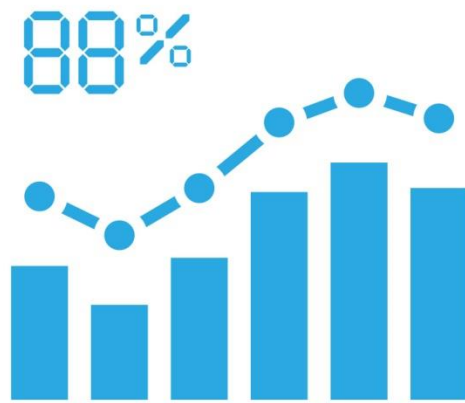


Revenue and Capital Budgets 2014-2015



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This is a summarised version of the budget book at directorate level. The detailed budget book can be accessed via the link below:

<http://www.lbbd.gov.uk/AboutBarkingandDagenham/CouncilDepartments/ChiefExec/Documents/BudgetBook2014-15.pdf>

Medium Term Financial Strategy

Message from Jonathan Bunt, Chief Finance Officer

This year's budget comes as we enter the final year of the CSR (Comprehensive Spending Review) period, and continued austerity for the public sector.

Despite announcements of ambitious economic growth in the 2014 Budget, there will be further funding reductions for Local Government. For the first time since the start of the recession, there will be a mismatch between public perception and the reality faced by the Council. The next three years will present us with the toughest financial challenge we face; delivering better services with increased public choice, within our ever reducing financial envelope.

Members of the community are requiring more and complex types of help, as they continue to suffer the effects of the Welfare Reform changes and the introduction of the Benefits Cap last year. In addition, Barking & Dagenham has one of the fastest growing populations, partly as a consequence of government policy encouraging movement of families to cheaper accommodation to reduce the national cost of housing benefit.

Since 2010, the Council has delivered £92.6m of savings, resulting from £41.9m of funding reductions and £50.7m unfunded pressures such as inflation, demographic and legislative changes that have further contributed to the need to achieve savings.

The Council has also frozen Council Tax for the last 6 years, whilst maintaining a weekly waste collection service in response to the needs of residents. In 2014/15, the Council will be charging the lowest rent for Social Housing in London.

With one of the fastest growing under 18 populations in the country, this has posed challenges in meeting the needs of residents and placed pressure on services. Further challenges lie ahead with changes proposed by the Care Bill, and the Children and Families Bill that will present additional cost pressures to the Council which will need to be managed, as well as annual funding reductions of c12% for each year for the next three years.

The MTFs lays down the principles by which this Council intends to not only manage its resources through these very tough times, but also ensure that every penny the Council spends will deliver services that the communities we serve need and are important to them.

The MTFs underpins the delivery of the Council's vision to "***Encourage growth and unlock the potential of Barking and Dagenham and its residents***".

Finance Contacts

If you have any queries in relation to the budget book, please contact one of the following officers

Jonathan Bunt Chief Finance Officer S151 officer	<ul style="list-style-type: none">• Email: Jonathan.bunt@lbbd.gov.uk• Tel: 0208 724 8427
Kathy Freeman Group Manager Corporate Finance	<ul style="list-style-type: none">• Email: Kathy.freeman@lbbd.gov.uk• Tel: 0208 227 3497
Carl Tomlinson Group Manager Housing, Environment and Chief Executive's Finance	<ul style="list-style-type: none">• Email: Carl.Tomlinson@lbbd.gov.uk• Tel: 0208 227
Roger Hampson Group Manager Adult and Community Services Finance	<ul style="list-style-type: none">• Email: Roger.Hampson@lbbd.gov.uk• Tel: 0208 227 3905
Patricia Harvey Group Manager Children's Services Finance	<ul style="list-style-type: none">• Email: Patricia.Harvey@lbbd.gov.uk• Tel: 0208 227 5086
David Dickinson Group Manager Treasury and Pensions	<ul style="list-style-type: none">• Email: David.dickinson@lbbd.gov.uk• Tel: 0208 227 2722

If you require further copies of the budget book please contact:

Ishdeep Bawa
Principal Accountant
Civic Centre, Dagenham
Essex, RM10 7BN
0208 227 3789

1. Financial Objectives

The financial principles the Council follows are:

- ✓ A balanced budget with decisions based on Members' priorities;
- ✓ All employees, partners and contractors are required to "treat every pound spent as though it is the last pound in your purse," ensuring continued efficiency, elimination of waste and value for money;
- ✓ Managers are responsible and accountable for their budgets delivered through strong financial systems and processes;
- ✓ Robust but not excessive levels of reserves and contingencies, with affordable investments to improve services and maintain assets;
- ✓ Effective commissioning of services and a continued focus on Income maximisation

2. Development of the 2014/15 Budget

Key Principles

The key principles used in the production of the Budget and MTFS were:

- Aligning budgets and resources to key priorities;
- Ensuring value for money & efficiency in all service areas;
- The Budget Strategy;
- The levels of reserves and balances;
- The Capital investment;
- The Treasury Management Strategy.

The MTFS underpins the delivery of the Council's priorities:



- Ensure every child is valued so that they can succeed



- Reduced crime and the fear of crime



- Improve health and wellbeing through all stages of life

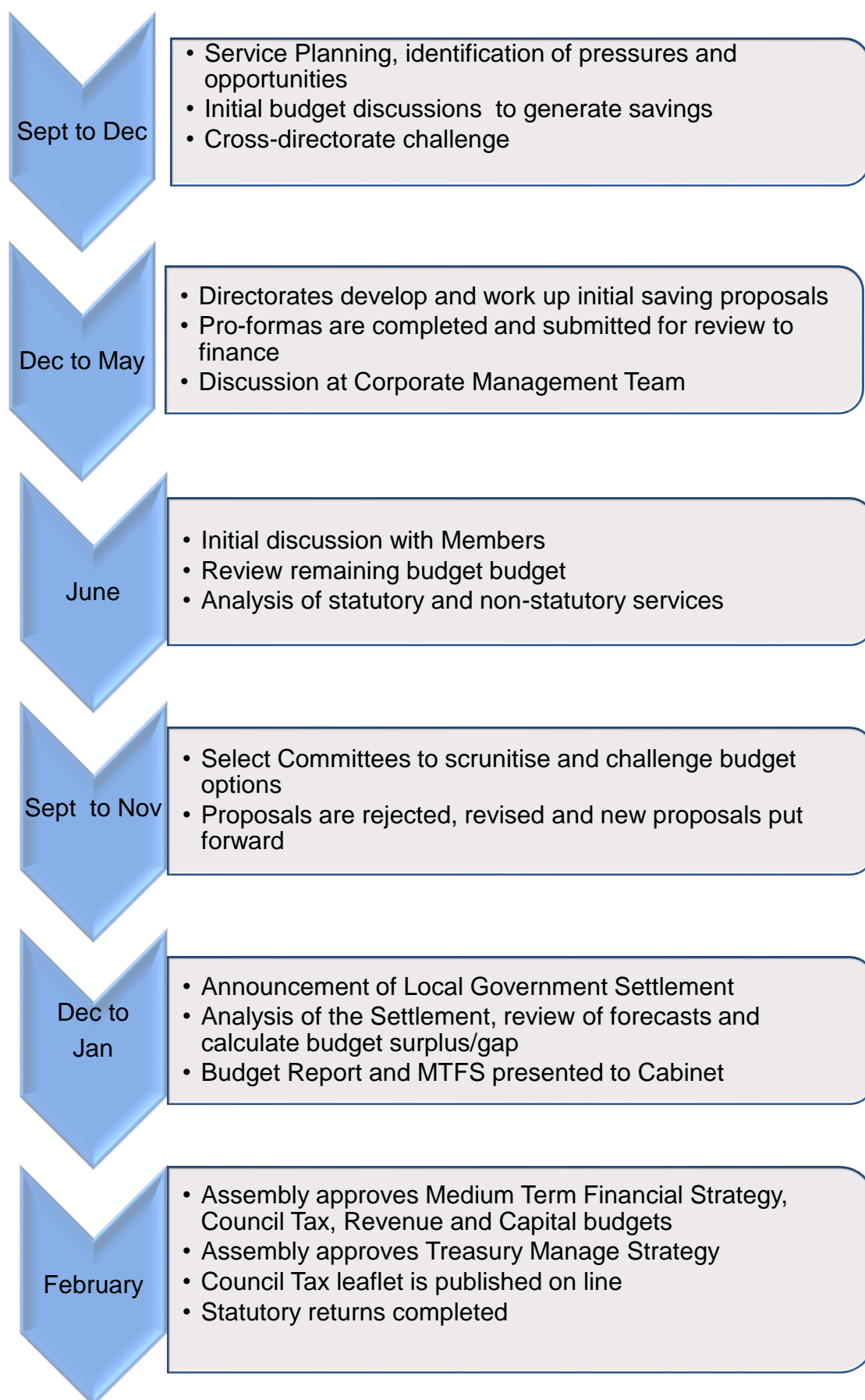


- Create thriving communities by maintaining and investing in new and high quality homes



- Maximise growth opportunities and increase the household income of Borough residents

The following timeline outlines the Council’s budget setting process:



3. Budget Challenges 2014/15 and Beyond

- 3.1 Funding Cuts to Formula Grant** - The Comprehensive Spending Review (CSR) announced in October 2010 plus a recent update saw cuts of 30% applied to LBBB over the four year period. This presented and still presents a particular challenge to all Councils, and especially here in view of the local population, demand and inflation challenges. More recent budget updates from the Government indicate that the Government spending cuts could continue until 2020.
- 3.2 Population growth** - As part of the overall context for setting the Council's budget, the significant population growth of 22,000 to 186,000 people in the last 10 years should be noted. Projections show that the population will increase by a further 20% between 2010 and 2020, putting even further pressure on Council services such as school places and housing.
- 3.3 Housing Revenue Account (HRA)** - The Housing Revenue Account changed last year, as the previous subsidy system ended on March 2012. The Council took on £266m of debt to support the continued development of its social housing stock. This will have to be paid for directly from housing rent income.
- 3.4 Carbon Commitment Reduction** – This is a scheme introduced by Government designed to make organisations reduce their carbon footprint (the amount of carbon emissions produced each year). Under the scheme, organisations buy allowances from the Government each year to cover their emission in the previous year. The price of allowances is currently set at £12 per tonne – and this is due to increase to £16 per tonne from 2015/16.
- 3.5 East London Waste Authority (ELWA)** – Each year the Council receives a levy from ELWA in respect of its waste disposal and landfill costs. Current indications are that the levy will increase by 25% over the next three years.
- 3.6 Care Bill** - In May 2013, the Care Bill was introduced to ensure that citizens should not face unmanageable or unpredictable costs for their social care needs in old age. The Bill proposed that no individual should have to pay more than £60,000 for care costs in their lifetime, with councils being liable for costs above the cap. The Bill also proposes to increase capital thresholds for residential and nursing care from £14,250 (lower) and £23,250 (upper) to £17,500 (lower) and £100,000 (upper), before service users are liable for the full cost of their care. Other aspects of the Bill include a universal deferred payment scheme and increased rights for carers.
- 3.7** The primary legislation lacks sufficient details to accurately assess the financial implications. The Bill will be effective from 1st April 2016. At present, the MTFS assumes a cost pressure of £2.5m from 2015/16 and £4m per annum from 2016/17 onwards. Nationally, the Government has identified £335m in 2015/16 to cover the cost of early assessment and reviews, deferred payments, an information campaign and recruitment and training of staff. The indicative allocation for the Council is £1.084m. At present, no further announcements have been made regarding the on-going costs of the Care Bill.
- 3.8 Better Care Fund** - New opportunities will arise in 2015/16 as the Government will create a £3.8bn pool to integrate health and social care, enabling councils to invest in

prevention and early intervention, in the form of the “Better Care Fund”. £1.1bn will be transferred from the NHS for 2014/15 to support the new agenda, however the funding must be used to support adult social care services which have a health benefit, and plans must be agreed with local health partners on how the funding is best used within social care. Councils must submit agreed plans setting out performance targets by 4th April 2014. For 2015/16, the Council’s expected allocation for the Better Care Fund is c£13m.

- 3.9 The Children and Families Bill 2013** - The bill proposes to extend provision of Local Authority Special Educational Needs (SEN) support from birth to 25, beyond the current system of support from 5 – 18. The Council’s budget of supporting SEN placements is c£5m per annum, funded from the Dedicated Schools Grant. There is also an element of expenditure within the General Fund to fund passenger transport and assessments. Based on current numbers of children receiving SEN support, the MTFS factors in a pressure of £1.25m for 2015/16 should the DSG be unable to contain this pressure.
- 3.10 Education Services Grant** - The Council’s Education Services Grant is based on the number of pupils in schools under Council control. As more schools leave Council control the grant will be reduced accordingly. The Government is currently consulting on the impact of reducing the grant by 20% - this equates to a £1.2m reduction which has been incorporated into the MTFS for 2015/16.
- 3.11 Local Welfare Provision** - The Council also receives funding to administer the Local Welfare Provision scheme (£0.915m for 2014/15). The funding is allocated to support the most vulnerable people for food, gas and electricity supplies. From 2015/16 government is ending the grant.

4. The Council's Funding

4.1 Net Budget Requirement

The Council has a net budget requirement for 2014/15 of £165.320 million. This is funded from by a mixture of formula grant, specific grant, Council Tax and NNDR as shown in the summary table below.

How are we funded?	2014/15 £'000
Formula Funding	97,578
Rolled In Grants	16,118
Special and Specific Grant	11,761
Government/National Funding	125,457
Council Tax Requirement	41,187
Council Tax Surplus	1,067
NNDR Deficit	(1,863)
NNDR Retained above baseline	(568)
Local Funding	39,863
Total Funding	165,320

4.2 Government Funding

4.2.1 Start up Funding and Special & Specific Grants

The Government now determines a **Start up Funding Assessment (SUFA)** figure for each Authority. This is broadly equivalent to:



In addition to this, the Council also receives a number of special and specific grants as part of its core funding.

The table below breaks down the Council's core funding in terms of its Start Up Funding and special and specific grants for 2014/15.

Government Funding: Start Up Funding and Specific Grants	2014/15 £'000
Formula Funding	97,578
Learning Disability Grant	4,386
Early Years Intervention Grant (EIG)	9,171
Homeless Grant	416
Lead Local Flood Funding	120
Council Tax Freeze Grants 2011/12	1,344
Council Tax Freeze Grants 2013/14	540
Returned Grant	151
Rolled In Grants	16,118
Sub-Total: Start Up Funding	113,696
Community Right to Challenge	9
Community Right to Bid	8
Lead Local Flood Funding - Additional	41
Benefits Subsidy Administration Grant	1,835
Education Support Grant	4,871
Council Tax Freeze Grants 2014/15	545
Council Tax Support New Burdens Funding	155
Weekly Collection Grant	417
New Homes Bonus Grant	3,234
LA Social Housing Fraud	100
Settlement Funding Adjustment	546
Special and Specific Grants	11,761
Total	125,457

Spending Power

The Government also calculates a figure for **Spending Power** for each Authority, which adds a collection of grants and an estimated level of Council tax to the start up level of funding. This calculation is shown in the table below.

