

**Council: 18 December 2007**

**Administration Policy Item:** Cllr. Mike Freer

**Budget 2008/09**

Council notes the components of the budget 2008/09.

Council further notes the Budget will be set after careful consideration.

Council is proud that despite consistent under-funding from Government, the Administration has kept the Budget and the level of Council Tax under control in the last 5 years.

Council calls on Cabinet to work to produce the Budget for 2008/09 within the constraints imposed by Government.

## 2008/2009 Draft Budget

£m

<b>2007/08 Council Tax Requirement</b>	<b>141.603</b>
<b>Pay Awards, Inflation &amp; Full Year Effects</b>	<b>6.822</b>
<b>Budget Efficiencies</b>	<b>(9.467)</b>
<b>Budget Reductions</b>	<b>(2.393)</b>
<b>Budget Increases</b>	<b>8.769</b>
<b>Specific Grants transferred to Formula Grant</b>	<b>5.671</b>
<b>Capital Programme Financing Costs</b>	<b>3.038</b>
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	<b>154.043</b>
<b>Government Formula Grant</b>	<b>(7.478)</b>
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<b>2008/09 Council Tax Requirement</b>	<b>146.565</b>
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<b>2008/09 Council Tax Increase</b>	<b>3.50%</b>

## London Borough of Barnet

The draft budget currently assumes no contribution to balances. This will need to be reviewed once the Chief Finance Officer has finalised guidance to Council on this matter which he is required to do under the Local Government Act 2003.

All figures shown in the headlines represent year on year movements of revenue costs and income.

<b>Adult Social Services</b>	2008-9	2009-10	2010-11	2011-12	2012-13
	£000	£000	£000	£000	£000
<b><u>Budget Efficiencies</u></b>					
<b>Contracting Efficiencies</b>					
Delivering value for money and quality through effective contracting	(1,090)	(300)	(1,155)		
Equipment contract - improved contractual model	(100)				
<b>Transforming How We Work - The Role Of In House Services</b>					
Making in-house services competitive in the market place. Modernising services to deliver self directed care		(176)			
New Choices Project which reduces the reliance on traditional residential care by the creation of modern service options that are non buildings based (reduction of 4 posts)	(120)				
<b>Transforming How We Work - Rolling Out Individualised Budgets</b>	(725)	(919)			
Changing the way social care packages are set up to give greater choice to the individual and reduce care package costs					
<b>Modernising The Way We Work</b>					
Changing the way we work to give more efficient back office support (reduction of 5 posts)	(142)				
Improved social work reviewing function (reduction of 3 posts)	(41)				

<b>Adult Social Services</b>	2008-9	2009-10	2010-11	2011-12	2012-13
	£000	£000	£000	£000	£000
Improved income collection	(100)				
	<b>(2,318)</b>	<b>(1,395)</b>	<b>(1,155)</b>	<b>0</b>	<b>0</b>
<b><u>Budget Increases</u></b>					
<b>Learning Disability High Cost Placements</b> There is an increasing and planned demand in respect of high cost quality placements for service users with profound and complex needs in the process of transition and a requirement to ensure local capacity is developed accordingly. This will include both residential care and enhanced supported living options	695	330			
<b>Transforming How We Work - Rolling Out Individualised Budgets</b> Investing in advocacy support to enable change to the way social care packages are set up to give greater choice to the individual and reduce care package costs	100				
<b>Transforming How We Work - The Role Of In House Services</b> Investment in short term project management to support the modernisation of in house services	50	(50)			
<b>Government Grant</b> Anticipated reduction in specific grants	290				
Adult Social Services Grants now provided through the Revenue Support Grant rather than as separate grants.	4,215				
	<b>5,350</b>	<b>280</b>	<b>0</b>	<b>0</b>	<b>0</b>

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<b>Adult Social Services</b>	2008-9	2009-10	2010-11	2011-12	2012-13
	£000	£000	£000	£000	£000
<b><u>Budget Reductions</u></b>					
<b>Deletion Of Vacant Social Worker Post</b>	(40)				
<b>Transforming How We Work - The Role Of In House Services</b>					
Making in-house services competitive in the market place. Modernising services to deliver self directed care. (reduction of 3 posts)	(245)	(500)			
New Choices Project which reduces the reliance on traditional residential care by the creation of modern service options that are non buildings based	(80)				
<b>Transportation</b>	(60)				
Reviewing the current arrangements for transport					
<b>Ceasing Discretionary Activity</b>					
Cease discretionary training activity (Reduction of 1 post)	(130)				
Reduce discretionary HIV/AIDS expenditure in line with Grant	(100)				
Cease funding of discretionary health post	(45)				
Reduce discretionary funding for PCT delivered services	(80)				
More targeted laundry service	(15)				
	(208)				
<b>Transforming How We Work - Rolling Out Individualised Budgets</b>					
Changing the way social care packages are set up to give greater choice to the individual and reduce care package costs					
	<b>88 (1,003)</b>	<b>(500)</b>	<b>0</b>	<b>0</b>	<b>0</b>

