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**Report of the Director of Resources**

**Report to Executive Board**

**Date: 14<sup>th</sup> December 2011**

**Subject: Initial Budget Proposals**

Are specific electoral Wards affected? If relevant, name(s) of Ward(s):	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Is the decision eligible for Call-In?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, Access to Information Procedure Rule number: Appendix number:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

**Summary of main issues**

1. In accordance with the Council's Budget and Policy Framework, this report sets out the Executive's initial budget proposals for 2012/13. These proposals have been developed within an assumed level of government grant based upon the indicative 2012/13 grant settlement as announced in January 2011 as part of the 2011/12 Local Government Finance settlement. At the time of writing, confirmation of the 2012/13 settlement is awaited and further information will be provided to the board when it becomes available. As reported last year, it remains a challenge for the Council to maintain services at their current level in the context of further reductions in government grants and the organisation continues to be subject to an ongoing review in order to help achieve the ambition of being the best City Council in the UK.
2. In addition, the report also provides an early indication of the financial position for 2013/14 and 2014/15 as part of the Council's medium term financial strategy.
3. Recognising the revenue implications of capital spending, the report also provides overall information as to the Council's capital investment proposals for the period 2012/13 to 2014/15.

**Recommendation**

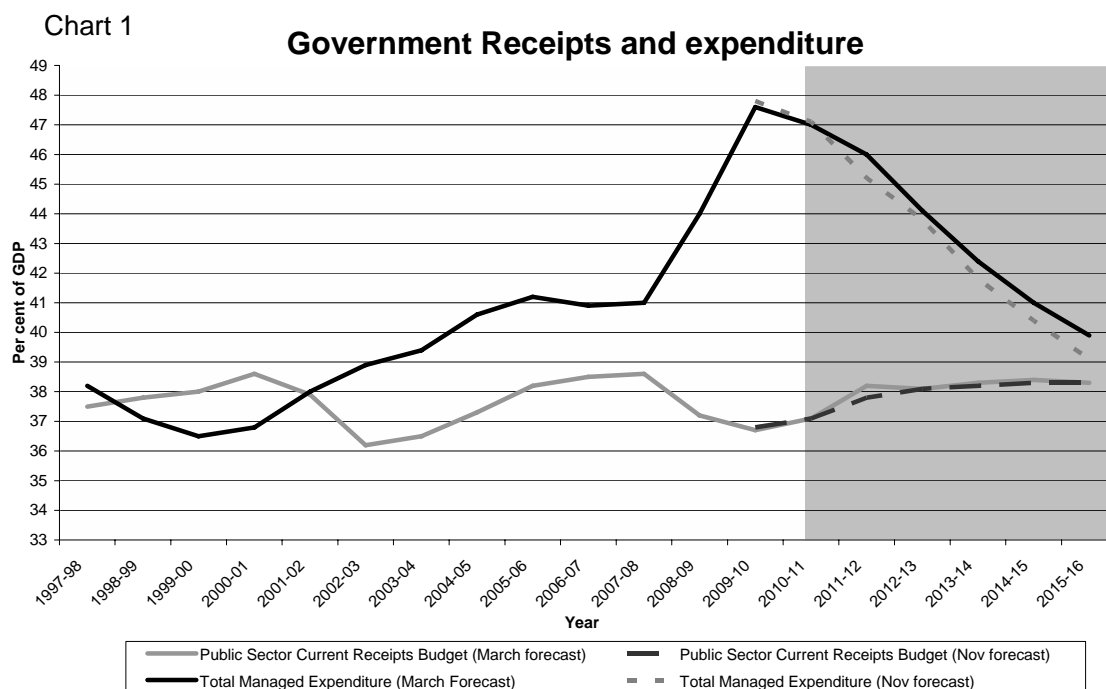
4. The Executive Board are asked to agree this report as the initial budget proposals for 2012/13 and for them to be submitted to Scrutiny and for wider consultation.

## 1.0 PURPOSE OF THIS REPORT

- 1.1 In accordance with the Council's constitution, the Executive is required to publish initial budget proposals two months prior to adoption by full Council which is scheduled for the 22nd February 2012. The purpose of this report is to publish initial budget proposals for 2012/13, which, together with a forecast of 2013/14 and 2014/15, will form the basis of the Council's new medium term financial strategy.
- 1.2 Subject to the approval of the board, this report will be submitted to Scrutiny for their consideration and review, with the outcome of their deliberations to be reported to the planned meeting of this board on the 10<sup>th</sup> February 2012. It will also be made available to other stakeholders as part of a wider consultation.
- 1.3 In accordance with the Council's Budget and Policy Framework, decisions as to the Council's budget are reserved to Council. As such, the recommendation at 14.1 is not subject to call in, as the budget is a matter that will ultimately be determined by Council, and this report is in compliance with the Council's constitution as to the publication of initial budget proposals two months prior to adoption.

## 2.0 NATIONAL CONTEXT

- 2.1 The Council's 2011/12 budget agreed by Council in February 2011 was produced in the face of an unprecedented challenge. The Government's emergency Budget in June 2010 and the Comprehensive Spending Review 2010 set out the Government's deficit reduction plan in order to eliminate the nation's budget deficit.
- 2.2 The following chart shows that, as a result of these plans, public spending is projected to fall from around 47.5% of GDP in 2009/10 to around 40% of GDP by 2016 while tax receipts are projected to rise from 36.5% to around 38.5% of GDP over the same period, addressing the imbalances in the public finances.



- 2.3 The October 2010 Spending Review set out the Government's proposals to reduce public spending by £81bn over the four year period 2011/12 to 2014/15. However, it gave protection to the NHS and schools, which meant that the funding available to other local government services reduced significantly for 2011/12 and continues to do so for the next three years. Planned local government funding by central government falls by 20% in cash terms over the four year period, equivalent to a reduction of 28% taking into account expected inflation, but the reduction is significantly front loaded, as shown in the table 1 below:

**Table 1**

National Funding	Base	Variation			
	2010/11 £bn	2011/12 £bn	2012/13 £bn	2013/14 £bn	2014/15 £bn
Local Government Funding	28.5	26.1	24.4	24.2	22.9
Real Terms reduction (%)		10.6%	8.3%	2.8%	7.2%

### 3.0 Local Government Finance Settlement

- 3.1 Although the spending review covers four years, a two year Local Government finance settlement was confirmed on 31<sup>st</sup> January 2011 and the implications for Leeds City Council are set out in Table 2.

**Table 2**

	Adjusted 2010/11 £m	2011/12 £m	2012/13 £m
Formula Grant	358.986	315.061	288.042
Cash Reduction		-43.926	-27.019
Variation in Core Grants		-7.512	0.634
<b>Total Cash Reduction</b>		<b>-51.438</b>	<b>-26.385</b>

- 3.2 On a cash to cash basis, the Council's formula grant for 2011/12 increased by £11.617m compared to 2010/11. This meant that the Council's net revenue charge for 2011/12 (which is the sum of Council Tax and Formula Grant) showed an increase from 2010/11. However, this masked the real position as the Council's specific grants showed a significant reduction, and a number of them were also transferred to Formula Grant which resulted in 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 represented a reduction of £43.926m or 12.2%.
- 3.3 The grant settlement involved not only a significant reduction in the overall level of government grants to local authorities, but also the reduction in the number of specific grants, and the transfer of some of them into Formula Grant and into new Core Grants including the Dedicated Schools Grant. This resulted in a net reduction of £7.5m in 2011/12 and an increase in 2012/13 of £0.6m. Overall, the settlement

meant that government funding to the Council reduced by £51.4m in 2011/12 with a further reduction of £26.4m in 2012/13.

- 3.4 The Department for Education (DfE) has determined that certain responsibilities transfer from a Local Authority to Academies when an Academy is formed. This is reflected through the payment of a grant to an Academy. The transferred responsibilities include both functions within the Schools Budget funded from the Dedicated Schools Grant, and Local Authority Central Education Functions funded from Local Authority resources. The DfE assumes that the transfer of responsibilities results in a reduction in Local Authority costs, and both the Dedicated Schools Grant funding the Schools Budget, and the Formula Grant funding Central Local Authority Education functions are reduced. For 2011/12 a simplistic calculation was used by the Government to remove grant funding from Local Authorities to reflect the transfer of central education functions to Academies, which for Leeds resulted in Formula Grant being reduced by £1.76m. A further adjustment for Academies is also included in the Council's draft Formula Grant for 2012/13 of £1.39m, a cumulative reduction of £3.15m.
- 3.5 Following a legal challenge from Local Authorities, the DfE has issued a consultation on 'the basis for the decision on the appropriate amount of Academies Funding Transfer for 2011/12 and 2012/13'. The consultation suggests that the original adjustments are understated due to the number of Academies and the increased savings that Local Authorities are therefore making. The consultation proposes that the funding transfer should be reviewed based on a revised profile of Academies. The DfE estimates assume that the Local Authority element of the reduction could be between £360m to £375m in 2011/12 and between £580m up to £680m in 2012/13. If a figure of £680m was removed from Formula Grant in 2012/13 on a simple pro-rata basis, the City Council would lose around £6.5m in 2012/13, rather than the £1.39m included in the 2012/13 settlement.
- 3.6 At the time of writing the outcome of the DfEs consultation is awaited. It should be noted that the determination of the reduction to Formula Grant is made by the DfE and has not been based on an assessment of the actual cost of Academies carrying out the transferred services, and is based on the simplistic assumption that Local Authorities should save pro-rata.
- 3.7 The Council's grant settlement for the final two years of the Spending review, namely 2013/14 and 2014/15 are not known at this stage, and will be subject to Government announcements nearer the time, but based upon the Spending Review, our best estimate is that we will face further grant reductions of:
- £9.9m in 2013/14
  - £25.6m in 2014/15

#### **4.0 DEVELOPING THE COUNCIL'S BUDGET PLANS**

- 4.1 It is clear that local government is facing a very different environment to that which it is has operated within in recent times. This is partly due to the Government's priority of eliminating the deficit within the public finances, but also reflects the Government's new policy agenda. At the same time we need to recognise that society's needs and aspirations have continued to increase and change.
- 4.2 How local government as a sector and as individual authorities respond to these new agendas will be key to the future. It is clear that councils cannot deliver any of their

services and objectives alone, and the reality is that the best cities and towns will need to combine the best values of all sectors: the accountability, fairness and public service ethos of local government, the connection with local people of the Third Sector, and the efficiency and dynamism of the private sector.

- 4.3 Councils will need to change, to become much more enterprising, entrepreneurial and responsive to their local communities, whilst retaining their role as major employers, service providers and democratically-mandated leaders. This new role would demand a new 'social contract' with local people to help make local places more liveable. It will also require businesses to play a more active role as corporate citizens and the third sector to act as a catalyst for connecting with local people.
- 4.4 It is also crucial that the Council's spending plans need to respond to the priorities of the people of Leeds. Last autumn, Leeds' residents gave their priorities for the Council's budget in the "Spending Challenge". In total there were over 2,000 responses, and the top spending priorities were:
- Tackle the worst anti-social behaviour first
  - Encourage people to recycle and throw less away
  - Help people stay in their own homes for as long as possible
  - Bring services together and make better use of building
  - Work to get local jobs for local people

People also gave their own ideas on ways the council can save money, including:

- Council should put on fewer free events and entertainment
  - Reduce staffing levels to save money
- 4.5 These priorities together with the "What if Leeds...." consultation that was undertaken during 2011 in the development of the city's vision, continue to guide the development of the Council's financial plans. The Council has however, taken the opportunity to ask the people of Leeds, whether the priorities they identified last autumn continue to be their main priorities. An article in the autumn edition of "About Leeds" asked residents to confirm that our spending challenge priorities are still the right ones. The results of this survey will be posted in the Members' library as soon as they are available.
- 4.6 The City of Leeds has an ambition to be not just the biggest in the North and the third largest in the country, but also to be the best city in the UK. If it is to achieve this ambition, Leeds City Council will need to be the best city council in the UK, providing strong civic leadership to galvanise the private, public and third sectors. The Council is also working to embed its new values, which are:
- Working as a team for Leeds
  - Being open, honest and trusted
  - Working with Communities
  - Treating people fairly
  - Spending money wisely
- 4.7 These changes will not happen overnight, but the Council's initial budget proposals need to be seen in the context of the Council responding to the new agendas. The Council's approach to the development of its future financial plans is based around the following actions:

- Resources need to be focused as much as possible on front line services to customers.
- Innovation will be key to the transformation of services.
- We are reviewing services and looking at collaboration opportunities across services in order to eliminate over-provision where this makes business sense.
- 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.
- We expect to reduce our staffing levels by around 2500 by the end of 2015; every effort will be made to achieve this without compulsory redundancies.
- We are reducing our spend on goods and services through better demand management, renegotiating prices with suppliers, centralising some of our ordering arrangements and making system improvements.
- We are reducing the number of buildings we occupy and making more efficient use of office space in the buildings remaining. We are also reducing our energy usage in our buildings.
- We are reviewing our income from fees and charges, and introducing new charges where appropriate.

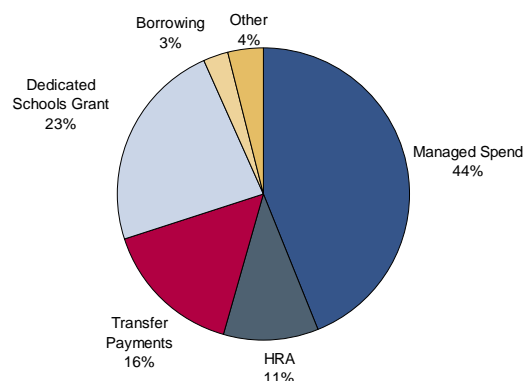
## 5.0 THE COUNCIL'S BUDGET

5.1 In understanding the financial challenge outlined above, it is useful to reiterate some of the constraints which impact upon the Council's ability to deliver savings. The Council's net revenue budget for 2011/12 was set at £582.2m supported by the use of £2m general fund reserves. However, the Council actually spends over £2bn each year. It is important to appreciate that the Council does not have full freedom to decide how to spend all of this money because much of it is given by central government as "ring-fenced" grants, which reflect past borrowing decisions or has other legal constraints. This means, for example, that certain funds can only be spent on schools, or on benefit payments, or on council housing. These constrained areas account for 56% of the Council's spending, so any savings can only be delivered from the remaining 44%.

**Figure 1**

### Analysis of Revenue Budget 2011/12

	2011/12 £m
Managed Spend	888.1
Housing Revenue Account (HRA)	208.3
Transfer Payments	317.8
Dedicated Schools Grant	468.8
Borrowing	54.0
Other	80.7
<b>Total</b>	<b>2,017.7</b>

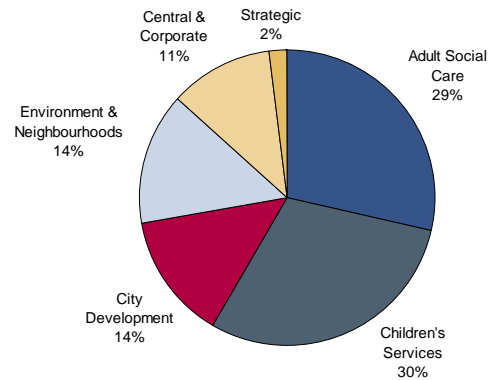


5.2 The managed expenditure from which savings can be made totals £888.1m, and is summarised by service below:

**Figure 2**

**Managed spend by directorate**

	2011/12 £m
Adult Social Care	254.2
Children's Services	265.0
City Development	122.9
Environment & Neighbourhoods	126.5
Central & Corporate	101.0
Strategic	18.5
<b>Total</b>	<b>888.1</b>

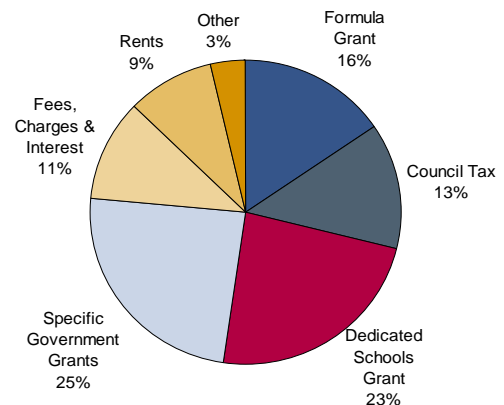


5.3 Around 63% of the Council's funding comes from Government as illustrated below, with just 13p in each £1 coming from local Council Tax payers.

**Figure 3**

**Where the Money Comes From**

	2011/12 £m
Formula Grant	315.1
Council Tax	267.1
Dedicated Schools Grant	468.8
Specific Government Grants	490.2
Fees, Charges & Interest	216.8
Rents	189.4
Other	70.3
<b>Total</b>	<b>2,017.7</b>



5.4 The Council collects £267.1m each year in Council Tax; this represents around 99.2% of amounts billed. The band D level of Council Tax (including Police and Fire precepts) in Leeds is currently £1,306.40, and is the 7<sup>th</sup> lowest amongst the metropolitan authorities and the second lowest amongst the eight Core Cities.

**6.0 THE COUNCIL'S 2011/12 BUDGET**

6.1 In 2011/12 the Council's grants from government reduced by £51.4m, and with nearly £40m of its own cost pressures, this meant that in total the Council had to identify around £90m of savings. To date progress has been very good and it is expected that the Council's budget for 2011/12 will be achieved by the end of March 2012. At the same time the Council has strengthened its revenue reserves in order to provide more resilience at a time of greater financial risk.