Analysis of 'Spending Power'	£'000
Total: Start Up Funding (14/15)	113,696
Council Tax (Government estimate)	40,928
Lead Local Flood Authorities Grant (additional)	41
Community Right to Challenge	9

Community Right to Bid	8
Council Tax Freeze Grant	545
New Homes Bonus	3,234
NHS funding to support social care and benefit health	4,185
Public Health Grant	14,213
Local Welfare Provision Grant	915
Local Reform and Community Voices DH revenue grant	165
Benefits Subsidy Administration Grant	1,835
Council Tax Support New Burdens Funding	155
LA Social Housing Fraud	100
Settlement Funding Adjustment	546
Total: Spending Power (14/15)	180,575

The following table shows how the Council's Spending Power figure allocated by the Government reconciles to the net budget requirement of £165.320 million. The main differences are the inclusion of the Public Health grant (which is a contribution towards the council's gross budget rather than a contribution to the net budget), the exclusion of the Education Services Grant in the Spending Power figure and the difference between estimated and actual Council tax and NNDR collected.

Spending Power	180,575
Council Tax Surplus	1,067
NNDR Deficit	(1,823)
NNDR Retained above baseline	(568)
Weekly Collection Grant	417
Actual Council Tax adjustment	259
NHS funding to support social care and benefit health – (in ACS gross budget)	(4,185)
Local Reform and Community Voices DH revenue grant - (In ACS gross budget)	(165)
Education Services Grant (ESG)	4,871
Public Health Grant	(14,213)
Local Welfare Provision Grant	(915)
Net Budget Requirement	165,320

4.2.3 Council tax requirement

Assembly have agreed to keep the Authority's element of the Council Tax for 2013/14 at the current levels (£1,016.40 for a Band D property). This will be the sixth consecutive year the Council has set a budget without increasing Council Tax. The GLA element of the Council tax has decreased by 1.2%, from £303.00 down to

£299.00. This means that the overall charge to the tax payer has decreased by - 0.3%.

The Government issued a two year Council tax freeze grant, in 2013/14 which equated to £545k per year for Barking and Dagenham and this amount will be received in 2014/15. The Government limit on council tax increases before a local referendum would be required has remained at 2% or more.

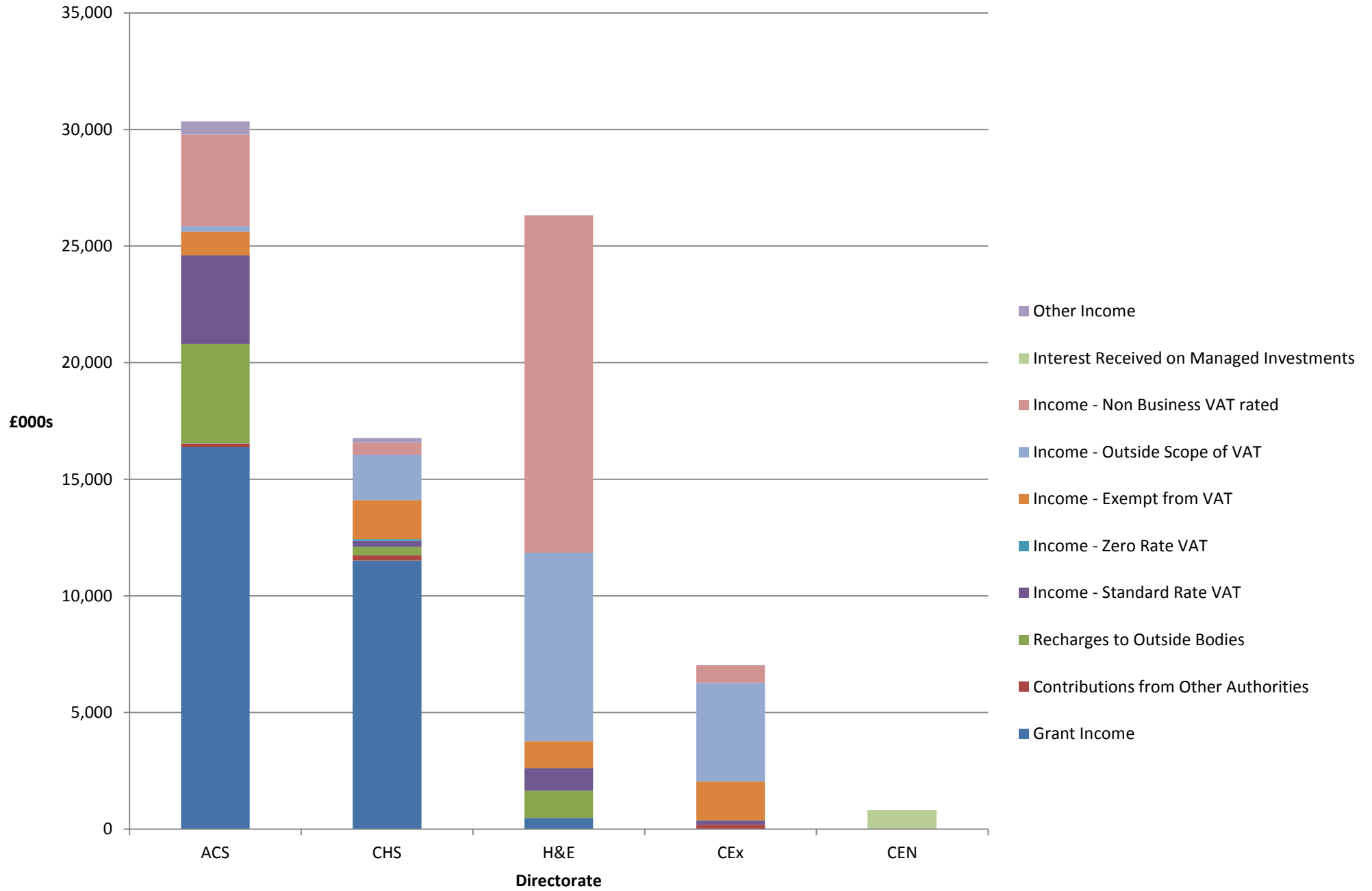
Barking & Dagenham has a Council tax base (equivalent number of band D properties) of 40,522.1. This is an increase from last year's figure of 39,955.7 which gives the Authority a total Council tax figure of £41.187m.

4.2.4 Gross Income

In addition to the funding above the Council also receives other income, as shown on the graph below. This income goes towards funding the Council's gross expenditure, and the resultant net budget requirement is then funded by Government grant and Council Tax as described above. This income is achieved and spent by each Council department for specific purposes. This includes grants and fees and charges in respect of individual services delivered and outcomes achieved. The graph below summarises the different income streams from which the council receives funding. Each year, the fees and charges are reviewed and reported to Cabinet in advance of the financial year following a benchmarking and market testing exercise by each directorate.

Within the Chief Executive Directorate (CEX) the council also receives £148m as part of the housing benefit subsidy.

Directorate Income By Type



5. Ring-fenced Income (HRA and DSG)

All of the funding and income described above goes towards funding the Authority's General Fund services. In addition to this the Council receives two other main sources of ring-fenced funding, i.e. the Dedicated Schools Grant (DSG) and Housing Revenue Account (HRA) funding, the total amounts of which are shown in the table below. This funding is not allowed to fund general services, although the General Fund can recharge and draw down either funding stream in respect of services provided for it (in a similar way as it would do to any other external organisation).

Ring-fenced Income	2014/15 £'000
Dedicated Schools Grant (DSG)	228,443
Housing Revenue Account (HRA)	107,018
Total	335,461

The Council receives its DSG allocation from the Department for Education (DfE) based on the number of pupils educated in schools and nurseries across the borough. The funding received must be allocated directly to schools, although the Council retains an element to fund some services that are run on behalf of schools.

