuation Costs		1,082	1,029
Other Pension Costs		171	222
Other Employee Related Costs		5	2
Training And Development		29	19
		10,021	9,063
Premises			
Rents		5	5
NNDR		6	6
		11	11
Supplies & Services			
Materials And Equipment		37	26
Stationery And Postage		659	496
Advertising		0	0
IT/Telecommunications		618	653
Insurance		4	5
Professional Fees and Subscriptions		442	499
Allowances		1	1
External Audit Fees		42	42
Other Hired And Contracted Services		124	307
Publication And Promotion		18	11
Miscellaneous		80	80
		2,025	2,119
Transport			
Vehicles And Plant Related Expenditure		0	0
Travel Allowances		73	59
		74	59
Internal Charges			
Managed Recharges Frm Other Directorates		341	218
		341	218
Transfer Payments			
Compensation Payments		1	1
		1	1
Managed Expenditure		12,473	11,471
Internal Income			
Income From Other Directorates		(352)	(656)
		(352)	(656)
Income - Grants			
Government Grants		(6,349)	(6,714)
		(6,349)	(6,714)
Income - Charges			
Fees And Charges		(182)	(183)
Education Income		(380)	0
Other Income		(7)	(8)
Income Received From ALMOs		(4)	(9)
		(573)	(199)

## Resources

Budget Manager : Chief Revenues and Benefits Officer

Revenues, Benefits and Student Support			
	£000	Budget 2010/11	Budget 2011/12
Managed Income		(7,274)	(7,569)
<b>Net Managed Budget</b>		<b>5,199</b>	<b>3,901</b>
Accounting Adjustments			
FRS 17 Costs		535	500
Capital Charges		0	51
		535	551
Central Recharges			
Central Recharges Income		(4,190)	(3,579)
Corporate & Democratic Core Income		(397)	(395)
		(4,587)	(3,974)
Other Internal Adjustments			
Internal Reallocations Charges		13,492	12,758
Internal Reallocations Income		(14,154)	(13,056)
		(662)	(298)
Managed Outside the Service		(4,714)	(3,721)
<b>Net Cost of Service</b>		<b>485</b>	<b>180</b>

## Resources

Budget Manager : Chief Revenues and Benefits Officer

Housing Benefit	£000	Budget 2010/11	Budget 2011/12
Transfer Payments Housing Benefit Payments		218,685	252,318
		218,685	252,318
Managed Expenditure		218,685	252,318
Income - Grants Government Grants		(214,927)	(248,318)
		(214,927)	(248,318)
Income - Charges Other Income		(4,146)	(4,868)
		(4,146)	(4,868)
Managed Income		(219,073)	(253,186)
<b>Net Managed Budget</b>		<b>(388)</b>	<b>(868)</b>
Central Recharges Central Recharges Expenditure		2,864	2,485
		2,864	2,485
Managed Outside the Service		2,864	2,485
<b>Net Cost of Service</b>		<b>2,476</b>	<b>1,616</b>

# Resources

Budget Manager : Chief ICT Officer

Information Technology			
	£000	Budget 2010/11	Budget 2011/12
Employees			
Direct Pay Costs		10,336	9,436
Agency And Temporary Staff		30	0
National Insurance Contributions		773	762
Superannuation Costs		1,444	1,258
Other Pension Costs		175	292
Other Employee Related Costs		20	9
Training And Development		230	161
		13,007	11,918
Premises			
Cleaning And Workplace Refuse		2	2
Accommodation Charges		14	14
		16	16
Supplies & Services			
Materials And Equipment		18	14
Stationery And Postage		22	18
IT/Telecommunications		7,718	7,332
Insurance		4	5
Professional Fees and Subscriptions		797	956
Consultancy Services		10	0
Other Hired And Contracted Services		100	212
Publication And Promotion		25	20
		8,693	8,556
Transport			
Vehicles And Plant Related Expenditure		17	17
Travel Allowances		45	45
Fuel		4	4
Transport Related Insurance		0	0
		66	66
Internal Charges			
Managed Recharges Frm Other Directorates		26	8
		26	8
Appropriation			
Transfers To/From Capital Reserve		4,472	4,020
		4,472	4,020
Managed Expenditure		26,279	24,583
Internal Income			
Income From Other Directorates		(9,417)	(9,044)
		(9,417)	(9,044)
Income - Charges			
Sale Of Goods And Services		(87)	(33)
Fees And Charges		(5)	(5)
Education Income		(1,249)	0
Income Received From ALMOs		(1,645)	(1,638)
		(2,986)	(1,676)
Managed Income		(12,403)	(10,720)
<b>Net Managed Budget</b>		<b>13,876</b>	<b>13,863</b>

## Resources

Budget Manager : Chief ICT Officer

Information Technology			
	£000	Budget 2010/11	Budget 2011/12
Accounting Adjustments			
FRS 17 Costs		767	592
Vehicles And Plant (Non Leasing)		(2)	(2)
Capital Charges		10,767	8,259
		11,532	8,849
Central Recharges			
Central Recharges Income		1,879	(303)
		1,879	(303)
Other Internal Adjustments			
Internal Reallocations Charges		5,937	7,331
Internal Reallocations Income		(28,845)	(25,753)
		(22,909)	(18,422)
Managed Outside the Service		(9,498)	(9,876)
<b>Net Cost of Service</b>		<b>4,378</b>	<b>3,987</b>

# Resources

Budget Manager : Chief Officer HR

Human Resources			
	£000	Budget 2010/11	Budget 2011/12
Employees			
Direct Pay Costs		5,932	7,092
Agency And Temporary Staff		22	0
National Insurance Contributions		446	551
Superannuation Costs		802	1,000
Other Pension Costs		322	275
Other Employee Related Costs		62	248
Training And Development		381	305
		7,967	9,471
Premises			
Cleaning And Workplace Refuse		0	0
Rents		43	43
		44	44
Supplies & Services			
Materials And Equipment		45	44
Stationery And Postage		75	38
Advertising		1	0
IT/Telecommunications		41	57
Insurance		2	3
Events And Projects		6	5
Professional Fees and Subscriptions		16	31
Allowances		2	0
Other Hired And Contracted Services		276	273
Miscellaneous		4	1
		469	452
Transport			
Vehicles And Plant Related Expenditure		1	1
Travel Allowances		57	102
Private Hire		0	0
		58	103
Internal Charges			
Managed Recharges Frm Other Directorates		146	303
		146	303
Managed Expenditure		8,683	10,372
Internal Income			
Income From Other Directorates		(10)	(2,009)
		(10)	(2,009)
Income - Charges			
Fees And Charges		(10)	(10)
Education Income		(406)	0
Contributions		(50)	0
Other Income		(1)	(1)
Income Received From ALMOs		(10)	0
		(476)	(11)
Managed Income		(486)	(2,020)
<b>Net Managed Budget</b>		<b>8,197</b>	<b>8,352</b>

# Resources

Budget Manager : Chief Officer HR

Human Resources			
	£000	Budget 2010/11	Budget 2011/12
Accounting Adjustments			
FRS 17 Costs		202	427
Capital Charges		118	118
		320	545
Central Recharges			
Central Recharges Income		(616)	468
		(616)	468
Other Internal Adjustments			
Internal Reallocations Charges		1,093	1,019
Internal Reallocations Income		(8,993)	(10,384)
		(7,900)	(9,366)
Managed Outside the Service		(8,197)	(8,352)
<b>Net Cost of Service</b>		<b>0</b>	<b>0</b>

# Resources

Budget Manager : Chief Officer Audit and Risk

Audit & Risk			
	£000	Budget 2010/11	Budget 2011/12
<b>Employees</b>			
Direct Pay Costs		2,026	1,713
National Insurance Contributions		153	140
Superannuation Costs		287	241
Other Pension Costs		24	4
Other Employee Related Costs		4	0
Training And Development		28	22
		2,522	2,121
<b>Premises</b>			
Cleaning And Workplace Refuse		0	0
Rents		61	61
		61	61
<b>Supplies &amp; Services</b>			
Materials And Equipment		41	26
Stationery And Postage		11	8
IT/Telecommunications		19	18
Insurance		1	1
Professional Fees and Subscriptions		7	7
Allowances		3	3
External Audit Fees		541	517
Other Hired And Contracted Services		39	14
		662	595
<b>Transport</b>			
Vehicles And Plant Related Expenditure		13	13
Travel Allowances		7	7
Transport Related Insurance		1	0
		21	21
<b>Internal Charges</b>			
Managed Recharges Frm Other Directorates		6	5
		6	5
<b>Managed Expenditure</b>		<b>3,273</b>	<b>2,803</b>
<b>Internal Income</b>			
Recharges Income From Capital		(32)	0
		(32)	0
<b>Income - Charges</b>			
Sale Of Goods And Services		(165)	(115)
Fees And Charges		(1)	(1)
Education Income		(25)	0
Other Income		(41)	0
		(233)	(116)
<b>Managed Income</b>		<b>(265)</b>	<b>(116)</b>
<b>Net Managed Budget</b>		<b>3,008</b>	<b>2,686</b>
<b>Accounting Adjustments</b>			
FRS 17 Costs		159	166
Vehicles And Plant (Non Leasing)		(6)	(6)
Capital Charges		6	6
		159	166