## 7.0 INITIAL BUDGET PROPOSALS 2012/13

- 7.1 This section provides a strategic overview of the initial budget proposals for 2012/13. Further detailed information is provided in Appendix 1 as to how the proposals relate to individual directorates.
- 7.2 The financial year 2012/13 is the second year of the CSR and once again the Council's funding from government reduces, this time by £26.4m. In addition with inflation running at 5% and growing demands for services in both Children's and Adult Social Care, we have identified cost pressures of £29m. The Council is therefore faced with identifying cost saving measures of £55.4m in 2012/13, as summarised and explained below:

**Table 3**

	2012/13 £000s
<b>Funding</b>	
Formula Grant reduction	27,000
Core Grants	-600
Sub-Total	26,400
<b>Inflation</b>	3,570
<b>Pressures</b>	
Adults	9,200
Children's	13,850
City Development	1,500
E&N	826
Debt	4,000
Carbon Reduction (GF)	700
Other base pressures/ongoing efficiencies	-4,642
Sub-Total Other Pressures	25,434
<b>Total Pressures incl funding reduction</b>	<b>55,404</b>

- 7.3 The key assumptions behind the pressures of £29m are as follows:

**Inflation of £3.5m:** After taking account of necessary further reductions in staff numbers, the initial proposals for the 2012/13 budget provide for a 1% growth in staffing budgets; this reflects an expectation that following two years of a pay freeze, there will be a need to provide for an increase in staff pay. The level and timing of such an increase will have to be contained within budget provision and therefore the extent to which this exceeds the amount provided could result in the need for further staff reductions. Savings are also assumed due to the effect on employer's pension contributions as a result of the present review. Despite cost inflation currently running at 5%, no provision will be made for inflation on running cost budgets, other than where there are specific contractual commitments and utilities. This implies further procurement savings will be required. Provision has also been made for the £8 per tonne increase in Landfill Tax from April 2012.

In terms of the level of fees and charges made for Council services, it is recognised that there is a need to carefully balance increases, which considers the level of inflation, and what people can afford. As such there is no general increase proposed, but there are a number of specific proposals where it is felt that the market will bear such an increase. Any proposals for increases in fees and charges are detailed in the



attached Appendix 1 and overall they are forecast to generate additional income of £2.5m.

#### 7.4 **Demand Led Spending** – additional provision is made in the following areas of spend:

- **Adult Social care** – These budget proposals provide for an additional £9.2m to provide funding towards the cost of the continuing impact of an ageing population and the needs of people with learning disabilities. This also reflects the current year pressure on the community care budgets for residential nursing and domiciliary care. Additional provision is also included for the Council's contribution towards the learning disability pooled budget, which as well as reflecting increasing numbers, also reflects the increasing complexity of people's needs. It is recognised that these demographic pressures will continue to grow in the long term, and will present the Council with significant financial challenges.
- **Children's Social care** – Over the last few years, the Council has seen significant increases in the level of demand for children's social care. It is proposed that the Council prioritises improvements in social care services to young people and the safeguarding of vulnerable children in the city. This includes £10.9m which will be used to fund additional external placements and the rise in the cost of fostering care reflecting the trends experienced in the current year. The directorate are developing plans with partners which in the medium and longer term are aimed at halting and indeed reversing the level of demand for high cost social care provision. To support this approach, £2.1m is provided for early intervention and prevention. In addition, £0.9m is provided for the expansion of childcare for vulnerable 2 year olds in accordance with Government policy.

#### 7.5 **Declining Income Levels**

- **City Development** – the current economic climate is impacting on income within the directorate and provision has been made for a reduction in planning and building fees and income from markets reflecting the current trend.
- **Car parking income** – the current year has seen a significant decline in car parking income, which includes the loss of some car parking spaces. Accordingly the budget for 2012/13 will need to be adjusted to reflect this trend and the proposed closure of further car parks during the year to facilitate a number of major developments in the city.

#### 7.6 **Capital Charges** – It is currently estimated that as a minimum capital financing costs will increase by around £4m in 2012/13 in order to deal with existing capital commitments. This still assumes we continue with our strategy of keeping new borrowing on short term to take advantage of low rates and includes a target reduction that will need to be achieved through a combination of:

- A rigorous review of the capital programme beyond the extent of the current review and restricting further capital commitments;
- Funding new commitments through selling assets; and/or,
- Using asset sales to repay debt.

#### 7.7 **Carbon Reduction Commitment** - Under the government's new Carbon Reduction Commitment (CRC) Energy Efficiency Scheme, which is a mandatory

scheme aimed at improving energy efficiency and cutting emissions in large public and private sector organisations, the Council will be required to purchase allowances to cover its CO2 emissions (excluding transport emissions) from 2012. The price of these allowances has been set by the government initially at £12 per tonne and this is expected to cost the Council around £1.3m per annum. This means that any measures which reduce the Council's emissions will have a direct financial benefit in terms of CRC costs avoided. The impact on General Fund services is likely to be around £0.7m with a further £0.6m relating to schools.

- 7.8 **Other Base Budget Pressures and Savings** – directorates have been required to review their base budget to identify efficiencies over and above those specifically outlined above. These take account of pressures and trends including reductions in running cost budgets, maximising/re-prioritising grants and contributions as well as reviews of contracts and commissioning activity.

The net position in respect of these other base budget pressures and savings is a net saving of £4.6m.

- 7.9 The proposals for bridging this £55.4m gap are summarised and explained below:

**Table 4**

	2012/13 £000s
<b>Funding:</b>	
<b>Recurring</b>	
Tax Base growth	-2,000
New Homes Bonus	-5,300
<b>Non Recurring</b>	
Council Tax - Council Tax freeze	-6,740
PFI reserve	-9,900
General reserves	-3,000
Sub-Total	-26,940
<b>Summary Proposals</b>	
Employees	-9,725
Premises	-200
External placements/providers	-1,463
Procurement	-3,130
Transport	-1,080
Income	-7,826
Alternative funding sources	-5,040
Sub-Total	-28,464
<b>Total</b>	<b>-55,404</b>

- 7.9.1 It is estimated that the increase in the Council tax base will generate additional funding of £2m. This takes account of an exercise that the City Council has commenced to review single person discounts. In addition, we estimate that the New Homes Bonus scheme<sup>1</sup> which commenced in 2011/12 will generate £5.3m in 2012/13.

<sup>1</sup> The Government will match fund the council tax for every new home built for each of the following six years.

7.9.2 This initial budget proposes that the level of the Leeds element of the Council Tax is frozen for the second year. In doing this the Council will be able to take advantage of the Government's 2012/13 Council Tax freeze grant. This grant is worth the equivalent of a 2.5% Council Tax increase, which is £6.7m for Leeds. However, unlike the Government's 2011/12 Council Tax freeze grant which is guaranteed for four years, the 2012/13 grant is for one year only. Therefore, it needs to be recognised that this grant will fall out in 2013/14 and will therefore require further savings to be identified to replace this amount. On the basis of this proposal the Leeds element of the Council Tax for 2012/13 will be as detailed below (the precepts for Police and Fire are matters for the Police and Fire authorities to determine):

**Table 5**

	2011/12 £	2012/13 £
Band A	748.99	748.99
Band B	873.82	873.82
Band C	998.66	998.66
Band D	1123.49	1123.49
Band E	1373.15	1373.15
Band F	1622.82	1622.82
Band G	1872.48	1872.48
Band H	2246.98	2246.98

7.9.3 In addition, this initial budget proposes that we use a number of reserves to reduce the impact of the reductions upon services:

- In order to mitigate against the loss of government grants, it is proposed to utilise the Schools PFI earmarked reserve which is estimated to be £9.9m at the end of 2011/12. The Council's PFI schemes use sinking funds to equalise payments with PFI grant over the life of the schemes. Depending on the nature of the scheme, where PFI credits exceed costs in the early years of the scheme, a reserve is established to be used in the later years. By using the reserve in 2012/13, the Council will have more time to deal with some of the pressures especially around the short term demand in Children's services, although it will create a budget pressure in 2013/14 of £0.13m and a further £0.13m in 2014/15 which will have to be resourced.
- The Council's reserves at 31<sup>st</sup> March 2012 are forecast to be £4.6m higher than the original budget assumed. It is therefore proposed that the revenue budget for 2012/13 is supported by a £5m contribution from reserves, an increase of £3m over the level assumed in 2011/12.

**Table 6**

	2011/12 £m	2012/13 £m
Balance 1st April	29.6	24.0
Less: transfer to ELI reserve	-3.6	
usage in year	-2.0	-5.0
Estimated Balance 31st March	24.0	19.0

7.9.4 The Council will continue to review its level of reserves in the light of its risk based approach to assessing the adequacy of its reserves. Looking beyond 2012/13, an important additional consideration to this assessment is the uncertainty that will be introduced should the Government's current proposals for the retention of business rates be implemented from 2013/14 as currently planned. This is explained further in paragraph 11.4 below.

7.10 However, even taking account of the above additional sources of funding, further savings will need to be made within service budgets. The paragraphs below provide an overview of these initial budget proposals and attached at Appendix 1 are details of each directorate's initial budget proposals. The proposed savings within directorate budgets can be summarised as follows:

7.10.1 **Employees** – in response to the Spending Review 2010, the Council recognised that it would be necessary to significantly reduce its workforce. The Council launched a voluntary retirement and severance scheme in 2010/11 which resulted in a reduction in the workforce of 1,159 ftes at the 31<sup>st</sup> March 2011. This scheme has continued during 2011/12 and the deadline for expressions of interest has now passed. The current year's budget assumed that the equivalent of around 400 ftes would leave the Council, and whilst precise figures are not yet available, it is anticipated that the reduction by the end of the year will exceed this number, and staffing savings of around £9.7m are included in the 2012/13 budget. The Council's expectation following the Spending Review was that there would be a reduction of around 2,500 ftes over the 4 year period 2011/12 - 2014/15, and to achieve this, further reductions will be required in 2013/14 and 2014/15.

These reductions are expected to be achieved through a combination of:

- continuing the Council's current recruitment freeze
- assuming a normal level of staff turnover with replacements being restricted to essential posts only
- the launch of further Early Leaver Initiative schemes as appropriate

Our approach will mean that staff will leave the authority from across the whole range of services and it will be necessary therefore to manage this very carefully and make arrangements to retrain and redeploy staff where appropriate.

A review of the Council's trade union facilities agreements reflecting the reduction in the Council's workforce is proposed, and in the light of this a £40k saving is included in these proposals.

7.10.2 **Procurement** - During 2011/12 systems have been put in place to ensure that the Council continues to achieve the significant savings built into the 2011/12 budget on a recurring basis. These amount to £25m of savings which are being achieved through:

- Contract renewals and renegotiations;
- Strict adherence to corporate contract arrangements;
- Further contracts put in place where they do not currently exist; and
- Minimising the number of officers with the authority to commit the Council to further spending, including challenging the need to spend at all.

In addition to cash limiting most running cost budgets, which is estimated to save around £10m, the initial budget includes specific proposals to save a further £3.1m from procurement activity including:-

- £0.5m general fund savings on the new grass cutting contract from January 2012
- £0.3m on waste management contracts
- £0.3m on IT contracts
- Within Adults, the achievability of the 2011/12 budgeted savings from reduced placement fee levels has been reviewed. A revised approach based on quality payments is now being progressed and this was outlined in a report to Executive Board in September 2011. Savings of £1m are included for the anticipated impact in 2012/13 of this revised approach.
- £1m forecast savings on external placements within Children's Services through improved commissioning and contracting, including regional collaboration.

### 7.10.3 The Third Sector and External Providers

It is recognised that the budget for 2011/12 contained significant savings to be made within the Third Sector which in some instances reflected a desire to achieve a 3 year medium term financial plan target of 15% in year one rather than seeking year on year incremental reductions. The savings have been achieved through close working with the sector and, in some instances the adoption of different models of service. The Council values its partnership with the Third Sector and the sector provides many important services which are complementary to the Council's objectives, and these partnerships will continue to be essential into the future. The approach of individual directorates to the third sector will vary to some degree depending upon priorities and available opportunities. In general the budget proposals do not require further efficiencies on the same scale in 2012/13, but there are a number of specific proposals which are detailed within Appendix 1.

However, there are specific proposals for reducing the Supporting People which reflects an incremental approach to the £10.6m cut in the Government's funding for Supporting People made in the 2011/12 settlement. In addition, the Council is undertaking a review of its advice services. All the organisations affected have already been informed about the prospects of some reductions in funding and provider meetings are scheduled to take place in November. The outcomes of the recent Welfare Review included recommendations for exploring co-location of provision across Council and Third Sector organisations which could help to deliver efficiencies, although it is recognised that levels of demand are also likely to rise as a result of the Welfare Reforms.

In 2011/12, through the Leeds Community Foundation, the Council provided funding for the establishment of a transition fund to assist Third Sector groups to adjust to funding changes. The applications that were supported were required to evidence that they had experienced a loss in funding, that they provide frontline services and that they had plans as to how they will be able to transform their organisation to be more sustainable in the future. In total fourteen applications were supported. The 2012/13 budget proposes to provide £150k to support the work of the Leeds Community Foundation in this area.

Although it is proposed that support to major arts organisations is reduced in 2012/13, these organisations have been working with the Council this year to

improve the grants process to better support planning and sustainability. The Council has also been working closely with smaller organisations and individuals responding to their needs. As a result a new approach has been introduced which will see the arts@leeds funding stream developed on a more sustainable basis with more focused criteria. In addition, the Leeds Inspired funding stream has been introduced which will support activity in each year which engages local people in participatory activity. It is proposed that the £0.3m that the Council currently contributes to the West Yorkshire Grants Scheme will be allocated to this funding stream along with some of the old arts@leeds funding.

Efficiency savings in the cost of services provided by the West Yorkshire Joint Services Committee (after the cessation of its grant funding scheme) and the West Yorkshire Integrated Transport Authority have also been assumed which will save £0.9m.

- 7.10.4 **Transport** – The Council aims to reduce the cost of transport by £0.9m by reducing the cost of transporting children from home to school through an invest to save scheme for independent travel trainers, and reviewing the transport policy and practices within Adult Social Care.
- 7.10.5 **Income** - As explained in paragraph 7.3 above, the initial budget proposals do include some increases in the level of fees and charges in particular services. In addition, a number of further income sources are included within the detailed directorate proposals at Appendix 1. These are estimated to generate an additional £5.2m and include £3m assumed funding from Health, a review of traded income with schools £0.5m, and £1m additional income generating opportunities from within Resources. A further review of charges for non-residential adult social care services was approved by Executive Board in July 2011 when the most recent charging changes were made. The review will include reconsidering the financial assessment methodology, services not currently charged for and anomalies in the current arrangements. The main services not currently charged for are Care Ring, respite/sitting services, the delivery & collection of community equipment and telecare equipment maintenance. Proposals will be brought to Executive Board in June 2012 followed by an extensive consultation process. Final recommendations taking account of the consultation outcomes and equality impact assessment will come to the Executive Board in November or December 2012. The earliest implementation for any changes would be 1<sup>st</sup> January 2013 and the 2012/13 budget proposals include £0.25m for the anticipated part-year effect of this review.
- 7.10.6 **Alternative funding sources** - a number of service areas have identified areas of spend totalling £4.9m which are more appropriately charged to non general fund services or to other organisations who have alternative funding streams. This includes changing the funding arrangements for the Sheltered Wardens service from Supporting People to Housing Benefit which will save £2.3m in 2012/13, with no impact on the wardens service.
- 7.10.7 There are a number of specific growth proposals identified in other sections of the report. In addition it is proposed that £200k additional funding is provided in support of the City's programme of events for the 2012 Olympics and Queen's Diamond Jubilee.

7.10.8 The proposals outlined above are reflected in the table below which gives a subjective breakdown of the Council's initial budget in 2012/13, compared to 2011/12.

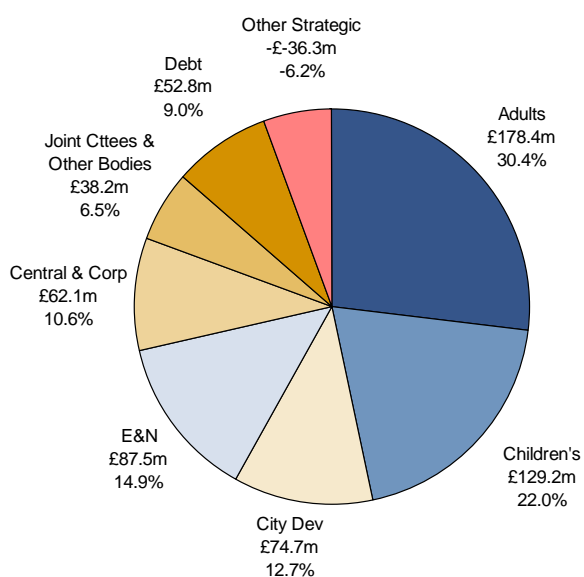
**Table 7**

	Budget 2011/12 £000s	Draft Budget 2012/13 £000s	%age variation
Employees	433,173	428,410	-1.1%
Running Costs	156,039	153,313	-1.7%
Transport	44,847	44,007	-1.9%
Capital Charges	57,759	61,759	6.9%
Payments to External Service Providers	302,733	320,239	5.8%
Fees & Charges/Rents	- 206,064	- 218,701	6.1%
Specific Grant	- 197,576	- 198,176	0.3%
Council Tax freeze grant	- 6,683	- 13,423	
New Homes Bonus	-	- 5,300	
Use of Reserves	- 2,000	- 14,900	
<b>Net Spend before grants</b>	<b>582,228</b>	<b>557,228</b>	<b>-4.3%</b>
Funded by:			
Formula Grant	- 315,061	- 288,061	-8.6%
Council Tax	- 267,167	- 269,167	0.7%
<b>Total funding</b>	<b>- 582,228</b>	<b>- 557,228</b>	<b>-4.3%</b>

7.10.9 The following pie charts show the share of the Council's net managed expenditure between directorates over the two years 2011/12 and initial budget proposals 2012/13. The proportion of the Council's spend on Children's Services and Adult Social Care has increased from 48.5% in 2010/11, 52.4% in 2011/12 to 55.9% in 2012/13, reflecting the Council's prioritisation of spending in these areas.