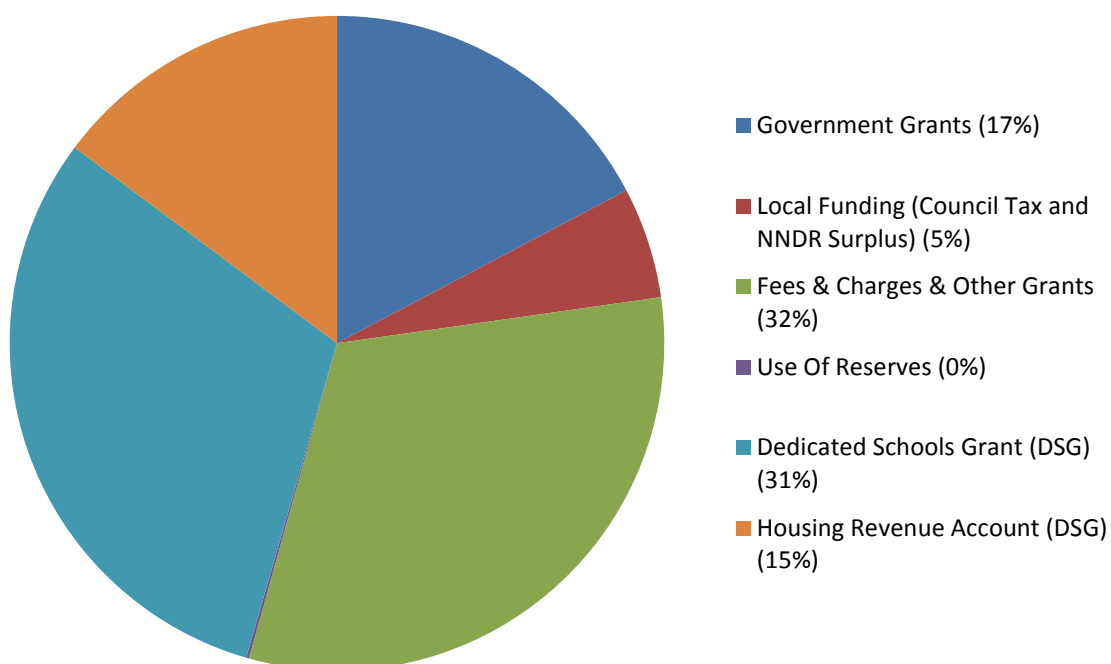
The HRA income is what the Council receives in rents from its Council tenants, and it is used to fund the housing stock, such as building maintenance.

5.1 Total Funding and Income

In summarising the various funding and income sources above, the Council has total gross income of £766.1 million as set out below.

Total Funding and Income	2014/15 £'000
Government Grant	125,457
Local Funding (Council Tax and NNDR surplus)	39,863
Fees and Charges, Other Grant & reserves	229,525
Use of reserves	1,044
Recharges to Capital, DSG and HRA	34,785
Dedicated Schools Grant (DSG)	228,443
Housing Revenue Account (HRA) funding	107,018
Total	766,135

Pie Chart: Total Income. The following pie chart presents the Councils total income (as per the table above) in a graphical format, in order to depict the relative proportions of each main funding source.



6.0 The Council's Expenditure

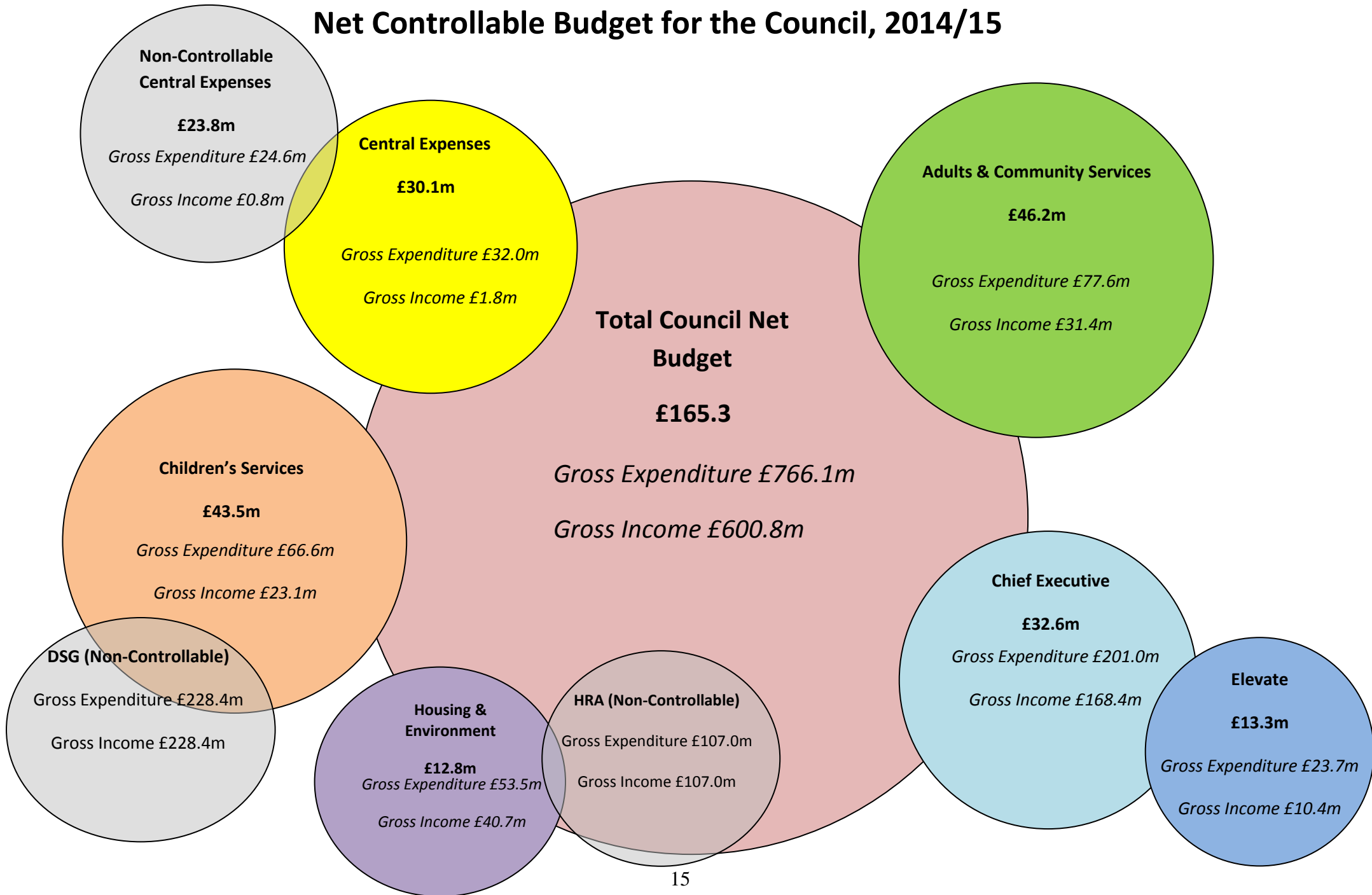
6.1 Budget by Council Directorate

The net budget of £165.3m million is allocated by Council Directorate as follows:

Service	2014/15 £'000
Adult & Community Services (ACS)	54,828
Children's Services (CHS)	61,613
Housing & Environment (H&E)	23,982
Chief Executive Directorate (CEX)	20,441
Central Finance, Contingencies & Levies	4,457
Total	165,320

The figures in the table are inclusive of overheads and capital charges which are not classed as controllable service expenditure. The blob charts below shows a breakdown of the net controllable budget for the council directorates.