## Resources

Budget Manager : Chief Officer Audit and Risk

Audit & Risk			
	£000	Budget 2010/11	Budget 2011/12
Central Recharges			
Central Recharges Income		5	133
Corporate & Democratic Core Income		(659)	(615)
		(654)	(483)
Other Internal Adjustments			
Internal Reallocations Charges		432	437
Internal Reallocations Income		(2,396)	(2,374)
		(1,964)	(1,937)
Managed Outside the Service		(2,460)	(2,254)
<b>Net Cost of Service</b>		<b>548</b>	<b>433</b>

# Resources

Budget Manager : Chief Officer Resources and Strategy

Support Services And Directorate			
	£000	Budget 2010/11	Budget 2011/12
Employees			
Direct Pay Costs		885	805
Agency And Temporary Staff		1	0
National Insurance Contributions		66	71
Superannuation Costs		118	109
Other Pension Costs		220	247
Other Employee Related Costs		2	1
Training And Development		6	2
		1,298	1,235
Premises			
Cleaning And Workplace Refuse		0	0
		0	0
Supplies & Services			
Materials And Equipment		8	5
Stationery And Postage		69	22
IT/Telecommunications		37	8
Insurance		2	1
Events And Projects		0	0
Professional Fees and Subscriptions		5	4
Allowances		1	0
Other Hired And Contracted Services		40	8
Publication And Promotion		1	0
Miscellaneous		9	12
		172	61
Transport			
Travel Allowances		7	18
Transport Related Insurance		3	5
		9	23
Internal Charges			
Managed Recharges Frm Other Directorates		18	1
		18	1
Managed Expenditure		1,498	1,319
Income - Charges			
Fees And Charges		(2)	(2)
Other Income		(1)	(1)
		(2)	(2)
Managed Income		(2)	(2)
<b>Net Managed Budget</b>		<b>1,495</b>	<b>1,317</b>
Accounting Adjustments			
FRS 17 Costs		(143)	(171)
		(143)	(171)
Central Recharges			
Corporate & Democratic Core Income		(43)	(46)
		(43)	(46)

# Resources

Budget Manager : Chief Officer Resources and Strategy

Support Services And Directorate			
	£000	Budget 2010/11	Budget 2011/12
Other Internal Adjustments			
Internal Reallocations Charges		202	263
Internal Reallocations Income		(1,398)	(1,362)
		(1,196)	(1,099)
Managed Outside the Service		(1,382)	(1,317)
<b>Net Cost of Service</b>		<b>114</b>	<b>0</b>

# Resources

Budget Manager : Chief Officer PPPU

Public Private Partnership Unit			
	£000	Budget 2010/11	Budget 2011/12
Employees			
Direct Pay Costs		2,587	2,053
Agency And Temporary Staff		431	156
National Insurance Contributions		213	199
Superannuation Costs		350	275
Other Employee Related Costs		17	5
Training And Development		50	18
		3,647	2,705
Premises			
Grounds Maintenance		2	2
Cleaning And Workplace Refuse		17	16
NNDR		56	0
		74	18
Supplies & Services			
Materials And Equipment		6	5
Stationery And Postage		25	7
IT/Telecommunications		61	23
Insurance		1	4
Professional Fees and Subscriptions		15	5
Allowances		1	0
Other Hired And Contracted Services		80	43
Publication And Promotion		20	0
		208	86
Transport			
Travel Allowances		26	14
		26	14
Internal Charges			
Managed Recharges Frm Other Directorates		1	0
		1	0
Managed Expenditure		3,956	2,822
Internal Income			
Income From Other Directorates		(3,189)	(2,117)
		(3,189)	(2,117)
Income - Charges			
Fees And Charges		(1)	(1)
Education Income		(1,183)	0
Other Income		(564)	(1,545)
		(1,748)	(1,546)
Managed Income		(4,938)	(3,664)
<b>Net Managed Budget</b>		<b>(982)</b>	<b>(842)</b>
Accounting Adjustments			
FRS 17 Costs		228	193
		228	193
Other Internal Adjustments			
Internal Reallocations Charges		416	448
Internal Reallocations Income		(4)	0

# Resources

Budget Manager : Chief Officer PPPU

Public Private Partnership Unit			
	£000	Budget 2010/11	Budget 2011/12
		412	448
Managed Outside the Service		640	641
<b>Net Cost of Service</b>		<b>(342)</b>	<b>(201)</b>

# Resources

Budget Manager : Chief Officer CPM

Corporate Property Management			
	£000	Budget 2010/11	Budget 2011/12
<b>Employees</b>			
Direct Pay Costs		6,572	5,962
Agency And Temporary Staff		47	21
National Insurance Contributions		409	380
Superannuation Costs		746	683
Other Pension Costs		72	83
Other Employee Related Costs		13	7
Training And Development		7	13
		7,867	7,148
<b>Premises</b>			
Buildings Maintenance		6,636	5,213
Grounds Maintenance		125	107
Building Security		765	725
Cleaning And Workplace Refuse		1,617	1,703
Gas		595	512
Electricity		1,114	999
Other Utilities		284	257
Rents		5,091	5,459
NNDR		2,749	3,005
Premises Related Insurance		90	168
		19,067	18,147
<b>Supplies &amp; Services</b>			
Materials And Equipment		786	761
Stationery And Postage		1,010	915
Advertising		1	1
IT/Telecommunications		62	34
Insurance		30	38
Events And Projects		1	1
Professional Fees and Subscriptions		5	1
Allowances		0	0
Consultancy Services		35	0
Security Services		1	0
Other Hired And Contracted Services		233	214
Publication And Promotion		0	0
Miscellaneous		43	0
		2,208	1,965
<b>Transport</b>			
Vehicles And Plant Related Expenditure		67	58
Travel Allowances		116	106
Fuel		22	23
Transport Related Insurance		4	2
		208	190
<b>Internal Charges</b>			
Managed Recharges Frm Other Directorates		41	14
Charges To/From HRA		143	67
		185	81
<b>Appropriation</b>			
Transfers To/From Capital Reserve		76	125
		76	125

## Resources

Budget Manager : Chief Officer CPM

Corporate Property Management			
	£000	Budget 2010/11	Budget 2011/12
<b>Managed Expenditure</b>		29,610	27,657
Internal Income			
Income From Other Directorates		(7,863)	(7,255)
Charge To/From HRA		(143)	(67)
		(8,007)	(7,322)
Income - Charges			
Sale Of Goods And Services		(137)	(130)
Fees And Charges		(486)	(764)
Education Income		(753)	0
Other Income		(157)	(92)
Rents		(131)	(1,037)
Income Received From ALMOs		(203)	(180)
		(1,868)	(2,203)
<b>Managed Income</b>		(9,874)	(9,525)
<b>Net Managed Budget</b>		<b>19,736</b>	<b>18,132</b>
Accounting Adjustments			
FRS 17 Costs		362	344
Vehicles And Plant (Non Leasing)		(61)	(65)
Capital Charges		1,923	2,772
		2,225	3,051
Central Recharges			
Central Recharges Income		21	877
		21	877
Other Internal Adjustments			
Internal Reallocations Charges		14,236	12,602
Internal Reallocations Income		(36,510)	(35,096)
		(22,275)	(22,494)
<b>Managed Outside the Service</b>		(20,029)	(18,567)
<b>Net Cost of Service</b>		<b>(294)</b>	<b>(434)</b>

# Resources

Budget Manager : Chief Officer Commercial Services

Commercial Services			
	£000	Budget 2010/11	Budget 2011/12
<b>Employees</b>			
Direct Pay Costs		6,281	5,414
Agency And Temporary Staff		16	317
National Insurance Contributions		320	276
Superannuation Costs		580	487
Other Pension Costs		12	59
Other Employee Related Costs		20	15
Training And Development		51	30
		7,279	6,598
<b>Premises</b>			
Buildings Maintenance		1	2
Grounds Maintenance		1	1
Building Security		7	7
Cleaning And Workplace Refuse		24	24
Gas		6	4
Electricity		8	8
Other Utilities		4	4
Rents		3	3
NDR		39	38
Premises Related Insurance		2	1
		93	90
<b>Supplies &amp; Services</b>			
Materials And Equipment		40	22
Stationery And Postage		17	12
Advertising		1	0
IT/Telecommunications		72	51
Insurance		2	3
Professional Fees and Subscriptions		1	4
Allowances		1	0
Consultancy Services		1	1
Other Hired And Contracted Services		63	63
Publication And Promotion		0	0
		198	156
<b>Transport</b>			
Vehicles And Plant Related Expenditure		2,134	1,947
Travel Allowances		46	33
Fuel		536	586
Private Hire		6,665	6,332
Transport Related Insurance		93	134
		9,474	9,032
<b>Internal Charges</b>			
Managed Recharges Frm Other Directorates		173	122
Charges To/From HRA		1,224	0
		1,397	122
<b>Appropriation</b>			
Transfers To/From Capital Reserve		33	22
		33	22
<b>Managed Expenditure</b>		18,474	16,020
<b>Internal Income</b>			