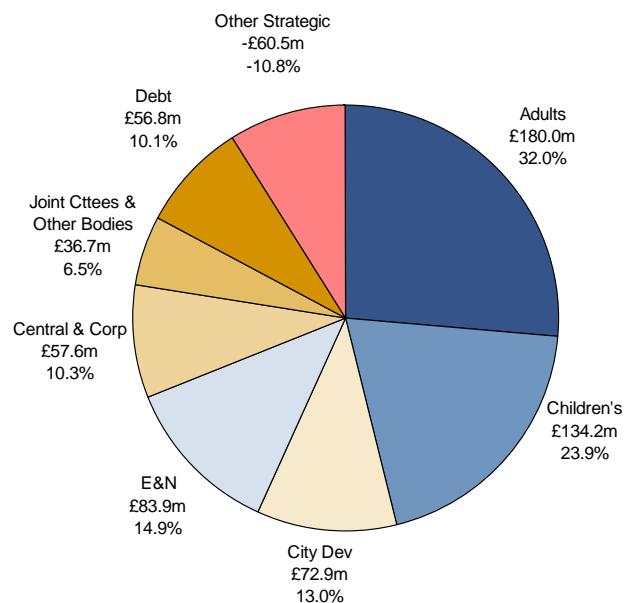
**Chart 3**

**Net Managed Budgets 2011/12**



**Chart 4**

**Net Managed Budgets 2012/13**



## **8.0 THE SCHOOLS BUDGET**

- 8.1 The Schools Budget is funded by the Dedicated Schools Grant (DSG). The DSG is a ring-fenced grant and may only be applied to meet costs that fall within the Local Authority Schools Budget. Any under or over spend of grant from one year must be carried forward and applied to the Schools Budget in future years. The Schools Budget comprises of Individual School Budgets delegated to schools, the 15hrs of free early years education for 3 and 4 year olds attending private, voluntary and independent settings and a number of prescribed services and costs in support of education in schools.
- 8.2 The DSG for 2012/13 will be calculated by multiplying pupil numbers in Leeds (including those attending Academies) as at January 2012 by a fixed rate of funding of £4,945.95. Total pupil numbers are estimated to increase by 1,176 from January 2011. This is through a combination of increasing numbers in Nursery and Primary Schools and falling numbers in Secondary Schools and should provide a year on year increase in the DSG of £5.82m.
- 8.3 However, the gross DSG is then reduced by an amount equivalent to the delegated budget that would be paid to each Academy, and is also reduced based on an assumption that many of the centrally retained budgets also support Academies.
- 8.4 It is estimated that the gross DSG will be reduced by at least £69.45m in transfer payments due to Academies. The final dedicated schools grant will only be known in June 2012, however it is estimated that the initial DSG will reduce by 7.2% year on year.
- 8.5 Further details as to the Schools budget is included in Appendix 1.

## **9.0 HOUSING REVENUE ACCOUNT (HRA)**

- 9.1 The HRA includes all the expenditure and income incurred in managing the Council's housing stock, and, in accordance with Government legislation operates as a ring fenced account. From 1 April 2012 the Government are introducing a system of self financing for the HRA. This means that Housing Subsidy will cease to exist and the HRA will be allowed to retain all its rental income in return for a one off adjustment of its housing debt (the debt settlement). An indicative debt settlement figure was received by the Council in February 2011, however the Government have indicated that this figure will change.
- 9.2 In previous years the Government issued a Housing Subsidy Determination which amongst other things, detailed the rent increase which the Government assumed the Council would implement. This was a key assumption informing the rent increase and consequently the HRA budget.
- 9.3 The final debt settlement figure for the Council will be based on a number of assumptions including the level of rent increase from 2012/13 onwards. A draft settlement has now been issued for consultation with the final settlement due on the 28<sup>th</sup> January 2012.
- 9.4 The debt settlement figure and the assumptions upon which it is based will have a major impact on both the 2012/13 HRA budget and the HRA 30 year Business Plan, which is currently being developed. It has therefore been agreed that in order to take these into account the HRA Business Plan ( including a draft 2012/13 budget) will be reported to Executive Board in January 2012.



## 10.0 CAPITAL PROGRAMME

10.1 Over the period 2012/13 to 2014/15 the Council plans to spend £445m on capital investment. The programme is funded by external sources in the form of grants and contributions and also by borrowing and reserves. Where borrowing is used to fund the programme, the revenue costs of the borrowing form part of the revenue budget. Our asset portfolio is valued in the Council's published accounts at £3.5bn excluding the value of community assets such as highways and parks, and the Council's debt stands at £2.0bn. For every £1 of debt the Council has assets of £1.75.

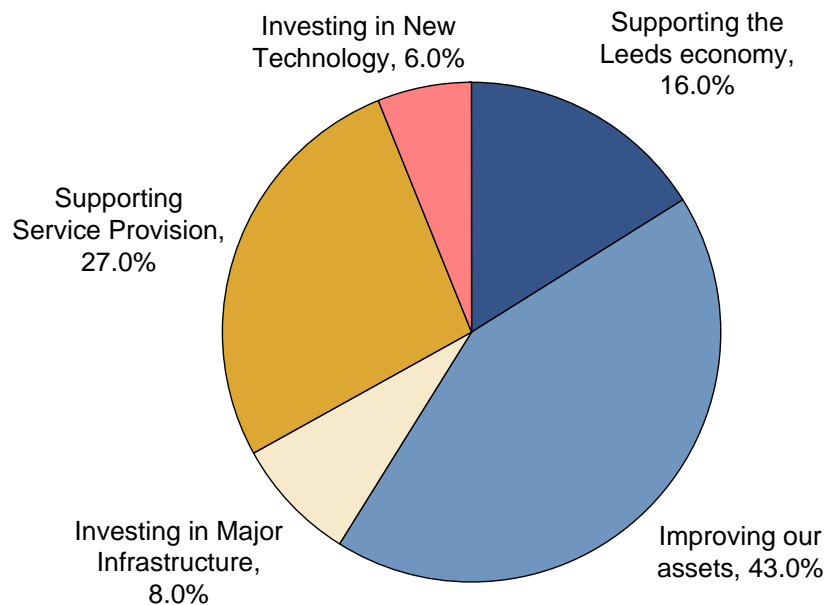
10.2 The Council's approach to capital investment can be summarised into the following categories:

1. Improving our assets;
2. Investing in major infrastructure;
3. Supporting service provision;
4. Investing in new technology;
5. Supporting the Leeds economy.

Set out below is a chart which shows the Council's spend across these categories, and Appendix 2 shows a more detailed analysis.

### Chart 5

**Capital Programme incl HRA 2012/13 - 2014/15**



### 10.3 Improving our Assets

As set out above the Council holds a considerable asset portfolio, which is valued at least at £3.5bn which it holds mainly in support of service provision. With such a considerable asset portfolio the council has an extensive provision to improve both

the life and value of these assets. This includes continued major programmes to invest in the highway network and the Council's housing stock, and the refurbishment of schools and other buildings across the city.

#### 10.4 Investing in major Infrastructure

There are major infrastructure needs in the city, in particular with respect to transport and flood alleviation. The Council, in partnership with the West Yorkshire Integrated Transport Authority, is promoting the New Generation Transport (NGT) scheme and development costs of the scheme so far have been met by the two authorities. The capital programme over the next three years provides for a further £20m as the Council's contribution to this major development. Similarly the Council is working with partners to secure a scheme which will provide increased protection to the city from the risk of flooding and a sum of £10m has been set aside in the programme to support this scheme.

The Council is working in partnership with stakeholders from all sectors in the city to develop an infrastructure investment programme. This "City Investment Programme" will require funding from a range of sources. There are a range of new funding mechanisms which may be available to the Council, including Local Asset Backed vehicles, Community Infrastructure Levies and Tax Increment Financing, and the City Council continues to explore these opportunities.

#### 10.5 Supporting service provision

The proposed capital programme provides £120m in support of the development of services. In Adult Social Care we are supporting more people to remain independently in their own homes, in line with national policy, through investment in the Telecare programme and disabled facilities grants.

Within Children's Services, demographic change and rising birth rates are placing significant pressure on the need to provide additional primary school places and this is expected to continue until 2018. Over the three year period to 2014/15, over £40m is included in the programme for this purpose. A further £11m is provided under the Primary Capital Programme. The final schemes in the Building Schools for the Future programme are now agreed and the programme provides for investment under this programme of £23m.

Provision is included to extend our cemetery provision and upgrade our crematoria as well as supporting the refuse collection service through a programme of bin replacement and expansion of the recycling and garden waste services.

#### 10.6 Investing in new technology

Information Technology is now a fundamentally important part of our society and it is important that the Council ensures that it has a technology infrastructure which will support the expectations of the whole community. It is proposed that the programme therefore provides for the essential upgrade of the whole of the Council's IT infrastructure. There is provision for the development of a new Council website which will be launched in the summer of 2012; this will lead to an increasing number of services and transactions which can be accessed online. In addition the programme provides for investment in new technology to support key front line services in Children's and Adults social care, and in support of new ways of working under the

Council's Changing the Workplace initiative which is helping reduce our office accommodation and respond to the changing demands on our workforce.

#### 10.7 Supporting the Leeds economy

In the current difficult financial environment the city faces many economic challenges. The City Council's capital programme makes provision for a number of schemes and projects to support the city's aims in this respect. Support for affordable housing initiatives is provided through a number of means. Direct capital programme funding of £2.4m is provided for site clearance and onward sale of sites to Registered Social Landlords and this should support the delivery of over 350 affordable homes in the city over the period of the programme.

The programme provides for the new Arena which is progressing well in construction and will be open in 2013. The City Market plays a key role in the city centre and the Council is committed to ensure its future is sustained; £0.4m is provided in the programme to provide essential improvements.

In order to support innovation and economic initiatives in the city, with particular emphasis on projects which will reduce carbon emissions in the city, it is proposed to provide a fund of £15m in the capital programme. If this is agreed, details of how this fund will be allocated and made available will be drawn up for consideration by Members.

#### 11.0 **MEDIUM TERM FINANCIAL PLANNING 2013/14 – 2014/15**

11.1 As explained earlier, in line with the Government's Spending review, it is to be expected that the Council will need to make further significant savings in 2013/14 and 2014/15. Our current best estimate of the reduction in our Government grants for these years are:

- £9.9m in 2013/14
- £25.6m in 2014/15

11.2 We have undertaken an initial projection of our likely funding gap in these two years, which takes account of the following assumptions

- Reductions in Government Grant as detailed in 11.1 above
- Fall out of the Council Tax Freeze Grant in 2013/14
- Fall out of one of use of the schools PFI Reserve
- Continuing use of General fund Reserves of just £2m
- Increase in the Council Tax base and a reasonable increase in the Council Tax
- Inflation and pay awards
- Full year effect of 2012/13 pressures and savings
- Continuing demand pressures in Adults Social Care and Children's Services

11.3 Based upon the above, and as summarised in Table 8 below, it is estimated that further savings of £43m will be required in 2013/14 and £50m in 2014/15.

**Table 8**

	2013/14 £m	2014/15 £m
<b>Funding</b>		
Formula Grant	8.1	20.9
Core Grants	1.8	4.7
	9.9	25.6
Council Tax/Tax Base	-7.8	-8.0
2012/13 Council Tax Freeze Grant	6.7	
New Homes Bonus	-2.6	-2.6
Use of PFI reserve	9.9	
Use of General Fund Reserves	3.0	
<b>Total Funding</b>	<b>19.1</b>	<b>15.0</b>
<b>Spending</b>		
Inflation and Pay Awards	15.1	20.0
Debt	6.0	8.0
Demand Pressures		
Adults	5.1	5.1
Children's	-2.4	0
Income pressures	1.4	0.4
Other base pressures/ongoing efficiencies	1.0	1.0
Savings proposals/options	-2.5	
<b>Total spending pressures</b>	<b>23.7</b>	<b>34.5</b>
<b>Savings to be identified</b>	<b>42.8</b>	<b>49.5</b>

11.4 The above estimate of the reduction in the Council's Formula and Core Grants from Government in 2013/14 and 2014/15 is based upon an assessment of the impact of the Spending Review for those years. It does not take account of the Government's Local Government Resource Review, and its proposals for business rate retention. Under the proposals the current Formula Grant system would cease and, instead, from 2013/14 onwards, local authorities would be allowed to keep a proportion of their growth in business rates locally. A system of top-ups and tariffs would be applied to balance resources between those authorities whose funding would exceed their business rates income and those where the opposite would apply. The proposals represent a fundamental shift in approach to funding local, but would also transfer the risk associated with business rates from central government to local authorities. At present, business rates are paid into a national pool and redistributed to local authorities as part of the local government finance settlement, with any surpluses or deficits being managed nationally. Moreover, in what would be the first two years of the scheme it does appear that there will be significant constraints upon an authority's ability to gain from the new arrangement, and as such our forecasts do not assume any additional income from the retention of business rates in 2013/14 and 2014/15.

11.5 Also the above does not take account of the transfer of public health functions to local authorities scheduled to take place from 2013/14. The council is working with Public Health, NHS to progress the transfer of the service to the council by 1 April 2013. A transition group is being established with members of Public Health and the Council, to lead on making the appropriate arrangements for the transfer and to co-ordinate communications across service areas and to employees during the transition period. Public Health covers a range of service provision to the City including; Health Improvement (covering commissioning, developing policy and services, informing, educating and empowering, developing communities), Health Protection and Public Health Advice to the NHS Commissioning Board. The total

amount of funding that has been identified as likely to transfer to local authorities is approximately £30m, although the final figure is still to be confirmed.

- 11.6 It is clear from the above that 2013/14 and 2014/15 will be difficult years. Significant savings will be required and it is important that early progress is made in identifying saving options for these years.
- 11.7 In reviewing the Council's medium term financial plans, it is recognised that there are a number of national factors, which could have an impact on the Council's future funding and service provision which at this time are not factored into the above assessment. These are discussed in more detail below:
- 11.7.1 **The National Economic Environment** - The latest forecast for economic growth in the current year is 0.9% and for next year is just 0.7%. Although interest rates are predicted to remain at a very low level for the foreseeable future, inflation is still well over the Government's 2% target. The Council is affected by these factors in a number of ways. Many of its income streams are dependent on growth; Planning, Building Control and Search Fees remain under pressure. Costs of goods and services will continue to rise with relatively high inflation and it is unclear how this will affect staffing costs in the future. There has been no cost of living pay award for the last two years and it was announced in the Chancellor's Autumn Statement that public sector pay increases would be capped at an average of 1% for the next two years. Income generated from capital receipts is well below historic levels.
- 11.7.2 **Welfare Reform** - The Government is also consulting on a proposal to localise Council Tax benefit 'Localising Support for Council Tax in England'. Under the proposal the Government would provide a fixed amount of money (it proposes a 10% reduction on the current council tax benefit bill), from which the Council would have to try and meet the costs of council tax benefit. If a council cannot achieve that saving then the cost burden will fall on their local tax payers. This represents a major shift in budget risk away from central government to local government. Even small changes in caseload could see local authorities struggling to contain benefit expenditure within budget. The 2011/12 budget for council tax benefit in Leeds is around £55.7m - a 10% reduction would require savings in council tax benefits of £5.6m. The consultation paper doesn't propose any specific scheme details although Councils are encouraged to do this through establishing a local scheme. The impact of welfare reforms on the city could be significant, and the Council will be under pressure to identify the capacity to respond to this challenge. The consultation paper proposes an ambitious target implementation date of April 2013.
- 11.7.3 The Government's welfare reform proposals would also see the following benefits combined into a single Universal Credit:
- Housing Benefit;
  - Income Support;
  - Income based job seekers allowance;
  - Income related employment and support allowances,
  - Working Tax Credit and Child Tax Credits.

The Government proposes that the universal credit be delivered at a national level. This would mean that local authorities would no longer be responsible for processing housing benefit applications severing the long standing link between housing and council tax benefits. This would clearly have very serious implications for the Council particularly when considered with the proposals for formula grant and council tax benefits.

## **12.0 CORPORATE CONSIDERATIONS**

### **12.1 Consultation and Engagement**

12.1.1 As explained at sections 4 and 9 above the initial budget proposals have been informed through a number consultations including an article in the autumn edition of "About Leeds" asking residents to confirm that our spending challenge priorities are still the right ones. Subject to the approval of the board, this report will be submitted to Scrutiny for their consideration and review, with the outcome of their deliberations to be reported to the planned meeting of this board on the 10<sup>th</sup> February 2012.

12.1.2 Consultation is an ongoing process and residents are consulted on many issues during the year. It is also proposed that this report is used for wider consultation with the public through the Leeds internet and with other stakeholders. Consultation is on-going with representatives from the Third Sector, and plans are in place to consult with the Youth Council and the Business sector prior to finalisation of the budget.

### **12.2. Equality and Diversity / Cohesion and Integration**

12.2.1 The Equality Act 2010 requires public bodies to give due regard to equality. The council is committed to ending unlawful discrimination, harassment and victimisation and to advancing equal opportunities and fostering good relations. In order to achieve this we need to ensure that equality and diversity are given proper consideration when we develop policies and make decisions. The council has an agreed process in place to do this through the use of equality impact assessments and the council is also committed to continuing to publish all of these. This process was improved and strengthened last year. Specific guidance has also been developed to consider equality and organisational change impacting on the workforce. This includes employment issues such as re-organisation and job redesign, flexible deployment and early leavers initiatives.

12.2.2 The Council has continued to further develop its approach which has included work by Corporate Governance to revise and improve report writing guidance which includes specific reference to providing evidence on how equality is considered/or was not considered to be relevant in the decision making process.

12.2.3 In addition the Council Business Plan 2011 – 2015 outlines what we want to change and improve over the next four years. The plan is underpinned by a clear set of values and priorities for action. In addition to the Directorate priorities a set of cross council priorities has been introduced. One of these cross council priorities is that there is evidence that equality is given due regard in Council policy and decision making. The indicator builds on the commitment made last year to understanding the impact of the budget and the decisions made by the council on equality and diversity issues.

12.2.4 By providing evidence that we have done this for our most important decisions, we can be sure that we are meeting our legal and moral obligations. This cross council priority has a target that every year we will be able to evidence that equality issues have been considered in 100 per cent of major decisions. This indicator will assist in focusing attention in this area to ensure both legal compliance and also to ensure that the council takes account of the needs of all communities.

- 12.2.5 To further support this work to embed equality in the decision making process workshops and briefings have taken place with both officers and members, and these will continue to take place and to be further rolled out. The Equality Position Statement 2011 has also been developed and this provides considerable factual information about outcomes for different equality communities, which can be used to inform the screenings and EIAs, and this is being widely promoted.
- 12.2.6 Where budget considerations are taking place in directorates these do so within the normal decision making process, which gives due regard to equality through use of screening and equality impact assessments. Each directorate currently has access to support from a member of the Equality Team who will be involved in the due regard process.
- 12.2.7 The initial budget proposals contained within this report have, where appropriate, been the subject of the Council's equality impact assessment process. The screening process has been undertaken to understand the significance of any potential impact on equality considerations, which then determines whether a full equality impact assessment is required. The position for individual proposals is indicated in appendix 1.

### **12.3 Council Policies and City Priorities**

- 12.3.1 The initial budget proposals seek to ensure that the policies and priorities of the Council are supported by directing financial resources towards the Council's policies and priorities.