Net Controllable Budget for the Council, 2014/15



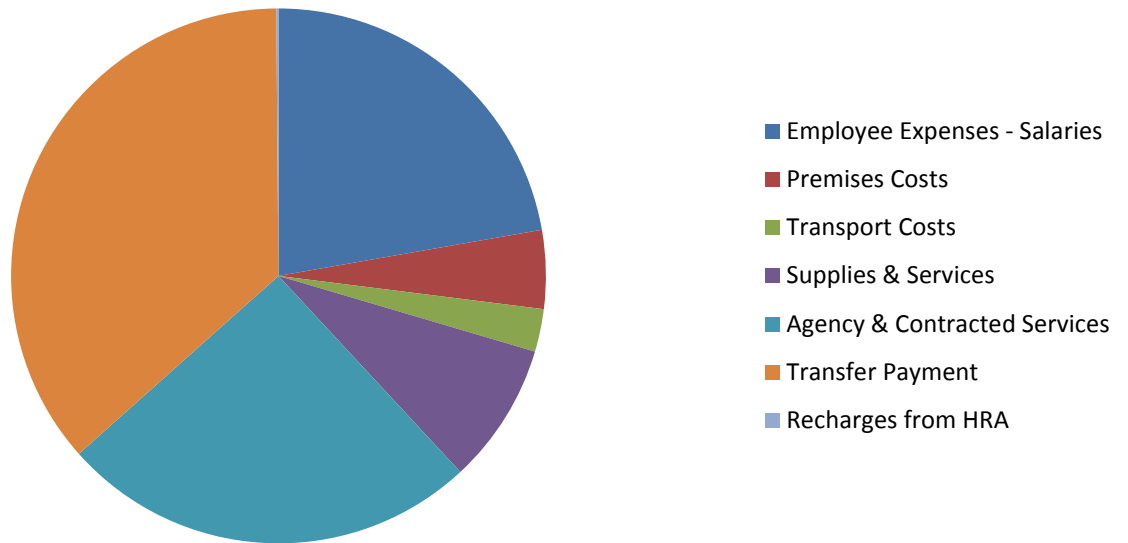
This table expands on the summary above and gives a detailed breakdown of gross expenditure and income

Total Expenditure by Council Directorate	ACS	CHS	H&E	CEx	Central Budgets	TOTAL
	£'000	£'000	£'000	£'000	£'000	£'000
EXPENSE						
Employee Expenses - Salaries	23,868	26,089	26,500	16,672	2,650	95,779
Premises Costs	2,555	11,837	4,439	1,216	400	20,446
Transport Costs	166	1,266	3,811	5,881	0	11,124
Supplies & Services	3,658	5,541	3,453	3,184	20,880	36,716
Agency & Contracted Services	40,487	21,253	14,907	24,332	8,055	109,034
Transfer Payment	6,580	593	135	149,698	0	157,006
Recharges from HRA	301	0	225	44	0	570
Gross Controllable Expenditure	77,614	66,579	53,470	201,025	31,985	430,675
INCOME						
Income - Grants, Fees& Charges & Other	(30,339)	(16,773)	(26,324)	(155,289)	(800)	(229,525)
Income - recharges to HRA	(626)	0	(10,006)	(7,577)	0	(18,208)
Income - recharges to DSG & Schools	(227)	(6,279)	(2,998)	(1,869)	0	(11,373)
Income - recharges to Capital Programme & Other	(207)	0	(1,334)	(3,663)	0	(5,204)
Use of Reserves	0	0	0	0	(1,044)	(1,044)
Gross Controllable Income	(31,398)	(23,053)	(40,661)	(168,398)	(1,844)	(265,355)
					-	-
NET CONTROLLABLE BUDGET	46,216	43,527	12,809	32,627	30,141	165,320
OTHER BUDGETS						
Support Services	6,660	7,403	11,000	9,816	0	34,879
Income - recharges to GF	(852)	(22)	(10,420)	(23,584)	0	(34,879)
Capital Charges	2,804	10,705	10,593	1,582	(25,684)	0
BUDGET REQUIREMENT	54,828	61,613	23,982	20,441	4,457	165,320

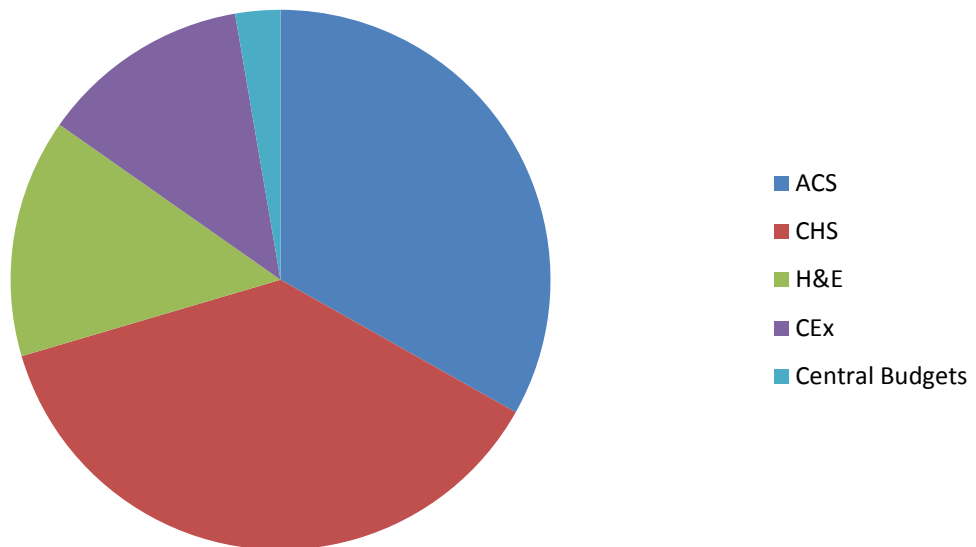
6.2 Budget by SeRCOP Category. In comparison to the table above, which presents the Councils total expenditure by Council Directorate (for management accounting purposes), the following table presents the Councils total expenditure in terms of SeRCOP headings, as reported in the Council Tax Leaflet. SeRCOP is the Service Reporting Code of Practice for Local Authorities, and requires the allocation / apportionment of expenditure against specified headings.

Total Expenditure by SeRCOP Category	Gross Spend (£'000)	Gross Income (£'000)	Net Spend (£'000)	Per Band D Property (£)	Per band D property per week (£)
Adult Social Care	57,465	(9,850)	47,615	1,175	22.60
Central Services to the Public	4,943	(2,178)	2,765	68	1.31
Children's & Education Services	78,593	(15,731)	62,863	1,551	29.83
Corporate & Democratic Core	4,281	(17)	4,264	105	2.02
Cultural & Related Services	12,787	(5,331)	7,456	184	3.54
Environmental & Regulatory Services	11,483	(2,899)	8,585	212	4.08
Highways & Transport	22,544	(7,410)	15,134	373	7.17
Housing Services	175,503	(165,241)	10,262	253	4.87
Planning Services	4,670	(1,243)	3,427	85	1.63
Public Health	14,230	(14,230)	-	-	-
Total Expenditure on General Fund Services	386,498	(224,128)	162,370	4,006	77.04
Other – Reserves, Interest Payable and Investment Income	1,359	(8,094)	(6,735)	(166)	(3.20)
Charges from Other Bodies	9,685	-	9,685	239	4.60
BUDGET REQUIREMENT	397,542	(232,222)	165,320	4,080	78.46
Funded by:					
Government Grant and Collection Fund			124,133		
Council Tax			41,187	1,016	19.55
TOTAL			165,320		