<b>Central Expenses</b>	2008-9	2009-10	2010-11	2011-12	2012-13
	£000	£000	£000	£000	£000
<b><u>Budget Efficiencies</u></b>					
<b>Improvement in Interest Earnings</b>	(1,609)				
	<b>(1,609)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b><u>Budget Increases</u></b>					
<b>PFI Electricity</b>	75	75			
Potential additional costs arising from street lighting PFI contract					
<b>Capital Programme</b>					
Cost of borrowing	1,598	805	680	683	
Primary School Capital Investment Programme	1,440	2,720	(770)	(770)	
<b>Treasury Management</b>	263	277			
Potential changes in interest charged on market loans					
<b>Pensions</b>	1,000	1,040	1,080		
Additional employer's contributions based on actuarial revaluations					
<b>Levies</b>	1,177	620	600		
Increase in North London Waste levy					
<b>Staffing Pressures</b>	1,600				
Provision for Redundancies	<b>89</b>				

<b>Central Expenses</b>	2008-9	2009-10	2010-11	2011-12	2012-13
	£000	£000	£000	£000	£000
<b>Office Accommodation Strategy</b> Office accommodation strategy (incorporating Barnet house rent review)	950				
<b>Neighbourhood Renewal Fund</b> Expenditure dropping out	(1,000)				
Grant dropping out	1,000				
<b>Transport</b> Increased Contract Costs from start of new Contract for all Council Vehicles in October 2008	300	300			
<b>Recycling</b> Increased contract costs from October 2008 due to collection of additional materials	200	200			
	<b>8,603</b>	<b>6,037</b>	<b>1,590</b>	<b>(87)</b>	<b>0</b>
<b><u>Budget Reductions</u></b>					
<b>Concessionary Fares</b> Revision relating to new national scheme and government grant	(1,120)				
	<b>(1,120)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

<b>Chief Executive, Communications &amp; Consultation and Policy &amp; Partnerships</b>	2008-9	2009-10	2010-11	2011-12	2012-13
	£000	£000	£000	£000	£000
<b><u>Budget Efficiencies</u></b>					
<b>Staffing Efficiencies</b>					
Deletion of post over two years	(27)				
Corporate Restructure	(90)				
	<b>(117)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b><u>Budget Reductions</u></b>					
None					
	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>



<b>Children's Service</b>	2008-9	2009-10	2010-11	2011-12	2012-13
	£000	£000	£000	£000	£000
<b><u>Budget Efficiencies</u></b>					
<b>Proposals For Generating Income From Selling Services</b>	(50)				
Estimated income (full year effect). Charging other local authorities and agencies for matching with approved adopters, selling contact supervision to other authorities and means testing parents for contributions to services for looked after children.					
<b>Libraries Reorganisation 2007/08. Full Year Effect .</b>	(13)				
<b>Efficiencies From Service Integration (Reduce By 10.5 FTE Posts Including 5.5 Vacancies. Charge 2.35 FTE To Grant).</b>					
Reorganise children's information & advice function.	(186)				
Reorganise workforce development function and delete underspend.	(200)				
Reorganise support for libraries.	(99)				
Reorganise performance data function.	(70)				
Reorganise divisional management.	(18)				
Management efficiencies from integration of Youth & Connexions	(300)				
Connexions (Vacancy rate)	(110)				
<b>Service Efficiencies (Reduce By 4.35FTE Staff Including 3.35 Vacant Posts. Charge 7 Posts To Grant)</b>					
Further reduction in number of looked after children and consequent reduction in placement costs.	(300)	(350)	(350)		
Reconfigure support to schools to reflect school improvement and greater support from Dedicated Schools Grant	(295)				
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<b>Children's Service</b>	2008-9	2009-10	2010-11	2011-12	2012-13
	£000	£000	£000	£000	£000
Increase cost of services traded with schools to ensure income covers management costs.	(115)				
Offset cost of family support against grant.	(230)				
Reprofile provision of services in children's centres.	(300)				
	<b>(2,286)</b>	<b>(350)</b>	<b>(350)</b>	<b>0</b>	<b>0</b>
<b><u>Budget Increases</u></b>					
<b>Further Reduction In Number Of Looked After Children (Invest To Save Mark 2).</b>					
Investment will enhance targeted intervention with families in crisis (a reduction in the number of children coming into care) and family finding (an increase in the number of children leaving care).	250	250			
<b>Grants.</b>					
Children's Service Grant is now provided through the Revenue Support Grant rather than as a separate grant.	1,456				
	<b>1,706</b>	<b>250</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b><u>Budget Reductions</u></b>					
None					
	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