### **12.4 Resources and Value for Money**

- 12.4.1 This is a revenue budget financial report and as such all financial implications are detailed in the main body of the report.

### **12.5 Legal Implications, Access to Information and Call In**

- 12.5.1 This report has been produced in compliance with the Council's Budget and Policy Framework. In accordance with this framework, the initial budget proposals, once approved by the board will be submitted to Scrutiny for their review and consideration. The outcome of their review will be reported to the February 2012 meeting of this board at which proposals for the 2012/13 budget will be considered prior to submission to full Council on the 22nd February 2012.
- 12.5.2 The initial budget proposals will, if implemented, have significant implications for Council policy and governance and these are explained within the report. The budget is a key element of the Council's Budget and Policy framework, but many of the proposals will also be subject to separate consultation and decision making processes, which will operate within their own defined timetables and managed by individual directorates.
- 12.5.3 In accordance with the Council's Budget and Policy Framework, decisions as to the Council's budget are reserved to Council. As such, the recommendation at 14.1 is not subject to call in, as the budget is a matter that will ultimately be determined by Council, and this report is in compliance with the Council's constitution as to the publication of initial budget proposals two months prior to adoption.

## 12.6 Risks

12.6.1 A full risk assessment will be undertaken of the Council's financial plans as part of the normal budget process, but it is clear that there are a number of risks that could impact upon these plans put forward in this report; some of the more significant ones are set out below.

- Reductions in government grants are greater than anticipated. Grant figures for the Council for 2013/14 and 2014/15 will not be known until later in the planning period.
- Inflation and pay awards could be greater than anticipated.
- Other sources of income and funding could continue to decline.
- Demand pressures in Adult Social care and Children's services could be greater than anticipated.
- The delivery of savings from the Council's transformation agenda and other saving options could be delayed or less than anticipated.
- Changes in interest rates could impact upon capital financing charges.
- Asset sales could be delayed requiring the Council to borrow more to fund investment.
- Reductions in staffing numbers from early leaver initiatives and natural turnover could be less than anticipated.
- Impact of Government policy changes, including the Government's Local Government Resource Review.
- Failure to understand and respond to the equality impact assessment.

12.6.2 A full risk register of all budget risks in accordance with current practice will be maintained and will be subject to quarterly review. Any significant and new risks are contained in the budget monitoring reports submitted to each meeting of the Executive Board, together with any slippage on savings.

## 13.0 CONCLUSIONS

13.1 At a time when many of the services provided by the Council face significant demand pressures now and into the future, the government's 2010 Spending Review and resulting grant settlements present a significant financial challenge to the Council. In the current year, the Council has had to find savings of around £90m, and the Council has responded exceptionally well to the challenge and the Council expects to achieve its budget by the end of March 2012. However, the challenge facing the Council is not just a financial one, but is also how we respond to a new policy agenda and new expectations and demands. The Council recognises that it needs to change, and is developing a concept of civic enterprise which will require the Council to transform the way it works and how it works in partnership with the private and third sectors. As such it will alter its relationship with the people of Leeds, but the ultimate aim must be to make Leeds a better place to live for all the people of Leeds.

13.2 The Council's approach to medium term financial strategy is consistent with previous years in that it is designed to provide an overall financial framework to ensure that the Council's key priorities can be supported within the available funding over the planning period, and to inform the delivery of the Council's annual budget. 2012/13 is the second year of the Spending Review, and the Council is again facing the need to generate savings of around £55.4m. The initial budget proposals for 2012/13 set out in this document, subject to the finalisation of the detailed proposals in February 2012, will, if delivered, reduce the Council's spend by the required amount. Just as important, the initial budget proposals, also mark an important milestone in



responding to the new policy agenda, but in a way which coherently recognises a new role for the authority, based around the developing concept of civic enterprise, but one which, in conjunction with partners and other stakeholders, is still firmly focused on countering disadvantage and inequality within the city.

- 13.3 The proposals for 2012/13 do include the use of significant one off sources of funding, and as such it is imperative that a robust budget is agreed and that appropriate actions are taken to ensure that it is delivered. No reliance can be placed on any further use of reserves and should identified savings not be delivered, alternative savings options will be needed. This is all the more important given that in 2013/14 and 2014/15 the Council will face further financial challenges, which will require the Council to further review and transform its services in the light of its new role.

#### **14.0 RECOMMENDATION**

- 14.1 The Executive Board is asked to agree this report as the initial budget proposals and for them to be submitted to Scrutiny and also for the proposals to be used as a basis for wider consultation with stakeholders.

#### **15.0 BACKGROUND PAPERS**

- Local Government Finance settlement – Executive Board report 5.01.2011
- The Council's 2011/12 budget approved by Council on 23.02.11
- Government's Comprehensive Spending Review 2010 published October 2010
- The Spending Challenge 2011/12 detailed results
- Carbon Reduction Commitment Energy Efficiency Scheme – Department of Energy and Climate Change
- Capital Programme update - Executive Board report 2.11.11
- Council Tax Freeze Grant 2012/13– Government announcement 3.10.11
- Reform of Council Housing Finance – Department of Communities and Local Government(DCLG)
- Localising Support for Council Tax in England – DCLG consultation papers published 2.08.11

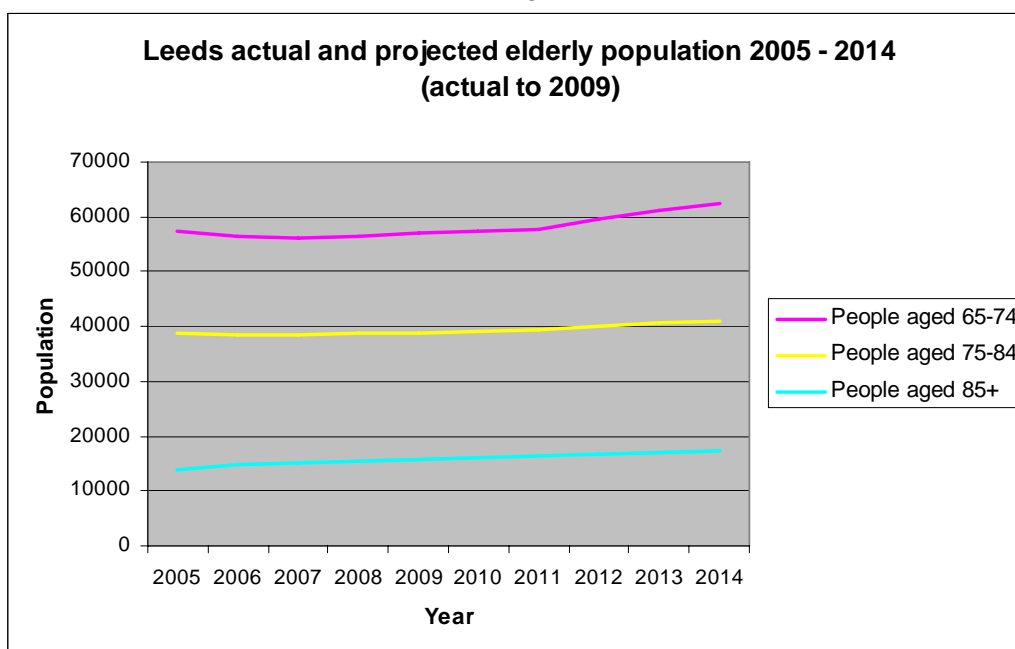
## Initial Budget Proposals – 2012/13

### Adult Social Care

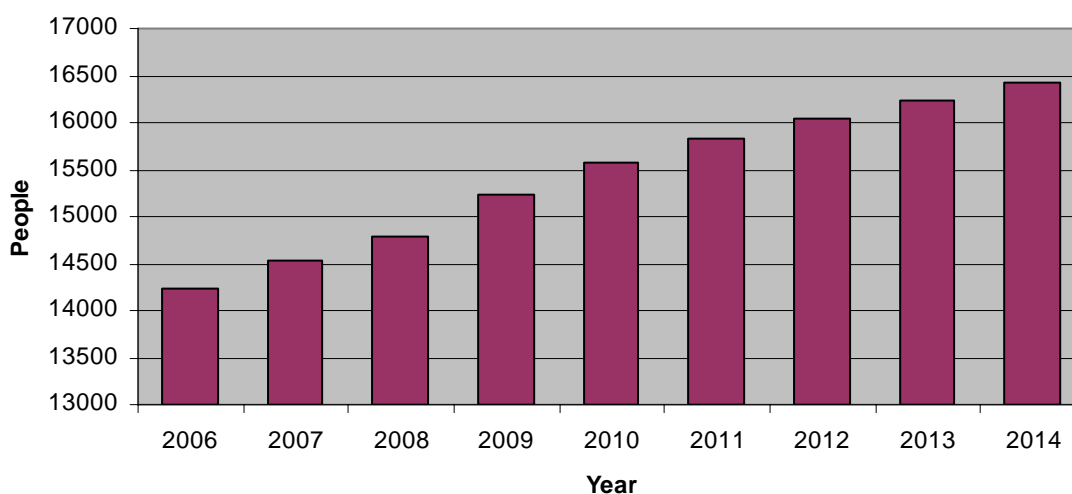
Adult Social Care has a statutory duty to assess people’s needs and, where their needs meet the Council’s Fair Access to Care Services criteria, to ensure that services are available to meet those needs. Demographic factors form a key element of the strategic context for Adult Social Care. People are living longer and with higher levels of need. This has been evident in learning disability services for some time and for older people the average cost of care packages to support people living at home has increased. More people are also being supported to live at home through increased direct payments and personal budgets. The greater use of personal budgets as customers exercise choice and control will, over time, reduce the demand for current service models and require greater flexibility in how services are delivered.

There have been some significant achievements in Adult Social Care over the last year. More people are using personal budgets and the self directed approach to assessing people’s needs is now used for all new assessments. The quality of safeguarding for vulnerable adults has improved over the last three years and is now judged to be ‘performing well’ by the Care Quality Commission. The Health and Wellbeing Board has been established and its aim is to tackle health inequalities and improve the health and wellbeing of Leeds citizens. As part of the Fulfilling Lives project a range of exciting new opportunities have been created for people with learning disabilities in South Leeds through grant-funded projects. The Leeds Reablement Service has been developed to support people to maximise their independence. This includes a new service to support people to regain skills in their own homes and other specialist services such as an outreach service and assistive technology services.

In the 2012/13 budget proposals provision of £9.2m has been made for the ongoing impact of demand levels in 2011/12 and the anticipated growth associated with the ageing population in the city. This includes provision for an increased number of new and enhanced care packages for people with learning disabilities and an increase in personal budgets taken as cash payments. The graphs below illustrate the increased demands being faced.



## People in Leeds predicted to have a Learning Disability 2006-2014



The Adult Social Care Directorate's key priorities over the next three years are aimed at making Leeds a place where people can be supported to have better lives than they have now. Over the next three years we intend to achieve this through a powerful mixture of enterprise and integration, where the Council will increasingly integrate with health and other service providers to create an adult social care sector that is diverse, pluralistic, accessible and fit for purpose for all individuals. It will mean that people with social care needs are empowered through their use of personal budgets, are in control, have choice, and are safe. We will ensure that all people know how and where to get services appropriate to their needs or circumstances, when they need them. In thus stimulating the total social care sector in the city, public funding will move towards enabling individuals to pay for the care they want, and away from directly provided services. This means the Council will become a catalyst for 'providing more for less', for the people of Leeds.

Three priorities are key to helping achieve this over the next three years:

### Better lives through enterprise

Building on work already undertaken, Adult Social Care will encourage existing and new kinds of enterprise to develop in the Leeds care market. This will include private enterprise, social enterprise, co-operatives, user-led services, staff buyout and a vibrant voluntary and faith sector. All of these will work in local areas and communities to provide older and disabled adults with a choice and variety of services, geared to respond to their specific needs. This approach will release social capital and civic entrepreneurship ensuring that the benefit of public money spent by people in meeting their social care needs is maximised within their local areas and communities. For example, three neighbourhood networks have set up community interest companies to extend the service they offer beyond the current social activities and signposting services. The 2012/13 budget proposals include savings of £0.3m within learning disability services through reducing the number of large centres and providing access to a range of local services from small community bases. The continued downsizing of the Council's home care service and its focus on supporting people to regain their independence as far as possible is leading to greater use of independent sector home care providers in the city. Phase 2 of the older people's residential and day care strategy will include reviewing the day services offer for customers, developing new models in closer collaboration with service users, their relatives and carers and the voluntary sector.

### Better lives through housing, care and support

Complementing the first priority, Adult Social Care will work with other Council directorates, private house builders and developers, social housing providers and community, voluntary, faith and enterprise organisations. We will create a mosaic of types of housing (including residential and

extra care), with care and support suited to, and adaptable for people's varying needs. With new housing options will come care and support as necessary, to maintain people living at home independently, safely and with dignity for as long as possible. Each option will be tailored not only to the needs of individuals but to the local areas and communities in which people live. Adult Social Care is working with partners to develop innovative specialist dementia care, extra care housing and retirement apartments in Leeds. Phase 2 of the older people's residential and day care strategy that will deliver further savings of £0.3m in 2012/13 will support this by focusing the Council's provision increasingly on more specialised provision. As the number of Council run homes and day centres reduce, there will be more independent sector residential placements and greater opportunities for community-based provision of day opportunities within the third sector. The 'Keeping House' programme has stimulated community based social care services. The use of smaller, local bases for learning disability day support services is an example of better lives through housing, care and support as well as through enterprise, demonstrating the inter-relationships between these three priorities.

#### Better lives through integrated services

A range of Adult Social Care and Health services will become more closely integrated so that people's experience of the support they receive in older age, illness or disability will be more positive. People will be treated as whole people and without fragmentation in the ways in which their needs are met. People will be encouraged to take control, having their treatment, care and support combined in a single package, which they will be able to direct. When a person's circumstances change, resulting in increased vulnerability, services will be there to protect them and relieve the anxieties that are associated with older or disabled life. As part of the older people's residential and day care strategy an integrated intermediate and residential care facility is being developed bringing health and social care services together in a single residential home. Adult Social Care is also working towards integrating mental health fieldwork services with health to provide a single package for people's treatment and recovery/reablement.

As well as reshaping services to deliver better lives for people in Leeds, Adult Social Care will continue to focus on delivering efficiencies, building on the substantial savings delivered over the last 5 years. Since the start of 2010/11 the number of home care assistants has reduced by 197 FTEs, a 26% reduction. This is projected to increase to 233 FTEs (31% reduction) by the end of 2012/13, with care packages for people with long term support needs being delivered more cost effectively in the independent sector. Efficiencies in 2012/13 relate to the provision of transport and community meals and anticipated savings through the review of independent sector residential and nursing care fees. The focus on increasing income will remain, with a further review of charges for non-residential services scheduled for 2012/13. This reflects Leeds remaining lower than comparator authorities in terms of income generation. Health funding is also being utilised to support reablement and social care transformation.

Pressures/Savings	2012/13 £m	Full Year Effect £m	EIA required Y/N
<b>Pressures</b>			
<b>a) Demography and Demand</b>			
Provision for the projected population growth for over 75s	1.5	2.1	N
Some reduction in the number of residential and nursing placements, although at a higher cost	2.4		N
Increased personal budgets taken as cash payments and independent sector domiciliary care	1.2	1.0	N
Increased number of new and enhanced learning disability care packages	4.1	2.0	N
<b>Savings</b>			
<u>Better Lives for People in Leeds</u>			
<b>b) Older People's Residential and Day Care Strategy</b>			
Reducing excess day care capacity and developing more specialised provision.	-0.3	-0.3	Y
Increasing the use of more cost effective independent sector residential placements			
<b>c) Home Care and Reablement</b>			
Productivity increases within the long-term generic Community Support Service Reduced ongoing care needs following a period of reablement	-1.5	-1.3	N
<b>d) Learning Disability Day Care</b>			
Reduced number of large centres, with more small bases in communities and access to local services	-0.3		Y

<b>Pressures/Savings</b>	<b>2012/13 £m</b>	<b>Full Year Effect £m</b>	<b>EIA required Y/N</b>
<u>Efficiencies</u>			
e) <b>Review of Transport</b>  Review of policy, current practices, further route rationalisation and efficiencies through greater use of the in-house fleet	-0.6		Y
f) <b>Community Meals</b>  Efficiencies in meal preparation and delivery	-0.1	-0.1	Y
g) <b>Residential and Nursing Care Fees</b> Overall fee reductions linked with the implementation of quality payments	-1.0		Y
<u>Income</u>			
h) <b>Increased Charges</b>  Review charges for non-residential services, including the financial assessment methodology, services not currently charged for and anomalies in the current arrangements. Also includes the full-year effect of the 2011 charging review An increase in meals charges from April 2012 to further reduce the subsidy. The proposed charges will be a 50p increase in a main meal (12%) and 20p on a second snack meal (8%). An inflationary increase of 2% from April 2012 on other customer charges, the main ones being home care, day care, transport, and directly provided residential care and supported living rents.	-0.6	-1.0	Y
i) <b>Health Funding</b>  Funding for reablement and health and social care transformation programmes	-2.5	2.5	N
<u>Other</u>			
j) Net effect of other variations	-0.1		N

## Initial Budget Proposals 2012/13

### Children's Services

There are 180,000 children in Leeds aged under 19 and the Council has a statutory responsibility and a duty to safeguard and promote the welfare of these children and young people. Working in partnership through the Leeds Children's Trust Board, there is a clear and agreed vision for Leeds to be a truly child friendly city, built around a commitment to put the child at the heart of everything we do. This ambition and improvement will be driven through the use of approaches such as outcome based accountability, restorative practice and by extending the voice and influence of children and young people.

#### Transforming life chances through a strategic city-wide approach

The Children's Trust Board has set out a framework for delivering this vision through the Children and Young People's Plan, (CYPP). The CYPP sets out 5 strategic outcomes, 11 priorities and 16 key indicators which, when combined, will help to deliver the ambitions. In addition, the Children's Trust Board has agreed 3 strategic 'obsessions', areas where we need focused activity to drive rapid change. The 3 strategic 'obsessions' are;

- Reducing the need for children to become looked after
- Improving behaviour, attendance and achievement
- Increasing numbers in young people in employment, education or training

Within a context of increasing demand for services and financial challenges, 2011/12 has been a year of significant progress and improvement across Children's Services. Assessments and other published inspections in 2011 have highlighted a number of key strengths, including;

- Arrangements to ensure children are safeguarded are now secure.
- The large majority of early years and childcare provision is good or better.
- The local authority has been effective in helping to bring about improvement in schools in Ofsted categories of concern.
- Behaviour in secondary schools continues to improve well.
- The very large majority of special schools are good or better.
- The local fostering and adoption agencies are good.
- The large majority of the provision that Leeds commissions in children's homes outside its own settings is good or better.
- The number of young people from low-income families achieving qualifications at the age of 16 and by the age of 19 has improved well.

