



BUDGET BOOK

2009-2010

Mark Maidment CPFA

**Director of Finance
& Corporate Services**

TABLE OF CONTENTS

	Section
1. Introduction	A
2. Detailed Estimates Index	
• Summary	B
• Finance and Corporate Services	C
• Education and Children’s Services	D
• Environment Services	E
• Adult and Community Services	F
3. Revenue Budget Strategy & Council Tax 2009/10	G
4. Medium and Long Term Financial Strategy	H
5. Capital Budget 2009/10 to 2013/14	I
6. Definitions	J

Section A

Budget Book 2009/10

Produced by the Accountancy Section
Finance and Corporate Services Directorate

We are continuously trying to improve the content
and presentation of all our financial publications and
would welcome any suggestions from readers.

Please contact:

Lucy Kourpas
Head of Financial Planning
Tel: 020 8487 5018
Email: L.Kourpas@richmond.gov.uk

www.richmond.gov.uk

Please contact us if you need this in Braille, large print, audio tape or another language.

Lucy Kourpas

Finance Department, York House, 42 York Street, TW1 3AA

Tel: 020 8487 5018

Email: L.Kourpas@richmond.gov.uk

Minicom: 020 8831 6001

If you have difficulty understanding this publication, please visit Reception at the address below where we can arrange a telephone interpreting service.

Nese keni veshtersi per te kuptuar kete botim, ju lutemi ejani ne recepcionin ne adresen e shenuar me poshte ku ne mund te organizojme perkthime nepermjet telefonit.

إذا كانت لديك صعوبة في فهم هذا المنشور، فنرجو زيارة الإستقبال في العنوان المعطى أدناه حيث بإمكاننا أن نرتب لخدمة ترجمة شفوية هاتفية.

এই প্রকাশনার অর্থ বুঝতে পারায় যদি আপনার কোন সমস্যা হয়, নিচে দেওয়া ঠিকানায় রিসেপশন-এ চলে আসুন যেখানে আমরা আপনাকে টেলিফোনে দোভাষীর সেবা প্রদানের ব্যবস্থা করতে পারবো।

اگر در فهمیدن این نشریه مشکل دارید، لطفاً به میز پذیرش در آدرس قید شده در زیر رجوع فرمایید تا سرویس ترجمه تلفنی برایتان فراهم آورده شود.

જો તમને આ પુસ્તિકાની વિગતો સમજવામાં મુશ્કેલી પડતી હોય તો, કૃપયા નીચે જણાવેલ સ્થળના રિસેપ્શન પર આવો, જ્યાં અમે ટેલિફોન પર ગુજરાતીમાં ઈન્ટરપ્રિટિંગ સેવાની ગોઠવણ કરી આપીશું.

जेकर तुहांतुं इस परचे तू समझन विच मुसकल पेस आउंटी है तं हेठां दिंते गेदे पडे उं पर रिसैपसन 'ते आउं जिंवे असीं टैलीफोन ते गॉलघात करन लदी ईंटरपिटर दा पृषंण कर सकदे हं।

اگر آپ کو اس اشاعت کو سمجھنے میں کوئی مشکل ہے تو، براہ کرم نیچے دیئے ہوئے ایڈریس کے استقبالیے پر جا کر ملیئے، جہاں ہم آپ کیلئے ٹیلیفون انٹر پریٹنگ سروس (ٹیلیفون پر ترجمانی کی سروس) کا انتظام کر سکتے ہیں۔

The Civic Centre
44 York Street
Twickenham
TW1 3BZ

1.0 Introduction to the Budget Book

Each year the Council sets detailed revenue and capital budgets. The revenue budgets relate to the income and expenditure incurred on the day to day running of the Council. The Capital budgets include income and expenditure that will yield benefit to the Council over a period of more than a year (e.g. roads, buildings)

Revenue Budgets (sections B to F)

Revenue budgets are reviewed by individual overview and scrutiny committees on a directorate basis. If you would like to see the full details of these please go to the following web link:

http://www.richmond.gov.uk/home/council_government_and_democracy/council/decision_making_council/scrutiny/main_overview_and_scrutiny_committees.htm

The budgets were reviewed as follows:

Name of Committee	Date
Children's Services Overview and Scrutiny	22 nd January 2009
Co-ordination, Finance and Performance Commission	10 th February 2009
Environment and Sustainability Overview and Scrutiny Committee	20 th January 2009
Health, Housing and Social Care Overview and Scrutiny Committee	28 th January 2009

The individual service budgets feed into the overall Council budget and consequently into the level of Council Tax that is set for the year. The full Revenue Budget Strategy and Council Tax report is available on the website at:

[http://cabnet.richmond.gov.uk/Published/C00000163/M00001968/AI00016887/\\$10RevenueBudgetandCouncilTax0910.docA.ps.pdf](http://cabnet.richmond.gov.uk/Published/C00000163/M00001968/AI00016887/$10RevenueBudgetandCouncilTax0910.docA.ps.pdf)

Capital Budgets

The 5 year Capital Budget was agreed by Cabinet on 19th January 2009. You can refer to this in section I of this book. Alternatively it is available online at:

[http://cabnet.richmond.gov.uk/Published/C00000163/M00001955/AI00016885/\\$9CapitalBudget2009102.docA.ps.pdf](http://cabnet.richmond.gov.uk/Published/C00000163/M00001955/AI00016885/$9CapitalBudget2009102.docA.ps.pdf)

2.0 Budget Strategy

The Community Plan, The Corporate Plan and the Medium and Long Term Financial Strategy provide the policy framework within which the Council sets its budget and detailed financial plans for each year.

The Community Plan sets out the long-term vision for the borough and the Corporate Plan translates this into the short, medium and long-term targets that will help to achieve those priorities. The Community Plan covering the Council's priorities for 2007-2017 can be found on the website at the following address:

http://www.richmond.gov.uk/home/council_government_and_democracy/council/partnerships/community_plan_2007_to_2017.htm

The Community Plan sets out seven priority themes for the Council over the next ten years:

1. Tackling disadvantage and inequalities
2. Being the greenest borough in London
3. Being the safest London Borough for all our communities
4. Growing up in Richmond upon Thames
5. Creating a healthy and caring Richmond upon Thames
6. Creating a vibrant and prosperous Richmond upon Thames
7. Improving access and participation

Residents have been able to express their views in a variety of consultation exercises over recent years. The Council has also had feedback from reviews and inspections of its services. The Local Strategic Partnership will continue to develop its longer-term strategies, and to seek the views of partners, residents, businesses and stakeholders as to the best ways of achieving the Council's priorities.

The Council's role is as an enabler, acting as a leader in a Local Strategic Partnership committed to providing the quality services that the local community needs in the most efficient way possible. Our progress will be reported in the Performance Plan and in our Annual Reports.

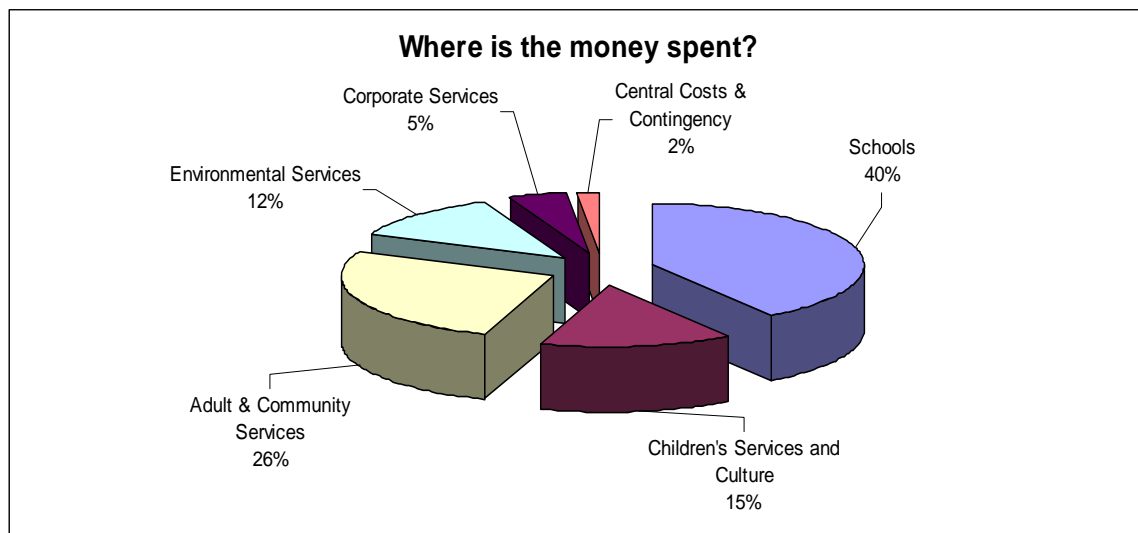
The Medium and Long Term Financial Strategy is attached for information in section H and is also available online at:

[http://cabnet.richmond.gov.uk/Published/C00000163/M00001968/AI00016887/\\$10cAPP DMLTFS2009.docA.ps.pdf](http://cabnet.richmond.gov.uk/Published/C00000163/M00001968/AI00016887/$10cAPP DMLTFS2009.docA.ps.pdf)

3.0 The Budget Requirement

The Budget Requirement is the amount of budget the Council needs to provide a given level of service to residents.

The chart below shows the percentage of budgeted spend by service for 2009/10 (excluding capital charges):

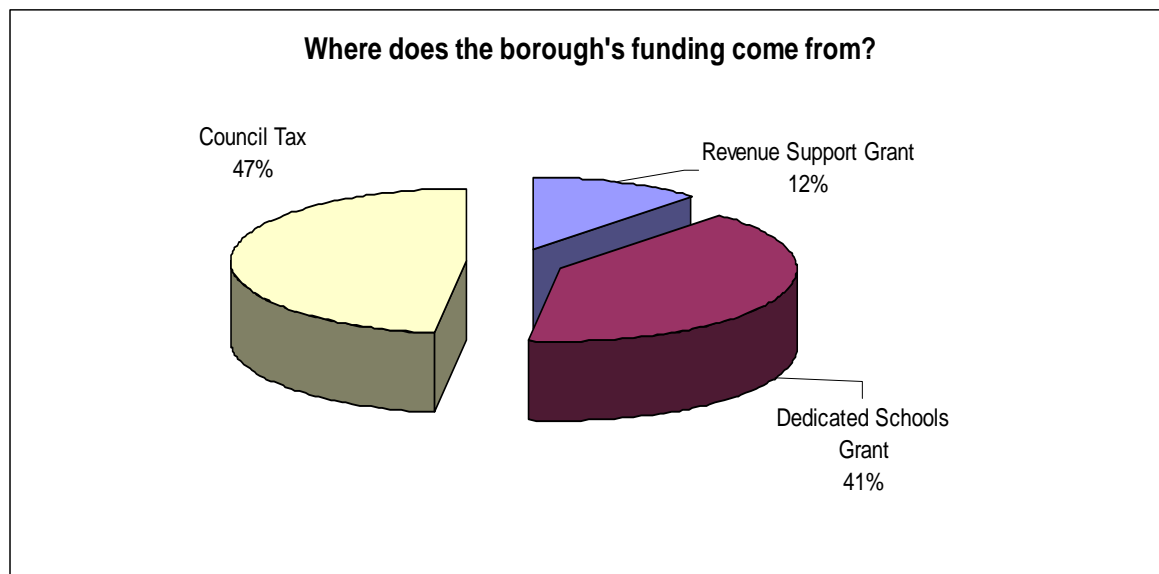


Budgeted Expenditure And Funding 2009/10

	Gross Expenditure £000's	Income £000's	Net Expenditure £000's	Net Expenditure per Resident £'s
Schools	101,360	-4891	96,469	519.85
Children's Services and Culture	77,867	-30,652	47,215	254.43
Adult and Community Services	163,194	-91,566	71,628	385.99
Environmental Services	69,028	-45,177	23,851	128.53
Corporate Services	26,564	-22927	3,637	19.60
Corporate Democratic Core	4,112	-1	4,111	22.15
Non-Distributed Costs	3,518	0	3,518	18.96
Total expenditure on services	445,643	-195,214	250,429	1,349.51
Area Based Grant			-6,609	-35.61
Treasury/Capital Charges			-13,635	-73.48
Capitalisation			-700	-3.77
Contribution to/from general reserve			-750	-4.04
Contribution to/from earmarked reserves			528	2.85
Contingencies			1,218	6.56
Total expenditure on the Council's services				
Add Levies:				
Lee Valley Regional Park			274	1.48
Environment Agency Flood Defence			178	0.96
London Pension Fund Authority			360	1.94
Coroners' Service			135	0.73
West London Waste			6,301	33.95
London Borough of Richmond Upon Thames Budget Requirement (Including School Expenditure)			237,729	1,281.07
Greater London Authority Precept			27,350	147.38
Less:				
Formula Grant			27,615	148.81
Dedicated Schools Grant (DSG)			96,469	519.85
Surplus on Collection Fund			0	0.00
Richmond Upon Thames Council Tax Requirement			140,995	759.79
Tax Base (equivalent Band D Properties)			88,276	
Band 'D' Council Tax			1,597.21	

4.0 Where is the money coming from in 2009/10?

Details of the background to setting this year's Council Tax can be found in the Revenue Budget Strategy and Council Tax 2009/10 report contained in section G. The following chart shows the main sources of funding available to the Council to support its budget requirement.



5.1 Council Tax Calculation

The Council Tax is calculated, initially for a Band D property. Tax levels for properties in other bands are calculated by applying specific proportions to the Band D tax. This year the overall Council Tax band D amount has increased by 3.46%.

The Council Tax bands for 2009/2010 are as follows:

2009/10 Band	Richmond Council Tax Requirement £'s	Greater London Authority £'s	Total Council Tax £'s
A	858.26	206.55	1,064.81
B	1,001.30	240.97	1,242.27
C	1,144.34	275.40	1,419.74
D	1,287.39	309.82	1,597.21
E	1,573.48	378.67	1,952.15
F	1,859.56	447.52	2,307.08
G	2,145.65	516.37	2,662.02
H	2,574.78	619.64	3,194.42

5.2 Formula Grant

The government allocates funding to Local Authorities based on perceived need using a formula calculation as part of the Local Government Finance Settlement. This funding includes the distribution of the National Non Domestic Rates Pool.

In 2009/10 Richmond will receive £27.615 million in formula grant compared to £27.178 million in 2008/09. This means that in 2009/10 Richmond will receive the lowest level of funding per person in London at £148 per person. Excluding Schools funding the council receives only 20% of it's funding from formula grant.

Central Government sets the level of Non-Domestic Business Rates. For 2009-10 the charge is 48.5p in the pound or 48.1p in the pound for small businesses. The Council collects Business Rates on behalf of Central Government. In turn the Government returns a proportion of the national total to all local authorities. In 2009-10, the Council estimates that it will collect £75.5 million on behalf of Central Government. It will receive £22.4 million of National Non-Domestic Rates (NNDR) from the national pool.

5.3 Dedicated Schools Grant

The Council receives a specific grant called the Dedicated Schools Grant. This is a ring- fenced grant and has to be spent on schools and specific pupil related services. The grant now makes up 41% of the Council's external funding. Funding is allocated by The Department for Education and Skills based on pupil numbers with a guaranteed increase in funding per pupil per year. In 2009/10 Richmond is expected to receive £96.469 million in Dedicated Schools Grant compared to £89.967 million in 2008/09, an increase of 7.2%.

5.4 Area Based Grant

The government introduced a new type of grant in 2008/09. Area Based Grant is a general non-ring fenced grant and will replace several grants previously received through the specific grant mechanism. Richmond will receive £6.6 million through Area Based Grant in 2009/10.

6.0 Best Value Accounting Code of Practice

The Council's estimates must comply with the requirements of the Best Value Accounting Code of Practice (BVACOP). The BVACOP has been established to modernise the system of Local Authority accounting and reporting, and to ensure that it meets the changing needs of modern Local Government. The primary objective of the code is to ensure the overall consistency of data and comparability in all external financial reporting statements for Local Government.

The BVACOP defines total cost for external reporting purposes to include all the costs (direct and indirect), which relate to the provision of that service or activity. This includes an appropriate share of central and departmental support costs, as well as the revenue impact of any deferred charges. To comply with BVACOP the costs of past pension contributions are treated as a corporate cost and are not charged to front line services.

The Chartered Institute of Public Finance and Accountancy (CIPFA) has also undertaken a review of the subjective analysis used for local authority expenditure and income. This has led to a recommended standard subjective analysis list. The budget book pages, as reported to Committee, produced in line with this recommended analysis.

7.0 Performance

In 2008 the Council received the top performance rating of 4 stars for the first time in the annual Comprehensive Performance Assessment.

Each year the Audit Commission assesses how well the Council is performing, taking into account a wide range of information across all the services. The Council is judged not only on how well we deliver services, but also on our ability to manage resources and our corporate capacity (the Corporate Assessment). This year we maintained our maximum score of 4 for Value for Money and for four of the six services assessed. We improved our performance in Environment Services scoring a 3 compared to our score of 2 in 2007/08.

Scores for individual services on a scale of 1 to 4 are as follows:

Benefits	4
Children and Young People	4
Culture	4
Environment	3
Housing	4
Social Care (Adults)	3

The Council also received a score of 3 in the Corporate Assessment inspection which was carried out at the end of 2007.

The Audit Commission has assessed that Richmond Council is improving strongly. Two thirds of performance indicators have improved and more than forty per cent of performance indicators are in the best quartile nationally. Performance across priority areas is strong. The Council has high performing services in relation to children and young people, housing, culture and housing benefits. Adult social care services continue to deliver improved outcomes overall and work is in progress to increase opportunities for independent living.

With its partners, the Council has a strong focus on sustainability, achieving affordable homes targets, while continuing to preserve and enhance conservation areas. Recycling rates are improving, although achieving sustained improvement in standards of street cleanliness remains a challenge. The Council is delivering wider community outcomes through its established partnerships and is tackling inequalities through its community development work in priority areas of the borough. Levels of crime are decreasing overall with Richmond remaining one of the lowest crime boroughs in London.

The Council continues to deliver excellent value for money. It has a focus on achieving sustained improvements across services, and is developing its corporate capacity to support these improvements.

For the last few years, Councils have been required to report to Central Government their performance against Best Value Performance Indicators (BVPIs). From 1st April 2008 a new set of national indicators (NI) was introduced to measure how well Councils and their partners are delivering improvements for local people in the area. At the same time, the CPA was replaced by the Comprehensive Area Assessment (CAA) which looks at the performance of all public services in the area. The first CAA results for Richmond upon Thames will be reported in November 2009.

Alongside each budget in this publication we have detailed various local and national performance indicators that help to explain variations in income and expenditure and levels of budgets that have been set.

This year the activity pages contain a mixture of Local indicators, BVPIs and NIs. The reason for this is that this publication covers years where both the old system of BVPIs and the new system of NIs are relevant.

8.0 Efficiency

During 2008/09 the Council has been working towards new efficiency targets that were announced as part of the Comprehensive Spending Review 2007.

The main features of the new efficiency agenda are:

- Collectively, councils are expected to achieve 3% per annum cashable efficiency gains.
- Collectively, by the end of 2010/11, councils are expected to achieve 9.3% cashable efficiency gains, equivalent to £4.9 billion.
- Non-cashable gains remain an important way of improving value for money, but do not count towards the efficiency target

Richmond's planned and achieved efficiency savings are as follows:

	2005- 06 to 2007- 08	2008-09	2009-10	2010-11
Target (£m)	£8.7m	£4.5m	£4.5m	£4.5m
	2.5% per year	3.0%	3.0%	3.0%
Actual (£m)	£12.2m	tba	tba	tba

The 2008/09 figures will be published in July 09.

The efficiency agenda has become increasingly important as the Council continues to face poor grant settlements alongside increased demand for its services. A successfully implemented efficiency strategy will contribute towards the Council's aim of providing high quality services whilst keeping Council Tax increases at a reasonable level.

Further information on the Richmond efficiency agenda is available at:

[http://cabnet.richmond.gov.uk/Published/C00000163/M00001912/AI00016185/\\$16Efficiencyreport.docA.ps.pdf](http://cabnet.richmond.gov.uk/Published/C00000163/M00001912/AI00016185/$16Efficiencyreport.docA.ps.pdf)

9.0 Further Information

If you would like further information on the services of the Finance Department or to find further financial information, please visit our section of the council website at:

<http://www.richmond.gov.uk/depts/finance>

Index to Detailed Estimates

Section B London Borough of Richmond upon Thames

Subjective Summary and Analysis	B1
BVACOP Analysis	B3

Section C Finance and Corporate Services

Objective Summary	C2
Subjective Summary	C3
Web Team	C4
ICT & E-Services	C6
Human Resources	C8
Revenue Services	C10
Legal Services	C12
Democratic Services	C14
Financial Services	C16
Chief Executive	C18
Electoral Services	C20
Democratic Representation & Management	C22
Cost of Local Tax Collection	C24
Performance and Business Improvement Unit	C26
Economic Development	C27
Corporate Management	C28
Non Distributed Costs	C30
Communications	C32
Precepts and Levies	C34
Customer Services & Contact Centre	C36
Land Charges	C38
Home Loans Unit	C40
Central Items	C41

Section D Children's Services and Culture

Objective Summary	D1
Subjective Summary	D2
Specialist Service Management	D4
Social Work	D6
Looked After Children	D8
Family Support	D10
Other Children and Family Services	D12
Special Educational Needs and Recoupment	D14
Integrated Youth Support	D16
Unaccompanied Asylum Seekers	D18
Early Years	D20
Other Protective and Preventative Services	D22
School Effectiveness	D24
Library Services	D26
Arts and Music	D28
Sports	D30
Schools Non Delegated	D32
Individual Schools Budgets	D34
Standards Fund and Other Grants	D36
Directorate Administration	D38
Strategic Management	D40

Section E Environment Services

Objective Summary	E1
Subjective Summary	E2
CCTV/Careline	E4
Registrars, Cemeteries & Postal Services	E6
Depots	E8
Emergency Planning	E10
Facilities Management & Services	E12
Management & Administration	E14
Highways Management	E16
Parks and Open Spaces	E18
Parking Services	E20
Property Services	E22
Regulatory Services	E24
Transport Planning	E26
Transport Services	E28
Waste Management & Enforcement	E30

Section F Adult & Community Services

Objective Summary	F1
Subjective Summary	F2
Commissioning Care Services Divisional Management	F4
Care Management	F6
Services Development	F8
Care Service Older People and Younger Adults	F10
Care Services: Adults with Learning Disabilities	F12
Care Services: People with Mental Health Needs	F14
Care Services: Drugs & Alcohol / HIV / Aids	F16
Supporting People	F18
Community Services Operations Divisional Management Support Services	F20
Housing Advice and Assessment	F22
Resettlement Service	F24
Temporary Accommodation	F26
Private Sector and Other Housing	F28
Care Provision: Learning Disabilities	F30
Care Provision: Community Services	F32
Transport Operations	F34
Accessible Transport Unit	F36
Commissioning, Corporate Policy & Strategy Divisional Management	F38
Community Engagement and Inclusion	F40
Strategy and Policy	F42
Grants to Voluntary Organisations	F44
Contracting and Procurement	F46
Performance and Quality Assurance	F48
Rent Allowances	F50
Directorate Management and Finance	F52

Section B

COUNCIL'S REVENUE BUDGET 2009/10 SUBJECTIVE SUMMARY OF EXPENDITURE AND INCOME

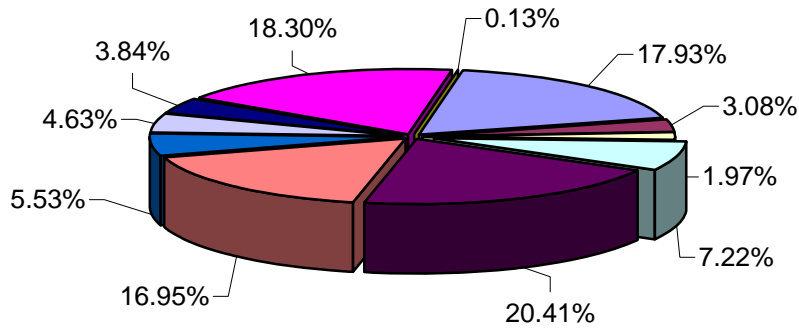
	<u>2007/08</u> <u>Actual</u> <u>£</u>	<u>2008/09</u> <u>Original</u> <u>£</u>	<u>2008/09</u> <u>Revised</u> <u>£</u>	<u>2009/10</u> <u>Estimate</u> <u>£</u>
Expenditure				
Employees	73,337,169	78,953,600	80,376,100	81,883,900
Premises	13,202,684	13,245,000	13,475,600	14,071,700
Transport	8,918,809	7,711,300	8,039,100	8,977,900
Supplies and Services	31,649,760	30,907,800	33,095,000	32,997,000
Third Party Payments	88,642,069	88,216,000	90,560,500	93,233,300
Transfer Payments	73,546,473	74,841,700	76,830,300	77,433,700
Central Recharges	28,250,323	26,005,600	24,647,800	25,241,000
Departmental Recharges	17,255,329	18,543,700	20,794,000	21,149,400
Capital Charges	28,125,295	12,967,300	14,022,600	17,532,600
Individual Schools Budget (Net)	76,180,458	78,651,500	79,372,300	83,605,800
Pupil Referral Service	540,228	559,400	592,600	613,900
TOTAL EXPENDITURE	439,648,598	430,602,900	441,805,900	456,740,200
Income				
Government Grants	(166,645,677)	(163,909,200)	(169,008,800)	(176,240,700)
Other Grants and Contributions	(18,363,512)	(17,189,700)	(18,129,700)	(19,597,100)
Customer and Client Receipts	(57,718,929)	(51,997,600)	(52,059,500)	(52,874,000)
Recharges to non General Fund Accounts	(415,200)	(420,300)	(420,300)	(430,800)
Central Recharges	(28,250,321)	(26,005,600)	(24,647,800)	(25,241,000)
Departmental Recharges	(17,255,328)	(18,543,700)	(20,794,000)	(21,149,400)
TOTAL INCOME	(288,648,967)	(278,066,100)	(285,060,100)	(295,533,000)
Central Items	(19,597,884)	(10,080,500)	(12,179,500)	(13,865,900)
Movement (to)/from Reserves	(2,971,391)	571,500	(1,538,500)	528,100
NET EXPENDITURE	128,430,356	143,027,800	143,027,800	147,869,400

Variation Analysis (excluding schools)

Original Estimate 2008/09	143,027,800	143,027,800
Inflation	0	5,286,900
Demand Led Growth	0	1,969,600
Government Grant/Outside Body Growth	0	669,500
Investment Priorities	0	569,000
Budget Transfer	0	0
Service Reductions & Efficiencies/Income Generation	0	-4,010,800
Capital Financing	0	0
Other Variations	0	357,400
Revised Budget 2008/09	<u>143,027,800</u>	
Original Budget 2009/10		<u>147,869,400</u>

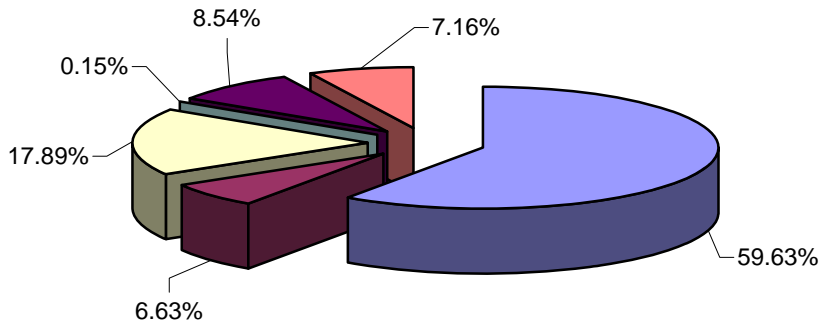
	2008/09	2009/10
Number of full time equivalent employees	3,648	3,697

Analysis of 2009/10 Expenditure Budget



- | | |
|------------------------|---------------------------------|
| Employees | Premises |
| Transport | Supplies and Services |
| Third Party Payments | Transfer Payments |
| Central Recharges | Departmental Recharges |
| Capital Charges | Individual Schools Budget (Net) |
| Pupil Referral Service | |

Analysis of 2009/10 Income Budgets



- | |
|--|
| Government Grants |
| Other Grants and Contributions |
| Customer and Client Receipts |
| Recharges to non General Fund Accounts |
| Central Recharges |
| Departmental Recharges |

COUNCIL'S REVENUE BUDGET 2009-10
BEST VALUE ACCOUNTING CODE OF PRACTICE FORMAT

	Net Expenditure 2009/10
Central Services - Local Taxation	3,362,000
Other Central Services to the Public	3,239,800
	6,601,800
Cultural, Environmental and Planning Services	32,381,700
Education Services	39,422,600
Highways, Roads and Transport Services	8,201,400
Housing Services (General Fund)	7,273,100
Social Services	51,624,000
Corporate and Democratic Core	4,110,500
Non Distributed Costs	3,428,900
Net Costs of Services	153,044,000
Amounts Excluded from Net Cost of Services under BVACOP	
Precepts and Levies	7,351,600
(Surplus)/Deficit on Trading Accounts	1,330,300
Interest Payable	4,953,000
Interest and Investment Income	(2,451,000)
Minimum Revenue Provision	1,396,000
Other Corporate Income	0
Pensions Interest Costs and expected return on pension assets	0
Reversal of Capital Charges	(17,532,600)
Net Transfer to / (from) Earmarked Reserves	528,100
Net Operating Expenditure	148,619,400
Demand on the Collection Fund	(113,644,700)
Formula Grant	(27,615,500)
Area Based Grant	(6,609,200)
Contribution to General Reserve	(750,000)
(Surplus)/Deficit for the Year	0

Section C

FINANCE AND CORPORATE SERVICES

Should you have any queries concerning the Finance and Corporate Services Pages please contact:

Mohamed Kazi
Senior Accountant

Tel: 020 8891 7211

Email: M.Kazi@richmond.gov.uk

REVENUE BUDGET - SUMMARY OF EXPENDITURE

<u>PURPOSE</u>	<u>2007/08</u> <u>Actual</u> £	<u>2008/09</u> <u>Original</u> £	<u>2008/09</u> <u>Revised</u> £	<u>2009/10</u> <u>Estimate</u> £
Web Team	0	0	0	0 *
ICT & E-Services	0	0	0	0 *
Human Resources	0	0	0	0 *
Revenue Services	0	0	0	0 *
Legal Services	0	0	0	0 *
Democratic Services	0	0	0	0 *
Financial Services	0	0	0	0 *
Chief Executive's Office	0	0	0	0 *
Performance and Business Improvement Unit	0	0	0	0 *
Communications	0	0	0	0 *
Electoral Services	526,000	529,800	611,700	526,000
Democratic Representation and Management	2,792,944	2,782,700	2,612,900	2,666,100
Cost of Local Tax Collection	3,198,545	3,291,400	3,302,600	3,362,000
Corporate Management	1,753,865	1,711,100	1,774,000	1,444,400
Non Distributed Costs**	577,534	3,301,900	3,302,300	3,428,900 **
Economic Development	0	56,200	0	0
Precepts and Levies	541,737	564,800	564,800	765,900
Customer Services and Contact Centre	0	0	0	0 *
Land Charges	(624,430)	(432,700)	(439,700)	(254,200)
Home Loans	(46,745)	12,500	12,500	0
Total for Corporate Services	8,719,450	11,817,700	11,741,100	11,939,100
Central Items	(19,597,884)	(10,080,500)	(12,179,500)	(13,865,900)
Total Corporate Services and Central Items	(10,878,434)	1,737,200	(438,400)	(1,926,800)
Movement (to)/from Reserves	(2,971,391)	571,500	(1,538,500)	528,100
Net Expenditure (including reserves)	(13,849,825)	2,308,700	(1,976,900)	(1,398,700)

* These are support services and as such are recharged in full to front line services.

** This includes past service pension costs.

Variation Analysis

Original Estimate 2008/09	2,308,700	2,308,700
Inflation	0	985,900
Demand Led Growth	0	200,000
Government Grant / Outside Body Growth	0	1,253,000
Investment Priorities	0	569,000
Budget Transfers	(2,454,300)	(1,629,500)
Service Reductions & Efficiencies / Income Generation	0	(562,000)
Capital Financing	(900,900)	(4,357,900)
Other Variations	(930,400)	(165,900)
Revised Budget 2008/09	(1,976,900)	
Original Budget 2009/10		(1,398,700)

SUBJECTIVE ANALYSIS

	<u>2007/08</u> <u>Actual</u> £	<u>2008/09</u> <u>Original</u> £	<u>2008/09</u> <u>Revised</u> £	<u>2009/10</u> <u>Estimate</u> £
<u>Expenditure</u>				
Employees	12,604,445	15,578,400	15,424,700	15,815,700
Premises	2,304	4,300	2,300	2,000
Transport	46,838	49,200	171,400	146,300
Supplies and Services	8,838,608	8,604,500	9,160,500	8,960,000
Third Party Payments	1,754,110	1,744,000	1,807,800	1,914,800
Transfer Payments	10,680,902	11,499,200	11,499,200	11,786,500
Central Recharges	8,517,157	7,642,300	6,666,500	6,881,500
Capital Charges	884,450	660,700	815,100	868,100
TOTAL EXPENDITURE	43,328,814	45,782,600	45,547,500	46,374,900
<u>Income</u>				
Government Grants	(11,863,232)	(12,430,700)	(12,478,300)	(12,775,500)
Other Grants & Contributions	(309,962)	(325,700)	(325,700)	(333,800)
Fees & Charges	(2,759,310)	(2,276,800)	(2,103,000)	(2,018,100)
Central Recharges	(19,261,660)	(18,511,400)	(18,479,100)	(18,877,600)
Recharges to Non General Fund Accounts	(415,200)	(420,300)	(420,300)	(430,800)
TOTAL INCOME	(34,609,364)	(33,964,900)	(33,806,400)	(34,435,800)
NET EXPENDITURE	8,719,450	11,817,700	11,741,100	11,939,100
Central Items	(19,597,884)	(10,080,500)	(12,179,500)	(13,865,900)
Total for Corporate Services and Central Items	(10,878,434)	1,737,200	(438,400)	(1,926,800)
Movement (to)/from Reserves	(2,971,391)	571,500	(1,538,500)	528,100
Net Expenditure (including reserves)	(13,849,825)	2,308,700	(1,976,900)	(1,398,700)

BUDGETED STAFFING FTE'S

	2008-09	2009-10
Number of Full Time Equivalent Employees	303	296

WEB TEAM C01

This section creates and maintains the navigation and content for the Council's public website and intranet, develops a range of databases and web applications using e-forms, integrates web applications using web services and provides technical advice on web technology.

	<u>2007/08</u> <u>Actual</u> <u>£</u>	<u>2008/09</u> <u>Original</u> <u>£</u>	<u>2008/09</u> <u>Revised</u> <u>£</u>	<u>2009/10</u> <u>Estimate</u> <u>£</u>
<u>Expenditure</u>				
Employees	235,110	214,400	214,900	223,400
Transport	0	0	1,500	1,500
Supplies and Services	24,002	21,200	20,700	19,600
Central Recharges	59,425	61,700	50,800	52,600
TOTAL EXPENDITURE	318,537	297,300	287,900	297,100
<u>Income</u>				
Central Recharges	(318,537)	(297,300)	(287,900)	(297,100)
TOTAL INCOME	(318,537)	(297,300)	(287,900)	(297,100)
NET EXPENDITURE	0	0	0	0

Variation Analysis

Original Estimate 2008/09	0	0
Inflation	0	9,600
Demand Led Growth	0	0
Government Grant / Outside Body Growth	0	0
Budget Transfers	1,500	1,500
Service Reductions & Efficiencies / Income Generation	0	(2,200)
Capital Financing	0	0
Other Variations	(1,500)	(8,900)
Revised Budget 2008/09	<u>0</u>	
Original Budget 2009/10		<u>0</u>

WEB TEAM C01

KEY ACTIVITY DATA

Monthly average number of unique visitors accessing the - Council's website (based on April - August 2008).	110,000		
Monthly average number of visits to the Council's website (based on April - August 2008).	166,000		
Monthly average of web pages viewed (based on April - August 2008)	956,000		
	Actual	Forecast	
	<i>2007/08</i>	<i>2008/09</i>	<i>2009/10</i>
	<u>£000</u>	<u>£000</u>	<u>£000</u>
Total number of unique website visitors (annual)	1,036	1,300	1,400
Total number of visits to the website (annual)	2,693	2,100	2,200
Total number of web pages viewed (annual)	33,078	10,000	11,000

NATIONAL INDICATORS

	<u>2007/08 Actuals</u>		<u>Targets</u>	
	<u>Richmond</u>	<u>Top 25% London</u>	<u>2008/09</u>	<u>2009/10</u>
NI14 Avoidable Contact (Part of corporate aggregate figures)	N/A	N/A	66.00%	60.00%

Local Performance Indicators

Website availability each month	99.7%	N/A	>99.7%	>99.7%
SOCITM Better Connected - Website Survey	Transactional	Top 9%	Excellent	Excellent

	2008/09	2009/10
Number of Full Time Equivalent Employees	5.0	4.0

ICT & E-SERVICES C02

This budget comprises the strategic IT partnership with Serco and IT Client side. Serco are responsible for providing IT infrastructure, support and development of new E-Government systems and the new financial system. Examples of such developments are the contact centre, data image processing, on-line payment and enquiries systems.

IT Client side section is responsible for ensuring services delivered by Serco are according to the specifications in the contract.

	<u>2007/08</u> <u>Actual</u> <u>£</u>	<u>2008/09</u> <u>Original</u> <u>£</u>	<u>2008/09</u> <u>Revised</u> <u>£</u>	<u>2009/10</u> <u>Estimate</u> <u>£</u>
<u>Expenditure</u>				
Employees	931,254	998,700	998,700	1,069,800
Transport	3,165	3,600	27,400	28,000
Supplies and Services	5,283,077	5,233,600	5,400,200	5,665,700
Central Recharges	347,254	241,500	248,400	252,500
Capital Charges	65,641	(87,800)	65,500	65,500
TOTAL EXPENDITURE	6,630,391	6,389,600	6,740,200	7,081,500
<u>Income</u>				
Fees and Charges	0	0	0	0
Central Recharges	(6,630,391)	(6,389,600)	(6,740,200)	(7,081,500)
TOTAL INCOME	(6,630,391)	(6,389,600)	(6,740,200)	(7,081,500)
NET EXPENDITURE	0	0	0	0

Variation Analysis

Original Estimate 2008/09	0	0
Inflation	0	368,800
Demand Led Growth	0	0
Government Grant / Outside Body Growth	0	0
Budget Transfers	190,400	167,600
Service Reductions & Efficiencies / Income Generation	0	(8,800)
Capital Financing	153,300	153,300
Other Variations	(343,700)	(680,900)
Revised Budget 2008/09	0	
Original Budget 2009/10		0

ICT & E-SERVICES C02

KEY ACTIVITY DATA

	Actual	Forecast	Forecast
	2007/08	2008/09	2009/10
Number of PCs/ users supported	2,400	2,140	2,400
Number of helpdesk calls handled	16,000	12,500	16,500
Number of IT service requests carried out	6,000	5,500	7,000
Number of PC replacements carried out	500	380	500
Email system availability	99.96%	99.90%	99.70%
Other critical systems availability	99.98%	99.50%	99.70%
PC failiures fixed within 8 hours	99.57%	99.50%	97.00%
Telecommunication failiures fixed within 8 hours	99.29%	99.50%	97.00%
Number of staff equipped for home/remote working	55	250	1200

NATIONAL INDICATORS

2007/08 Actuals

Targets

Richmond **Top 25%**
London

2008/09

2009/10

None applicable

	2008/09	2009/10
Number of Full Time Equivalent Employees	20.8	21.3

HUMAN RESOURCES C03

Human Resources are responsible for managing, developing and reviewing the employment arrangements operated by the Council to enable it to meet its objectives effectively and to comply with Employment Legislation and National and Local Conditions of Service.

	<u>2007/08</u> <u>Actual</u> <u>£</u>	<u>2008/09</u> <u>Original</u> <u>£</u>	<u>2008/09</u> <u>Revised</u> <u>£</u>	<u>2009/10</u> <u>Estimate</u> <u>£</u>
<u>Expenditure</u>				
Employees	2,364,885	2,243,400	2,277,600	2,320,900
Premises	24,922	10,300	10,300	11,300
Transport	6,100	10,100	40,700	31,000
Supplies and Services	82,039	98,400	119,400	167,000
Third Party Payments	52,016	55,100	165,100	52,300
Capital Charges	184,627	65,500	66,700	66,700
Central Recharges	972,381	624,700	479,800	499,100
TOTAL EXPENDITURE	3,686,970	3,107,500	3,159,600	3,148,300
<u>Income</u>				
Fees and Charges	(690,088)	(538,200)	(538,200)	(621,000)
Central Recharges	(2,996,882)	(2,569,300)	(2,621,400)	(2,527,300)
TOTAL INCOME	(3,686,970)	(3,107,500)	(3,159,600)	(3,148,300)
NET EXPENDITURE	0	0	0	0

Variation Analysis

Original Estimate 2008/09	0	0
Inflation	0	55,000
Demand Led Growth	0	0
Government Grant / Outside Body Growth	0	0
Budget Transfers	195,800	60,600
Service Reductions & Efficiencies / Income Generation	0	(33,200)
Capital Financing	1,200	1,200
Other Variations	(197,000)	(83,600)
Revised Budget 2008/09	0	
Original Budget 2009/10		0

HUMAN RESOURCES C03**KEY ACTIVITY DATA**

This service provides a Human Resource function, including co-ordination of organisation and learning development, for approximately 4,200 current employees.

<u>BEST VALUE INDICATORS</u>	<u>2007/08 Actuals</u>		<u>Targets</u>	
	<u>Richmond</u>	<u>Top 25% London</u>	<u>2008/09</u>	<u>2009/10</u>
BV 11a Percentage of top paid 5% of Local Authority staff who are women	42.1%	49.1%	45%	45%
BV 11b Percentage of top paid 5% of Local Authority staff who are from an ethnic minority	1.3%	18.9%	5.0%	6.0%
BV 12 Number of working days/shifts lost to the Local Authority due to sickness absence	8.5 days	8.3 days	7.8 days	7.5 days
BV 14 Early retirements (excluding ill health) as a percentage of the total workforce	0.18%	0.20%	0.30%	0.30%
BV 15 Ill health retirements as a percentage of the total workforce	0.29%	0.10%	0.2%	0.2%
BV 16a The percentage of Local Authority employees with a disability	2.7%	4.90%	4.0%	5.0%
BV 17a Percentage of Local Authority employees from ethnic minority communities	10.0%	37%	9.9%	9.9%

	<u>2008/09</u>	<u>2009/10</u>
Number of Full Time Equivalent Employees	48.6	49.8

REVENUE SERVICES C04

This service is responsible for the Cash Office which administers and collects payments for all Council Departments. In 2008/09 budgets for senior management for the Revenues and Benefits services have been moved to Financial Services.

	<u>2007/08</u> <u>Actual</u> £	<u>2008/09</u> <u>Original</u> £	<u>2008/09</u> <u>Revised</u> £	<u>2009/10</u> <u>Estimate</u> £
<u>Expenditure</u>				
Employees	263,880	292,800	275,100	236,900
Transport	12,447	11,200	9,900	11,900
Supplies and Services	131,769	181,600	182,600	173,400
Central Recharges	0	143,200	101,300	104,300
TOTAL EXPENDITURE	408,096	628,800	568,900	526,500
<u>Income</u>				
Fees and Charges	(7,272)	(12,400)	(12,400)	(12,700)
Central Recharges	(400,824)	(616,400)	(556,500)	(513,800)
TOTAL INCOME	(408,096)	(628,800)	(568,900)	(526,500)
NET EXPENDITURE	0	0	0	0

Variation Analysis

Original Estimate 2008/09	0	0
Inflation	0	21,200
Demand Led Growth	0	0
Government Grant / Outside Body Growth	0	0
Budget Transfers	(18,000)	(16,500)
Service Reductions & Efficiencies / Income Generation	0	(68,400)
Capital Financing	0	0
Other Variations	18,000	63,700
Revised Budget 2008/09	0	
Original Budget 2009/10		0

REVENUE SERVICES C04

KEY ACTIVITY DATA

The Cash Office processes payments for the main funds of Council Tax, Business - Rates, sundry invoices, temporary accommodation rents, Housing Benefit - overpayments, and residual Mortgages.

The counter facility for face-to-face payments will be closing from 1st April 2009, as a large number of additional local payment outlets are being provided by way of Post - Offices and PayPoints throughout the borough.

Cash collections are carried out from on-street parking meters and from Council establishments.

Allocation and banking is also carried out on behalf of other internal sections and Council establishments.

<u>NATIONAL INDICATORS</u>	<u>2007/08 Actuals</u>		<u>Targets</u>	
	<u>Richmond</u>	<u>Top 25% London</u>	<u>2008/09</u>	<u>2009/10</u>
None applicable				
<u>Local Performance Indicators</u>	<u>2007/08 Actual</u>	<u>2008/09 Target</u>	<u>2009/10 Target</u>	
Postal payments processed the same day as received	96%	99%	99%	
Scheduled establishment collections carried out	N/A	99%	99%	
Scheduled Parking collections carried out	N/A	99%	99%	
Scheduled cash files sent to receiving systems	N/A	100%	100%	

	<u>2008/09</u>	<u>2009/10</u>
Number of Full Time Equivalent Employees	9.4	8.6

LEGAL SERVICES C05

This service provides in-house legal services across the council's functions, to schools and to certain other public bodies, assists in the procurement of other specialist advice and services and helps ensure the legality and probity of the authority's actions.

	<u>2007/08</u> <u>Actual</u> £	<u>2008/09</u> <u>Original</u> £	<u>2008/09</u> <u>Revised</u> £	<u>2009/10</u> <u>Estimate</u> £
<u>Expenditure</u>				
Employees	1,516,347	1,515,900	1,515,900	1,571,800
Transport	2,045	2,400	2,400	2,400
Supplies and Services	174,149	69,600	69,600	84,100
Central Recharges	317,819	302,500	248,200	256,300
TOTAL EXPENDITURE	2,010,360	1,890,400	1,836,100	1,914,600
<u>Income</u>				
Fees and Charges	(171,192)	(111,200)	(111,200)	(132,000)
Central Recharges	(1,839,168)	(1,779,200)	(1,724,900)	(1,782,600)
TOTAL INCOME	(2,010,360)	(1,890,400)	(1,836,100)	(1,914,600)
NET EXPENDITURE	0	0	0	0

0 0 0

Variation Analysis

Original Estimate 2008/09	0	0
Inflation	0	56,600
Demand Led Growth	0	0
Government Grant / Outside Body Growth	0	0
Budget Transfers	0	0
Service Reductions & Efficiencies / Income Generation	0	(7,000)
Capital Financing	0	0
Other Variations	0	(49,600)
Revised Budget 2008/09	0	
Original Budget 2009/10		0

LEGAL SERVICES C05

KEY ACTIVITY DATA

The provision of Legal Services varies according to demand from other services and relates to a wide range of work areas.
 During the first half of the year from 1 April to 30 September 2008 in addition to other legal work, Legal Services:

- dealt with 9 licensing hearings (which considered 15 applications), 165 Education Admission Appeals, 59 prosecutions, 1 appeal to the Crown Court, 3 new SEN Tribunal cases and concluded 6 that were started before April, 248 Freedom of Information requests.
- received instructions - 34 development agreements (total number of 125), 5 planning enforcement notices (total number of 54) and 2 planning appeals (total - number of 11) and a number of routine and non-routine contracts.
- received 3 new Employment Tribunal claims and have 30 ongoing claims (including part time pensions);
- received instructions in the following property matters - 10 freehold disposals, 1 freehold acquisition, 7 grant of leases, 3 new leases, 6 licences, 2 rent reviews, 1 Deed of Variation, 12 financial charges and 43 grave grants. Also, matters to progress include 20 freehold sales, 1 freehold purchase, 18 grant of leases, 9 licences and 17 grave grants;
- matters for Richmond Housing Partnership include 2 freehold sales, 1 sale of land, 1 grant of lease, 63 notices of assignment and mortgages.

NATIONAL INDICATORS

	<u>2007/08 Actuals</u>	<u>Targets</u>	
	<u>Richmond</u>	<u>Top 25%</u>	<u>2008/09</u>
		<u>London</u>	<u>2009/10</u>

None applicable

	2008/09	2009/10
Number of Full Time Equivalent Employees	27.9	28.0

DEMOCRATIC SERVICES C06

Democratic Services provides the administration and support for meetings (including Council, Cabinet, Overview & Scrutiny Committees and other Committees), for the Scrutiny function generally and for elected Members in their various roles.

	<u>2007/08</u> <u>Actual</u> £	<u>2008/09</u> <u>Original</u> £	<u>2008/09</u> <u>Revised</u> £	<u>2009/10</u> <u>Estimate</u> £
<u>Expenditure</u>				
Employees	622,212	670,000	695,000	713,400
Transport	593	900	9,800	5,400
Supplies and Services	118,938	103,000	103,000	101,100
Central Recharges	367,860	371,400	307,800	319,600
TOTAL EXPENDITURE	1,109,603	1,145,300	1,115,600	1,139,500
<u>Income</u>				
Fees and Charges	(1,160)	(4,000)	(4,000)	0
Central Recharges	(1,108,443)	(1,141,300)	(1,111,600)	(1,139,500)
TOTAL INCOME	(1,109,603)	(1,145,300)	(1,115,600)	(1,139,500)
NET EXPENDITURE	0	0	0	0

Variation Analysis

Original Estimate 2008/09	0	0
Inflation	0	26,600
Demand Led Growth	0	0
Government Grant / Outside Body Growth	0	0
Budget Transfers	33,900	29,400
Service Reductions & Efficiencies / Income Generation	0	(6,000)
Capital Financing	0	0
Other Variations	(33,900)	(50,000)
Revised Budget 2008/09	0	
Original Budget 2009/10		0

DEMOCRATIC SERVICES C06

KEY ACTIVITY DATA

Approximately 100 Council/Cabinet/Committee/Sub-Committee meetings serviced per - annum, plus Scrutiny Task Groups and Area Consultation Meetings.

Dedicated support to the Leader of the Council, 8 Cabinet Members, Mayor and Deputy Mayor.

<u>NATIONAL INDICATORS</u>	<u>2007/08 Actuals</u>		<u>Targets</u>	
	<u>Richmond</u>	<u>Top 25% London</u>	<u>2008/09</u>	<u>2009/10</u>

None applicable

	2008/09	2009/10
Number of Full Time Equivalent Employees	17.0	17.5

FINANCIAL SERVICES C07

Finance manages and guides the Strategic Resource Allocation process through strategic financial management. It also provides accountancy, payroll, payments, banking and other financial services, and promotes and develops control and risk management practices.