## Resources

Budget Manager : Chief Officer Commercial Services

Commercial Services	£000	Budget 2010/11	Budget 2011/12
Internal Income			
Income From Other Directorates		(10,064)	(9,704)
Charge To/From HRA		(1,224)	0
		(11,288)	(9,704)
Income - Grants			
Government Grants		(260)	(280)
		(260)	(280)
Income - Charges			
Sale Of Goods And Services		(13)	(13)
Education Income		(6,793)	(6,121)
Other Income		(296)	(296)
		(7,102)	(6,430)
Managed Income		(18,650)	(16,415)
<b>Net Managed Budget</b>		<b>(176)</b>	<b>(395)</b>
Accounting Adjustments			
FRS 17 Costs		367	283
Vehicles And Plant (Non Leasing)		(1,236)	(1,062)
Capital Charges		49	37
		(821)	(742)
Other Internal Adjustments			
Internal Reallocations Charges		766	1,891
Internal Reallocations Income		(2)	(1,170)
		764	721
Managed Outside the Service		(57)	(21)
<b>Net Cost of Service</b>		<b>(233)</b>	<b>(415)</b>

# Resources

Budget Manager : Chief Officer Commercial Services

Commercial Services Trading			
	£000	Budget 2010/11	Budget 2011/12
<b>Employees</b>			
Direct Pay Costs		23,574	19,970
Agency And Temporary Staff		1,396	1,122
National Insurance Contributions		1,219	1,075
Superannuation Costs		2,247	1,950
Other Pension Costs		576	576
Other Employee Related Costs		431	262
Training And Development		114	72
		29,557	25,028
<b>Premises</b>			
Buildings Maintenance		83	66
Building Security		9	21
Cleaning And Workplace Refuse		259	223
Gas		66	58
Electricity		83	82
Other Utilities		25	22
Rents		60	60
NNDR		132	138
Premises Related Insurance		9	1
		727	671
<b>Supplies &amp; Services</b>			
Materials And Equipment		8,187	8,001
Stationery And Postage		119	67
Advertising		2	1
IT/Telecommunications		326	258
Insurance		34	37
Events And Projects		1	1
Professional Fees and Subscriptions		17	23
Recycling And Reuse		4	1
Allowances		1	1
Consultancy Services		3	2
Security Services		0	0
Other Hired And Contracted Services		4,283	4,343
Publication And Promotion		19	10
Miscellaneous		2,483	265
		15,480	13,009
<b>Transport</b>			
Vehicles And Plant Related Expenditure		5,540	4,902
Travel Allowances		89	98
Fuel		4,325	4,261
Transport Related Insurance		101	98
		10,055	9,359
<b>Internal Charges</b>			
Managed Recharges Frm Other Directorates		39	37
		39	37
<b>Appropriation</b>			
Transfers To/From Capital Reserve		169	138
		169	138
<b>Managed Expenditure</b>		56,027	48,242

## Resources

Budget Manager : Chief Officer Commercial Services

Commercial Services Trading			
	£000	Budget 2010/11	Budget 2011/12
Internal Income			
Income From Other Directorates		(57,397)	(51,551)
		(57,397)	(51,551)
Income - Charges			
Sale Of Goods And Services		(1,063)	(971)
Fees And Charges		(268)	(238)
Education Income		(6)	(6)
Other Income		(362)	(146)
Income Received From ALMOs		(3,080)	(3,103)
		(4,779)	(4,463)
Managed Income		(62,176)	(56,014)
<b>Net Managed Budget</b>		<b>(6,149)</b>	<b>(7,772)</b>
Accounting Adjustments			
Vehicles And Plant (Non Leasing)		(388)	(260)
Capital Charges		647	621
		259	361
Other Internal Adjustments			
Internal Reallocations Charges		7,237	5,447
Internal Reallocations Income		(3,636)	(2,105)
		3,601	3,342
Managed Outside the Service		3,860	3,703
<b>Net Cost of Service</b>		<b>(2,289)</b>	<b>(4,069)</b>

# **Corporate Governance**



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## Main responsibilities:

- The provision of a comprehensive research, coordination, and administration support service to all members of the council. Supporting the joint leadership and the mayoralty, and coordinating major civic events.
- The facilitation and management of the formal decision making and scrutiny processes of the council. The servicing of Council meetings, Executive Board and other committees and regulatory panels of the council.
- The organisation of elections.
- The development, management of, and provision of advice on all matters of corporate and ethical governance.
- The maintenance, review and monitoring of the constitution.
- The Monitoring Officer role.
- The registration of births, deaths and marriages.
- Maintenance of the council's Local Land Charges register and co-ordination of the responses to search enquiries concerning the discharge of the council's functions in relation to land.
- Overseeing the authority's procurement and purchasing procedures and ensuring that departments are empowered to procure works, supplies and services in the most efficient manner and in compliance with the council's Contract Procedure Rules and with European Procurement Directives.
- Provision and the procurement of a comprehensive range of legal services to the council, its decision-making bodies and departments. Data protection, human rights, freedom of information and the regulation of surveillance activities.
- Administration and enforcement activities associated with public entertainment, liquor, gambling and vehicle licences.

## Corporate Governance

Summary of budget by service (£000)

Budget Manager	Service	Total 2010/11	Managed by the Service			Managed Outside the Service	Total 2011/12
			Spending	Income	Net		
Chief Legal Services Officer	Legal Services	(49)	6,054	(7,764)	(1,710)	1,346	(364)
Chief Democratic Services Officer	Democratic Services	(2)	5,866	(22)	5,844	(5,837)	7
Chief Officer Procurement	Procurement	0	1,816	(185)	1,631	(1,631)	0
Chief Legal Services Officer	Licensing and Registration	2,502	4,947	(3,622)	1,324	919	2,243
Net Cost of Service		2,451	18,682	(11,593)	7,089	(5,202)	1,887
	Transfers to and from earmarked reserves	(931)	0	0	0	(885)	(885)
Net Revenue Charge		1,520	18,682	(11,593)	7,089	(6,087)	1,002

# Corporate Governance

## Summary of budget by type of spending or income

£000	Budget 2010/11	Budget 2011/12
<b>Employees</b>		
Direct Pay Costs	12,698	11,617
Agency And Temporary Staff	18	18
National Insurance Contributions	950	920
Superannuation Costs	1,612	1,529
Other Pension Costs	118	170
Other Employee Related Costs	55	55
Training And Development	119	105
	<b>15,569</b>	<b>14,414</b>
<b>Premises</b>		
Buildings Maintenance	4	4
Grounds Maintenance	16	15
Building Security	2	2
Cleaning And Workplace Refuse	9	10
Gas	6	6
Electricity	3	3
Other Utilities	2	2
Rents	4	125
NDR	20	56
Accommodation Charges	443	443
Premises Related Insurance	0	0
	<b>510</b>	<b>666</b>
<b>Supplies &amp; Services</b>		
Materials And Equipment	340	316
Stationery And Postage	542	484
Advertising	18	15
IT/Telecommunications	553	545
Insurance	22	6
Events And Projects	2	2
Professional Fees and Subscriptions	69	65
Allowances	12	30
Consultancy Services	1	1
Security Services	4	4
Other Hired And Contracted Services	463	416
Publication And Promotion	25	20
Miscellaneous	1	1
	<b>2,050</b>	<b>1,903</b>
<b>Transport</b>		
Vehicles And Plant Related Expenditure	16	31
Travel Allowances	137	85
Fuel	6	6
Transport Related Insurance	1	1
	<b>160</b>	<b>124</b>
<b>Internal Charges</b>		
Managed Recharges Frm Other Directorates	1,406	1,470
	<b>1,406</b>	<b>1,470</b>
<b>Transfer Payments</b>		
Civic Allowances	70	67
	<b>70</b>	<b>67</b>
<b>Capital</b>		
RCCO (Revenue Contribution To Capital)	8	8

# Corporate Governance

## Summary of budget by type of spending or income

£000	Budget 2010/11	Budget 2011/12
Capital	8	8
Appropriations		
Transfers To/From Earmarked Reserves	(51)	(51)
	(51)	(51)
Appropriation		
Transfers To/From Capital Reserve	80	80
	80	80
Managed Expenditure	19,802	18,682
Internal Income		
Income From Other Directorates	(6,529)	(6,541)
Corporate & Democratic Core Chge To HRA	(75)	(75)
	(6,604)	(6,616)
Income - Charges		
Sale Of Goods And Services	(120)	(15)
Fees And Charges	(3,910)	(3,933)
Education Income	(273)	0
Contributions	(176)	(176)
Other Income	(421)	(381)
Income Received From ALMOs	(445)	(472)
	(5,345)	(4,977)
Managed Income	(11,949)	(11,593)
<b>Net Managed Budget</b>	<b>7,853</b>	<b>7,089</b>
Accounting Adjustments		
FRS 17 Costs	934	904
Vehicles And Plant (Non Leasing)	(3)	(19)
Transfers To/From Statutory Reserves	(934)	(904)
Transfers to Capital Reserve - Vehicles	3	19
Capital Charges	17	23
	17	23
Central Recharges		
Central Recharges Income	(60)	(117)
Corporate & Democratic Core Income	(8,036)	(7,496)
	(8,096)	(7,613)
Other Internal Adjustments		
Internal Reallocations Charges	11,770	9,908
Internal Reallocations Income	(10,025)	(8,404)
	1,745	1,503
Managed Outside the Service	(6,333)	(6,087)
<b>Net Cost of Service</b>	<b>1,520</b>	<b>1,002</b>