This was reinforced with the 2011 re-inspection of safeguarding services for children and young people in Leeds. This inspection reflects positively on the improvements made across safeguarding services in Leeds since the last inspection in December 2009. Overall, five of the nine categories that Ofsted assess have been rated as 'good' and four are 'adequate' – there are no longer any categories rated as 'inadequate'. On the key judgements of 'overall effectiveness' Leeds has been rated as 'adequate' and Leeds 'capacity to improve' is now rated as 'good'.

Improved performance management across all areas of Children's Services has been a key contributor to this improvement journey. This will be strengthened still following the implementation of the new directorate structure and underpinned by a rigorous system of performance clinics across the Directorate, chaired by the Director, from January 2012.

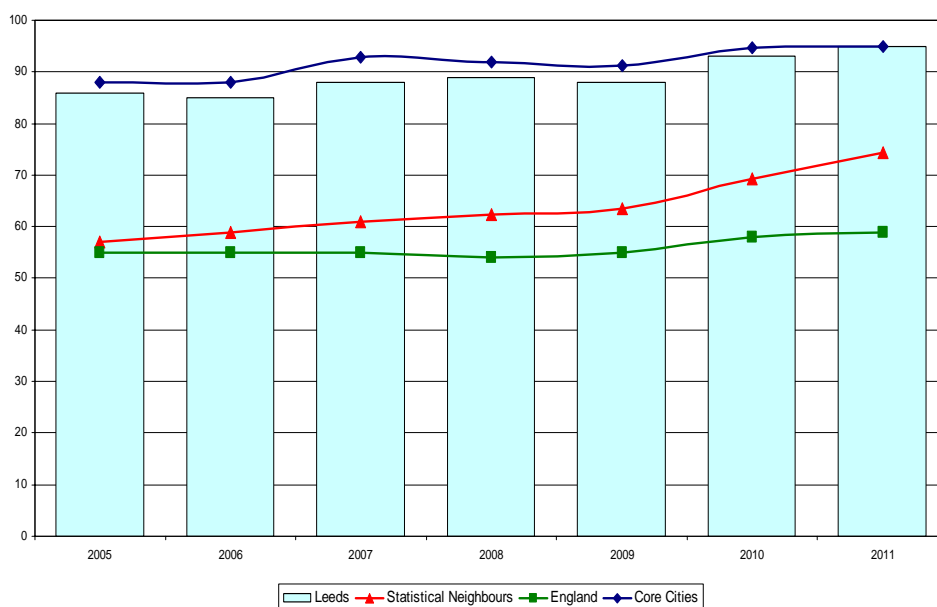
### Transforming life chances through an integrated directorate

Whilst there has been significant progress the work to transform children's services across the city continues and there remains a number of areas for further improvement. Due to continuing demand pressures, through continued increases in numbers of referrals for children's social care services, on-going pressures on the child protection system, and the number of children in the care system, there needs to be changes to the nature of some of the services available for children and families in Leeds. These changes need to include investment in preventative and early intervention services across the partnership, underpinned by rigorous performance management, in order to reduce demand for services. The current demand led pressures are not financially sustainable.

The work to implement the Children's Services integrated directorate is ongoing. This is supported by an ambitious transformation programme which has included a full review and re-organisation of leadership and management capacity, as well as work to integrate front-line service delivery models within localities and the centralisation of back-office support functions. These proposals include the creation of integrated targeted services teams as well as new integrated services for safeguarding, looked after children, children with disabilities and complex care needs. Central to this change agenda is the need to review and re-prioritise resources and services in terms of quality, effectiveness and value for money.

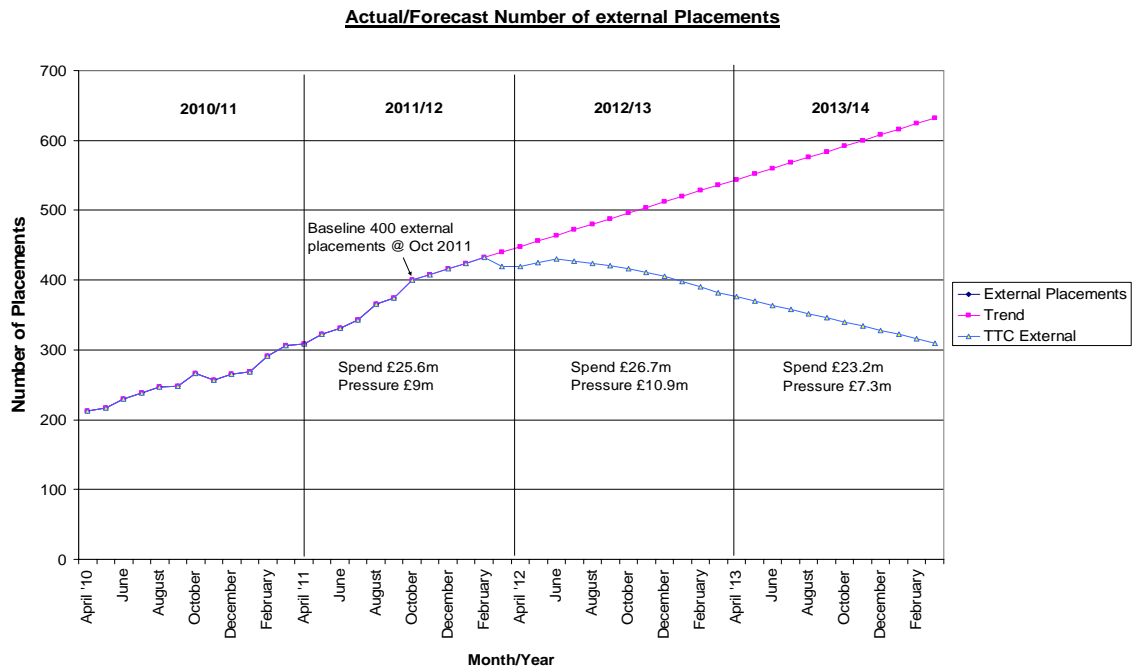
As mentioned above, in 2011/12 demand across the system has continued to rise with increased referrals and requests for service, more children subject to a child protection plan and increasing numbers of looked after children. Consequently, there have been significant financial challenges, particularly around the externally provided residential and fostering placement budgets. The graph below shows the numbers of looked after children in Leeds, compared to other core cities, our statistical neighbours and the all England average. The diagram shows clearly that the total number of looked after children in Leeds remains high and has steadily increased in recent years, although not to the extent of our statistical neighbours.

**Looked after children rates per 10,000 population**



The demand-led pressures within the placement budgets are forecast to continue into 2012/13 and provision of £10.9m has been included within the initial budget proposals to recognise this. This provision recognises the changing mix of placements between in-house and external provision and the impact of the work around prevention and intervention. The graph below shows the growth in the numbers of externally provided placements over recent years and also the impact of the turning the curve action plan in 2012/13 and 2013/14.





**Transforming life chances through investment in early intervention and prevention**

As part of the turning the curve action plan around placements for looked after children, the 2012/13 budget continues to prioritise support for investment in preventative and early intervention and to target resources to vulnerable children and families who need support the most. To this end, an additional £2.1m has been provided to expand intensive and specialist family support, increase family group conferencing, expand the multi-systemic therapy teams and to continue to invest in the targeted mental health in schools programme. In addition, following the successful pilot, provision has been made through the early intervention grant to expand childcare across the city for vulnerable 2 year-olds. The budget also recognises the rising cost of free nursery education for 3 and 4 year olds and £1m has been added into the budget which is to be funded via the dedicated schools grant. The budget proposals also recognise the increasing legal costs related to care proceedings and also the legal work around the transfer of schools to become academies.

**Transforming life chances through resourcing our key priorities**

In terms of budget re-basing, prioritisation and efficiencies, £4.8m has been identified through the budget strategy in order to support the increases in the demand-led budgets and the additional investment in early intervention and prevention. This includes re-prioritising the core early intervention grant, maximising other grant funding, identifying savings across the running cost budgets and also the full-year effect of the 2011/12 contract reductions. In addition, work has been done to review subsidised services and provision has been made around increasing traded income and charges with schools as well the continuing impact of the sustainability review across Children’s Centres.

Pressures/Savings	2012/13 £m	Full Year Effect £m	EIA required Y/N
<b>Pressures</b>			
a) <b>Demand Pressures</b> - provision for the cost of placements for looked after children. The forecast pressure recognises the impact of the placements action plan and the impact of additional investment in preventative and early intervention services.	10.9	7.3	Y
b) <b>Early Intervention and Prevention</b> - provision for additional investment as part of the turning the curve action plan around reducing the cost of placements for looked after children.	2.1	3.3	Y
c) <b>Early Education and Childcare</b> - provision for the increased cost of free nursery education for 3 & 4 year olds and also the expansion of free childcare for vulnerable 2-year olds	1.9	1.9	N

<b>Savings</b>			
a) <b>Procurement savings</b> - forecast savings through improved commissioning and contracting, including regional collaboration.	-1.0	-1.0	Y
b) <b>Transport</b> - invest to save initiative around employing additional independent travel trainers to work across transport provision for looked after children and special education needs	-0.4	-1.0	Y
c) <b>Budget re-basing and prioritisation</b> - review of base budget reflecting trends, reductions in running cost budgets, maximising/re-prioritising grants & contributions, review of contracts & commissioning activity	-4.8	-4.8	Y (part)
d) <b>Income</b> - review of subsidised and traded services	-0.5	-0.5	Y (part)
e) <b>Income</b> - proposal to reduce subsidised childcare provision in children's centres through increasing nursery fees by £2 per day (6.25%) from April 2012 . In addition, it is proposed that music centre fees are increased by 4% from September 2012	-0.3	-0.3	Y
f) <b>Income</b> – as part of the strategic approach around transformation, prevention and early intervention, a projected spend of £2m funded by contributions from health partners.	-2.0	0	N
g) <b>Other</b> - transfer of responsibilities for universal information, advice and guidance for school-age children	-1.0	-1.0	N
h) <b>Staffing</b> - provision has been made for a number of leavers under the early initiative scheme	-0.2	-0.2	N

## The Schools Budget

The Schools Budget is funded by the Dedicated Schools Grant (DSG). The final dedicated schools grant will only be known in June 2012, following DfE validation of returns from Schools, Academies, and Private, Voluntary and Independent Nurseries. The actual reduction for recoupment for Academies will be based on the number of Academies either operational or approved as at 31<sup>st</sup> March 2012. However, it is estimated that the dedicated schools grant received by Leeds will reduce by 7.2% year on year as follows:

	2011/12	2012/13	Yr on Yr Change
<b>Pupil Numbers 3 to 15 including Academies at January 2012</b>	101,341	102,517	1,176
<b>Unit of Funding</b>	£4,945.95	£4,945.95	£0
<b>Gross Dedicated Schools Grant</b>	£501,225,000	£507,046,000	£5,821,000
<b>Recoupment for Academies</b>	-£29,792,760	-£69,445,610	-£39,652,850
<b>Dedicated Schools Grant paid to Leeds</b>	£471,432,240	£437,600,390	-£33,831,850

There are a number of cost pressures on services provided centrally within the Schools Budget:

<b>Central Schools Budget Pressures / Savings 2012/13</b>	<b>£m</b>
Increased cost of placing pupils with SEN in Private and Independent Special Schools	0.48
Recoupment - Increased cost of funding the net cost of pupils with SEN attending maintained schools in another Local Authority	0.13
Cost of supporting schools in meeting costs of early access to pensions	0.5
Purchase of Carbon Reduction Commitment allowances	0.6
Payment of capitalised pay tribunal costs	0.5
Reductions in central functions required for Academy transfers.	-1.0
<b>TOTAL NET PRESSURE</b>	<b>1.31</b>

### The Central Expenditure Limit (CEL)

Under DfE regulations year on year changes in the Central Schools Budget are restricted by the Central Expenditure Limit (CEL). The CEL requires that the Central Schools Budget should only increase by the same percentage as delegated budgets unless the Schools Forum approves that they can increase by more. This is a simplistic calculation and makes no allowance for the reduction in budget due to recoupment for Academies. As the DSG received by Leeds is likely to reduce by 7.2% year on year, the approval of the Schools Forum will be required in order to fund the net pressure above.

### The Individual School's Budget

Having funded the above pressures from the gross increase in the DSG of £5.82m, there will be £4.51m to fund the Individual School's Budget (ISB) of Leeds Schools including Academies, and Private, Voluntary and Independent Nurseries.

### **Early Years**

The cost of funding the 15hrs of free early education for additional 3 and 4 yr old pupils will be £1.1m, based on maintaining the hourly rate at £3.70 and increasing the total funding allocated to support deprived pupils pro-rata to the increased numbers.

### **Primary, Secondary and Special Schools**

It is anticipated that the funding to be allocated through the Leeds Funding Formula for Schools for pupils aged 3 to 15 will increase by £3.41m.

This increase will not allow for current rates of funding to be maintained across all funding factors within the Leeds Schools Funding Formula. A decision will have to be taken as to which factors should be reduced in order to balance to the available resource and the various options will be taken to the Schools Forum.

### **Post 16**

Post 16 funding is allocated to sixth forms by the YPLA. There is no information available on funding rates for 2012/13, although it is likely that funding per sixth form pupil will reduce as the YPLA seeks to equalise funding rates between sixth forms and FE Colleges and Sixth Form Colleges.

### **Pupil Premium**

Whilst funding per pupil through the ISB will decrease, overall funding per pupil for schools will increase due to the increase in the Pupil Premium Grant. In 2011/12 the Pupil Premium for Leeds Schools including Academies is £9.074m. In 2012/13 the national funding for the Pupil Premium will double. The distribution mechanism has not yet been decided but it is estimated that the funding for Leeds Schools will increase by £9m. Including the funding provided by the Pupil Premium funding per pupil in Reception to Year 11 is estimated to increase by 1.7%.

Although the average increase in funding for the statutory age range is estimated as 1.7% per pupil, this will be targeted towards the most deprived schools through the Pupil Premium. For many schools the overall position will be a reduction in funding per pupil. Whilst pupil numbers are increasing in Early Years providers and Primary Schools, Secondary School numbers are estimated to decrease by 600.

### **Balance of the Dedicated Schools Grant**

Any unspent balance of the dedicated schools grant from one year must be carried forward and applied to the Schools Budget in a future year. The draft Schools Budget assumes that a balance of £1.91m will be carried forward from 2011/12, that £1.16m will be required to support the Schools Budget in 2012/13 leaving an unallocated balance of £0.75m.

## Initial Budget Proposals – 2012/13

### City Development

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.

The 2012/13 budget proposals will show the full year effects of decisions taken in 2011/12, which saw a budget reduction of £13m from the previous year. The directorate's budget strategy in 2012/13 will continue to provide for a reduction in staff numbers following reductions made over the previous 3 years, originally in relation to the economic recession and rationalisation of facilities. Several major staffing restructures have taken place and the budget proposals for 2012/13 include provision for further staffing reductions arising from the Early Leaver Initiative and from further structure reviews. It is anticipated that over the next three years staff numbers will fall further with a reduction of approximately 70 FTEs in 2012/13 as additional staff leave through the Corporate ELI scheme and a further review of service provision and structures are undertaken.

The continued provision of in-house services has been reviewed and earlier in 2011 Executive Board gave approval to two options being explored for the future of the in house Architectural Design Service. The recommended option is the transfer of staff to a Joint Venture Company. This review will be concluded shortly. As part of an ongoing review of service provision consideration will be given as to whether this delivery model can be extended to other service areas.

The directorate is leading on some key projects for the City that will help ensure Leeds' ongoing economic development including the Leeds Arena, the Eastgate and Harewood Quarter, Leeds Flood Alleviation Scheme, New Generation Transport (subject to funding announcement December 2011), City Park, a strategy for Kirkgate Market, Holt Park Wellbeing Centre in collaboration with Adult Social Care, A65 Quality Bus Initiative, Inner Ring Road Structures, relocation and upgrade of the Urban Traffic Management Control System, Aire Valley Eco –Settlement and Enterprise Zone, and the Leeds Casino Project. The Directorate has also led on and successfully completed on a number of key projects for the City including City Varieties Refurbishment, Inner Ring Road Stage 7 and contributed to the on site development of the Trinity Shopping Centre.

The 2012/13 budget will include a continuation of ongoing areas of work including Neighbourhood planning, Community Infrastructure Levy, closer working with Environment and Neighbourhoods on Street Scene and Parks and Countryside services, collaboration with other Yorkshire and Humberside Councils, developing options for the future sustainability of Kirkgate Market, further potential for income generation including a review of Leisure income and the move of the Tourism and Inward Investment teams to Marketing Leeds.

All services have reviewed their base budgets and as part of this process some ongoing savings have been identified, some of these have been realised by the establishment of the central ordering hub. A number of contract savings have been achieved in Highways and Transportation and these are also reflected in the budget proposals. In addition, the budget proposals include other specific savings proposals which are itemised in the attached appendix.

It is proposed that support to major arts organisations is reduced by £0.25m in line with the recommendations of the July 2011 Executive Board report into a future strategy for support to arts organisations.

Whilst in the medium term it is anticipated that there will be some provision for economic recovery, in particular the realistic reinstatement of planning and building fees, in the short term the level of

income from fees and charges have been realistically assessed taking into account the challenging economic conditions. In 2012/13 it is proposed that a number of income budgets should be reduced, reflecting trends in 2011/12 which are expected to partly continue into 2012/13. These include a reduction to the planning and building fee income target, a reduction to markets income and a reduction in income from the Sovereign Street car park. The budget proposals include some provision for increases to fees and charges but only where it is considered that the market can bear an increase; in these cases increases have been kept to between 1% and 3% although it is proposed for a higher increase for cemetery charges. In some cases market conditions are such that no increases are currently proposed and these include planning and building fees and Sport bodyline charges. It is also proposed in 2012/13 to carry out a review of Leisure income and the use of card membership schemes across the Leisure portfolio.