	<u>2007/08</u>	<u>2008/09</u>	<u>2008/09</u>	<u>2009/10</u>
	<u>Actual</u>	<u>Original</u>	<u>Revised</u>	<u>Estimate</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
<u>Expenditure</u>				
Employees	2,616,024	2,793,200	2,744,700	2,762,700
Transport	6,077	6,700	27,300	23,300
Supplies and Services	323,481	197,600	295,100	250,400
Third Party Payments	273	3,000	3,000	2,900
Central Recharges	884,243	718,200	727,500	743,000
TOTAL EXPENDITURE	3,830,098	3,718,700	3,797,600	3,782,300
<u>Income</u>				
Fees and Charges	(154,284)	(140,000)	(140,000)	(143,500)
Central Recharges	(3,260,614)	(3,158,400)	(3,237,300)	(3,208,000)
Recharges to Non General Fund Accounts	(415,200)	(420,300)	(420,300)	(430,800)
TOTAL INCOME	(3,830,098)	(3,718,700)	(3,797,600)	(3,782,300)
NET EXPENDITURE	0	0	0	0

Variation Analysis

Original Estimate 2008/09	0	0
Inflation	0	114,700
Demand Led Growth	0	0
Government Grant / Outside Body Growth	0	0
Budget Transfers	69,600	25,100
Service Reductions & Efficiencies / Income Generation	0	(115,000)
Capital Financing	0	0
Other Variations	(69,600)	(24,800)
Revised Budget 2008/09	0	
Original Budget 2009/10		0

FINANCIAL SERVICES C07**KEY ACTIVITY DATA**

Development of the Authority's longer term financial strategy and leadership and support in the development of risk management register.

Production of budgets to agreed timetable.

Closure of accounts in accordance with legislative timetable.

The Director of Finance and Corporate Services is the Section 151 Officer for the Council.

Payroll and Pensions section processed 88,972 payslips last year.

Creditors Control section processed 65,000 invoices last year.

Payroll and Pensions section administers 2,835 pensioners with a total membership of 9,498.

The Internal Audit section delivers approximately 1350 audit days per year and examines procedures and systems in all departments, to ensure the control environment is operating effectively. The planned audit days cover the delivery of approximately 100 reports/ assignments, and also includes the promoting and monitoring of the Council's risk management and assurance framework processes. The section also carries out a programme of pro-active fraud checks and special investigations as required; it also deals with the National Fraud Initiative (Audit Commission) data matching exercises.

Accountancy section supports a gross revenue budget of £443m (including expenditure budgets within Central Items) for 2008/09 and a capital programme of £42m, and issues monitoring reports to 100 budget holders. The section prepares and coordinates grant claims to the value of £124m per year, excluding the Dedicated School Grant, and is responsible for 83,000 BACS & CHAPS payments annually. The Section also issues 43,060 invoices per year to customers, with supporting credit notes, reminders, copy invoices and court letters.

<u>BEST VALUE INDICATORS</u>	<u>2007/08 Actuals</u>		<u>Targets</u>	
	<u>Richmond</u>	<u>Top 25% London</u>	<u>2008/09</u>	<u>2009/10</u>
BV 8 Percentage of invoices paid within 30 days or within the agreed payment terms	85.7%	94%	93%	95%
<u>Local Performance Indicators</u>				
Audit Plan completed	100%		100%	
Post audit questionnaires where satisfactory - rating has been provided	100%		100%	
Priority 1 recommendations agree	100%		100%	
Internal control KLOE score	Level 3		Level 4	

	<u>2008/09</u>	<u>2009/10</u>
Number of Full Time Equivalent Employees	61.0	57.0

CHIEF EXECUTIVE'S OFFICE C08

This section covers the cost of the Chief Executive and supporting staff.

	<u>2007/08</u> <u>Actual</u> £	<u>2008/09</u> <u>Original</u> £	<u>2008/09</u> <u>Revised</u> £	<u>2009/10</u> <u>Estimate</u> £
<u>Expenditure</u>				
Employees	273,019	277,400	344,200	301,100
Transport	1,706	1,200	5,800	5,900
Supplies and Services	7,524	89,900	3,800	90,300
Central Recharges	69,378	38,900	39,300	40,100
TOTAL EXPENDITURE	351,627	407,400	393,100	437,400
<u>Income</u>				
Central Recharges	(351,627)	(407,400)	(393,100)	(437,400)
TOTAL INCOME	(351,627)	(407,400)	(393,100)	(437,400)
NET EXPENDITURE	0	0	0	0

Variation Analysis

Original Estimate 2008/09	0	0
Inflation	0	27,200
Demand Led Growth	0	0
Government Grant / Outside Body Growth	0	0
Budget Transfers	(14,700)	34,200
Service Reductions & Efficiencies / Income Generation	0	(32,600)
Capital Financing	0	0
Other Variations	14,700	(28,800)
Revised Budget 2008/09	<u>0</u>	
Original Budget 2009/10		<u>0</u>

CHIEF EXECUTIVE'S OFFICE C08

KEY ACTIVITY DATA

The Chief Executive is the head of the Council's paid service.

The Chief Executive's Office is responsible for all aspects of the Council's functions, in particular:

- providing strategic advice to the Council
- the development and implementation of policies
- improving performance management

NATIONAL INDICATORS

	<u>2007/08 Actuals</u>		<u>Targets</u>	
	<u>Richmond</u>	<u>Top 25% London</u>	<u>2008/09</u>	<u>2009/10</u>

None applicable

	2008/09	2009/10
Number of Full Time Equivalent Employees	2.0	2.5

ELECTORAL SERVICES C10

The Electoral Services team is responsible for the Electoral Register and administering all elections and referenda within the Borough. They also assist with the review and implementation of local and Parliamentary boundary changes.

	<u>2007/08</u> <u>Actual</u> £	<u>2008/09</u> <u>Original</u> £	<u>2008/09</u> <u>Revised</u> £	<u>2009/10</u> <u>Estimate</u> £
<u>Expenditure</u>				
Employees	202,876	228,300	228,300	245,500
Supplies and Services	206,531	192,600	303,900	198,200
Central Recharges	123,695	113,300	83,900	86,800
TOTAL EXPENDITURE	533,102	534,200	616,100	530,500
<u>Income</u>				
Fees and Charges	(7,102)	(4,400)	(4,400)	(4,500)
TOTAL INCOME	(7,102)	(4,400)	(4,400)	(4,500)
NET EXPENDITURE	526,000	529,800	611,700	526,000

Variation Analysis

Original Estimate 2008/09	529,800	529,800
Inflation	0	16,100
Demand Led Growth	0	0
Government Grant / Outside Body Growth	0	0
Budget Transfers	98,200	8,900
Service Reductions & Efficiencies / Income Generation	0	(15,400)
Capital Financing	0	0
Other Variations	(16,300)	(13,400)
Revised Budget 2008/09	<u>611,700</u>	
Original Budget 2009/10		<u>526,000</u>

ELECTORAL SERVICES C10

KEY ACTIVITY DATA

Total electorate as at 1st September 2008	133,117
<p>The Electoral Services processes 120,000 Voter Registration forms during the annual canvass and an average of 1,104 Alteration forms per month during the rolling registration period.</p> <p>At election time the team is responsible for over 54 polling stations, all election staff used by the authority, all postal votes and the Count.</p>	

NATIONAL INDICATORS

2007/08 Actuals

Targets

**Richmond Top 25%
London**

2008/09 2009/10

None applicable

	2008/09	2009/10
Number of Full Time Equivalent Employees	6.0	6.0

DEMOCRATIC REPRESENTATION AND MANAGEMENT C11

This represents costs incurred as a direct result of being a multi-purpose democratic organisation.

	<u>2007/08</u> <u>Actual</u> £	<u>2008/09</u> <u>Original</u> £	<u>2008/09</u> <u>Revised</u> £	<u>2009/10</u> <u>Estimate</u> £
<u>Expenditure</u>				
Mayor's Allowances & Support Services	31,672	29,700	29,700	30,400
Members' Allowances	703,448	712,400	732,400	750,700
Members' Expenses & Support Services	187,692	177,400	198,400	202,000
Committee Meeting Refreshments	5,813	12,900	12,900	12,300
Civic Functions and Regalia	17,096	15,600	15,600	14,800
Subscriptions to Assoc. of Local Government	218,886	241,000	251,000	247,000
Central Recharges	1,628,837	1,595,000	1,374,200	1,410,200
TOTAL EXPENDITURE	2,793,444	2,784,000	2,614,200	2,667,400
<u>Income</u>				
Fees and Charges	(500)	(1,300)	(1,300)	(1,300)
TOTAL INCOME	(500)	(1,300)	(1,300)	(1,300)
NET EXPENDITURE	2,792,944	2,782,700	2,612,900	2,666,100

Variation Analysis

Original Estimate 2008/09	2,782,700	2,782,700
Inflation	0	73,600
Demand Led Growth	0	0
Government Grant / Outside Body Growth	0	0
Budget Transfers	51,000	0
Service Reductions & Efficiencies / Income Generation	0	(5,400)
Capital Financing	0	0
Other Variations	(220,800)	(184,800)
Revised Budget 2008/09	<u>2,612,900</u>	
Original Budget 2009/10		<u>2,666,100</u>

DEMOCRATIC REPRESENTATION AND MANAGEMENT C11

KEY ACTIVITY DATA

This service provides support for 54 Councillors, including a comprehensive Training and Development Programme.

Funding the organisation of 500-550 Mayoral events per annum.

<u>NATIONAL INDICATORS</u>	<u>2007/08 Actuals</u>		<u>Targets</u>	
	<u>Richmond</u>	<u>Top 25% London</u>	<u>2008/09</u>	<u>2009/10</u>

None applicable

	2008/09	2009/10
Number of Full Time Equivalent Employees	0.00	0.00

COST OF LOCAL TAX COLLECTION C14, C15

This service is responsible for the billing, collection and recovery of the council tax and business rates from every household and business in the borough. It also covers the administration of benefits for approximately 10,000 residents.

	<u>2007/08</u> <u>Actual</u> <u>£</u>	<u>2008/09</u> <u>Original</u> <u>£</u>	<u>2008/09</u> <u>Revised</u> <u>£</u>	<u>2009/10</u> <u>Estimate</u> <u>£</u>
<u>Expenditure</u>				
Employees	2,459,684	2,512,500	2,528,000	2,629,600
Transport	10,661	10,200	33,900	27,000
Supplies and Services	640,558	456,900	489,000	435,700
Third Party Payments	225,097	236,500	236,500	242,400
Transfer Payments (of CTax Benefits)	10,680,902	11,499,200	11,499,200	11,786,500
Central Recharges	1,781,798	1,691,300	1,678,800	1,717,900
TOTAL EXPENDITURE	15,798,700	16,406,600	16,465,400	16,839,100
<u>Income</u>				
Government Grants	(11,863,233)	(12,430,700)	(12,478,300)	(12,775,500)
Other Grants and Contributions	(309,962)	(325,700)	(325,700)	(333,800)
Fees and Charges	(426,960)	(358,800)	(358,800)	(367,800)
TOTAL INCOME	(12,600,155)	(13,115,200)	(13,162,800)	(13,477,100)
NET EXPENDITURE	3,198,545	3,291,400	3,302,600	3,362,000

Variation Analysis

Original Estimate 2008/09	3,291,400	3,291,400
Inflation	0	38,100
Demand Led Growth	0	0
Government Grant / Outside Body Growth	0	66,100
Budget Transfers	23,700	16,200
Service Reductions & Efficiencies / Income Generation	0	(76,400)
Capital Financing	0	0
Other Variations	(12,500)	26,600
Revised Budget 2008/09	<u>3,302,600</u>	
Original Budget 2009/10		<u>3,362,000</u>

COST OF LOCAL TAX COLLECTION C14**KEY ACTIVITY DATA**

On average 85,600 Council Tax & NNDR Bills are sent out each year, of total value in excess of £190 million.

Housing and Council Tax benefits amount to nearly £53.4 million.

<u>BEST VALUE INDICATORS</u>	<u>2007/08 Actuals</u>		<u>Targets</u>	
	<u>Richmond</u>	<u>Top 25% London</u>	<u>2008/09</u>	<u>2009/10</u>
BV 9 Percentage of Council Tax collected	98.7%	96%	98.6%	98.6%
BV 10 Percentage of non-domestic rates collected	99.6%	99%	98.8%	99.0%
BV 76 <u>Housing Benefit Security</u>				
a) Number of claimants visited, per 1000 caseload	N/A	N/A	152	152
b) Number of investigators employed, per 1000 caseload	0.25	N/A	0.35	0.35
c) Number of fraud investigations, per 1000 caseload	17	N/A	25	30
d) Number of prosecutions and sanctions, per 1000 caseload	3.7	N/A	8	9
BV 79 <u>Accuracy of processing:</u>				
a) Percentage of case for which the calculation of the amount of benefit due was correct	99.8%	99.5%	99%	99%
b)i) Percentage of recoverable overpayments recovered	87.0%	74.6%	78%	80%
b)ii) Percentage of all overpayments deemed recoverable, non-recoverable and written off that were recovered	26.8%	28.8%	55.0%	60%
<u>NATIONAL INDICATORS</u>				
NI 14 Avoidable Contact (part of corporate figure)	N/A		25%	
NI 180 Number of changes to benefit entitlement	N/A		8,500	
NI 181 Average time to change new claims & - change events	N/A		15 days	

	2008/09	2009/10
Number of Full Time Equivalent Employees	67.0	67.0

PERFORMANCE AND BUSINESS IMPROVEMENT UNIT C16

This service is responsible for the Corporate Management of Performance including publication of the Corporate Plan and monitoring arrangements; ensuring that there is a framework and guidance for performance management; guidance on service planning; corporate management of data quality. This service has now been transferred to Adult and Community Services.

	<u>2007/08</u> <u>Actual</u> £	<u>2008/09</u> <u>Original</u> £	<u>2008/09</u> <u>Revised</u> £	<u>2009/10</u> <u>Estimate</u> £
<u>Expenditure</u>				
Employees	237,136	213,300	0	0
Transport	1,033	2,000	0	0
Supplies and Services	47,395	61,700	0	0
Central Recharges	86,503	68,000	0	0
TOTAL EXPENDITURE	372,067	345,000	0	0
<u>Income</u>				
Central Recharges	(372,067)	(345,000)	0	0
TOTAL INCOME	(372,067)	(345,000)	0	0
NET EXPENDITURE	0	0	0	0

Variation Analysis

Original Estimate 2008/09	0	0
Inflation	0	0
Demand Led Growth	0	0
Government Grant / Outside Body Growth	0	0
Budget Transfers	(277,000)	(277,000)
Service Reductions & Efficiencies / Income Generation	0	0
Capital Financing	0	0
Other Variations	277,000	277,000
Revised Budget 2008/09	0	
Original Budget 2009/10		0

ECONOMIC DEVELOPMENT C20

This cost centre provides funding for the external management of Richmond, Twickenham and Whitton town centres. This service has now been transferred to Environment.

	<u>2007/08</u> <u>Actual</u> £	<u>2008/09</u> <u>Original</u> £	<u>2008/09</u> <u>Revised</u> £	<u>2009/10</u> <u>Estimate</u> £
<u>Expenditure</u>				
Supplies and Services	0	23,000	0	0
Third Party Payments	0	33,200	0	0
Central Recharges	0	0	0	0
TOTAL EXPENDITURE	0	56,200	0	0
<u>Income</u>				
Fees and Charges	0	0	0	0
TOTAL INCOME	0	0	0	0
NET EXPENDITURE	0	56,200	0	0
	0	56,200	0	0

Variation Analysis

Original Estimate 2008/09	56,200	56,200
Inflation	0	0
Demand Led Growth	0	0
Government Grant / Outside Body Growth	0	0
Budget Transfers	(56,200)	(56,200)
Service Reductions & Efficiencies / Income Generation	0	0
Capital Financing	0	0
Other Variations	0	0
Revised Budget 2008/09	0	
Original Budget 2009/10		0

CORPORATE MANAGEMENT C17

The Best Value Accounting Code of Practice requires that activities and costs that provide (a) the infrastructure that allows services to be provided and (b) information that is needed for public accountability, should be budgeted for and reported separately from other costs under the heading Corporate Management.

	<u>2007/08</u> <u>Actual</u> £	<u>2008/09</u> <u>Original</u> £	<u>2008/09</u> <u>Revised</u> £	<u>2009/10</u> <u>Estimate</u> £
<u>Expenditure</u>				
Supplies and Services	344,718	371,800	658,500	278,600
Third Party Payments	464,548	405,800	392,800	394,500
Central Recharges	970,479	933,500	722,700	771,300
TOTAL EXPENDITURE	1,779,745	1,711,100	1,774,000	1,444,400
<u>Income</u>				
Fees and Charges	(25,880)	0	0	0
TOTAL INCOME	(25,880)	0	0	0
NET EXPENDITURE	1,753,865	1,711,100	1,774,000	1,444,400

Variation Analysis

Original Estimate 2008/09	1,711,100	1,711,100
Inflation	0	24,500
Demand Led Growth	0	0
Government Grant / Outside Body Growth	0	0
Budget Transfers	273,700	(99,000)
Service Reductions & Efficiencies / Income Generation	0	(30,000)
Capital Financing	0	0
Other Variations	(210,800)	(162,200)
Revised Budget 2008/09	<u>1,774,000</u>	
Original Budget 2009/10		<u>1,444,400</u>

CORPORATE MANAGEMENT C17

KEY ACTIVITY DATA

None applicable.

NATIONAL INDICATORS

2007/08 Actuals

Targets

**Richmond Top 25%
London**

2008/09 2009/10

None applicable

	2008/09	2009/10
Number of Full Time Equivalent Employees	0.00	0.00

NON DISTRIBUTED COSTS C18

The Best Value Accounting Code of Practice specifically excludes certain costs and overheads from being charged, allocated or apportioned to front line services. The two main areas that this covers are certain costs relating to prior period retirement benefits and unused shares of certain assets such as IT facilities.

	<u>2007/08</u> <u>Actual</u> <u>£</u>	<u>2008/09</u> <u>Original</u> <u>£</u>	<u>2008/09</u> <u>Revised</u> <u>£</u>	<u>2009/10</u> <u>Estimate</u> <u>£</u>
<u>Expenditure</u>				
Employees	(278,151)	2,429,900	2,429,900	2,490,700
Third Party Payments	19,955	8,900	8,900	9,100
Central Recharges	235,377	214,100	214,500	227,100
Capital Charges	600,353	649,000	649,000	702,000
TOTAL EXPENDITURE	577,534	3,301,900	3,302,300	3,428,900
<u>Income</u>				
Other Income	0	0	0	0
TOTAL INCOME	0	0	0	0
NET EXPENDITURE	577,534	3,301,900	3,302,300	3,428,900

Variation Analysis

Original Estimate 2008/09	3,301,900	3,301,900
Inflation	0	61,000
Demand Led Growth	0	0
Government Grant / Outside Body Growth	0	0
Budget Transfers	0	0
Service Reductions & Efficiencies / Income Generation	0	0
Capital Financing	0	53,000
Other Variations	400	13,000
Revised Budget 2008/09	<u>3,302,300</u>	
Original Budget 2009/10		<u>3,428,900</u>

NON DISTRIBUTED COSTS C18

KEY ACTIVITY DATA

None applicable.

NATIONAL INDICATORS

2007/08 Actuals

Targets

**Richmond Top 25%
London**

2008/09 2009/10

None applicable

	2008/09	2009/10
Number of Full Time Equivalent Employees*	0.00	0.00

*Employee costs under this cost centre represent past service pension costs.

COMMUNICATIONS C19

This section is responsible for internal and external communications including media relations, corporate branding, producing the Council's magazine and other publications, and co-ordinating filming in the borough.

	<u>2007/08</u> <u>Actual</u> £	<u>2008/09</u> <u>Original</u> £	<u>2008/09</u> <u>Revised</u> £	<u>2009/10</u> <u>Estimate</u> £
<u>Expenditure</u>				
Employees	21,010	37,200	37,200	38,200
Premises	322	300	300	0
Transport	410	800	5,200	5,300
Supplies and Services	71,418	53,300	58,600	55,600
Third Party Payments	450,484	436,700	436,700	447,700
Central Recharges	79,555	43,200	16,900	17,100
TOTAL EXPENDITURE	623,199	571,500	554,900	563,900
<u>Income</u>				
Fees and Charges	(52,326)	(38,200)	(38,200)	(39,200)
Central Recharges	(570,873)	(533,300)	(516,700)	(524,700)
TOTAL INCOME	(623,199)	(571,500)	(554,900)	(563,900)
NET EXPENDITURE	0	0	0	0

Variation Analysis

Original Estimate 2008/09	0	0
Inflation	0	14,100
Demand Led Growth	0	0
Government Grant / Outside Body Growth	0	0
Budget Transfers	9,700	9,400
Service Reductions & Efficiencies / Income Generation	0	(6,000)
Capital Financing	0	0
Other Variations	(9,700)	(17,500)
Revised Budget 2008/09	0	
Original Budget 2009/10		0

COMMUNICATIONS C19

KEY ACTIVITY DATA

Annual budgeted filming income	£38,200
Communications Unit responsibilities include: Media relations - newspapers, journals, radio & TV Publications, internal communications	
Production of the Council Magazine, Arcadia	

<u>NATIONAL INDICATORS</u>	<u>2007/08 Actuals</u>		<u>Targets</u>	
	<u>Richmond</u>	<u>Top 25% London</u>	<u>2008/09</u>	<u>2009/10</u>

None applicable

	2008/09	2009/10
Number of Full Time Equivalent Employees	1.0	1.0

In a partnership with Westminster City Council, there is one Richmond member of staff and the others are Westminster staff.

PRECEPTS AND LEVIES C21

This cost centre includes the cost of levies that the Council has to pay each year that are not part of its own services under BVACOP and the service expenditure analysis. Principal levies charged here relate to the London Pensions Fund Authority, Coroners Court and the Local Levy for Flood Defence.

	<u>2007/08</u> <u>Actual</u> £	<u>2008/09</u> <u>Original</u> £	<u>2008/09</u> <u>Revised</u> £	<u>2009/10</u> <u>Estimate</u> £
<u>Expenditure</u>				
Third Party Payments	541,737	564,800	564,800	765,900
TOTAL EXPENDITURE	541,737	564,800	564,800	765,900

Variation Analysis

Original Estimate 2008/09	564,800	564,800
Inflation	0	14,200
Demand Led Growth	0	0
Government Grant / Outside Body Growth	0	186,900
Budget Transfers	0	0
Service Reductions & Efficiencies / Income Generation	0	0
Capital Financing	0	0
Other Variations	0	0
Revised Budget 2008/09	<u>564,800</u>	
Original Budget 2009/10		<u>765,900</u>

PRECEPTS AND LEVIES C21

KEY ACTIVITY DATA

None applicable.

<u>NATIONAL INDICATORS</u>	<u>2007/08 Actuals</u>		<u>Targets</u>	
	<u>Richmond</u>	<u>Top 25% London</u>	<u>2008/09</u>	<u>2009/10</u>

None applicable

	2008/09	2009/10
Number of Full Time Equivalent Employees	0.00	0.00

CUSTOMER SERVICES & CONTACT CENTRE C23

Customer Services handles face to face enquiries at two reception desks, these are located in the Atrium and Planning Reception. Customer Services also handles telephone and email enquiries for the majority of the Environment Directorate services, and customers contacting the Council via the main published number. This operation is located in the Corporate Contact Centre. In addition, a telephone and email frontline service is provided for customers contacting the Council about Adult Social Care services.

	<u>2007/08</u> <u>Actual</u> £	<u>2008/09</u> <u>Original</u> £	<u>2008/09</u> <u>Revised</u> £	<u>2009/10</u> <u>Estimate</u> £
<u>Expenditure</u>				
Employees	856,449	841,900	924,900	996,000
Transport	2,597	100	6,000	3,100
Supplies and Services	122,651	44,200	71,600	70,200
Central Recharges	479,635	390,000	289,100	299,400
Capital Charges	33,829	34,000	33,900	33,900
TOTAL EXPENDITURE	1,495,161	1,310,200	1,325,500	1,402,600
<u>Income</u>				
Fees and Charges	(82,925)	(36,000)	(36,000)	(36,900)
Central Recharges	(1,412,236)	(1,274,200)	(1,289,500)	(1,365,700)
TOTAL INCOME	(1,495,161)	(1,310,200)	(1,325,500)	(1,402,600)
NET EXPENDITURE	0	0	0	0

Variation Analysis

Original Estimate 2008/09	0	0
Inflation	0	78,300
Demand Led Growth	0	0
Government Grant / Outside Body Growth	0	0
Budget Transfers	116,300	108,300
Service Reductions & Efficiencies / Income Generation	0	(4,400)
Capital Financing	(100)	(100)
Other Variations	(116,200)	(182,100)
Revised Budget 2008/09	0	
Original Budget 2009/10		0

CUSTOMER SERVICES & CONTACT CENTRE C23

KEY ACTIVITY DATA

<p>Customer Services handles face to face enquiries at two reception desks, the Atrium and Planning Reception.</p> <p>Customer Service also handles and resolves telephone and email enquiries for the Environment Directorate services and customers contacting the Council via the main contact telephone number. This service is located in the Corporate Contact Centre.</p>		
	2007/08 Actual	2008/09 Estimate
Visitors helped by customer service desks - Civic Centre	94,000	85,000
Telephone enquiries -Switchboard	138,946	0
Email Enquiries		27,000
Contact Centre	216,262	240,000
Total	355,208	267,000

NATIONAL INDICATORS

<u>2007/08 Actuals</u>		<u>Targets</u>	
<u>Richmond</u>	<u>Top 25% London</u>	<u>2008/09</u>	<u>2009/10</u>

None applicable

Local Performance Indicators

80% of telephone calls - answered within 20 seconds	74%	80%	80%
Abandoned calls	5%	5%	5%
First call resolution	72%	80%	80%

	2008/09	2009/10
Number of Full Time Equivalent Employees	28.9	28.9

LAND CHARGES C24

The Local Land Charges service processes conveyancing searches for land and property within the borough. The section collates information from across departments in order to produce official search reports requested by solicitors, conveyancers and those involved in producing Home Information Packs (HIPS). The section is responsible for maintenance of and access to the Local Land Charges Register and the Register of Common Land and Village Greens. A service is also provided to Personal Search Agents. The service is moving towards full electronic service delivery through the National Land Information Service (NLIS) and processing searches under the new Home Information Pack regulation.

	<u>2007/08</u> <u>Actual</u> £	<u>2008/09</u> <u>Original</u> £	<u>2008/09</u> <u>Revised</u> £	<u>2009/10</u> <u>Estimate</u> £
<u>Expenditure</u>				
Employees	177,056	131,200	131,200	133,200
Transport	5	0	1,500	1,500
Supplies and Services	13,734	8,300	8,300	7,700
Central Recharges	99,794	79,300	70,800	71,200
TOTAL EXPENDITURE	290,589	218,800	211,800	213,600
<u>Income</u>				
Fees and Charges	(915,019)	(651,500)	(651,500)	(467,800)
TOTAL INCOME	(915,019)	(651,500)	(651,500)	(467,800)
NET EXPENDITURE	(624,430)	(432,700)	(439,700)	(254,200)

Variation Analysis

Original Estimate 2008/09	(432,700)	(432,700)
Inflation	0	(13,700)
Demand Led Growth	0	200,000
Government Grant / Outside Body Growth	0	0
Budget Transfers	1,500	1,500
Service Reductions & Efficiencies / Income Generation	0	(1,200)
Capital Financing	0	0
Other Variations	(8,500)	(8,100)
Revised Budget 2008/09	<u>(439,700)</u>	
Original Budget 2009/10		<u>(254,200)</u>

LAND CHARGES C24

KEY ACTIVITY DATA

Official Searches processed by Land Charges Department (April - December 2008)		1,587
Income received for local land charges service (April - December 2008)		£386,755
	Actual	Forecast
	<i>2007/08</i>	<i>2008/09</i>
Official searches processed	4,273	1,800
Income Received	£ 899,652	£400,000

NATIONAL INDICATORS

	<u>2007/08 Actuals</u>		<u>Targets</u>	
	<u>Richmond</u>	<u>Top 25% London</u>	<u>2008/09</u>	<u>2009/10</u>

None applicable

Local Performance Indicators

Standard Searches processed in 10 working days	100%	100%
Standard Searches processed in 5 working days	82%	80%

	2008/09	2009/10
Number of Full Time Equivalent Employees	4.0	4.0

HOME LOANS UNIT M69

The Home Loans Unit administers the ex-GLC residential mortgage portfolio on behalf of the 33 London boroughs, under the terms of SI 1988 No 1747. Revenue and capital surpluses generated by the the mortgages are distributed to the boroughs twice annually using criteria set out in the statutory instrument. The budget includes the HLU's revenue income streams and operating expenses. The level of mortgage repayments currently received is now substantially lower than in the period immediately after the transfer from GLC, with the portfolio now valued at less that £0.5m compared to £100m on transfer.

	<u>2007/08</u> <u>Actual</u> £	<u>2008/09</u> <u>Original</u> £	<u>2008/09</u> <u>Revised</u> £	<u>2009/10</u> <u>Estimate</u> £
<u>Expenditure</u>				
Employees	80,730	168,000	68,800	71,200
Premises	1,983	4,000	2,000	2,000
Supplies and Services	82,017	208,800	136,200	105,200
Central Recharges	13,126	12,500	12,500	13,000
TOTAL EXPENDITURE	177,856	393,300	219,500	191,400
<u>Income</u>				
Fees and Charges	(224,601)	(380,800)	(207,000)	(191,400)
TOTAL INCOME	(224,601)	(380,800)	(207,000)	(191,400)
NET EXPENDITURE	(46,745)	12,500	12,500	0

Variation Analysis

Original Estimate 2008/09	12,500	12,500
Inflation	0	0
Demand Led Growth	0	0
Government Grant / Outside Body Growth	0	0
Budget Transfers	0	0
Service Reductions & Efficiencies / Income Generation	0	0
Capital Financing	0	0
Other Variations	0	(12,500)
Revised Budget 2008/09	<u>12,500</u>	
Original Budget 2009/10		<u>0</u>

CENTRAL ITEMS

	<u>2007/08</u> <u>Actual</u> £	<u>2008/09</u> <u>Original</u> £	<u>2008/09</u> <u>Revised</u> £	<u>2009/10</u> <u>Estimate</u> £
<u>ASSET MGMT & TREASURY</u>				
INTEREST PAID	4,588,636	4,803,000	4,803,000	4,805,000
INTEREST RECEIVED	(6,138,999)	(4,219,000)	(4,219,000)	(2,303,000)
MRP (Principal Loan Repay)	921,000	1,185,000	1,185,000	1,396,000
REVERSAL OF DEPRECIATION	(26,600,036)	(7,299,200)	(8,534,700)	(8,534,700)
REVERSAL OF DEFERRED CHARGES	(6,757,109)	(8,200,000)	(10,720,000)	(14,230,000)
REVERSAL OF GOVT. GRANT DEFERRED	5,232,088	2,531,900	5,232,100	5,232,100
<u>CONTINGENCY ITEMS</u>				
SINGLE STATUS	0	350,000	100,000	0
WLWA SECTION 52	0	1,217,800	605,200	706,700
PFI AFFORDABILITY	0	0	0	80,000
GENERAL	0	500,000	318,900	482,000
ADVERTISING INCOME	0	0	0	(50,000)
<u>OTHER</u>				
CORPORATE INCOME	(365,354)	0	0	0
CAPITALISATION OF REVENUE	0	(200,000)	(200,000)	(700,000)
REVENUE FINANCING OF CAPITAL	9,521,889	0	0	0
USE OF GENERAL RESERVE	0	(750,000)	(750,000)	(750,000)
TRANSFER TO/(FROM) RESERVES	(2,971,391)	571,500	(1,538,500)	528,100
	<u>(22,569,275)</u>	<u>(9,509,000)</u>	<u>(13,718,000)</u>	<u>(13,337,800)</u>

Variation Analysis

Original Estimate 2008/09	(9,509,000)	(9,509,000)
Inflation	0	0
Demand Led Growth	0	0
Government Grant / Outside Body Growth	0	1,000,000
Investment Priorities	0	569,000
Budget Transfers	(3,153,700)	(1,643,500)
Service Reductions & Efficiencies / Income Generation	0	(150,000)
Capital Financing	(1,055,300)	(4,565,300)
Other Variations	0	961,000
Revised Budget 2008/09	<u>(13,718,000)</u>	
Original Budget 2009/10		<u>(13,337,800)</u>

Section D

CHILDREN'S SERVICES AND CULTURE

Should you have any queries concerning the Environment Budget Pages please contact:

Collette Carter
Principal Finance Manager (Childrens Services & Culture)

Tel: 020 8891 7297

Email: C.Carter@richmond.gov.uk

REVENUE BUDGET - SUMMARY OF EXPENDITURE

<u>PURPOSE</u>	<u>2007/08</u> <u>ACTUAL</u> £	<u>2008/09</u> <u>ORIGINAL</u> £	<u>2008/09</u> <u>REVISED</u> £	<u>2009/10</u> <u>ESTIMATE</u> £
Specialist Services				
Specialist Services Management	0	0	0	0
Social Work	4,679,298	4,802,100	4,348,000	4,331,000
Looked After Children	4,490,298	5,022,400	4,995,600	5,215,300
Family Support	1,432,751	1,812,100	1,713,500	1,738,400
Other Children & Families	1,813,966	1,417,500	1,457,900	2,315,100
SEN and Recoupment	8,939,754	9,180,000	9,894,600	10,912,600
Integrated Youth Support	2,959,082	3,969,800	3,698,600	3,698,700
Unaccompanied Asylum Seekers	0	0	0	(263,000)
Protective and Preventative Services				
Early Years	4,077,858	4,074,500	4,314,000	4,456,100
Other Protective & Preventative Services	1,384,600	1,802,800	1,867,000	1,822,000
School Effectiveness	2,737,803	2,863,000	2,560,700	2,606,600
Culture				
Library Services	6,208,487	5,784,500	6,144,000	5,744,400
Arts and Music	536,959	542,100	599,300	660,100
Sports	1,820,261	1,875,200	2,114,100	2,105,000
Finance and Resources				
Schools Non Delegated	23,677,864	7,386,900	7,752,200	12,174,500
Individual School Budgets	76,180,458	78,651,500	79,372,300	83,605,800
Standards Fund and Other Grants	687,521	1,857,900	2,283,700	2,561,000
Directorate Administration	(1,267,931)	(1,160,300)	0	0
Strategic Management	297,452	264,800	0	0
	140,656,481	130,146,800	133,115,500	143,683,600
Adjusted Dedicated Schools Grant	(85,924,000)	(89,967,000)	(91,127,000)	(96,469,000)
	(85,924,000)	(89,967,000)	(91,127,000)	(96,469,000)
Total Children's Services and Culture	54,732,481	40,179,800	41,988,500	47,214,600

Variation Analysis

Original Estimate 2008/09	40,179,800	40,179,800
Inflation	0	3,842,000
Demand Led Growth	0	3,458,600
Government Grant / Outside Body Growth	0	(5,009,800)
Budget Transfers between Directorates	558,800	(13,300)
Service Reductions & Efficiencies / Income Generation	0	(637,600)
Capital Financing	1,068,600	5,193,600
Other Variations	181,300	201,300
Revised Budget 2008/09	<u>41,988,500</u>	
Original Budget 2009/10		<u>47,214,600</u>

REVENUE BUDGET - SUBJECTIVE SUMMARY OF EXPENDITURE

	<u>2007/08</u> <u>ACTUAL</u> £	<u>2008/09</u> <u>ORIGINAL</u> £	<u>2008/09</u> <u>REVISED</u> £	<u>2009/10</u> <u>ESTIMATE</u> £
Expenditure				
Individual Schools Budget (Net)	76,180,458	78,651,500	79,372,300	83,605,800
Employees	19,821,051	20,748,900	20,880,900	21,375,400
Premises	1,740,748	1,387,500	1,422,200	1,565,600
Transport	2,696,627	2,694,200	2,828,200	2,998,600
Supplies and Services	14,530,711	11,951,000	14,265,300	14,900,100
Third Party Payments	16,557,123	16,888,800	17,247,700	19,524,100
Transfer Payments	5,590,689	6,397,600	5,917,000	6,702,200
Central Recharges	6,500,114	5,849,500	5,975,100	6,091,100
Departmental Recharges	5,170,347	5,480,500	5,367,100	5,557,200
Capital Charges	20,770,455	3,439,200	4,507,800	8,632,800
PRS	540,228	559,400	592,600	613,900
TOTAL EXPENDITURE	170,098,551	154,048,100	158,376,200	171,566,800
Income				
Adjusted Dedicated Schools Grant	(85,924,000)	(89,967,000)	(91,127,000)	(96,469,000)
Government Grants	(13,451,337)	(10,605,900)	(11,566,100)	(13,340,000)
Other Grants and Contributions	(4,605,290)	(4,662,700)	(5,254,500)	(5,750,400)
Customer and Client Receipts	(6,162,495)	(3,085,500)	(3,006,300)	(3,167,300)
Departmental Recharges	(5,170,346)	(5,480,500)	(5,367,100)	(5,557,200)
Rent	(52,602)	(66,700)	(66,700)	(68,300)
TOTAL INCOME	(115,366,070)	(113,868,300)	(116,387,700)	(124,352,200)
NET EXPENDITURE	54,732,481	40,179,800	41,988,500	47,214,600

BUDGETED STAFFING FTE'S

	2008/09	2009/10
Number of full time equivalent employees	2,291.5	2,336.0

SPECIALIST SERVICES MANAGEMENT

This includes the management and business support costs of the Specialist Children's Division.

	<u>2007/08</u> <u>Actual</u> £	<u>2008/09</u> <u>Original</u> £	<u>2008/09</u> <u>Revised</u> £	<u>2009/10</u> <u>Estimate</u> £
<u>Expenditure</u>				
Employees	485,707	486,400	420,500	382,500
Premises	13,035	0	0	0
Transport	2,165	10,300	14,600	15,000
Supplies and Services	109,016	108,700	50,400	48,200
Central Recharges	305,863	275,800	196,500	202,200
Departmental Recharges	31,500	30,000	834,600	845,500
Capital Charges	0	0	(15,900)	(24,900)
NET EXPENDITURE	947,286	911,200	1,500,700	1,468,500
<u>Income</u>				
Departmental Recharges	(947,286)	(911,200)	(1,500,700)	(1,468,500)
TOTAL INCOME	(947,286)	(911,200)	(1,500,700)	(1,468,500)
NET EXPENDITURE	0	0	0	0

Variation Analysis

Original Estimate 2008/09	0	0
Inflation	0	14,100
Demand Led Growth	0	0
Government Grant / Outside Body Growth	0	0
Budget Transfers	(119,900)	(141,200)
Service Reductions & Efficiencies / Income Generation	0	(32,600)
Capital Financing	(15,900)	(24,900)
Other Variations	135,800	184,600
Revised Budget 2008/09	<u>0</u>	
Original Budget 2009/10		<u>0</u>

SPECIALIST SERVICES MANAGEMENT**KEY ACTIVITY DATA**

None applicable

PERFORMANCE DATA

<u>Indicator</u>	<u>2007/08 Actuals</u>		<u>Targets</u>	
	<u>Richmond</u>	<u>Top 25% London</u>	<u>2008/09</u>	<u>2009/10</u>
None applicable				

	2008/09	2009/10
Number of full time equivalent employees	8.0	8.0

SOCIAL WORK

Social work is primarily delivered by specialist teams. The Initial Response Team acts as the gateway to the Division and provides advice and guidance to children and families referred to them. They will undertake an initial assessment to decide what the most appropriate action will be, and will then provide any services required for up to three months. The Family Support Team provides longer-term support to children in need, those requiring a plan of protection and those who are newly looked after by the local authority. The Children Looked After Team provides long term social work services to children who are looked after. The Leaving Care Team delivers services post-18. The Disabled Children's Team provides an integrated service to disabled children and their families from the Croft Centre.

	<u>2007/08</u> <u>Actual</u> <u>£</u>	<u>2008/09</u> <u>Original</u> <u>£</u>	<u>2008/09</u> <u>Revised</u> <u>£</u>	<u>2009/10</u> <u>Estimate</u> <u>£</u>
<u>Expenditure</u>				
Employees	2,563,569	2,646,700	2,656,700	2,673,500
Premises	66,799	14,700	14,700	15,100
Transport	65,571	67,000	102,600	106,600
Supplies and Services	205,681	251,500	251,500	257,800
Third Party Payments	338,825	300,200	289,900	292,200
Transfer Payments	1,288	0	0	0
Central Recharges	836,914	726,100	677,800	699,700
Departmental Recharges	908,128	870,200	724,000	706,900
Capital Charges	7,318	7,200	7,300	7,300
TOTAL EXPENDITURE	4,994,093	4,883,600	4,724,500	4,759,100
<u>Income</u>				
Government Grants	(212,197)	0	0	0
Other Grants and Contributions	21,250	(81,500)	(376,500)	(398,100)
Fees and Charges	(123,847)	0	0	(30,000)
TOTAL INCOME	(314,794)	(81,500)	(376,500)	(428,100)
NET EXPENDITURE	4,679,299	4,802,100	4,348,000	4,331,000

Variation Analysis

Original Estimate 2008/09	4,802,100	4,802,100
Inflation	0	90,600
Demand Led Growth	0	0
Government Grant / Outside Body Growth	0	0
Budget Transfers	(259,700)	(316,500)
Service Reductions & Efficiencies / Income Generation	0	(55,600)
Capital Financing	100	100
Other Variations	(194,500)	(189,700)
Revised Budget 2008/09	<u>4,348,000</u>	
Original Budget 2009/10		<u>4,331,000</u>

SOCIAL WORK**KEY ACTIVITY DATA**

Referrals to Specialist Children's Services during 2007/08	805
<u>At 31 March 2008:</u>	
Looked After Children	93
Care Leavers	59
Children on Child Protection Register	37
Number of full time equivalent Social Workers	40.32

PERFORMANCE DATA

<u>Indicator</u>	<u>2007/08 Actuals</u>		<u>Targets</u>		
	<u>Richmond</u>	<u>Top 25% London</u>	<u>2008/09</u>	<u>2009/10</u>	
<u>National Indicators</u>					
NI 59	Percentage of Initial Assessments for children's social care carried out within 7 working days of referral	81%	N/A	82%	84%
NI 66	Percentage of looked after children cases which were reviewed within required timescales	91.9%	N/A	92%	93%
NI 67	Percentage of child protection cases which were reviewed within required timescales	100%	N/A	100%	100%
NI 68	Percentage of referrals to children's social care going on to initial assessment	52%	N/A	60%	65%

	2008/09	2009/10
Number of full time equivalent employees	66.0	66.0

LOOKED AFTER CHILDREN

This includes the cost of purchasing independent sector residential care placements, and the cost of local authority and independent sector foster care placements for children and young people who are looked after by the local authority. Help is also available to assist families with children on Care Orders who have been assessed as able to live at home, but not yet ready to apply for discharge of the orders.

	<u>2007/08</u> <u>Actual</u> £	<u>2008/09</u> <u>Original</u> £	<u>2008/09</u> <u>Revised</u> £	<u>2009/10</u> <u>Estimate</u> £
<u>Expenditure</u>				
Employees	646,133	689,700	689,700	782,400
Transport	16,438	8,700	18,700	19,100
Supplies and Services	110,109	143,100	143,100	88,400
Third Party Payments	3,689,404	3,942,900	3,942,900	4,062,600
Transfer Payments	103,175	29,800	29,800	30,500
Central Recharges	171,021	142,900	113,000	115,600
Departmental Recharges	185,904	178,300	223,700	212,500
TOTAL EXPENDITURE	4,922,184	5,135,400	5,160,900	5,311,100
<u>Income</u>				
Government Grants	(238,400)	0	0	0
Other Grants and Contributions	(98,982)	(113,000)	(165,300)	(95,800)
Fees and Charges	(94,504)	0	0	0
TOTAL INCOME	(431,886)	(113,000)	(165,300)	(95,800)
NET EXPENDITURE	4,490,298	5,022,400	4,995,600	5,215,300

Variation Analysis

Original Estimate 2008/09	5,022,400	5,022,400
Inflation	0	123,600
Demand Led Growth	0	50,000
Government Grant / Outside Body Growth	0	0
Budget Transfers	(42,300)	21,800
Service Reductions & Efficiencies / Income Generation	0	(9,400)
Capital Financing	0	0
Other Variations	15,500	6,900
Revised Budget 2008/09	<u>4,995,600</u>	
Original Budget 2009/10		<u>5,215,300</u>

LOOKED AFTER CHILDREN**KEY ACTIVITY DATA**

	Number of children placed in type of placement during 2007/08	Placement weeks for type of placement for 2007/08
Residential Care - Independent	22	454
Residential Care - Disabled children in residential schools	7	366
Foster Care - Local Authority (including placed for adoption)	91	2,529
Foster Care - Independent	32	903

PERFORMANCE DATA

<u>Indicator</u>	<u>2007/08 Actuals</u>		<u>Targets</u>		
	<u>Richmond</u>	<u>Top 25% London</u>	<u>2008/09</u>	<u>2009/10</u>	
<u>Best Value Indicators</u>					
BV 50	Education Qualification of Looked After Children	86.7%	N/A	N/A	N/A
<u>National Indicators</u>					
NI 62	Stability of placements of looked after children	8.6%	N/A	9.5%	9.0%
NI 101	Looked after children achieving 5 A*-C GCSE's (or equivalent) at Key Stage 4 (including English and Maths)	N/A	N/A	8.3%	37.5%
NI 148	Care leavers in education, employment or training	85.7%	N/A	84.6%	87.5%

	<u>2008/09</u>	<u>2009/10</u>
Number of full time equivalent employees	18.0	19.5

FAMILY SUPPORT

This relates to the Twickenham Contact and Assessment Centre which provides a wide range of individual and group work activities and support for families and their children. Assessments are undertaken as part of court proceedings, while supervised contact is provided to enable looked after children to be with their families for short periods of time. A wide range of provision is made available under Section 17 of the Children Act to assist families of children in need to remain in their own home. A variety of short break care provision is available for families of children with disabilities, including care within a family and community support. Individual packages of care are devised for each family to enable them receive the most suitable care for their needs. Also included are allowances for families who have a Residence or Special Guardianship Order as granted by the courts.

	<u>2007/08</u> <u>Actual</u> £	<u>2008/09</u> <u>Original</u> £	<u>2008/09</u> <u>Revised</u> £	<u>2009/10</u> <u>Estimate</u> £
<u>Expenditure</u>				
Employees	520,451	723,800	723,800	705,700
Premises	27,738	44,400	44,400	25,400
Transport	2,269	3,200	3,200	2,300
Supplies and Services	68,293	47,100	45,700	259,700
Third Party Payments	305,223	385,100	396,800	401,200
Transfer Payments	379,761	311,600	311,600	343,300
Central Recharges	89,055	70,800	82,900	84,600
Departmental Recharges	191,803	184,100	143,200	140,900
Capital Charges	42,000	42,000	42,000	42,000
TOTAL EXPENDITURE	1,626,593	1,812,100	1,793,600	2,005,100
<u>Income</u>				
Government Grants	(62,400)	0	0	0
Fees and Charges	(131,440)	0	0	0
Other Grants and Contributions	0	0	(80,100)	(266,700)
TOTAL INCOME	(193,840)	0	(80,100)	(266,700)
NET EXPENDITURE	1,432,753	1,812,100	1,713,500	1,738,400

Variation Analysis

Original Estimate 2008/09	1,812,100	1,812,100
Inflation	0	42,800
Demand Led Growth	0	25,000
Government Grant / Outside Body Growth	0	0
Budget Transfers	(69,800)	(44,500)
Service Reductions & Efficiencies / Income Generation	0	(67,600)
Capital Financing	0	0
Other Variations	(28,800)	(29,400)
Revised Budget 2008/09	<u>1,713,500</u>	
Original Budget 2009/10		<u>1,738,400</u>

FAMILY SUPPORT**KEY ACTIVITY DATA**

Contact Sessions	1139	
Parent Groups	32	
Community Groups	65	
Individual Family Work	944	
<u>Short breaks and Direct Payments for parents/carers of disabled children</u>		
Residential and Family Care (overnight)	304	
Home Care (hours)	839	
Befriender (hours)	4,278	
Direct Payment to Parents / Carers	75	(as at 31 March 2008)
Residence Orders In Place	22	

PERFORMANCE DATA

<u>Indicator</u>	<u>2007/08 Actuals</u>		<u>Targets</u>		
	<u>Richmond</u>	<u>Top 25% London</u>	<u>2008/09</u>	<u>2009/10</u>	
<u>National Indicators</u>					
NI 60	Percentage of Core Assessments for children's social care that were carried out within 35 working days of their commencement	84.2%	N/A	85%	87%
NI 112	Under 18 conception rate	N/A	N/A	-11.8%	-25.9%

	2008/09	2009/10
Number of full time equivalent employees	16.5	13.5

OTHER CHILDREN AND FAMILIES

This includes support for young people leaving care and preparation for independent living. The Council is required to provide all young people leaving care with support to enable them to live in the community (or in more supportive accommodation). It also provides support and guidance for those in higher education and encourages all young people to participate in further education or vocational training. The Hillingdon judgement also laid a requirement on Councils to provide Leaving Care services for unaccompanied asylum seekers up until the age of 21, and beyond that, for those in continuing education.

Also included are the costs of the adoption team of social workers who provide adoption support (pre and post placement), including counselling and support to adopted people who are seeking information about their past.

	<u>2007/08</u> <u>Actual</u> £	<u>2008/09</u> <u>Original</u> £	<u>2008/09</u> <u>Revised</u> £	<u>2009/10</u> <u>Estimate</u> £
<u>Expenditure</u>				
Employees	393,008	335,200	335,200	355,700
Premises	6,458	45,500	45,500	42,500
Transport	10,652	11,000	21,000	21,600
Supplies and Services	99,175	73,500	159,500	151,300
Third Party Payments	1,346,409	984,700	984,700	1,839,500
Transfer Payments	11,452	3,100	3,100	3,200
Central Recharges	115,995	101,200	93,800	96,800
Departmental Recharges	93,452	89,700	86,400	81,900
Capital Charges	83,356	13,400	10,400	10,400
TOTAL EXPENDITURE	2,159,957	1,657,300	1,739,600	2,602,900
<u>Income</u>				
Government Grants	(110,700)	0	0	0
Other Grants and Contributions	(60,586)	(43,100)	(43,100)	(44,200)
Fees and Charges	(143,606)	(147,700)	(147,700)	(151,400)
Departmental Recharges	0	0	(41,900)	(42,000)
Rents	(31,100)	(49,000)	(49,000)	(50,200)
TOTAL INCOME	(345,992)	(239,800)	(281,700)	(287,800)
NET EXPENDITURE	1,813,965	1,417,500	1,457,900	2,315,100

Variation Analysis

Original Estimate 2008/09	1,417,500	1,417,500
Inflation	0	40,000
Demand Led Growth	0	745,000
Government Grant / Outside Body Growth	0	0
Budget Transfers	96,000	186,200
Service Reductions & Efficiencies / Income Generation	0	(16,400)
Capital Financing	(3,000)	(3,000)
Other Variations	(52,600)	(54,200)
Revised Budget 2008/09	<u>1,457,900</u>	
Original Budget 2009/10		<u>2,315,100</u>

OTHER CHILDREN AND FAMILY SERVICES**KEY ACTIVITY DATA**

Number of adoptions	1
Number of care leavers supported	59
Adoption allowances awarded	28

PERFORMANCE DATA

<u>Indicator</u>	<u>2007/08 Actuals</u>		<u>Targets</u>		
	<u>Richmond</u>	<u>Top 25% London</u>	<u>2008/09</u>	<u>2009/10</u>	
<u>Best Value Indicators</u>					
BV 163	Adoption of Children Looked After	1.3%	N/A	N/A	N/A
<u>National Indicators</u>					
NI 61	Timeliness of placements of looked after children for adoption following an agency decision that the child should be placed for adoption	N/A	N/A	N/A	100%

	2008/09	2009/10
Number of full time equivalent employees	7.7	8.0

SPECIAL EDUCATIONAL NEEDS AND RECOUPMENT

These centrally retained budgets mainly provide funding for young people with statements of special educational need who:

1. are placed in independent special schools;
2. attend special schools in other education authorities;
3. receive home to school transport.