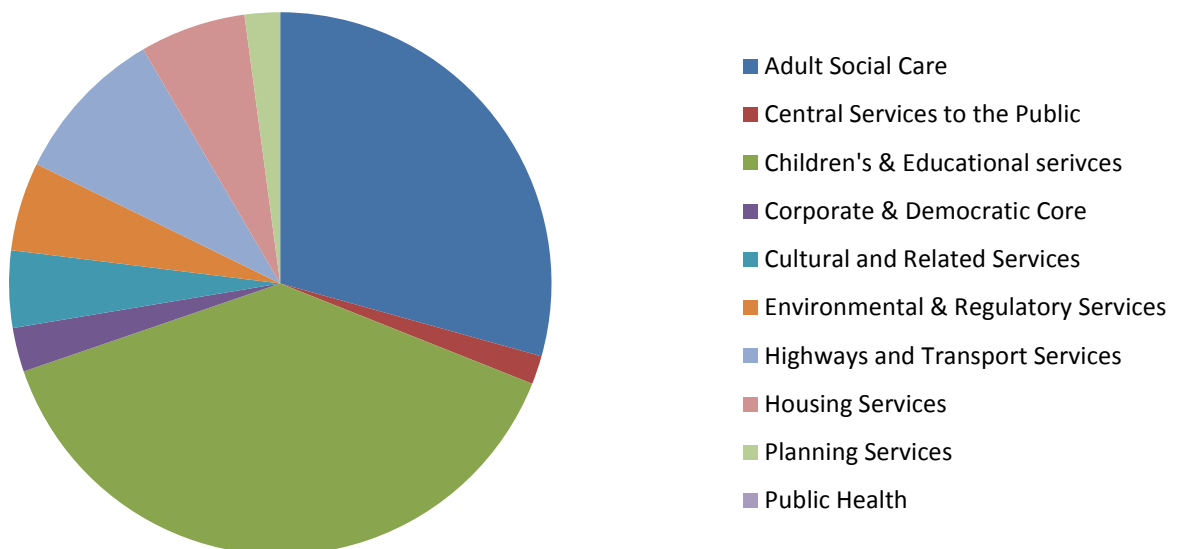
Pie Chart 1: Council Expenditure by type of expenditure (CIPFA classification)



Pie Chart 2: Council expenditure by Directorate



Pie Chart 3: Council expenditure by SeRCOP classification



7.0 Levies

The amount the Council pays to levying bodies has increase by 4% overall. This is shown in the table below:

Levy	2013/14 (£)	2014/15 (£)	Change %
East London Waste Authority (ELWA)	9,010,000	9,429,000	5%
London Pension Fund Authority (LPFA)	160,142	158,605	(1%)
Lee Valley Regional Park Authority*	131,122	127,563	(3%)
Environment Agency	93,840	93,938	(0%)
Total Levies	9,395,104	9,809,106	4%

8.0 Reserves and Contingency

In order to ensure that the budgets are robust, the Chief Finance Officer must ensure that there are adequate reserves to mitigate against unforeseen pressures and risks associated with the delivery of the budget.

An important consideration in the Budget and MTFs is the level of balances and contingency to be held. This is determined by the financial risks the Council faces including but not restricted to the following:

- The ongoing risk of the localised funding system for local government transferring financial risk from central to local government, especially through CTS and NNDR;
- Welfare reforms leading to direct pressures on key Housing budget, and potentially also to Children's and Adults budgets;
- Continued poor economic performance impacting on the Council's income streams; and
- Demographic changes, especially in the demand for school places.

In view of these and other risks faced by the council the minimum Chief Finance Officer has set the minimum level of balances in line with last year at £15m.

The Council also holds a number of earmarked reserves. The overall position is summarised in the table below:

Forecast Position of Reserves at start of 2014/15:

Reserve	£m	Note
Balances held by schools under a scheme of delegation	25.0	Only usable by schools.
Housing Revenue Account (HRA) balance	8.5	Can only be used in relation to the HRA
Leasehold repairs	6.8	Can only be used for funding housing capital
Redundancies	2.5	To fund the cost of redundancies

Invest to Save	2.8	Earmarked reserves for specific projects to generate savings
Budget Support	3.7	To support the in-year revenue budget monitoring position
General Fund reserve	25.9	To support the delivery of the Council's budget
PFI Reserve	7.7	For potential PFI costs
Departmental Reserves	2.7	For specific projects across the individual directorates
Other	2.9	Various reserves including insurance, adult college and elections reserve.

Use of the Invest to Save reserve will be applied on a business case basis and will be used to support and encourage innovation and projects to improve the cost effectiveness of services that the Council provides to residents.

9.0 Budget Discipline, Governance, and Value for Money

9.1 Budget discipline

The MTFs need to be underpinned by sound budget discipline and forecasting. Budget discipline is critical as the Council has to ensure it balances its budget without taking funding from reserves. The delivery of the 2014/15 budget has been agreed by each of the Council directorates, CMT and Cabinet.

The Council has undertaken the annual review of budgets across the organisation in preparation for the 2014/15 financial year. Staffing establishments have been reviewed and costed, as have non-employee budgets, and an assessment of income targets and fees and charges has been completed to ensure these are realistic. These are vital pieces of work to ensure the Council's budgets are robust and that expenditure can be delivered on budget for 2014/15.

9.2 Budgetary control and sound governance

The Council is committed to maintaining a system of sound financial control, specifically to make sure that:

- Robust budget monitoring arrangements are in place for services and projects;
- Sound control and reconciliation procedures are in place for all financial systems;
- Collection and recovery of income due to the Council is maximised;
- Compliance takes place with relevant EU and national procurement and contracting regulations; and
- Effective arrangements to protect against bribery, fraud and corruption.

The organisation has systems and processes in place to manage financial risks and opportunities and to secure a stable financial position that enables it to continue to operate for the foreseeable future. There also remains a need to resolve key challenges such as improving the quality of the housing stock and delivering the capital programme on a timely basis.

9.3 Value for money

The Audit Commission, as part of the 2011/12 Value for Money audit opinion, assessed that the Council has put in place proper corporate arrangements for securing economy, efficiency and effectiveness in its use of resources. The audit opinion for Value for Money is split into two themes: financial resilience and securing economy, efficiency and effectiveness.

The audit confirmed that the Council is securing economy, efficiency and effectiveness, and there is financial resilience. During 2013/14 work has been undertaken: to reduce slippage in delivery of the capital programme; to improve compliance in relation to corporate governance; to review the impact of savings to create an explicit link between financial and operational performance; and to ensure adequate managerial capacity. Any further work required will be undertaken during 2014/15 to ensure these issues are addressed and best practice becomes fully embedded.

10.0 Treasury Management Strategy

The Council's Treasury Management Strategy has three main streams:

- Investment Strategy – relating to the management of the Council's cash balances.
- Borrowing Strategy – relating to the financing of the Council's capital programme;
- Minimum Revenue Provision (MRP) Strategy – relating to charging to the General Fund an MRP considered to be prudent.

10.1 The Council's cash position

At the financial year end (31st March) the level of the Council's cash balances have been as follows:

2013/14 -	£120m (estimate)
2012/13 -	£110m
2011/12 -	£100m
2010/11 -	£94m

These balances have been made up of various sources of cash, such as capital grants, s106 funding, reserves, capital receipts through the sale of assets and loans. All cash flow monitoring and investing are carried out by an in-house treasury section.

10.2 Changes to Investment Strategy

The Council's investments are managed on the following principles, in order of priority:

1. Security – how safe is the Council's investment
2. Liquidity – can the Council access its money when it needs to?
3. Yield – rate of return on the Council's investment

On the basis of these principles, the following actions will be followed:

- Maintain increased investment limits for Government supported UK banks due to limited number of counterparties;
- Monitor counterparty risk using Capita Asset Management's model which combines views from the Credit Rating Agencies with three other factors/considerations. This will ensure views taken are balanced; and
- Not to use derivative products due to potential instability in the financial markets at this time and their being consequently unsuitable.

10.3 Borrowing Strategy

The Council is allowed to borrow funds from the capital markets for two purposes:

- Short term temporary borrowing for day to day cash flow purposes to ensure liquidity.
- Long term borrowing to finance the capital programme where the Council can demonstrate the borrowing is affordable.

The Council's borrowing as at 31 December 2013 was made up of four elements:

- External loans from Public Works Loan Board and private banks - £60m;
- HRA PWLB Loans - £266m;
- PFI/finance lease liabilities - £58m; and
- "Internal" borrowing - £99m.