The planned disposal of investment sites will have an impact on income where these are currently income generating. The Medium Term plan needs to allow for the loss of income from such disposals. A priority in the directorate is to develop a sustainable future for Kirkgate Market. The implementation of a future strategy for Kirkgate Market may well have a revenue impact which will need to be factored into the Medium Term Plan.

It is anticipated that a number of key pieces of work will be progressed in 2012/13. These include a review of card membership schemes across the Leisure portfolio, the introduction of a high profile annual cultural and sporting programme, encouraging greater participation for citizens in their local environment including participation in gardening, delivering a Leeds response to housing growth, continuing to encourage economic growth to support jobs and skills and working towards the establishment of a West Yorkshire Transport Fund.

Leeds will be included in celebrations for the 2012 Olympic Games and the 2012/13 budget will facilitate the establishment of training camps in the City for visiting teams and for the Olympic torch relay when it visits the City.

Pressures/Savings	2012/13 £m	Full Year Effects £m	EIA required Y/N
<b>Recognised Pressures</b>			
<b>Income Pressures</b>			
Reflecting current and expected trends:			
a) Planning and building fees Income from planning and building fees is currently projected to be below budget in 2011/12 and the position in 2012/13 is not expected to improve significantly.	0.5		N
b) Markets income Income from Kirkgate Market is currently projected to be below budget in 2011/12 and it is proposed to reduce the income target in 2012/13 to reflect this position as occupancy levels are not expected to improve significantly in the short term.	0.3		N
c) Architectural Design Services overheads Subject to a final decision being made, it is anticipated that the majority of the Architectural Design Services unit will transfer to a Joint Venture Company between the Council and Norfolk Property Services in early 2012 which will impact on the recovery of overheads.	0.3		N
d) Sovereign Street car park Reflects a reduction in income being generated.	0.2		N
e) PFI scheme work Officers in Planning and Sustainable Development and Economic Development have been providing support to various PFI schemes for which income was received. This income source has reduced over the last year.	0.2		N
<b>Other Budget Pressures</b>			
a) Olympics Additional budget provision is required to facilitate the establishment of training camps in the City for visiting teams and for the Olympic torch relay when it visits the City. In 2013/14, consideration will need to be given to any costs associated with Leeds being selected as a Rugby League World Cup host city.	0.18		N
b) Joint service centres costs This reflects the additional cost to the Library service of operating libraries at the Chapeltown and Harehills Joint Service Centres.	0.15		N
c) City Museum NNDR increase	0.13		N
d) Flood risk management This reflects additional responsibilities allocated to Local Lead Flood Authorities under the Flood and Water Management Act 2010, including maintaining a drainage asset register, investigating flood incidents, preparing and implementing a Local Flood Risk Strategy.	0.13		N

<b>Savings</b>				
a) Employees Includes savings on staffing anticipated from approved ELIs, restructures, switching of staff and a review of leisure facility opening hours and service provision.	-2.00		Y	
b) Grass cutting contract savings Reflects the reduced contract price of the grass cutting contract in Highways and Transportation.	-0.23		Y	
c) Reduction to Arts Grants As part of the review of the grants process a reduction to support to the Major Arts Organisations is proposed although the review also includes the art@leeds funding stream developed on a more sustainable basis and the Leeds Inspired funding stream has been introduced which will engage local people in participatory activity.	-0.25		Y	
d) Rebasing - reflecting current trends, This reflects savings being made in 2011/12 and now projected to be achieved in 2013/14 mainly from reductions to supplies and services and savings from the establishment of the centralised ordering hub.	-0.50		N	
e) Other savings proposals: Running costs - savings on rents in Corporate Property Management from properties recently vacated by the Council.	-0.16		N	
Running costs - in Planning and Sustainable Development mainly on the Local Development Framework and contaminated land expenditure.	-0.06		N	
Running costs - in Highways and Transportation including spend on water features, Urban Traffic Management Control contract savings, flood risk management contract savings and reduced spend and reduction in highways works spend and contract savings.	-0.33		Y	
Running costs - in Economic Development including reduced city centre spend and economic policy spend.	-0.05		Y	
f) Fees and Charges  The potential for increases in fees and charges have been assessed and in general increases of between 1% and 3% across the directorate's income base are proposed.	-1.02		Y	
Fee increases in Highways. This covers income not included in the above and reflects proposed increases to cover the anticipated increase in salary costs in 2012/13.	-0.17		N	
Parks and Countryside – Cemetery and Crematoria prices were increased in November 2011 and it is proposed to review prices in 2012/13. The review will include a comparison with other Core City prices although it is envisaged that prices will be raised in line with inflation.	-0.2		Y	
Highways Bikeability grant funding. The increase in this grant in 2012/13 will fund some existing costs.	-0.04		N	
Increased developer commuted sums to support Highways expenditure.	-0.1		N	



## Initial Budget Proposals – 2012/13

### Environment and Neighbourhoods Services

The aims of the Directorate are 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.

Given this context and against a background of significant reductions in resources, the Directorate's budget submission will seek to protect services and initiatives which advance these priorities. The Directorate will also seek to consolidate the major efficiencies that were incorporated into the 2011/12 budget.

Getting young people in to work is of paramount importance. In 2012/13 the Apprenticeship Training Association (ATA) will be developed in conjunction with the City College to widen the opportunities for employers to engage young people in apprenticeships. Job outcomes will be maximised by collaborative working between local and national players through a Retail Academy. The Council will also maximise job opportunities arising from current and planned developments. Better use of resources in respect of construction commissioning will deliver improved outcomes through better links to employers.

In pursuit of a more sustainable city, the Council will continue to improve its recycling rates. Following consultation it is proposed to pilot fortnightly recycling collections with fortnightly black bin collections in a part of the city. We will complete the roll out of garden waste collections to all suitable properties and expand the food waste collection service. In the longer term it remains the intention to roll out kerbside food collections across the city. Next year we will undertake a technical assessment of the potential to generate biomethane from an anaerobic digestion plant for the purposes of creating heat and power as well as to provide a sustainable transport fuel.

We will continue to focus on addressing fuel poverty, seeking to install home insulation in 6500 homes.

Within the context of seeking to improve the quality of the environment against a backdrop of a reduction in resources, there will be closer working and collaboration between Parks and Countryside and Environmental Action Teams, which will include sharing depots, collaborating to tackle seasonal issues and coordinating environmental enforcement efforts.

The Council will continue its commitment to community safety, maintaining its support to PCSOs, tackling anti social behaviour and delivering projects to combat burglary. Proposals to consolidate CCTV and security activity across the Council within Community Safety are being progressed. This is the first step towards establishing the service as a fully fledged trading arm offering this service to both internal and external customers to maximise income earning opportunities.

The Directorate is clear that support to the third sector remains key to protecting and improving services. A review of the Community Centres portfolio will identify opportunities for local community organisations to make better use of the range of community facilities that exist which could involve realising LCC assets.

The Directorate continues to work closely with Adult Social Care in respect of priorities around housing for older people and in particular around schemes which assist people to continue to live in their own homes for longer. We will collaborate more closely with Adult Social Care and Housing Associations to improve Adaptations. We will continue to modernise the provision of supporting

people services, shifting further towards the delivery of personalised support and away from institutional settings.

With the reduction of development activity and government support, regeneration work has reduced. Next year, however, we plan to begin on site in Little London and Beeston Hill and seek to maximise affordable housing opportunities in conjunction with housing associations and private developers.

Developments relating to services funded through the HRA are dealt with separately.

Pressures/Savings	2012/13 £m	Full Year Effect £m	EIA required Y/N
<b>Pressures</b>			
a) Full year Effect of the roll out of kerbside Garden Collection	0.1		N
b) Additional costs within Environmental Services associated with the requirement to cover time off in lieu with a combination of overtime and agency. Under Green Book (National Conditions) all staff are entitled to time off in lieu after a bank holiday.	0.4		N
c) Additional budgetary provision is required in respect of the vehicle repairs budget in Refuse Collection. Currently there is insufficient budgetary provision to deal with cost pressures associated with landfill damage to vehicles and an ageing fleet.	0.2		N
d) The Government has announced that Landfill Tax will increase by a further £8 per tonne. This increases the costs to £64 for every tonne of waste that is land filled.	1.0		N
e) Planned disposals of the car parks at Quarry Hill and around Kirkgate Market for development purposes will reduce the amount of car parking fee income that is receivable.	0.8		N
<b>Savings</b>			
a) It is proposed to implement a pilot in respect of the kerbside collection of SORT (green) bins. In the pilot area(s) green bins will be collected every two weeks rather than the monthly collection as at present.	-0.2	-1.5	Y
b) Supporting People: - The Full Year Effect of funding the Sheltered Wardens service through housing benefits rather than using Supporting people grant.	-2.3		N
- Payments will be reduced through a combination of agreed provider efficiencies, sector reviews and extending housing benefits funding to other housing management related functions.	-1.4		Y
c) In overall terms support to external providers will remain at 2011/12 levels with a variation in payments to Nari Ekta Renew , Hooner Kelah, Groundwork, the infrastructure fund and advice agencies.	0		Y
d) Charges to the Housing Revenue Account (HRA) will increase to reflect more appropriately the apportionment of the cost of the Leeds Housing Options, which provides a housing advice service to people who are homeless, threatened with homelessness or in some form of housing need. In addition a review of the geographical location and usage of Community Centres requires an appropriate recharge to the HRA.	-0.7		N

Pressures/Savings	2012/13 £m	Full Year Effect £m	EIA required Y/N
e) As the PFI procurement of the preferred waste solution progresses it is anticipated that procurement costs will reduce. In addition the retendering of the Grounds Maintenance contract will realise savings with regard to Right to Buy properties on housing estates.	-0.5		N
f) Based on best practice, which is consistent with DCLG guidance, Housing Associations are required to jointly fund adaptations works to their tenants properties. Currently not all Associations do this and this additional income reflects the enforcement of this requirement.	-0.4		N
g) Closer working and collaboration between Parks and Countryside and Environmental Action Teams, CCTV and Security will develop new ways of working and deliver efficiencies.	-0.3		Y
h) Recommissioning of Construction Skills provision, occasioned by a redirection of the Government's skills strategy, facilitates a reduction in resources yet will deliver improved outcomes through better links to employers, an increase in apprenticeships and further training provision.	-0.5		Y
i) Increased income in respect of fees and charges largely reflects the full year effect of the 2011/12 prices increase on car parking fees, increased charges for animal welfare licences, graffiti removal and charges to partners for CCTV. Price increases for Electricity generation from the closed landfill site at Gamblethorpe have also been factored in.	-0.1		N

## Initial Budget Proposals – 2012/13

### Central and Corporate

Central and Corporate comprises a very diverse set of functions ranging from the Support Services and various Trading Services operating as self funding business units, to customer facing services such as Customer Services and Revenues and Benefits.

**Support Services** have undergone a significant amount of review and change over recent years and have delivered substantial savings for the Council, including £5m in 2011/12. Significant changes in the way the services are provided, coupled with technological improvements, have been brought about and developments are planned in the medium term that will generate additional savings.

ICT infrastructure and application provisioning will progressively become more accessible over the internet on a rental basis. This is referred to as 'Cloud Computing'. The move towards cloud computing should gradually lower the ICT 'footprint' (staffing, infrastructure etc.). The delivery of 'cloud' infrastructure and applications should typically be delivered on the basis of achieving at least 30% less cost of the equivalent 'on premise' solutions. The ICT Strategy will move towards adoption of these technologies where it is appropriate and the risk and benefit is judged to be favourable; for example the recent acquisition of the Performance and Learning Management system. The large scale migration of the infrastructure and applications will realistically be over a 5 year plus timeframe.

In Yorkshire and Humberside a formal collaborative partnership with 8 Local Authorities and 4 police forces has been created to enable better joined up public service working and drive savings across the region – an estimated £10M+ over 5 years. The 'Public Service Network' (PSN) is the first such collaborative project the partners have entered into and it will provide the base infrastructure to help remove the physical and technical barriers to sharing data, knowledge, property, staff and finance. This in turn will help enable the delivery of new organisational models that will look to work across traditional boundaries and deliver more efficient joined up services around the needs of citizens and their localities. It will present opportunities to deliver inter-organisational working, shared ICT infrastructure, shared applications and shared skills and services.

**Commercial Services** runs a range of directly provided welfare services (catering, special needs transport for clients in ASC and Children's Services). These represent non-core activity for clients. 65% of the £40m turnover is in the open market.

The Council currently operates two vehicle depots; Fleet Services on Torre Road and Grounds Maintenance at Red Hall. Merger of the two operations could deliver significant savings to the Council in terms of accommodation, management and running costs.

The Council's **Business Improvement programme** is already contributing to the re-shaping the Council. In particular, the following areas will help to deliver a fundamentally different organisation by 2014/15:

- Significant investment is being made in technology to underpin the broader transformation of the Council.
- The Changing the Workplace Programme is not just about making savings from reducing our property portfolio but is instead about fundamentally improving the way colleagues in the organisation are enabled to work which will have a profound effect on service delivery through improving productivity and well-being and ensuring LCC becomes an employer of choice.
- The Customer Access programme includes fundamentally re-designing services around customers, driving out efficiencies through moving service delivery to cheaper channels (such as on-line) where appropriate and re-appraising the service delivery model how we meet customer need across the authority.
- The Business Support programme will continue to drive significant efficiencies out of key business processes including administration and marketing and communications, plus develop more streamlined approaches to common business processes including performance management, programme and project management, research and intelligence, data entry and management and information and content management.

Pressure/Savings	2012/13 £m	Full year effect £m	EIA required ? Y/N
<p><b>Recognised Pressures</b></p> <p>a) Elections – adjustment to base budget to reflect underlying cost pressures.</p>	0.3		N
<p><b>Savings</b></p> <p>a) <b>Employee costs:</b></p> <p><b>Support Services</b> Throughout 2011/12 the Directorate has adopted a strict approach of only filling essential vacancies. This combined with 23 early leavers already approved from the recent initiative means a further significant reduction in the workforce. Within the context of these reductions, in order to maintain and enhance the professional support services, there has been a continuous process of changes to working practices, for example through better use of technology and also ceasing non-essential processes, including many internal recharges.</p>	-1.5		Y
<p><b>Revenues and Benefits</b> The service has undergone a restructure during 2011 which has delivered the savings built into the 2011/12 budget and also further savings of £0.6m now reflected in the 2012/13 budget proposal. The key aspiration of the service is to maintain and enhance the reputation for cost effective service delivery with a strong emphasis on customer focus and performance. Key to this vision is the provision of web-based solutions to substantially increase the ability for customers to engage and transact with the Service through online means.</p>	-0.6		Y

	<b>Commercial Services</b> Savings from the early leavers scheme possible without reducing the level of service to clients	-0.3		Y
	<b>Customer Access and Performance</b> Anticipated full year effect of the JNC restructure implemented in October 2011.	-0.2		Y
	<b>Capitalisation of staff time</b> – mainly the teams within Financial Management that work on the capital programme	-0.4		N
b)	<b>Procurement</b> Cessation of Novell and Ordnance survey contracts within ICT	-0.4		N
c)	<b>Income</b> Additional income opportunities have been identified across the Directorate, including work for Academy Schools, additional external income for HR, Registrars and Licensing plus and an assumption of additional turnover in Commercial Services (cleaning and property maintenance)	-1.0		N

## Strategic

Pressures/Savings	2012/13 £m
<p><b>West Yorkshire Grants</b> Proposals assume that the grant element of the Joint Services budget will cease although this is to be transferred to the Leeds inspired Initiative within City Development</p>	<p>-0.3 0.3</p>
<p><b>Debt</b> The increase reflects the borrowing cost of the capital programme, assuming a continuation of the present low short term interest rates</p>	<p>4.0</p>
<p><b>Carbon Reduction Commitment</b> Reflects the cost of buying carbon allowances under the Government's new mandatory scheme</p>	<p>0.7</p>
<p><b>Other efficiencies</b> - mainly 2.5% saving on Joint Services and WYITA</p>	<p>-1.5</p>