Mandatory recoupment applies to all pupils with a statement of special educational need and pupils attending special schools. This is the process by which SEN costs are charged to a home authority. The authority in whose area a pupil lives remains responsible for making and maintaining the pupil's statement, regardless of where the pupil is educated.

The costs of the Psychological Service, Sensory Impairment and other SEN teams are also shown under this heading.

	<u>2007/08</u> <u>Actual</u> £	<u>2008/09</u> <u>Original</u> £	<u>2008/09</u> <u>Revised</u> £	<u>2009/10</u> <u>Estimate</u> £
<u>Expenditure</u>				
Employees	1,437,894	1,154,900	1,154,900	1,237,200
Premises	10,021	6,200	6,200	7,600
Transport	2,366,750	2,445,700	2,461,100	2,622,600
Supplies and Services	179,730	128,600	136,800	130,400
Third Party Payments	7,122,014	7,314,200	7,614,200	8,453,600
Central Recharges	128,630	112,600	195,000	201,400
Departmental Recharges	0	0	302,400	302,400
Capital Charges	6,200	0	6,200	6,200
TOTAL EXPENDITURE	11,251,239	11,162,200	11,876,800	12,961,400
<u>Income</u>				
Other Grants and Contributions	(1,914,599)	(1,982,200)	(1,982,200)	(2,048,800)
Fees and Charges	(396,886)	0	0	0
TOTAL INCOME	(2,311,485)	(1,982,200)	(1,982,200)	(2,048,800)
NET EXPENDITURE	8,939,754	9,180,000	9,894,600	10,912,600

Variation Analysis

Original Estimate 2008/09	9,180,000	9,180,000
Inflation	0	263,700
Demand Led Growth	0	749,000
Government Grant / Outside Body Growth	0	0
Budget Transfers	323,600	335,500
Service Reductions & Efficiencies / Income Generation	0	(13,000)
Capital Financing	6,200	6,200
Other Variations	384,800	391,200
Revised Budget 2008/09	<u>9,894,600</u>	
Original Budget 2009/10		<u>10,912,600</u>

SPECIAL EDUCATIONAL NEEDS AND RECOUPMENT**KEY ACTIVITY DATA**

We recoup income for out-borough pupils in Richmond schools, from 11 boroughs (9 in London) and 1 County Council.

We pay statemented support to 13 boroughs (11 in London) & 6 County Councils. There were 757 statemented children.

161 children were placed in independent special schools.
266 children were provided with transport to special needs placements.

259 psychological assessments and formal consultations were carried out.

PERFORMANCE DATA

<u>Indicator</u>	<u>2007/08 Actuals</u>		<u>Targets</u>		
	<u>Richmond</u>	<u>Top 25% London</u>	<u>2008/09</u>	<u>2009/10</u>	
<u>Best Value Indicators</u>					
BV 43a	Percentage of statements of Special Educational Needs prepared within 18 weeks excluding exceptions under the SEN Code of Practice	100%	100%	100%	100%
BV 43b	Percentage of statements of Special Educational Needs prepared within 18 weeks including exceptions under the SEN Code of Practice	81.6%	98.1%	93%	94%
<u>National Indicators</u>					
NI 103	Special Educational Needs - statements issued within 26 weeks	N/A	N/A	100%	100%

	2008/09	2009/10
Number of full time equivalent employees	18.5	28.0

INTEGRATED YOUTH SUPPORT

Youth Offending Team, Connexions Service, and Way to Work. Combined, these services provide young people with access to information, positive activities and advice and guidance services.

The Youth Service supports the personal and social development of young people, helping them to make a positive contribution to their community. The service operates clubs and projects throughout the borough, working in schools, community settings and its four youth centres.

The Adolescent Response Team is part of targeted youth support and works with young people aged 10 to 17 within their families and the community. The multi-agency Youth Offending Team provides a comprehensive service for young people involved in, or at risk of being involved in

olds (and young people with disabilities up to age 25). The service is provided through a combination of contracted advice and guidance services as well as directly employed Personal Advisers.

Way to Work recruit local young people into jobs and support them through apprenticeships.

	<u>2007/08</u> <u>Actual</u> £	<u>2008/09</u> <u>Original</u> £	<u>2008/09</u> <u>Revised</u> £	<u>2009/10</u> <u>Estimate</u> £
<u>Expenditure</u>				
Employees	2,317,871	2,316,400	2,284,300	2,410,800
Premises	212,559	203,000	208,200	211,100
Transport	45,914	31,700	34,700	35,300
Supplies and Services	1,170,605	1,927,100	2,004,600	1,831,800
Third Party Payments	62,393	50,000	92,900	120,200
Transfer Payments	23,628	30,200	30,200	31,000
Central Recharges	459,746	416,100	439,300	450,400
Departmental Recharges	318,000	301,200	62,900	65,900
Capital Charges	211,375	85,300	111,300	111,300
TOTAL EXPENDITURE	4,822,091	5,361,000	5,268,400	5,267,800
<u>Income</u>				
Government Grants	(820,458)	(653,300)	(744,300)	(540,000)
Other Grants and Contributions	(426,788)	(585,700)	(673,300)	(873,000)
Fees and Charges	(615,763)	(152,200)	(152,200)	(156,100)
TOTAL INCOME	(1,863,009)	(1,391,200)	(1,569,800)	(1,569,100)
NET EXPENDITURE	2,959,082	3,969,800	3,698,600	3,698,700

Variation Analysis

Original Estimate 2008/09	3,969,800	3,969,800
Inflation	0	81,600
Demand Led Growth	0	0
Government Grant / Outside Body Growth	0	(67,200)
Budget Transfers	(98,700)	(110,900)
Service Reductions & Efficiencies / Income Generation	0	(16,200)
Capital Financing	26,000	26,000
Other Variations	(198,500)	(184,400)
Revised Budget 2008/09	<u>3,698,600</u>	
Original Budget 2009/10		<u>3,698,700</u>

INTEGRATED YOUTH SUPPORT**KEY ACTIVITY DATA**

90 young people are supported each year through the Youth Inclusion and Support Panel and 50 young people are provided with a mentor.

Total caseload figures for the Youth Offending Team rose by 12% between 2006/07 and 2007/08.

2007/08 caseload figures are as follows:

133 young people received final warnings

192 young people received community penalties

4 young people received custodial sentences

There were 12 intensive support and supervision (ISSP) cases for 2007/08, an increase of 50% on 2006/07 figures.

At any one time the Youth Offending Team is working with around 65 young people.

PERFORMANCE DATA

<u>Indicator</u>	<u>2007/08 Actuals</u>		<u>Targets</u>		
	<u>Richmond</u>	<u>Top 25% London</u>	<u>2008/09</u>	<u>2009/10</u>	
<u>Best Value Indicators</u>					
BV 221a	Recorded outcomes from Youth Work	35%	66%	60%	60%
BV 221b	Accredited outcomes from Youth Work	21%	39%	30%	30%
<u>Local Indicators</u>					
	13 to 19 year olds participating in youth services provided by the local authority	21%	N/A	15%	15%
	16 to 18 year olds destination not known to Connexions	5.4%	N/A	3%	3.5%
	16 to 18 year olds not in employment, education or training	2.6%	N/A	3.5%	4%
<u>National Indicators</u>					
NI 19	Rate of proven re-offending by young	25.6%	N/A	N/A	N/A
NI 43	Young people receiving a conviction in court who are sentenced to custody	2%	N/A	< 5%	N/A
NI 45	Young offenders' engagement in suitable education, training and employment	81.2%	N/A	90%	90%
NI 46	Young offenders' access to suitable accommodation	100%	N/A	95%	N/A
NI 111	First time entrants into the Youth Justice System aged 10-17	142	N/A	5% reduction	5% reduction
			<u>2008/09</u>	<u>2009/10</u>	
Number of full time equivalent employees			45.0	56.0	

UNACCOMPANIED ASYLUM SEEKERS

The Unaccompanied Asylum Seeking Children (UASC) Service provides support, including immigration and care arrangements, to lone UASC aged up to 18 years of age. These asylum seekers do not come under the responsibility of the National Asylum Support Service, and the local authority is also legally obliged to provide them with a full leaving care service up until the age of 21, and beyond that, for those in continuing education. The 18+ leaving care costs are shown under the Other Children and Families heading.

	<u>2007/08</u> <u>Actual</u> £	<u>2008/09</u> <u>Original</u> £	<u>2008/09</u> <u>Revised</u> £	<u>2009/10</u> <u>Estimate</u> £
<u>Expenditure</u>				
Third Party Payments	0	0	0	183,700
TOTAL EXPENDITURE	0	0	0	183,700
<u>Income</u>				
Government Grants	0	0	0	(446,700)
TOTAL INCOME	0	0	0	(446,700)
NET EXPENDITURE	0	0	0	(263,000)

Variation Analysis

Original Estimate 2008/09	0	0
Inflation	0	(6,400)
Demand Led Growth	0	0
Government Grant / Outside Body Growth	0	0
Budget Transfers	0	(256,600)
Service Reductions & Efficiencies / Income Generation	0	0
Capital Financing	0	0
Other Variations	0	0
Revised Budget 2008/09	0	
Original Budget 2009/10		(263,000)

UNACCOMPANIED ASYLUM SEEKERS**KEY ACTIVITY DATA**

None applicable

PERFORMANCE DATA

<u>Indicator</u>	<u>2007/08 Actuals</u>		<u>Targets</u>	
	<u>Richmond</u>	<u>Top 25% London</u>	<u>2008/09</u>	<u>2009/10</u>
None applicable				

	2008/09	2009/10
Number of full time equivalent employees	0	0

EARLY YEARS

The Government allocates funding to the local authority through the Dedicated Schools Grant (DSG) for universal free core nursery education entitlement for three and four year olds. The core entitlement is provided by a mix of private, voluntary and independent providers and maintained schools. There is one stand-alone nursery school, Windham, 35 nursery units attached to primary schools and 104 providers in the Partnership Provider Scheme.

The Government provides additional funding through the Sure Start and Early Years and Children's Centres Grant:

- to fund the development of Children's Centres
- to support access, quality and inclusion, to ensure that all children aged up to eight years have the best possible early years education and care in whichever settings
- to support childcare sufficiency and access

	<u>2007/08</u> <u>Actual</u> £	<u>2008/09</u> <u>Original</u> £	<u>2008/09</u> <u>Revised</u> £	<u>2009/10</u> <u>Estimate</u> £
<u>Expenditure</u>				
Employees	968,697	955,400	955,400	1,043,700
Premises	2,426	0	0	0
Transport	3,753	0	4,500	4,600
Supplies and Services	1,885,646	2,160,200	2,291,600	2,755,100
Third Party Payments	3,101,088	3,250,900	3,265,500	3,497,900
Transfer Payments	0	22,000	22,000	22,600
Central Recharges	245,056	220,400	259,200	266,900
Departmental Recharges	191,300	182,400	201,000	207,300
Capital Charges	172,684	18,200	89,800	(15,200)
TOTAL EXPENDITURE	6,570,650	6,809,500	7,089,000	7,782,900
<u>Income</u>				
Government Grants	(2,452,930)	(2,699,500)	(2,739,500)	(3,219,000)
Other Grants and Contributions	0	(35,500)	(35,500)	(107,800)
Fees and Charges	(39,861)	0	0	0
TOTAL INCOME	(2,492,791)	(2,735,000)	(2,775,000)	(3,326,800)
NET EXPENDITURE	4,077,859	4,074,500	4,314,000	4,456,100

Variation Analysis

Original Estimate 2008/09	4,074,500	4,074,500
Inflation	0	93,100
Demand Led Growth	0	140,000
Government Grant / Outside Body Growth	0	0
Budget Transfers	110,500	110,500
Service Reductions & Efficiencies / Income Generation	0	0
Capital Financing	71,600	(33,400)
Other Variations	57,400	71,400
Revised Budget 2008/09	<u>4,314,000</u>	
Original Budget 2009/10		<u>4,456,100</u>

EARLY YEARS**KEY ACTIVITY DATA**

Funded Nursery Education Places were taken up by 91% of the 3 year old population in 2007/08.

There was a net loss of 26 places in the year March 2007 to March 2008.

Total number of childcare places at 31 March 2008 was 6,862.

At 31 March 2008, a high proportion of providers had achieved a good or outstanding grade at their most recent Ofsted inspection:

69.7% of childminders

73.3 % of full day care

81.1% of sessional groups

60.8% of out of school groups

For the year ending 2007/08, 60% of providers were providing 38 weeks of nursery education to 3-4 year olds (up from the minimum 33 weeks). This means that there are sufficient 38 week places to meet current demand.

Our 12 Children's Centres reach across the whole borough.

PERFORMANCE DATA

<u>Indicator</u>	<u>2007/08 Actuals</u>		<u>Targets</u>		
	<u>Richmond</u>	<u>Top 25% London</u>	<u>2008/09</u>	<u>2009/10</u>	
<u>Best Value Indicators</u>					
BV222a	Percentage of leaders of integrated early education and childrens settings, funded or part funded by the local authority with a qualification of level 4 or above	50.0%	59.0%	N/A	N/A
BV222b	Percentage of intergrated early education and childcare settings funded or part funded by the local authority which have input from staff with graduate or post graduate training in teaching or child development	100.0%	100.0%	N/A	N/A
<u>National Indicators</u>					
NI 72	Achievement of at least 78 points across the Early Years Foundation Stage with at least 6 in each of the scales in Personal Social and Emotional Development and Communication, Language and Literacy	65.6%	97%	71.2%	N/A
NI 92	Narrowing the gap between the lowest achieving 20% in the Early Years Foundation Stage Profile and the rest	28.2%	100%	24.8%	N/A

	2008/09	2009/10
Number of full time equivalent employees	23.0	23.0

OTHER PROTECTIVE & PREVENTATIVE SERVICES

This includes budgets for specialist educational teams, including the Education Welfare Service (EWS) and Social Inclusion. The EWS discharges the statutory function of the Local Authority in relation to school attendance, child employment and children in entertainment.

The Social Inclusion Team supports and manages excluded and disaffected pupils, along with those in receipt of medical tuition or an individual programme, to ensure that each young person is receiving appropriate education to meet their needs.

The Pupil Referral Service is also included in this heading.

	<u>2007/08</u> <u>Actual</u> £	<u>2008/09</u> <u>Original</u> £	<u>2008/09</u> <u>Revised</u> £	<u>2009/10</u> <u>Estimate</u> £
<u>Expenditure</u>				
Employees	887,419	871,500	798,600	814,100
Premises	7,855	0	0	0
Transport	16,517	12,500	28,800	29,400
Supplies and Services	301,307	283,000	283,000	114,500
Third Party Payments	53,114	71,500	71,500	73,300
Central Recharges	115,593	97,800	146,800	152,000
Departmental Recharges	0	0	38,600	47,100
PRS	540,228	559,400	592,600	613,900
TOTAL EXPENDITURE	1,922,033	1,895,700	1,959,900	1,844,300
<u>Income</u>				
Government Grants	(512,479)	0	0	0
Other Grants and Contributions	0	(87,200)	(87,200)	(16,500)
Fees and Charges	(24,954)	(5,700)	(5,700)	(5,800)
TOTAL INCOME	(537,433)	(92,900)	(92,900)	(22,300)
NET EXPENDITURE	1,384,600	1,802,800	1,867,000	1,822,000

Variation Analysis

Original Estimate 2008/09	1,802,800	1,802,800
Inflation	0	48,100
Demand Led Growth	0	0
Government Grant / Outside Body Growth	0	0
Budget Transfers	(23,400)	(109,400)
Service Reductions & Efficiencies / Income Generation	0	(20,800)
Capital Financing	0	0
Other Variations	87,600	101,300
Revised Budget 2008/09	<u>1,867,000</u>	
Original Budget 2009/10		<u>1,822,000</u>

OTHER PROTECTIVE & PREVENTATIVE SERVICES**KEY ACTIVITY DATA**

The following information is recorded by the Education Welfare Service, the current figures are for academic year 2007-2008:

175 referrals
 16 successful prosecutions
 41 Child Employment Permits issued
 261 Children in Entertainment Licenses issued
 40 Chaperone Licenses issued

The following information is recorded by the Vulnerable Children's Service:

	<u>2007/08</u>
Permanent Exclusions	8
Permanent Exclusion Transfers	20
Fixed Term Exclusions	646
Pupils requiring sixth day provision	20
Individual programmes - Medical	26
Individual programmes - SEN	17
Individual programmes - Agreement with school	10
Managed Moves	9
Pastoral Support Programmes	111
Pupils causing concern supported by Social Inclusion Team	248
Individuals completing 3 day Restorative Approach course	20
Individuals supported through the Vulnerable Children's Grant	53

The Pupil Referral Service (PRS) had 24 pupils aged from 13 to 16 on roll in January 2009, comprising 8 pupils solely on the roll of the PRS and 16 pupils dually registered with other education establishments.

PERFORMANCE DATA

<u>Indicator</u>	<u>2007/08 Actuals</u>		<u>Targets</u>		
	<u>Richmond</u>	<u>Top 25% London</u>	<u>2008/09</u>	<u>2009/10</u>	
<u>Best Value Indicators</u>					
BV45	% half days missed due to absence in LA secondary schools	8.35%	6.91%	7.35%	N/A
<u>Local Indicators</u>					
	Persistent absence in secondary schools	7.2%	N/A	6.7%	5.5%
			2008/09	2009/10	
Number of full time equivalent employees			23.0	29.5	

SCHOOL EFFECTIVENESS

This includes budgets for inspection and advisory services, the Ethnic Minority and Traveller Achievement Service (EMTAS) and LA Initiatives. This Division plays a central role in the planning and the management of school improvement initiatives, policy and planning.

The Inspectorate Services lead the local authority statutory responsibilities around school support and monitoring, including the setting of performance targets and the recruitment and management of School Improvement Partners (SIPs).

The Richmond EMTAS provides support and training to schools for pupils for whom English is an additional language, underachieving ethnic minority pupils and traveller pupils. The service is part funded from the Ethnic Minority Grant (EMAG).

	<u>2007/08</u> <u>Actual</u> £	<u>2008/09</u> <u>Original</u> £	<u>2008/09</u> <u>Revised</u> £	<u>2009/10</u> <u>Estimate</u> £
<u>Expenditure</u>				
Employees	2,017,750	2,289,900	2,098,600	2,255,100
Premises	65,360	45,800	45,800	46,800
Transport	9,401	19,100	23,400	23,800
Supplies and Services	769,645	609,700	618,100	542,400
Transfer Payments	8,286	5,000	5,000	5,000
Central Recharges	209,362	191,400	291,300	300,600
Departmental Recharges	574,200	571,900	315,800	322,400
TOTAL EXPENDITURE	3,654,004	3,732,800	3,398,000	3,496,100
<u>Income</u>				
Government Grants	(169,175)	(240,800)	(198,300)	(153,000)
Other Grants and Contributions	(145,354)	(452,600)	(452,600)	(525,400)
Fees and Charges	(601,672)	(176,400)	(186,400)	(211,100)
TOTAL INCOME	(916,201)	(869,800)	(837,300)	(889,500)
NET EXPENDITURE	2,737,803	2,863,000	2,560,700	2,606,600

Variation Analysis

Original Estimate 2008/09	2,863,000	2,863,000
Inflation	0	73,400
Demand Led Growth	0	0
Government Grant / Outside Body Growth	0	0
Budget Transfers	(146,100)	(95,700)
Service Reductions & Efficiencies / Income Generation	0	(93,800)
Capital Financing	0	0
Other Variations	(156,200)	(140,300)
Revised Budget 2008/09	<u>2,560,700</u>	
Original Budget 2009/10		<u>2,606,600</u>

SCHOOL EFFECTIVENESS**KEY ACTIVITY DATA**

This Division has a lead role in the strategy for raising standards in schools.

In undertaking this role:

All schools are assigned a school improvement partner (with 14 externally contracted). There are also 5 local authority inspectors covering school improvement partner work and overseeing the support and challenge.

Schools are provided with programmes of professional development from school improvement adviser and consultants. 230 courses offered centrally in 2007/8.

A venue for training and support is managed (the Curriculum and Training Centre) which provides 8 rooms for hire with an average daily number of attendees of 160.

The Ethnic Minority/Traveller team supports the education of 300 ethnic minority children and 35 traveller children .

PERFORMANCE DATA

<u>Indicator</u>	<u>2007/08 Actuals</u>		<u>Targets</u>		
	<u>Richmond</u>	<u>Top 25% London</u>	<u>2008/09</u>	<u>2009/10</u>	
<u>National Indicators</u>					
NI 73	Level 4 English and Maths at KS2	84%	N/A	86%	N/A
NI 75	5 or more A*-C GCSE inc English and Maths	54%	68%	58%	N/A
Percentage of pupils progressing by 2 levels:					
NI 93	Key stage 1 to key stage 2 English	87%	N/A	92%	N/A
NI 94	Key stage 1 to key stage 2 maths	85%	N/A	89%	N/A

	2008/09	2009/10
Number of full time equivalent employees	40.5	47.5

LIBRARY SERVICE

The Borough has 12 lending libraries and a central Reference and Information Service at the Old Town Hall, comprising the Reference Library, Local Studies Library and Richmond Information Centre, an accredited tourist centre. Four lending libraries: Richmond, Twickenham, Teddington and East Sheen are district libraries offering a larger book stock and a wider range of facilities. Through the People's Network, access to the Internet and other electronic resources are available at every library. All libraries display Cabinet papers and local planning applications. Extensive use is made of reference and information services which provide access to Council, community and tourist information, meeting the requirements of residents, visitors, local businesses, students and researchers. The School's Library and Resource Service based at the Cottage, provides schools in the Borough with advice, practical help, books and other materials.

	<u>2007/08</u> <u>Actual</u> £	<u>2008/09</u> <u>Original</u> £	<u>2008/09</u> <u>Revised</u> £	<u>2009/10</u> <u>Estimate</u> £
<u>Expenditure</u>				
Employees	2,904,465	3,456,800	3,636,800	3,371,100
Premises	495,965	447,700	477,200	450,200
Transport	44,383	17,600	22,900	23,600
Supplies and Services	1,923,737	1,156,000	1,065,800	939,300
Central Recharges	820,983	734,600	909,600	923,900
Departmental Recharges	142,700	135,100	192,000	205,100
Capital Charges	210,709	210,000	213,000	213,000
TOTAL EXPENDITURE	6,542,942	6,157,800	6,517,300	6,126,200
<u>Income</u>				
Fees and Charges	(334,456)	(373,300)	(373,300)	(381,800)
TOTAL INCOME	(334,456)	(373,300)	(373,300)	(381,800)
NET EXPENDITURE	6,208,486	5,784,500	6,144,000	5,744,400

Variation Analysis

Original Estimate 2008/09	5,784,500	5,784,500
Inflation	0	177,000
Demand Led Growth	0	0
Government Grant / Outside Body Growth	0	0
Budget Transfers	118,100	(208,500)
Service Reductions & Efficiencies / Income Generation	0	(277,400)
Capital Financing	3,000	3,000
Other Variations	238,400	265,800
Revised Budget 2008/09	<u>6,144,000</u>	
Original Budget 2009/10		<u>5,744,400</u>

LIBRARY SERVICES**KEY ACTIVITY DATA**

12 lending libraries and a separate reference and information facility.
 Annual visits: 1,501,327
 Total stock: 310,581
 Annual number of items issued: 1,352,862
 People's network bookings: 206,617
 PC's available for public use: 144

PERFORMANCE DATA

<u>Indicator</u>	<u>2007/08 Actuals</u>		<u>Targets</u>		
	<u>Richmond</u>	<u>Top 25% London</u>	<u>2008/09</u>	<u>2009/10</u>	
<u>Best Value Indicators</u>					
Collected every 3 years					
BV119b	% residents by targeted groups satisfied with the local authority's libraries	69%	N/A	N/A	N/A
BV220	Compliance against the Public Library Service Standards	N/A	N/A	4	N/A
<u>National Indicators</u>					
NI 9	Use of public libraries	51.9%	N/A	N/A	N/A

	2008/09	2009/10
Number of full time equivalent employees	110.0	106.0

ARTS AND MUSIC

The Arts Service at the historic site of Orleans House Gallery delivers an innovative, integrated, accessible arts provision. Working in partnership with a range of providers and organisations, the Arts Service works across the borough, encouraging all forms of creative development, from a range of visual arts to dance, drama, music, film and literature.

The exhibitions programme includes Orleans House Gallery and the Stables Gallery in Twickenham and the Riverside Gallery in Richmond.

The arts events programme includes the borough arts festivals: Leap into Dance, Arts House Open Studios, Carnival, Larks in the Parks, On the Edge music event and the Book Now literature festival.

The education programme includes a wide range of services to schools and other audiences through on-going programmes, workshops, special projects, GCSE programmes, work experience opportunities and programmes for childrens and families and adult learning.

The Authority's grant contribution to the Richmond Music Trust is also included in this heading.

	<u>2007/08</u> <u>Actual</u> £	<u>2008/09</u> <u>Original</u> £	<u>2008/09</u> <u>Revised</u> £	<u>2009/10</u> <u>Estimate</u> £
<u>Expenditure</u>				
Employees	303,177	301,600	301,600	287,600
Premises	54,509	59,700	59,700	89,000
Transport	7,561	500	500	500
Supplies and Services	372,428	141,700	141,700	142,100
Central Recharges	64,747	57,800	65,600	66,300
Departmental Recharges	84,800	80,000	116,800	123,300
Capital Charges	24,021	25,900	38,500	38,500
TOTAL EXPENDITURE	911,243	667,200	724,400	747,300
<u>Income</u>				
Other Grants and Contributions	(152,579)	(13,200)	(13,200)	(13,500)
Fees and Charges	(221,705)	(111,900)	(111,900)	(73,700)
TOTAL INCOME	(374,284)	(125,100)	(125,100)	(87,200)
NET EXPENDITURE	536,959	542,100	599,300	660,100

Variation Analysis

Original Estimate 2008/09	542,100	542,100
Inflation	0	22,900
Demand Led Growth	0	0
Government Grant / Outside Body Growth	0	7,600
Budget Transfers	0	7,300
Service Reductions & Efficiencies / Income Generation	0	15,800
Capital Financing	12,600	12,600
Other Variations	44,600	51,800
Revised Budget 2008/09	<u>599,300</u>	
Original Budget 2009/10		<u>660,100</u>

ARTS AND MUSIC**KEY ACTIVITY DATA****Gallery Visits by visitors and school pupils**

19,345 visits in person per annum

4,659 queries per annum

4,039 visits by school children to Orleans House Gallery

4,502 other education visits including 635 visits to the targeted family learning programme (incl. 32 traveller visits and 74 young parent visits), 2,107 for family events, 452 for ticketed holiday activities, 328 for adult programmes (incl. Inset visits and PGCE student visits), 300 for Star Club, 515 volunteer visits, 30 for targeted young people projects, 99 visits by children after and friends/peers for Culture 4 Keeps, 36 visits by looked after young people for the streets art project and 100% pass rate with 10 young people achieving GCSE Art & Design.

Extra Info

288 taught visits by young parents, 349 taught visits by young people with disabilities

252 volunteer days

Other site visits

33 weddings and functions in the Octagon Room

25 meetings and functions in the Coach House

Riverside Gallery

13,874 visits per annum

Museum of Richmond

7,527 visits per annum

1,526 visits by school children

2,792 queries per annum

Arts Development

1,090 visitors and 636 participants to Partners in Dance in 2007

524 visitors and 399 participants to Partners in Dance in 2008

4,862 visitors to Arthouse

2,413 visitors to Book Now festival

2,600 people attended Carnival, 404 people participated in Carnival workshops

1,387 visitors to Larks in the Parks festival

31 participants in Larkin About Youth Drama Project and 220 attending the Larkin performance in Mortlake

2,500 visits to On the Edge

500 Public Arts queries

N.B Orleans House Gallery underwent major development from July 07 until April 08

PERFORMANCE DATA

<u>Indicator</u>	<u>2007/08 Actuals</u>		<u>Targets</u>		
	<u>Richmond</u>	<u>Top 25% London</u>	<u>2008/09</u>	<u>2009/10</u>	
<u>Best Value Indicators</u>					
BV170a	Total visits to museums and galleries per 1,000 population	515	446	700	N/A
BV170b	Total visits in person to museums and galleries per 1,000 population	269	182	340	N/A
BV170c	Pupils visiting museums and galleries in organised school groups	5,565	4,839	6,652	N/A

	<u>2008/09</u>	<u>2009/10</u>
Number of full time equivalent employees	7.0	7.0

SPORTS

The Sports & Fitness Team objectives are to develop participation in sport, improve standards of performance and improve facilities in conjunction with a range of partners.

The Sports Development Team works in partnership with a range of organisations or supports partners to deliver sporting opportunities for the community. They provide a range of courses throughout the year, including the holidays, in tennis, golf, netball, football, rugby, softball and swimming. They run the mini marathon trial which provides a team for the London Mini Marathon, which takes place prior to the main marathon. They also run a number of primary school tournaments in tag rugby, basketball, girls and boys football, tennis, indoor athletics and netball. They also run a special schools gala. All of these events help to provide team members for the London Youth Games.

Four sport & fitness centres are based at Shene, Teddington and Whitton Schools and Hampton Community College. They are dual use provision centres serving the needs of both the schools and the Community.

This heading also includes the budgets for Teddington Pools & Fitness Centre, which comprises two swimming pools, a fitness suite and studio and hydrotherapy pool. Also included is the client pool function for Pools on the Park which is managed by Springhealth Leisure.

	<u>2007/08</u> <u>Actual</u> £	<u>2008/09</u> <u>Original</u> £	<u>2008/09</u> <u>Revised</u> £	<u>2009/10</u> <u>Estimate</u> £
<u>Expenditure</u>				
Employees	1,408,318	1,575,200	1,575,200	1,620,500
Premises	486,778	485,600	485,600	542,900
Transport	3,574	10,800	19,700	20,000
Supplies and Services	526,912	457,500	566,700	464,500
Third Party Payments	436,406	426,800	426,800	437,400
Central Recharges	423,816	370,400	413,100	419,700
Departmental Recharges	84,900	80,000	157,300	175,000
Capital Charges	268,910	268,400	269,200	269,200
TOTAL EXPENDITURE	3,639,614	3,674,700	3,913,600	3,949,200
<u>Income</u>				
Other Grants & Contributions	(5,651)	(41,600)	(41,600)	(42,600)
Fees and Charges	(1,813,701)	(1,757,900)	(1,757,900)	(1,801,600)
TOTAL INCOME	(1,819,352)	(1,799,500)	(1,799,500)	(1,844,200)
NET EXPENDITURE	1,820,262	1,875,200	2,114,100	2,105,000

Variation Analysis

Original Estimate 2008/09	1,875,200	1,875,200
Inflation	0	112,300
Demand Led Growth	0	0
Government Grant / Outside Body Growth	0	0
Budget Transfers	101,800	(14,700)
Service Reductions & Efficiencies / Income Generation	0	(29,200)
Capital Financing	800	800
Other Variations	136,300	160,600
Revised Budget 2008/09	<u>2,114,100</u>	
Original Budget 2009/10		<u>2,105,000</u>

SPORTS**KEY ACTIVITY DATA**

Sports Development Team run coaching programmes in a variety of sports, including: - Borough Championship events, training and trials; School tournaments; programmes to develop links between School and Sports Clubs; London Youth Games teams.

Total attendances on all Sports Development programmes for 2007/08 were 26,499.

Dual-use Sports Centres operate at Shene, Teddington and Whitton secondary schools and at Hampton Community College.

Annual visits in 2007/08 were:

Shene Sport & Fitness Centre	70,504
Teddington Sports Centre	63,987
Whitton Sport & Fitness Centre	38,581
Hampton Sport & Fitness Centre	52,200

Teddington Pools & Fitness Centre comprises a swimming pool, learner pool, hydrotherapy pool and fitness suite and studio.

Annual visits in 2007/08 were: 188,806

Pools on the Park is managed by Springhealth Leisure under a management agreement.

Annual visits in 2007/08 were: 362,019

PERFORMANCE DATA

<u>Indicator</u>	<u>2007/08 Actuals</u>		<u>Targets</u>	
	<u>Richmond</u>	<u>Top 25% London</u>	<u>2008/09</u>	<u>2009/10</u>
<u>Local Indicators</u>				
Percentage of adults participating in at least 30 minutes of moderate intensity sport & active recreation on 3 or more days per week	29.8%*	N/A	31.8%	32.8%
Percentage of population volunteering in sport & active recreation for at least one hour per week	3.6%*	N/A	3.8%	3.9%
Percentage of population within 20 minutes walking distance of 3 different sports facility types, one of which has achieved a quality standard	53.4%	N/A	54.4%	54.9%
Percentage of 5-16 year olds engaged in 2 hours a week minimum of high quality PE & school sport within and beyond the curriculum	93.0%	N/A	100.0%	100.0%

* Measured in 2006/07, with next survey published in 2008/09.

	<u>2008/09</u>	<u>2009/10</u>
Number of full time equivalent employees	50.0	50.0

SCHOOLS NON DELEGATED

These centrally managed budgets provide funding for a range of services, including the primary Private Finance Initiative (PFI), transport (non-SEN), health and safety and clothing grants. Delegated funding for Richmond schools is shown under the Individual Schools Budget (ISB) heading.

The PFI contract provides additional reception classes and primary school places. Features of the contract include: 60 places at Marshgate Primary School, 30 places at Kew Riverside Primary School, 30 additional places at St Mary's CE Primary School, 30 additional places at St James's RC Primary School and 10 additional places at Trafalgar Infants and Junior Schools.

Other features of the project include facilities management, and privately operated nurseries and day care facilities at Trafalgar Infant School, St Mary's, Marshgate and Kew Riverside Primary Schools. Also, Special Educational Needs Units are allocated at St Mary's, St James's and Marshgate.

	<u>2007/08</u> <u>Actual</u> £	<u>2008/09</u> <u>Original</u> £	<u>2008/09</u> <u>Revised</u> £	<u>2009/10</u> <u>Estimate</u> £
<u>Expenditure</u>				
Employees	121,215	15,600	15,600	16,000
Premises	291,246	34,900	34,900	135,000
Transport	73,173	43,400	43,400	44,500
Supplies and Services	3,997,753	3,861,400	4,055,400	4,033,800
Transfer Payments	69,071	83,900	83,900	86,000
Central Recharges	1,056,318	984,500	1,074,600	1,071,000
Departmental Recharges	2,363,660	2,777,600	1,968,400	2,121,000
Capital Charges	19,743,884	2,768,800	3,736,000	7,975,000
TOTAL EXPENDITURE	27,716,320	10,570,100	11,012,200	15,482,300
<u>Income</u>				
Government Grants	(2,274,897)	(2,263,700)	(2,263,700)	(2,286,700)
Other Grants and Contributions	(1,625,582)	(853,300)	(930,100)	(953,300)
Fees and Charges	(116,473)	(48,500)	(48,500)	(49,700)
Rents	(21,502)	(17,700)	(17,700)	(18,100)
TOTAL INCOME	(4,038,454)	(3,183,200)	(3,260,000)	(3,307,800)
NET EXPENDITURE	23,677,866	7,386,900	7,752,200	12,174,500

Variation Analysis

Original Estimate 2008/09	7,386,900	7,386,900
Inflation	0	24,100
Demand Led Growth	0	0
Government Grant / Outside Body Growth	0	0
Budget Transfers	100,900	117,900
Service Reductions & Efficiencies / Income Generation	0	(6,800)
Capital Financing	967,200	5,206,200
Other Variations	(702,800)	(553,800)
Revised Budget 2008/09	<u>7,752,200</u>	
Original Budget 2009/10		<u>12,174,500</u>

SCHOOLS NON DELEGATED**KEY ACTIVITY DATA**

In early 2008, Cabinet agreed proposals for temporary reception class places and £5-7 million investment to expand Holy Trinity CE Primary School. In recognition of the growth in demand for primary school places in Richmond, the government awarded £9million Basic Need Safety Valve funding in 2008 to Richmond upon Thames.

PERFORMANCE DATA

<u>Indicator</u>	<u>2007/08 Actuals</u>		<u>Targets</u>		
	<u>Richmond</u>	<u>Top 25% London</u>	<u>2008/09</u>	<u>2009/10</u>	
<u>Best Value Indicators</u>					
<u>PRIMARY</u>					
BV40	% pupils in LEA schools achieving level 4 or above in Key Stage 2 Mathematics	84.4%	79.9%	90%	90%
BV41	% pupils in LEA schools achieving level 4 or above in Key Stage 2 English	88.5%	84.0%	90%	90%
BV46	% total half days missed in primary schools	4.44%	5.26%	4.25%	N/A
BV194a	% of pupils in schools maintained by the LEA achieving level 5 or above in Key stage 2 in English	50.0%	37.0%	N/A	N/A
BV194b	% of pupils in schools maintained by the LEA achieving level 5 or above in Key stage 2 in Maths	46.0%	36.0%	N/A	N/A
<u>SECONDARY</u>					
BV38	% 15 year olds achieving 5 or more GCSE grade A*-C or equivalent	57.8%	66.4%	66%	67%
BV39	% 15 year olds achieving 5 or more GCSE grade A*-G or equivalent inc. English & Maths	81.5%	92.7%	N/A	N/A
BV181a	% of 14 year old pupils in LA Schools achieving Level 5 or above in key stage 3 test in English	77.0%	77.9%	85.0%	N/A
BV181b	% of 14 year old pupils in LA Schools achieving Level 5 or above in key stage 3 test in Maths	79.3%	79.2%	84.0%	N/A
BV181c	% of 14 year old pupils in LA Schools achieving Level 5 or above in key stage 3 test in Science	75.2%	75.2%	81.0%	N/A
BV181d	% of 14 year old pupils in LA Schools achieving Level 5 or above in key stage 3 test in ICT assessments	73.9%	76.3%	81.0%	N/A
			<u>2008/09</u>	<u>2009/10</u>	
Number of full time equivalent employees			0.0	0.0	

INDIVIDUAL SCHOOLS BUDGETS (NET)

Local authorities (LAs) must distribute amounts from their Individual Schools Budget (ISB) amongst their maintained schools using a formula which accords with the Financing of Maintained Schools (England) Regulations, and enables the calculation of a budget share for each maintained school.

The majority of funding is allocated based on pupil numbers with other factors such as Social Deprivation, Special Educational Needs, Free School Meal entitlement and the area of the schools taken into account. Full details are set out in the authority's Section 52 Budget Statement, which is published in April each year.

This budget share is then delegated to the governing body of the school concerned. The relevant financial controls within which delegation works are set out in the LA's Scheme for Financing Schools.

The ISB funds one nursery school at the Windham Early Excellence Centre, 16 nursery units attached to primary schools, 41 primary schools of which seven are junior, seven are infant and 27 are combined infant and junior, eight secondary schools, two special schools and 11 special units.

	<u>2007/08</u> <u>Actual</u> £	<u>2008/09</u> <u>Original</u> £	<u>2008/09</u> <u>Revised</u> £	<u>2009/10</u> <u>Estimate</u> £
<u>Expenditure</u>				
Employees	65,261,681	68,344,100	68,982,700	72,889,400
Premises	4,532,950	4,787,100	4,817,700	5,005,200
Transport	319,743	151,100	152,500	156,300
Supplies and Services	3,792,022	2,492,800	2,516,100	2,579,000
Third Party Payments	2,274,062	2,876,400	2,903,300	2,975,900
NET EXPENDITURE	76,180,458	78,651,500	79,372,300	83,605,800

Variation Analysis

Original Estimate 2008/09	78,651,500	78,651,500
Inflation	0	2,534,600
Demand Led Growth	0	1,698,900
Government Grant / Outside Body Growth	0	0
Budget Transfers	720,800	720,800
Service Reductions & Efficiencies / Income Generation	0	0
Capital Financing	0	0
Other Variations	0	0
Revised Budget 2008/09	<u>79,372,300</u>	
Original Budget 2009/10		<u>83,605,800</u>

INDIVIDUAL SCHOOLS BUDGETS**KEY ACTIVITY DATA**

January 2009 School Census

There is 1 nursery school

10 full time pupils

64 part time pupils

There are 41 primary schools and 16 nursery units attached to primary schools:
7 junior, 7 infant, 27 combined junior and infant

12,646 full time pupils

893 part time pupils

There are 8 comprehensive schools including 1 single sex girls and 1 voluntary
aided mixed

6,696 pupils

There are 2 special schools

139 pupils

PERFORMANCE DATA

<u>Indicator</u>	<u>2007/08 Actuals</u>		<u>Targets</u>	
	<u>Richmond</u>	<u>Top 25% London</u>	<u>2008/09</u>	<u>2009/10</u>
<u>Local Indicators</u>				
Be Healthy				
% of schools achieving Healthy schools status under the new standards	69%	N/A	85%	95%
Enjoy & Achieve				
% pupils in schools maintained by local authority attaining level 5 or above at KS3 in English	50%	34%	85%	N/A
Improvement in standards of literacy at key stage 2	Level 4 Level 5	88% 50%	80% 34%	90% N/A
			N/A	N/A

	2008/09	2009/10
Number of full time equivalent employees ⁽¹⁾	1,770.0	1,808.5
<small>(1) FTE numbers come from draft School Census data that is compiled from a return the schools compile in January each year</small>		

STANDARDS FUND AND OTHER GRANTS

The Standards Fund programme remains a part of the Government's education strategy, however, from 2008/09 many former Standards Fund grants are now incorporated in the Area Based Grant (ABG) which includes a number of previously separate grants.

	<u>2007/08</u> <u>Actual</u> £	<u>2008/09</u> <u>Original</u> £	<u>2008/09</u> <u>Revised</u> £	<u>2009/10</u> <u>Estimate</u> £
<u>Expenditure</u>				
Employees	851,433	655,500	655,500	564,400
Transport	13,851	500	500	500
Supplies and Services	2,182,214	249,800	1,882,900	2,567,300
Third Party Payments	102,248	162,500	162,500	162,500
Transfer Payments	4,994,027	5,912,000	5,431,400	6,180,600
TOTAL EXPENDITURE	8,143,773	6,980,300	8,132,800	9,475,300
<u>Income</u>				
Government Grants	(6,584,904)	(4,748,600)	(5,475,300)	(6,549,600)
Other Grants and Contributions	(196,420)	(373,800)	(373,800)	(364,700)
Fees and Charges	(674,929)	0	0	0
TOTAL INCOME	(7,456,253)	(5,122,400)	(5,849,100)	(6,914,300)
NET EXPENDITURE	687,520	1,857,900	2,283,700	2,561,000

Variation Analysis

Original Estimate 2008/09	1,857,900	1,857,900
Inflation	0	13,800
Demand Led Growth	0	0
Government Grant / Outside Body Growth	0	362,500
Budget Transfers	425,800	425,800
Service Reductions & Efficiencies / Income Generation	0	(3,000)
Capital Financing	0	0
Other Variations	0	(96,000)
Revised Budget 2008/09	<u>2,283,700</u>	
Original Budget 2009/10		<u>2,561,000</u>

STANDARDS FUND AND OTHER GRANTS**KEY ACTIVITY DATA**

Standards Fund focuses on key strategies for reform and improving standards through school leadership, diversity of delivery, remodelling of the workforce, improving pupil attendance and behaviour and developing community links.

PERFORMANCE DATA

<u>Indicator</u>	<u>2007/08 Actuals</u>		<u>Targets</u>	
	<u>Richmond</u>	<u>Top 25% London</u>	<u>2008/09</u>	<u>2009/10</u>
None applicable				

	2008/09	2009/10
Number of full time equivalent employees	14.0	10.0

DIRECTORATE ADMINISTRATION

This includes budgets for Finance and Resources, Policy Performance and Systems and Health and Safety, providing a wide range of financial, building, performance and systems services to the Directorate. This also includes the Schools Finance Team who are responsible for the calculation of schools budgets and providing support for schools on all aspects of financial management, including training, advice and guidance.

	<u>2007/08</u> <u>Actual</u> £	<u>2008/09</u> <u>Original</u> £	<u>2008/09</u> <u>Revised</u> £	<u>2009/10</u> <u>Estimate</u> £
<u>Expenditure</u>				
Employees	1,719,032	2,009,500	1,773,200	2,024,000
Transport	13,120	12,200	25,600	26,100
Supplies and Services	628,460	352,100	568,500	573,500
Central Recharges	1,436,010	1,347,100	918,500	938,400
TOTAL EXPENDITURE	3,796,622	3,720,900	3,285,800	3,562,000
<u>Income</u>				
Government Grants	(12,796)	0	(145,000)	(145,000)
Fees and Charges	(828,698)	(311,900)	(222,700)	(306,100)
Departmental Recharges	(4,223,060)	(4,569,300)	(2,918,100)	(3,110,900)
TOTAL INCOME	(5,064,554)	(4,881,200)	(3,285,800)	(3,562,000)
NET EXPENDITURE	(1,267,932)	(1,160,300)	0	0

Variation Analysis

Original Estimate 2008/09	(1,160,300)	(1,160,300)
Inflation	0	71,500
Demand Led Growth	0	80,000
Government Grant / Outside Body Growth	0	0
Budget Transfers	(62,300)	(29,300)
Service Reductions & Efficiencies / Income Generation	0	(11,600)
Capital Financing	0	0
Other Variations	1,222,600	1,049,700
Revised Budget 2008/09	0	
Original Budget 2009/10		0

DIRECTORATE ADMINISTRATION**KEY ACTIVITY DATA**

None applicable

PERFORMANCE DATA

<u>Indicator</u>	<u>2007/08 Actuals</u>		<u>Targets</u>	
	<u>Richmond</u>	<u>Top 25% London</u>	<u>2008/09</u>	<u>2009/10</u>
None applicable				

	2008/09	2009/10
Number of full time equivalent employees	74.5	43.5

STRATEGIC MANAGEMENT

This includes costs relating to the strategic management of the Directorate including the Director of Children's Services and Culture and associated administration support.

	<u>2007/08</u> <u>Actual</u> £	<u>2008/09</u> <u>Original</u> £	<u>2008/09</u> <u>Revised</u> £	<u>2009/10</u> <u>Estimate</u> £
<u>Expenditure</u>				
Employees	274,913	264,800	805,300	831,100
Transport	1,534	0	3,000	3,100
Central Recharges	21,005	0	98,100	101,600
TOTAL EXPENDITURE	297,452	264,800	906,400	935,800
<u>Income</u>				
Fees and Charges	0	0	0	0
Departmental Recharges	0	0	(906,400)	(935,800)
TOTAL INCOME	0	0	(906,400)	(935,800)
NET EXPENDITURE	297,452	264,800	0	0

Variation Analysis

Original Estimate 2008/09	264,800	264,800
Inflation	0	21,200
Demand Led Growth	0	0
Government Grant / Outside Body Growth	0	0
Budget Transfers	543,500	548,200
Service Reductions & Efficiencies / Income Generation	0	0
Capital Financing	0	0
Other Variations	(808,300)	(834,200)
Revised Budget 2008/09	0	
Original Budget 2009/10		0

STRATEGIC MANAGEMENT**KEY ACTIVITY DATA**

None applicable

PERFORMANCE DATA

<u>Indicator</u>	<u>2007/08 Actuals</u>		<u>Targets</u>	
	<u>Richmond</u>	<u>Top 25% London</u>	<u>2008/09</u>	<u>2009/10</u>
None applicable				

	2008/09	2009/10
Number of full time equivalent employees	0.0	12.0

ENVIRONMENT SERVICES

Should you have any queries concerning the Environment Budget Pages please contact:

Angeline DeJong
Principal Finance Manager (Environment)

Tel: 020 8891 7204

Email: A.Dejong@richmond.gov.uk

Reuben Vyse
Principal Finance Manager (Environment)

Tel: 020 8891 7371

Email: R.Vyse@richmond.gov.uk

REVENUE BUDGET - SUMMARY OF EXPENDITURE

Service	<u>2007/08</u>	<u>2008/09</u>	<u>2008/09</u>	<u>2009/10</u>
	<u>Actual</u>	<u>Original</u>	<u>Revised</u>	<u>Estimate</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
CCTV/Careline	328,010	357,300	285,100	268,400
Registrars, Cemeteries & Postal Services	698,513	676,000	652,800	653,500
Depots	(9,199)	0	0	0
Emergency Planning	458,669	147,300	163,900	202,600
Facilities Management & Services	420,789	454,100	569,200	535,000
Highways Management	6,259,959	6,173,300	6,193,800	6,340,600
Management & Administration	(2,700)	0	0	0
Parking Services	(5,608,988)	(6,092,300)	(5,932,300)	(6,099,600)
Parks & Open Spaces	2,598,987	2,822,800	2,855,700	2,910,700
Property Services & Building Maintenance	557,468	1,062,200	1,330,800	1,218,700
Regulatory Services	4,876,467	5,396,200	5,769,200	5,419,100
Transport Planning	2,249,029	2,422,900	2,605,200	2,659,400
Transport Services	447,987	-364,100	162,400	50,400
Waste Management & Enforcement	14,884,351	14,881,600	15,575,400	16,266,800
Total for Environmental Services	28,159,342	27,937,300	30,231,200	30,425,600

Variation Analysis

Original Estimate 2008/09	27,937,300	27,937,300
Inflation		1,618,500
Demand Led Growth	0	20,000
Government Grant/Outside Body Growth	0	(103,900)
Budget Transfer	869,300	1,100,100
Service Reductions & Efficiencies/Income Generation	0	(1,404,400)
Capital Financing	427,100	383,100
Other Variations	997,500	874,900
Revised Budget 2008/09	<u>30,231,200</u>	
Original Budget 2009/10		<u>30,425,600</u>

SUBJECTIVE ANALYSIS

	<u>2007/08</u> <u>Actual</u> £	<u>2008/09</u> <u>Original</u> £	<u>2008/09</u> <u>Revised</u> £	<u>2009/10</u> <u>Estimate</u> £
<u>Expenditure</u>				
Employees	18,908,787	18,413,900	19,402,100	19,775,500
Premises	9,498,270	10,006,800	10,068,400	10,457,600
Transport	4,469,289	3,216,200	3,163,900	3,888,100
Supplies & Services	3,258,161	3,255,600	3,449,200	3,271,000
Third Party Payments	23,644,106	22,360,700	22,453,200	22,700,500
Central Recharges	6,557,467	5,938,200	6,194,200	6,319,400
Departmental Recharges	6,712,284	6,598,800	6,713,600	6,830,200
Capital Charges	3,794,398	1,978,500	2,405,600	2,361,600
TOTAL EXPENDITURE	76,842,762	71,768,700	73,850,200	75,603,900
<u>Income</u>				
Government Grants	(798,230)	(109,200)	(153,900)	(240,400)
Other Grants and Contributions	(3,441,743)	(2,110,900)	(2,110,900)	(2,228,700)
Sales	(1,521,868)	(1,456,400)	(1,650,700)	(1,892,700)
Fees & Charges	(26,675,460)	(25,314,000)	(25,566,900)	(26,336,700)
Rents	(1,751,650)	(1,545,100)	(1,635,400)	(1,679,200)
Central Recharges Income	(7,782,185)	(6,697,000)	(5,787,600)	(5,970,400)
Departmental Recharges Income	(6,712,284)	(6,598,800)	(6,713,600)	(6,830,200)
TOTAL INCOME	(48,683,420)	(43,831,400)	(43,619,000)	(45,178,300)
NET EXPENDITURE	28,159,342	27,937,300	30,231,200	30,425,600

	2008-09	2009-10
Number of full time equivalent employees	424.0	449.5

CCTV/CARELINE N83

*This Group covers the cost of:-
CCTV & Careline*

Careline provides personal monitoring of the elderly and vulnerable under a range of contracts and service level agreements. Careline staff also monitor the Council's growing use of closed circuit television cameras (CCTV) across the borough, being developed to enforce bus lanes and waiting restrictions.