# Corporate Governance

Budget Manager : Chief Legal Services Officer

Legal Services	£000	Budget 2010/11	Budget 2011/12
<b>Employees</b>			
Direct Pay Costs		4,305	3,577
National Insurance Contributions		326	308
Superannuation Costs		579	557
Other Pension Costs		9	16
Other Employee Related Costs		46	46
Training And Development		37	37
		5,301	4,541
<b>Premises</b>			
Cleaning And Workplace Refuse		2	2
Rents		0	121
NNDR		0	35
Premises Related Insurance		0	0
		3	159
<b>Supplies &amp; Services</b>			
Materials And Equipment		82	82
Stationery And Postage		69	61
IT/Telecommunications		97	97
Insurance		22	6
Events And Projects		1	1
Professional Fees and Subscriptions		5	5
Allowances		1	1
Other Hired And Contracted Services		16	16
		292	269
<b>Transport</b>			
Travel Allowances		30	30
Transport Related Insurance		0	0
		30	30
<b>Internal Charges</b>			
Managed Recharges Frm Other Directorates		987	1,033
		987	1,033
<b>Appropriation</b>			
Transfers To/From Capital Reserve		22	22
		22	22
<b>Managed Expenditure</b>		6,635	6,054
<b>Internal Income</b>			
Income From Other Directorates		(6,470)	(6,481)
Corporate & Democratic Core Chge To HRA		(75)	(75)
		(6,545)	(6,556)
<b>Income - Charges</b>			
Sale Of Goods And Services		(105)	0
Fees And Charges		(550)	(550)
Education Income		(273)	0
Other Income		(253)	(283)
Income Received From ALMOs		(348)	(374)
		(1,529)	(1,207)
<b>Managed Income</b>		(8,073)	(7,764)

# Corporate Governance

Budget Manager : Chief Legal Services Officer

Legal Services			
	£000	Budget 2010/11	Budget 2011/12
<b>Net Managed Budget</b>		<b>(1,439)</b>	<b>(1,710)</b>
Accounting Adjustments			
FRS 17 Costs		369	374
Capital Charges		0	1
		369	375
Other Internal Adjustments			
Internal Reallocations Charges		9,080	7,316
Internal Reallocations Income		(8,058)	(6,345)
		1,021	971
Managed Outside the Service		1,390	1,346
<b>Net Cost of Service</b>		<b>(49)</b>	<b>(364)</b>

# Corporate Governance

Budget Manager : Chief Democratic Services Officer

Democratic Services	£000	Budget 2010/11	Budget 2011/12
Employees			
Direct Pay Costs		4,472	4,257
Agency And Temporary Staff		18	18
National Insurance Contributions		349	344
Superannuation Costs		501	454
Other Pension Costs		27	52
Other Employee Related Costs		3	3
Training And Development		38	28
		5,407	5,156
Premises			
Grounds Maintenance		10	10
Cleaning And Workplace Refuse		0	0
		10	10
Supplies & Services			
Materials And Equipment		55	40
Stationery And Postage		177	165
Advertising		4	3
IT/Telecommunications		248	237
Events And Projects		1	1
Professional Fees and Subscriptions		21	17
Allowances		5	23
Other Hired And Contracted Services		95	47
Publication And Promotion		25	20
		630	553
Transport			
Vehicles And Plant Related Expenditure		11	23
Travel Allowances		67	15
Fuel		5	5
Transport Related Insurance		1	1
		84	45
Internal Charges			
Managed Recharges Frm Other Directorates		7	28
		7	28
Transfer Payments			
Civic Allowances		70	67
		70	67
Appropriation			
Transfers To/From Capital Reserve		7	7
		7	7
Managed Expenditure		6,216	5,866
Income - Charges			
Sale Of Goods And Services		(5)	(5)
Fees And Charges		(6)	(6)
Other Income		(11)	(11)
		(22)	(22)
Managed Income		(22)	(22)
<b>Net Managed Budget</b>		<b>6,194</b>	<b>5,844</b>

# Corporate Governance

Budget Manager : Chief Democratic Services Officer

Democratic Services			
	£000	Budget 2010/11	Budget 2011/12
Accounting Adjustments			
FRS 17 Costs		300	266
Vehicles And Plant (Non Leasing)		(3)	(15)
Capital Charges		6	1
		303	252
Central Recharges			
Corporate & Democratic Core Income		(8,036)	(7,496)
		(8,036)	(7,496)
Other Internal Adjustments			
Internal Reallocations Charges		1,536	1,480
Internal Reallocations Income		0	(72)
		1,536	1,408
Managed Outside the Service		(6,197)	(5,837)
<b>Net Cost of Service</b>		<b>(2)</b>	<b>7</b>

# Corporate Governance

Budget Manager : Chief Officer Procurement

Procurement			
	£000	Budget 2010/11	Budget 2011/12
Employees			
Direct Pay Costs		1,334	1,349
National Insurance Contributions		103	106
Superannuation Costs		193	195
Other Pension Costs		72	72
Other Employee Related Costs		2	2
Training And Development		12	12
		1,715	1,736
Premises			
Cleaning And Workplace Refuse		0	0
		0	0
Supplies & Services			
Materials And Equipment		11	10
Stationery And Postage		25	15
Advertising		11	9
IT/Telecommunications		19	19
Professional Fees and Subscriptions		3	3
Allowances		5	5
Consultancy Services		1	1
Other Hired And Contracted Services		11	11
		86	73
Transport			
Vehicles And Plant Related Expenditure		1	1
Travel Allowances		7	7
		8	8
Managed Expenditure		1,809	1,816
Income - Charges			
Fees And Charges		(1)	(1)
Other Income		(157)	(87)
Income Received From ALMOs		(97)	(97)
		(255)	(185)
Managed Income		(255)	(185)
<b>Net Managed Budget</b>		<b>1,554</b>	<b>1,631</b>
Accounting Adjustments			
FRS 17 Costs		54	65
Capital Charges		0	0
		54	65
Central Recharges			
Central Recharges Income		(60)	(117)
		(60)	(117)
Other Internal Adjustments			
Internal Reallocations Charges		334	302
Internal Reallocations Income		(1,882)	(1,881)
		(1,549)	(1,579)
Managed Outside the Service		(1,554)	(1,631)

# Corporate Governance

Budget Manager : Chief Officer Procurement

Procurement			
	£000	Budget 2010/11	Budget 2011/12
<b>Net Cost of Service</b>		<b>0</b>	<b>0</b>

# Corporate Governance

Budget Manager : Chief Legal Services Officer

Licensing and Registration			
	£000	Budget 2010/11	Budget 2011/12
Employees			
Direct Pay Costs		2,586	2,433
National Insurance Contributions		172	161
Superannuation Costs		339	324
Other Pension Costs		10	30
Other Employee Related Costs		5	5
Training And Development		32	28
		3,145	2,981
Premises			
Buildings Maintenance		4	4
Grounds Maintenance		7	5
Building Security		2	2
Cleaning And Workplace Refuse		6	7
Gas		6	6
Electricity		3	3
Other Utilities		2	2
Rents		4	4
NNDR		20	20
Accommodation Charges		443	443
		497	497
Supplies & Services			
Materials And Equipment		191	184
Stationery And Postage		271	243
Advertising		4	4
IT/Telecommunications		189	191
Professional Fees and Subscriptions		40	40
Allowances		1	1
Consultancy Services		0	0
Security Services		4	4
Other Hired And Contracted Services		341	341
Miscellaneous		1	1
		1,042	1,009
Transport			
Vehicles And Plant Related Expenditure		4	8
Travel Allowances		33	33
Fuel		1	1
		38	42
Internal Charges			
Managed Recharges Frm Other Directorates		412	410
		412	410
Capital			
RCCO (Revenue Contribution To Capital)		8	8
		8	8
Appropriations			
Transfers To/From Earmarked Reserves		(51)	(51)
		(51)	(51)
Appropriation			
Transfers To/From Capital Reserve		51	51
		51	51

# Corporate Governance

Budget Manager : Chief Legal Services Officer

Licensing and Registration			
	£000	Budget 2010/11	Budget 2011/12
Managed Expenditure		5,143	4,947
Internal Income			
Income From Other Directorates		(60)	(60)
		(60)	(60)
Income - Charges			
Sale Of Goods And Services		(10)	(10)
Fees And Charges		(3,353)	(3,376)
Contributions		(176)	(176)
Other Income		0	0
		(3,539)	(3,563)
Managed Income		(3,599)	(3,622)
<b>Net Managed Budget</b>		<b>1,544</b>	<b>1,324</b>
Accounting Adjustments			
FRS 17 Costs		211	198
Vehicles And Plant (Non Leasing)		0	(4)
Capital Charges		11	21
		222	215
Other Internal Adjustments			
Internal Reallocations Charges		820	811
Internal Reallocations Income		(84)	(107)
		736	704
Managed Outside the Service		959	919
<b>Net Cost of Service</b>		<b>2,502</b>	<b>2,243</b>



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## **Planning, Policy and Improvement**



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## Main responsibilities:

### Customer Services

- Delivery of a wide range of front line services provided through the council's One Stop Centres and Joint Service Centres.
- Provision of the council's front-line services at the Corporate Contact Centre and the further migration and development of services into the centre.
- Provision of a Welfare Rights service.
- Provision of a Central Interpretation and Translation service.
- Management and corporate leadership of the council's compliments and complaints processes.

