

Revenue Budget - Corporate Summary

Corporate Summary	2011/12	2012/13	2013/14	2014/15
	£(000s)	£(000s)	£(000s)	£(000s)
Resources				
Increase in Council Tax Base (Band D properties)	1,166	1,118	750	750
Increase in Council Tax (%)	0.0%	0.0%	2.5%	2.5%
Collection Fund Deficit / (Surplus)	1,438	(1,334)	0	0
Council Tax Base (Band D properties)	99,118	100,236	100,986	101,736
Council Tax Band D (£)	£1,112.93	£1,112.93	£1,140.75	£1,169.27
Council Tax Revenues	108,870	112,890	115,200	118,957
Government Formula Grant	85,876	77,778	75,078	72,378
Early Intervention Grant	10,857	11,576	11,174	10,772
Academy funding formula grant topslice (estimate)	0	(1,810)	(1,810)	(1,810)
Waste collection/recycling grant (estimate)	0	150		
Council Tax freeze grant	2,765	5,516	2,758	2,758
Learning Disability and Health Reform Grant	5,781	5,918	5,713	5,507
Preventing homelessness	580	580	560	540
Housing & Council Tax Benefit Subsidy Admin Grant	2,418	2,265	2,185	2,106
NHS S256 Agreement	2,728	2,610	2,519	2,429
Home Office Grant	300	142	137	132
Lead Local Flood Authority Grant	127	185	179	172
Grant Income	111,432	104,910	98,493	94,984
Total Resources	220,302	217,800	213,693	213,941
Budget Requirement				
Roll Forward Budget	229,841	220,302	220,302	220,302
Inflation (non-schools)	1,980	3,315	8,380	12,455
Corporate Items	4,548	5,096	4,801	6,001
Service Pressures	8,219	55	55	55
Contingency	176	5,348	7,731	11,443
Priority Growth Items	1,776	1,500	2,000	3,000
Savings	(26,238)	(17,816)	(29,576)	(39,315)
Total Budget Requirement - all resources	220,302	217,800	213,693	213,941
Less non-formula grant	(25,556)	(27,132)	(23,415)	(22,606)
Budget Requirement	194,746	190,668	190,278	191,335
Budget Gap / (Surplus)	0	0	0	0

Corporate Items

Description	Net Variation from 2011/12 Budget		
	2012/13	2013/14	2014/15
	£(000s)	£(000s)	£(000s)
Corporate Items			
<u>Increases</u>			
Capital Programme financing costs	300	800	1,500
Provision for future capital investment	1,000	1,000	1,000
Additional Capital Programme financing provision (PCP)	1,000	1,000	1,000
Contributions (from) / to Balances	2,796	1,793	1,793
Increase in Council Tax Older Persons Discount	0	500	1,000
LAA Reward Grant share to Safer Hillingdon Partnership	0	-292	-292
Sub-total	5,096	4,801	6,001
<u>Decreases</u>			
Sub-total	0	0	0
Net Corporate Items	5,096	4,801	6,001

Description	Group	Net Variation from 2011/12 Budget		
		2012/13	2013/14	2014/15
		£(000s)	£(000s)	£(000s)
New responsibilities in relation to Flood defence	PEECS	55	55	55
Total Service Pressures		55	55	55

Development & Risk Contingency		Gross Risk 2012/13	Probability	Provision 2012/13	Provision 2013/14	Provision 2014/15
		£(000s)	(%)	£(000s)	£(000s)	£(000s)
<u>Potential Calls</u>						
Social Care Pressures (Adults)	SCHH	6,339	100%	6,339	8,474	10,589
Social Care Pressures (Children's)	SCHH	165	100%	165	240	315
Increase in Transitional Children due to Demographic Changes	SCHH	2,754	100%	2,754	4,254	5,754
Waste Disposal Levy	PEECS	1,200	92%	1,100	1,500	1,800
Asylum Funding Shortfall	SCHH	1,449	100%	1,449	1,240	1,174
General Contingency	All	1,000	100%	1,000	1,000	1,000
Uninsured claims	CS	400	100%	400	400	400
Development Control Income	PEECS	500	100%	500	500	500
Carbon Reduction Commitment Energy Efficiency Scheme	PEECS	460	98%	450	440	430
Local Development Framework legal & consultancy fees	PEECS	90	100%	90	65	0
Pump priming for BID savings	ALL	400	100%	400	0	0
SEN transport	PEECS	150	67%	100	100	100
HS2 Challenge contingency	PEECS	100	100%	100	0	0
Impact of HB changes on Temporary Accommodation	SCHH	737	100%	737	737	737
Schools withdrawal from the HR payroll service	CS	250	88%	220	220	0
Contingency against Leisure outsourced income streams	PEECS	480	100%	480	347	430
Total Potential Calls		17,820		16,284	19,517	23,229
<u>Financing</u>						
Base Budget				10,936	11,786	11,786
Increase / Decrease in Contingency				5,348	7,731	11,443
Total Financing				16,284	19,517	23,229
Managed Risk Gap in Contingency				0	0	0