These services operate 24 hours every day of the year, with staff acting as front line for all Council services, receiving calls for emergency assistance outside of normal hours.

	<u>2007/08</u> <u>Actual</u> £	<u>2008/09</u> <u>Original</u> £	<u>2008/09</u> <u>Revised</u> £	<u>2009/10</u> <u>Estimate</u> £
<u>Expenditure</u>				
Employees	675,838	617,300	617,300	630,900
Premises	12,595	28,000	28,000	28,700
Transport	11,716	13,000	14,500	14,800
Supplies & Services	206,396	298,300	298,300	283,400
Central Recharges	229,074	223,000	138,400	142,100
Departmental Recharges	25,800	27,600	38,500	39,600
TOTAL EXPENDITURE	1,161,419	1,207,200	1,135,000	1,139,500
<u>Income</u>				
Fees & Charges	(833,409)	(849,900)	(849,900)	(871,100)
TOTAL INCOME	(833,409)	(849,900)	(849,900)	(871,100)
NET EXPENDITURE	328,010	357,300	285,100	268,400

Variation Analysis

Original Estimate 2008/09	357,300	357,300
Inflation		10,300
Demand Led Growth		0
Government Grant/Outside Body Growth		0
Budget Transfer	1,500	(500)
Service Reductions & Efficiencies/Income Generation		(29,800)
Capital Financing	0	0
Other Variations	(73,700)	(68,900)
Revised Budget 2008/09	<u>285,100</u>	
Original Budget 2009/10		<u>268,400</u>

CCTV/CARELINE N83**KEY ACTIVITY DATA**

Number of cameras	2007/08 Actual	2008/09 Projection	2009/10 Estimate
Barnes Station	3	3	3
Barnes	4	4	4
Ham	6	6	6
Hampton	3	3	3
Hampton Wick	0	0	0
Kew	2	2	2
St Margarets	1	1	1
Sheen	0	0	0
Teddington	2	2	2
Whitton	4	4	4
Kew Bus Lane	1	1	1
Richmond Town Centre	5	19	19
Richmond Car Parks	6	6	6
Richmond Bus Lanes	3	3	3
Twickenham Town Centre	8	14	14
Twickenham Bus Lanes	3	3	3
Twickenham Civic Centre	8	8	8
Car Parks	12	12	12
Rapid Deployment Cameras	8	8	8
	<u>79</u>	<u>99</u>	<u>99</u>

PERFORMANCE DATA

Indicator	2007/08 Actuals		Targets	
	<u>Richmond</u>	<u>Top 25% London</u>	<u>2008/09</u>	<u>2009/10</u>
<u>Local Indicators</u>				
<u>CCTV</u>				
Number of incidents recorded	1,772	N/a	Reactive	Reactive
Total number of arrests	317	N/a	Reactive	Reactive
<u>Careline</u>				
Total Number of incoming calls handled	112,712	N/a	Reactive	Reactive

	2008-09	2009-10
Number of full time equivalent employees	15.0	15.0

REGISTRARS, CEMETERIES & POSTAL SERVICES N04, N08, N21

This Group covers the cost of:-

Postal and Courier Services, Cemeteries and Registration of Births, Deaths and Marriages

Postal and Courier Services: provided across the Council and recharged to service users.

Cemeteries: there are 6 cemeteries open for burial, which cover 36 hectares.

Registration of Births, Deaths, Marriages and Civil Partnerships: conducts civil ceremonies at the Register Office and other approved premises and offers citizenship and other ceremonies.

	<u>2007/08</u> <u>Actual</u> £	<u>2008/09</u> <u>Original</u> £	<u>2008/09</u> <u>Revised</u> £	<u>2009/10</u> <u>Estimate</u> £
<u>Expenditure</u>				
Employees	957,382	955,900	959,900	974,900
Premises	226,745	176,800	156,700	179,900
Transport	54,272	64,500	66,000	69,800
Supplies & Services	332,424	220,300	220,300	209,400
Central Recharges	229,843	213,000	234,100	239,500
Departmental Recharges	119,800	121,400	71,800	73,700
Capital Charges	4,240	4,200	4,200	4,200
TOTAL EXPENDITURE	1,924,706	1,756,100	1,713,000	1,751,400
<u>Income</u>				
Government Grants	(670)	(600)	(600)	(600)
Other Grants and Contributions	(1,669)	0	0	0
Sales	(4,792)	(12,200)	(12,200)	(12,500)
Fees & Charges	(834,355)	(678,200)	(678,200)	(726,800)
Rents	(210)	(3,300)	(3,300)	(3,400)
Central Recharges	(384,497)	(385,800)	(365,900)	(354,600)
TOTAL INCOME	(1,226,193)	(1,080,100)	(1,060,200)	(1,097,900)
NET EXPENDITURE	698,513	676,000	652,800	653,500

Variation Analysis

Original Estimate 2008/09	676,000	676,000
Inflation		29,800
Demand Led Growth		0
Government Grant/Outside Body Growth		100
Budget Transfer	(14,600)	(10,600)
Service Reductions & Efficiencies/Income Generation		(51,800)
Capital Financing	0	0
Other Variations	(8,600)	10,000
Revised Budget 2008/09	<u>652,800</u>	
Original Budget 2009/10		<u>653,500</u>

REGISTRARS, CEMETERIES & POSTAL SERVICES N04, N08, N21**KEY ACTIVITY DATA**

	2007/08 Actual	2008/09 Projection	2009/10 Estimate
Items posted through franking machines	620,639	610,000	600,000
Items through STL Posting books	153,098	150,000	150,000
Items utilising Packet Post	68,256	50,000	60,000
Marriages at Register Office	443	370	370
Marriages at Other Venues	408	350	350
Citizenship (Individuals)	738	880	880
Civil Partnerships	80	50	50
Registered Deaths	364	360	360
Registered Births	54	80	80
Birth Declarations	959	900	900
Burials (n.b no cremations)	366	350	350

PERFORMANCE DATA

Indicator	2007/08 Actuals		Targets	
	<u>Richmond</u>	<u>Top 25% London</u>	<u>2008/09</u>	<u>2009/10</u>
<u>Local Indicators</u>				
<u>Registrars</u>				
% of customers for births, deaths, stillbirth and declarations seen within 30 minutes of arrival	95%	N/a	95%	95%
% of deaths registered within 5 days	100%	N/a	100%	100%
% of marriage bookings satisfied	100%	N/a	100%	100%
<u>Cemeteries</u>				
To respond to all postal correspondence within 7 days	99%	N/a	100%	100%
Respond to e-mails within 2 working days	100%	N/a	100%	100%
Number of grave selections for new graves	94%	N/a	95%	95%
<u>Postal Services</u>				
All outgoing mail received into section by 5pm despatched the same day	100%	N/a	100%	100%

	2008-09	2009-10
Number of full time equivalent employees	29.3	28.3

DEPOTS N67

*This Group covers the cost of:-
Depots*

The Council has a Central Depot located at Langhorn Drive. It is used as a base for all the Council's operational activities undertaken both in-house and by nominated contractors. The main activities operating out of the depot include Highway Maintenance (including a Sign Shop) and Winter Services, Street Cleansing, Waste and Recycling (including a Materials Recovery Facility) activities, Building Maintenance Services, a Vehicle Workshop, Transport Services, Meals on Wheels and School Meals catering service.

	<u>2007/08</u> <u>Actual</u> £	<u>2008/09</u> <u>Original</u> £	<u>2008/09</u> <u>Revised</u> £	<u>2009/10</u> <u>Estimate</u> £
<u>Expenditure</u>				
Employees	55,452	68,900	72,600	86,000
Premises	247,719	296,200	317,600	343,300
Transport	32,804	33,600	33,600	35,000
Supplies & Services	(19,102)	15,300	11,600	11,000
Third Party Payments	166,659	88,400	88,400	80,100
Central Recharges	92,396	86,900	85,000	84,200
Departmental Recharges	37,300	92,500	85,400	63,600
Capital Charges	250,532	255,100	259,200	259,200
TOTAL EXPENDITURE	863,760	936,900	953,400	962,400
<u>Income</u>				
Fees & Charges	(4,424)	(800)	(800)	(800)
Rents	(107,129)	(102,400)	(192,700)	(200,600)
Central Recharges Income	(111,000)	(121,600)	0	0
Departmental Recharges Income	(650,406)	(712,100)	(759,900)	(761,000)
TOTAL INCOME	(872,959)	(936,900)	(953,400)	(962,400)
NET EXPENDITURE	(9,199)	0	0	0

Variation Analysis

Original Estimate 2008/09	0	0
Inflation		26,100
Demand Led Growth		0
Government Grant/Outside Body Growth		23,600
Budget Transfer	52,700	27,900
Service Reductions & Efficiencies/Income Generation		(1,200)
Capital Financing	4,100	4,100
Other Variations	(56,800)	(80,500)
Revised Budget 2008/09	0	
Original Budget 2009/10		0

DEPOTS N67

KEY ACTIVITY DATA

	2007/08 Actual	2008/09 Projection	2009/10 Estimate
Users renting depot accommodation			
Internal users	17	17	17
External users	7	7	7
Total m ² rented			
Internal users	13,417	13,417	13,417
External users	9,148	9,148	9,148
Total	22,565	22,565	22,565

PERFORMANCE DATA

Indicator	2007/08 Actuals		Targets	
	<u>Richmond</u>	<u>Top 25% London</u>	<u>2008/09</u>	<u>2009/10</u>
<u>Local Indicators</u>				
None applicable				

	2008-09	2009-10
Number of full time equivalent employees	3.0	3.0

EMERGENCY PLANNING N68

This Group covers the cost of:-

7 Duties of Civil Contingencies Act 2004

This section works towards ensuring corporate duties under the Civil Contingencies Act 2004 are delivered to acceptable and auditable levels. The CCA 2004 places seven duties on local authorities as category 1 responders. In addition there are a number of new National Indicators requiring input from this unit. The core work includes continually developing various emergency and business continuity plans, training various staff as required and testing and exercising these plans and procedures at corporate, directorate and service levels. The unit undertakes joint work-streams with partner agencies, boroughs and the LFB -EP (London Fire Brigade - Emergency Planning Unit). We continue to assist in the planning requirements of London's largest COMAH (Control of Major Accidents and Hazards) site at Hampton, in addition to coordinating the multi-agency Borough Resilience Forum. The unit maintains the Richmond Resilience Centre and coordinates the council's response to approx one incident a month. There is an increasing amount of direct contact from the public and media, as awareness and expectations are raised within the community.

The unit maintains a robust communications system (O2 Airwave), satellite phones and also works in partnership with the Met Police delivering "communitysafe.gov.uk" a warning and informing system for the community, businesses and other groups.

	<u>2007/08</u> <u>Actual</u> £	<u>2008/09</u> <u>Original</u> £	<u>2008/09</u> <u>Revised</u> £	<u>2009/10</u> <u>Estimate</u> £
<u>Expenditure</u>				
Employees	121,439	79,200	79,200	116,800
Premises	23,235	23,200	23,200	24,300
Transport	2,403	1,000	2,500	2,500
Supplies & Services	88,470	17,500	17,500	16,500
Central Recharges	14,421	13,200	14,000	14,200
Departmental Recharges	18,500	18,800	33,100	34,000
Capital Charges	190,706	0	0	0
TOTAL EXPENDITURE	459,174	152,900	169,500	208,300
<u>Income</u>				
Fees & Charges	(505)	(5,600)	(5,600)	(5,700)
TOTAL INCOME	(505)	(5,600)	(5,600)	(5,700)
NET EXPENDITURE	458,669	147,300	163,900	202,600

Variation Analysis

Original Estimate 2008/09	147,300	147,300
Inflation		5,300
Demand Led Growth		0
Government Grant/Outside Body Growth		0
Budget Transfer	1,500	35,800
Service Reductions & Efficiencies/Income Generation		(2,000)
Capital Financing	0	0
Other Variations	15,100	16,200
Revised Budget 2008/09	<u>163,900</u>	
Original Budget 2009/10		<u>202,600</u>

EMERGENCY PLANNING N68**KEY ACTIVITY DATA**

	2007/08 Actual	2008/09 Projection	2009/10 Estimate
No. emergency planning exercises & in-house training events	30	35	30
No. Business Continuity Training Events	60	50	50
No. of staff & members attending external providers	50	40	50
No. multi-agency & external exercises	25	20	25

PERFORMANCE DATA

Indicator	2007/08 Actuals		Targets	
	<u>Richmond</u>	<u>Top 25% London</u>	<u>2008/09</u>	<u>2009/10</u>
<u>National Indicators</u>				
NI189 Flood Plan Development and surface water analysis (new)		N/A	75% complete	95% complete

	2008-09	2009-10
Number of full time equivalent employees	2.0	2.0

FACILITIES MANAGEMENT & SERVICES N01, N05, N06, N07, N09, N14, N39, N78, N80

This Group covers the cost of:-

Facilities Management, Building Maintenance Services, Building Cleaning, Civic Catering, Health & Safety, Print Unit, Community Centres, Public Halls & Allotments, Richmond Works.

Facilities Management - the Premises Team provide support at York House, Civic Centre and Sheen Lane Centre during normal office hours and also for Council and social functions during evenings and weekends.

Building Cleaning Team monitors building cleaning contracts across the Council.

Building Maintenance Services undertake reactive maintenance and repairs to all Council premises.

Civic Catering manages the provision of staff and civic catering including the Staff Social Club which is used for both Council and private social functions. The Health & Safety Unit provides a monitoring, workplace inspection and accident investigation service. The Print Unit is responsible for the provision of printing services for all Council Departments. Community Centres: 3 premises are leased to grant aided community organisations. There are 4 public halls available for hire and 24 allotment sites available for rent. The Group also manages the Richmond Works programme.

	<u>2007/08</u> <u>Actual</u> £	<u>2008/09</u> <u>Original</u> £	<u>2008/09</u> <u>Revised</u> £	<u>2009/10</u> <u>Estimate</u> £
<u>Expenditure</u>				
Employees	1,736,993	1,939,100	1,939,100	1,970,600
Premises	3,888,462	3,732,700	3,748,300	3,845,900
Transport	500,721	416,000	107,800	114,300
Supplies & Services	684,253	755,800	755,800	841,800
Third Party Payments	334,557	340,500	340,500	349,000
Central Recharges	869,921	833,000	780,700	796,200
Departmental Recharges	263,700	279,800	328,500	335,000
Capital Charges	1,274,201	394,600	435,500	435,500
TOTAL EXPENDITURE	9,552,808	8,691,500	8,436,200	8,688,300
<u>Income</u>				
Government Grants	0	0	(21,900)	0
Other Grants and Contributions	(120,160)	(53,200)	(53,200)	(54,500)
Sales	(381,292)	(290,600)	(484,900)	(507,200)
Fees & Charges	(2,531,602)	(2,847,100)	(2,791,200)	(2,844,900)
Rents	(342,797)	(258,400)	(258,400)	(264,800)
Central Recharges Income	(5,756,168)	(4,788,100)	(4,257,400)	(4,481,900)
TOTAL INCOME	(9,132,019)	(8,237,400)	(7,867,000)	(8,153,300)
NET EXPENDITURE	420,789	454,100	569,200	535,000

Variation Analysis

Original Estimate 2008/09	454,100	454,100
Inflation		218,700
Demand Led Growth		0
Government Grant/Outside Body Growth		(5,600)
Budget Transfer	(452,900)	(407,000)
Service Reductions & Efficiencies/Income Generation		(90,700)
Capital Financing	40,900	40,900
Other Variations	527,100	324,600
Revised Budget 2008/09	569,200	
Original Budget 2009/10		535,000

FACILITIES MANAGEMENT & SERVICES N01, N05, N06, N07, N09, N14, N39, N78, N80**KEY ACTIVITY DATA**

Building	Floor Area (m ²)	Cost per m ² pa		
Civic Centre	6,850			196
Regal House	2,760			321
1-3 Richmond Road	420			179
68 Sheen Lane	1,390			347
Sheen Lane Centre	1,780			135
York House	4,160			152
42 York Street	1,120			224
		2007/08 Actual	2008/09 Projection	2009/10 Estimate
Number of corporate contracts managed		14	14	15
Number of schools under SLA agreement		43	43	43
Number of print impressions		4.4 million	4.5 million	4.6 million
There are 24 allotment sites in the Borough (9 of which are statutory) divided into 1,886 individual plots				

PERFORMANCE DATA

Indicator	2007/08 Actuals		Targets	
	<u>Richmond</u>	<u>Top 25% London</u>	<u>2008/09</u>	<u>2009/10</u>
<u>Local Indicators</u>				
Percentage of local authority buildings suitable for and accessible by disabled people.	90.0%	N/a	95.0%	95.0%
Allotment water replacement programme % completed (2 year project x 24 sites)	N/A	N/a	100% 12 sites	100% 12 sites
All RIDDOR reportable accidents reported to the HSU within 72 working hours of receipt	100%	N/a	100%	100%

	2008-09	2009-10
Number of full time equivalent employees	50.5	50.5

MANAGEMENT & ADMINISTRATION N85 - N87

*This Group covers the cost of:-
Management & Administration Support for the Directorate*

This account incorporates management, finance and general administrative support for the Environment Directorate plus staff who are unable to be directly allocated to one specific service. The Accountancy function for Environment was fully devolved from Corporate Services to the Directorate from January 2008 as part of the Council's re-organisation.

All costs are recharged to users of the service.

	<u>2007/08</u> <u>Actual</u> <u>£</u>	<u>2008/09</u> <u>Original</u> <u>£</u>	<u>2008/09</u> <u>Revised</u> <u>£</u>	<u>2009/10</u> <u>Estimate</u> <u>£</u>
<u>Expenditure</u>				
Employees	3,442,120	3,305,500	3,251,400	3,350,700
Transport	48,616	48,900	91,900	88,700
Supplies & Services	196,459	168,100	164,100	149,900
Third Party Payments	34,917	27,400	0	0
Central Recharges	1,534,107	1,229,200	1,196,100	1,224,400
Departmental Recharges	4,900	6,000	30,900	31,800
TOTAL EXPENDITURE	5,261,119	4,785,100	4,734,400	4,845,500
<u>Income</u>				
Other Grants and Contributions	(542,810)	(225,200)	(225,200)	(230,800)
Fees & Charges	(90,984)	(16,700)	(16,700)	(17,200)
Departmental Recharges Income	(4,630,025)	(4,543,200)	(4,492,500)	(4,597,500)
TOTAL INCOME	(5,263,819)	(4,785,100)	(4,734,400)	(4,845,500)
NET EXPENDITURE	(2,700)	0	0	0

Variation Analysis

Original Estimate 2008/09	0	0
Inflation		101,200
Demand Led Growth		0
Government Grant/Outside Body Growth		0
Budget Transfer	(42,500)	(28,300)
Service Reductions & Efficiencies/Income Generation		(39,600)
Capital Financing	0	0
Other Variations	42,500	(33,300)
Revised Budget 2008/09	0	
Original Budget 2009/10		0

MANAGEMENT & ADMINISTRATION N85 - N87**KEY ACTIVITY DATA**

	Actual 2007/08	Estimate 2008/09	Projected 2009/10
Number of creditor invoices processed	26,112*	22,478	22,500
Number of debtor invoices raised	25,198**	26,147	26,000
	Actual 2007/08	Estimate 2008/09	Estimate 2009/10
Budgets monitored:-	£m	£m	£m
Revenue Expenditure	57	58	60
Revenue Income	34	31	33
Capital Expenditure (Incls. TfL)	16	18	15

* Creditor invoice figures based on average monthly total for invoices paid between 1/4/08 and 1/8/08.

** Debtor invoice figures based on total numbers issued between 1/9/07 and 31/8/08 to obtain current year estimate.

PERFORMANCE DATA

Indicator	2007/08 Actuals	Targets	
	<u>Richmond</u> <u>Top 25%</u> <u>London</u>	<u>2008/09</u>	<u>2009/10</u>

None Applicable

	2008-09	2009-10
Number of full time equivalent employees	64.8	63.0

HIGHWAYS MANAGEMENT N45 - 67

*This Group covers the cost of:-
Highways Management*

The Council is responsible for the maintenance and improvement of 355 km of Borough Roads (unclassified and 'B' Roads) and 49 km of Principal Roads ('A' Roads). It also retains cleansing responsibilities for the A316 and A205 trunk roads. Transport for London (TfL) is responsible for all other works on trunk roads. Highways maintenance activities are undertaken by "term" contractors with minor reactive maintenance being carried out by the Council's in-house team.

A combination of annual and specialist contractors also undertake other works, such as riverbank (structural), street lighting, verge and tree maintenance. All works are subject to public competition.

	<u>2007/08</u> <u>Actual</u> £	<u>2008/09</u> <u>Original</u> £	<u>2008/09</u> <u>Revised</u> £	<u>2009/10</u> <u>Estimate</u> £
Expenditure				
Employees	553,588	667,200	667,200	629,900
Premises	1,126,800	1,041,600	1,041,600	1,314,800
Transport	232,434	235,400	235,400	246,900
Supplies & Services	(290,836)	177,700	177,700	168,600
Third Party Payments	3,611,900	2,960,200	2,960,200	2,925,900
Central Recharges	97,472	87,100	151,300	155,300
Departmental Recharges	2,640,231	2,407,100	2,400,100	2,466,400
Capital Charges	313,648	350,400	313,700	313,700
TOTAL EXPENDITURE	8,285,237	7,926,700	7,947,200	8,221,500
Income				
Fees & Charges	(2,023,455)	(1,753,400)	(1,753,400)	(1,880,900)
Rents	(1,823)	0	0	0
TOTAL INCOME	(2,025,278)	(1,753,400)	(1,753,400)	(1,880,900)
NET EXPENDITURE	6,259,959	6,173,300	6,193,800	6,340,600

Variation Analysis

Original Estimate 2008/09	6,173,300	6,173,300
Inflation		282,900
Demand Led Growth		0
Government Grant/Outside Body Growth		0
Budget Transfer	0	95,500
Service Reductions & Efficiencies/Income Generation		(301,900)
Capital Financing	(36,700)	(36,700)
Other Variations	57,200	127,500
Revised Budget 2008/09	<u>6,193,800</u>	
Original Budget 2009/10		<u>6,340,600</u>

HIGHWAYS MANAGEMENT N45 - 67**KEY ACTIVITY DATA**

Borough roads			355km
Principal roads			49km
Riverbank			10.3km
Highway structures maintained (inc two bridges across Thames)			53
Number of gullies			15,300
Street trees			17,000
Street verges			19.5h
	2007/08 Actual	2008/09 Projection	2009/10 Estimate
Reactive maintenance jobs undertaken	8,853	9,000	9,000
Sign shop orders completed	707	800	800

PERFORMANCE DATA

Indicator	2007/08 Actuals		Targets		
	<u>Richmond</u>	<u>Top 25% London</u>	<u>2008/09</u>	<u>2009/10</u>	
Local / National Indicators					
BV 223 / N168	Condition of principal roads (% in need of repair)	9.0%	4.0%	10.0%	10.0%
BV 224a/ N169	Condition of classified non-principal roads (% in need of repair)	12.0%	4.0%	15.0%	15.0%
BV 224b	Condition of unclassified non-principal roads (% in need of repair)	20.0%	9.0%	N/a	N/a
BV 178	The percentage of total length of footpaths and other rights of way which were easy to use by members of the public	100.0%	100.0%	N/a	N/a
BV 187	Condition of Footway	15.0%	12.5%	N/a	N/a
BV 199a	Local Street and Environmental Cleanliness: Litter	22.0%	13.5%	N/a	N/a
BV 199b	Local Street and Environmental Cleanliness: Graffiti	1.0%	5.0%	N/a	N/a
BV 199c	Local Street and Environmental Cleanliness: Fly-Post	1.0%	1.0%	N/a	N/a
BV 199d	Year on Year reduction in incidents/increases in enforcement actions - Fly-tipping	2	2	N/a	N/a
BV215a	Rectification of Street Lighting Faults (Non-Distribution Network Operator)	5.3 days	2.0 days	7 days	7 days
BV215b	Rectification of Street Lighting Faults (DNO)	38.4 days	15.9 days	18 days	17 days
	The % of total length of footpaths and other rights of way which were easy to use by members of the public (259 Public Rights of Way inspected).	100.0%	N/a	100.0%	100.0%
	Ensure 98% of street lights are working	99.4%	N/a	98%	98%

	2008-09	2009-10
Number of full time equivalent employees	22.0	20.0

PARKS AND OPEN SPACES N15, N20

*This Group covers the cost of:-
Parks and Open Spaces*

This Section is responsible for 146 parks and open spaces covering a total of 517 hectares.

Included in this area are 42 equipped children's playgrounds.

The Arboriculture Section is responsible for the management of over 17,000 street trees and the administration of Tree Preservation Orders.

	<u>2007/08</u> <u>Actual</u> £	<u>2008/09</u> <u>Original</u> £	<u>2008/09</u> <u>Revised</u> £	<u>2009/10</u> <u>Estimate</u> £
<u>Expenditure</u>				
Employees	784,900	745,300	745,300	734,900
Premises	2,430,618	2,389,400	2,418,400	2,489,500
Transport	14,381	15,300	36,000	36,900
Supplies & Services	120,887	117,100	117,100	111,100
Third Party Payments	367,945	362,500	347,000	349,400
Central Recharges	200,162	184,600	177,200	182,500
Departmental Recharges	110,400	111,300	107,900	110,200
Capital Charges	8,060	5,400	12,400	12,400
TOTAL EXPENDITURE	4,037,353	3,930,900	3,961,300	4,026,900
<u>Income</u>				
Government Grants	(1,454)	0	(6,000)	0
Other Grants and Contributions	(65,887)	0	0	0
Sales	(70)	0	0	0
Fees & Charges	(528,984)	(412,600)	(461,500)	(473,700)
Rents	(321,371)	(256,200)	(256,200)	(262,500)
Central Recharges Income	(54,800)	(46,300)	0	0
Departmental Recharges Income	(465,800)	(393,000)	(381,900)	(380,000)
TOTAL INCOME	(1,438,366)	(1,108,100)	(1,105,600)	(1,116,200)
NET EXPENDITURE	2,598,987	2,822,800	2,855,700	2,910,700

Variation Analysis

Original Estimate 2008/09	2,822,800	2,822,800
Inflation		108,500
Demand Led Growth		0
Government Grant/Outside Body Growth		7,500
Budget Transfer	25,600	(2,900)
Service Reductions & Efficiencies/Income Generation		(42,000)
Capital Financing	7,000	7,000
Other Variations	300	9,800
Revised Budget 2008/09	<u>2,855,700</u>	
Original Budget 2009/10		<u>2,910,700</u>

PARKS, OPEN SPACES N15, N20**KEY ACTIVITY DATA**

Number of parks	146
Area of parks (Council owned)	517h
Number of tree works applications	850
Number of tree preservation orders (applications)	250
Number of tree conservation areas (applications)	850
Area of parks per head of population	0.003h
% Playgrounds at LEAP Standard	90%
Number of play areas per 1,000 under 12s	1.51
Number of equipped playgrounds	40

PERFORMANCE DATA

Indicator	2007/08 Actuals		Targets			
	<u>Richmond</u>	<u>Top 25% London</u>	<u>2008/09</u>	<u>2009/10</u>		
<u>Local Indicators</u>						
Grounds Contract Performance (new)	N/a	N/a	73%	*		
% of daily playground inspection sheets completed (new)	N/a	N/a	100%	100%		
TPO's dealt with within 8 weeks	85%	N/a	90%	90%		
Green Flag Awards (new)	2	N/a	4	8		
Number of frontline cases answered within SLA (new)	100%	N/a	100%	100%		
Plant 250 trees per annum	250	N/a	250	250		
Enquiries within SLA - Members Express	100%	N/a	100%	100%		
* Defining monitoring method during 08/09						
<u>National Indicators</u>						
N197	NI 197 - Improved Local Biodiversity - proportion of Local Sites where positive conservation management has been or is being implemented. (new indicator)		N/a	N/a	24%	26% (to be confirmed)

	2008-09	2009-10
Number of full time equivalent employees	16.5	16.5

PARKING SERVICES N26-27, N81-82

This Group covers the cost of:-

On & Off Street Parking Management and Parking Enforcement

The Council's policy on public off-street parking is to provide spaces favouring short and medium-term users, with limited long-stay space to meet essential business needs. Currently there are 2,677 spaces in 26 car parks. Pressure on on-street parking space, particularly by rail and other commuters, has led to the introduction of controlled parking zones (CPZs), providing priority spaces for residents and businesses and metered and shared use spaces for visitors. Currently approximately 30% of the borough (excluding metropolitan open land and green belt) is under CPZ control and this will rise as new CPZs are introduced. Surplus income from on-street parking is ring-fenced for parking, highway and public transport expenditure and facilitates the implementation of the Mayor of London's Transport Strategy. The Parking Enforcement section processes penalty charge notices issued under the Road Traffic Act, administers and issues parking permits, receives payments for all associated services and manages the parking enforcement contractor.

	<u>2007/08</u> <u>Actual</u> £	<u>2008/09</u> <u>Original</u> £	<u>2008/09</u> <u>Revised</u> £	<u>2009/10</u> <u>Estimate</u> £
<u>Expenditure</u>				
Employees	894,781	950,500	959,000	1,006,100
Premises	1,148,028	1,085,800	1,085,500	1,112,100
Transport	1,169	0	5,900	6,000
Supplies & Services	221,857	211,200	202,700	174,200
Third Party Payments	2,717,896	2,609,700	2,841,700	2,918,600
Central Recharges	531,470	493,200	633,600	620,800
Departmental Recharges	431,000	438,000	271,800	277,400
Capital Charges	189,041	66,900	77,300	77,300
TOTAL EXPENDITURE	6,135,242	5,855,300	6,077,500	6,192,500
<u>Income</u>				
Fees & Charges	(11,380,796)	(11,557,100)	(11,619,300)	(11,891,800)
Rents	(363,434)	(390,500)	(390,500)	(400,300)
TOTAL INCOME	(11,744,230)	(11,947,600)	(12,009,800)	(12,292,100)
NET EXPENDITURE	(5,608,988)	(6,092,300)	(5,932,300)	(6,099,600)

Variation Analysis

Original Estimate 2008/09	(6,092,300)	(6,092,300)
Inflation		142,500
Demand Led Growth		0
Government Grant/Outside Body Growth		500
Budget Transfer	175,400	(700)
Service Reductions & Efficiencies/Income Generation		(127,000)
Capital Financing	10,400	10,400
Other Variations	(25,800)	(33,000)
Revised Budget 2008/09	<u>(5,932,300)</u>	
Original Budget 2009/10		<u>(6,099,600)</u>

PARKING SERVICES N26-27, N81-82**KEY ACTIVITY DATA**

	2007/08 Actual	2008/09 Projection	2009/10 Estimate
Resident permits issued	14,076	15,900	15,900
Business permits issued	653	730	730
Other operational	833	900	900
Penalty charge notices collectable (Inc CCTV)	93,236	99,000	100,000
Number of car parks	26	26	25
Number of car park spaces	2,681	2,677	2,600

PERFORMANCE DATA

Indicator	2007/08 Actuals		Targets	
	<u>Richmond</u>	<u>Top 25% London</u>	<u>2008/09</u>	<u>2009/10</u>
<u>Local Indicators</u>				
Number of major town centres (5) in a controlled parking zone	4	N/a	5	5
Number and percentage of railway stations within a controlled parking zone	7 50%	N/a N/a	8 57%	8 57%
Number of secure car park awards	2	N/a	8	10
Number of disabled spaces provided per 1,000 car park spaces	15	N/a	15	15

	2008-09	2009-10
Number of full time equivalent employees	28.0	28.0

PROPERTY SERVICES N35 - N37

This Group covers the cost of:-

Property Services, Estates, Sustainability, Sundry Properties, Development & Regeneration and Maintenance of Assets

Property Services covers every aspect of building-related matters, including the provision of specialist advice and services on all construction and property-related matters. The Property Services team also manages the Maintenance of Assets budget which provides funding for the annual maintenance contracts such as boilers and lifts and for planned and cyclical maintenance. Development & Regeneration progress specific development initiatives within the borough. The Sustainability Team promotes the green agenda tackling climate change. Sundry Properties account includes the costs of various properties that are part of the Council's portfolio but are not used for the provision of direct services.

	<u>2007/08</u> <u>Actual</u> £	<u>2008/09</u> <u>Original</u> £	<u>2008/09</u> <u>Revised</u> £	<u>2009/10</u> <u>Estimate</u> £
<u>Expenditure</u>				
Employees	1,115,190	1,515,400	1,561,900	1,504,500
Premises	210,208	1,093,700	1,111,900	1,032,600
Transport	11,477	25,600	43,400	45,800
Supplies & Services	82,476	69,900	94,700	68,300
Third Party Payments	138,628	1,000	1,000	23,500
Central Recharges	769,330	664,800	589,300	600,700
Departmental Recharges	211,600	222,400	292,400	299,900
Capital Charges	364,096	21,800	10,900	10,900
TOTAL EXPENDITURE	2,903,005	3,614,600	3,705,500	3,586,200
<u>Income</u>				
Other Grants and Contributions	(222,006)	(682,200)	(682,200)	(699,300)
Sales	(5)	0	0	0
Fees & Charges	(57,617)	(5,400)	(12,600)	(5,500)
Rents	(610,188)	(529,600)	(529,600)	(542,800)
Central Recharges Income	(1,455,721)	(1,335,200)	(1,150,300)	(1,119,900)
TOTAL INCOME	(2,345,537)	(2,552,400)	(2,374,700)	(2,367,500)
NET EXPENDITURE	557,468	1,062,200	1,330,800	1,218,700

Variation Analysis

Original Estimate 2008/09	1,062,200	1,062,200
Inflation		39,700
Demand Led Growth		0
Government Grant/Outside Body Growth		22,200
Budget Transfer	100,100	29,000
Service Reductions & Efficiencies/Income Generation		(152,200)
Capital Financing	(10,900)	(10,900)
Other Variations	179,400	228,700
Revised Budget 2008/09	<u>1,330,800</u>	
Original Budget 2009/10		<u>1,218,700</u>

PROPERTY SERVICES N35 - N37**KEY ACTIVITY DATA**

No of properties managed by Property Services	200
Value of Properties (at 31/3/07)	£517m
Annual Schools Capital Maintenance Programmes	£1.0m
Annual Corporate Capital Maintenance Programmes	£1.4m
Annual Parks Capital Investment Programme	£0.75m
Annual Secondary School Capital Investment Programme	£5.0m
Examples of Major Investment Capital Projects On-site:-	
Heathfield Childrens Centre	£1.2m
Teddington BSF Pathfinder	£27m
Ham Childrens Centre	£1.0m
Lowther Children's Centre	£1.0m

PERFORMANCE DATA

Indicator	2007/08 Actuals		Targets	
	<u>Richmond</u>	<u>Top 25% London</u>	<u>2008/09</u>	<u>2009/10</u>
<u>Local Indicators</u>				
Capital Project completed on time	68%	N/a	70%	70%
Capital projects completed within budget	68%	N/a	70%	70%
Capital receipts from (non Right to Buy) disposals	£3.1m	N/a	£6.5m	£11.4m

	2008-09	2009-10
Number of full time equivalent employees	29.1	29.1

REGULATORY SERVICES N11-13,N24-25, N41

This Group covers the cost of:-

Building Control, Development Control, Land Use Policy & Design, Consumer Protection, and Special Projects

Building Control is responsible for ensuring building work is carried out in compliance with building regulations, securing safety associated with dangerous structures, safety of spectators at sports grounds and street naming and numbering. Development Control processes planning applications and planning appeals and undertakes enforcement work. Land Use Policy & Design is responsible for the preparation, monitoring and review of planning policies and guidance, and environmental enhancement, economic development and tourism services. Protection encompasses Environmental Health (food safety, health and safety, noise pollution and nuisance, infectious disease investigation), Trading Standards (Fair Trading, Weights and Measures, Consumer Safety etc), and Licensing (premises licensing for alcohol, gambling, entertainment and late night refreshments, special treatments, street trading and animal licensing). Special Projects is concerned with the monitoring and provision of action plans in relation to air pollution, ambient noise and contaminated land.

	<u>2007/08</u> <u>Actual</u> £	<u>2008/09</u> <u>Original</u> £	<u>2008/09</u> <u>Revised</u> £	<u>2009/10</u> <u>Estimate</u> £
Expenditure				
Employees	4,913,296	5,020,100	5,060,000	5,227,100
Premises	62,293	68,300	68,300	28,300
Transport	58,647	69,400	120,800	123,700
Supplies & Services	705,509	637,700	734,700	681,100
Third Party Payments	201,389	198,000	380,000	195,900
Central Recharges	1,371,646	1,323,000	1,365,200	1,404,500
Departmental Recharges	966,690	935,500	977,900	999,700
Capital Charges	15,067	15,100	36,400	(7,600)
TOTAL EXPENDITURE	8,294,537	8,267,100	8,743,300	8,652,700
Income				
Government Grants	(580,519)	(108,600)	(125,400)	(239,800)
Other Grants and Contributions	(119,500)	0	0	(65,000)
Sales	(16,816)	(17,100)	(17,100)	(17,500)
Fees & Charges	(2,337,135)	(2,401,300)	(2,413,800)	(2,478,200)
Rents	(1)	0	0	0
Departmental Recharges Income	(364,100)	(343,900)	(417,800)	(433,100)
TOTAL INCOME	(3,418,070)	(2,870,900)	(2,974,100)	(3,233,600)
NET EXPENDITURE	4,876,467	5,396,200	5,769,200	5,419,100

Variation Analysis

Original Estimate 2008/09	5,396,200	5,396,200
Inflation		150,900
Demand Led Growth		0
Government Grant/Outside Body Growth		(150,000)
Budget Transfer	341,000	225,800
Service Reductions & Efficiencies/Income Generation		(172,600)
Capital Financing	21,300	(22,700)
Other Variations	10,700	(8,500)
Revised Budget 2008/09	<u>5,769,200</u>	
Original Budget 2009/10		<u>5,419,100</u>

REGULATORY SERVICES N11-13, N24-25, N41**KEY ACTIVITY DATA**

	2007/08 Actual	2008/09 Projection	2009/10 Estimate
Number of Building Regulation Inspections (site visits)	12,624	12,700	12,600
Number of planning applications	5,020	4,200	4,200
Number of health & safety inspections	385	350	350
Premises/club premises licences, new and variation	287	300	300
Premises/club premises licences	804	820	830
Number of Medium Risk Premises Inspected	589	500	500
Proportion of high risk premises inspected (Trading Standards)	100%	100%	100%

PERFORMANCE DATA

Indicator	2007/08 Actuals		Targets		
	<u>Richmond</u>	<u>Top 25% London</u>	<u>2008/09</u>	<u>2009/10</u>	
<u>Local / National Indicators</u>					
BV106	Percentage of new homes built on previously developed land.	100%	100%	N/a	N/a
BV109 / N157	Percentage of applications determined in line with the Government's new development control targets to determine:				
	a) Major 60% in 13 weeks	71.43%	77.80%	60.00%	60.00%
	b) Minor 60% in 8 weeks	80.16%	82.20%	65.00%	65.00%
	c) Other 80% in 8 weeks	88.51%	91.00%	80.00%	80.00%
BV166a	Score against a checklist of enforcement for environmental health	100%	100%	N/a	N/a
BV166b	Score against a checklist of enforcement for trading standards	100%	100%	N/a	N/a
BV200a	Development plan adopted in last 5 years where end date has not expired	Yes	N/a	N/a	N/a
BV200b	If 'no' are there proposals on deposit to replace/alter within 3 year time-table	Yes	N/a	N/a	N/a
BV204	% of appeals allowed against the authority's decision to refuse planning applications	33.3%	30.1%	33.3%	33.3%
BV205	Quality of service checklist	100%	100%	N/a	N/a
BV216a	Number of sites of potential concern - land contamination	1,531	N/a	N/a	N/a
BV216b	Number of sites with information to decide whether remediation of land is necessary - as a percentage of 216a	1.0%	31%	N/a	N/a
BV217	Percentage of pollution control improvements to existing installation completed on time.	100.0%	100%	N/a	N/a
BV219b	Conservation Areas - Character Appraisals	100.0%	89.00%	N/a	N/a
Local	Conservation Areas - Number	72	N/a	73	74
Local	Conservation Areas - Management Plans	31.00%	N/a	N/a	N/a
Local	Quality of service checklist	100%		100%	100%
Local	Percentage of pollution control improvements to existing installation completed on time.	100.0%		100.0%	100.0%
Local	Response to contaminated land enquiries from all sources.	100%	5.3 days	100% within 20 days	100% within 20 days
Local	Conservation Areas - Character Appraisals	100.0%		100.0%	100.0%

	2008-9	2009-10
Number of full time equivalent employees	101.1	108.4

TRANSPORT PLANNING N22-23

*This Group covers the cost of:-
Transport Planning and Safety Education*

Transport Planning involves the preparation, consultation and implementation of transport strategies, policies and detailed schemes to secure improvements for the safety of all road users and quality of life for people in the borough.

Transport Planning contributes to the Council's Safety Strategy, through ensuring improvements to the security of car parks, working in partnership with public transport providers and others to reduce the fear of crime and giving priority to the personal safety of users of the highway. Another priority is the promotion of road safety and the reduction in the number of casualties on borough roads.

This group also encompasses Safety Education covering road, home and water safety education, training and publicity. The team is responsible for the School Crossing service and the development of Walking Buses.

	<u>2007/08</u> <u>Actual</u> £	<u>2008/09</u> <u>Original</u> £	<u>2008/09</u> <u>Revised</u> £	<u>2009/10</u> <u>Estimate</u> £
Expenditure				
Employees	1,524,095	1,007,200	1,938,500	1,990,000
Premises	4,200	4,300	4,300	4,400
Transport	5,578	11,000	19,900	20,200
Supplies & Services	68,419	49,300	49,300	46,800
Third Party Payments	2,425,985	1,712,400	781,100	800,500
Central Recharges	252,515	261,200	417,600	430,300
Departmental Recharges	127,400	135,300	165,900	170,500
Capital Charges	534,960	637,800	607,200	607,200
TOTAL EXPENDITURE	4,943,152	3,818,500	3,983,800	4,069,900
Income				
Other Grants and Contributions	(2,322,011)	(1,150,300)	(1,150,300)	(1,179,100)
Sales	(3,248)	0	0	0
Fees & Charges	(248,864)	(125,300)	(125,300)	(128,400)
Central Recharges Income	(20,000)	(20,000)	(14,000)	(14,000)
Departmental Recharges Income	(100,000)	(100,000)	(89,000)	(89,000)
TOTAL INCOME	(2,694,123)	(1,395,600)	(1,378,600)	(1,410,500)
NET EXPENDITURE	2,249,029	2,422,900	2,605,200	2,659,400

Variation Analysis

Original Estimate 2008/09	2,422,900	2,422,900
Inflation		46,200
Demand Led Growth		0
Government Grant/Outside Body Growth		0
Budget Transfer	8,900	4,600
Service Reductions & Efficiencies/Income Generation		(5,000)
Capital Financing	(30,600)	(30,600)
Other Variations	204,000	221,300
Revised Budget 2008/09	<u>2,605,200</u>	
Original Budget 2009/10		<u>2,659,400</u>

TRANSPORT PLANNING N22-23**KEY ACTIVITY DATA**

	2007/08 Actual	2008/09 Projection	2009/10 Estimate
Approved School Travel Plans	59	76	76
	73%	100%	100%
Number of traffic management orders	65	80	70
Provision of disabled bays	49	40	40
Disabled bays revoked	37	20	20
Percentage of London Cycle Networks completed	53.0%	75.0%	100.0%
Length of Cycle Route Improvements	30km	43km	57km

PERFORMANCE DATA

Indicator	2007/08 Actuals		Targets		
	<u>Richmond</u>	<u>Top 25% London</u>	<u>2008/09</u>	<u>2009/10</u>	
<u>Local / National Indicators</u>					
BV99	Number of road accident casualties				
	(a) killed/seriously injured - all				
	(b) killed/seriously injured - children				
	(c) slightly injured				
BV99a(i)/ N47	All - killed/seriously injured	76	82	N/a	N/a
BV99a(ii)	% change from previous year - all	-26%	-8.5%	N/a	N/a
BV99a(iii)	% change from previous year - children	-44%	-53.2%	N/a	N/a
BV99b(i)	Child - killed/seriously injured	5	7	N/a	N/a
BV99b(ii)	% change from previous year - children	0%	-30.4%	N/a	N/a
BV99b(iii)	Average % change in the no. of casualties	-64%	-68.2%	-44%	-49%
/ Local	between 1994 & 1998 - children				
BV99c(i)/ Local	All - slightly injured	415	574	581	566
BV99c(ii)/ Local	% change from previous year - all	10%	-13.0%	N/a	N/a
BV99c(iii)	Average % change in the no. of casualties	-42%	-37.1%	-19%	-21%
	between 1994 & 1998 - All slightly injured				
BV100	Temporary Road Closure - Days/km traffic controls in place	1.2	0.0%	N/a	N/a
BV165	Pedestrian crossings with disabled facilities	29.9%	88.0%	TBA	TBA

	2008-09	2009-10
Number of full time equivalent employees	21.8	45.7

TRANSPORT SERVICES N79

*This Group covers the cost of:-
Transport Hire and Vehicle Maintenance Workshops*

The Transport Services Section provides a complete range of vehicle provision to all departments within the Council.

The Transport Workshop carries out maintenance and repairs to the Council's fleet consisting of 155 vehicles and currently provides maintenance and servicing of Council, Partners and Contractors vehicles which is detailed in the Key Activity Data

Responsibility for the provision of departments transport needs eg Children's Services and Adult Social Care and Accessible Transport Unit, were transferred to Adult & Community Services during 2007 under the Council's re-organisation. The budget will only be transferred with effect from 1st April 2008.

	<u>2007/08</u> <u>Actual</u> <u>£</u>	<u>2008/09</u> <u>Original</u> <u>£</u>	<u>2008/09</u> <u>Revised</u> <u>£</u>	<u>2009/10</u> <u>Estimate</u> <u>£</u>
<u>Expenditure</u>				
Employees	486,773	514,000	488,000	485,300
Premises	18,526	1,000	1,000	1,000
Transport	2,112,917	618,800	722,500	791,600
Supplies & Services	74,090	33,500	35,000	33,200
Third Party Payments	9,839	34,600	17,600	18,000
Central Recharges	44,803	39,200	71,600	73,300
Departmental Recharges	252,800	255,600	265,900	268,300
Capital Charges	644,489	221,900	643,500	643,500
TOTAL EXPENDITURE	3,644,237	1,718,600	2,245,100	2,314,200
<u>Income</u>				
Fees & Charges	(3,196,250)	(2,082,700)	(2,082,700)	(2,263,800)
TOTAL INCOME	(3,196,250)	(2,082,700)	(2,082,700)	(2,263,800)
NET EXPENDITURE	447,987	(364,100)	162,400	50,400

Variation Analysis

Original Estimate 2008/09	(364,100)	(364,100)
Inflation		(19,600)
Demand Led Growth		0
Government Grant/Outside Body Growth		0
Budget Transfer	62,200	(30,700)
Service Reductions & Efficiencies/Income Generation		(3,600)
Capital Financing	421,600	421,600
Other Variations	42,700	46,800
Revised Budget 2008/09	<u>162,400</u>	
Original Budget 2009/10		<u>50,400</u>

TRANSPORT SERVICES N79

KEY ACTIVITY DATA

	2007/08 Actual	2008/09 Projection	2009/10 Estimate
No. of Council vehicles maintained	155	155	185
No. of Non Council vehicles maintained	97	125	100

PERFORMANCE DATA

Indicator	2007/08 Actuals		Targets	
	<u>Richmond</u>	<u>Top 25% London</u>	<u>2008/09</u>	<u>2009/10</u>
None applicable	To be developed during 2008/09 by the Association of London Transport Officers.			

	2008-09	2009-10
Number of full time equivalent employees	11.0	11.0

WASTE MANAGEMENT & ENFORCEMENT N69 - 75

This Group covers the cost of:-

Waste Collection & Disposal, Recycling, Street Cleansing, Skip Service and Public Conveniences

The Council is recycling nearly one third of the borough's domestic waste and also provides a weekly refuse service to 80,000 properties and a trade collection service, for which a charge is made.

The service was recently reviewed and plastic bottles and card have been added to the kerbside recycling collection. Waste Disposal is carried out through the West London Waste Authority who are predicting significant increases in costs if recycling is not maximised over the coming years.

Street cleansing operations include street sweeping (of approximately 400 km of roads and footways) and graffiti removal.

These budgets also include the provision for public conveniences which are now predominantly provided via the Community Toilet Scheme.