### Locality Working

- Lead role for the locality working agenda. New corporately led arrangements in process of being implemented.
- Development of strong and effective governance arrangements that are responsive to the needs and aspirations of local communities.
- Development of strong local leadership (political, council officers and partners) that champions the needs of residents, leads across service boundaries and can be held accountable for the delivery of improved outcomes for local people.
- Engagement of local communities in a way that supports residents in developing local priorities, holding services to account, enabling them to do more for themselves and developing a sense of pride and belonging in their local neighbourhood.

### Leeds Initiative, Policy and Partnerships

- Development, oversight and delivery of the city's corporate planning framework including the preparation and monitoring of the Vision for Leeds, City Priority Plans, Council Business Plan and quality assurance of service plans.
- Development, oversight and support for the city's partnership structure (the Leeds Initiative).
- Provision of advice to elected members, officers and partners on the development and management of the council's corporate policy agenda.
- Provision of corporate policy advice and support to respond to developing national policy and new legislation.
- Development, oversight and advice in regard to the council's legal obligations and agreed priorities with regard to equality and diversity (e.g. Equality Framework, Equality Impact Assessments, Equality Assembly).
- Influence and support national, regional and sub-regional arrangements including the co-ordination of the city's international relations activity.
- Deliver an effective and proportionate performance monitoring system for the council and its partners aimed at securing service improvement and the delivery of the city's priorities.



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- Co-ordinate and provide advice on the council's consultation and engagement activities.
  - Undertake the secretariat role for the Leeds City Region, Association of West Yorkshire Authorities and Yorkshire Cities.

## **Business Change and Transformation**

- Provide leadership to the council's change aspirations around key priorities within the Council Business Plan, ensuring activity is properly prioritised, planned, resourced and governed.
- Create a culture of excellence and continuous improvement in the way the council functions and provides services, bringing together people, process and technology developments and change.
- Deliver key business change and efficiency driven projects including Customer Access, Business Management and Changing the Workplace.
- Champion cultural change and undertake business efficiency and review work across the council.
- Provide the lead responsibility for the council's information governance framework (e.g. data protection, information sharing, information security etc.) and related activities.
- Take the lead role in strengthening the council's activities in regard to research and intelligence to support effective decision making and prioritisation.

## **Communications**

- Create a culture of excellence in communications activities across the council, working in partnership with others to ensure effective communications with residents, staff, elected members, partners and the media.
- Provide a corporate communications service to the council, elected members and departments covering the wide breadth of communications activity – PR, marketing, branding, publications, internet, intranet etc.
- Provide a corporate media and press relations service for the council and related partners.
- Produce key corporate publications for residents and city council employees.
- Help raise the profile of the council by enhancing its reputation and corporate identity and to strengthen and manage the council's brand and image.
- Contribute to the strategic marketing of the city in partnership with other stakeholders and agencies to promote Leeds to a local, regional, national and international audience.

## **Budget Highlights 2011/12**

- Overall target to deliver £911k of savings on net managed budget in PPI. Equates to a 7% reduction in net managed budget
- Front-line customer service operations (contact centre and one stop centres) account for 60% of overall budget. Strategy has sought to minimise reduction at the front-line. Overall, there is a 4% reduction in customer services operations, through review of running cost budgets and non-replacement of non-essential staff.



## Planning, Policy and Improvement



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- Corporate activities account for 40% of overall budget. Strategy has sought to maximise savings wherever possible on non-essential support services. Overall, there is a 13% reduction in the corporate budget (Leeds Initiative and Partnerships, Business Transformation and Management and Support). Further savings to be targeted for 2012/13 and 2013/14.
  - Savings in corporate activities primarily focussed on partnership, performance management and communications related activities.
  - PPI subject to further review to ensure focus on supporting the council to deliver its priorities (e.g. corporate and business planning, research and intelligence) and to deliver business change initiatives aimed at driving out further inefficiencies to support the council's mid-term financial strategy.
  - Corporate team leading on major improvement agenda to deliver savings for 2011/12 and beyond:
    - Invest to save initiatives (Customer Access, Business Management and Changing the Workplace).
    - Communications Review: council wide savings of £0.6m reflected in 2011/12 budget – further savings to be achieved by further fte reductions through implementation of one council communications review.
    - Service Improvement: estimated Council wide savings of £0.5m in 2011/12 - further savings to be achieved by fte reductions through further council-wide review work.
  - Restrict 'About Leeds' to one printed edition per year – saving £67k.
  - 25% (£100k) reduction in contribution to Marketing Leeds.
  - Reduced spend on outside bodies by £57k e.g. Core Cities (25%), Yorkshire Cities (20%), LGYH (40%).
  - First full year of opening of the new Reginald and Compton joint service centres.
  - Closure of Halton Moor One Stop Centre with effect from 1.4.11
  - Proposed relocation of Otley and Aireborough One Stop Centres to neighbouring libraries to deliver efficiencies on the basis of local demand, resulting in more accessible joined-up services for local communities.
  - £287k funding has been provided within Customer Services to support the credit union network, aimed at providing financial assistance for some of the most deprived areas of the city.

## Planning, Policy And Improvement

Summary of budget by service (£000)

Budget Manager	Service	Total 2010/11	Managed by the Service			Managed Outside the Service	Total 2011/12
			Spending	Income	Net		
Assistant Chief Executive	Executive Support	0	0	0	0	0	0
Chief Officer Customer Services	Customer Services	2,916	12,459	(5,139)	7,320	(5,746)	1,574
Chief Officer LIP	Leeds Initiative & Partnerships	485	2,149	(550)	1,598	(740)	858
Chief Officer Business Transformation	Business Transformation	0	3,117	(1,007)	2,110	(2,110)	0
Assistant Chief Executive	Ppi Management & Support	0	2,560	(13)	2,547	(1,887)	660
Net Cost of Service		3,401	20,284	(6,709)	13,575	(10,483)	3,091
	Transfers to and from earmarked reserves	(756)	0	0	0	(957)	(957)
Net Revenue Charge		2,645	20,284	(6,709)	13,575	(11,440)	2,135

# Planning, Policy And Improvement

Summary of budget by type of spending or income

£000	Budget 2010/11	Budget 2011/12
<b>Employees</b>		
Direct Pay Costs	12,640	13,367
National Insurance Contributions	967	1,003
Superannuation Costs	1,602	1,790
Other Pension Costs	289	300
Other Employee Related Costs	60	23
Training And Development	67	35
	15,625	16,517
<b>Premises</b>		
Buildings Maintenance	10	10
Grounds Maintenance	1	1
Cleaning And Workplace Refuse	7	2
Gas	1	1
Electricity	1	0
Other Utilities	0	0
Rents	1	20
NNDR	4	0
Accommodation Charges	7	0
Premises Related Insurance	26	26
	58	60
<b>Supplies &amp; Services</b>		
Materials And Equipment	94	72
Stationery And Postage	347	202
Advertising	1	2
IT/Telecommunications	482	1,258
Insurance	4	8
Events And Projects	2	2
Professional Fees and Subscriptions	468	685
Grants And Contributions	442	342
Allowances	4	4
Consultancy Services	64	0
External Audit Fees	3	0
Other Hired And Contracted Services	962	784
Publication And Promotion	84	54
PFI Unitary Charges	26	0
Miscellaneous	5	3
	2,989	3,416
<b>Transport</b>		
Travel Allowances	59	52
	59	52
<b>Internal Charges</b>		
Managed Recharges Frm Other Directorates	165	214
	165	214
<b>Appropriation</b>		
Transfers To/From Capital Reserve	0	25
	0	25
<b>Managed Expenditure</b>	18,895	20,284
<b>Internal Income</b>		
Income From Other Directorates	(2,342)	(2,796)
	(2,342)	(2,796)

# Planning, Policy And Improvement

Summary of budget by type of spending or income

£000	Budget 2010/11	Budget 2011/12
Income - Charges		
Sale Of Goods And Services	(238)	(238)
Fees And Charges	(114)	(114)
Education Income	(144)	0
Contributions	(45)	(58)
Other Income	(708)	(670)
Income Received From ALMOs	(2,863)	(2,833)
	(4,113)	(3,913)
Income - Other		
Interest And Dividends	(86)	0
	(86)	0
Managed Income	(6,540)	(6,709)
<b>Net Managed Budget</b>	<b>12,355</b>	<b>13,575</b>
Accounting Adjustments		
FRS 17 Costs	756	957
Transfers To/From Statutory Reserves	(756)	(957)
Capital Charges	610	235
	610	235
Central Recharges		
Central Recharges Income	(283)	(930)
Corporate & Democratic Core Income	(4,180)	(2,565)
	(4,463)	(3,495)
Other Internal Adjustments		
Internal Reallocations Charges	6,099	4,232
Internal Reallocations Income	(11,956)	(12,413)
	(5,857)	(8,181)
Managed Outside the Service	(9,710)	(11,440)
<b>Net Cost of Service</b>	<b>2,645</b>	<b>2,135</b>



# Planning, Policy And Improvement

Budget Manager : Assistant Chief Executive

Executive Support			
	£000	Budget 2010/11	Budget 2011/12
Income - Charges			
Other Income		86	0
		86	0
Income - Other			
Interest And Dividends		(86)	0
		(86)	0
Managed Income		0	0
<b>Net Managed Budget</b>		<b>0</b>	<b>0</b>
<b>Net Cost of Service</b>		<b>0</b>	<b>0</b>