The following Financial Forward Plan pressures included in March 2007 have been withdrawn:-

**Children Centres**

Growth money for Children Centres.		100
Reorganisation of Children & Family Day Centres as Children Centres.	<b>93</b>	100

<b>Corporate Governance</b>	2008-9	2009-10	2010-11	2011-12	2012-13
<b><u>Budget Efficiencies</u></b>	£000	£000	£000	£000	£000
<b>Service Re-organisation</b>					
Proposed efficiencies arising from the amalgamation of trading standards, licensing and other community safety services and re-organisation as one coherent community protection service	(377)				
<b>Staffing Efficiencies</b>					
Proposed reduction in staffing and general resources - These proposed reductions relate to a reduced staffing level in Divisional Manager level, Solicitor level and at Assistant level, and includes savings from the use of Counsel and general office savings	(108)				
Proposed reduction in staffing and contract costs relating to a reduced work programme - These proposed reductions relate to the deletion of an Office Manager post and a reduced spend on contracted audit services associated with a reduction in (lower risk) audits carried out in this period.	(31)				
<b>Reduced Printing/Stationery Costs</b>					
Proposed reduction resulting from reducing printing costs and better use of internet and intranet. General savings derived from the cancellation of non essential publications and stationery costs.	(27)				

<b>Corporate Governance</b>	2008-9	2009-10	2010-11	2011-12	2012-13
	£000	£000	£000	£000	£000
<b><u>Budget Increases</u></b>	<b>(543)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>CCTV Shift Allowance</b>	100				
<b>Grants</b>	140				
Safer Communities Grant reduction - subject to confirmation					
	<b>240</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b><u>Budget Reductions</u></b>					
None					
	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

<b>Environment &amp; Transport</b>	2008-9	2009-10	2010-11	2011-12	2012-13
	£000	£000	£000	£000	£000
<b><u>Budget Efficiencies</u></b>					
<b>Environmental Services - Efficiencies Across Front-Line Service Provision</b> Staffing efficiencies within Transport, Domestic Refuse and Greenspaces to enable more efficient service delivery.	(115)				
<b>Highways Strategy</b> Restructure Strategy Team reallocating responsibilities and deleting vacant post.	(60)				
<b>Environment And Transport Administration Review</b> Consolidation of Administration functions currently spread across different sites	(50)	(50)			
<b>Parking</b> Special Parking Account - Efficiency Savings in Design Team and in Process Team IT Costs	(100)				
<b>Trade Waste - Additional Income</b> Additional Income via small increase in charges, efficient debt recovery and extra sales	(80)				
	<b>(405)</b>	<b>(50)</b>	<b>0</b>	<b>0</b>	<b>0</b>

<b>Environment &amp; Transport</b>	2008-9	2009-10	2010-11	2011-12	2012-13
	£000	£000	£000	£000	£000
<b><u>Budget Increases</u></b>					
<b>Drainage Contract</b> Increased costs of new Drainage contract which began in 2007/08	150				
	<b>150</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b><u>Budget Reductions</u></b>					
<b>Greenspaces - Full Year Effect Of 2007/08 Reconfiguration.</b> Full year effect of 2007-08 saving that led to a programme of planned changes to a range of parks and open space, fixed facility and arboricultural maintenance regimes.	(270)				
	<b>(270)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

<b>Housing General Fund</b>	2008-9	2009-10	2010-11	2011-2012	2012-2013
<b><u>Budget Efficiencies</u></b>	£000	£000	£000	£000	£000
<b>Temporary Accommodation</b> Reduction in Temporary Accommodation budget	(200)				
<b>General Fund Costs As Numbers In Temporary Accommodation Fall</b> The government has set a target to half the use of temporary accommodation by 2010, and the Housing Service has developed a temporary accommodation reduction plan setting out how this will be delivered	(100)	(20)			
<b>Savings From Value For Money Reviews</b> The Housing Service will carry out VFM Reviews of its Housing Benefits and Housing Needs and Resources functions during 2007-8. This will include carrying out full VFM reviews following National Audit Office Guidelines and will include examining scope for developing a shared service approach with other councils, opportunities for reducing office requirements by promotion of home working, and improved use of resources across the Housing Service	(50)				
<b>Staffing Efficiencies</b> We aim to achieve a reduction in the number of clients we have to deal with directly by providing on line application and assessment facilities for these services. This will enable us to reduce the number of staff required for both dealing face to face with customers and those processing applications			(75)		