	<u>2007/08</u> <u>Actual</u> £	<u>2008/09</u> <u>Original</u> £	<u>2008/09</u> <u>Revised</u> £	<u>2009/10</u> <u>Estimate</u> £
Expenditure				
Employees	1,646,940	1,028,300	1,062,700	1,067,800
Premises	98,840	65,800	63,600	52,800
Transport	1,382,154	1,663,700	1,663,700	2,291,900
Supplies & Services	786,860	483,900	570,400	475,700
Third Party Payments	13,634,390	14,026,000	14,695,700	15,039,600
Central Recharges	320,308	286,800	340,100	351,400
Departmental Recharges	1,502,163	1,547,500	1,643,500	1,660,100
Capital Charges	5,356	5,300	5,300	5,300
TOTAL EXPENDITURE	19,377,011	19,107,300	20,045,000	20,944,600
Income				
Government Grants	(215,587)	0	0	0
Other Grants and Contributions	(47,700)	0	0	0
Sales	(1,115,646)	(1,136,500)	(1,136,500)	(1,355,500)
Fees & Charges	(2,607,079)	(2,577,900)	(2,755,900)	(2,747,900)
Rents	(4,696)	(4,700)	(4,700)	(4,800)
Departmental Recharges Income	(501,952)	(506,600)	(572,500)	(569,600)
TOTAL INCOME	(4,492,660)	(4,225,700)	(4,469,600)	(4,677,800)
NET EXPENDITURE	14,884,351	14,881,600	15,575,400	16,266,800

Variation Analysis

Original Estimate 2008/09	14,881,600	14,881,600
Inflation		476,000
Demand Led Growth		20,000
Government Grant/Outside Body Growth		(2,200)
Budget Transfer	610,400	1,162,200
Service Reductions & Efficiencies/Income Generation		(385,000)
Capital Financing	0	0
Other Variations	83,400	114,200
Revised Budget 2008/09	<u>15,575,400</u>	
Original Budget 2009/10		<u>16,266,800</u>

WASTE MANAGEMENT & ENFORCEMENT N69-75**KEY ACTIVITY DATA**

		2007/08 Actual	2008/09 Projection	2009/10 Estimate
Waste disposed (tonnes)		92,453	93,123	92,900
Waste collected (tonnes)	Street Cleansing:-	4,248	4,700	4,700
	Refuse:-			
	Collected Domestic:	40,100	38,826	38,000
	Collected Commercial:	8,374	7,721	7,000
	CA Site Domestic:	5,486	4,832	4,800
	CA Site Commercial:	6,014	4,244	4,000
	Total:	59,974	55,623	53,800
Materials Recycled (tonnes)		28,231	32,800	34,400
Recycling Rate		36.16%	40.41%	41.72%
Number of recycling banks		121	121	121
Number of conventional public conveniences		5	5	5
Number of automatic public conveniences		0	0	0

PERFORMANCE DATA

Indicator	2007/08 Actuals		Targets		
	Richmond	Top 25% London	2008/09	2009/10	
National / Local Indicators					
Total tonnage of household waste arisings:					
BV 82a(i) / N192	Percentage recycled	24.60%	24.00%	24.0%	40% by 2010
BV 82a(ii)	Tonnage recycled	19,214	23,466	N/a	N/a
BV 82b(ii)	Tonnage composted	9,017	9,504	N/a	N/a
BV 82b(i)	Percentage composted	11.54%	9.40%	N/a	N/a
BV 82c(i)	Percentage waste used to recover other energy resources	N/a	53.40%	N/a	N/a
BV 82c(ii)	Tonnage of waste used to recover heat, power and other energy sources	N/a	46,782	N/a	N/a
BV 82d(i)	Percentage landfilled	N/a	23.50%	N/a	N/a
BV 82d(ii)	Tonnage landfilled	N/a	8,001	N/a	N/a
BV 84a	Kg of household waste collected per head	435	387	N/a	N/a
BV 84b	% change	0.75%	-4.40%	N/a	N/a
BV 86	Cost of waste collection per household	£80.58	£50.80	£78.28	tbc
BV 91a	Percentage of population served by a kerbside collection of recyclables	98.0%	100.0%	N/a	N/a
BV91b	Two recyclable	98.0%	100.0%	N/a	N/a
BV218a	Abandoned vehicles (investigated)	97.0%	99.3%	N/a	N/a
BV218b	Abandoned vehicles (removed)	97.0%	98.5%	N/a	N/a
	LAA - To minimise Waste and Increase Recycling, tonnes of non-biodegradable waste recycled.	11,823		12,826	tbc
N 191	LAA - Residual household waste per household.	n/a		613kg	tbc
N193	LAA % of municipal waste land filled	n/a		53% by 2010	53% by 2010
N195	Improved street and environmental cleanliness for Litter, Detritus, Graffiti and Fly-posting.	26%		26%	tbc
N196	Improved street and environmental cleanliness, fly tipping	2 effective*		2 effective*	tbc
(* Target description, 1-very effective, 2-effective, 3-not effective, 4-poor)					
	% new reports of abandoned vehicles investigated within 24 hours of notification.	97.0%		97.0%	97.0%

	2008-09	2009-10
Number of full time equivalent employees	30.0	29.0

Section F

Adult & Community Services

Should you have any queries concerning the Adult & Community Services Budget Pages
please contact:

Alistair Cullen
Principal Finance Manager

Tel: 020 8487 5046

Email: Alistair.Cullen@richmond.gov.uk

Brian Blenman
Principal Finance Manager

Tel: 020 8891 7205

Email: B.Blenman@richmond.gov.uk

REVENUE BUDGET - OBJECTIVE SUMMARY OF EXPENDITURE

	<u>2007/08</u> <u>Actual</u> £	<u>2008/09</u> <u>Original</u> £	<u>2008/09</u> <u>Revised</u> £	<u>2009/10</u> <u>Estimate</u> £
Commissioning Care Services Division				
Divisional Management	0	0	0	0
Care Management	8,272,669	10,520,200	10,121,800	10,388,600
Service Development	(2,000)	0	0	0
Care Services - Older People & Younger Adults	17,693,364	20,686,900	23,840,300	21,700,800
Care Services - Learning Disabilities	7,105,862	7,914,100	8,045,300	6,385,900
Care Services Mental Health	2,399,115	3,262,500	3,169,400	3,412,000
Care Services Drug & Alcohol / HIV	566,422	769,400	706,200	733,700
Supporting Housing Services	149,083	259,200	49,600	49,800
Community Services Operations				
Divisional Management and Support Services	(4,700)	0	0	0
Housing Advice and Assessment	1,441,201	1,275,400	1,217,000	1,234,900
Resettlement Service	1,011,146	951,700	955,400	1,036,000
Temporary Accommodation	757,536	2,072,400	3,031,700	5,553,600
Private Sector and Other Housing	1,627,170	6,268,100	2,340,100	1,316,300
Care Provision - Learning Disabilities	5,083,718	4,035,000	4,295,900	5,834,500
Care Provision - Community Services	2,211,859	2,387,900	2,308,600	2,359,300
Transport Operations	414,847	1,097,100	921,200	1,021,600
Accessible Transport Unit	6,396,110	5,828,200	6,109,000	5,301,000
Commissioning Corporate Policy & Strategy				
Divisional Management	341,815	425,100	0	0
Community Engagement & Inclusion	73,516	348,200	888,900	800,800
Strategy & Policy	1,410,224	1,433,000	1,373,900	1,472,600
Grants to Voluntary Organisations	2,348,506	2,459,700	2,655,200	2,556,200
Contracting and Procurement	0	0	0	0
Performance & Quality Assurance	98,933	264,300	12,500	12,600
Rent Allowances	(389,738)	(20,000)	(19,100)	(31,400)
Directorate Management and Finance	381,696	363,600	762,100	489,100
TOTAL NET EXPENDITURE	59,388,355	72,602,000	72,785,000	71,627,900

Variation Analysis

Original Estimate 2008/09	72,602,000	72,602,000
Inflation	0	1,694,500
Demand Led Growth	0	750,000
Government Grant/Outside Body Growth	0	(782,800)
Budget Transfer	1,026,200	542,700
Service Reductions & Efficiency Savings/Income Generation	0	(1,406,800)
Capital Financing	(594,800)	(1,218,800)
Other Variations	(248,400)	(552,900)
Revised Budget 2008/09	<u>72,785,000</u>	
Original Budget 2009/10		<u>71,627,900</u>

REVENUE BUDGET - SUBJECTIVE SUMMARY OF EXPENDITURE

	<u>2007/08</u> <u>Actual</u> <u>£</u>	<u>2008/09</u> <u>Original</u> <u>£</u>	<u>2008/09</u> <u>Revised</u> <u>£</u>	<u>2009/10</u> <u>Estimate</u> <u>£</u>
<u>Expenditure</u>				
Employees	22,002,885	24,212,400	24,668,400	24,917,300
Premises	1,961,362	1,846,400	1,982,700	2,046,500
Transport	1,706,054	1,751,700	1,875,600	1,944,900
Supplies and Services	5,022,280	7,096,700	6,220,000	5,865,900
Third Party Payments	46,686,729	47,222,500	49,051,800	49,093,900
Transfer Payments	57,274,883	56,944,900	59,414,100	58,945,000
Central Recharges	6,675,584	6,575,600	5,812,000	5,949,000
Departmental Recharges	5,372,699	6,464,400	8,713,300	8,762,000
Capital Charges	2,675,992	6,888,900	6,294,100	5,670,100
TOTAL EXPENDITURE	149,378,469	159,003,500	164,032,000	163,194,600
<u>Income</u>				
Government Grants	(54,608,878)	(50,796,400)	(53,683,500)	(53,415,800)
Other Grants and Contributions	(10,006,517)	(10,090,400)	(10,438,600)	(11,284,200)
Fees & Charges	(14,278,697)	(14,097,900)	(13,944,900)	(14,264,300)
Rents	(4,516,847)	(4,155,200)	(4,085,600)	(3,447,400)
Central Recharge Income	(1,206,476)	(797,200)	(381,100)	(393,000)
Departmental Recharge Income	(5,372,699)	(6,464,400)	(8,713,300)	(8,762,000)
TOTAL INCOME	(89,990,114)	(86,401,500)	(91,247,000)	(91,566,700)
NET EXPENDITURE	59,388,355	72,602,000	72,785,000	71,627,900

	2008/09	2009/10
Number of full time equivalent employees	629.90	616.20

COMMISSIONING CARE SERVICES DIVISIONAL MANAGEMENT CCS1

This includes the management costs of the Commissioning Care Services Division which are recharged across the Commissioning Care Services Division.

	<u>2007/08</u> <u>Actual</u> £	<u>2008/09</u> <u>Original</u> £	<u>2008/09</u> <u>Revised</u> £	<u>2009/10</u> <u>Estimate</u> £
<u>Expenditure</u>				
Employees	501,463	537,300	890,600	615,500
Transport	2,460	3,400	9,300	9,500
Supplies and Services	95,389	56,300	56,300	55,300
Third Party Payments	158,145	208,400	263,800	213,600
Central Recharges	175,579	159,900	201,200	208,800
TOTAL EXPENDITURE	995,235	1,024,700	1,480,600	1,162,100
<u>Income</u>				
Government Grants	(170,153)	0	(55,400)	0
Other Grants and Contributions	0	(34,200)	(22,000)	(22,600)
Fees & Charges	(2,350)	0	0	0
Departmental Recharges	(822,732)	(990,500)	(1,403,200)	(1,139,500)
TOTAL INCOME	(995,235)	(1,024,700)	(1,480,600)	(1,162,100)
NET EXPENDITURE	0	0	0	0

Variation Analysis

Original Estimate 2008/09	0	0
Inflation	0	27,900
Budget Transfer	371,400	75,400
Service Reductions & Efficiency Savings/Income Generation	0	(3,200)
Other Variations	(371,400)	(100,100)
Revised Budget 2008/09	<u>0</u>	<u>0</u>
Original Budget 2009/10		<u>0</u>

COMMISSIONING CARE SERVICES DIVISIONAL MANAGEMENT CCS1

KEY ACTIVITY DATA

None

BEST VALUE PERFORMANCE DATA

	<u>2007/08 Actuals</u>		<u>Targets</u>	
	<u>Richmond</u>	<u>Top 25% London</u>	<u>2008/09</u>	<u>2009/10</u>

Number of full time equivalent employees	2008/09	2009/10
	12.5	12.5

CARE MANAGEMENT CCS2

Commissioning Care Services provide assessment, care management and occupational therapy services for all adult service users, including helping them live independently and the arrangement of personal care at home, meals on wheels, equipment and adaptations to the home.

	<u>2007/08</u> <u>Actual</u> £	<u>2008/09</u> <u>Original</u> £	<u>2008/09</u> <u>Revised</u> £	<u>2009/10</u> <u>Estimate</u> £
<u>Expenditure</u>				
Employees	4,841,240	5,548,800	5,495,100	5,593,900
Premises	161,580	113,000	113,000	107,700
Transport	97,755	93,000	115,200	117,600
Supplies and Services	86,609	162,700	46,900	133,000
Third Party Payments	180,560	218,100	337,600	344,400
Transfer Payments	10,700	15,600	15,600	15,900
Central Recharges	977,780	1,479,000	951,100	979,500
Departmental Recharges	2,645,200	3,048,700	3,192,600	3,178,200
Capital Charges	3,387	3,400	3,400	3,400
TOTAL EXPENDITURE	9,004,810	10,682,300	10,270,500	10,473,600
<u>Income</u>				
Government Grants	(504,600)	0	0	(85,000)
Other Grants and Contributions	(161,357)	(162,100)	(148,700)	0
Fees & Charges	(13,369)	0	0	0
Rents	(52,815)	0	0	0
TOTAL INCOME	(732,141)	(162,100)	(148,700)	(85,000)
NET EXPENDITURE	8,272,669	10,520,200	10,121,800	10,388,600

Variation Analysis

Original Estimate 2008/09	10,520,200	10,520,200
Inflation	0	112,000
Budget Transfer	(14,400)	126,400
Other Variations	(384,000)	(370,000)
Revised Budget 2008/09	<u>10,121,800</u>	
Original Budget 2009/10		<u>10,388,600</u>

CARE MANAGEMENT CCS2

KEY ACTIVITY DATA

None

BEST VALUE PERFORMANCE DATA

		<u>2007/08 Actuals</u>		<u>Targets</u>	
		<u>Richmond</u>	<u>Top 25% London</u>	<u>2008/09</u>	<u>2009/10</u>
BV 195	Timeliness of Social Care Assessments	90.00%	N/A	86.00%	N/A
BV 196	Clients receiving all services in care packages within 4 weeks of completion of assessment	93.00%	N/A	94.00%	N/A

Number of full time equivalent employees	2008/09	2009/10
	136.02	136.02

SERVICE DEVELOPMENT CCS3

The Service Development Section is responsible for the implementation of the strategic commissioning objectives for all adult social care services, supporting people, brokerage and adult learning, through service modernisation and improvement, market development, performance management and partnership working with key stakeholders across Health and Social Care, independent and voluntary sector and service users and carers.

	<u>2007/08</u> <u>Actual</u> £	<u>2008/09</u> <u>Original</u> £	<u>2008/09</u> <u>Revised</u> £	<u>2009/10</u> <u>Estimate</u> £
<u>Expenditure</u>				
Employees	69,368	106,400	786,500	774,300
Transport	0	100	8,400	8,600
Supplies and Services	16,989	25,600	47,200	98,000
Central Recharges	24,369	23,200	174,000	179,700
TOTAL EXPENDITURE	110,726	155,300	1,016,100	1,060,600
<u>Income</u>				
Government Grants	0	0	(42,000)	(93,000)
Departmental Recharges	(112,726)	(155,300)	(974,100)	(967,600)
TOTAL INCOME	(112,726)	(155,300)	(1,016,100)	(1,060,600)
NET EXPENDITURE	(2,000)	0	0	0

Variation Analysis

Original Estimate 2008/09	0	0
Inflation	0	(11,800)
Budget Transfer	279,600	279,600
Service Reductions & Efficiency Savings/Income Generation	0	(400)
Other Variations	(279,600)	(267,400)
Revised Budget 2008/09	<u>0</u>	
Original Budget 2009/10		<u>0</u>

SERVICE DEVELOPMENT CCS3

KEY ACTIVITY DATA

None

BEST VALUE PERFORMANCE DATA

	<u>2007/08 Actuals</u>		<u>Targets</u>	
	<u>Richmond</u>	<u>Top 25% London</u>	<u>2008/09</u>	<u>2009/10</u>

None applicable

Number of full time equivalent employees	2008/09	2009/10
	19.0	19.0

CARE SERVICES OLDER PEOPLE AND YOUNGER ADULTS CCS4

This budget covers independent sector provision of care services for older people, and younger adults including Direct Payments, where service users purchase their own care services. Services are provided with the aim of maximising independence and choice for service users and their carers as well as preventing delays in hospital discharges. Services include equipment and minor adaptations, meals, domiciliary care and short breaks for carers.

	<u>2007/08</u> <u>Actual</u> £	<u>2008/09</u> <u>Original</u> £	<u>2008/09</u> <u>Revised</u> £	<u>2009/10</u> <u>Estimate</u> £
<u>Expenditure</u>				
Employees	1,096,848	1,295,000	1,148,800	1,172,900
Premises	52,417	17,300	14,800	6,500
Transport	97,275	99,000	141,600	145,200
Supplies and Services	903,854	1,637,000	534,800	574,600
Third Party Payments	23,036,272	23,341,600	24,888,000	24,381,200
Transfer Payments	2,964,972	2,883,800	2,931,800	3,292,900
Central Recharges	290,648	306,500	255,000	261,100
Departmental Recharges	508,600	629,000	1,454,900	1,327,400
Capital Charges	53,692	52,800	2,365,000	569,000
TOTAL EXPENDITURE	29,004,578	30,262,000	33,734,700	31,730,800
<u>Income</u>				
Government Grants	(3,188,973)	(1,206,100)	(1,316,700)	(1,211,700)
Other Grants and Contributions	(1,408,341)	(1,391,500)	(1,491,500)	(1,528,700)
Fees & Charges	(6,713,684)	(6,977,300)	(7,086,000)	(7,289,400)
Rents	(217)	(200)	(200)	(200)
TOTAL INCOME	(11,311,214)	(9,575,100)	(9,894,400)	(10,030,000)
NET EXPENDITURE	17,693,364	20,686,900	23,840,300	21,700,800

Variation Analysis

Original Estimate 2008/09	20,686,900	20,686,900
Inflation	0	451,400
Demand Led Growth	0	750,000
Budget Transfer	66,800	52,300
Service Reductions & Efficiency Savings/Income Generation	0	(905,000)
Capital Financing	2,312,200	516,200
Other Variations	774,400	149,000
Revised Budget 2008/09	<u>23,840,300</u>	
Original Budget 2009/10		<u>21,700,800</u>

CARE SERVICES OLDER PEOPLE AND YOUNGER ADULTS CCS4**KEY ACTIVITY DATA**

No of Service Users with self directed supported services		2,500
Adults / Older People receiving Re-ablement Services		1,066
No of people requiring a reduced amount of ongoing care following reablement		320
Delayed transfers of care (people)		107
Delays due to Adult Social Services		34
Older People /Younger Adults receiving Direct Payments		300
Older People / Younger Adults receiving home care		832
Meals provided at home per annum		110,000
	Service Users	
Residential Care - Older People & Younger Adults	234	
Nursing Care - Older People & Younger Adults	193	
	No of Items	
Equipment & Minor Adaptations	11,220	

BEST VALUE PERFORMANCE DATA

		<u>2007/08 Actuals</u>		<u>Targets</u>	
		<u>Richmond</u>	<u>Top 25% London</u>	<u>2008/09</u>	<u>2009/10</u>
BV 53	No of households receiving intensive homecare per 1,000 of pop age 65+	12.9	N/A	N/A	N/A
BV 54	Older people aged 65+ helped to live at home (per 1,000 population)	81	N/A	N/A	N/A
BV 56	% of items of equipment & adaptations delivered within 7 working days	91.0%	N/A	N/A	N/A
BV 201	No of adults and older people receiving direct payments at 31st March per 100,000 population aged 18 or over	256	N/A	N/A	N/A

LOCAL PERFORMANCE INDICATORS

Number of people 65 or over admitted to care homes on a permanent basis	169	N/A	157	157
Number of service users receiving intensive homecare or intensive Direct Payments	426	N/A	466	466
No of service users with a Direct Payment	267	361	400	361
Social Care expenditure on SDS as % of the total spend on care at home	18%	N/A	28%	100.0%

Number of full time equivalent employees	2008/09	2009/10
	30.4	30.54

CARE SERVICES - ADULTS WITH LEARNING DISABILITIES CCS5

This budget covers independent sector provision of care services for adults with learning disabilities, including Direct Payments where service users purchase their own care services. Services are provided which aim to maximise independence and choice for service users and their carers in line with the 'Valuing People' agenda. Services include residential care, day support services, supported accommodation and short breaks for carers.

	<u>2007/08</u> <u>Actual</u> £	<u>2008/09</u> <u>Original</u> £	<u>2008/09</u> <u>Revised</u> £	<u>2009/10</u> <u>Estimate</u> £
Expenditure				
Employees	30,630	34,700	0	0
Premises	213,847	154,100	154,100	158,000
Supplies and Services	67,584	126,700	49,800	49,800
Third Party Payments	14,810,284	15,256,000	15,197,100	15,709,700
Transfer Payments	435,316	436,200	537,400	550,800
Central Recharges	3,767	0	1,600	1,600
Departmental Recharges	30,542	46,000	137,200	211,600
TOTAL EXPENDITURE	15,591,970	16,053,700	16,077,200	16,681,500
Income				
Government Grants	(486,100)	0	0	0
Other Grants and Contributions	(6,326,333)	(6,398,500)	(6,587,400)	(8,836,300)
Fees & Charges	(1,673,675)	(1,741,100)	(1,444,500)	(1,459,300)
TOTAL INCOME	(8,486,108)	(8,139,600)	(8,031,900)	(10,295,600)
NET EXPENDITURE	7,105,862	7,914,100	8,045,300	6,385,900

Variation Analysis

Original Estimate 2008/09	7,914,100	7,914,100
Inflation	0	152,900
Budget Transfer	38,400	(1,582,800)
Service Reductions & Efficiency Savings/Income Generation	0	(250,000)
Other Variations	92,800	151,700
Revised Budget 2008/09	<u>8,045,300</u>	
Original Budget 2009/10		<u>6,385,900</u>

CARE SERVICES - ADULTS WITH LEARNING DISABILITIES CCS5

KEY ACTIVITY DATA

	<i>Service Users</i>
Residential & Nursing Care	215
Supported Living	38

BEST VALUE PERFORMANCE DATA

	<u>2007/08 Actuals</u>		<u>Targets</u>	
	<u>Richmond</u>	<u>Top 25% London</u>	<u>2008/09</u>	<u>2009/10</u>
BV 201 No of adults and older people receiving direct payments at 31st March per 100,000 population aged 18 or over 18 or over	256	N/A	N/A	N/A

Number of full time equivalent employees	2008/09	2009/10
	0.0	0.0

CARE SERVICES - PEOPLE WITH MENTAL HEALTH NEEDS CCS6

This budget covers independent sector provision of care services for adults under 65 with mental health needs, as well as in house services managed by South West London and St Georges MH Trust. The Council aims to provide services which maximise independence and choice for service users and carers. Services include residential care, day support services, vocational training services, support treatment and recovery services and short breaks for carers.

	<u>2007/08</u> <u>Actual</u> £	<u>2008/09</u> <u>Original</u> £	<u>2008/09</u> <u>Revised</u> £	<u>2009/10</u> <u>Estimate</u> £
<u>Expenditure</u>				
Employees	678,943	694,900	635,700	750,700
Premises	62,175	67,400	51,300	52,500
Transport	12,492	11,700	15,900	16,300
Supplies and Services	(336,000)	86,700	73,000	72,900
Third Party Payments	2,336,218	2,347,800	2,473,800	2,566,200
Transfer Payments	36,724	19,700	30,200	30,200
Central Recharges	298,706	331,600	271,100	276,100
Departmental Recharges	380,900	400,700	430,400	463,200
Capital Charges	62,098	62,300	62,200	62,200
TOTAL EXPENDITURE	3,532,257	4,022,800	4,043,600	4,290,300
<u>Income</u>				
Government Grants	(214,607)	0	(17,300)	0
Other Grants and Contributions	(274,108)	(188,700)	(383,000)	(392,600)
Fees & Charges	(561,485)	(481,600)	(453,500)	(464,800)
Rents	(82,941)	(90,000)	(20,400)	(20,900)
TOTAL INCOME	(1,133,142)	(760,300)	(874,200)	(878,300)
NET EXPENDITURE	2,399,115	3,262,500	3,169,400	3,412,000

Variation Analysis

Original Estimate 2008/09	3,262,500	3,262,500
Inflation	0	158,700
Budget Transfer	(62,200)	(68,600)
Service Reductions & Efficiency Savings/Income Generation	0	(1,200)
Capital Financing	(100)	(100)
Other Variations	(30,800)	60,700
Revised Budget 2008/09	<u>3,169,400</u>	
Original Budget 2009/10		<u>3,412,000</u>

CARE SERVICES - PEOPLE WITH MENTAL HEALTH NEEDS CCS6

KEY ACTIVITY DATA

Number of adults with Mental Health needs receiving Residential and Nursing Care	38
--	----

BEST VALUE PERFORMANCE DATA

	<u>2007/08 Actuals</u>		<u>Targets</u>	
	<u>Richmond</u>	<u>Top 25% London</u>	<u>2008/09</u>	<u>2009/10</u>

None applicable

Number of full time equivalent employees	2008/09	2009/10
	22.53	22.53

DRUG & ALCOHOL AND HIV / AIDS CCS7

This budget relates to the provision of services to people with HIV/AIDS and for people requiring services for Drug and Alcohol Misuse.

	<u>2007/08</u> <u>Actual</u> £	<u>2008/09</u> <u>Original</u> £	<u>2008/09</u> <u>Revised</u> £	<u>2009/10</u> <u>Estimate</u> £
<u>Expenditure</u>				
Employees	236,872	272,500	272,500	287,000
Transport	8,108	13,400	11,400	11,700
Supplies and Services	141,629	101,900	107,000	108,500
Third Party Payments	158,377	250,700	254,600	261,000
Transfer Payments	44,083	71,100	64,600	66,200
Central Recharges	47,136	70,600	46,800	48,100
Departmental Recharges	93,100	118,500	126,500	132,800
TOTAL EXPENDITURE	729,305	898,700	883,400	915,300
<u>Income</u>				
Government Grants	(95,200)	(55,400)	(77,400)	(79,400)
Other Grants and Contributions	(12,926)	(42,000)	(69,000)	(70,700)
Fees & Charges	(54,757)	(31,900)	(30,800)	(31,500)
TOTAL INCOME	(162,883)	(129,300)	(177,200)	(181,600)
NET EXPENDITURE	566,422	769,400	706,200	733,700

Variation Analysis

Original Estimate 2008/09	769,400	769,400
Inflation	0	20,500
Service Reductions & Efficiency Savings/Income Generation	(47,400)	(47,400)
Capital Financing	0	(600)
Other Variations	(15,800)	(8,200)
Revised Budget 2008/09	<u>706,200</u>	
Original Budget 2009/10		<u>733,700</u>

CARE SERVICES DRUGS & ALCOHOL / HIV/AIDS CCS7

KEY ACTIVITY DATA

People with HIV/AIDS receiving:-	Service Users	Service Users Families
Direct Payments	3	N/A
Support and advice	27	13
	Service Users	Bed weeks
Residential Rehabilitation Services	22	360
Day Rehabilitation Services	6	N/A

BEST VALUE PERFORMANCE DATA

	<u>2007/08 Actuals</u>		<u>Targets</u>	
	<u>Richmond</u>	<u>Top 25% London</u>	<u>2008/09</u>	<u>2009/10</u>

None applicable

Number of full time equivalent employees	2008/09	2009/10
	7.0	7.0

SUPPORTING PEOPLE CCS8

The Council is the commissioning body for local supported housing services funded through the Supporting People Programme. It is also responsible for carrying out reviews of all funded services in order to deliver improved services and ensure value for money. Services funded through Supporting People benefit a wide range of groups including older people, people with learning disabilities, people with mental health needs and the single homeless.

	<u>2007/08</u> <u>Actual</u> £	<u>2008/09</u> <u>Original</u> £	<u>2008/09</u> <u>Revised</u> £	<u>2009/10</u> <u>Estimate</u> £
<u>Expenditure</u>				
Employees	145,735	168,700	0	0
Premises	164	500	500	500
Transport	568	700	700	700
Supplies and Services	35,667	21,100	21,100	21,400
Third Party Payments	2,868,802	2,848,000	2,910,300	2,848,000
Central Recharges	37,322	43,100	0	0
Departmental Recharges	28,800	25,100	27,300	27,200
TOTAL EXPENDITURE	3,117,058	3,107,200	2,959,900	2,897,800
<u>Income</u>				
Government Grants	(2,962,487)	(2,848,000)	(2,910,300)	(2,848,000)
Fees & Charges	(5,488)	0	0	0
TOTAL INCOME	(2,967,975)	(2,848,000)	(2,910,300)	(2,848,000)
NET EXPENDITURE	149,083	259,200	49,600	49,800

Variation Analysis

Original Estimate 2008/09	259,200	259,200
Inflation	0	500
Budget Transfer	(168,700)	(168,700)
Service Reductions & Efficiency Savings/Income Generation	0	(200)
Other Variations	(40,900)	(41,000)
Revised Budget 2008/09	<u>49,600</u>	
Original Budget 2009/10		<u>49,800</u>

SUPPORTING PEOPLE CCS8**KEY ACTIVITY DATA**

Client Group	No of Schemes	No of Service Users
Offenders	4	19
Older People with support needs	44	701
People with physical disabilities	1	1
People with HIV/AIDS	4	2
People with learning disabilities	8	30
People with mental health needs	18	70
Rough sleepers	4	24
Single homeless	3	13
Teenage parents	1	4
Women at risk of domestic violence	3	7
Young People at risk	4	18
Young People leaving care	3	7
Travellers	1	0
Total	98	896

BEST VALUE PERFORMANCE DATA

	<u>2007/08 Actuals</u>		<u>Targets</u>	
	<u>Richmond</u>	<u>Top 25% London</u>	<u>2008/09</u>	<u>2009/10</u>
None applicable				
Local Indicators				
SPKPI1 Service Users who are supported to establish and maintain independent living	99.19%	N/A	95%	95%
SPKPI2 Service Users who have moved on in a planned way from temporary living services.	86.4%	N/A	70%	70%

Number of full time equivalent employees	2008/09	2009/10
	0.0	0.0

COMMUNITY SERVICES OPERATIONS DIVISIONAL MANAGEMENT & SUPPORT SERVICES CSO1

This includes the management and support costs of the Community Services Operations Division which are recharged across the Community Service Operations Division.

	<u>2007/08</u> <u>Actual</u> £	<u>2008/09</u> <u>Original</u> £	<u>2008/09</u> <u>Revised</u> £	<u>2009/10</u> <u>Estimate</u> £
<u>Expenditure</u>				
Employees	134,860	152,500	396,500	404,000
Premises	27,155	32,600	40,200	44,500
Transport	27,255	1,200	7,100	7,200
Supplies and Services	244,950	311,500	297,300	257,700
Central Recharges	361,086	90,900	437,000	449,200
Capital Charges	18,324	18,300	18,400	18,400
TOTAL EXPENDITURE	813,631	607,000	1,196,500	1,181,000
<u>Income</u>				
Fees & Charges	(6,917)	(10,600)	(10,600)	(10,900)
Central Recharge Income	(236,700)	(134,500)	0	0
Departmental Recharges	(574,714)	(461,900)	(1,185,900)	(1,170,100)
TOTAL INCOME	(818,331)	(607,000)	(1,196,500)	(1,181,000)
NET EXPENDITURE	(4,700)	0	0	0

Variation Analysis

Original Estimate 2008/09	0	0
Inflation	0	22,100
Budget Transfer	243,300	220,600
Service Reductions & Efficiency Savings/Income Generation	0	(27,400)
Capital Financing	100	100
Other Variations	(243,400)	(215,400)
Revised Budget 2008/09	0	
Original Budget 2009/10		0

COMMUNITY SERVICES OPERATIONS DIVISIONAL MANAGEMENT SUPPORT SERVICES CS01

KEY ACTIVITY DATA

None

BEST VALUE PERFORMANCE DATA

	<u>2007/08 Actuals</u>		<u>Targets</u>	
	<u>Richmond</u>	<u>Top 25% London</u>	<u>2008/09</u>	<u>2009/10</u>

None applicable

Number of full time equivalent employees	2008/09	2009/10
	9.5	9.5

HOUSING ADVICE AND ASSESSMENT CSO2

This Team provides advice to tenants and landlords in the Borough, to those who are threatened with eviction or unable to pay their rent or mortgage. It also provides advice to those who have problems with a member of their household and those fleeing domestic violence or suffering other problems which make it difficult to remain in their home. This advice is confidential and mediation can also be offered.

	<u>2007/08</u> <u>Actual</u> £	<u>2008/09</u> <u>Original</u> £	<u>2008/09</u> <u>Revised</u> £	<u>2009/10</u> <u>Estimate</u> £
<u>Expenditure</u>				
Employees	788,221	719,700	643,800	656,300
Premises	17,329	31,100	31,100	31,900
Transport	12,292	10,500	23,600	24,100
Supplies and Services	208,127	101,100	111,100	96,000
Third Party Payments	2,970	0	0	0
Central Recharges	285,772	298,400	249,400	259,200
Departmental Recharges	123,500	114,600	168,000	167,400
TOTAL EXPENDITURE	1,438,212	1,275,400	1,227,000	1,234,900
<u>Income</u>				
Government Grants	0	0	(10,000)	0
Fees & Charges	2,989	0	0	0
TOTAL INCOME	2,989	0	(10,000)	0
NET EXPENDITURE	1,441,201	1,275,400	1,217,000	1,234,900

Variation Analysis

Original Estimate 2008/09	1,275,400	1,275,400
Inflation	0	18,900
Budget Transfer	(62,800)	(62,800)
Service Reductions & Efficiency Savings/Income Generation	0	(10,200)
Other Variations	4,400	13,600
Revised Budget 2008/09	<u>1,217,000</u>	
Original Budget 2009/10		<u>1,234,900</u>

HOUSING ADVICE AND ASSESSMENT CSO2

KEY ACTIVITY DATA

Anticipated processed applications to join Richmond Housing Register	1,300
Homelessness applications	300
Housing advice cases	1,000

BEST VALUE PERFORMANCE DATA

	<u>2007/08 Actuals</u>		<u>Targets</u>	
	<u>Richmond</u>	<u>Top 25%</u>	<u>2008/09</u>	<u>2009/10</u>
		<u>London</u>		
None applicable				

LOCAL INDICATOR

LBRUT 11	No of Households statutorily made homeless in a year	138	N/A	<138	N/A
----------	--	-----	-----	------	-----

Number of full time equivalent employees	2008/09	2009/10
	17.0	17.0

RESETTLEMENT SERVICE CSO3

The Resettlement Service provides emotional and practical support to clients of all ages who are vulnerable as a result of mental health, learning or physical disabilities. The team works with them on a one to one basis and supports them when moving into temporary or permanent accommodation. They assist them with accessing items of essential furniture, benefits, connecting to utility services and registering with GPs and dentists. They continue to provide on going support to enable clients to succeed in their tenancies and settle into the community.

	<u>2007/08</u> <u>Actual</u> <u>£</u>	<u>2008/09</u> <u>Original</u> <u>£</u>	<u>2008/09</u> <u>Revised</u> <u>£</u>	<u>2009/10</u> <u>Estimate</u> <u>£</u>
<u>Expenditure</u>				
Employees	589,778	778,400	581,500	507,700
Premises	360	1,600	1,600	1,600
Transport	16,661	12,600	25,900	29,600
Supplies and Services	130,179	181,800	180,400	150,600
Third Party Payments	583,579	262,300	262,300	0
Central Recharges	411,169	216,700	356,100	373,500
Departmental Recharges	150,800	149,100	198,400	193,300
TOTAL EXPENDITURE	1,882,526	1,602,500	1,606,200	1,256,300
<u>Income</u>				
Government Grants	(669,959)	(435,800)	(435,800)	0
Fees & Charges	(201,421)	(215,000)	(215,000)	(220,300)
TOTAL INCOME	(871,380)	(650,800)	(650,800)	(220,300)
NET EXPENDITURE	1,011,146	951,700	955,400	1,036,000

Variation Analysis

Original Estimate 2008/09	951,700	951,700
Inflation	0	7,800
Budget Transfer	(185,000)	(112,700)
Service Reductions & Efficiency Savings/Income Generation	0	(11,800)
Other Variations	188,700	201,000
Revised Budget 2008/09	<u>955,400</u>	
Original Budget 2009/10		<u>1,036,000</u>

RESETTLEMENT SERVICE CSO3**KEY ACTIVITY DATA**

People receiving resettlement advice	220
No of people helped into tenancies through the Rent Deposit Scheme	300

BEST VALUE PERFORMANCE DATA

<u>Richmond</u>	<u>2007/08 Actuals</u>	<u>Targets</u>	
	<u>Top 25% London</u>	<u>2008/09</u>	<u>2009/10</u>

None applicable

Number of full time equivalent employees	2008/09	2009/10
	10	10

TEMPORARY ACCOMMODATION CSO4

The Temporary Accommodation Team lease properties from private sector landlords to use as temporary accommodation for clients who approach the Council as homeless via the Advice and Assessment Team. The Property Officers within the team carry out a management service on behalf of the owners of the properties ensuring that they are maintained and looked after. The team collect rent from the tenants in the properties and ensure that the owners are paid. In addition the Team manages three hostels located in the Borough.

	<u>2007/08</u> <u>Actual</u> <u>£</u>	<u>2008/09</u> <u>Original</u> <u>£</u>	<u>2008/09</u> <u>Revised</u> <u>£</u>	<u>2009/10</u> <u>Estimate</u> <u>£</u>
<u>Expenditure</u>				
Employees	612,480	779,000	657,200	601,900
Premises	360,925	480,800	532,400	568,800
Transport	9,207	14,900	26,700	27,300
Supplies and Services	(252,403)	631,800	633,400	602,200
Third Party Payments	8,628	70,600	70,600	71,000
Transfer Payments	3,295,257	2,803,300	2,803,300	2,313,800
Central Recharges	200,078	275,500	168,700	172,300
Departmental Recharges	302,300	288,100	501,700	589,300
Capital Charges	1,218,321	1,292,100	2,299,400	4,601,400
TOTAL EXPENDITURE	5,754,791	6,636,100	7,693,400	9,548,000
<u>Income</u>				
Government Grants	(370,000)	(400,000)	(400,000)	(400,000)
Fees & Charges	(657,981)	(502,500)	(600,500)	(582,000)
Rents	(3,969,274)	(3,661,200)	(3,661,200)	(3,012,400)
TOTAL INCOME	(4,997,254)	(4,563,700)	(4,661,700)	(3,994,400)
NET EXPENDITURE	757,536	2,072,400	3,031,700	5,553,600

Variation Analysis

Original Estimate 2008/09	2,072,400	2,072,400
Inflation	0	52,000
Budget Transfer	(154,800)	(46,900)
Service Reductions & Efficiency Savings/Income Generation	0	(31,200)
Capital Financing	1,007,300	3,309,300
Other Variations	106,800	198,000
Revised Budget 2008/09	<u>3,031,700</u>	
Original Budget 2009/10		<u>5,553,600</u>

TEMPORARY ACCOMODATION CS04**KEY ACTIVITY DATA**

Households in bed and breakfast accomodation	35
Hostel rooms	55
Short term leased properties	160

BEST VALUE PERFORMANCE DATA

		<u>2007/08 Actuals</u>		<u>Targets</u>	
		<u>Richmond</u>	<u>Top 25% London</u>	<u>2008/09</u>	<u>2009/10</u>
BV 202	Number of people sleeping rough a single night within the authority	4	0.5	N/A	N/A
BV 213	Number of homeless households for whom LA Advice Service intervention resolved the situation	2	8.5	N/A	N/A
BV 183b	Average length of stay for families in hostel accomodation	16.69	0.0	N/A	N/A

LOCAL PERFORMANCE INDICATOR

No of Households statutorily made homeless in a year	138	N/A	<138	TBC
--	-----	-----	------	-----

Number of full time equivalent employees	2008/09	2009/10
	20.3	20.3

PRIVATE SECTOR AND OTHER HOUSING CSO5

The residential team deals with environmental health in private sector housing, including the provision of grants and loans to adapt and improve homes as well as domestic noise and pest control services.

	<u>2007/08</u> <u>Actual</u> £	<u>2008/09</u> <u>Original</u> £	<u>2008/09</u> <u>Revised</u> £	<u>2009/10</u> <u>Estimate</u> £
<u>Expenditure</u>				
Employees	640,323	711,600	653,500	679,600
Premises	94,536	53,400	53,400	54,800
Transport	14,295	14,200	30,000	30,700
Supplies and Services	43,294	119,200	106,200	90,400
Third Party Payments	33,844	63,000	72,000	73,800
Central Recharges	186,143	199,300	154,900	160,300
Departmental Recharges	120,200	109,300	216,200	169,900
Capital Charges	730,123	5,312,200	1,292,000	301,000
TOTAL EXPENDITURE	1,862,759	6,582,200	2,578,200	1,560,500
<u>Income</u>				
Fees & Charges	(186,118)	(258,800)	(182,800)	(187,500)
Rents	(49,472)	(55,300)	(55,300)	(56,700)
TOTAL INCOME	(235,589)	(314,100)	(238,100)	(244,200)
NET EXPENDITURE	1,627,170	6,268,100	2,340,100	1,316,300

Variation Analysis

Revised Budget 2008/09	6,268,100	6,268,100
Inflation	0	17,700
Budget Transfer	29,700	29,700
Service Reductions & Efficiency Savings/Income Generation	0	(9,600)
Capital Financing	(4,020,200)	(5,011,200)
Other Variations	62,500	21,600
Revised Budget 2008/09	<u>2,340,100</u>	
Original Budget 2009/10		<u>1,316,300</u>

PRIVATE SECTOR AND OTHER HOUSING CSO5**KEY ACTIVITY DATA**

Renovation grants provided	10
House Proud Loans provided	5
Disabled Facility grants provided	120
People using Handyperson Service	850
Noise nuisance enquiries per annum (Domestic)	450

BEST VALUE PERFORMANCE DATA

		<u>2007/08 Actuals</u>		<u>Targets</u>	
		<u>Richmond</u>	<u>Top 25% London</u>	<u>2008/09</u>	<u>2009/10</u>
BV 64	The number of private sector dwellings made fit or demolished as a result of local authority action	163	342.5	N/A	N/A

Number of full time equivalent employees	2008/09	2009/10
	15.31	15.31

CARE PROVISION - LEARNING DISABILITIES CS06

This section manages all of the in-house adult learning disability provision, including residential homes, supported living services, respite care, adult placement scheme, community support services and supported employment.

	<u>2007/08</u> <u>Actual</u> £	<u>2008/09</u> <u>Original</u> £	<u>2008/09</u> <u>Revised</u> £	<u>2009/10</u> <u>Estimate</u> £
<u>Expenditure</u>				
Employees	4,443,439	4,448,700	4,315,900	4,335,000
Premises	391,370	292,200	311,700	325,700
Transport	286,460	309,600	312,500	320,100
Supplies and Services	417,746	250,100	270,100	266,000
Third Party Payments	165,255	46,100	10,200	10,400
Transfer Payments	58,259	40,400	40,400	41,400
Central Recharges	861,940	518,800	588,400	595,000
Departmental Recharges	407,800	588,700	637,400	701,000
Capital Charges	457,627	85,300	108,600	108,600
TOTAL EXPENDITURE	7,489,897	6,579,900	6,595,200	6,703,200
<u>Income</u>				
Government Grants	(74,279)	(33,300)	(37,300)	(34,100)
Other Grants and Contributions	(1,738,096)	(1,770,100)	(1,655,700)	(187,800)
Fees & Charges	(265,533)	(272,900)	(315,000)	(322,800)
Rents	(33,429)	(11,600)	(11,600)	(11,900)
Departmental Recharges	(294,842)	(457,000)	(279,700)	(312,100)
TOTAL INCOME	(2,406,178)	(2,544,900)	(2,299,300)	(868,700)
NET EXPENDITURE	5,083,718	4,035,000	4,295,900	5,834,500

Variation Analysis

Original Estimate 2008/09	4,035,000	4,035,000
Inflation	0	61,400
Budget Transfer	(58,000)	1,395,600
Service Reductions & Efficiency Savings/Income Generation	0	(14,200)
Capital Financing	23,300	23,300
Other Variations	295,600	333,400
Revised Budget 2008/09	<u>4,295,900</u>	
Original Budget 2009/10		<u>5,834,500</u>

CARE PROVISION - LEARNING DISABILITIES CSO6

KEY ACTIVITY DATA

Service Users receiving support from Power Employment	95
Service Users in paid employment and receiving support from Power Employment	49
Candidates in paid employment with London Borough of Richmond	10
Candidates in paid employment with external employers	10

BEST VALUE PERFORMANCE DATA

<u>2007/08 Actuals</u>		<u>Targets</u>	
<u>Richmond</u>	<u>Top 25% London</u>	<u>2008/09</u>	<u>2009/10</u>

None applicable

Number of full time equivalent employees	2008/09	2009/10
	65.54	51.61

CARE PROVISION - COMMUNITY SERVICES CS07

This section manages the four intensive day centres for older people and the Access Project, a day centre for adults with physical disabilities.

	<u>2007/08</u> <u>Actual</u> £	<u>2008/09</u> <u>Original</u> £	<u>2008/09</u> <u>Revised</u> £	<u>2009/10</u> <u>Estimate</u> £
<u>Expenditure</u>				
Employees	1,092,504	1,195,900	1,130,800	1,191,100
Premises	104,603	90,200	102,200	100,200
Transport	571,038	598,800	550,900	563,100
Supplies and Services	49,907	72,900	72,900	55,800
Third Party Payments	176,605	178,200	114,800	117,700
Transfer Payments	8,976	5,200	5,200	5,300
Central Recharges	326,113	207,400	192,200	193,700
Departmental Recharges	209,900	192,800	267,600	264,800
Capital Charges	45,001	44,900	48,400	48,400
TOTAL EXPENDITURE	2,584,646	2,586,300	2,485,000	2,540,100
<u>Income</u>				
Government Grants	(245,100)	0	0	0
Other Grants and Contributions	0	(34,400)	(12,400)	(12,700)
Fees & Charges	(127,687)	(164,000)	(164,000)	(168,100)
TOTAL INCOME	(372,787)	(198,400)	(176,400)	(180,800)
NET EXPENDITURE	2,211,859	2,387,900	2,308,600	2,359,300

Variation Analysis

Original Estimate 2008/09	2,387,900	2,387,900
Inflation	0	72,200
Budget Transfer	(142,400)	(157,200)
Service Reductions & Efficiency Savings/Income Generation	0	(5,400)
Capital Financing	3,500	3,500
Other Variations	59,600	58,300
Revised Budget 2008/09	<u>2,308,600</u>	
Original Budget 2009/10		<u>2,359,300</u>

CARE PROVISION - COMMUNITY SERVICES CSO7**KEY ACTIVITY DATA**

Number of service users supported	150
Number of direct support hours provided per week	1,336

BEST VALUE PERFORMANCE DATA

<u>2007/08 Actuals</u>		<u>Targets</u>	
<u>Richmond</u>	<u>Top 25% London</u>	<u>2008/09</u>	<u>2009/10</u>

None applicable

Number of full time equivalent employees	2008/09	2009/10
	89.9	89.9

TRANSPORT OPERATIONS CS08

This service manages and provides passenger services for vulnerable Adult Community Services users and Specialist Needs Children's Services. It also provides a complete range of accessible transport to all Council Departments including the provision of transport for Adults and Children's Services to specialist respite establishments. It co-ordinates couriers, library transfers, postal services and all ad-hoc requirements. A review of the Transport Operations Service is being undertaken.

	<u>2007/08</u> <u>Actual</u> £	<u>2008/09</u> <u>Original</u> £	<u>2008/09</u> <u>Revised</u> £	<u>2009/10</u> <u>Estimate</u> £
<u>Expenditure</u>				
Employees	1,887,140	1,585,500	1,705,100	1,818,900
Premises	0	0	64,200	68,100
Transport	522,202	535,000	536,500	571,000
Supplies and Services	29,912	49,600	49,600	47,100
Third Party Payments	1,413,652	1,436,100	1,436,100	1,472,000
Central Recharges	97,934	558,800	157,100	152,600
Departmental Recharges	55,000	288,200	328,700	332,000
TOTAL EXPENDITURE	4,005,839	4,453,200	4,277,300	4,461,700
<u>Income</u>				
Fees & Charges	(3,590,993)	(3,356,100)	(3,356,100)	(3,440,100)
TOTAL INCOME	(3,590,993)	(3,356,100)	(3,356,100)	(3,440,100)
NET EXPENDITURE	414,847	1,097,100	921,200	1,021,600

Variation Analysis

Original Estimate 2008/09	1,097,100	1,097,100
Inflation	0	104,400
Budget Transfer	185,300	187,500
Service Reductions & Efficiency Savings/Income Generation	0	(5,000)
Other Variations	(361,200)	(362,400)
Revised Budget 2008/09	<u>921,200</u>	
Original Budget 2009/10		<u>1,021,600</u>

TRANSPORT OPERATIONS CSO8

KEY ACTIVITY DATA

SEN Transport			
Service Users transported daily			290
Contract Charge			£2,553,588
Passenger Journeys per annum			109,820
Day Centre Transport			
Service Users transported per weekday	variable up to		200
Contract Charge			£900,000
Weekday Passenger Journeys	variable up to		104,000
Weekend Passenger Journeys			3,120
Ad- Hoc Transport			
Revenue / Income			£500,000

BEST VALUE PERFORMANCE DATA

<u>2007/08 Actuals</u>		<u>Targets</u>	
<u>Richmond</u>	<u>Top 25% London</u>	<u>2008/09</u>	<u>2009/10</u>

None applicable

Number of full time equivalent employees	2008/09	2009/10
	65.6	65.6

ACCESSIBLE TRANSPORT CSO9

The Accessible Transport Unit manages the Concessionary Fare schemes, Disabled Person's Blue Badge parking scheme, Taxi card Scheme and the Super Shopper bus for the elderly. It additionally promotes the transport solutions model in partnership with the voluntary sector.