# Planning, Policy And Improvement

Budget Manager : Chief Officer Customer Services

Customer Services			
	£000	Budget 2010/11	Budget 2011/12
<b>Employees</b>			
Direct Pay Costs		8,690	8,875
National Insurance Contributions		625	610
Superannuation Costs		1,016	1,161
Other Pension Costs		113	126
Other Employee Related Costs		56	15
Training And Development		42	23
		10,542	10,809
<b>Premises</b>			
Buildings Maintenance		10	10
Grounds Maintenance		1	1
Cleaning And Workplace Refuse		6	2
Gas		1	1
Electricity		1	0
Other Utilities		0	0
Rents		1	20
NNDR		4	0
Accommodation Charges		7	0
Premises Related Insurance		26	26
		57	60
<b>Supplies &amp; Services</b>			
Materials And Equipment		62	55
Stationery And Postage		66	63
Advertising		0	1
IT/Telecommunications		402	393
Insurance		3	6
Events And Projects		2	2
Professional Fees and Subscriptions		8	293
Allowances		2	1
Consultancy Services		64	0
External Audit Fees		3	0
Other Hired And Contracted Services		739	513
PFI Unitary Charges		26	0
		1,378	1,326
<b>Transport</b>			
Travel Allowances		39	38
		39	38
<b>Internal Charges</b>			
Managed Recharges Frm Other Directorates		147	200
		147	200
<b>Appropriation</b>			
Transfers To/From Capital Reserve		0	25
		0	25
<b>Managed Expenditure</b>		12,163	12,459
<b>Internal Income</b>			
Income From Other Directorates		(1,549)	(1,785)
		(1,549)	(1,785)
<b>Income - Charges</b>			
Sale Of Goods And Services		(238)	(238)

# Planning, Policy And Improvement

Budget Manager : Chief Officer Customer Services

Customer Services			
	£000	Budget 2010/11	Budget 2011/12
Income - Charges			
Fees And Charges		(110)	(110)
Education Income		(14)	0
Contributions		(45)	(58)
Other Income		(110)	(115)
Income Received From ALMOs		(2,863)	(2,833)
		(3,380)	(3,354)
Managed Income		(4,929)	(5,139)
<b>Net Managed Budget</b>		<b>7,234</b>	<b>7,320</b>
Accounting Adjustments			
FRS 17 Costs		550	689
Capital Charges		499	99
		1,049	789
Central Recharges			
Central Recharges Income		(438)	(605)
		(438)	(605)
Other Internal Adjustments			
Internal Reallocations Charges		4,037	3,346
Internal Reallocations Income		(8,965)	(9,277)
		(4,929)	(5,930)
Managed Outside the Service		(4,318)	(5,746)
<b>Net Cost of Service</b>		<b>2,916</b>	<b>1,574</b>

# Planning, Policy And Improvement

Budget Manager : Chief Officer LIP

Leeds Initiative & Partnerships			
	£000	Budget 2010/11	Budget 2011/12
Employees			
Direct Pay Costs		1,469	1,495
National Insurance Contributions		127	126
Superannuation Costs		229	210
Other Pension Costs		36	36
Other Employee Related Costs		1	4
Training And Development		5	2
		1,868	1,873
Premises			
Cleaning And Workplace Refuse		0	0
		0	0
Supplies & Services			
Materials And Equipment		13	6
Stationery And Postage		27	45
Advertising		1	1
IT/Telecommunications		54	30
Insurance		0	1
Professional Fees and Subscriptions		67	56
Grants And Contributions		42	42
Allowances		1	1
Other Hired And Contracted Services		42	34
Publication And Promotion		74	51
Miscellaneous		5	3
		325	269
Transport			
Travel Allowances		13	6
		13	6
Internal Charges			
Managed Recharges Frm Other Directorates		1	1
		1	1
Managed Expenditure		2,207	2,149
Income - Charges			
Fees And Charges		(2)	(2)
Other Income		(423)	(548)
		(425)	(550)
Managed Income		(425)	(550)
<b>Net Managed Budget</b>		<b>1,782</b>	<b>1,598</b>
Accounting Adjustments			
FRS 17 Costs		113	111
Capital Charges		0	1
		113	112
Central Recharges			
Central Recharges Income		2	80
Corporate & Democratic Core Income		(1,490)	(664)
		(1,488)	(584)

# Planning, Policy And Improvement

Budget Manager : Chief Officer LIP

Leeds Initiative & Partnerships			
	£000	Budget 2010/11	Budget 2011/12
Other Internal Adjustments			
Internal Reallocations Charges		861	485
Internal Reallocations Income		(784)	(754)
		78	(268)
Managed Outside the Service		(1,297)	(740)
<b>Net Cost of Service</b>		<b>485</b>	<b>858</b>

# Planning, Policy And Improvement

Budget Manager : Chief Officer Business Transformation

Business Transformation			
	£000	Budget 2010/11	Budget 2011/12
Employees			
Direct Pay Costs		1,468	1,850
National Insurance Contributions		114	157
Superannuation Costs		203	257
Other Pension Costs		15	16
Other Employee Related Costs		1	1
Training And Development		1	1
		1,802	2,282
Supplies & Services			
Materials And Equipment		5	1
Stationery And Postage		5	3
IT/Telecommunications		4	814
Insurance		0	1
Professional Fees and Subscriptions		5	5
Allowances		0	1
Other Hired And Contracted Services		9	9
		28	833
Transport			
Travel Allowances		1	2
		1	2
Managed Expenditure		1,831	3,117
Internal Income			
Income From Other Directorates		(788)	(1,006)
		(788)	(1,006)
Income - Charges			
Fees And Charges		(1)	(1)
Education Income		(130)	0
		(131)	(1)
Managed Income		(918)	(1,007)
<b>Net Managed Budget</b>		<b>912</b>	<b>2,110</b>
Accounting Adjustments			
FRS 17 Costs		117	165
Capital Charges		111	117
		228	282
Central Recharges			
Central Recharges Income		154	(405)
		154	(405)
Other Internal Adjustments			
Internal Reallocations Charges		594	114
Internal Reallocations Income		(1,887)	(2,101)
		(1,293)	(1,987)
Managed Outside the Service		(912)	(2,110)
<b>Net Cost of Service</b>		<b>0</b>	<b>0</b>

# Planning, Policy And Improvement

Budget Manager : Assistant Chief Executive

Ppi Management & Support			
	£000	Budget 2010/11	Budget 2011/12
Employees			
Direct Pay Costs		1,013	1,147
National Insurance Contributions		102	109
Superannuation Costs		153	162
Other Pension Costs		124	122
Other Employee Related Costs		2	3
Training And Development		19	9
		1,413	1,553
Premises			
Grounds Maintenance		0	0
		0	0
Supplies & Services			
Materials And Equipment		15	10
Stationery And Postage		250	91
IT/Telecommunications		21	21
Insurance		1	1
Professional Fees and Subscriptions		388	331
Grants And Contributions		400	300
Allowances		2	1
Other Hired And Contracted Services		172	229
Publication And Promotion		10	3
		1,259	988
Transport			
Travel Allowances		6	6
		6	6
Internal Charges			
Managed Recharges Frm Other Directorates		17	13
		17	13
Managed Expenditure		2,695	2,560
Internal Income			
Income From Other Directorates		(5)	(5)
		(5)	(5)
Income - Charges			
Fees And Charges		(2)	(2)
Other Income		(261)	(6)
		(263)	(8)
Managed Income		(268)	(13)
<b>Net Managed Budget</b>		<b>2,427</b>	<b>2,547</b>
Accounting Adjustments			
FRS 17 Costs		(24)	(9)
Capital Charges		0	17
		(24)	8
Central Recharges			
Corporate & Democratic Core Income		(2,690)	(1,900)
		(2,690)	(1,900)

# Planning, Policy And Improvement

Budget Manager : Assistant Chief Executive

Ppi Management & Support			
	£000	Budget 2010/11	Budget 2011/12
Other Internal Adjustments			
Internal Reallocations Charges		607	286
Internal Reallocations Income		(319)	(282)
		288	5
Managed Outside the Service		(2,427)	(1,887)
<b>Net Cost of Service</b>		<b>0</b>	<b>660</b>



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## **Central accounts**

# LEEDS CITY COUNCIL 2011/12 BUDGET REPORT

## Directorate: Strategic Accounts

### 1 Introduction

1.1 This report has been produced in order to inform members of the main variations and factors influencing the directorate's budget for the 2011/12 financial year.

### 2 Service Context

2.1 Central accounts hold a variety of budgets which for a number of reasons it is not appropriate or possible to include within the budgets of Directorates. These include the Council's capital financing costs and associated entries relating to the complexities of the capital accounting requirements. In addition, in accordance with accounting requirements, this budget also includes the attributed costs defined as Corporate and Democratic Core. Central accounts also includes a number of other budgets held corporately as well as council-wide amounts which largely for timing purposes have not been allocated to individual services. Generally, these budgets will be allocated to services in year.