Internal borrowing represents the use of surplus available cash balances to pay for capital spend, rather than undertaking new external loans. The Council will use internal cash balances by reducing investments when deposit rates on investments are lower than interest rates on new loans. This is because the lost interest earnings on reduced cash balances are cheaper than increased interest payable on a new external loan. An additional advantage of maintaining a lower cash holding amount is that it ensure that the Council's investment risk exposure is lower.

11.0 Capital Strategy

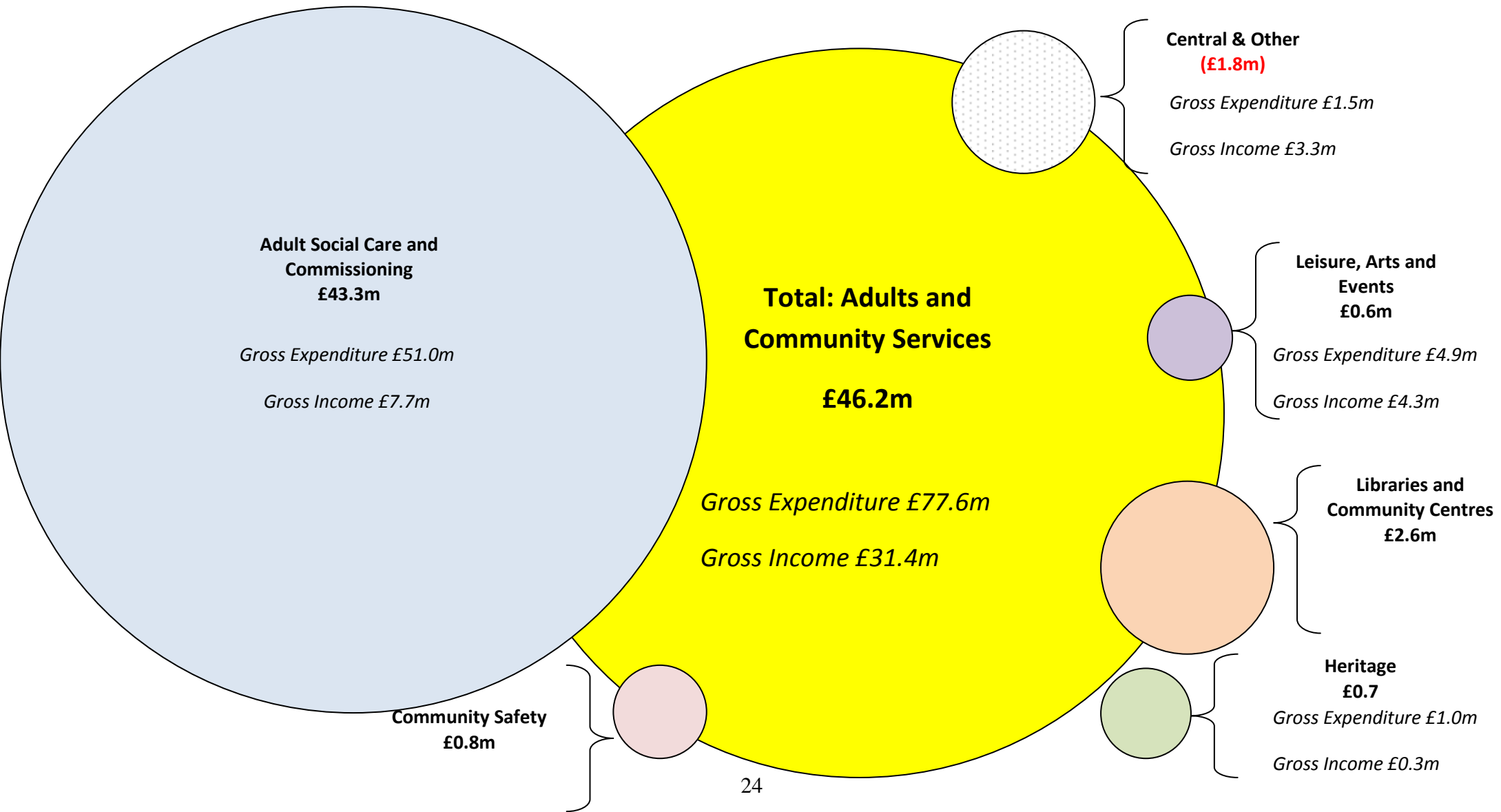
Members' objective is to minimise the Council's external borrowing requirements. Further borrowing will only be possible for new schemes where the expenditure is essential for statutory and/or health and safety reasons to enhance assets that are in need of urgent maintenance or where the completed project generates an income stream that will enable the financing of the incurred debt.

Adult and Community Services Revenue Budget 2014/15

Corporate Director: Anne Bristow
Tel: 020 8227 2300
Email: anne.bristow@lbbd.gov.uk

Group Manager - Finance: Roger
Hampson
Tel: 020 8227 3905
Email: Roger.Hampson@lbbd.gov.uk

Adults and Community Services Net Controllable Budget, 2014/15



ADULT AND COMMUNITY SERVICES BUDGETS 2014-15	Adult Social Care £'000	Integration & Commissioning £'000	Mental Health £'000	Culture and Sport £'000	Community Safety and Public Protection £'000	Public Health £'000	Service Strategy & Regulation £'000	Management & Central £'000	TOTAL £'000
EXPENSE									
Employee Expenses	9,766	1,276	1,133	5,582	2,352	3,096	366	298	23,868
Premises Costs	201	20		2,062	197	64	1	11	2,555
Transport Costs	68	-	31	39	25	-	3	-	166
Supplies & Services	425	176	11	1,420	434	1,139	22	32	3,658
Agency & Contracted Services	18,813	8,078	2,339	51	1,249	9,930	26	-	40,487
Transfer Payment	6,451	-	129	-	-	-	-	-	6,580
Recharges from HRA	-	-	-	-	-	-	-	301	301
Gross Controllable Expenditure	35,724	9,549	3,643	9,153	4,257	14,230	418	642	77,614
INCOME									
Income - Grants, Fees & Charges & Other	(4,742)	(1,204)	(421)	(5,061)	(1,310)	(14,230)	(105)	(3,268)	(30,339)
Income - recharges to HRA	-	-	-	(1)	(625)	-	-	-	(626)
Income - recharges to DSG & Schools	-	-	-	(128)	(99)	-	-	-	(227)
Income - recharges to Capital Programme & Other	(148)	-	-	(59)	-	-	-	-	(207)
Use of reserves	-	-	-	-	-	-	-	-	-
Gross Controllable Income	(4,889)	(1,204)	(421)	(5,248)	(2,034)	(14,230)	(105)	(3,268)	(31,398)
NET CONTROLLABLE BUDGET	30,835	8,345	3,222	3,905	2,222		313	(2,626)	46,216
OTHER BUDGETS									
Support Services	-	-	-	-	-	-	-	6,660	6,660
Income - recharges to GF	-	-	-	(682)	(144)	-	(27)	-	(852)
Capital Charges	187	-	-	1,168	126	-	-	1,323	2,804
BUDGET REQUIREMENT	31,022	8,345	3,222	4,391	2,205		287	5,356	54,828

RECHARGES TO ADULT & COMMUNITIES SERVICES 2014/15 (1 OF 2)

Types of support services provided	2014-15 £'000	2013-14 £'000	Movement £'000
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CHIEF EXECUTIVE