	<u>2007/08</u> <u>Actual</u> £	<u>2008/09</u> <u>Original</u> £	<u>2008/09</u> <u>Revised</u> £	<u>2009/10</u> <u>Estimate</u> £
<u>Expenditure</u>				
Employees	150,624	272,700	219,600	222,400
Premises	15,666	16,300	16,300	16,800
Transport	8,856	20,300	20,300	20,800
Supplies and Services	46,258	49,700	49,700	48,200
Transfer Payments	6,047,466	5,360,100	5,360,100	4,586,300
Central Recharges	130,955	74,800	140,400	145,500
Departmental Recharges	0	37,600	305,900	264,400
TOTAL EXPENDITURE	6,399,826	5,831,500	6,112,300	5,304,400
<u>Income</u>				
Fees & Charges	(3,716)	(3,300)	(3,300)	(3,400)
TOTAL INCOME	(3,716)	(3,300)	(3,300)	(3,400)
NET EXPENDITURE	6,396,110	5,828,200	6,109,000	5,301,000

Variation Analysis

Original Estimate 2008/09	5,828,200	5,828,200
Inflation	0	139,200
Government Grant/Outside Body Growth	0	(907,800)
Budget Transfer	(53,100)	(53,100)
Service Reductions & Efficiency Savings/Income Generation	0	(3,000)
Other Variations	333,900	297,500
Revised Budget 2008/09	6,109,000	
Original Budget 2009/10		5,301,000

ACCESSIBLE TRANSPORT UNIT CSO9

KEY ACTIVITY DATA

	2006 Actual Renewal	2008 Actual Renewal	2010 Predicted Renewal
Freedom Passes (Older People)	25,911	29,000	30,000
Freedom Passes (Disabled People)	1,312	1,457	1,550
	2007/08 Actual	2008/09 Projection	2009/10 Estimate
Taxi Card Scheme members	1,131	1,399	1,600
Blue Badges issued	1,715	1,850	2,000

BEST VALUE PERFORMANCE DATA

BV CODE INDICATOR

<u>2007/08 Actuals</u>		<u>Targets</u>	
<u>Richmond</u>	<u>Top 25% London</u>	<u>2008/09</u>	<u>2009/10</u>

None applicable

Number of full time equivalent employees	2008/09	2009/10
	6.3	6.3

COMMISSIONING, CORPORATE POLICY & STRATEGY DIVISIONAL MANAGEMENT CPS1

This includes the management costs of the Commissioning, Corporate Policy and Strategy Division which are recharged across the Commissioning, Corporate Policy and Strategy Division.

	<u>2007/08</u> <u>Actual</u> £	<u>2008/09</u> <u>Original</u> £	<u>2008/09</u> <u>Revised</u> £	<u>2009/10</u> <u>Estimate</u> £
<u>Expenditure</u>				
Employees	135,273	269,400	153,700	156,600
Transport	303	900	2,400	2,400
Supplies and Services	165,426	110,800	10,800	10,200
Central Recharges	27,013	27,900	17,800	18,300
Departmental Recharges	19,400	16,100	16,100	16,100
TOTAL EXPENDITURE	347,415	425,100	200,800	203,600
<u>Income</u>				
Other Grants and Contributions	(5,600)	0	0	0
Departmental Recharges	0	0	(200,800)	(203,600)
TOTAL INCOME	(5,600)	0	(200,800)	(203,600)
NET EXPENDITURE	341,815	425,100	0	0

Variation Analysis

Original Estimate 2008/09	425,100	425,100
Inflation	0	3,500
Budget Transfer	(214,200)	(214,200)
Service Reductions & Efficiency Savings/Income Generation	0	(1,200)
Other Variations	(210,900)	(213,200)
Revised Budget 2008/09	0	
Original Budget 2009/10		0

COMMISSIONING, CORPORATE POLICY & STRATEGY DIVISIONAL MANAGEMENT CPS1

KEY ACTIVITY DATA

None

BEST VALUE PERFORMANCE DATA

	<u>2007/08 Actuals</u>		<u>Targets</u>	
	<u>Richmond</u>	<u>Top 25% London</u>	<u>2008/09</u>	<u>2009/10</u>

None applicable

Number of full time equivalent employees	2008/09	2009/10
	2.0	2.0

COMMUNITY ENGAGEMENT AND INCLUSION CPS2

The Community Engagement and Inclusion Team provides development and support for the corporate consultation and engagement functions, including supporting a number of community engagement forums. In addition it includes the Health Improvement Team which provides a range of projects which promote good health and health improvement and the Community Development Programme which coordinates activity in the 5 areas of relative disadvantage in the borough and the public information service for Adult Social Care.

	<u>2007/08</u> <u>Actual</u> <u>£</u>	<u>2008/09</u> <u>Original</u> <u>£</u>	<u>2008/09</u> <u>Revised</u> <u>£</u>	<u>2009/10</u> <u>Estimate</u> <u>£</u>
<u>Expenditure</u>				
Employees	327,301	196,300	513,200	445,700
Premises	0	500	500	500
Transport	3,921	3,100	6,100	7,600
Supplies and Services	69,128	53,100	100,000	85,500
Third Party Payments	0	5,200	106,700	100,000
Transfer Payments	0	3,900	3,900	4,000
Central Recharges	117,362	91,100	89,100	91,800
Departmental Recharges	24,900	53,000	127,400	125,100
TOTAL EXPENDITURE	542,612	406,200	946,900	860,200
<u>Income</u>				
Government Grants	(334,466)	0	0	0
Other Grants and Contributions	(19,954)	(41,000)	(41,000)	(42,000)
Fees & Charges	(114,676)	(17,000)	(17,000)	(17,400)
TOTAL INCOME	(469,096)	(58,000)	(58,000)	(59,400)
NET EXPENDITURE	73,516	348,200	888,900	800,800

Variation Analysis

Original Estimate 2008/09	348,200	348,200
Inflation	0	(46,100)
Budget Transfer	480,500	454,000
Service Reductions & Efficiency Savings/Income Generation	0	(9,200)
Other Variations	60,200	53,900
Revised Budget 2008/09	<u>888,900</u>	
Original Budget 2009/10		<u>800,800</u>

COMMUNITY ENGAGEMENT AND INCLUSION CPS2

KEY ACTIVITY DATA

Active Living Scheme	
No of people completing 12 week Exercise Referral 12 week course	100
Percentage of those still exercising one year later	60%
No of people referred to Falls classes	40
Percentage of those completing the 6 month Falls course	75%
New walkers recruited to Health Walks	120
Families completing 10 week Energize(nutrition & exercise) programme	25

BEST VALUE PERFORMANCE DATA

<u>2007/08 Actuals</u>		<u>Targets</u>	
<u>Richmond</u>	<u>Top 25% London</u>	<u>2008/09</u>	<u>2009/10</u>

None applicable

Number of full time equivalent employees	2008/09	2009/10
	9.6	9.6

STRATEGY AND POLICY CPS3

The Strategy and Policy Team provides strategy and policy development in the areas of Housing and Adult Social Care and Well Being, including responsibility for the Housing and Homelessness Strategy and for the development of the affordable housing programme. It also provides development support to the Local Strategic Partnership, the Community Safety Partnership and the Adults Health and Well Being Partnership Board, with responsibility for the Community Plan, Local Area Agreement and the Community Safety Partnership Plan. The team also leads on the Council's Partnership work with the voluntary sector and manages the corporate funding of local voluntary organisations.

	<u>2007/08</u> <u>Actual</u> £	<u>2008/09</u> <u>Original</u> £	<u>2008/09</u> <u>Revised</u> £	<u>2009/10</u> <u>Estimate</u> £
<u>Expenditure</u>				
Employees	878,479	1,010,400	960,600	987,400
Premises	20,126	20,800	20,800	21,300
Transport	1,666	1,400	8,800	9,100
Supplies and Services	288,395	239,400	235,800	223,400
Third Party Payments	620,702	518,300	523,500	585,000
Central Recharges	489,190	399,100	206,200	213,000
Departmental Recharges	47,200	160,200	247,700	261,500
Capital Charges	0	0	(39,400)	(39,400)
TOTAL EXPENDITURE	2,345,759	2,349,600	2,164,000	2,261,300
<u>Income</u>				
Government Grants	(140,003)	(269,700)	(274,200)	(276,500)
Other Grants and Contributions	(29,448)	0	0	0
Fees & Charges	(3,061)	(23,900)	(23,900)	(23,900)
Central Recharge Income	(763,023)	(486,400)	0	0
Departmental Recharges	0	(136,600)	(492,000)	(488,300)
TOTAL INCOME	(935,535)	(916,600)	(790,100)	(788,700)
NET EXPENDITURE	1,410,224	1,433,000	1,373,900	1,472,600

Variation Analysis

Original Estimate 2008/09	1,433,000	1,433,000
Inflation	0	36,800
Budget Transfer	(57,500)	(64,900)
Service Reductions & Efficiency Savings/Income Generation	0	(8,000)
Capital Financing	(39,400)	(39,400)
Other Variations	37,800	115,100
Revised Budget 2008/09	<u>1,373,900</u>	
Original Budget 2009/10		<u>1,472,600</u>

STRATEGY AND POLICY CPS3

KEY ACTIVITY DATA

None applicable

BEST VALUE PERFORMANCE DATA

		<u>2007/08 Actuals</u>		<u>Targets</u>	
		<u>Richmond</u>	<u>Top 25% London</u>	<u>2008/09</u>	<u>2009/10</u>
BV126	Domestic Burglaries per 1,000 households	5.8	12.9	N/A	N/A
BV127a	Violent Crimes per 1,000 population	13.1	20.3	N/A	N/A
BV127b	Robberies per 1,000 population	1.7	2.8	N/A	N/A
BV128	Vehicle Crimes per 1,000 population	9.2	12.5	N/A	N/A

Number of full time equivalent employees	2008/09	2009/10
	22.5	22.5

GRANTS TO VOLUNTARY ORGANISATIONS CPS4

The Council manages a small grants programme, funding small one off projects by local community and voluntary groups. It also manages a larger programme of strategic funding for approximately 60 voluntary organisations which supports the objectives in the Community Plan and is designed to sustain the voluntary sector locally. In addition, the Council contributes to the London Borough Grant Scheme which funds pan London projects.

	<u>2007/08</u> <u>Actual</u> £	<u>2008/09</u> <u>Original</u> £	<u>2008/09</u> <u>Revised</u> £	<u>2009/10</u> <u>Estimate</u> £
<u>Expenditure</u>				
Premises	431,948	467,200	467,200	479,300
Supplies and Services	2,233,193	2,306,300	2,329,000	2,269,500
Central Recharges	1,515	6,700	0	0
Departmental Recharges	0	6,100	135,600	142,400
Capital Charges	10,551	10,300	60,300	10,300
TOTAL EXPENDITURE	2,677,206	2,796,600	2,992,100	2,901,500
<u>Income</u>				
Rents	(328,700)	(336,900)	(336,900)	(345,300)
TOTAL INCOME	(328,700)	(336,900)	(336,900)	(345,300)
NET EXPENDITURE	2,348,506	2,459,700	2,655,200	2,556,200

Variation Analysis

Original Estimate 2008/09	2,459,700	2,459,700
Inflation	0	59,100
Budget Transfer	22,700	(92,200)
Capital Financing	50,000	0
Other Variations	122,800	129,600
Revised Budget 2008/09	<u>2,655,200</u>	
Original Budget 2009/10		<u>2,556,200</u>

GRANTS TO VOLUNTARY ORGANISATIONS CPS4

KEY ACTIVITY DATA

The Council's grants programme supports approximately 70 organisations through its grants programme.

BEST VALUE PERFORMANCE DATA

<u>Richmond</u>	<u>2007/08 Actuals</u>	<u>Targets</u>	
	<u>Top 25% London</u>	<u>2008/09</u>	<u>2009/10</u>

None applicable

Number of full time equivalent employees	2008/09	2009/10
	0.0	0.0

CONTRACTING AND PROCUREMENT CPS5

The Contracts and Corporate Procurement Unit undertake the contracting, tendering and evaluation of adult social care contracts as part of the commissioning process for those services. In addition the unit takes a lead on developing the Council's corporate procurement strategy, provides advice to departments on procurement issues, manages many of the Council's corporate contracts and leads on procurement related efficiency projects. The contracting and Procurement costs are recharged across the Council's Directorates.

	<u>2007/08</u> <u>Actual</u> <u>£</u>	<u>2008/09</u> <u>Original</u> <u>£</u>	<u>2008/09</u> <u>Revised</u> <u>£</u>	<u>2009/10</u> <u>Estimate</u> <u>£</u>
<u>Expenditure</u>				
Employees	167,639	163,100	337,300	348,700
Transport	2,705	1,400	4,400	4,500
Supplies and Services	8,770	10,900	1,900	1,900
Third Party Payments	0	0	50,000	51,300
Central Recharges	41,941	36,000	15,900	15,700
Departmental Recharges	45,000	0	0	0
TOTAL EXPENDITURE	266,055	211,400	409,500	422,100
<u>Income</u>				
Other Grants and Contributions	(4,262)	0	0	0
Fees & Charges	(55,040)	(28,400)	(28,400)	(29,100)
Central Recharge Income	(206,753)	(176,300)	(381,100)	(393,000)
Departmental Recharges	0	(6,700)	0	0
TOTAL INCOME	(266,055)	(211,400)	(409,500)	(422,100)
NET EXPENDITURE	0	0	0	0

Variation Analysis

Original Estimate 2008/09	0	0
Inflation	0	12,100
Budget Transfer	218,200	218,200
Other Variations	(218,200)	(230,300)
Revised Budget 2008/09	0	
Original Budget 2009/10		0

CONTRACTING AND PROCUREMENT CPS5

KEY ACTIVITY DATA

Manages 18 corporate contracts with an annual value of £4.7M

Manages 6 major Social Care Contracts with an approximate annual value of £12.5M

BEST VALUE PERFORMANCE DATA

<u>2007/08 Actuals</u>		<u>Targets</u>	
<u>Richmond</u>	<u>Top 25% London</u>	<u>2008/09</u>	<u>2009/10</u>

None applicable

Number of full time equivalent employees	2008/09	2009/10
	7.0	7.0

PERFORMANCE AND QUALITY ASSURANCE CPS6

This team supports the IT systems used by ACS Directorate, develops information systems linking to the PCT, develops information sharing protocols for different service initiatives such as safeguarding, provides information services for the Directorate including the provision of statutory information to central government, monitors contracts for externally commissioned services in the Directorate and monitors the quality of services. In Addition it provides a council wide framework for responding to and reporting on complaints as well as managing ACS Directorate complaints. It also provides a performance management framework for the council to deliver the requirements of the Corporate Area Assessment.

	<u>2007/08</u> <u>Actual</u> £	<u>2008/09</u> <u>Original</u> £	<u>2008/09</u> <u>Revised</u> £	<u>2009/10</u> <u>Estimate</u> £
<u>Expenditure</u>				
Employees	1,318,515	1,502,600	1,341,600	1,376,400
Transport	7,318	5,200	12,200	12,500
Supplies and Services	185,043	165,600	162,800	162,500
Third Party Payments	36	106,700	15,000	15,400
Central Recharges	345,225	404,300	285,900	294,900
Departmental Recharges	22,100	30,500	30,700	30,800
Capital Charges	76,867	7,300	75,800	(13,200)
TOTAL EXPENDITURE	1,955,104	2,222,200	1,924,000	1,879,300
<u>Income</u>				
Government Grants	(24,352)	(2,200)	(12,100)	(2,300)
Other Grants and Contributions	(26,092)	(22,000)	(22,000)	(22,600)
Departmental Recharges	(1,805,727)	(1,933,700)	(1,877,400)	(1,841,800)
TOTAL INCOME	(1,856,171)	(1,957,900)	(1,911,500)	(1,866,700)
NET EXPENDITURE	98,933	264,300	12,500	12,600

Variation Analysis

Original Estimate 2008/09	264,300	264,300
Inflation	0	40,400
Budget Transfer	130,000	139,800
Service Reductions & Efficiency Savings/Income Generation	0	(5,800)
Capital Financing	68,500	(20,500)
Other Variations	(450,300)	(405,600)
Revised Budget 2008/09	<u>12,500</u>	
Original Budget 2009/10		<u>12,600</u>

PERFORMANCE AND QUALITY ASSURANCE CPS6**KEY ACTIVITY DATA**

2007 - 08 Complaints	Adults Soc Serv	Housing	Corporate
Stage 1	34	17	264
Stage 2	2	6	34
Stage 3	1	0	16
Manages / Monitors			
12 homecare contracts			
3 welfare catering contracts			
1 PFI contract covering 3 residential and nursing homes			
1 joint equipment service			
1 vocational mental health contract			
A range of voluntary sector Service Level Agreements			
Monitors 15 PLD block contracted providers			
Inspects 5 in-house PLD homes			

BEST VALUE PERFORMANCE DATA

<u>2007/08 Actuals</u>		<u>Targets</u>	
<u>Richmond</u>	<u>Top 25% London</u>	<u>2008/09</u>	<u>2009/10</u>

None applicable

Number of full time equivalent employees	2008/09	2009/10
	31.4	31.4

RENT ALLOWANCES RA

This is the net cost to the Council of Housing Benefit payments. The cost of administering these payments is shown elsewhere, in Corporate Services.

	<u>2007/08</u> <u>Actual</u> £	<u>2008/09</u> <u>Original</u> £	<u>2008/09</u> <u>Revised</u> £	<u>2009/10</u> <u>Estimate</u> £
<u>Expenditure</u>				
Supplies and Services	97,007	199,200	149,900	153,100
Transfer Payments	44,373,131	45,305,600	47,621,600	48,038,200
Departmental Recharges	7,700	6,100	7,000	7,600
TOTAL EXPENDITURE	44,477,838	45,510,900	47,778,500	48,198,900
<u>Income</u>				
Government Grants	(44,867,576)	(45,530,900)	(47,797,600)	(48,230,300)
TOTAL INCOME	(44,867,576)	(45,530,900)	(47,797,600)	(48,230,300)
NET EXPENDITURE	(389,738)	(20,000)	(19,100)	(31,400)

Variation Analysis

Original Estimate 2008/09	(20,000)	(20,000)
Inflation	0	3,300
Service Reductions & Efficiency Savings/Income Generation	0	(16,200)
Other Variations	900	1,500
Revised Budget 2008/09	<u>(19,100)</u>	
Original Budget 2009/10		<u>(31,400)</u>

RENT ALLOWANCES RA

KEY ACTIVITY DATA

Average Housing Benefit claimants	9,985
-----------------------------------	-------

BEST VALUE PERFORMANCE DATA

		<u>2007/08 Actuals</u>		<u>Targets</u>	
		<u>Richmond</u>	<u>Top 25% London</u>	<u>2008/09</u>	<u>2009/10</u>
BV 78a	Average time for processing new claims	Not yet available	N/A	15 days	N/A
BV 78b	Average time for processing notifications of change of circumstances	Not yet available	N/A	N/A	N/A

Number of full time equivalent employees	2008/09	2009/10
	0.0	0.0

DIRECTORATE MANAGEMENT AND FINANCE DMG

This includes the Director of Adults and Community Services and costs relating to the strategic management of the Directorate, including its finance and accountancy support functions, which are recharged across the Directorate.

	<u>2007/08</u> <u>Actual</u> £	<u>2008/09</u> <u>Original</u> £	<u>2008/09</u> <u>Revised</u> £	<u>2009/10</u> <u>Estimate</u> £
<u>Expenditure</u>				
Employees	1,235,210	1,768,300	1,828,900	1,991,300
Premises	7,161	7,400	7,400	7,800
Transport	3,217	1,300	5,700	5,300
Supplies and Services	45,626	25,700	523,000	232,300
Third Party Payments	132,802	65,400	65,400	273,200
Central Recharges	936,840	756,000	852,100	859,100
Departmental Recharges	87,557	96,600	96,600	96,600
TOTAL EXPENDITURE	2,448,414	2,720,700	3,379,100	3,465,600
<u>Income</u>				
Government Grants	(261,023)	(15,000)	(297,400)	(155,500)
Other Grants and Contributions	0	(5,900)	(5,900)	(168,200)
Fees & Charges	(43,737)	(13,500)	(13,500)	(13,800)
Departmental Recharges	(1,761,958)	(2,322,700)	(2,300,200)	(2,639,000)
TOTAL INCOME	(2,066,719)	(2,357,100)	(2,617,000)	(2,976,500)
NET EXPENDITURE	381,696	363,600	762,100	489,100

Variation Analysis

Original Estimate 2008/09	363,600	363,600
Inflation	0	177,600
Government Grant/Outside Body Growth	0	125,000
Budget Transfer	180,800	35,100
Service Reductions & Efficiency Savings/Income Generation	0	(88,000)
Other Variations	217,700	(124,200)
Revised Budget 2008/09	<u>762,100</u>	
Original Budget 2009/10		<u>489,100</u>

DIRECTORATE MANAGEMENT AND FINANCE DMF**KEY ACTIVITY DATA**

Financial Support for the Directorate budgets of £163M gross and £71M net.
--

BEST VALUE PERFORMANCE DATA

BV CODE INDICATOR

	<u>2007/08 Actuals</u>		<u>Targets</u>	
	<u>Richmond</u>	<u>Top 25% London</u>	<u>2008/09</u>	<u>2009/10</u>

None applicable

Number of full time equivalent employees	2008/09	2009/10
	30.50	30.50

Section G

LONDON BOROUGH OF RICHMOND UPON THAMES

CABINET

Agenda Item No.

DATE: 23RD FEBRUARY 2008

REPORT OF: DEPUTY LEADER AND CABINET
MEMBER FOR RESOURCES

LEAD OFFICER: MARK MAIDMENT, DIRECTOR OF
FINANCE AND CORPORATE
SERVICES

SUBJECT: REVENUE BUDGET STRATEGY AND COUNCIL TAX 2009/10

WARDS: ALL

KEY DECISION?: YES

IF YES, IN FORWARD PLAN?: YES

1. PURPOSE OF THE REPORT

To consider the revenue budget strategy and recommend the level of Council Tax for 2009/10.

2. RECOMMENDATIONS

- 2.1 That the Central Items and contingencies as set out in paragraph 3.5.4 be agreed
- 2.2 That Members consider the advice of the Director of Finance and Corporate Services in respect of Section 25 of the Local Government Act 2003 in setting the budget (see paragraph 3.11)
- 2.3 That the Council be RECOMMENDED to agree the Revenue Budget for 2009/10
- 2.4 That the Council be RECOMMENDED to agree that the Richmond upon Thames element of the Band D Council Tax be set at £1,287.39
- 2.5 That the Cabinet note the Greater London Authority (GLA) precept of £309.82
- 2.6 **That the Council be RECOMMENDED to agree that the overall Band D level of Council Tax for 2009/10 including the GLA element be set at £1,597.21, an increase of 3.46%. The levels of Council Tax for all property bands are shown at Appendix A.**
- 2.7 That the Cabinet approve the revised Medium and Long Term Financial Strategy including the efficiencies/savings identified. (Appendix D)

3. DETAIL

3.1 The Corporate Planning Process

3.1.1 The Council's priorities for delivery are set out in the Community Plan, which details the vision, aspiration and priorities of the Council and its partners for the borough over the longer term, and thematic plans such as the Children and Young People's Plan and Community Safety which cover specific service areas. These are used as a basis for devising the Council's Medium and Long Term Financial Strategy (MLTFS).

3.1.2 The Corporate Plan describes how the Council will deliver the priorities agreed in the Community and thematic plans. It is being renewed for 2009/10. The following corporate priorities have been agreed as a working draft, applicable to all services:

- Protecting the environment and improving the borough
- Services that are
 - high performing
 - providing value for money
 - accessible
- Leading and engaging the community
- An excellent council
- Tackling disadvantage & promoting diversity

The 2009/10 Corporate Plan will be finalised over the next few months.

Over the past year, and looking to the future, the Medium and Long Term Financial Strategy (MLTFS) has identified a number of specific funding opportunities to meet these priorities including:

- Additional investment in school infrastructure
- Investment in the built environment of the 5 identified areas of deprivation in the Borough
- Investments in sustainability with the aim of reducing the Council's "carbon footprint"
- Reviewing the use of reserves and balances to target revised priorities
- Aligned with the sustainability agenda – action on improving recycling and reducing waste

3.1.2 This year's budget is being prepared against a background of national and global economic recession which are having a severe impact on the Council's sources of income and likely to impact demands on services. At the same time, prospects for future public funding are becoming more limited. The proposals in this budget attempt to balance the Council's aspirations and policy aims against the limited resources available.

3.2 The Medium and Long Term Financial Strategy (MLTFS)

3.2.1 The MLTFS is the document that draws together the financial impact of the Community, Corporate and Service Plans and sets them in the context of the overall financial position and outlook of the Council, the risks facing the Council in achieving its plans, the additional demands on Council services and any national policy initiatives that may impact on services.

3.2.2 The MLTFS has 7 objectives which are intended to achieve the balance between maintaining financial stability and progressing the aims of the Council. In overall terms, largely because of the current economic climate, the strategy has now begun to move towards a more restrictive one in terms of use of reserves and reflects the need to achieve much more significant savings and efficiencies in the years to come.

3.2.3 An initial review of the MLTFS was considered by Cabinet in December 2008. A full revised version is attached at Appendix D. In particular the MLTFS identifies that the Council largely met the specific actions set out in the MLTFS a year ago and, alongside delivering a significantly larger capital programme for future years, the underlying gap in the revenue budget beyond 2010/11 has risen to around £3m as a minimum (and likely higher if we are faced with an extended recession).

3.2.4 The Council receives the maximum score from the Audit Commission for Value for Money and it is continuing to work on some major efficiency projects. It will be important that the efficiency strategy delivers if the Council is to achieve Council Tax increases below 5% or indeed even lower levels as the Council would wish. The efficiency strategy will be the subject of further detailed reports to Members in the coming year.

3.3 The Current Financial Position

3.3.1 The outlook for the Council's finances has deteriorated significantly over the past 12 months. The reasons behind this are summarised in the following paragraphs and covered in more detail in the attached MLTFS. This has meant that more significant savings/efficiencies actions have had to be put in place in a relatively short timescale. In assessing the Council's current position, there are 3 key issues to consider:

- Current budget trends
- Future outlook -Economic position and public finances
- Level of balances and reserves

3.3.2 Current Budget Trends

3.3.3 The Council has, in recent years, regularly underspent on its revenue budget. This has been for a variety of reasons including the regular overachievement of interest earned on investments. However, as the balances have been used in support of the Council's investment priorities, this income has fallen. Additionally, investment rates and some income streams have begun to be significantly reduced in the current economic climate.

3.3.4 This means that, for the first time in a number of years, the Council is currently projecting an overspend at this point in the year. Although still at a low level in comparison to the overall budget, this overspend nevertheless masks a continued underlying growth in the areas that have regularly been identified. These include Special Educational Needs, Looked After Children, and Services for Older People and Younger Adults all of which are reflected in the proposals contained in this report. Each of these areas have efficiency reviews and projects taking place to attempt to at least part compensate for this growth.

3.3.5 Future outlook

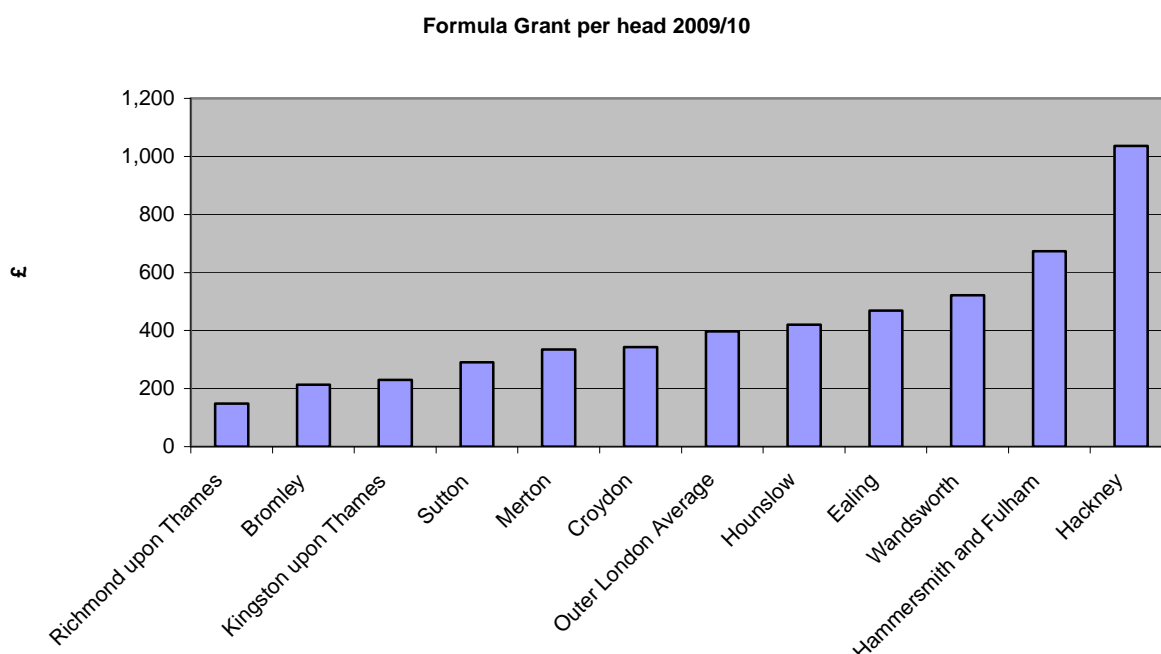
3.3.6 The Council is likely to remain under pressure in respect of both increasing costs and diminishing resources from Government. The continuing rise in the cost of social care and Special Educational Needs shows no sign of abating and there remains some uncertainty around the future costs of waste disposal.

3.3.7 We are currently in the second year of a three year grant settlement that was prepared by the Government before the current economic crisis arose. With the large amounts of public resources that have been put in to supporting the banking system and reducing income from company taxation, it must be considered that beyond this period the funding position will become tighter still.

3.3.8 The 2009/10 Local Government Finance Settlement

3.3.9 Appendix C contains a Briefing Note on the main detail of the 2008/09 settlement. As has been the case for a number of years, the settlement was a poor one for Richmond. The Council's grant increased by £437k or the minimum "floor" amount of 1.75%. To put this into context, the proposals in this report contain an allowance of over £3.5m (net) for inflation. The grant, therefore, remains well below the level required to meet the Council's needs. The Borough has, once again, made representations to Government about the level of the settlement including specific proposals to reduce or return additional landfill tax charges, provide safety net funding, provide direct funding to support borrowing, and returning a bigger proportion of business rates to invest in the local economy. The Leader of the Council has also invited the Local Government Minister to visit the Borough.

3.3.10 The following chart illustrates how much less per head Richmond receives compared to other boroughs.



If Richmond were funded at the same level as Bromley, the next lowest funded authority, we would receive an additional £65 per head. This would equate to approximately £135 off the Band D Council Tax. Funding at the same level as Kingston would provide an additional £82 per head, equivalent to around a £170 reduction in Band D Council Tax.

3.3.11 The outlook for the future of the grant remains poor. With some 70% of our general Government Grant now coming from the protection of the "floor" it is certain that Richmond will remain at the minimum increase in grant for the foreseeable future. The Government, last year, announced the proposed floor increases for three years which show the increase dropping to 1.75% for 2009/10 and then 1.5% for 2010/11.

3.3.12 Balances and Reserves

3.3.13 Appendix B to this report contains a full listing of the revenue balances and reserves held by the Council and their intended application. The key issues are:

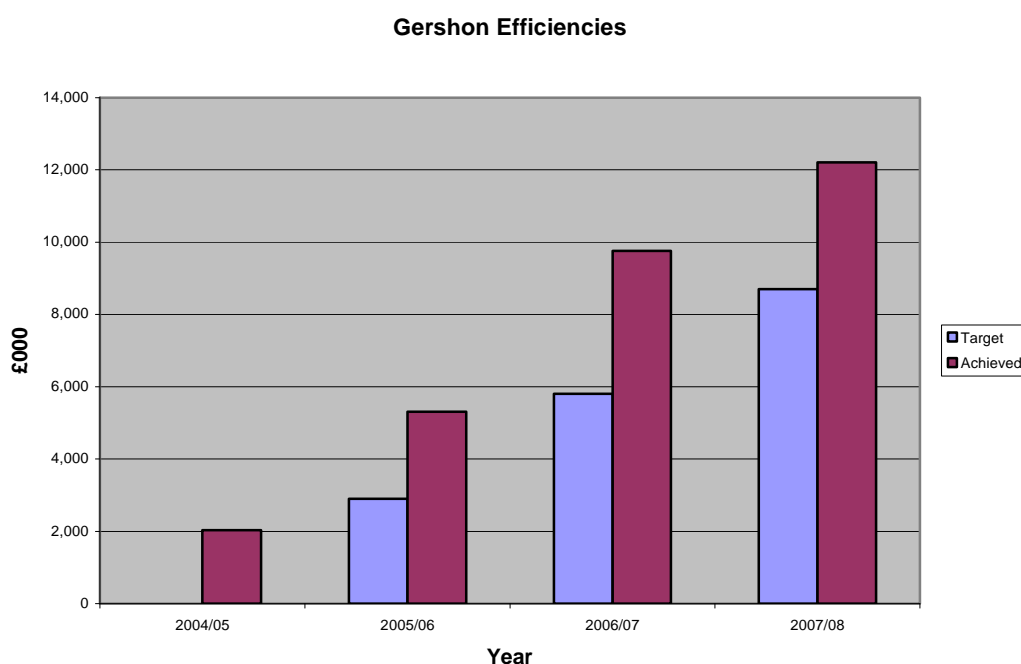
- General Reserve planned to reduce to around £9m in four years time
- The Council's discretionary balances, largely held for investment in infrastructure projects, will have been reduced significantly by the end of 2008/09. After 2009/10 the availability of reserves is expected to be much more restricted.
- Approximately 15% (£7.6m) of the quoted balances at 1.4.08 are funds that are outside of the Council's direct control e.g. school balances, Collection Fund. In addition to this a further approximately 20% (£10.6m) e.g. PFI Reserve and Insurance Funds, whilst being nominally under Council control, are effectively not available for use. The remaining reserves are expected to reduce as they are applied in support of the Council's investment priorities.
- Balances are only available for use once. Their use to reduce Council Tax in any given year will result in efficiencies being required in future years.

Appendix B to this document includes a fuller analysis of the reserves position.

3.4 The Efficiency Strategy

3.4.1 The history of poor grant settlements, coupled with increasing demands and expectations of the public, has meant that Richmond has had to focus on achieving efficiency and value for money in providing its services. In recent years, the Council has achieved a combination of good external assessments of its services and, as part of the CPA, a maximum score of 4 on the Council's approach to achieving value for money.

3.4.2 To date, the most visible element of efficiency work has been in relation to the Gershon Review, which set the borough a target of £2.9m efficiency savings per annum for the 3 years 2005/06 to 2007/08. The chart below, taken from the MLTFS, shows that the borough has exceeded its target efficiencies.



3.4.3 The Gershon Review period finished at the end of 2007/08. As part of the Comprehensive Spending Review 2007, the Government announced a new efficiency

regime for Local Government. There will be an overall 3% cashable efficiency target for the sector as a whole, but no individual targets for authorities. However, individual authority performance will be assessed as part of the annual audit and inspection process. A 3% target for Richmond would mean cashable efficiencies of between £4m and £5m year on year from 2008/09 onwards. Such a target is extremely challenging given the low base of expenditure that the borough is starting from.

3.4.4 In order to continue to meet government challenges in this area, the Council has reviewed its overall Efficiency Strategy. The updated strategy sets a framework for identifying projects and areas of Council work that might yield efficiency savings, improving recording and reporting of efficiency issues and strengthening the links between performance management, efficiency and financial management.

3.5 Overall budget proposals

3.5.1 In line with the Constitution and in accordance with proposals agreed by Leading Members and the Overview and Scrutiny Coordinating Group, individual service budgets have been agreed by the relevant Cabinet Member and reports have been submitted to the relevant Overview and Scrutiny Committee.

3.5.2 The Council has attempted to set a budget that achieves a balance between Council Tax increases and maintaining service standards, investment in key services and efficiencies/savings. In particular it has:

- Built in £1.75m for new demands for statutory services:
 - £0.75m on Care Services for Older People and people with Learning Difficulties
 - £1m on Looked After Children and Special Educational Needs
 - £1m extra to meet escalating waste disposal costs
- Provided continuing support for capital investment, particularly in Education, where there is a growing need for new primary school places.
- Allowed for inflationary and associated pressures of £5.3m (gross) – reduces significantly after allowing for elements where we have frozen inflation and reductions been applied to supplies and services. In addition there is considerable uncertainty re: the local government pay award. Anything less than 2% will provide the Council with a small recession contingency against further losses of income or increases in service demand.
- Partly balanced the above by identifying £4m of cashable efficiency savings and income generation

3.5.3 The final service totals are:

	<u>£m</u>
Education and Children's Services	32.491
Environment	27.083
Adult and Community Services	60.402
Finance & Corporate Services	23.067
Total	<u>143.043</u>

3.5.4 Central Items and contingency

	<u>£m</u>
Treasury	3.898
General Contingency	0.482

Waste Contingency	1.338
PFI Contingency	0.080
Capitalisation of Revenue	-0.700
Sponsorship / Advertising	-0.050
Use of balances	-0.750
Transfers to reserves	0.528
Total	<u>4.826</u>

3.6 Summary of Borough Expenditure

	<u>£m</u>
Service Estimates	143.043
Central Items and Contingency	4.826
Total	<u>147.869</u>

3.7 Levies

- 3.7.1 There are a number of levies and other charges, which the Council has to pay each year. These levies count as part of the borough's expenditure and they are, therefore, included in the relevant service budgets. The relevant amounts and services are set out below:

Levy	Directorate	2008/09 £000	2009/10 £000	Variation %
West Waste	Environment	5,538	***	***
Lee Valley Park	Environment	269	274	1.5
Flood Defence	Corporate Services	178	178	0.0
London Pension Fund Authority	Corporate Services	371	449	21.0
Coroner's Service	Corporate Services	127	135	6.3

*** At the time of writing, the figures for the West Waste levy were unavailable.

There are no levies this year from the Mortlake or South West Middlesex Crematorium Boards. The London Pensions Fund Authority have yet to confirm their levy for the current year.

3.8 Capping

- 3.8.1 Under the Local Government Act 1999, the Secretary of State retains reserve capping powers. The stated intention behind these powers is to control excessive tax increases but in practice they are largely based on monitoring year on year budget increases.
- 3.8.2 The Secretary of State does not set capping criteria in advance and announces decisions on capping or other action in April, after budgets have been set and Council Tax bills sent. The Government has made it clear that it considers the grant settlement sufficient to ensure that the average Council tax rise will be "well below" 5%.
- 3.8.3 The proposed budget for 2009/10 would give increases in the budget requirement and tax level as set out below:

	2008/09		2009/10	
	Amount	Increase	Amount	Increase
Budget Requirement inc. schools and ex Area Based Grants	£232.995m*	4.4%	£244.432m	4.9%

Budget Requirement ex schools and Area Based Grants	£143.028m*	4.3%	£147.869m	3.4%
---	------------	------	-----------	------

Council Tax (LBRuT element only)	£1,233.94	3.98%	£1,287.39	4.3%
----------------------------------	-----------	-------	-----------	------

* These figures have been adjusted to allow for the impact of grant changes made by Government

3.9 The Greater London Authority (GLA) Precept

3.9.1 The Band D Council Tax in respect of the GLA Precept will remain at £309.82.

3.10 Summary of requirements and Council Tax

3.10.1

	£m
Total LBRuT Budget Requirement	147.869
School expenditure funded from DSG	96.469
GLA Precept	27.350
	<hr/>
	271,688
Less	
Formula Grant	-27.615
Area Based Grant	-6.609
DSG	-96.469
	<hr/>
Total Requirement for Council Tax	140.995

3.10.2 At the Council meeting of 27th January 2009, the Council Tax Base for 2008/09 was agreed as 88,275.61 Band D equivalents.

3.10.3 Based on the above figures, the total tax at Band D including the GLA element is £1,597.21 an increase of 3.46% over the 2008/09 figure of £1,543.76.

3.10.4 The table below shows the impact of the increases in Council Tax proposed by the Council and the GLA:

	2008/09	2009/10	%
	£	£	increase
LBRUT	1,233.94	1,287.39	4.33
GLA	309.82	309.82	0.00
TOTAL	<hr/>	<hr/>	<hr/>
	1,543.76	1,597.21	3.46

3.11 Section 25(2) of the Local Government Act 2003

3.11.1 Section 25(2) of the Local Government Act 2003 requires the Chief Financial Officer of an authority to report on:

(a) the robustness of the estimates made for the purposes of the calculations, and

(b) the adequacy of the proposed financial reserves.

In doing so, the Director of Finance and Corporate Services has had particular regard to the guidance offered by the Chartered Institute of Public Finance and Accountancy and the views of the Council's external auditor.

3.11.2 The Council's stated aim is to achieve long term stability in its finances whilst restricting Council Tax increases. To achieve this, the Council must have regard to the major risks to its financial position and in particular:

- The current economic position
- Whether budget setting and monitoring processes are robust and effective
- Demand pressures on the budget
- Identifying and achieving efficiency improvements
- Risks to Government funding levels
- Risks to other income streams

3.11.3 The Council has a good recent track record in financial management that is recognised through external assessment from the Audit Commission with scores of 3 (good) for the Use of Resources judgement and the maximum score of 4 for Value for Money. These scores take into account both the service performance of the Council and the way we prepare and monitor our budgets. We have made recent changes to the way we organise our accounting resources to further strengthen the finance function in the major spending Directorates.

3.11.4 In spite of improved budgeting and monitoring procedures, the Council cannot be immune from changes in demand for the services that it provides or the national/global economic position. There are particular demand risks associated with care needs for both adults and children in addition to external pressures which are affecting the current and future cost of disposing of waste. On top of this, the recent economic downturn has provided a severe test of the Council's finances and, although we have taken action to contain the position, at present we are reporting a small overall overspend for 2008/09. The budget process has considered all of these issues and, within the resource constraints faced by the Council, has adjusted budget levels. It must be considered, however, that an extended and deepening recession could have a further impact on the Council's budget both via increased demand for services and decreasing sources of income. The Council has sufficient reserves to deal with such a position in the short term, but in the medium and longer term would need to increase its savings/efficiency programme significantly if this position did not improve.

3.11.5 Paragraph 3.4 discussed the Council's approach to efficiency. Given the resource constraints and demand pressures faced by the Council it is imperative that the search for increased efficiency remains at the heart of all Council activities. This will contribute towards the achievement of the Council's objectives. The latest version of the MLTFS identifies the need for a more substantial programme of efficiencies to be delivered in coming years.

3.11.6 The major risk around government funding is the potential change to the "floor" mechanism, which provides for a minimum level of increase in grant each year. This risk is highlighted by the fact that the "floor" provides the borough with over £19m more than it would receive were the "floor" to be withdrawn. This equates to around 17% on Council Tax and represents, in percentage terms, by far the largest level of floor protection for any authority in the country. The Government have now provisionally agreed floor levels for the next year as well but this continues to reduce and signal the Government's desire to remove floors from the calculation.

3.11.7 It is imperative that any business invests in the maintenance of its infrastructure assets if it is to continue to provide high quality services and avoid major one-off crisis expenditure. The Council has made progress in this area and the earmarking of revenue balances and capital resources for the purpose reflect the continuing commitment. These

funds are, however, becoming much more limited and infrastructure projects in the future are likely to rely more and more on the Council's ability to borrow or generate efficiencies to fund such projects.

3.11.8 A full list of the current reserves held by the Council is attached at Appendix B. The main infrastructure funds are fully committed and likely, in the absence of any further contributions, to be significantly depleted by 2011.

3.11.9 The financial strategy includes the use of £750k in 2008/09 and the subsequent 2 years. Thereafter the plan remains that any use of balances is gradually removed from budget assumptions at no more than £250k per year such that this change has no major impact on Council Tax increases. It is projected that up to £3m will be withdrawn from the general reserve over the next 5 years. Both the current and projected levels of General Reserve are expected to remain within the Council's agreed range of 5-10% of the Budget Requirement. The largest single figure in the reserves list is the Pension Fund surplus/deficit which, in common with many other Pension Funds, is showing a large deficit. The Council has a 15 year recovery plan for the fund. However, the recent turmoil in financial markets has had a very significant impact on the fund. It is therefore likely that both the employer and employee contribution rates are likely to rise after the next valuation in 2010.

4. CONSULTATION

4.1 The Council has undertaken two consultation exercises in relation to the budget. The first was with a selected representative sample of the public who attended an evening run by the ORC organisation, the second a Citizens Panel survey. The outcomes were reported to the Cabinet in December 2008. The Council held a summit for local business to discuss the current economic position and its budget position in January and circulates the major businesses and business associations with copies of these reports for comment. In addition the individual service budgets have been considered by the relevant Overview and Scrutiny Committee.

5 FINANCIAL IMPLICATIONS

5.1 These are set out in the report.

6. POLICY IMPLICATIONS/CONSIDERATIONS

6.1 There are none arising directly from the report although the level of budget resources available is a major influence on the delivery of Council policy in all areas. The Council's budget is part of the Policy Framework and therefore requires the approval of Council.

7. RISK ASSESSMENT

7.1 The risks faced by the Council in relation to financial planning and budget setting are set out in the MLTFS (Appendix C) and in paragraph 3.11 of this report (The Director of Finance and Corporate Services' comments on Section 25 (2) of the Local Government Act 2003).

8. EQUALITY IMPACT/CONSIDERATIONS

8.1 The Council is currently in the process of seeking recognition at level 4 of the Equality Standard. This involves the Council auditing each of its major policies and service areas and carrying out further assessments each time any major changes are made. Some of those changes will also be reflected in major budget changes shown in this report.

9. LEGAL IMPLICATIONS

9.1 There are none arising directly from this report.

10. ENVIRONMENTAL IMPACT ASSESSMENT

10.1 The level of budget available for different services has a direct impact on service delivery. The Council has made available both one off and ongoing funds in areas such as sustainable building, green business advice, waste and recycling which are aimed at improving the environmental impact of the Council and its partners.

11. BACKGROUND DOCUMENTS:

11.1 Accountancy Estimate Working Papers
Correspondence from GLA, DCLG and other Government Departments
Local Government Finance Settlement information on DCLG website at:
<http://www.local.odpm.gov.uk/finance/0910/grant.htm>

Medium and Long Term Financial Strategy

12. CONTACTS

Councillor Stephen Knight – Deputy Leader and Cabinet Member for Resources
e-mail: cllr.sknight@richmond.gov.uk

Mark Maidment – Director of Finance and Corporate Services
Tel: 020 8891 7171
e-mail: m.maidment@richmond.gov.uk

Council Tax Bands 2009/10

Band	Richmond Council Tax Requirement (2009/10) £	Greater London Authority (2009/10) £	Total Council Tax (2009/10) £
A	858.26	206.55	1,064.81
B	1,001.30	240.97	1,242.27
C	1,144.34	275.40	1,419.74
D	1,287.39	309.82	1,597.21
E	1,573.48	378.67	1,952.15
F	1,859.56	447.52	2,307.08
G	2,145.65	516.37	2,662.02
H	2,574.78	619.64	3,194.42

DESCRIPTION	Balance 1.4.08	Estimated Movement 08/09	Estimated Balance 31.3.09	PURPOSE OF RESERVE
RESERVES HELD AT COUNCIL'S DISCRETION				
General Reserve (available for any purpose)	-12,094	750	-11,344	Working balance/unexpected events/emergencies/balancing budget and Council Tax
Earmarked Reserves:				
General Insurance Reserve	-2,923	*	-2,923	Covers the internal element of the Council's main insurance cover
Vehicles Insurance Reserve	-152	*	-152	Internal insurance for Council vehicles
Schools' Maternity & Supply Cover Scheme	-300	*	-300	Internal insurance arrangement for supply and maternity cover in schools
VAT Reserve	-164	*	-164	To cover potential tax liabilities
Single Status Reserve	-180	180	0	To fund implementation of Single Status pay adjustments
Infrastructure Reserve	-8,510	4,283	-4,227	Major works to improve Council infrastructure/deliver benefits to the community
Project Development Reserve	-2,549	1,917	-632	Funds development of major projects
Repairs and Renewals Fund	0	0	0	Purchase/creation of assets providing benefits of at least 3 years. Balance of repayments and use to transfer to Waste.
Libraries Trading Account	-100	100	0	Surplus from Library commercial activities to fund capital projects
Social Services Special Equipment Reserve	-145	*	-145	To fund purchase of small items of domestic equipment for Social Services establishments
Carry Forwards Reserve	-1,074	1,074	0	Unspent revenue budgets carried forward for specific Cabinet approved projects
PFI Reserve (Future Liabilities)	-6,304	100	-6,204	To allow for future smoothing of annual payments under PFI contracts
Waste & Recycling Reserve	-1,103	42	-1,061	Used to fund Waste and Recycling Strategy
Youth Development Fund	-1,000	25	-975	To provide for investment in Youth Services
Community Development Fund	-966	875	-91	To support investment in the 5 areas of relative deprivation
Climate Change Reserve	-990	151	-839	To support the Council's Sustainability Team in reducing the threat of climate change, cut carbon emissions and promote energy efficiency
Section 106	-1,029	*	-1,029	To fund the rise in cost of works between receipt and usage of developer contributions

DESCRIPTION	Balance 1.4.08	Estimated Movement 08/09	Estimated Balance 31.3.09	PURPOSE OF RESERVE
Section 117 Reserve	-660	0	-660	To fund future Section 117 claimants
Redundancy Reserve	-296	296	0	
Economic Development Fund	-575	65	-510	To fund Town Centre Management, environmental and business assessments and DDA advisory service for local employers.
Salaries Oncost Account	-568	50	-518	Balance of on-cost charged on employee budgets to fund liability insurance and HR Payroll system
PSA Reserve	-335	138	-197	Government grant to fund improvement projects
Other	-268	*	-268	Various minor reserves
Sub total: Reserves held at Council's discretion	-42,285	10,046	-32,239	
RESERVES OUTSIDE OF COUNCIL CONTROL				
Schools	-6,389	*	-6,389	Ring fenced to schools
Collection Fund	-1,052	882	-170	Accumulated surplus arising from higher than budgeted collection rate
Home Loans Unit	-109	0	-109	Funds associated with former GLC mortgages (distributed across all London Boroughs)
Sub total: Reserves outside Council control	-7,550	882	-6,668	
TOTAL RESERVES	-49,835	10,928	-38,907	

All movements in reserves are estimated and may be subject to review at year end. Those marked with an asterisk rely on detailed year end transactions so no estimates are currently available

Pension Fund Reserve: This reserve is an estimate of the surplus or deficit on the Pension Fund as calculated by the Council's actuary. As at 1st April 08 the reserve showed a **deficit** of £72.619m



Local Government Provisional Finance Settlement for 2009/10

Preliminary Briefing 26th November 2008

The Department for Communities and Local Government issued the provisional 2009/10 Local Government Finance Settlement for consultation on 26th November.

The Provisional Settlement covers the two years from 2009/10. Funding will be given through non ring-fenced grant wherever possible.