### 3 Explanation of variations between adjusted 2010/11 and 2011/12 - £9,652k (21.34%)

3.1 The variation can be summarised as follows:

		£000s
Net Managed Budget 2010/11	-	6,929
Adjustments		
• Transfers to Formula Grant		55,192
• Other adjustments	-	3,147
Adjusted Net Managed Budget 2010/11		45,116
Changes in Prices		
• Pay (NI increase)	-	
• Price	-	
• Income	-	-
Service Budget Changes		
• Changes in Service Levels	-	
• Other Factors not affecting level of service	12,024	
• Efficiency Savings	- 2,372	9,652
Net Managed Budget 2011/12		54,768

## 3.2 Adjustments

- 3.2.1 Several of the Council's specific grants have been cut for 2011/12. The biggest of these is Area Based Grant (ABG) (£75.9m) although £48.9m has transferred into Formula Grant.
- 3.2.2 In addition, in 2011/12 the Rural Bus Subsidy (£0.4m) and Concessionary Travel grant (£4.1m) will form part of the Council's formula grant previously paid to the West Yorkshire Integrated Transport Authority (WYITA) as a specific grant. This £4.5m will be passported directly to the WYITA to enable them to continue to provide these services.
- 3.2.3 Other adjustments mainly relate to the central contingency budget which has been allocated to fund directorate pressures.
- ## 3.3 Other Factors not affecting the level of service
- 3.3.1 The amount of ABG not transferring into Formula Grant (£22.5m) is reflected in this budget. However, the corresponding spend was budgeted for in directorates and any reduction in spend to mitigate the impact of this reduction in grant is reflected in the individual directorate reports.
- 3.3.2 In addition, the in-year cuts in 2010/11 in respect of Local Public Sector Agreement (LPSA) reward grant (£1.8m) and Local Authority Business Growth Incentive (LABGI) (£0.6m) have carried through to 2011/12.
- 3.3.3 Two new central grants are being introduced in 2011/12. The Council Tax Freeze Grant (£6.7m) is extra funding for Councils which do not increase council tax in 2011/12. The grant is equivalent to the Council raising 2010/11 council tax by 2.5%.
- 3.3.4 The New Homes Bonus is an incentive for building new homes in the area. It will match fund the additional council tax for each new home and property brought back into use, for each of the 6 years after that home is built with an additional amount for affordable homes. The methodology for the distribution of the new homes bonus is still subject to consultation by the Government, but based on the current proposals it is forecast that the Council will receive £2.9m.
- 3.3.5 External capital financing costs have been budgeted to increase by £6.8m. This comprises interest and Minimum Revenue Provision (the amount which the authority is statutorily required to set aside to fund debt) plus the effect of statutory charges made to the Housing Revenue Account for its share of the capital financing costs, which have decreased by £5.4m. In addition capital receipts have been used to fund credit arrangements, which reduces the amount required to be set aside to fund debt in 2011/12. This gives a budgeted saving of £11.2m.
- 3.3.6 The contingency budget is held to cover in year spending pressures identified by directorates. £2.3m has been transferred directly to directorates, and a further reduction of £0.7m has been made to bring the budget to £2.0m.
- 3.3.7 £0.5m has been provided to support Jobs and Skills initiatives in Leeds. Full proposals will be brought during the year.
- 3.3.8 Central Accounts also contains budgets for contributions to and from the major reserves that the authority holds. The contribution from the general fund reserve is budgeted to increase by £2.0m in 2011/12. The use of other reserves has increased by £0.3m.

### 3.4 Efficiency savings

- 3.4.1 It has been determined that savings of £0.2m can be made across the authority in corporate communications. This saving is held centrally, and will be allocated to directorates as the savings are made.
- 3.4.2 Contributions to Joint Committees and Other Bodies have increased by £2.3m. In approving these contributions, Members will note that they are not approving the individual budget of the Joint Committees, which are approved by the organisations themselves, but the estimated effect on the City Council's budget.

	Leeds' contribution			
	10/11 £m	11/12 £m	Increase £m	%
<b>Joint Committees</b>				
Pension Fund	0.437	0.417	-0.020	-4.6
Joint Services	2.474	2.320	-0.154	-6.2
<b>Other Bodies</b>				
Flood Defence Levy	0.227	0.227	0.000	0.0
WYITA	31.469	33.947	2.478	7.9
Coroners	1.253	1.253	0.000	0.0
West Yorkshire Probation Service (Debt only)	0.020	0.020	0.000	0.0

- 3.4.3 The West Yorkshire Integrated Transport Authority (WYITA) levy has increased by £2.478m, but this takes account of funding for concessionary fares which were previously paid as a grant to WYITA. After taking account of this adjustment and an increase in the relative population of Leeds, the levy is in fact a reduction of 5.6% from the 2010/11.

## 4 Net Revenue Charge

- 4.1 The following table provides a summary of the net revenue charge for the service which brings together the net managed budget and those budgets managed outside the service.

	£000s
Net Managed Budget	54,768
Managed Outside Service	- 23,862
Net Cost of Service	30,906
Transfers to/from earmarked reserves	- 49,943
Net Revenue Charge	- 19,037

## 5 Risk Assessment

- 5.1 In determining the 2011/12 budget, consideration has been given to all the risks which are managed within the directorate's overall risk management framework. Within this

framework, a register of those items considered to carry the highest risk and therefore requiring careful and regular monitoring has been prepared.

- 5.2 The key risks in the 2011/12 budget for this directorate are as follows;
  - 5.2.1 The budgeted capital financing costs are based on certain assumptions relating to interest rates. If rates are greater than expected the actual costs incurred could be greater.
  - 5.2.2 The budget assumes savings of £11.2m from using capital receipts to fund credit arrangements. There is a risk that due to the economic climate this level of capital receipts may not be achieved, which would reduce the savings that could be made.
  - 5.2.3 There is a budget of £5.2m for the use of section 278 contributions. This is dependent on the authority receiving these contributions from developers.

Briefing note prepared by: Sharon Dawson  
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## Main responsibilities:

- Items which do not specifically relate to any of the council's other functional headings, including the continuing costs of discontinued operations, the costs of managing the council's insurance activities, interest earned on revenue balances and general income sources not attributable to a specific service. Also included are subscriptions to regional associations and specific grants to local organisations.
- A general contingency budget is held to meet uncertainties that are not provided for in departmental budgets.
- The council's contribution to a number of joint committees and other bodies established to provide a range of county-wide services, including trading standards and the West Yorkshire Passenger Transport Authority.
- Credits for the accounting cost of capital of the current valuation of the assets are charged to service accounts. These accounting costs are replaced within the central accounts by the actual cost to the council of its borrowings
- Under the Best Value Accounting Code of Practice (BVACoP), certain defined overheads are charged to a Non Distributed Costs Account. This account comprises the estimated present value of the total future costs of VER and added years pension decisions made during the year.
- Under BVACoP the costs of both Corporate Management and of Democratic Representation and Management cannot be treated as service expenditure and are accounted for centrally in a Corporate and Democratic Core account. For Leeds City Council the expenditure charged to this account includes the activities and costs which provide the infrastructure which allows services to be provided, the cost of providing information which is required for public accountability, and the cost of member activities.

## Strategic and Central Accounts

Summary of budget by service (£000)

Budget Manager	Service	Total 2010/11	Managed by the Service			Managed Outside the Service	Total 2011/12
			Spending	Income	Net		
Chief Officer Financial Management	Strategic Accounts	42,621	(20,202)	(7,458)	(27,660)	46,002	18,342
Chief Officer Financial Development	Debt Financing Costs	57,269	54,001	(1,162)	52,839	0	52,839
Chief Officer Financial Management	Corporate & Democratic Core	17,631	0	59	59	15,476	15,536
Chief Officer Financial Management	Non-Distributable Costs	4,731	0	0	0	6,637	6,637
Chief Officer Financial Management	Government Grants And Parish Precepts	(77,641)	0	(9,583)	(9,583)	0	(9,583)
Chief Officer Financial Management	Joint Committees And Other Bodies	35,443	38,212	(28)	38,185	(417)	37,767
Chief Officer Financial Management	Miscellaneous	119	2,572	(1,350)	1,222	(1,266)	(44)
Chief Officer Financial Management	Capital Accounting Appropriations	(86,056)	0	0	0	(90,589)	(90,589)
Chief Officer Financial Development	Corporate Insurance	0	10,850	(11,144)	(294)	294	0
Net Cost of Service		(5,884)	85,434	(30,666)	54,768	(23,862)	30,906
	Transfers to and from earmarked reserves	(67,111)	0	0	0	(49,943)	(49,943)
Net Revenue Charge		(72,995)	85,434	(30,666)	54,768	(73,805)	(19,037)



# Strategic and Central Accounts

## Summary of budget by type of spending or income

	£000	Budget 2010/11	Budget 2011/12
<b>Employees</b>			
Direct Pay Costs		(201)	0
Other Pension Costs		1,876	1,846
		1,675	1,846
<b>Premises</b>			
NDR		15	17
		15	17
<b>Supplies &amp; Services</b>			
Insurance		0	2,740
Professional Fees and Subscriptions		122	107
Grants And Contributions		451	298
General Capitalisation		(4,982)	(4,982)
Contingency		5,000	2,000
Corporate Initiatives & Savings Targets		(2,250)	(1,600)
Allowances		65	20
Other Hired And Contracted Services		0	1,350
		(1,594)	(68)
<b>Transport</b>			
Travel Allowances		4	4
		4	4
<b>Internal Charges</b>			
Managed Recharges Frm Other Directorates		0	5,123
		0	5,123
<b>Agency Payments</b>			
Services Provided By Other Organisations		693	691
WY Joint Committees		2,474	2,320
WY Probation Service		48	48
WY Passenger Transport Executive		31,469	33,947
Flood Defence Levy		227	227
Coroners Service		1,253	1,253
		36,163	38,485
<b>Transfer Payments</b>			
Land Drainage Levies		6	6
		6	6
<b>Capital</b>			
External Interest Charge		65,174	65,107
Statutory Capital Charge To HRA		(35,705)	(32,227)
Use of capital receipts to fund PFI		0	(11,220)
Minimum Revenue Provision		28,881	32,341
RCCO (Revenue Contribution To Capital)		200	200
		58,550	54,201
<b>Appropriations</b>			
Transfer To/From General Fund Reserves		0	(2,000)
Transfers To/From Earmarked Reserves		(540)	1,638
		(540)	(362)
<b>Appropriation</b>			
Transfers To/From Capital Reserve		(13,013)	(13,820)
		(13,013)	(13,820)
<b>Managed Expenditure</b>		81,267	85,434
<b>Internal Income</b>			