## Appendix 2

### Capital Programme Funding by Category - 2012/13 to 2014/15

Title	Total £000	2012-13 £000	2013-14 £000	2014-15 £000
<b><u>Improving our assets</u></b>				
GREAT GEORGE STREET - PROPERTY COSTS	231.2	231.2	0.0	0.0
HOMEWORKER FURNITURE	33.0	33.0	0.0	0.0
WOODKIRK HIGH SCHOOL SPORTS PITCH	1,150.0	1,000.0	150.0	0.0
BOSTON SPA HS INDOOR TENNIS CENTRE	29.0	29.0	0.0	0.0
AIDED SCHOOLS MINOR WORKS PROG	103.9	103.9	0.0	0.0
ASBESTOS REGISTER - SURVEY WORKS	4.2	4.2	0.0	0.0
TEMPORARY ACCOMMODATION	11.0	11.0	0.0	0.0
SCHOOLS DEVOLVED CAPITAL WORKS	3,978.6	3,978.6	0.0	0.0
GENERAL REFURBISHMENT 2011/12	993.8	993.8	0.0	0.0
FIRE SAFETY - ALARMS 2011/12	4.4	4.4	0.0	0.0
FIRE COMPARTMENTATION WORKS 2011/12	9.0	9.0	0.0	0.0
SCHOOLS GENERAL REFURBISHMENT	3,761.8	2,086.8	1,675.0	0.0
SCHOOLS CAPITAL MAINTENANCE 2011/12 TO 2013/14	26,537.6	16,037.6	10,500.0	0.0
SCHOOLS ACCESS PROGRAMME 2007/8 TO 2010/11	1,527.6	790.5	386.1	351.0
SCHOOLS MODERNISATION PROGRAMME	2,000.0	2,000.0	0.0	0.0
LOWER WORTLEY COMMUNITY CENTRE	14.1	14.1	0.0	0.0
KIRKSTALL DEPOT ACCESS OFF VIADUCT RD	14.1	14.1	0.0	0.0
W.Y.J.S ARCHIVE STORAGE BUILDING	18.3	18.3	0.0	0.0
WEST YORKSHIRE ARCHIVES EXTENSION	245.0	245.0	0.0	0.0
NON ILLUMINATED SIGNS	17.0	17.0	0.0	0.0
LOW BRIDGE SIGNING WORK - TR. SOUTH AREA	3.0	3.0	0.0	0.0
FARNLEY WOOD BECK - BALANCING LAKE FS	82.5	82.5	0.0	0.0
WHITEHALL ROAD - RIVERSIDE DEVELOPMENT	258.6	101.0	157.6	0.0
WELLINGTON STREET, LEEDS, ROYAL MAIL DEV	346.8	186.8	160.0	0.0
METHLEY LANE CLUMPCLIFFE FARM A639 DEV	27.0	27.0	0.0	0.0
NORTH ST AND SKINNER LN DEVELOPMENT	31.7	28.3	3.4	0.0
HENCONNER LN/GREEN LN DEV S278	20.0	20.0	0.0	0.0
WHITEHALL RD DUNLOP&RANKIN WOOD LN S278	13.8	13.8	0.0	0.0
HIGH ROYDS S278 JUNCTION G	402.0	275.0	127.0	0.0
POLLARD LANE BRAMLEY S278	32.0	32.0	0.0	0.0
CROWN POINT RD PLOWRIGHT PRINTERS S278	17.3	17.3	0.0	0.0
TOWN STREET STANNINGLEY PEL XING S278	8.0	8.0	0.0	0.0
CONCEPT HSE STEPS WESTFIELD RD B VUE RD	9.7	9.7	0.0	0.0
KIRKSTALL FORGE KIRKSTALL RD S278 WEST J	1,935.2	880.0	850.0	205.2
BACK LANE DRIGHLINGTON S278	20.0	20.0	0.0	0.0
THE GROVE OFF NORTH LN ROUNDHAY S278	19.4	19.4	0.0	0.0
VICTORIA EMBANKMENT ATKINSON ST	4.0	4.0	0.0	0.0
EASEL PHASE 1 SITES 5 & 7 S278 WORKS	653.0	590.0	63.0	0.0
KIRKSTALL FORGE KIRKSTALL RD S278 EAST J	1.0	1.0	0.0	0.0
CEMETERY ROAD PUDSEY S278 RESIDENT. DEVE	24.5	24.5	0.0	0.0
REGINALD TER REGINALD ST CHAPELTOWN S278	66.9	66.9	0.0	0.0
HARROGATE RD MOORTOWN M&S STORE S278	93.0	93.0	0.0	0.0
GREEN ROAD MEANWOOD WAITROSE S278	12.0	12.0	0.0	0.0
COMMERCIAL ST BUTCHER LANE ROTHWELL S278	40.9	40.9	0.0	0.0
ST BERNARDS MILL GELDERD RD GILDERS S278	43.0	43.0	0.0	0.0
WOODSIDE QUARRY DEVT - SECT 278	2,365.0	2,200.0	165.0	0.0
GELDERD RD BRACKEN PARK GILDERSOME S278	60.2	60.2	0.0	0.0
HAREHILLS LN / KIMBERLEY RD - NETTO S278	18.4	18.4	0.0	0.0
CROWN POINT RETAIL PARK - ACCESS - S.278	44.0	44.0	0.0	0.0
S278 WATERLOO MANOR HOSPITAL EXTENSION	27.7	27.7	0.0	0.0
TRINITY WEST BUS STOP RELOCATIONS	60.1	60.1	0.0	0.0
HOLT PARK WELL BEING CENTRE - S.278	12.0	12.0	0.0	0.0
ALDI BRADFORD ROAD GUISELEY	5.0	5.0	0.0	0.0
SKELTON FOOTBRIDGE	585.8	203.4	382.4	0.0

SHARPE LANE MIDDLETON DEV S106	4.0	4.0	0.0	0.0
MIDDLETON LN SOUTH SITE TOWCESTER AVE106	150.7	137.0	13.7	0.0
SHARP LANE MIDDLETON AREA TRAF MAN S106	16.6	16.6	0.0	0.0
BRADFORD RD A650 THORPE LN WIDENING S106	261.0	250.0	11.0	0.0
VALLEY ROAD MORLEY CULVERT IMPROVEMENT	2.3	2.3	0.0	0.0
NEVILLE ST & SOVEREIGN ST S.106 PED FAC	120.8	110.2	10.6	0.0
RING RD MIDDLETON PELICAN SHOPPING CENTR	2.4	2.4	0.0	0.0
FLEET LANE - METHLEY - TRAFFIC REG ORDER	15.0	15.0	0.0	0.0
BELLE ISLE ROAD / TOWN ST - PED CROSSING	15.0	15.0	0.0	0.0
SCHOOL TRAVEL LOW COST MINOR WORKS, CAP	4.2	4.2	0.0	0.0
A653 DEWSBURY RD-QBI TOMMY WASS JUNCTION	63.0	63.0	0.0	0.0
BUS STOP ACCESS IMPS - TARGETED STOPS	55.9	0.0	55.9	0.0
MEANWOOD RD BUS PRIORITY MEASURES	17.1	0.0	0.0	17.1
BRAMLEY EAST 20MPH ZONES & BROAD LN LFC	14.0	14.0	0.0	0.0
LAND COMPENSATION CLAIMS SOUTH LEEDS STA	51.7	0.0	51.7	0.0
LEEDS CORE CYCLE NETWORK	46.4	0.0	46.4	0.0
BEESTON CARDINALS 20 MPH ZONE	10.0	10.0	0.0	0.0
HAREHILLS ST WILFREDS 20 MPH ZONE	5.0	5.0	0.0	0.0
HORSFORTH ROUNDABOUT SIGNALISATION	1,109.1	589.1	520.0	0.0
CROSSING ELLAND RD NR OLD RD CHURWELL	3.5	3.5	0.0	0.0
CROSSING A642 ABERFORD RD,WOODLESFORD	3.4	3.4	0.0	0.0
A653 DEWSBURY RD J/W LINDEN RD -CROSSING	52.9	52.9	0.0	0.0
LEEDS CYCLE NETWORK ROUTES	111.0	99.0	12.0	0.0
HAREHILLS LANE - LTP TRAFFIC WORKS	70.0	65.0	5.0	0.0
WEST CHEVIN RD JUNCTION IMP 30MPH 40MPH	3.9	3.9	0.0	0.0
LEEDS RD GUISELEY - PED FACILITIES	7.0	7.0	0.0	0.0
DEWSBURY RD - REIN RD TINGLEY - PED FAC	93.0	93.0	0.0	0.0
A650 BRITANNIA RD MORLEY - PELICAN XING	3.7	3.7	0.0	0.0
20 MPH SPEED LIMIT REVIEW AND PROPOSALS	10.0	10.0	0.0	0.0
BRITANNIA ROAD, MORLEY - TRAFFIC MGT	32.0	32.0	0.0	0.0
ROUNDHAY RD BAYSWATER RD TO HAREHILLS LN	391.0	373.0	18.0	0.0
COOKRIDGE STREET CYCLE ROUTE CITY C PH3	65.0	57.0	8.0	0.0
A647 QBC CANAL ST BUS PRIORITY	41.9	41.9	0.0	0.0
A61 LEEDS ROAD LOFTHOUSE	4.5	4.5	0.0	0.0
A64 YORK ROAD - PEDESTRIAN SAFETY	2.0	2.0	0.0	0.0
TOWN & DISTRICT CTR PARKING SCHEMES	80.0	40.0	40.0	0.0
ARMLEY GYRATORY IMPROVEMENT SCHEME	70.0	20.0	50.0	0.0
SCOTT HALL ROAD GUIDEWAY IMPS	5.0	5.0	0.0	0.0
YORK ROAD GUIDEWAY IMPROVEMENTS	5.0	5.0	0.0	0.0
CHURWELL HILL / RING RD JCT BUS PRIORITY	9.0	9.0	0.0	0.0
ELLAND ROAD BUS PARK & RIDE	530.0	500.0	30.0	0.0
DISABLED ACCESS IMPROVEMENTS	35.0	35.0	0.0	0.0
PUBLIC RIGHTS OF WAY NETWORK	50.0	25.0	25.0	0.0
UTC INVESTMENT	90.0	45.0	45.0	0.0
TRAFFIC MONITORING DEVICES	58.0	41.0	17.0	0.0
ROAD SAFETY CAMERAS ENFORCEMENT	141.0	57.0	84.0	0.0
STANNINGLEY BYPASS – Road Safety Scheme (RSS)	200.0	100.0	100.0	0.0
PONTEFRACT RD STOURTON - RSS STAGE 1	5.0	5.0	0.0	0.0
YORK RD / HAREHILLS LN / OSM LN - RSS	1.0	1.0	0.0	0.0
BRADFORD RD / GALLOWAY LN - RSS	4.5	4.5	0.0	0.0
HEADINGLEY & KIRKSTALL ROAD - RSS	198.0	77.0	121.0	0.0
TARGETED ROAD SAFETY AT BENDS	2.0	2.0	0.0	0.0
RING RD FARSLEY / CALV LN - RSS	4.0	4.0	0.0	0.0
SHEEPSCAR INTERCHANGE - RSS	3.0	3.0	0.0	0.0
DEWSBURY RD / GARNET / PARKSIDE - RSS	5.0	5.0	0.0	0.0
WELLINGTON ST / LISBON ST / CASTLE - RSS	2.0	2.0	0.0	0.0
OTLEY RD / GOLDEN ACRE PARK - RSS	2.0	2.0	0.0	0.0
ROBIN LN / LITTLEMOOR RD - RSS	48.0	44.0	4.0	0.0
HENCONNER LN / BUTT LN - TRAFFIC SIGS	170.0	170.0	0.0	0.0
NEW PEDESTRIAN CROSSINGS	250.0	250.0	0.0	0.0
SAFER ROUTES TO SCHOOL	250.0	125.0	125.0	0.0
STREET LANE JCT NORTON ROAD ZEBRA	3.0	3.0	0.0	0.0

GLEDHOW LANE JCT THORNE LN OAKWOOD ZEBRA	5.0	5.0	0.0	0.0
KIRKSTALL LN JCT LANGDALE GARDENS ZEBRA	3.0	3.0	0.0	0.0
WESTGATE OTLEY ZEBRA	3.0	3.0	0.0	0.0
FOUNTAIN ST MORLEY OS MORLEY HS ZEBRA	2.1	2.1	0.0	0.0
MOVA DELAY REDUCTION DEVICES	6.0	6.0	0.0	0.0
AGED TRAFFIC CONTROLLER REPLACEMENT	12.0	12.0	0.0	0.0
DDA SIGNAL UPGRADES	7.0	7.0	0.0	0.0
UTMC AND TRAVELLER INFORMATION	5.0	5.0	0.0	0.0
CHAPLETOWN ROAD REVISED PARKING ARRANGEM	8.0	8.0	0.0	0.0
A656 ROMAN ROAD RSS - GARFORTH	10.5	10.5	0.0	0.0
TPP INTEGRATED TRANSPORT PACKAGE	435.4	377.5	75.0	(17.1)
MILL GREEN BRIDGE	14.5	14.5	0.0	0.0
DEWSBURY ROAD NO 2 BRIDGE	25.0	25.0	0.0	0.0
THORPE ARCH PARAPET RAISING	80.0	80.0	0.0	0.0
CSO DEWSBURY ROAD	30.0	30.0	0.0	0.0
BRIDGE ST CONC REPS & IRR RET WALL PH6	662.5	662.5	0.0	0.0
RING ROAD FARNLEY	11.0	11.0	0.0	0.0
VIADUCT ROAD ARCHES PHASE 2	1.0	1.0	0.0	0.0
SPRING VALLEY CRESCENT FOOTBRIDGE PIER	62.5	62.5	0.0	0.0
WOODSIDE BRIDGE	4.0	4.0	0.0	0.0
WOODHOUSE LN CAR PARK SOUTH BRIDGE	15.0	15.0	0.0	0.0
NEW WOODHOUSE LANE NO 4 BRIDGE	15.0	15.0	0.0	0.0
STURDY BECK CULVERT	4.0	4.0	0.0	0.0
POOL BANK CULVERT	4.0	4.0	0.0	0.0
MARSH BECK BRIDGE	1.6	1.6	0.0	0.0
LOW MILL ROAD BRIDGE	4.0	4.0	0.0	0.0
CLARENDON ROAD FOOTBRIDGE	13.0	13.0	0.0	0.0
QUARRY HILL FOOTBRIDGE	13.0	13.0	0.0	0.0
RAWDON CREMATORIUM RETAINING WALL	65.1	65.1	0.0	0.0
REDBECK BR SPANDREL WALL RECON MONITOR	2.4	2.4	0.0	0.0
POTTERY LANE ROTHWELL RETAINING WALL	72.6	72.6	0.0	0.0
BIRDCAGE WALK RETAINING WALL	71.6	71.6	0.0	0.0
RAWDON RAIL MITIGATION MEASURES	3.0	3.0	0.0	0.0
GRIMES DYKE SPANDREL WALL STRENGTHENING	2.0	2.0	0.0	0.0
BALME ROAD BRIDGE NET RAIL TJC3\253	354.0	354.0	0.0	0.0
GELDARD RD BRIDGE FOOTWAY PROTECTION	2.5	2.5	0.0	0.0
INNER RING ROAD TUNNEL PHASE 1	800.0	800.0	0.0	0.0
INNER RING ROAD TUNNEL REFURB PH 2	3,000.0	1,000.0	1,000.0	1,000.0
BRIDGES & STRUCTURES	966.7	966.7	0.0	0.0
LTP MAINT PR SURFACE TREATMENT 11/12	139.4	139.4	0.0	0.0
LTP MAINT UD SURFACE TREATMENT 11/12	263.5	263.5	0.0	0.0
SOUTH PARKWAY SEACROFT	224.2	224.2	0.0	0.0
GLEDHOW VALLEY ROAD - GLEDHOW	65.0	65.0	0.0	0.0
LTP ROAD MAINTENANCE REFURBISHMENT	4,807.9	4,807.9	0.0	0.0
LEEDS ROAD PONTEFRACT ROAD - ARLA	1,058.4	1,000.0	58.4	0.0
HIGHWAYS MAINTENANCE 2012/13	500.0	500.0	0.0	0.0
HIGHWAYS MAINTENANCE FUTURE YRS	7,800.0	7,800.0	0.0	0.0
TRAFFIC MANAGEMENT PROGRAMME	700.0	350.0	350.0	0.0
ST JOHN'S CHURCHYARD	14.7	14.7	0.0	0.0
REGINALD TERRACE PLAY AREA PH 1	2.2	2.2	0.0	0.0
S106 GRSP ENHANCEMENTS TO MEANWOOD PARK	4.7	4.7	0.0	0.0
S106 GRSP ENHANCEMENTS TO BRAMLEY PARK	8.9	8.9	0.0	0.0
ARMLEY MOOR GRSP ENHANCEMENTS	3.4	3.4	0.0	0.0
PEPPER RD RECREATION GROUND	134.0	130.5	3.5	0.0
NEVILLE STREET ENVIRONMENTAL IMPROVEMNTS	80.0	80.0	0.0	0.0
LANDS LANE CENTRAL SQUARE REFURBISHMENT	160.0	160.0	0.0	0.0
KIRKGATE & BOND STREET	25.0	25.0	0.0	0.0
LIBRARIES RFID PHASES 3 AND 4	62.2	62.2	0.0	0.0
NECK AND ARM VIBRATION EQUIPMENT	700.0	300.0	200.0	200.0
MANSION HOUSE PHASE 2 (INTERNAL WKS)	10.0	10.0	0.0	0.0
GARFORTH CEMETERY EXTENSION	30.0	30.0	0.0	0.0
WHARFEMEADOWS PARK: WATER SAFETY	69.7	69.7	0.0	0.0