Priority Growth Proposals		Group	Net Variation from 2011/12 Budget		
Ref	Description		2012/13	2013/14	2014/15
			£(000s)	£(000s)	£(000s)
PEECS G01	Golden Bursaries for Talented Athletes	PEECS	20	20	20
PEECS G02	Free Swimming for 65+	PEECS	15	15	15
PEECS G05	Community Safety, ASB & Investigations	PEECS	142	142	142
PEECS G06	CCTV extended maintance, Housing, Parking, Greens	PEECS	25	25	25
PEECS G08	Additional Litter and dog waste bins	PEECS	18	0	0
PEECS G09	Extended Library Opening Hours	PEECS	161	183	183
P18	Children & Family Increased Caseload	SCHH	150	150	150
	Expansion in support to the voluntary sector	CS	400	400	400
	Unallocated funding for further priority initiatives		569	1,065	2,065
	Total Priority Growth Proposals		1,500	2,000	3,000

Description	Group	Net Variation from 2011/12		
		2012/13	2013/14	2014/15
Social Care, Health & Housing	SC,H&H	-7,495	-12,576	-15,303
Central Services	CS	-1,672	-2,183	-2,214
Planning, Environment, Education & Community Services	PEECS	-7,849	-9,862	-11,152
Cross cutting savings		-800	-1,500	-2,000
Sub-total		-17,816	-26,121	-30,669
Remaining MTFF Target				
Unallocated Savings	All	0	-3,455	-8,646
Sub-total		0	-3,455	-8,646
Total Savings		-17,816	-29,576	-39,315

SC,HH Ref	Description	2012-13 £000's	2013-14 £000's	2014-15 £000's
(1) FULL YEAR IMPACT OF 2011-12 SAVING (NO CHANGES)				
RE3	Full year impact of 2011-12 Saving - older peoples in-house services, day services & client transport	-9	-129	-189
ES1	Full year impact of 2011-12 - West London Alliance home care framework & high cost packages	-119	-219	-219
1	Full year impact of 2011-12 saving - Corporate parenting function admin cost reduction	0	-40	-40
2	Full year impact of 2011-12 saving - merger of respite services	-40	-40	-40
2	Full year impact of 2011-12 saving - children's services business support review	-255	-255	-255
BI1A	Reduction in currently budgeted ASCH&H redundancy costs	-150	-250	-300
BI1A	Reduction in currently budgeted C&F redundancy costs	-38	-38	-38
(2) FULL-YEAR IMPACT OF 2011-12 SAVING (REVISED)				
1	Full year impact of 2011-12 saving - BID review of safeguarding and quality assurance (double count removed for later years)	0	0	0
RE2	Full year impact of 2011-12 Saving - learning disability in-house services, day services & client transport	-318	-631	-721
BI1	Full year impact of 2011-12 saving - application of BID operating model	-855	-875	-875
PR1	Full year impact of 2011-12 saving - improved commissioning and contracting	0	-66	-818
1	Full year impact of 2011-12 saving - Looked after children placements review	-1,673	-2,769	-2,769
ES2 B / ES11	Full year impact of 2011-12 saving - HRA review	-500	-500	-750
FC11	Income inflation	-200	-200	-200
	The annual increase in welfare benefits is based on the CPI for October and it is expected that this will create headroom between this rate and the LBH assumed income inflation rate. The additional income will be received automatically as it is generated from the annual financial assessment review undertaken for Adult Social Care clients. This saving estimate will be reviewed in late September when the CPI inflation rate estimate will be more reliable.			
RE1	Full year impact of 2011-12 saving - reablement service	-390	-2,491	-3,491
RE1a	Full year impact of 2011-12 saving - reshaping learning disability housing & support	-738	-1,575	-2,075
RE1b	Full year impact of 2011-12 saving - reshaping physical disability housing & support	-320	-608	-633
RE1c	Use of Care Fund Calculator	-240	-240	-240
(3) NEW 2012-13 MEASURES				
PR11	Residential / Nursing demand and supply management strategy	-825	-825	-825
	As part of a West London Alliance (WLA) initiative, all residential and nursing care providers have been asked to assume -2% inflation for 11/12. The 2011/12 base budget assumes an inflation pressure of 1.5% for residential and nursing care providers. On the basis that a 1% reduction can be achieved on average, 2.5% of the relevant budget can be given up as a saving. It is estimated that £825k can be saved as a result of these price changes / reduced inflationary pressure on the 2011/12 base budget.			
PR12	Accreditation, Procurement and Contract Management (APC) Scheme for Residential and Nursing Care Providers	-325	-325	-325
	As part of the West London Alliance (WLA) a new scheme for accrediting, procuring and contract managing (APC) residential and nursing care providers is being launched in August 11. The maximum potential for this should all suppliers sign up is £1m although this is highly unlikely; to date 1 significant supplier has done so saving £200k/annum for Hillingdon			
RE12	MH Commissioning	-500	-500	-500
	It is expected that as a result of the analysis undertaken of the 12 clients CNWL have identified to transfer to LBH the eventual full year bill will be £500k less than originally provided for. To date 8 of the 12 have been formally signed off with negotiations continuing in respect of the remaining 4 clients which will be subject to final agreement with CNWL.			
Net Savings		-7,495	-12,576	-15,303