# Strategic and Central Accounts

## Summary of budget by type of spending or income

£000	Budget 2010/11	Budget 2011/12
Internal Income		
Income From Other Directorates	0	(11,087)
Corporate & Democratic Core Chge To HRA	(1,971)	(1,848)
	(1,971)	(12,935)
Income - Grants		
Government Grants	(53)	0
DCLG Grants	(78,141)	(9,583)
	(78,194)	(9,583)
Income - Charges		
Fees And Charges	(138)	(142)
Contributions	(1,315)	(1,312)
Other Income	(5,546)	(5,524)
Income Received From ALMOs	0	(57)
	(7,000)	(7,036)
Income - Other		
Interest And Dividends	(1,031)	(1,112)
	(1,031)	(1,112)
Managed Income	(88,195)	(30,666)
<b>Net Managed Budget</b>	<b>(6,928)</b>	<b>54,768</b>
Accounting Adjustments		
FRS 17 Costs	67,564	50,256
Transfers To/From Statutory Reserves	(67,564)	(50,256)
Transfers to Capital Reserve - Vehicles	454	313
Capital Charges	(85,031)	(89,721)
	(84,577)	(89,408)
Central Recharges		
Central Recharges Expenditure	1,165	234
Central Recharges Income	(76)	0
Corporate & Democratic Core Income	17,422	15,369
	18,511	15,603
Managed Outside the Service	(66,066)	(73,805)
<b>Net Cost of Service</b>	<b>(72,995)</b>	<b>(19,037)</b>

# Strategic and Central Accounts

Budget Manager : Chief Officer Financial Management

Strategic Accounts			
	£000	Budget 2010/11	Budget 2011/12
Employees			
Direct Pay Costs		(201)	0
		(201)	0
Supplies & Services			
Grants And Contributions		53	0
General Capitalisation		(4,982)	(4,982)
Contingency		5,000	2,000
Corporate Initiatives & Savings Targets		(2,250)	(1,600)
		(2,179)	(4,582)
Capital			
RCCO (Revenue Contribution To Capital)		200	200
		200	200
Appropriations			
Transfer To/From General Fund Reserves		0	(2,000)
Transfers To/From Earmarked Reserves		(540)	0
		(540)	(2,000)
Appropriation			
Transfers To/From Capital Reserve		(13,013)	(13,820)
		(13,013)	(13,820)
Managed Expenditure		(15,733)	(20,202)
Internal Income			
Corporate & Democratic Core Chge To HRA		(2,058)	(1,908)
		(2,058)	(1,908)
Income - Grants			
Government Grants		(53)	0
DCLG Grants		(500)	0
		(553)	0
Income - Charges			
Contributions		(200)	(200)
Other Income		(5,350)	(5,350)
		(5,550)	(5,550)
Managed Income		(8,160)	(7,458)
<b>Net Managed Budget</b>		<b>(23,894)</b>	<b>(27,660)</b>
Accounting Adjustments			
FRS 17 Costs		65,400	46,062
Capital Charges		25	0
		65,425	46,062
Central Recharges			
Central Recharges Expenditure		1,165	(60)
Central Recharges Income		(76)	0
		1,089	(60)
Managed Outside the Service		66,514	46,002
<b>Net Cost of Service</b>		<b>42,621</b>	<b>18,342</b>

# Strategic and Central Accounts

Budget Manager : Chief Officer Financial Development

Debt Financing Costs			
	£000	Budget 2010/11	Budget 2011/12
Capital			
External Interest Charge		65,174	65,107
Statutory Capital Charge To HRA		(35,705)	(32,227)
Use of capital receipts to fund PFI		0	(11,220)
Minimum Revenue Provision		28,881	32,341
		58,350	54,001
Managed Expenditure		58,350	54,001
Income - Charges			
Other Income		(50)	(50)
		(50)	(50)
Income - Other			
Interest And Dividends		(1,031)	(1,112)
		(1,031)	(1,112)
Managed Income		(1,081)	(1,162)
<b>Net Managed Budget</b>		<b>57,269</b>	<b>52,839</b>
<b>Net Cost of Service</b>		<b>57,269</b>	<b>52,839</b>

# Strategic and Central Accounts

Budget Manager : Chief Officer Financial Management

Corporate & Democratic Core			
	£000	Budget 2010/11	Budget 2011/12
Internal Income			
Corporate & Democratic Core Chge To HRA		87	59
		87	59
Managed Income		87	59
<b>Net Managed Budget</b>		<b>87</b>	<b>59</b>
Central Recharges			
Corporate & Democratic Core Income		17,544	15,476
		17,544	15,476
Managed Outside the Service		17,544	15,476
<b>Net Cost of Service</b>		<b>17,631</b>	<b>15,536</b>

# Strategic and Central Accounts

Budget Manager : Chief Officer Financial Management

Government Grants And Parish Precepts			
	£000	Budget 2010/11	Budget 2011/12
Income - Grants			
DCLG Grants		(77,641)	(9,583)
		(77,641)	(9,583)
Managed Income		(77,641)	(9,583)
<b>Net Managed Budget</b>		<b>(77,641)</b>	<b>(9,583)</b>
<b>Net Cost of Service</b>		<b>(77,641)</b>	<b>(9,583)</b>

# Strategic and Central Accounts

Budget Manager : Chief Officer Financial Management

Joint Committees And Other Bodies			
	£000	Budget 2010/11	Budget 2011/12
Employees			
Other Pension Costs		437	417
		437	417
Agency Payments			
WY Joint Committees		2,474	2,320
WY Probation Service		48	48
WY Passenger Transport Executive		31,469	33,947
Flood Defence Levy		227	227
Coroners Service		1,253	1,253
		35,471	37,795
Managed Expenditure		35,908	38,212
Income - Charges			
Contributions		(28)	(28)
		(28)	(28)
Managed Income		(28)	(28)
<b>Net Managed Budget</b>		<b>35,880</b>	<b>38,185</b>
Accounting Adjustments			
FRS 17 Costs		(437)	(417)
		(437)	(417)
Managed Outside the Service		(437)	(417)
<b>Net Cost of Service</b>		<b>35,443</b>	<b>37,767</b>

# Strategic and Central Accounts

Budget Manager : Chief Officer Financial Management

Miscellaneous			
	£000	Budget 2010/11	Budget 2011/12
Employees			
Other Pension Costs		1,439	1,429
		1,439	1,429
Premises			
NNDR		15	17
		15	17
Supplies & Services			
Professional Fees and Subscriptions		122	107
Grants And Contributions		399	298
Allowances		65	20
		586	425
Transport			
Travel Allowances		4	4
		4	4
Agency Payments			
Services Provided By Other Organisations		693	691
		693	691
Transfer Payments			
Land Drainage Levies		6	6
		6	6
<b>Managed Expenditure</b>		<b>2,742</b>	<b>2,572</b>
Income - Charges			
Fees And Charges		(138)	(142)
Contributions		(1,088)	(1,084)
Other Income		(146)	(124)
		(1,372)	(1,350)
<b>Managed Income</b>		<b>(1,372)</b>	<b>(1,350)</b>
<b>Net Managed Budget</b>		<b>1,370</b>	<b>1,222</b>
Accounting Adjustments			
FRS 17 Costs		(1,439)	(1,429)
Capital Charges		310	271
		(1,129)	(1,158)
Central Recharges			
Corporate & Democratic Core Income		(122)	(107)
		(122)	(107)
<b>Managed Outside the Service</b>		<b>(1,251)</b>	<b>(1,266)</b>
<b>Net Cost of Service</b>		<b>119</b>	<b>(44)</b>



# Strategic and Central Accounts

Budget Manager : Chief Officer Financial Development

Corporate Insurance			
	£000	Budget 2010/11	Budget 2011/12
Supplies & Services			
Insurance		0	2,740
Other Hired And Contracted Services		0	1,350
		0	4,089
Internal Charges			
Managed Recharges Frm Other Directorates		0	5,123
		0	5,123
Appropriations			
Transfers To/From Earmarked Reserves		0	1,638
		0	1,638
Managed Expenditure		0	10,850
Internal Income			
Income From Other Directorates		0	(11,087)
		0	(11,087)
Income - Charges			
Income Received From ALMOs		0	(57)
		0	(57)
Managed Income		0	(11,144)
<b>Net Managed Budget</b>		<b>0</b>	<b>(294)</b>
Central Recharges			
Central Recharges Expenditure		0	294
		0	294
Managed Outside the Service		0	294
<b>Net Cost of Service</b>		<b>0</b>	<b>0</b>