Three types of grant will be provided:

- 1) Non-Ring fenced General Grant – The main type of general grant will be formula grant. Its main purpose will be to provide funding for core services and will be distributed using formulae depending on relative need.
- 2) Non-Ring fenced Area Based Grant (ABG) - This grant will be allocated according to specific policy criteria. There will be no conditions attached to the way this funding can be used. Many of the grants previously received through specific grants will now be a part of the Area Based Grant.
- 3) Non-Ring fenced Named Grant – This funding can be used for any purpose as decided by the local authority, there will be no specific conditions attached. The Supporting People grant will be provided in this way on 2009/10.
- 4) Specific Grants – Specific grants will only be given in limited circumstances e.g. uncertainty or where there is a recognised need for resources to be allocated for a specific purpose, where Revenue Support Grant (RSG) and ABG cannot be used.

National Headlines

The main national headlines from the Provisional Settlement announcement are:

- Total revenue grants for English local authorities including dedicated funding for schools will be £73.1 billion in 2009/10, an increase on the previous year of 4.2%. In 2010/11 the total revenue grant is expected to be £76.4 billion representing an increase of 4.4%.
- Formula grant (general support for Council services), excluding schools, will total £28.254 billion in 2009/10, an increase of 2.8%.
- Dedicated Schools Grant (DSG) increases by 3.4% to £29.8bn in 2009/10. In 2010/11 DSG is expected to increase by 4.3% to £31.1bn. Per pupil funding has increased by 4.6% in 2008/09 compared to an expected 3.7% in 2009/10 and 4.3% in 2010/11.

- The Provisional Settlement continues to include a minimum (floor) level of increase in grant. The floor for London authorities is 1.75% for 2009/10. This will reduce to 1.5% in 2010/11. The floor level of increase is applied to the previous year's grant total after making certain adjustments for changes in funding methodology.
- As in 2008/09, the Government expects average Council Tax increases to remain "substantially below" 5%, and will use capping powers to ensure that Council Tax payers do not face excessive increases.
- Local Government will be expected to make 3% annual efficiency improvements during 2009/10, but the minister has stated that he hopes authorities will aim significantly higher. To raise public awareness of the efficiency agenda information on efficiency savings will be included on next year's Council Tax bills.

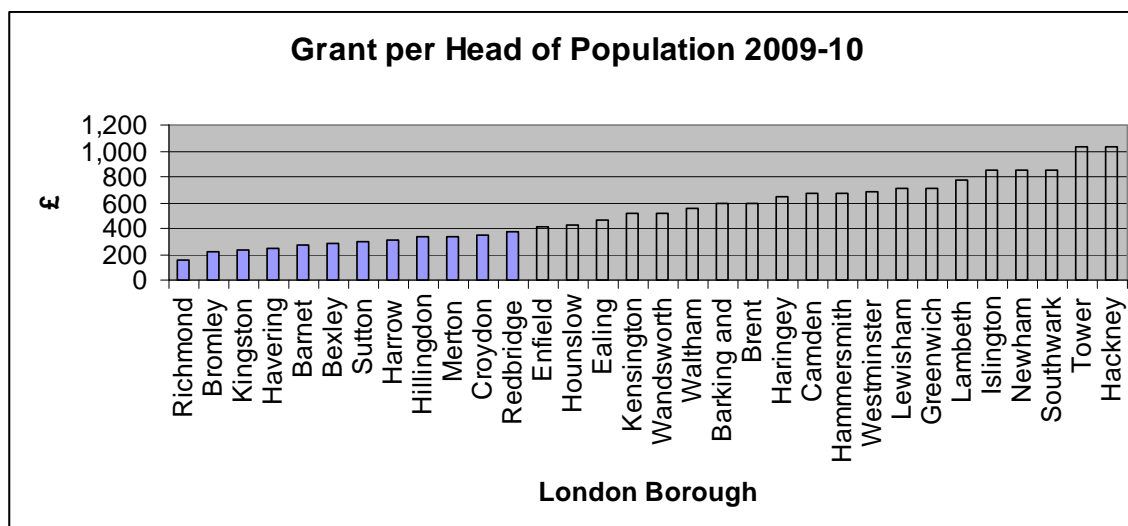
What does it mean for Richmond?

The Provisional Grant Settlement sets out the following allocations for Richmond over the next two years:

Year	Formula Grant (£m)	% Change	£ per head of population
2009/10	27.615	1.75%	148.81
2010/11	28.015	1.50%	149.68

On average, the formula grant for London boroughs will increase by 2.02% in 2009/10, and 1.8% in 2010/11. Richmond's floor level increases will be consistently lower than the London average.

For 2009/10, this level of Central Government support for non-school services within Richmond equates to £148.81 funding per head of population. This compares to the London borough average of £538.55 (£389.71 more than Richmond), and the Outer London borough average of £396.95 (£248.14 more than Richmond). In 2010/11 the funding per head of population for Richmond will be £149.68 compared to the overall London funding per head of population of £545.29.



Richmond continues to be the worst funded borough in London. The table shows how much extra per head Richmond would receive if it received the same level of funding per head as the next two lowest funded boroughs.

Local Authority	£ per head	Extra £ received per head
Richmond upon Thames	148.81	
Bromley	213.40	64.59
Kingston	230.33	81.52

If Richmond were funded at the same level as Bromley it would receive an additional £12m in grant equivalent to a reduction in Council Tax of around 8.8%. If it were funded at the Outer London average it would receive an additional £46m in grant funding, equivalent to a reduction in Council Tax of around 34%.

Without the floor mechanism in place the Council would have only received £8.454m for 2009/10, meaning that 68.8% of Richmond's grant will be attributable to the floor mechanism. In 2010/11 65.45% of the formula grant is expected to be attributable to the floor mechanism.

The provisional Dedicated Schools Grant for 2009/10 allocated to Richmond has increased by 5.9% to £96.469m, compared to £91.127m in 2008/09. This reflects a 3.6% increase in per pupil funding alongside an increase in pupil numbers. In calculating this figure, the government has used provisional pupil numbers so the actual allocation to Richmond may be different. The provisional allocation for 2010/11 is £102.675m an increase of 6.4% in cash terms and 4.2% in per pupil funding.

Conclusions

Whilst the Provisional Settlement appears to be broadly in line with our financial planning assumptions, it continues to leave Richmond as the lowest funded authority in London.

Richmond continues to be particularly vulnerable to changes in the floor mechanism due to the large proportion of grant generated from this part of the formula.

The government continues to move grants previously provided through ring-fenced specific grants to non-ringfenced sources of funding (ABG and named non-ringfenced grant).

We are currently analysing the detail of the settlement and working on various responses to the Government both individually and in conjunction with other London Boroughs. Additional briefings will be circulated and more detailed reports will be made to both Cabinet and Finance and Strategy Overview and Scrutiny Committee in due course.

If you would like further information about the settlement and the impact on Richmond, please call Mark Maidment, Director of Finance and Corporate Services on 020 8891 7171 or Graham Russell, Assistant Director of Finance on 020 8891 7226.

Section H



Medium and Long Term Financial Strategy

February 2009 Update

Contents

1. Objectives
2. Background
3. Current position
4. Performance and efficiency
5. Looking Forward
6. Conclusions
7. Action Plan

1. Objectives

Through the adoption of the following formal set of objectives for the Medium and Long Term Financial Strategy (MLTFS) it is the Administration's aim to maintain a sustainable financial position whilst identifying funds to invest in the Council's key priorities as set out in the Corporate Plan. The following objectives have been amended slightly from last year to reflect the usage of balances and the current economic climate. We have also summarised achievement in the last year:

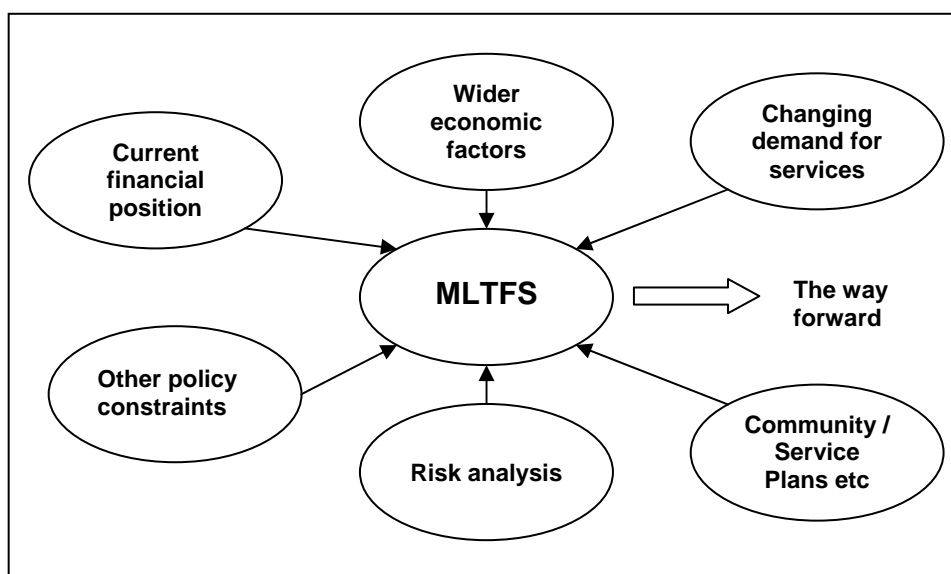
MLTFS Objectives		Progress
1	To set the lowest Council Tax increase consistent with the provision of high quality local services (maintaining the current aim of sub-5% increases)	2008/09 = 3.57% increase. 2009/10 = 3.46% increase proposed
2	To manage spending within the overall budget levels agreed	0.16% overspend currently projected
3	To maintain prudent levels of reserves whilst still ensuring that those reserves that are available are targeted at the Council's key priorities	£8m projected to be invested in 2008/09
4	To deliver year on year efficiency improvements to.....	Exceeded Gershon efficiency targets and working towards a target of 3% cashable p.a.
5 both address the increased budgetary pressures created by the current economic climate and create opportunity for strategic and sustainable front line service investments	See details in budgets
6	To support a prudent level of capital investment to meet the Council's strategic priorities and work to identify alternative funding sources	See detail in capital budget
7	To enable longer term planning in the delivery of the Council's strategic vision and objectives	Continuing process

Further details against the specific targets set last year are included in the MLTFS review circulated to the Coordination, Finance and Performance Commission and Cabinet in January.

2. Background

2.0 What is the Medium and Long Term Financial Strategy (MLTFS)

- 2.1 It is the Council's forward looking financial planning document which takes account of all the various factors and influences that are expected to impact on the Council over the next 3 – 5 years. These factors include current expenditure patterns, inflation, planned changes to service delivery, changing demand for services, the impact of new legislation, sources of income etc. It also includes an assessment of the risks faced by the Council.
- 2.2 It allows the Council to model the expected impact of the various factors and to plan how it will implement its priority policies to meet the needs of the residents whilst seeking to maintain a stable financial position and limiting Council Tax increases. The diagram below summarises the main influences on the MLTFS:

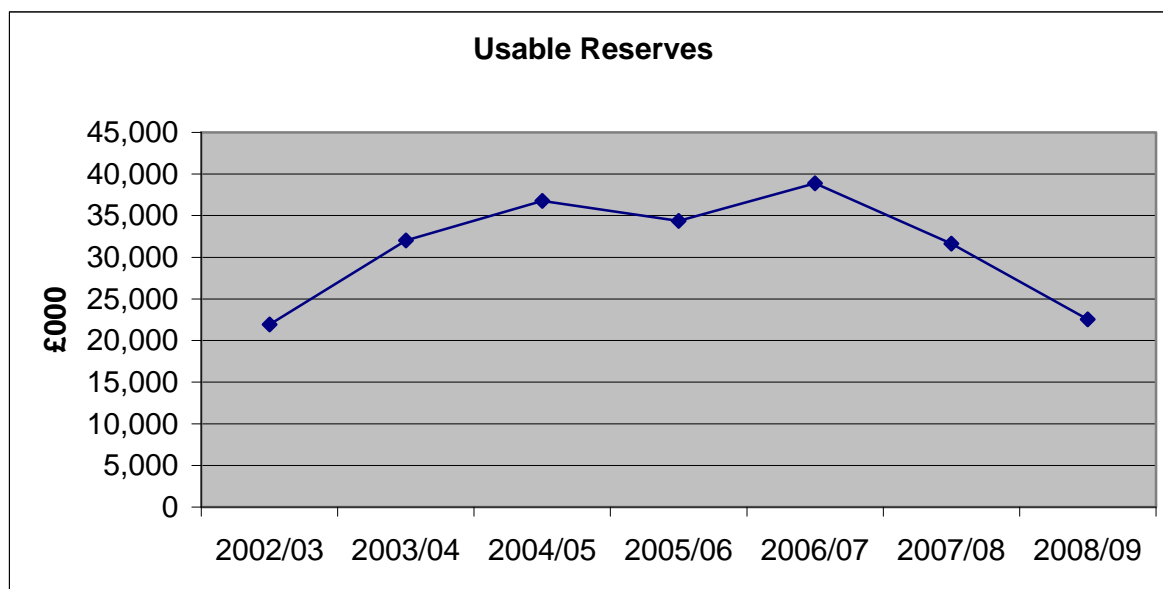


- 2.3.1 The purpose of this document is to set out the Council's medium and longer term financial strategy and to form part of its deliberations as it moves towards setting its detailed budget for 2009/10 and the framework for its longer term plans.
- 2.3.2 The Strategy forms a key plank in the Council's achievement of the aims set out in the Corporate and Community Plan, individual service plans and performance plans. Budgets are developed alongside the services performance and efficiency agenda and monitored similarly. This document draws on the information, aims and concerns set out in these and other documents and seeks to provide a financial framework within which the Council can plan for the longer term.
- 2.3.3 For the first time this strategy is being prepared against a background of a deepening recession which has introduced significant additional volatility into financial projections and makes a longer term strategy even more important if the Council is to maintain financial stability.

3. Current position

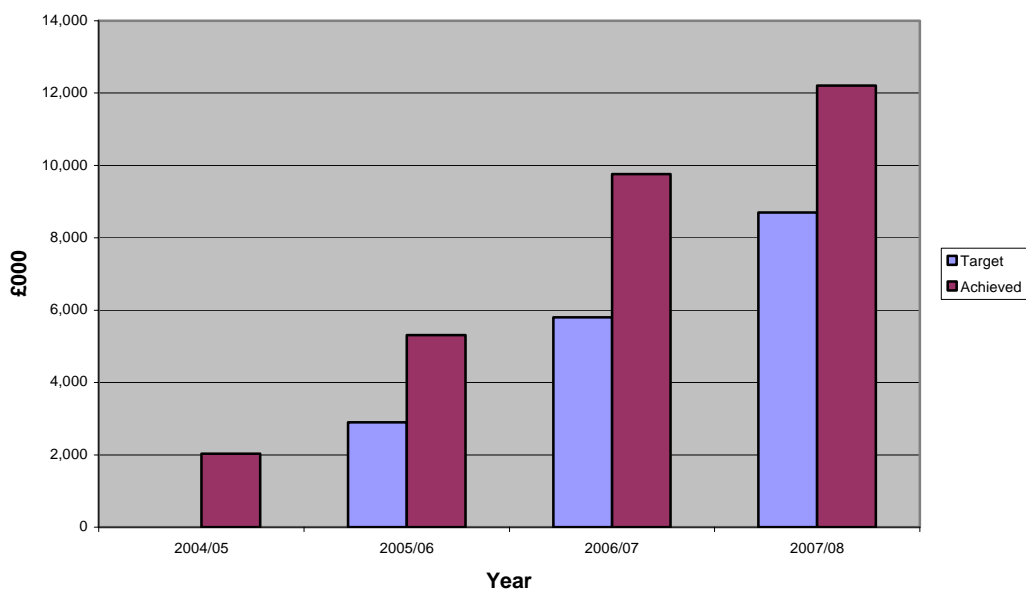
- 3.1.1 The 2008/09 budget included a Council Tax increase of 3.57% (inclusive of GLA) and set targets to reduce reserves through investment in key initiatives. In addition Members agreed an efficiency/income package that sought to improve the underlying position of the Council's budget including around a further £750k of staffing reductions, £250k p.a. from freezing supplies and services budgets, £1m from a joint efficiency programme with the Primary Care Trust (PCT) and a range of income increases. A number of these changes have been planned to take place across a number of years but together they have helped to reduced the underlying gap in the Councils current budget plans (see paragraph 6).

- 3.1.2 The Council has tightened its budgetary control and over the past 5-6 years has not overspent its overall budget in any year. This position is being severely tested this year due to the impact of the current economic climate but measures are being taken to try and preserve this record. The Administration continues to have significant revenue and capital investment plans and have taken steps to increase project management resources to ensure that these plans are delivered.
- 3.1.3 Overall revenue reserves (excluding the Pension Fund deficit) stood at £49.8m at the end of 2007/08 (excluding the Pension deficit). Excluding those reserves where the Council has little discretion over their expenditure (those governed by statute, insurance/tax reserves, the PFI reserve and schools reserves), those that are “usable” stood at £31.6m. In 2008/09 we are projecting that usable reserves will reduce by £10m to around £22m by the end of the financial year in March.



- 3.2 In terms of balances/reserves, the investment of an estimated £17m to the end of 2008/09, combined with the budgeted reduction of the general reserve over the next three years, means that the Council now expects to have significantly more limited reserves in the years ahead. The strategy will therefore need to move towards one of ensuring minimum levels are maintained with a much more limited scope for targeted investments into the Council's key priorities.
- 3.3 Tight budgetary control continues to be essential for the Council in helping to ensure that the savings plans set out for past and future years are delivered. The overall improvement in the Council's financial position has been achievable by continually identifying and achieving efficiencies. The Borough has remained one of the lowest spenders per head of population in London whilst consistently improving performance in many of the major services. It also achieved the ranking of being one of very few authorities in the country to achieve the top rating from the Audit Commission for Value For Money. In more recent years efficiency has been measured by the Government against so-called “Gershon” annual efficiency targets. The final position against these targets is summarised in the chart below.

Gershon Efficiencies



- 3.4 This position changed from 2008/09 with no individual borough targets being set by the Government, although they have assumed all Boroughs will achieve at least 3% cashable efficiencies and are producing league tables of achievement as well as requiring Councils to include efficiency information on Council Tax leaflets. The Council believes this information to be irrelevant as they record only year on year changes and pay no attention to the current position of the Council i.e. a Council can achieve a very high level of efficiency savings but still be amongst the highest cost simply because of its starting position and its own circumstances. In the Council's case we start from being one of the lowest spenders per head in the country and therefore the challenge of achieving further reductions is even greater.
- 3.5 Irrespective of these centrally set expectations and league tables, in order to achieve its ambitions for lower Council Tax increases, the Council must continue to have a strong focus on efficient service delivery if we are to protect and improve services to the most vulnerable. In addition to reinvesting many of the efficiency gains outlined above the Council has also identified additional funds to invest in basic infrastructure and key priority areas including Parks, Libraries, Highways, Schools and Social Care.
- 3.6 The continued development of medium and longer term financial strategies has enabled the Council to plan for projected changes in both resourcing and expenditure. It has also enabled key service and priority changes to be managed in a way that recognises that the financial strategy is not an end in itself but is structured to ensure that the Council can continue to improve its service delivery. The plans did not foresee the dramatic economic downturn experienced over the past few months, but they did ensure that the Council was better placed to respond to these issues and take the appropriate action in a relatively short period.
- 3.7 In overall terms the financial strategy has contributed to the successful achievement of all major objectives that have been set but we are moving into even more difficult times. Both the longer and shorter term plans remain under threat from a further worsening of the wider economic climate with Government funding likely to reduce further in real terms and rising needs and expectations of services.

4. Performance and Efficiency

- 4.1 The Council's performance has steadily improved in recent years. As outlined above, it has invested heavily in long term strategies that are aimed at further improving efficiency and service performance. According to Audit Commission figures, the Council was amongst the lowest spending per head of population on services in the country in 2007/08. In addition, the Council continues to be scored 4 out of 4 for Value for Money by the Audit Commission which is classified as "performing strongly" and the latest Corporate Assessment classified the Council as "good". With inspections such as the Joint Area Review of Children and Young Peoples services and others scoring a maximum 4, many of the Councils services rank amongst the best in the country. This has also been reflected in resident satisfaction surveys showing improvement and being amongst the best in London.

- 4.2 Nonetheless, following the Corporate Inspection in 2007, the Council recognised that its performance management could be improved further and that, if it was to continue to deliver services within the resources available, it would need to take a new approach to achieving efficiencies and savings in the future. This approach would need to ensure that the Council continued to focus its investment on key priorities, working with partners where appropriate, but also to take tough decisions on where savings can be made.
- 4.3 To this end, the Council reorganised its services last year to enable some investment in corporate performance and has begun to revamp its performance management processes and outputs and corporate plan priorities. It has also reviewed its efficiency strategy and established a new Efficiency Board of senior officers from all parts of the organisation. As in the past, the Council has not set “blanket” savings targets for services. Members have rather been asked to consider those areas for investment/reduction based on a series of considerations including impact on performance, assessment of need, importance to local community, achievability, efficiency comparisons etc. Members’ views are informed through a variety of mechanisms ranging from the budget and Community Plan consultations to direct feedback via area consultation meetings. Reports from the budget consultation process for 2009/10 were circulated with the earlier MLTFS review paper to Cabinet and are available on-line at www.richmond.gov.uk (under the consultation pages).

5. Looking Forward

5.1 The National Funding Context

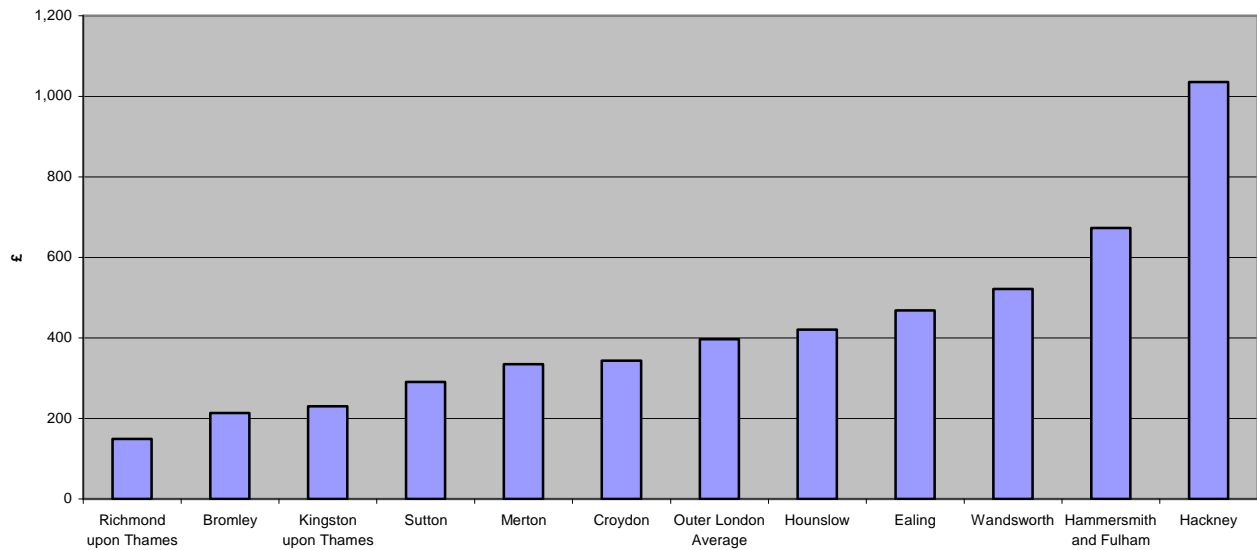
- 5.1.1 The 2007 Spending Review (CSR07) and the associated 3 year funding settlement for Local Government were published in November 2007. The increases for the 2009/10 were confirmed in November 2008 and at present the Government has made no changes to its proposals for 2010/11. Given the level of public funding that has had to be put in to support the banking sector and the general drain of the recession on the national purse, it is very likely that the next local government funding settlement will be even tougher.

5.2 The Local Government Finance Settlement

- 5.2.1 Following the announcement of a three year settlement last year, there were few surprises in the confirmation of the figures for the current year. As we are now in the second of the three years announced, the planning in this document extends beyond the grant announcement and we have therefore made an assumption that grant will be frozen in the final year of this strategy. There also continue to be some changes to Area Based Grants (ABG). However, following the decision to invest £554k to support late announcements of grant reductions in 2008/09, expenditure levels are now being broadly matched with any reduction in grants.
- 5.2.2 The retention of the system of “floor” damping remains critical for the Council. The “floor” mechanism provides a minimum level of increase in the amount of Formula Grant to be received by an authority. Without it, authorities would receive the unadjusted amount of Formula Grant as calculated by the Government.
- 5.2.3 In 2009/10, Richmond will receive £27.6m in Formula Grant a cash increase of £0.4m over the equivalent figure for 2008/09. To put this into context, the detailed budget calculations include over £3.5m for inflation alone. This illustrates the scale of the financial challenges facing the authority. It should also be noted that the value of the “floor” mechanism to the Council stands at around £19m or 69% of the total Formula Grant. The level of floor protection will fall from 1.75% in 2009/10 to 1.5% in 2010/11 and our financial model assumes it may fall again to 0% in 2011/12. This effectively builds in even larger real terms reductions in resources for Richmond than for Local Government generally.
- 5.2.4 The Amount of Formula Grant to be received by the borough equates to £148.81 per head of population. This is the lowest amount of funding per head in London and 3rd lowest nationally amongst Unitary Authorities. The chart overleaf shows comparisons with a selection of London Boroughs and the outer London borough average. The next lowest funded London Borough, Bromley, receives nearly £65 per head more than Richmond. Funding at this level for Richmond would yield an additional £12m in grant which would allow a reduction of 11% in the Council Tax. **Funding at the Outer London average level (£396.95 per head) would yield an additional £46m in grant, enough to reduce Council Tax by approximately 42%).** The Council continues to make the case to Government for a review of its

treatment via the formula grant. The Council submitted an individual response to the settlement consultation in December and is currently awaiting a reply.

Formula Grant per head 2009/10



- 5.2.5 After the direct funding of schools through DSG is allowed for, Richmond's support from Revenue Grant and Business rates is around 19% of the remaining budget requirement - compared to a national average of nearer 50% reflecting the twin impact of the low level of grant implied by the Government's formula and the relatively high Council Tax base.
- 5.2.6 Local authorities are currently facing significant and unavoidable spending pressures, which will continue into future years. These include the escalating costs of pensions, waste disposal, social care, any knock on effects of NHS funding issues, increasing energy charges, pay and workforce pressures, and potential grant fluctuations as a result of demographic changes.
- 5.2.7 The Government has stated that it is committed to containing future public spending through realising targets for increased levels of efficiency within the sector. Although no explicit new targets have been set for local Government the Minister has announced that he expects efficiencies in the public sector to rise from his target of £30bn to £35bn. Publicity and debates around Council Tax levels will ensure that the threat of capping continues, and councils will need to set budgets that keep Council Tax increases to a minimum whilst increasing the efficiency and quality of services. Ministers are still referring to "well below 5% average" Council Tax increases.
- 5.2.8 The outlook for the next three years and beyond is that the Council will be required to deal with the economic downturn, escalating demands for services and real terms reductions in resources allocated by central government. It therefore remains imperative that the Council continues to plan well in advance to deal with the service and financial pressures. Given the expected size of the issues from 2011/12 it is likely that more radical actions will need to be taken by the Council to achieve the efficiencies it needs and options for this are currently being developed with leading Members.

5.3 Capital Expenditure

5.3.1 A review of the capital element of the MLTFS and the Capital Programme for 2009/10 to 2013/14 were considered and approved by Cabinet on 19th January 2009. The key feature of the current programme is the continued dominance of Education projects (66% of the total programme over the next 5 years). This reflects the increased resources being provided by Central Government for the development of primary and secondary schools on top of the Council's own investment plans for Education.

5.3.2 The table below shows some of the key capital indicators for forthcoming years. Internal financing through capital receipts or the use of reserves forms a major element of financing in the short term but, as these are one off sources and new capital receipts are expected to be very limited during the current

economic downturn, their importance diminishes by 2011/12. Capital grants are also key in the early years of the programme but, as projects like Teddington School are completed, their importance also diminishes. The funding gap for the programme is increasingly taken up by borrowing as time goes on. This, and the use of internal resources which are currently invested, will impact on the revenue account through increased debt servicing costs and reduced earnings from interest. Given the overall revenue projections it is clear that the Council will need to review its commitments for the future carefully to ensure they are affordable and, particularly beyond 2010/11 the programme can be considered to be no more than indicative at this stage.

	2009/10 £000s	2010/11 £000s	2011/12 £000s	2012/13 £000s	2013/14 £000s
Total Capital Expenditure	62,975	47,607	24,862	17,980	12,759
Capital expenditure to be funded from reserves and capital receipts	15,468	3,916	22	0	0
Capital expenditure to be funded from grants and contributions	31,131	21,802	5,267	2,936	2,936
Capital expenditure to be funded from borrowing	16,376	21,889	19,573	15,044	9,823
Estimated Debt Outstanding at 31st March	61,786	81,911	97,648	105,120	109,807

5.3.4 The Capital Programme remains a key means by which the Council is able to deliver the priorities set out in the Community and Corporate Plans. It is underpinned by robust governance arrangements designed to ensure that resources are directed towards the Council's priorities and that investment decisions are affordable as well as effective.

5.4 Key Risks/Opportunities

5.4.1 Although the Council receives only 19% of its non-school funding from Government, demands on services, changes in grant regimes and legislative changes can all have a significant impact on the Council's budget. The current Government grant proposals reflects a continued tightening of public finances – with a massive 69% of the Council's general grant being reliant on the "floor" regime, any move away from this protection would leave the Council facing a very serious financial position. The major identified risks are considered in more detail in Appendix C and some of the key/changing risks and opportunities are drawn out below:

Key Risks	Key Opportunities
<ul style="list-style-type: none"> • Long term and deepening economic recession • Waste Disposal costs • Increasing numbers/cost of childrens' services • Increasing demand for adult social care • Treasury/pension costs 	<ul style="list-style-type: none"> • Overall efficiency strategy • Government funding of schools capital investment • Cost reductions through deflationary pressures

5.4.2 Opportunities through changing the way services are provided or increasing income are covered in detailed service plans for each service. The Council is continually seeking to work with its major partners and, where possible, with other authorities to maximise the use of combined resources. This is reinforced through the Local Area Agreement (LAA), which has been agreed with the Council's major partners. The Council is currently working on a number of projects with Capital Ambition (pan London body supporting efficiency projects) to ensure that any opportunities for better procurement can be implemented quickly.

- 5.4.3 The revenue investment priorities and planned efficiencies will be set out in more detail in each of the budget review reports considered by individual Overview and Scrutiny Committees. Allowance has also been made in the current budgeting assumptions for the major capital investment plans. More details on this position have been set out in the revised capital strategy.
- 5.4.4 The programme identifies that the Council will rapidly become almost entirely reliant on borrowing and Government grants to support its capital expenditure. The revenue programme reflects the expected loss of investment income/cost of borrowing as this position develops but this will clearly mean that the Council will become more vulnerable to Government restrictions on borrowing / changes in borrowing regulations in the future. In particular, under the current revenue grant regime, it is clear that the Council is receiving no additional government support for new borrowing allocations i.e. the whole cost of any new borrowing will fall on Borough taxpayers. Hence the level of future capital expenditure must be considered uncertain at this time.
- 5.4.5 The Council's inflationary pressures alone are around the equivalent of a 3-4% increase in Council Tax and therefore any growth has to be at least matched by equivalent savings/income. To give a feel for what effect different elements of expenditure can have on the Council's budget:
- A 1% increase or decrease in the pay award equates to £700k or 0.65% of Council Tax
 - Each additional £1m revenue expenditure equates to a rise in Council Tax of approximately 0.9%.
 - Borrowing of £1m over a 25year period adds approximately £70k per annum to the Council's expenditure.

6. Conclusion/Forward financial strategy

6.1 The table below sets out our current estimates of expenditure (see detailed lists in Appendix A and B), at this stage, for the next three years:

(Note: Includes use of balances etc)

	2009/10 £000	2010/11 £000	2011/12 £000
Opening Base Budget (previous year)*	143,028	147,869	156,197
Inflation (including increased pension costs)and associated increases	5,288	4,987	6,952
Adjustments to Government Grants**	359	2,563	60
Government/Outside body led growth	310	1,664	1,731
Demand led growth	1,970	1,060	1,060
Investment priorities	569	1,269	1,693
Efficiency proposals / income generation	-4,011	-1,653	-1,591
Other growth and savings	356	-1,562	-272
LBRUT Service Expenditure	147,869	156,197	165,830
Area Based Grant	-6,609	-9,113	-9,113
LBRUT Budget Requirement	141,260	147,084	156,717
Formula Grant	-27,615	-28,015	-28,015
LBRUT CTAX Requirement	113,645	119,069	128,702
CTAX Base	88,276	88,376	88,476
CTAX Richmond Element	1,287.39	1,347.31	1,454.66
%age increase	4.33	4.65	7.97

* *Opening position adjusted annually to allow for known transfers into/out of revenue grant*

** *Adjustments arising from Government decision to transfer specific grants to Area Based Grant or Formula Grant*

6.2 After allowing for the effects of specific grants transferred to Formula Grant and ABG and before accounting for planned efficiencies, the underlying service expenditure budgets are increasing by around 8%. This is a very significant increase on earlier projections largely due to the impact of the current economic position on top of our existing forward projections for inflationary pressures, capital investment and other areas where the Council only has limited influence such as increases in Waste Disposal and Social Care costs.

6.3 The above table shows that, on current projections, very significant additional budget measures over and above those efficiencies already identified will be required in 2011/12 to bring the Council Tax increase to below 5%. It should be noted that delivery of the sub-5% figure for 2010/11 is highly dependent on targeted savings being achieved in 2009/10 and the economic position beginning to improve. It should

be stressed that the Council will be seeking further efficiencies in 2010/11 to both try and reduce the tax increase further and protect against a further downturn in the economy.

- 6.4 With the deteriorating economic position the risks to maintaining financial (and therefore Council Tax) stability remain significant. A full review of the risks and opportunities and the underlying growth pressures are set out in Appendices B and C. The CSR07 confirms that, in the medium term, Government Funding for non-school services will be extremely tight and sub-5% increases will continue to require a focus on efficiencies and sound financial planning and management.

7. **Priorities and Planned Actions**

Key priorities for the Administration include:

- Investments in sustainability with the aim of reducing the Council's "carbon footprint"
- Continuing to ensure efficient use of resources
- Investment in Youth provision
- Additional investment in school infrastructure
- Aligned with the sustainability agenda – action on improving recycling and reducing waste

Action planned against MLTFS objectives:

Objective 1: To set the lowest Council Tax increase consistent with the provision of high quality local services (maintaining the current aim of sub-5% increases)

- Continue to improve long term service planning to identify savings and efficiencies to meet budget requirements.
- Identify proposals to begin to address the significant gap in the Council's finances in 2011/12 and beyond
- Continue lobbying Government for better resourcing.
- Seek to maximise all income sources where consistent with policy priorities
- Set sub-5% Council Tax increase for 2009/10 and beyond

Objective 2: To manage spending within the overall budget levels agreed

- Improve regular budget/performance monitoring in line with task group recommendations.
- Review services where major projected overspends occur and identify action plans to contain.
- Take action to address any projected overspends in-year.

Objective 3: To maintain prudent levels of reserves whilst, still ensuring that those reserves that are available are targeted at the Council's key priorities

- Maintain regular review of investment programmes particularly in light of the need to balance priorities for additional investment in schools, youth and sustainability, with the limited resources available to the Council.
- Update policies on balances and reserves when setting budget
- Continue to identify opportunities for bidding for Government/other external funding

Objective 4: To deliver year on year efficiency improvements

- Produce new efficiency strategy and operational arrangements
- Continue/enhance unit cost comparisons to drive more detailed reviews
- Further development of the locally based Call Centre and the enabling of transactions with the Council to take place electronically (if residents so wish) aiming to improve the efficiency and responsiveness of the whole organisation.
- Focussed review of major contracts and spending areas

Objective 5: Address the increased budgetary pressures created by the current economic climate and create opportunity for strategic and sustainable front line service investments

- Regular review of existing financial plans
- Revise and keep under review Treasury Management Policies.
- Develop economic indicators monitoring across South London Partnership region
- Continue to implement Richmond Works project
- Work jointly with PCT and other partners to maximise resources in an increasingly difficult funding climate

Objective 6: To support a prudent level of capital investment to meet the Council's strategic priorities and work to identify alternative funding sources

- Resolve funding in respect of potential Academies Programme
- Finalise primary investment options and seek further funding.
- Investigate alternative funding options with Government
- Maintain or increase the percentage of capital programme delivered.

Objective 7: To enable longer term planning in the delivery of the Council's strategic vision and objectives

- Aim to link budget consultation in with wider public consultation exercises.
- Begin review of new plans in light of latest efficiency and performance information in June 2008.
- Develop proposals to begin to address significant financial gap identified from 2011/12.

Dir	Description	2009/10 £000	2010/11 £000	2011/12 £000
All	Base Budget	143,028	147,869	156,197
All	Inflation (including pension costs) and associated increases	5,288	4,987	6,952
	<u>Impact of Grant Changes</u>			
All	ABG	443	2,503	0
ENV	Planning & Delivery Grant	-150	0	0
FCS	HB Admin Grant	66	60	60
		359	2,563	60
	<u>Impact of Outside Body Changes</u>			
ENV	West London Waste Authority	1,000	1,000	1,000
ACS	Concessionary Fares	-908	333	491
FCS	Levies	187	226	200
All	Supplementary Business Rate	0	65	0
All	Other	31	40	40
		310	1,664	1,731
	<u>Demand Led Growth</u>			
ACS	Care Services for Older People / LD	750	500	500
ECS	Looked After Children / SEN	1,000	500	500
FCS	Land Charges	200	0	0
All	Other	20	60	60
		1,970	1,060	1,060
	<u>Investment Priorities</u>			
CI	Treasury	569	1,269	1,693
	<u>Efficiencies / Income Generation</u>			
ACS	Review of Strategic Policy and Business Planning	-75	0	0
ACS	Modernisation of Learning Disability Service	-250	0	0
ACS	Self Directed Support	-900	-1,200	-500
ECS	Staffing Review	-66	-124	-212
ECS	Closure of Mortlake Contact and Assessment Centre	-55	0	0
ECS	Libraries Book Stock	-100	-30	-20
ECS	Libraries Staffing	-98	0	0
ECS	Contact Assessment Centre	-10	0	0
ECS	ECS Additional Income	-20	-20	-20
ENV	Reduction of Permanent and Temporary Staffing	-200	0	0
ENV	Highways	-200	0	0
ENV	Abolish Parking Voucher Scheme	-35	0	0
ENV	Closure of Public Toilets	-15	0	0
ENV	Maintenance of Assets	-100	0	0
ENV	Highways Income	-75	0	0
ENV	Green Trade Waste at CA Site	-60	0	0
ENV	Green Waste Collection / Bulky Collections	-190	0	0
ENV	Graffiti Service	-40	0	0
ENV	Electronic Records	-18	0	0
ENV	Registrars / Cemeteries Income	-20	0	0
ENV	Parking Contract	-25	0	0
ENV	Terminate APC Toilets	-30	0	0
ENV	Regulatory Services Admin	-50	0	0
FCS	Restructure of Accountancy / Financial Support	-50	0	0

FCS	HR Staffing Reduction	-20	0	0
FCS	Payroll & Pensions Staffing	-50	0	0
FCS	Business Consultancy Staffing	-30	0	0
FCS	Cashiers Closure	-50	0	0
FCS	HB Workflow	-34	-46	0
CI	Advertising / Sponsorship	-50	0	0
All	Insurance Budgets	-100	0	0
All	Supplies and Services Budgets	-995	-233	-239
All	Richmond Works	0	0	-600
		-4,011	-1,653	-1,591

Other Growth and Savings

ENV	Refinancing Town Centre Management	-65	0	0
FCS	Local Election	0	200	-200
CI	Increase Capitalisation of Revenue	-500	0	0
CI	Civic Centre Lease	0	-2,339	0
CI	Treasury - Effect of Interest Rate Changes	1,460	577	-322
All	Changes to Grant Funded Exp Budgets	-500	0	0
All	Other Minor Items	-39	0	0
All	Reduced Use of Balances	0	0	250
		356	-1,562	-272

LBRUT Service Expenditure

147,869	156,197	165,830
----------------	----------------	----------------

Acronyms used

ACS	Adult and Community Services
ENV	Environment
ECS	Education and Children's Services
FCS	Corporate Services
CI	Central Items
ABG	Area Based Grant
APC	Automated Public Convenience
CA	Civic amenities Site
DIR	Directorate
HB	Housing Benefit
HR	Human Resources
LD	Learning Difficulties
SEN	Special Educational Needs

Significant Known/Committed Cost Pressures

Inflation

Details of items included in the inflation figure are set out below. In 2009/10, the overall impact of inflation is expected to be over £3.5m (net) which equates to more than a 3.2% increase in the Council Tax. Given that Central Government Capping is to be set at a below 5% increase, this leaves the Council with little room for manoeuvre and leads to the situation where any new policy initiatives and service pressures need to be financed from efficiencies.

Inflation – Salaries and General Prices

This needs to allow for the projected pay award in 2009/10, incremental progression on salaries and general price inflation. There is considerable uncertainty as to what the Local Government pay award will be this year. The projections allow for a potential 2.0% increase in salaries and anything less than this will provide a small recessionary contingency against losses in income and or demand increases. 2.5% is allowed for most other expenditure and income - although specific work will be carried out in significant areas of the budget where inflation rates may vary significantly from the standard. The cost of increments is calculated on an individual basis. As part of the overall efficiency drive, supplies and services budgets continue to receive no inflation over the life of this plan.

Inflation – Energy

The budgets for 2009/10 include significant uplifts for past increases in energy costs that were underprovided for in earlier years estimates. Looking forward energy costs are very difficult to predict with events overseas and currency values having an impact as well as current decreases in demand. These estimates assume increases in 2010/11 and 2011/12 will average 20%.

Inflation - Pensions

The latest triennial valuation of the Council's fund was completed last year. At that time the actuary advised that the contribution rate to be paid by the Council should remain at the 23.9% agreed at the latest valuation (the final 0.9% to bring us to this level is included in the figures for 2008/09). Since that time the investments of the fund (in common with others) have declined significantly and it must now be assumed that a further increase will be necessary in 2011/12. It is extremely difficult to predict what this will be, as there are other changes related to "cost-sharing" with employees under discussion which will affect the final outcome. This plan assumes a further 2% increase may be required.

Capital Financing Costs / Investment Income

As the capital budget assumes the use of all usable capital receipts and a very significant reduction in infrastructure reserves in the short term, it is likely that in the short to medium term income from investments will fall. In addition the turmoil in the global financial markets has meant that investment rates have plummeted.

This plan currently reflects our best estimate of the declining financial markets on our investments and assumes that borrowing will need to increase as previously predicted.

Social Services growth and efficiency measures

The restructure and modernisation of these services has continued to yield both performance and efficiency gains. The continued work on implementing Self Directed Support and the introduction of reablement services are aimed at continuing to make our services more efficient and effective. However, underlying cost and demand pressures remain high and these changes will need to be closely monitored in the coming year.

Primary School expansion and School investment

The Council has for some time identified a need to both improve its secondary/special school estate and meet the continuing growth in demand for primary places.

LONDON BOROUGH OF RICHMOND UPON THAMES

CABINET

DATE: 19 JANUARY 2009

REPORT OF: DEPUTY LEADER AND CABINET
MEMBER FOR RESOURCES

LEAD OFFICER: DIRECTOR OF FINANCE AND
CORPORATE SERVICES

SUBJECT: CAPITAL BUDGET 2009/10 TO 2013/14

WARDS: ALL

KEY DECISION?: YES

IF YES, IN FORWARD PLAN?: YES

For general release

1. PURPOSE OF THE REPORT

- 1.1 This report considers the 5 year programme for 2009/11 to 2013/14 and provides details of the proposed capital investment programme for 2009/10.
- 1.2 The Medium to Long Term Capital Strategy and Prudential Indicators are part of this process and are also considered here.

EXECUTIVE SUMMARY

This report makes recommendations as to the schemes to be included in the Capital Investment Programme for the financial years 2009/10 to 2013/14 having regard to:

- The likely level of resources available to fund the programme
- The risks associated with running a 5 year rolling programme
- The Prudential Indicators, which determine the affordability of the programme

2 RECOMMENDATIONS

- 2.1 That Members approve the Medium to Long Term Capital Strategy attached as Appendix A.**
- 2.2 That the schemes identified in Appendix B be approved for inclusion in the capital budget.**
- 2.3 That the Cabinet note the proposals in Appendix B for the financial years 2010/11 to 2013/14.**
- 2.4 That the overall capital budget for 2009/10 be RECOMMENDED to Council in March for approval alongside the revenue budget and Council Tax.**
- 2.5 That the Prudential Indicators in Appendix C be RECOMMENDED to Council in March for approval alongside the revenue budget and Council Tax.**

3 BACKGROUND

- 3.1** The Council updates its long-term capital strategy every year in line with the revenue strategy and the impact of the local government finance settlement on the resources available. This strategy is informed by the Asset Management Plan (AMP) which includes five “core principles” including the manner in which we deal with the backlog of repairs to buildings in capital terms and including links to the Accommodation Strategy. The AMP links to the Key Lines of Enquiry (KLOEs) for “Use of Resources” within the Comprehensive Performance Assessment (CPA) framework. A full update of the AMP is being prepared for Cabinet in 2009.
- 3.2** This report recommends the proposed five-year capital programme, giving descriptions of the main schemes contained in the first year of the programme. During the year, the capital programme is updated for changes due to new schemes and allocations, such as Transport for London grants, with these updates being approved by Cabinet.
- 3.3** Bids for new capital schemes to be added to the programme now go through a process of prioritisation by officers and recommendation to Members. The outcomes of this year’s process are given in paragraph 6.
- 3.4** In addition to the capital projects set out in this report, the Council has two Private Finance Initiative schemes, which are for Older Peoples Homes and Primary Schools. The Council also has a partnership with the private sector to invest in the IT infrastructure of the Council. These schemes have generated significant investment in the Council’s infrastructure involving the private sector.
- 3.5** This PFI expenditure is not deemed to be within the public sector and is therefore shown ‘off balance sheet’ (i.e. not within the Council’s capital accounts) but these schemes do involve funding via the revenue budget over

Section I

a number of years. Ownership of the assets will revert to the Council at the end of the contract.

4 FINANCIAL MODEL 2009/10 TO 2013/14

4.1 Appendix B shows a financial model summarising the capital position up to 2013/14.

4.2 The model shows that the Council is estimated to use up all existing capital receipts by the end of 2010/11. To support the programme the Council needs to borrow either by taking out a loan from an external body or by using cash balances held by the Council. The Council will finance schemes in this way where they do not attract external funding, or cannot be financed from a revenue contribution.

4.3 Given the Council's difficult financial position, although significant Council funding continues to be shown for the next five years for programmes in schools, housing and corporate buildings, it must be considered that none of this funding can be absolutely guaranteed. Priorities will be reconsidered by the new administration in 2010. Funding will need to be reconsidered each year according to factors including:

- service benefits
- external funding attracted
- invest to save opportunities
- overall affordability to the Council

4.4 The Council aims to maintain a balance in the Repairs and Renewals Fund. The purchase of new pay and display machines will reduce the balance to nil at the end of 2008/09, but the ongoing repayments from this and other schemes will steadily increase the balance over future years, making resources available for other projects. The requirement for repayment means this Fund can only be used to finance "Invest to Save" schemes.

5 DETAILS OF THE 2009/10 CAPITAL PROGRAMME

5.1 The 2009/10 capital investment programme is the Council's most ambitious to date, with over £60m of capital investment planned.

5.2 The administration proposes to reflect its priorities in the Capital Programme by:

- Expansion and refurbishment of primary schools as per Primary Strategy for Change reported to Cabinet in June 2008.
- Affordable homes are a key target and the Council is committed to a continuing role in providing funding to support Registered Social Landlord development, as reported to Cabinet in December 2008.
- Environment and sustainability objectives including the Green Travel Plan and achieving Breeam (Building Research Establishment Environmental Assessment Method) rating of excellent for redevelopment schemes.

Section I

- 5.3** Summary figures for the 2009/10 programme are set out below with detailed scheme listings in **Appendix B**:

Directorate	£m
Education and Children's Services	48.538
Adult and Community Services	8.543
Environment	3.632
Finance and Corporate Services	5.696
New Bids	0.000
Net estimated slippage	(3.434)
Total	62.975

- 5.4** The programme also continues to address the backlog of maintenance on the Council's assets with major planned maintenance programmes for schools and other Council buildings. The Corporate Planned Maintenance budgets for the next 3 years have been reviewed by the Asset Management Working Group. Although this does not constitute a new bid, it is considered that this group should scrutinise the planned spend as it will link to decision making on future bids.
- 5.5** Allowance has also been made for the Accommodation Strategy, which involves a variety of initiatives (homeworking, refurbishment etc.) designed to reduce the overall office accommodation requirement of the Council. This investment is aimed at yielding revenue savings through a more efficient use of office accommodation.
- 5.6** The Housing Capital Programme has an annual budget of £2.5m for investment in affordable housing in conjunction with Registered Social Landlords (RSLs), and this annual allocation has been re-phased to reflect the latest estimated expenditure in this area.
- 5.7** In November 2008 the Department for Children, Schools & Families (DCSF) approved the Authority's Primary Strategy for Change which enabled the release of Primary Capital Programme funding. Given the increase in Education capital there will be further detailed reports on this area.

6 CAPITAL BIDS PROCESS

- 6.1** The Capital Bid process for prioritising and approving new capital schemes in line with Council priorities was carried out against a background of very limited funding resources available to the Council for 2009/10 and beyond.
- 6.2** The schemes approved by Member Panel are as follows:

	Total Bid (£m)	2008/09	2009/10	2010/11
Ham Close Regeneration	0.090	0.045	0.045	0
Heatham House Youth Centre	0.230	0	0	0.230
Civic Centre Cycling Facilities	0.130	0.075	0.055	0
	<u>0.450</u>	<u>0.120</u>	<u>0.100</u>	<u>0.230</u>

Section I

- 6.3** Ham Close Regeneration – This bid is for feasibility work to form the basis of the new “Ham Master Pan” which is likely to be a future bid for considerable investment. To be financed from the Project Development Reserve but subject to match funding being received from Richmond Housing Partnership.
- 6.4** Heatham House Youth Centre – This bid is for the Disability Discrimination Act access element of a £3.8m My Place lottery bid for the youth centre, assuming that this bid will be successful.
- 6.5** Civic Centre Cycling Facilities – Bid approved and works are likely to commence Spring 2009. Costs to be offset by income from a revised Green Travel Plan proposals in due course.
- 6.6** In addition to the three agreed bids described above, the following bids have not been added to the capital programme at this stage.
- 6.7** Remaining capital bids considered by Member Panel:

	Total Bid (£m)	2008/09	2009/10	2010/11
Refurbishment of 21 Kingston Lane	0.121	0.121	0	0
Youth Service	0.143	0.083	0.060	0
	0.264	0.204	0.060	0

- 6.8** Refurbishment of 21 Kingston Lane – Bid approved, but cost of works to be met from Planned Maintenance Programme.
- 6.9** Youth Service - Bid approved in principal, depending on result of My Place lottery bid, items within the Planned Maintenance Programme and outcome of £1m Youthfund expenditure. Detailed budget to be added when links with other Youth Projects are confirmed.