<b>Housing General Fund</b>	2008-9	2009-10	2010-11	2011-2012	2012-2013
Restructure of Housing Needs and Resources Service - Proposal to reduce the staffing requirement for the Housing Needs and Resources Team supported by improvements in supporting information technology to ensure service standards are maintained	£000 (158)	£000 (107)	£000	£000	£000
<b>Grants</b> Housing Benefit Administration	(144)	80	167		
<b><u>Budget Increases</u></b>	<b>(652)</b>	<b>(122)</b>	<b>167</b>	<b>0</b>	<b>0</b>
<b>Restructure Of Housing Needs And Resources Service</b>	35	35			
<b><u>Budget Reductions</u></b>	<b>35</b>	<b>35</b>	<b>0</b>	<b>0</b>	<b>0</b>
None					
	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>



<b>Planning and Environmental Protection</b>	2008-9	2009-10	2010-11	2011-12	2012-13
	£000	£000	£000	£000	£000
<b><u>Budget Efficiencies</u></b>					
<b>Environmental Health - Efficiencies Across Service</b> Efficiencies include reduction of one post within Food Safety team along with more efficient use of existing resources and new areas for increased income.	(58)				
<b>Building Control - Increase In Income</b> Increased income from Corporate commitments on Council's own development projects to use in house service, e.g. PSCIP	(30)				
<b>Planning - Staffing Efficiencies</b> Reductions in Planning support staff.	(45)				
<b>Cemetery And Crematorium</b> Increased income from fees and charges for burials, cremations and related services	(52)				
	<b>(185)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

<b>Planning and Environmental Protection</b>	2008-9	2009-10	2010-11	2011-12	2012-13
	£000	£000	£000	£000	£000
<b><u>Budget Increases</u></b>					
<b>Local Development Framework</b> Statutory requirement to produce Local Development Framework to replace UDP.	200		(210)		
<b>Land Charges</b> Expected loss of income from increased deregulation and HIPS introduction	500	200			
<b>Planning Enforcement Team</b> Additional Enforcement Post	40				
	<b>740</b>	<b>200</b>	<b>(210)</b>	<b>0</b>	<b>0</b>
<b><u>Budget Reductions</u></b>					
None					
	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

<b>Resources</b>	2008-9	2009-10	2010-11	2011-12	2012-13
<b><u>Budget Efficiencies</u></b>	£000	£000	£000	£000	£000
<b>Staffing Efficiencies</b>					
Merge Strategic and Shared Service IT teams - staffing reduction	(60)				
HR Shared Services E-Recruitment - delete one post and savings on associated postage and printing costs		(30)			
Merge Closing & Compliance and Closing & Monitoring Teams. - reduction of one Finance Manager post	(55)				
Deletion of Head of Corporate Services post	(60)				
Merge Business Intelligence with Business Improvement - deletion of one of the Heads of Service posts.	(60)				
Property services/FM restructure - admin efficiencies from merger of the two teams	(30)				
<b>IT Initiative Efficiencies</b>					
Shared Service Centre - Swift managed services – potential savings from review	(30)				
Business Improvement Team Corporate events - move to electronic corporate documents	(30)				
Mobile phones/XDA charges - improved savings over those in this year's budget on the re-tender of contract	(30)				
Reduction of IT contingency provisions	(50)				
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<b>Resources</b>	2008-9	2009-10	2010-11	2011-12	2012-13
	£000	£000	£000	£000	£000
<b>Review Of Allowances</b>					
Strategic HR corporate review of allowances - reduce & rationalise	(200)				
Registrars Review of allowances & overtime as part of restructure	(20)	(20)			
<b>Property Efficiencies</b>					
Property Services - review of advertising hoardings	(90)				
<b>Contract Efficiencies</b>					
New Temp Desk contract	(30)				
Graham Park School all weather pitch	(35)				
<b>Revenue Single Persons Discount</b>	(200)				
Revenues Single Person Discount - working to increase tax base					
<b>OD &amp; Change Training Budget Reduction</b>	(32)				
OD & Change - training budget reduction of base requirement from £92,000 to £60,000					
<b>Collection Fund</b>	(340)				
Improvements on Collection Fund - early collection					
	<b>(1,352)</b>	<b>(50)</b>	<b>0</b>	<b>0</b>	<b>0</b>

<b>Resources</b>	2008-9	2009-10	2010-11	2011-12	2012-13
	£000	£000	£000	£000	£000
<b><u>Budget Increases</u></b>					
<b>Bailiff's - Fees For Liability Orders</b> Bailiff's - fees for Liability Orders		360	(360)		
<b>Office Accommodation Strategy</b> Office accommodation strategy (incorporating Barnet house rent review)	50				
<b>Corporate Telephone Contract</b> Base budget correction	104				
<b>Vacancy Factor</b> Base correction addressing service needs across the council	500				
	<b>654</b>	<b>360</b>	<b>(360)</b>	<b>0</b>	<b>0</b>
<b><u>Budget Reductions</u></b>					
None					
	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>