Ref	Description of proposal	2012/13 £000's	2013/14 £000's	2014/15 £000's
(1) Full Year Impact of 2011-12 Savings (No Changes)				
LS1	Full year impact of 2011/12 Savings - Review of Legal Services	-23	-23	-23
	Full year impact of 2011/12 saving - Credit Crunch Contingency not required	-75	-75	-75
(2) Full Year Impact of 2011-12 Savings (Revised)				
HRBS1	Review of Business Support HR related tasks to transfer from BSU teams to HR in line with the Council's operating model. This will reduce the work carried out in the teams and negates the need for a stand alone BSU management team.	-147	-168	-189
HR L&D1	L&D Rationalisation of Training To rationalise the delivery of training within the Council. To review and reduce the amount of training currently provided, replacing externally commissioned training where possible with internal delivery, preferably through bitesize sessions or e-learning if appropriate. In addition to provide an effective and efficient administrative and commissioning process for L&D activities within the Council.	-203	-228	-228
HR1	Restructure of HR Service A review of the structure of the HR Business Partners will take place in 2013/14, the timing of which is planned to ensure that the BID process is fully supported in 2012/13. It is anticipated that the structure will be reduced by one post.	0	-59	-59
HR3	Occupational Health & Safety This proposal will reduce the number of Health and Safety advisers in the team by 1.5 FTE while still ensuring efficient service provision. A further review of the business processes within the health and safety service will also be carried out.	-53	-53	-53
DS3	BID review of Democratic Services In 2010/11 the Electoral and Registration Services were reviewed as a part of the BID process and merged into a single team. In light of the Council's BID process and the need to ensure compliance with the overall operating model, it is now proposed to further review the structure of the team and their working processes, with a view to achieving further efficiencies and savings and potentially generating income.	-12	-32	-32
PP1	Review of Policy and Performance Services Following the centralisation of Performance and Intelligence teams, a major review was undertaken to align the business partner model to the needs and demands of the newly formed Council structure, establish resilience in key functions and to focus on performance improvement. The review has resulted in a significant reduction in grades and in overall head count.	-360	-427	-427
AE2	BID Review of Audit and Enforcement Service As part of a wider review of resources, efficiencies have been identified in the Visiting officers fraud team through the merging of two teams. There will also be a review of the schools audit function in light of the anticipated conversion of schools to Academy status with a view to reducing the fte of the schools' auditor in line with the reduced number of schools requiring to be audited.	-34	-34	-34
FS1	Revenues review - Restructuring of Debtors and Creditors functions Following the successful appointment of both the management and staffing structures in the Debtors and Creditors function, Phase 3 will commence at the end of the year with a view to questioning whether service provision is working efficiently, and to identify further savings which can be made. At this stage two further posts have been identified.	-60	-60	-60
FS2	BID Finance Review To review the structure of the Accounting Teams responding to the new Council structure, the implementation of a shared service function and the changes in the support requirements of schools. The £323k saving in 12/13 is in addition to the £184k delivered in 2011/12	-323	-443	-443