7 CAPITAL RESOURCES

- 7.1** In determining the Capital Budget for any given year, the Council must take account of resources available, existing commitments against those resources, likely future resource and expenditure pressures and the prioritisation of new schemes against the likely level of available resources for that particular year.
- 7.2** The types of resources currently available are listed below:
- 7.2.1** Grants and Contributions - These are issued from a number of sources. The majority are issued by the DCSF to finance work on Education projects. Since 1st April 2004, Capital Grants have been described as Supported Capital Expenditure (Capital) or SCE(C). The Council works extensively to ensure that it draws in funding from many sources – with one major example being the Arcadia in the City project which combines a limited amount of underwritten resources from the Council, a lottery grant and significant fund raising. Raising funds from external partners and sponsors will continue to be a key theme within the Council’s ongoing programme of works.
- 7.2.2** Section 106 receipts – These benefits are received from developers by means of legally binding planning obligation agreements which are intended to enable developments to go ahead which might otherwise have been

Section I

refused. Planning obligations often provide for local transport and highway improvements, expansion of school places or affordable housing schemes.

- 7.2.3 Infrastructure Fund – This fund was created to enable improvements to be made to the infrastructure of the Council. The fund is currently projected to have reduced to £4.5m at the start of 2009/10, and is largely committed to meet office accommodation works aimed at producing long term efficiency savings for the Council. It can be seen from the table in Appendix B that this fund would run out around the end of 2011/12 without any further contribution from revenue.
- 7.2.4 Repairs and Renewals Fund - This fund was set up as an internal loan mechanism with funds being reimbursed from revenue budgets by the relevant service over a period not exceeding ten years. It is used to fund Invest to Save type projects.
- 7.2.5 Usable Capital Receipts - When the Council sells a fixed asset, a capital receipt is generated. These receipts can be used to finance capital projects. The rationalisation of Council property and realisation of assets has been a key part of the Council being able to fund its long-term capital programme. However, receipts are a finite resource as once this rationalisation is completed, there will be little scope to generate further receipts. In the current economic climate it is likely that some of the existing scheduled receipts will be deferred to later years.
- 7.2.6 Large Scale Voluntary Transfer receipt – The balance of this receipt at the start of 2008/09 was £1.254m, and this is expected to be fully utilised by the end of 2008/09. The Council has used this receipt in support of social housing schemes.
- 7.2.7 Borrowing – Since 1st April 2004, the Prudential Borrowing regime has applied. This has relaxed the controls on Council borrowing so that the Council sets it's own limits on what it can afford to borrow rather than requiring Government credit approvals. The Government notionally supports the cost of borrowing through the revenue grant system. However, for Councils like Richmond who are on the grant "floor" ie receive the minimum increase in revenue grant, no additional funding is received to support the borrowing.

8 PRUDENTIAL BORROWING

- 8.1 Under the Prudential Borrowing regime, the Council has powers to borrow as it considers appropriate (within the limits indicated by the Prudential Code) to finance schemes that have no other funding available. The cost of such borrowing will be fully met from Council Tax, as it is not subject to any government support. The Council sets its own priorities and evaluates the need to fund the borrowing for capital spend against other calls on the revenue budget and Council Tax. This allows investment to go ahead which might, for example, generate revenue savings to offset the cost, which would not have been previously possible.
- 8.2 The Prudential Code seeks to ensure that all external borrowing is within prudent and sustainable levels, that capital expenditure plans are affordable and that treasury management decisions are taken in accordance with professional good practice. A framework of self-regulation is in place with authorities setting themselves a number of 'prudential indicators' to ensure that these aims are met. The Prudential Indicators are attached in **Appendix**

Section I

C. Although the form of these indicators is set by the Code, the actual limits are set by each authority based on their local situation. However, the Government does have a reserve power to step in and restrict levels in order to control total public sector debt and the national economy.

- 8.3** In order to minimise the risks associated with the introduction of the Prudential code, the setting of the prudential limits is done in conjunction with the setting of the Medium and Long Term Financial Strategy to ensure that the effect on the revenue budgets is allowed for.
- 8.4** Officers will continually review the alternative methods of financing to ensure that the programme is funded through the most advantageous methods.

9 FINANCIAL IMPLICATIONS AND RISK ANALYSIS

- 9.1** Risks to the capital programme can arise from six main areas:
- The complete or partial loss of (or delay in the receipt of) anticipated capital receipts, particularly given the current economic climate.
 - Overspending against the agreed budgets.
 - Insufficient internal staffing capacity to support projects.
 - Unexpected calls on the Councils capital resources from unforeseen events.
 - Interest rate movements making borrowing more costly than anticipated.
 - Increased level of borrowing requires greater use of revenue budget for interest and repayments.
- 9.2** These risks cannot be completely removed but the following considerations have been made to try and minimise the risks:
- Receipts are only included in the programme when there is a definite disposal timetable for the relevant assets, and the 3-year capital programme assumes that 70% of projected disposal receipts will actually be received. Receipts from preserved Right To Buy sales have reduced significantly, so are included at a minimum level in future estimates of capital receipts. Allowing for this reduction, the total resources available are still sufficient to meet short-term slippage.
 - The introduction of controls prior to schemes starting now ensure that a budget holder is clearly assigned responsibility for monitoring the budget and also ensure that necessary approvals have been sought and funding has been identified.
 - Regular monthly capital expenditure monitoring meetings are held with officers with monitoring responsibilities, to identify any problems at an early stage.
 - Strict adherence to the financial regulations is being enforced to ensure budget holders are accountable to members for any overspends incurred.

Section I

- Staffing levels in construction and property development areas have been increased to support capital projects.
- The approval process for new capital schemes considers the revenue implications of increased borrowing required.

9.3 The CPA includes a section on how well Councils manage their asset base, which includes assessments of capital reporting and planning. Our Use of Resources judgement states that “Improvements in the arrangements for managing the Council's asset base have been made, although asset management performance measures should be introduced to monitor efficiency in the use of assets.”.

9.4 The Capital Bid process which is now embedded in the budget setting process ensures that all new projects identify target outcomes which are used to assess the success of the project on completion. Major projects use the Council's PAT system for project management and a process for Post Project Reviews has been developed and evaluation templates are currently being tested on selected completed projects. Once the test is completed and the final process agreed this will be rolled out to all significant projects.

10 CONCLUSION

10.1 The Capital Budget has been boosted by an increase in the level of capital grants available from the Department for Children, Schools and Families. These grants are timely as the Council now needs to concentrate resources on meeting the increased demand for Primary school places.

10.2 The proposed Capital Programme will shrink considerably after 2009/10. From then it will focus on the priority areas of Schools, Housing, Corporate Maintenance Programme and the Accommodation Strategy.

10.3 It is important that the capital programme should not be seen as fixed. It will develop throughout the course of the coming year(s) and must maintain some flexibility to cope with many different scenarios. The Council has limited resources available and, after past disposals, does not have as substantial asset holdings as many other Councils. In these circumstances, the Council has a duty to the taxpayer to actively manage its assets and take a firm stance on assets that are surplus to requirements.

10.4 It remains important that the Council continues its drive to make the best use of its assets and, where they are not required, disposes of them to generate investment in the remaining assets.

11 CONSULTATION

11.1 Consultation has been undertaken with Service Departments' Capital Budget Managers.

12 FINANCIAL IMPLICATIONS

12.1 These are contained in the body of the report.

Section I

13 POLICY IMPLICATIONS/CONSIDERATIONS

- 13.1** The Council's budget is part of the Policy Framework and therefore requires the approval of Council.

14 RISK ASSESSMENT

- 14.1** Risks are assessed in paragraph 9 above.

15 EQUALITY IMPACT/CONSIDERATIONS

- 15.1** No direct equalities impact implications arise from this report.

16 LEGAL IMPLICATIONS

- 16.1** There are no direct legal implications arise from this report. However virtually all projects will require legal input into procurement and contractual documentation.

17 ENVIRONMENTAL IMPACT ASSESSMENT

- 17.1** There are no direct environmental impacts arising from the recommendations made in this report.

18 BACKGROUND DOCUMENTS:

Various Cabinet reports
The Local Government Act 2003 (Prudential Borrowing system)
The Capital Strategy
The Asset Management Plan

19 CONTACTS

Councillor Stephen Knight, Deputy leader and Cabinet Member for Resources; email clr.sknight@richmond.gov.uk

Mark Maidment, Director of Finance and Corporate Services tel 020 8891 7171; email: m.maidment@richmond.gov.uk

Coral Baxter, Head of Capital Finance, tel.0208 891 7247; email c.baxter@richmond.gov.uk

Section I

Medium to Long Term Capital Strategy

Introduction

The MLTCS forms a key strand of the Council's overall financial planning process. It seeks to identify the needs and funding for capital investment across a 5 year planning horizon as well as identifying issues relating to the practical implementation of the programme and the knock on effects on the Council Tax.

The MLTCS links to both the Capital Strategy which details the planned investment and the Asset Management Plan which is the overarching document detailing how the borough intends to make the best use of its property assets.

Objectives

MLTCS Objectives	
1	To enable longer term planning in the delivery of the Council's strategic vision and objectives
2	To identify resources to meet the Council's investment needs
3	To assist in the delivery of the agreed Capital Programme on time and within budget
4	To identify the revenue impact of capital expenditure proposals and link to the Revenue Strategy
5	To assist in the achievement of the targets set out in the Council's Asset Management Plan

2008/09 Issues

The key issues for the overall capital strategy at the time of writing are:

- **The continuing dominance of Education in the overall programme**
Education is a priority area nationally, as reflected in the levels of capital grants received from the Government, and locally as reflected in planned use of the Council's own resources to ensure the Borough's educational establishments are modern and fit for purpose. Teddington School is being rebuilt under the Building Schools for the Future One School Pathfinder scheme. Rising pupil numbers are driving the need for the provision of further primary places which will result in the expansion of existing primary places. The Academies programme has been, and will continue to be, the subject of separate reports. In November 2008, the Council submitted an "Expression of interest for inclusion in the Building Schools for the Future Programme" which makes a case for an earlier inclusion to the main BSF Programme, and includes the two special schools and Pupil Referral Unit.
- **Leading by example in tackling climate change and sustainability issues**
The Council's Climate Change Strategy approved by Cabinet in February 2007 details our commitment to achieving this. New build and refurbishment projects should provide for the highest sustainability

Section I

standards. We are working with the Sustainable Buildings Task Group (a government organisation) to ensure that we consider the whole life energy and other resource requirements of projects from design through to long term maintenance. We aim to cut energy usage across all our estate and switch to renewable sources where practical. Building project budgets now allow for compliance with BREEAM/Ecohomes excellent standards or the equivalent; examples include Teddington School and Children's Centres at St Richards and Heathfield Schools.

- **Meeting the internal resource requirements to run the programme**
The Council has increased the number of staff dealing with Capital projects. Going forward, consideration is given to internal resourcing levels for new schemes as bids are submitted for funding. Where necessary, additional project management costs are built into these bids to ensure the projects will be delivered and slippage reduced. The Council is actively developing its internal project management resources.
- **Requirement to continue reducing backlog maintenance**
This strategy is informed by the Asset Management Plan (AMP) which includes five "core principles" including the manner in which we deal with the backlog of repairs to buildings in capital terms and including links to the Accommodation Strategy. A full update of the AMP is being prepared for Cabinet in 2009.
- **Keeping to planned timescales**
The Council is working hard to deliver schemes to planned timescales and avoid "slippage" in the programme wherever possible. Delivering to timescale avoids impact on service delivery, helps achievement of performance objectives and aids resource planning. Slippage was reduced in 2007/08 with capital expenditure of £40.959m, an increase of 29% compared to 2006/07. This reduced slippage reflects the additional staffing resources allocated to capital works.

Summary Financial Model 2009/10 – 2013/14

Key issues:

- Over the next 5 years, Education schemes constitute 66% of the value of the total programme reflecting the Government's decision to fund development of both primary and secondary schools. A significant amount of this funding is coming via grant which is a welcome increase in the Council's resources. However there is a risk that grants awarded may not be sufficient to fully finance projects, in which case the Council must allocate other funds to increase the budget available .
- Capital grants are becoming more important, again reflecting Government decisions. The reduction in the anticipated level of capital receipts at the end of the latest 3 year Property Disposal Programme increases the Council's need to attract external funding for major schemes.
- The programme shows significant use of reserves to fund the programme. Major reserves are anticipated to be fully used within the 5 year programme:
 - Capital Receipts used up by the end of 2010/11 (pending a new disposal programme)

Section I

- Infrastructure Fund used up by the end of 2011/12

- As these reserves are reduced, so will the interest the Council currently earns on investing them. Given current interest rate projections, this reduction will not be as significant as in previous years.
- Capital receipts are a major funding source in early years but are programmed to run out after 2010/11
- Borrowing is the largest source of funding and is expected to increase as other funding sources run out. The use of borrowing impacts on revenue budgets as debt will incur interest as well as the statutory requirement to set aside money for the repayment of the loan as it matures.

	Estimate 09/10 £000	Estimate 10/11 £000	Estimate 11/12 £000	Estimate 12/13 £000	Estimate 13/14 £000	TOTAL £000
Slippage/planned delays from previous year	7,679	11,113	8,401	4,387	3,173	34,753
<u>Current Programme</u>						
Education and Children's Services	48,538	33,099	13,066	9,963	4,963	109,629
Adult and Community Services	8,543	6,973	4,226	3,726	3,726	27,194
Environment	3,632	1,130	290	140	140	5,332
Finance and Corporate Services	5,696	3,693	3,266	2,937	3,009	18,601
Potential new bids	0	0	0	0	0	0
Slippage	-11,113	-8,401	-4,387	-3,173	-2,252	-29,326
Total	62,975	47,607	24,862	17,980	12,759	166,183
<u>Financed by..</u>						
Grants	30,826	21,802	5,267	2,936	2,936	63,767
Contributions	305	0	0	0	0	305
Use of Section 106 Receipts/AHF (capital)	186	0	0	0	0	186
Use of Section 106 Receipts/AHF (revenue)	0	0	0	0	0	0
Direct Revenue Financing	0	0	0	0	0	0
Infrastructure Reserve	3,836	500	22	0	0	4,358
Repairs and Renewals Fund	300	0	0	0	0	300
Project Development Fund	45	0	0	0	0	45
Community Development Fund	0	0	0	0	0	0
Climate Change Fund	0	0	0	0	0	0
Application of Capital Receipts	11,101	3,416	0	0	0	14,517
Application of LSVT Receipts	0	0	0	0	0	0
Borrowing – SCE(R)	4,191	1,332	1,544	1,544	1,544	10,155
Borrowing - unsupported	12,185	20,557	18,029	13,500	8,279	72,550
Total	62,975	47,607	24,862	17,980	12,759	166,183

Key Assumptions

Government Funding – Over £60m of this programme is financed from government grants, of which £57m is for Education. Approx. £17m is Building Schools for the Future grant ring-fenced for Teddington School. This scheme has now started on site and is due to complete during 2010/11.

Section I

Capital Receipts – Only those disposals approved in the Disposal Programme are included at this time. It is assumed that 85% of planned general receipts will be realised reflecting the difficulties involved in the disposal process as well uncertainty over prices. Only disposals which are earmarked for specific schemes are anticipated at 100%, which includes the Richmond Works sites.

Primary Places – The expansion of primary places is required to ensure that the increasing demand for places is met. Demand for school places is likely to increase if fewer parents choose the private sector as a result of the economic downturn. Cabinet have considered options to expand 2 schools and the programme assumes feasibility works will be carried out on these in 2008/09 with works on Holy Trinity during 2009/10 and a further primary in 2010/11.

New funding from the Department for Children, Schools and Families (DCSF) – The Government has allocated over £8m between 2009/10 and 2010/11 for Primary schools investment. The conditions for this funding will be released shortly but feasibility studies will be required during 2008/09 to ensure this grant is spent. A further £8m over the same period is allocated for 14-19 diplomas, SEN & Disabilities which will also require feasibility studies.

Schools Planned Maintenance and Modernisation – Both these programmes currently assume that the increased capacity in the Building and Development team will allow slippage from 2007/08 to be caught up.

Housing Capital Programme of £2.5m a year continues, which assumes that schemes will be agreed to spend this.

Corporate Planned Maintenance – Officers anticipate catching up the previous years' slippage by the end of 2011/12 due to the increased capacity of the team agreed by Cabinet.

New Bids approved by the Asset Management Working Group are summarised below. These additional schemes are affordable within the Council's overall financial strategy shown elsewhere on this agenda and have been included in the proposed programme.

The Capital Bid process for prioritising and approving new capital schemes in line with Council priorities was carried out against a background of very limited funding resources available to the Council for 2009/10 and beyond.

The schemes approved by Member Panel are as follows:

	Total Bid (£m)	2008/09	2009/10	2010/11
Ham Close Regeneration	0.090	0.045	0.045	0
Heatham House Youth Centre	0.230	0	0	0.230
Civic Centre Cycling Facilities	0.130	0.075	0.055	0
	<u>0.450</u>	<u>0.120</u>	<u>0.100</u>	<u>0.230</u>

In addition to the three agreed bids, the following bids have not been added to the capital programme at this stage.

Remaining capital bids considered by Member Panel:

Section I

	Total Bid (£m)	2008/09	2009/10	2010/11
Refurbishment of 21 Kingston Lane	0.121	0.121	0	0
Youth Service	0.143	0.083	0.060	0
	0.264	0.204	0.060	0

Refurbishment of 21 Kingston Lane – Bid approved, but cost of works to be met from Planned Maintenance Programme.

Youth Service - Bid approved in principal, depending on result of My Place lottery bid, items within the Planned Maintenance Programme and outcome of £1m Youthfund expenditure. Detailed budget to be added when links with other Youth Projects are confirmed.

Slippage – Slippage is assumed at 15% per year. This is to allow for unforeseen difficulties which delay schemes, such as issues arising from consultation, unfavourable feasibility studies etc.

Efficiency

Allocating Resources – The Capital Bid process means that additions to the Capital Programme go through the Officer Group (Asset Management Working Group) for assessment against the Council's priorities and then the prioritised list is scrutinised by Members before the decision is taken. This ensures that resources are targeted where they will make the most impact in achieving the Council's objectives.

Partnership Working - The overarching partnership for Richmond is the local strategic partnership which provides joined up solutions to local problems, particularly working with health professionals, Police, voluntary sector partners, businesses and Registered Social Landlords. Examples of joint projects include:

- Joint planning of the use of land and property assets with the Primary Care Trust and the Mental Health Trust
- The recently completed combined PCT/Adults Service scheme at Sheen Lane Centre.
- The Council playing an active part in the formation of a property development board for the South West London Regional Health Service and is assisting in project options being developed for sites at Whitton and Ham.
- Our assisting the Metropolitan Police in the provision of new local community police stations at Whitton, Sheen and Hampton.
- Our joint work with the Richmond Council for Voluntary Services on the development of a property strategy for voluntary groups occupying Council owned premises
- The Council has set up a LSP property/asset working group to promote joint decisions on the property portfolios of all partners.

Risks and Opportunities

- Interest rate movements – The Council's debt is currently fairly low compared to other London boroughs. The need for increased borrowing over the 5 year programme will lead to an increase in debt. This needs to be managed to allow the Council to achieve the most favourable interest payments on what will be long term debt. The Council is allowed under regulations to borrow up to 3 years in advance of need, based on its forward plans for capital

Section I

expenditure. The timing of borrowing decisions is kept under review with the Council's external treasury advisors.

- Ability to deliver the programme – The level of slippage within the programme has been a cause for concern over recent years. The programme is set to reflect Council priorities and if schemes do not complete on time, these priorities are at risk. A variety of actions have been taken to improve the situation including the reorganisation of internal/external property resources, additional project management and property staff, joint working with the South East Centre of Excellence and a review of programme planning.
- Realising expected levels of capital receipts – Capital receipts are subject to market uncertainties in terms of price and timing. The programme is currently very dependent on sales receipts being available. However, as the flow of receipts reduces over time, this risk is replaced by the borrowing and interest rate risks described above.
- Ensuring investment achieves its aims – The Capital Bid process includes the requirement for all schemes to state their objectives when funding is requested. This allows for a review on completion to evaluate how far these objectives have been achieved, and the opportunity to learn from the project to improve future performance.

Conclusions

The Capital and Revenue Strategies are both important tools in the achievement of the Council's objectives and have implications for the level of Council Tax. The links between them are embedded in the Medium to Long Term planning process and the Capital and Revenue Strategies should be considered together.

Given the Council's difficult financial position, although significant Council funding continues to be shown for the next five years for programmes in schools, housing and corporate buildings, it must be considered that none of this funding can be absolutely guaranteed. Funding will need to be reconsidered on a scheme by scheme basis each year according to factors including:

- service benefits
- external funding attracted
- invest to save opportunities
- overall affordability to the Council

Section I

CAPITAL PROGRAMME FOR 2009/10 to 2013/14

APPENDIX B

	<u>Estimate</u> <u>09/10</u> £000	<u>Estimate</u> <u>10/11</u> £000	<u>Estimate</u> <u>11/12</u> £000	<u>Estimate</u> <u>12/13</u> £000	<u>Estimate</u> <u>13/14</u> £000	<u>TOTAL</u> £000
Slippage from previous year (estimate:15%)	7,679	11,113	8,401	4,387	3,173	34,753
<u>Education and Children's Services</u>						
Whitton School S&FC - Lincoln Fields	950	0	0	0	0	950
HCC entrance/ICT/Resource/Nursery	90	0	0	0	0	90
Teddington School (BSF)	16,060	6,337	772	0	0	23,169
SIP - Contribution to BSF	4,000	0	0	0	0	4,000
SIP - Primary Places at Holy Trinity	5,750	0	0	0	0	5,750
Schools Investment Programme	3,500	5,000	5,000	5,000	0	18,500
General Planned Maintenance	1,656	1,083	1,083	1,083	1,083	5,988
Modernisation	1,725	1,104	1,876	1,876	1,876	8,457
School Access Initiative	472	231	231	231	231	1,396
Devolved Formula Capital	1,773	1,773	1,773	1,773	1,773	8,865
Primary Strategy Capital Programme	3,000	5,378	0	0	0	8,378
Basic Need Safety Valve	2,500	4,000	2,331	0	0	8,831
Basic Need	1,994	997	0	0	0	2,991
Extended Schools	243	126	0	0	0	369
Harnessing Technology Grant	357	369	0	0	0	726
14-19 diplomas, SEN & Disabilities	2,000	6,000	0	0	0	8,000
Sure Start Children's Centres	872	471	0	0	0	1,343
Family Contact Centre & Family Centre	975	0	0	0	0	975
Children's Centres and Extended Schools	250	0	0	0	0	250
Libraries refurbishments (Teddington)	371	0	0	0	0	371
Heatham House Youth Centre	0	230	0	0	0	230
	48,538	33,099	13,066	9,963	4,963	109,629
<u>Adult and Community Services</u>						
DoH Extra Care Housing Fund	670	0	0	0	0	670
Avenue Centre	1,775	1,747	0	0	0	3,522
Housing Development schemes	4,722	3,850	2,850	2,350	2,350	16,122
Sponsored Moves	150	150	150	150	150	750
Improvement Grants	1,226	1,226	1,226	1,226	1,226	6,130
	8,543	6,973	4,226	3,726	3,726	27,194
<u>Environment</u>						
Barn Elms Feasibility	100	0	0	0	0	100
Richmond Bridge - Repairs to Stonework	360	0	0	0	0	360
S106 schemes	186	0	0	0	0	186
Pks & Open Spaces-Terrace Gardens	49	0	0	0	0	49
Parks Strategy	1,135	0	0	0	0	1,135
Parks Cyclical Capital Fund	150	150	150	0	0	450
Arcadia	305	0	0	0	0	305
Transport for London schemes	0	0	0	0	0	0
Principal Roads restructure	140	140	140	140	140	700
Waste & Recycling Vehicles	300	0	0	0	0	300
Areas of Relative Deprivation	787	590	0	0	0	1,377
Works at St Marys (Busen)	0	250	0	0	0	250
Land at Broom Road	20	0	0	0	0	20
Ham Close Regeneration	45	0	0	0	0	45
Cycling Facilities (Civic Centre Basement)	55	0	0	0	0	55
	3,632	1,130	290	140	140	5,332

Section I

CAPITAL PROGRAMME FOR 2009/10 to 2013/14

APPENDIX B

	<u>Estimate</u> <u>09/10</u> £000	<u>Estimate</u> <u>10/11</u> £000	<u>Estimate</u> <u>11/12</u> £000	<u>Estimate</u> <u>12/13</u> £000	<u>Estimate</u> <u>13/14</u> £000	<u>TOTAL</u> £000
<u>Finance and Corporate Services</u>						
General Maintenance Programme	2,149	1,750	1,746	1,350	1,350	8,345
DDA compliance	86	0	0	0	0	86
Capitalisation of revenue	700	700	700	700	700	3,500
Richmond Theatre	702	759	820	887	959	4,127
Accommodation Strategy	2,059	484	0	0	0	2,543
	5,696	3,693	3,266	2,937	3,009	18,601
Estimated slippage (15% of current yr scheme)	-11,113	-8,401	-4,387	-3,173	-2,252	-29,326
TOTAL	62,975	47,607	24,862	17,980	12,759	166,183
<u>Financed By..</u>						
Grants	30,826	21,802	5,267	2,936	2,936	63,767
Contributions	305	0	0	0	0	305
Use of Section 106 Receipts/AHF (capital)	186	0	0	0	0	186
Use of Section 106 Receipts (revenue)	0	0	0	0	0	0
Direct Revenue Financing	0	0	0	0	0	0
Use of Infrastructure Reserve	3,836	500	22	0	0	4,358
Use of R&R Reserve	300	0	0	0	0	300
Use of Project Development Reserve	45	0	0	0	0	45
Use of Community Development Fund	0	0	0	0	0	0
Use of Climate Change Fund	0	0	0	0	0	0
Application of Capital Receipts	11,101	3,416	0	0	0	14,517
Application of LSVT Receipts	0	0	0	0	0	0
Borrowing - SCE(R)	4,191	1,332	1,544	1,544	1,544	10,155
Borrowing - unsupported	12,185	20,557	18,029	13,500	8,279	72,550
	62,975	47,607	24,862	17,980	12,759	166,183

Section I

CAPITAL PROGRAMME FOR 2009/10 to 2013/14

APPENDIX B

	<u>Estimate</u> <u>09/10</u> £000	<u>Estimate</u> <u>10/11</u> £000	<u>Estimate</u> <u>11/12</u> £000	<u>Estimate</u> <u>12/13</u> £000	<u>Estimate</u> <u>13/14</u> £000	<u>TOTAL</u> <u>£000</u>
Government Grants (872xx)						
Estimated Unused Grant at 1st April	4,023	2,519	1,429	1,166	1,019	
Estimated New Grant in Year	29,322	20,712	5,004	2,789	2,789	
Estimated Use of Grant in Year	-30,826	-21,802	-5,267	-2,936	-2,936	
Estimated Unused Grant at 31 March	2,519	1,429	1,166	1,019	872	
S106 & AHF (88101 & 3)						
Estimated Unused S106 at 1st April	5,563	5,377	5,377	5,377	5,377	
Estimated New S106 in Year	0	0	0	0	0	
Estimated Use of S106 in Year	-186	0	0	0	0	
Estimated Unused S106 at 31st March	5,377	5,377	5,377	5,377	5,377	
Infrastructure Fund (97902)						
Balance of Fund at 1st April	3,692	261	22	0	0	
New Contributions	586	281				
Use during the Year - Capital	-3,836	-500	-22	0	0	
Use during the Year - Revenue	-181	-20				
Balance of Fund at 31st March	261	22	0	0	0	
Repairs and Renewals Fund (97904)						
Balance of Fund at 1st April	0	0	1,180	2,517	3,584	
Repayments	1,318	1,461	1,337	1,067	857	
New Contributions	-586	-281				
Used for Capital Schemes during the Year	-300	0	0	0	0	
Used for Revenue Schemes during the Year	-432					
Balance of Fund at 31st March	0	1,180	2,517	3,584	4,441	
Project Development Fund (97903)						
Balance of Fund at 1st April	632	487	487	487	487	
New Contributions						
Use during the Year - Capital	-45	0	0	0	0	
Use during the Year - Revenue	-100					
Balance of Fund at 31st March	487	487	487	487	487	
General Capital Receipts (94701)						
Estimated Capital Receipts at 1st April	11,072	3,416	0	0	0	
Estimated New Receipts in Year						
- @ 100% for receipts earmarked for specific	1,200					
- @ 70% for other receipts	2,245					
RHP Right to Buy receipts						
Estimated Use of Capital Receipts in Year	-11,101	-3,416	0	0	0	
Estimated Capital Receipts at 31st March	3,416	0	0	0	0	
LSVT Receipt (Usable Part) (94702)						
Estimated Capital Receipt at 1st April	0	0	0	0	0	
Estimated Use of LSVT Receipt in Year	0	0	0	0	0	
Estimated Capital Receipt at 31st March	0	0	0	0	0	
Borrowing						
Estimated Borrowing at 1st April	47,410	61,786	81,911	97,648	105,120	
Estimated New Borrowing in Year	16,376	21,889	19,573	15,044	9,823	
Estimated Debt Repayment	-2,000	-1,764	-3,836	-7,572	-5,136	
Estimated Borrowing at 31st March	61,786	81,911	97,648	105,120	109,807	

Analysis of Prudential Indicators**A. Actuals and Estimates of Capital Expenditure**

Capital expenditure underpins the whole of the process and forms the basis of determining the need to borrow.

	<u>Actual</u> <u>2007/08</u> <u>£000</u>	<u>Revised</u> <u>2008/09</u> <u>£000</u>	<u>Estimate</u> <u>2009/10</u> <u>£000</u>	<u>Estimate</u> <u>2010/11</u> <u>£000</u>	<u>Estimate</u> <u>2011/12</u> <u>£000</u>	<u>Estimate</u> <u>2012/13</u> <u>£000</u>	<u>Estimate</u> <u>2013/14</u> <u>£000</u>
Capital Expenditure	40,959	43,514	62,975	47,607	24,862	17,980	12,759
<i>Of Which:</i>							
Financed by RuT	23,831	18,181	31,658	25,805	19,595	15,044	9,823
Financed from Grants & Contributions	17,128	25,333	31,317	21,802	5,267	2,936	2,936

The figures given above are the latest position. The estimate of capital expenditure changes during the course of the year as schemes are added and completion dates change. The budget monitoring reports during 2008/09 have detailed these changes which have generally arisen from additional Government Grants. In addition to these budget changes the slippage to future years also accounts for some movement.

The proposed Capital Programme shows a significant reduction after 2009/10. This is due to Building Schools for the Future funding ending and the depletion of the Infrastructure Fund and capital receipts. It is likely that there will be significant further variations year on year.

B. Actuals and Estimates of ratio of Financing Costs to Net Revenue Stream

This set of prudential indicators are designed to show whether the general fund can support future capital spend and shows how the cost of borrowing fits with the revenue strategy.

	<u>Actual</u> <u>2007/08</u> <u>£000</u>	<u>Revised</u> <u>2008/09</u> <u>£000</u>	<u>Estimate</u> <u>2009/10</u> <u>£000</u>	<u>Estimate</u> <u>2010/11</u> <u>£000</u>	<u>Estimate</u> <u>2011/12</u> <u>£000</u>	<u>Estimate</u> <u>2012/13</u> <u>£000</u>	<u>Estimate</u> <u>2013/14</u> <u>£000</u>
Financing Costs	-621	1,119	3,650	2,973	4,080	5,527	6,457
Net Revenue Stream	214,325	226,828	234,787	244,895	261,903	280,752	299,347
As a Ratio	-0.29%	0.49%	1.55%	1.21%	1.56%	1.97%	2.16%

Financing costs represent the net interest costs to the Council (interest payable on debt less interest due on balances), the costs of financing the Civic Centre lease, and an assumed provision for debt repayment (the Minimum Revenue Provision).

These costs are taken as a percentage of the Council's Net Revenue Stream, which is the amount the Council has budgeted to spend for the year net of specific grants but excluding Council Tax and Formula Grant income. In effect, this shows how much of the Council's budget is being spent on financing debt. This figure is a latest estimate and will not be final until the Council approve the budget and Council Tax in March.

The financing costs are linked to movements in interest rates. Most borrowing is at a fixed rate, meaning interest payments will not vary, whereas most investments are for under a year meaning there are often amounts maturing which can be reinvested at (currently) lower rates. The current market projections are for rates to fall further to a low point of 0.50% during 2009/10 before possibly rising again, although the further into the future the projection the less certain it is.

The increases in costs in future years are due to a projected increase in borrowing to fund the Capital Programme, which leads to increased interest payments. The programme also uses a proportion of balances (Capital Receipts, Infrastructure Fund and others) to fund spending. This reduces the balances we are receiving interest on. These estimates assume the Capital Programme spends to budget, although there has been slippage in prior years which has reduced the need to borrow in each year.

The reduction in costs in 2010/11 is due to the Civic Centre lease expiring.

Section I

C. Estimates of the impact of Capital Investment decisions on the Council Tax

This indicator is designed to highlight whether the general fund can support future capital spend and illustrates the change in the level of Council Tax that will result from the authority's total capital plans. This can be viewed in 2 ways, both by the impact of the full effect of changes in financing costs as a percentage of Council Tax, or as the increase in a Band D Council Tax.

Impact of Change in Financing Costs	<u>Actual</u> <u>2007/08</u> <u>£000</u>	<u>Revised</u> <u>2008/09</u> <u>£000</u>	<u>Estimate</u> <u>2009/10</u> <u>£000</u>	<u>Estimate</u> <u>2010/11</u> <u>£000</u>	<u>Estimate</u> <u>2011/12</u> <u>£000</u>	<u>Estimate</u> <u>2012/13</u> <u>£000</u>	<u>Estimate</u> <u>2013/14</u> <u>£000</u>
Principal Repayments (MRP)	921	1,185	1,396	2,081	2,994	3,611	4,031
Net Interest Payments	-1,542	-66	2,254	892	1,086	1,916	2,426
Financing Costs	-621	1,119	3,650	2,973	4,080	5,527	6,457
Year on Year Increase	-908	1,740	2,531	-678	1,107	1,448	930
Impact on the Council Tax Requirement			1.79%	-0.46%	0.70%	0.85%	0.51%
Impact on a Band D Property			£28.67	-£7.68	£12.54	£16.40	£10.53

The cost to the Council Tax Payer is only in respect of the schemes which are funded by the Council. This is either a cost of borrowing to finance the scheme or an opportunity cost of lost income where balances (such as S106, Infrastructure Fund, Capital Receipts) are spent instead of being held as investments. Schemes such as Transport for London which are fully financed by grant have no impact on the Council Tax.

The reduction in projected Net Interest Payments in 2007/08 reflected the benefits of the interest rate rise for short term investments, with fixed borrowing costs and strong cash flow. This benefit continues for most of 2008/09 but ends due to the base rate cuts in the latter part of this year.

The increase in Principal Repayments is due to the anticipated increased need to borrow which impacts both the interest payments due on higher borrowing and the provision for debt repayment (MRP) increasing. There is also an impact from the use of capital receipts and other reserves to finance the Capital Programme and so reducing the level of investments.

The large fall in Financing Costs in 2010/11 is due to the Financing Lease for the Civic Centre ending.

D. Actuals and Estimates of the Capital Financing Requirement

The Capital Financing Requirement (CFR) determines the authority's underlying need to borrow for capital purposes. Schemes that have no specific funding source increase the authority's underlying need to borrow hence the CFR increases. The level of provision required to repay debt (MRP) also increases, which will decrease the CFR. The overall change is a net increase in CFR.

	<u>Actual</u> <u>2007/08</u> <u>£000</u>	<u>Revised</u> <u>2008/09</u> <u>£000</u>	<u>Estimate</u> <u>2009/10</u> <u>£000</u>	<u>Estimate</u> <u>2010/11</u> <u>£000</u>	<u>Estimate</u> <u>2011/12</u> <u>£000</u>	<u>Estimate</u> <u>2012/13</u> <u>£000</u>	<u>Estimate</u> <u>2013/14</u> <u>£000</u>
Capital Financing Requirement	53,534	55,227	70,457	92,065	107,494	118,002	123,794
Year on Year Increase in CFR	+2,228	+1,693	+15,230	+21,608	+15,429	+10,508	+5,792
<i>Increase represented by:</i>							
Schemes financed by Borrowing	3,149	2,878	16,626	23,689	18,423	14,119	9,823
MRP contributions to fund the Requirement	-921	-1,185	-1,396	-2,081	-2,994	-3,611	-4,031
	2,228	1,693	15,230	21,608	15,429	10,508	5,792

The CFR increases when there is an increase in spending which is not funded externally or from internal sources such as the Infrastructure Fund or Capital Receipts. The Council would therefore need to borrow either by taking out a loan from an external body or by "borrowing" cash coming in to pay for the scheme.

The balance of Useable Capital Receipts is anticipated to be nil by the end of 2010/11, meaning that this source of funding will be limited to the use of any new receipts generated. The Infrastructure Fund will also be minimal by the end of 2009/10.

Section I

E. Net Borrowing and the Capital Financing Requirement

The code states that 'The local authority should ensure that net external borrowing does not, except in the short term, exceed the total of capital financing requirement (CFR) in the preceding year plus the estimates of any additional capital financing requirement for the current and the next two financial years'. This indicator sets a limit on the amount a local authority can borrow.

Net borrowing is defined as the total borrowing of the authority less total investments.

	<u>Actual</u> <u>2007/08</u> <u>£000</u>	<u>Revised</u> <u>2008/09</u> <u>£000</u>	<u>Estimate</u> <u>2009/10</u> <u>£000</u>	<u>Estimate</u> <u>2010/11</u> <u>£000</u>	<u>Estimate</u> <u>2011/12</u> <u>£000</u>	<u>Estimate</u> <u>2012/13</u> <u>£000</u>	<u>Estimate</u> <u>2013/14</u> <u>£000</u>
Net External Borrowing	70,500	92,100	107,500	118,000	123,800	123,800	123,800
Limit Set							
External Borrowing	-35,458	-43,942	-12,016	20,009	37,460	40,671	44,622
Amount above/(below) limit	-105,958	-136,042	-119,516	-97,991	-86,340	-83,129	-79,178

Net borrowing is projected to increase significantly.

F. Authorised Limit for External Debt

The authorised limit should show the absolute limit of borrowing based upon the authority's plans and include a sufficient headroom for adverse cash movements.

	<u>Actual</u> <u>2007/08</u> <u>£000</u>	<u>Revised</u> <u>2008/09</u> <u>£000</u>	<u>Estimate</u> <u>2009/10</u> <u>£000</u>	<u>Estimate</u> <u>2010/11</u> <u>£000</u>	<u>Estimate</u> <u>2011/12</u> <u>£000</u>	<u>Estimate</u> <u>2012/13</u> <u>£000</u>	<u>Estimate</u> <u>2013/14</u> <u>£000</u>
Authorised Limit Set	55,000	57,000	72,000	94,000	109,000	115,000	120,000
Actual External Debt	45,134	47,434	62,060	83,985	98,572	105,119	109,806
Amount above/(below) limit	-9,866	-9,566	-9,940	-10,015	-10,428	-9,881	-10,194

The Council is projected to stay well within the Authorised Limit set for 2008/09. This limit is at the Council's discretion and any change in the projected external debt should be reflected in this limit.

G. Operational Boundary

The operational boundary should be based upon the authority's plans and should show the maximum level of external debt. It is not significant if the operational boundary is breached on occasion although sustained or regular trend above the boundary should warrant further investigation.

	<u>Actual</u> <u>2007/08</u> <u>£000</u>	<u>Revised</u> <u>2008/09</u> <u>£000</u>	<u>Estimate</u> <u>2009/10</u> <u>£000</u>	<u>Estimate</u> <u>2010/11</u> <u>£000</u>	<u>Estimate</u> <u>2011/12</u> <u>£000</u>	<u>Estimate</u> <u>2012/13</u> <u>£000</u>	<u>Estimate</u> <u>2013/14</u> <u>£000</u>
Operational Boundary Set	50,000	52,000	67,000	89,000	104,000	110,000	115,000
External Debt	45,134	47,434	62,060	83,985	98,572	105,119	109,806
Amount below Limit	-4,866	-4,566	-4,940	-5,015	-5,428	-4,881	-5,194

Actual external debt was well within the Operational Boundary in 2007/08 and this position is projected to continue.

Section I

H. Adoption of the CIPFA Code of Practice for Treasury Management

The CIPFA Code of Practice sets out best practice in treasury management and the Code has always been followed in Richmond. In 2002, a revised version of the Code was issued and the Treasury Management Policy was amended to reflect the new Code. The Prudential Indicator states that Authorities should adhere to the Code of Practice. All Treasury activities currently adhere to the Code of Practice and regular reviews ensure that this continues.

I. Limits on Fixed and Variable Interest Exposure

This indicator is designed to show that the authority can manage fluctuations in interest rates and that both the borrowing and investment portfolios are balanced between fixed and variable rates.

The limits are set on net exposure, which is borrowing less investments.

Short term investments which last less than a year are included as variable rate investments. Although the rate is fixed for the duration of the investment, that investment will mature and can be re-invested at a different rate during the year. Investments lasting over a year are included as fixed rate investments.

<u>Fixed Rate Exposure</u>	<u>Actual</u> <u>2007/08</u> <u>£000</u>	<u>Revised</u> <u>2008/09</u> <u>£000</u>	<u>Estimate</u> <u>2009/10</u> <u>£000</u>	<u>Estimate</u> <u>2010/11</u> <u>£000</u>	<u>Estimate</u> <u>2011/12</u> <u>£000</u>	<u>Estimate</u> <u>2012/13</u> <u>£000</u>	<u>Estimate</u> <u>2013/14</u> <u>£000</u>
Lower Limit on Fixed Rate Exposure	-2,000	-1,000	25,000	54,000	67,000	74,000	73,000
Upper Limit on Fixed Rate Exposure	28,000	29,000	55,000	84,000	97,000	104,000	103,000
Actual/Projected Fixed Rate Exposure	12,598	13,576	40,102	69,263	81,778	88,753	88,304

The Fixed Rate exposure at 31 March 2008 was within the lower and upper limits set.

The steady increase in the exposure limit reflects the increased projected borrowing in future years, which will be at a fixed rate.

<u>Variable Rate Exposure</u>	<u>Actual</u> <u>2007/08</u> <u>£000</u>	<u>Revised</u> <u>2008/09</u> <u>£000</u>	<u>Estimate</u> <u>2009/10</u> <u>£000</u>	<u>Estimate</u> <u>2010/11</u> <u>£000</u>	<u>Estimate</u> <u>2011/12</u> <u>£000</u>	<u>Estimate</u> <u>2012/13</u> <u>£000</u>	<u>Estimate</u> <u>2013/14</u> <u>£000</u>
Lower Limit on Variable Rate Exposure	-36,000	-46,000	-40,000	-37,000	-32,000	-36,000	-32,000
Upper Limit on Variable Rate Exposure	-101,000	-111,000	-105,000	-102,000	-97,000	-101,000	-97,000
Variable Rate Exposure	-51,079	-60,541	-55,141	-52,277	-47,341	-51,105	-46,705

The Variable Rate exposure at 31 March 2008 was within the lower and upper limits set.

The steady increase in the exposure limit reflects the projected decline in balances leaving less money available for investment.

J. Maturity Structure of Borrowing

This indicator sets limits for the amount of fixed rate borrowing that will mature within certain time bands in the future. This is designed to ensure that authorities spread the maturity dates of their loans to avoid large maturities occurring at similar

	<u>Lower Limit</u> <u>2009/10</u> <u>%</u>	<u>Upper Limit</u> <u>2009/10</u> <u>%</u>	<u>Estimate</u> <u>2009/10</u> <u>%</u>
Under 1 year	0%	30%	8%
1 to 2 years	0%	40%	1%
2 to 5 years	0%	50%	5%
5 to 10 years	0%	60%	8%
10 to 15 years	}	}	23%
15 to 25 years	} 20%	} 85%	47%
over 25 years	}	}	8%

Section I

The current economic environment is allowing Councils the opportunity to borrow at a very low rate of interest for long periods. For this reason, the maturity structure for the longer term borrowing has been split to give a clearer view of the impact of any possible decisions on future years.

It can be seen from the above table that the maturity structure has begun to concentrate at the longer end to take advantage of current rates.

Decisions on the duration of new borrowing will take into account both interest rates at the time and the benefits of a mixed maturity structure.

K. Total Principal Sum Invested Beyond the Period End.

Previously, with debt authorities could not invest for greater than 364 days. Under the prudential controls this restriction is lifted (i.e. Authorities can invest for more than one year).

This limit is to ensure that authorities do not invest too much of their portfolio beyond one year (which could lead to losses in interest during times of volatile interest rate fluctuations)

	<u>Actual</u> <u>2007/08</u>	<u>Revised</u> <u>2008/09</u>	<u>Estimate</u> <u>2009/10</u>	<u>Estimate</u> <u>2010/11</u>	<u>Estimate</u> <u>2011/12</u>	<u>Estimate</u> <u>2012/13</u>	<u>Estimate</u> <u>2013/14</u>
Limit	40.0%	40.0%	40.0%	40.0%	40.0%	40.0%	40.0%
Actual / Estimate	31.4%	29.8%	21.1%	11.1%	12.0%	3.8%	4.1%
Investments at 31st March (£	£26.3	£28.2	£16.3	£7.3	£7.3	£2.3	£2.3

Interest rates are usually higher for longer term investments than short term. However, given the current problems in financial markets, the decision has been taken to limit further long term investments until the market stabilises. Once the Council is satisfied that the risks of long term investments can be controlled, the Council would keep around 30% of its investments at fixed rates to benefit from the higher rates and certainty of income. Each investment would be considered individually with respect to the need for liquidity and current interest rates.

In the secondary sector the Council already has one major Secondary school rebuild underway and has made significant investments in two others. It is also developing proposals for an Academies programme and discussing with the Government opportunities for wider secondary investment. In the primary sector, in recognition of the need to significantly expand the number of places to meet demand in each of the coming years, the Council has begun expansion of one school and is developing proposals for others. Again it continues to discuss with Government the potential funding opportunities as, particularly in the current economic climate, the Council's funds are likely to become ever more limited.

Special Educational Needs / Social Care for Children

Continues to be an area where costs are increasing and where individual placements can have a significant impact on budgets (although much of the SEN costs are borne by the Schools budget). In addition the Councils leaving care budgets have been increased following the "Hillingdon Judgement" in relation to care for unaccompanied asylum seeking children. This will be kept under close review throughout the year.

Levies

Most levy increases except West London Waste Authority (WLWA) and flood defence levy have been assumed at 2.5% for future years and included in the inflation figures. Both the London Pension Fund Authority Levy and the Flood Defence Levy are projected to increase above this rate and hence have separate elements of growth provided.

Waste Disposal Costs

We have made significant progress in projecting waste disposal costs with WLWA but a large amount of educated "guesswork" is still required around reductions in use of landfill, increased recycling etc. The final levy increase this year was 17% and larger increases are anticipated for the future. The current provisions made within the budget allow for the projections including increases in Landfill Tax but without the impact of landfill penalties (which could be imposed after 2011/12).

Recycling / Waste Collection Costs

Changes in the waste and recycling service have resulted in a significant increase in recycling rates but have also led to the budget overspending. Work is continuing to bring costs back within the original budget and to assess how recycling rates could be improved further. No further allowance has been made for increases in revenue costs although the Council is currently considering further investment in vehicles.

Concessionary Fares

Although the cost of the freedom pass scheme for older people and people with disabilities is rising at a rate much greater than estimated inflation the costs for the next two years are expected to be more than contained by an agreed change in the method of distributing costs between London Boroughs. Costs beyond 2010/11 are under negotiation with Transport for London but are expected to rise at above inflation.

Definitions of Budget Headings

EXPENDITURE

Employees

This includes the cost of employee expenses, both direct and indirect, to the authority. Direct employee expenses are Salaries, Employer's National Insurance contribution, Employer's superannuation contribution, Agency staff, Employee expenses. Indirect employee expenses include Relocation, Interview, Training, Advertising and Severance payments.

Premises

This includes expenses directly related to the running of premises and land and covers Repairs, alterations and maintenance of buildings, Energy costs, Rents, Rates, Water services, Fixtures and fittings, Cleaning and domestic supplies, Contract cleaning, Grounds maintenance costs and Premises insurance.

Transport

This includes all costs associated with the provision, hire or use of transport, including traveling allowances and home to school transport. It covers Direct transport costs such as Repairs & maintenance and running costs as well as hire and operating leases, Staff traveling expenses, Transport insurance and Car allowances.

Supplies and Services

This includes all direct supplies and service expenses to the authority. It covers Equipment, furniture and materials, Catering, Clothes, Printing, stationery and general office expenses, Services, Communications and computing, Expenses, Grants and subscriptions, Private Finance Initiative, and Miscellaneous expenses.

Third Party Payments

A third party payment is a payment to an external provider or an internal trading operation where the service does not fit into another area (e.g. payment to a building firm would be shown under Premises costs).

Transfer Payments

This includes the cost of payments to individuals for which no goods or services are received in return by the local authority. This covers Mandatory awards and Discretionary awards to students, payments to Social Services clients, and Housing Benefit payments.

Central Recharges

This covers charges for services that support the provision of services to the public. These costs are apportioned or allocated to the services they support and include the costs of Finance, IT, Human Resources, Property Services, Office Accommodation, Legal Services, Best Value, press, publicity and public relations, internal mail, internal print facilities and post rooms and administrative services.

Section J

Capital Charges

This charge includes depreciation (the loss value during the year due to the age/use of the asset). This also includes Deferred Charges, which are where the Council has incurred capital expenditure but does not have an (improved) asset to show for it, an example being where the Council gives Disabled Facilities Grants to residents to make adaptations so they can continue to live at home. From 2006/07 the requirement to charge notional interest was removed although this charge is still included in the 2005/06 Actual and 2006/07 Base Budget.

INCOME

Government Grants

This covers all specific and special government grants.

Other Grants & Contributions

This includes income received to finance a function/project which is undertaken with other bodies and other contributions from other local authorities.

Customer & Client Receipts

This includes Sales of products or materials, Fees and charges for services, use of facilities, admissions and lettings.

Recharges to Non General Fund Accounts

This is income received where a Support Service (such as Finance or Human Resources) makes a charge for services to an external body (such as a school).

Central Recharges

This is the value of costs recharged to internal users.

Rents

This includes Rents, way leaves and other land and property-based charges of a non-casual user.

Other Income

This includes any income, which is not covered in other headings.