SHARP LANE LANDSCAPE DEV WKS	750.0	750.0	0.0	0.0
MIDDLETON SPORT IMPROVEMENTS	12.3	12.3	0.0	0.0
WATER SAFETY IN PARKS	265.0	265.0	0.0	0.0
AIREBOROUGH FP WATER SAFETY PHASE 4	10.0	10.0	0.0	0.0
PUDSEY FP59 PHASE 4	5.0	5.0	0.0	0.0
PUDSEY FP 54 PHASE 4	5.0	5.0	0.0	0.0
PUDSEY FP60 PHASE 4	5.0	5.0	0.0	0.0
SYKES WOOD PHASE 4	0.2	0.2	0.0	0.0
YEADON TARN PHASE 4	3.0	3.0	0.0	0.0
MANSION HOUSE PH3 LANDLORD IMPS	60.0	60.0	0.0	0.0
MIDDLETON PARK LANDSCAPE WORKS	490.1	467.4	22.7	0.0
MIDDLETON PK VISITOR C & BANDSTAND	559.0	530.0	29.0	0.0
WEST LEEDS COUNTRY PARK	10.0	10.0	0.0	0.0
EASEL - PRIV PROP ACQ & DEMOLITION ENEHL	582.4	200.0	382.4	0.0
HRA MISC PROPERTY PORTFOLIO	212.6	212.6	0.0	0.0
BECKHILLS PH1-8 H/LOSS & DEM	119.7	119.7	0.0	0.0
SHG ROUND 1 EASEL NEW BUILD	188.8	188.8	0.0	0.0
COUNCIL HOUSING - 25 PROPS OVER 55'S	67.1	67.1	0.0	0.0
EAST LEEDS HOUSEHOLD WASTE SITE	33.0	33.0	0.0	0.0
GAMBLETHORPE HOUSEHOLD WASTE SITE AREA	22.0	22.0	0.0	0.0
GAMBLETHORPE CAPPING MAIN SCHEME	50.0	50.0	0.0	0.0
INSULATION WORK	20.0	10.0	10.0	0.0
TOTAL HEAT - BELLE ISLE TMO - FUTURE	640.0	320.0	320.0	0.0
BOILER REPLACEMENT	200.0	100.0	100.0	0.0
CAPITAL WORK TO TENANTED PROPERTIES	310.9	150.0	160.9	0.0
ADAPTATIONS FOR THE DISABLED	7,758.4	2,631.4	2,688.5	2,438.5
BITMO - VOID REFURBISHMENT	1,300.0	650.0	650.0	0.0
SHELTERED REFURBISHMENT	500.6	500.6	0.0	0.0
WINDOW REPLACEMENT PROGRAMME	635.4	235.4	400.0	0.0
DOOR REPLACEMENT PROGRAMME	622.9	222.9	400.0	0.0
TOTAL HEAT PROGRAMME	33.0	33.0	0.0	0.0
BOILERS PROGRAMME	500.0	100.0	400.0	0.0
DEFECTIVE HOUSING PARENT	1,000.0	500.0	500.0	0.0
COMMUNITY SAFETY PROGRAMME	200.0	100.0	100.0	0.0
PLANNED TENANTED REWIRING PROGRAMME	2,800.0	1,400.0	1,400.0	0.0
ALARMS & LIGHTING PROGRAMME	50.0	0.0	50.0	0.0
RE-ROOFING PROGRAMME	1,944.4	972.2	972.2	0.0
LIFT REPLACEMENT PROGRAMME	2,300.0	1,150.0	1,150.0	0.0
LIFT REPLACEMENT 2010/11	37.0	37.0	0.0	0.0
KITCHENS & BATHROOMS REPLACEMENT PROGRAMME	4,000.0	2,000.0	2,000.0	0.0
ENVIRONMENTAL PROGRAMME	140.0	70.0	70.0	0.0
BATCHED FENCING & GUTTERING PARENT	140.0	70.0	70.0	0.0
ASBESTOS REMOVAL PROGRAMME	1,067.0	477.0	590.0	0.0
RANDOM WORKS / REFERRALS PROGRAMME	500.0	250.0	250.0	0.0
CAPITAL REPAIRS PROGRAMME	300.0	150.0	150.0	0.0
CUSTOMER PRIORITISED REGEN PROGRAMME	400.0	200.0	200.0	0.0
GARAGES PROGRAMME	150.0	50.0	100.0	0.0
ADAPTATIONS FOR THE DISABLED	2,400.0	1,200.0	1,200.0	0.0
DEMOLITIONS - BLENCARN & BROOKLANDS	81.0	81.0	0.0	0.0
VOID REFURBISHMENT PROGRAMME	5,200.0	2,200.0	3,000.0	0.0
DEMOLITIONS PROGRAMME	1,000.0	500.0	500.0	0.0
BRANDER ROAD CONVERSION	86.0	86.0	0.0	0.0
WINDOW & DOORS FUTURE INVESTMENT	600.0	200.0	200.0	200.0
HEATING & ENERGY FUTURE INVESTMENT	1,187.8	1,187.8	0.0	0.0
HEAT LEASE PROGRAMME	1,500.0	500.0	500.0	500.0
REROOFING FUTURE YEARS	600.0	200.0	200.0	200.0
SHELTERED IMPROVEMENTS 2011/12	1,180.0	1,180.0	0.0	0.0
KITCHENS & BATHROOMS FUTURE INVESTMENT	6,000.0	2,000.0	2,000.0	2,000.0
CAPITAL WORK TO TENANTED PROPERTIES	2,274.2	274.2	1,000.0	1,000.0
VOID PROPERTIES REFURBISHMENT	5,595.1	1,595.1	2,000.0	2,000.0
HOMELOSS & DISTURBANCE (PARENT SCHEME)	1,500.0	500.0	500.0	500.0
HEALTH & SAFETY & ALMO IMPROVEMENTS	750.0	250.0	250.0	250.0

WNW HIGH COST VOID PROPERTIES	1,050.0	350.0	350.0	350.0
WNW VOID PROPERTIES	9,660.0	3,220.0	3,220.0	3,220.0
WNW DH WINDOWS & DOORS	3,719.8	1,160.8	1,279.5	1,279.5
11/12 WINDOWS & DOORS - LISTED PROPERTIES	30.4	30.4	0.0	0.0
WNW INSULATION WORKS	150.0	50.0	50.0	50.0
WNW NEW HEATING INSTALLATIONS	3,000.0	1,000.0	1,000.0	1,000.0
ENERGY EFFICIENCY GRANTS	340.0	0.0	340.0	0.0
11/12 SOLID WALL INSULATION	270.0	270.0	0.0	0.0
11/12 STONECLIFFES EXTERNAL WORK	862.8	862.8	0.0	0.0
11/12 5M'S WOODBRIDGES EXTERNAL WORK PH 4	696.8	696.8	0.0	0.0
11/12 WALL FINISH	36.3	36.3	0.0	0.0
11/12 WHOLE HOUSE IMPROVEMENTS - WATERLOOS	2,794.8	1,863.4	931.4	0.0
WNW COMMUNITY SAFETY	50.0	50.0	0.0	0.0
WNW ROOFING	1,887.3	629.1	629.1	629.1
WNW MSF REMEDIAL WORKS	379.0	179.0	100.0	100.0
WNW MSF COMMUNAL AREAS	150.0	50.0	50.0	50.0
WNW SHELTERED HOUSING IMPROVEMENTS	2,269.4	2,269.4	0.0	0.0
WNW KITCH/BATH/REWIRES	6,203.1	2,067.7	2,067.7	2,067.7
WNW ENVIRONMENTAL WORKS	240.0	80.0	80.0	80.0
AREA PANEL SCHEMES	200.0	200.0	0.0	0.0
WNW REWIRING	900.0	300.0	300.0	300.0
WNW MSF LIFT REPLACEMENT	600.0	200.0	200.0	200.0
WNW GARAGES	75.0	25.0	25.0	25.0
WNW GAS CONTRACT CAPITALISATION	2,664.0	888.0	888.0	888.0
WNW ISOLATED CAPITAL WORKS	751.5	250.5	250.5	250.5
WNW ACCESS WORKS	97.1	97.1	0.0	0.0
WNW SERVICE DELIVERY IMPROVEMENTS	1,500.0	500.0	500.0	500.0
WNW ADAPTATIONS WORKS	8,100.0	2,700.0	2,700.0	2,700.0
CORPORATE PROPERTY MANAGEMENT PROGRAMME	5,525.7	1,101.6	2,199.1	2,225.0
MERRION HOUSE CONCRETE CLADDING	26.7	13.4	13.3	0.0
BECKETT PARK BUILDING - REFURBISHMENT	122.6	110.0	12.6	0.0
FIRE RISK & ASBESTOS REMOVAL CPM BUILDINGS	563.9	563.9	0.0	0.0
<b>Sub-Total</b>	<b>192,636.9</b>	<b>106,475.8</b>	<b>59,401.6</b>	<b>26,759.5</b>

### **Investing in major infrastructure**

NEW GENERATION TRANSPORT & FLOOD ALLEVIATION	27,547.1	2,000.0	4,500.0	21,047.1
SOLAR PHOTOVOLTAIC PANELS CORPORATE	260.0	260.0	0.0	0.0
GRANTS TO METRO (NGT)	2,535.0	2,535.0	0.0	0.0
RAMSDEN STREET KIPPAX FLOOD ALLEVIATION	75.0	75.0	0.0	0.0
LEEDS INNER RING RD STAGE 7	1,168.9	300.0	300.0	568.9
A65 QUALITY BUS INITIATIVE	3,101.1	2,212.1	589.0	300.0
EAST LEEDS LINK M1-A1 MOTORWAY LINK	600.0	600.0	0.0	0.0
BURLEY ROAD INT TRANSPORT CORRIDOR	29.3	29.3	0.0	0.0
COMBINED HEAT AND POWER PLANT YARN ST	42.5	42.5	0.0	0.0
<b>Sub-Total</b>	<b>35,358.9</b>	<b>8,053.9</b>	<b>5,389.0</b>	<b>21,916.0</b>

### **Supporting service provision**

LEARNING DISABILITIES	3,008.6	1,500.0	1,000.0	508.6
TELECARE PROGRAMME	1,900.2	700.1	700.1	500.0
ADAPTATIONS TO PRIVATE HOMES	800.0	400.0	400.0	0.0
ADULT SERVICES SERVICE IMPROVEMENTS	413.1	413.1	0.0	0.0
VEHICLE PROGRAMME	3,540.0	3,540.0	0.0	0.0
CONTINGENCY SCHEME	3,709.5	3,400.0	309.5	0.0
PFI DEVELOPMENT COSTS	1,375.0	825.0	550.0	0.0
CHANGING THE WORKPLACE G 1 & 2	583.0	583.0	0.0	0.0
GENERAL CAPITALISATION	7,000.0	3,500.0	3,500.0	0.0
COCKBURN BSF	270.0	270.0	0.0	0.0
BSF PH1 HIGHWAYS WKS-ALLERTON GRANGE	15.7	15.7	0.0	0.0
BSF PH1 HIGHWAYS WKS-TEMPLE MOOR	9.6	9.6	0.0	0.0
TEMPLE MOOR BSF	50.0	50.0	0.0	0.0
AUTHORITY WORKS BSF	100.0	100.0	0.0	0.0

FARNLEY PARK BSF PH2	2,307.5	2,307.5	0.0	0.0
AUTHORITY WORKS BSF PH2	100.0	100.0	0.0	0.0
DESIGN DEVELOPMENT BSF PH2	50.0	50.0	0.0	0.0
CORPUS CHRISTI BSF PH3	1,973.1	1,973.1	0.0	0.0
BSF PH3 HIGHWAYS WKS-CORPUS CHRISTI	54.0	54.0	0.0	0.0
MOUNT ST MARYS BSF PH3	3,035.7	2,735.7	300.0	0.0
AUTHORITY WORKS BSF PH3	300.0	300.0	0.0	0.0
ASBESTOS REMOVAL BSF PH3	21.8	21.8	0.0	0.0
BSF WAVE 1 ICT - D&B SCHOOLS	3,000.0	3,000.0	0.0	0.0
BSF WAVE 1 ICT-LEEDS EAST ACADEMY	1,196.3	880.0	316.3	0.0
AUTHORITY WORKS - BSF PH4	100.0	100.0	0.0	0.0
WEST LEEDS ACADEMY - BSF PH4	1,000.0	1,000.0	0.0	0.0
LEEDS EAST ACADEMY (PARKLANDS) BSF PH5	9,615.2	7,817.6	1,559.1	238.5
ACCESS EQUIPMENT	15.0	15.0	0.0	0.0
PRIMARY CAPITAL PROGRAMME (PCP)	1,400.0	1,400.0	0.0	0.0
GILDERSOME PRIMARY PCP	1,362.9	1,273.9	89.0	0.0
GREENHILL PRIMARY PCP	1,059.9	969.0	90.9	0.0
OULTON PRIMARY PCP	1,759.2	1,649.4	109.8	0.0
SS PETER & PAUL RC PRIMARY PCP	286.3	214.7	71.6	0.0
RICHMOND HILL PRIMARY PCP	5,344.7	5,105.9	238.8	0.0
SWILLINGTON PRIMARY PCP	372.5	279.9	92.6	0.0
BASIC NEED - PRIMARY EXPANSIONS 2010	2,000.0	1,000.0	1,000.0	0.0
BASIC NEED - PRIMARY EXPANSIONS 2011	100.0	100.0	0.0	0.0
BLACKGATES PS - MODULAR	12.0	12.0	0.0	0.0
BLACKGATES PS - REMODELLING	3.0	3.0	0.0	0.0
BASIC NEED 2011 - BRUDENELL -REMODELLING	52.0	52.0	0.0	0.0
EBOR GARDENS PS - REMODELLING	9.0	9.0	0.0	0.0
FEATHERBANK -S - MODULAR	11.0	11.0	0.0	0.0
BASIC NEED 2011 -FARSLEY FARFIELD PH1	5.5	5.5	0.0	0.0
NEWLAIthes PS MODULAR EXTENSION	36.0	36.0	0.0	0.0
BASIC NEED PH2 - INGRAM ROAD-MODULAR	16.0	16.0	0.0	0.0
BASIC NEED PH2 - IRELAND WOOD-MODULAR	35.0	35.0	0.0	0.0
BASIC NEED 2011-VALLEY VIEW P-REMOD.	6.5	6.5	0.0	0.0
WHITKIRK PRIMARY BASIC NEED & ACCESS	13.3	13.3	0.0	0.0
BASIC NEED 2012 -BRACKEN EDGE	884.9	861.9	23.0	0.0
BASIC NEED 2012-CARR MANOR	1,795.0	1,683.0	112.0	0.0
BASIC NEED 2012 - ROUNDHAY PS	3,212.6	3,007.2	205.4	0.0
BASIC NEED 2012-WYKEBECK PS	1,452.2	1,412.2	40.0	0.0
BARDSEY PRIMARY - ROOFING WORKS	4.0	4.0	0.0	0.0
BASIC NEED PROVISION 2011-12 to 2013-14	30,818.5	15,818.5	15,000.0	0.0
UTMC ENHANCEMENT AND RELOCATION	2,321.0	2,321.0	0.0	0.0
MIDDLETON LC CHANGING ROOM REFURB	701.5	628.0	73.5	0.0
CEMETERY EXTENSIONS - CITYWIDE	375.0	275.0	100.0	0.0
WHINMOOR CEMETERY EXTENSION	313.7	281.6	32.1	0.0
CREMATORIA MERCURY ABATEMENT	1,254.9	554.9	700.0	0.0
RAWDON MERCURY ABATEMENT FEES	750.6	676.8	73.8	0.0
DISABLED FACILITIES GRANTS	13,000.0	6,500.0	6,500.0	0.0
BIN REPLACEMENT PROGRAMME	1,635.8	435.9	435.9	764.0
STREET LITTER BINS	79.3	79.3	0.0	0.0
RECYCLING IMP PLAN - SORT	300.0	300.0	0.0	0.0
ROLL OUT OF GARDEN EXPANSION	527.8	527.8	0.0	0.0
CAPITALISATION OF SALARIES	953.4	472.0	481.4	0.0
<b>Sub-Total</b>	<b>119,808.3</b>	<b>83,692.4</b>	<b>34,104.8</b>	<b>2,011.1</b>

### **Investing in new technology**

ICT STAFF COSTS	47.9	47.9	0.0	0.0
ADULT SOCIAL CARE MGT SYSTEM	64.2	64.2	0.0	0.0
ADULT SOCIAL CARE BUSINESS SYSTEMS REQUIREMENTS	4,500.0	4,500.0	0.0	0.0
EDRM DOCUMENT AND RECORD MANAGEMENT	2,101.0	2,101.0	0.0	0.0
WEB AND INTRANET REPLACEMENT	180.7	180.7	0.0	0.0
ESSMSS EMPLOYEE MANAGERS SELF SERVICE	367.5	250.0	117.5	0.0

IT MODEL OFFICE (IMMERSION EXPERIENCE)	30.5	30.5	0.0	0.0
GREAT GEORGE STREET - TECHNOLOGY COSTS	194.4	194.4	0.0	0.0
NON PROPERTY COSTS TO G 1 & 2 TECHNOLOGY	229.1	229.1	0.0	0.0
IT PROPERTY COSTS	257.0	257.0	0.0	0.0
ICT FUNDING-8 PFI SECONDARY SCHOOLS	3,000.0	3,000.0	0.0	0.0
CHILDRENS SOCIAL CARE MANAGEMENT SYSTEM	2,962.9	2,329.1	633.8	0.0
ICT STAFF CHARGES	1,410.0	1,030.8	379.2	0.0
ICT EXTERNAL COSTS	261.2	261.2	0.0	0.0
ICT ESSENTIAL SERVICE PROGRAMME	2,400.0	1,200.0	1,200.0	0.0
WAN/VPN - CONCENTRATORS CAPACITY UPLIFT	40.0	40.0	0.0	0.0
USER DEVICE HARDWARE REFRESH	200.0	200.0	0.0	0.0
UPGRADE EDGE NETWORK COMPONENTS	250.0	250.0	0.0	0.0
NOVELL MIGRATION TO MICROSOFT	350.0	350.0	0.0	0.0
SECURITY INCIDENTS AND EVENT MANAGEMENT	200.0	200.0	0.0	0.0
UNIFIED COMMS CORPORATE TELEPHONY	1,000.0	1,000.0	0.0	0.0
UNIX SERVER REPLACEMENT	1,400.0	1,400.0	0.0	0.0
VIRTUALISATION FOR ONLINE APPLICATIONS	80.0	80.0	0.0	0.0
IT DEVELOPMENTS EQUIPMENT FUND	2,296.1	594.5	875.0	826.6
PROJECT DEVELOPMENT	3,085.5	967.7	2,117.8	0.0
<b>Sub-Total</b>	<b>26,908.0</b>	<b>20,758.1</b>	<b>5,323.3</b>	<b>826.6</b>

### **Supporting the Leeds economy**

TOWN & DIST REGEN - CONTINGENCY	134.9	134.9	0.0	0.0
LEEDS ARENA	44,988.6	36,613.4	1,022.3	7,352.9
WOODHOUSE LANE CAR PARK (ARENA)	3,446.1	3,118.0	328.1	0.0
HANGZHOU GATE OF FRIENDSHIP	200.0	200.0	0.0	0.0
LOWFIELDS ROAD - ELLAND ROAD MASTER PLAN	500.0	0.0	0.0	500.0
SOVEREIGN STREET DEVELOPMENT LAND	70.0	70.0	0.0	0.0
MIDDLETON ENTERPRISE CENTRE- LEGI SCH	54.4	54.4	0.0	0.0
CHAPELTOWN ENTERPRISE INVESTMENT - LEGI	150.0	150.0	0.0	0.0
BUSINESS GROWTH FUND - LEGI	180.0	180.0	0.0	0.0
KIRKGATE MARKET	300.0	300.0	0.0	0.0
CITY VARIETIES - MAIN SCHEME	242.0	242.0	0.0	0.0
ANDREWS STREET FARSLEY T&DC	14.6	14.6	0.0	0.0
ARMLEY THI UNCOMMITTED GRANTS	903.3	560.2	343.1	0.0
CHAPELTOWN THI UNCOMMITTED GRANTS	763.4	410.3	353.1	0.0
LOWER KIRKGATE REGENERATION THI	645.0	0.0	62.3	582.7
FREE HOME INSULATION PROGRAMME	1,000.0	1,000.0	0.0	0.0
AFFORDABLE HOUSING (AHSP) HRA	2,423.4	2,423.4	0.0	0.0
ECONOMIC INITIATIVES	15,000.0	5,000.0	5,000.0	5,000.0
<b>Sub-Total</b>	<b>71,015.7</b>	<b>50,471.2</b>	<b>7,108.9</b>	<b>13,435.6</b>

### **Overall Total**

<b>445,727.8</b>	<b>269,451.4</b>	<b>111,327.6</b>	<b>64,948.8</b>
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