Ref	Description of proposal	2012/13 £000's	2013/14 £000's	2014/15 £000's
FS3	Review of Insurance Premiums and Provisions To complete a full review of all Insurance budgets in light of the new contract arrangements that started in December 2010, including a review of charges to schools and school academies. Using improved Management information, identify opportunities for investing in preventative work that could reduce the volume of claims in the future	-110	-160	-160
FS4	Audit Fees The Council currently employs Deloitte's as its External Auditors, within the framework agreed by the Audit Commission, which sets the level of fees that can be charged. The proposed demise of the Audit Commission will change the way in which the market can operate, which will provide the Council with an opportunity to potentially reduce its costs. It was originally thought that this arrangement would come into effect in 2012/13 but this has now been put back a year so indicative savings are now shown from 2013/14 onwards.	0	-50	-50
PCM2	BID Service Review - Following incorporation of I-Proc Team A review of the structure of the iProc team following their integration into the Procurement team and the go-live of the P2P project.	-31	-31	-31
(3) New 2012-13 Measures				
HR L&D2	Review of Social Worker Development Programme This proposal will replace the Social Worker degree programme with a Bursary scheme (thus reducing backfill costs).	-67	-104	-114
HR2	HR Revenues This saving will come from agreed revisions of the HR service to the HRA and any work will be absorbed by existing staff as required.	-53	-53	-53
PP3	Review of Partnership team structure Review will establish a more strategic approach to Economic Development and Regeneration and broader partnerships, bolster and support planning colleagues on town centres, regeneration (Hayes) and economic input to planning (e.g. S106, OLC). It will also ensure strategic approach across groups to engagement and support for voluntary sector. It will achieve this by reducing headcount (9 to 5.5) and make savings of at least £86k and applying the BID operating model, design principles: a flatter structure and review of grading.	-86	-86	-86
	London Boroughs Grant Scheme further reduction in contributions This proposal is for further savings in addition to those made in 2011/12 regarding payments on the London Borough Grant Scheme	-35	-97	-97
Total Central Services		-1,672	-2,183	-2,214

Ref	Description of proposal	2012/13 £000's	2013/14 £000's	2014/15 £000's
(1) FULL YEAR IMPACT OF 2011-12 SAVING (NO CHANGES)				
PECS02	Full year impact of 2011-12 saving - Business Support & PA's /Performance & Quality	-28	-28	-28
PECS04	Full year impact of 2011-12 saving - Green Spaces restructure and contract efficiencies	-43	-43	-43
PECS11	Full year impact of 2011-12 saving - BID Compliance review	-115	-228	-228
PECS25	Full year impact of 2011-12 saving - CCTV Reduced Opening Hours	-83	-83	-83
PECS26	Full-year impact of 2011-12 saving - Advertising income	-50	-100	-150
PECS28	Full year impact of 2011-12 saving - Arts & Libraries Management consolidation	-20	-20	-20
ICT4	Full year impact of 2011-12 saving - Impact of Microsoft Migration	0	-30	-30
3.2	Full year impact of 2011-12 saving - Reduce size of Education Welfare Service	-14	-14	-14
4.3	Full year impact of 2011-12 saving - BID Review of the Fiesta programme	0	0	0
5.5	Full year impact of 2011-12 saving - BID Review of Music Service	-126	-126	-126
(2) FULL-YEAR IMPACT OF 2011-12 SAVING (REVISED)				
PECS05	Corporate Landlord	-74	-74	-74
	Review of staffing and contracts across new Corporate Landlord function			
PECS13	BID Localities model	0	0	0
	Staffing efficiencies through implementation of Standard Operating model to remaining services across the Group.			
PECS14	Common London Permit Scheme	-213	-213	-213
	Expected contribution to fixed overheads from implementation of new DfT charging regime for utilities works from Quarter 2 of 2011/12.			
PECS 16	Parking	-17	-17	-17
	Review of contractual arrangements and staffing levels			
PECS 17	Review of Technical Admin	-323	-323	-323
	Review and consolidation of Technical Administration support across the Directorate			
PECS 23	New Homes Bonus - Matched funding	-1,120	-1,870	-2,620
	DCLG Local Growth Initiative to match fund Council Tax on new homes built - 6 year programme.			
ICT1	BID Review and consequent Restructuring of ICT Service	-210	-240	-240
	Restructuring and efficiencies in ICT staffing levels			
ICT2	Potential Opportunities from Re-tendering ICT Contracts	-50	-100	-350
	Savings and efficiencies from renewed managed and desktop contracts			
ICT5	Process development within Contact Centre	-90	-180	-270
	Opportunities through the use of improved technology and investigating different delivery models, including considering the outsourcing of individual services.			
2.1	Business Support Review	0	0	0
	Review and consolidation of Technical Administration support across the Directorate - now integrated with PECS17			
4.1	Youth and Connexions Review (Youth)	-665	-665	-665
	Comprehensive restructuring of Youth Services			
(3) NEW 2012-13 MEASURES				
PEECS12-01	Review of Early Years service including Children's Centres.	-502	-502	-502
	Bid Project for Early Years service incorporating initial review of Children's Centres budgets			

Ref	Description of proposal	2012/13 £000's	2013/14 £000's	2014/15 £000's
PEECS12-02	Review of Education Management Structures Review of senior staffing structures across the Education service	-268	-268	-268
PEECS12-03	Green Spaces & Trees Management review 2nd phase of Green Spaces review and Trees Management consolidation	-33	-33	-33
PEECS12-04	Applications Processing Project Consolidation and re-engineering of the applications process across the Directorate	-182	-182	-182
PEECS12-05	Review of Risk Based Assessments The third phase of the Localities workstream within the Directorate that will consolidate all risk based assessment work across the Directorate.	-234	-234	-234
PEECS12-06	PEECS Contract Review Examination of all contract related expenditure agreements across the Directorate	-100	-100	-100
PEECS12-07	Road Safety Restructuring Review of staffing structures across Road Safety and Safer Routes to Schools Teams.	-76	-76	-76
PEECS12-08	Pest Service Review Consolidation of spend and delivery of Pest Control services	-30	-30	-30
PEECS12-09	Depot Management review BID review of Fleet and Depot management	-48	-48	-48
PEECS12-10	Streetscene (Highways services) Review of vacant posts across Streetscene services	-100	-100	-100
PEECS12-11	Carbon reduction Commitment Revised Carbon Reduction Commitment allowance provision	-253	-253	-253
PEECS12-12	Barnhill School PFI reprofiling Review of budget for PFI contract	-310	-310	-310
PEECS12-13	Hospital Tuition & Behaviour Support Expenditure and funding review	-133	-133	-133
PEECS12-14	2010/11 Expenditure review Review of 2010/11 outturn and any remaining discretionary spend budgets	-195	-195	-195
PEECS12-15	Invest to Save schemes - Energy Efficiency Reduction in energy consumptions from a range of energy efficiency initiatives	-50	-50	-50
PEECS12-16	Income Generation and Fees & Charges review A range of income related initiatives and inflationary uplift from Fees & Charges review	-195	-195	-195
PEECS12-17	Planning Enforcement Review Integration of service with Investigations team	-48	-48	-48
PEECS12-18	Educational Psychologists Service review Reassessment of staffing levels and service level agreements with Schools	-192	-192	-192
PEECS12-19	DSG Base Funding Review Minor revisions to funding assumptions for DSG	0	0	0
PEECS12-20	Targeted Mental Health in Schools Review of service spend and activity	-96	-96	-96
PEECS12-21	Ongoing review of non-ringfenced grant related spend Further review of non-ringfenced grants in restructured Education service	-263	-263	-263

Ref	Description of proposal	2012/13 £000's	2013/14 £000's	2014/15 £000's
PEECS12-22	Further review of Children's Centres expenditure	-205	-205	-205
	Continuing review of budgets			
PEECS12-23	Introduction of managed vacancy factor for Education budgets	-116	-116	-116
	Vacancy factor applied to Education budgets in line with other service areas			
PEECS12-24	Review of HRA Funding of Community Safety Police Officer Team	-112	-112	-112
	Realignment of team's funding streams to reflect activity			
PEECS12-25	Community Safety Grant Funding reduction	-142	-142	-142
	Reduction in expenditure to reflect the decrease in funding available			
PEECS12-26	Education Funding - Academy transfers	-800	-1,600	-1,600
	Reduction in expenditure to reflect the reduced level of central government funding due to Academy transfers			
	Reduction in currently budgeted redundancy costs	-462	-562	-712
	2010/11 & 2011/12 savings target net shortfall / (surplus) that needs addressing on a permanent basis	537	537	537
Total Savings/ Total		-7,849	-9,862	-11,152

Ref	Description of proposal	2012/13 £000's	2013/14 £000's	2014/15 £000's
	Major transformation projects and targeted reviews	-800	-1,500	-2,000
	Total Other Savings	-800	-1,500	-2,000