Asset Strategy & Management	38	108	(70)
Business Unit & Graduate Trainees	-	45	(45)
Corporate Client	104	130	(26)
Elevate Services*	1,699	2,211	(512)
Energy & Compliance	32	82	(50)
Finance	685	708	(23)
Innovation & Funding	16	31	(14)
Insurance & Risk Management	16	10	6
Internal Audit	93	74	19
Leasehold Buildings (Maritime House) & (Crown House) Accommodation	166	-	166
Democratic Services	10	9	1
HR Support	667	565	102
Legal Services	142	152	(10)
Marketing & Communications	155	174	(18)
Members And Mayoral Expenses including Members Transport and Post Delivery	63	6	58
Policy & Performance including Corporate Complaints	80	84	(4)
TOTAL CHIEF EXECUTIVE	3,968	4,389	(421)

RECHARGES TO ADULT & COMMUNITIES SERVICES 2014/15 (2 OF 2)

Types of support services provided	2014-15 £'000	2013-14 £'000	Movement £'000
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HOUSING & ENVIRONMENT - GF

Building Cleaning	356	327	29
Building Maintenance	80	137	(57)
Civic Buildings Accommodation	520	491	29
Security	22	5	17
Fleet Management	4	1	(3)
Grounds Maintenance	48	27	21
Passenger Transport	1,237	1,129	108
Frizlands Depot	7	-	7
Refuse Collection	88	79	9
TOTAL HOUSING, ENVIRONMENT & ENFORCEMENT - GF	2,362	2,196	166

ADULT & COMMUNITY SERVICES

Alarm Monitoring & Magnetic Locks	9	9	-
Barking Learning Centre (BLC)	314	349	(35)
Security Contract	6	6	-
Sports Centres	1	1	-
TOTAL ADULT & COMMUNITY SERVICES	330	365	(35)

TOTAL SUPPORT CHARGES TO ADULT & COMMUNITIES SERVICES	6,660	6,950	(290)
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RECHARGES FROM HRA

Sheltered Housing	301	501	(200)
TOTAL HOUSING & ENVIRONMENT - HRA	301	501	(200)

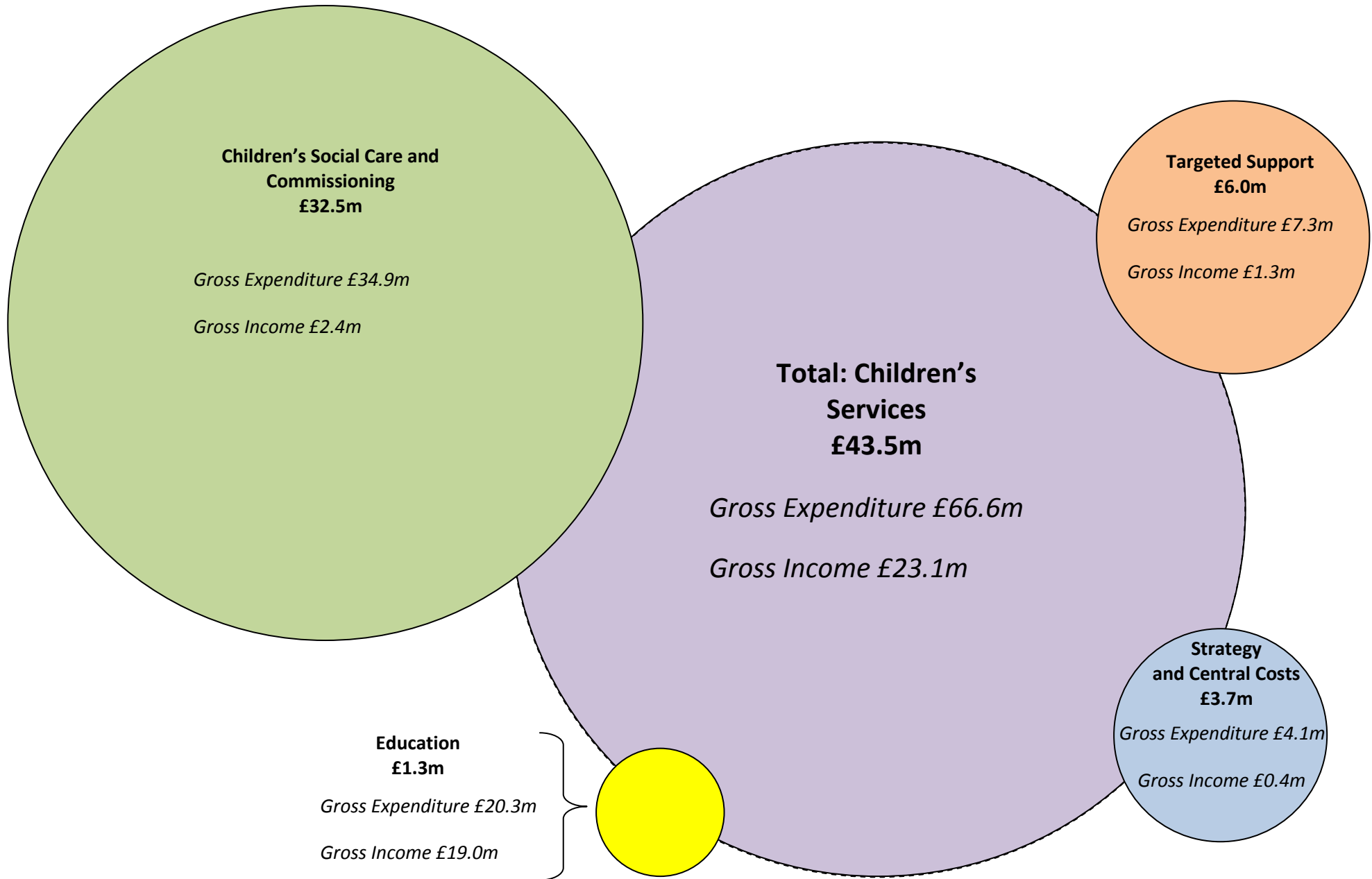
* Elevate Services include: Rents, Cashiers, General Income, Property Services, Accounts for payments and Corporate procurement, HR and Payroll (Including Schools), B&D Direct and ICT (JV) including departmental

Children's Services Revenue Budget 2014/15

Corporate Director: Helen Jenner
Tel: 020 8227 5800
Email: helen.jenner@lbbd.gov.uk

Group Manager - Finance: Patricia
Harvey
Tel: 020 8227 5086
Email: Patricia.Harvey@lbbd.gov.uk

Children's Services Net Controllable Budget, 2014/15



CHILDREN SERVICES	Education, Early Years and Youth Services	Social Care and Complex Needs	Safeguarding, Early Intervention and Commissioning	Management & Central	TOTAL
BUDGETS 2014-15	£'000	£'000	£'000	£'000	£'000
EXPENSES					
Employee Expenses - Salaries	8,825	9,339	6,732	1,192	26,089
Premises Costs	11,249	56	532	-	11,837
Transport Costs	137	1,108	20	0	1,266
Supplies & Services	2,225	755	559	2,003	5,541
Agency & Contracted Services	513	19,105	776	859	21,253
Transfer Payment	-	588	-	5	593
Recharges from HRA	-	-	-	-	-
Gross Controllable Expenditure	22,950	30,951	8,619	4,060	66,579
INCOME					
Income - Grants, Fees & Charges & Other	(13,681)	(1,682)	(1,221)	(190)	(16,774)
Income - recharges to HRA	-	-	-	-	-
Income - recharges to DSG & Schools	(5,605)	(184)	(290)	(200)	(6,279)
Income - recharges to Capital Programme & Other	-	-	-	-	-
Use of Reserves	(13,681)	(1,682)	(1,221)	(190)	(16,774)
Gross Controllable Income	(11,933)	(1,866)	(1,511)	(390)	(23,052)
NET CONTROLLABLE BUDGET	3,663	29,085	7,109	3,670	43,527
OTHER BUDGETS					
Support Services	2,706	3,462	1,073	162	7,403
Income - recharges to GF	-	-	-	-22	-22
Capital Charges	3	-	-	10,703	10,705
BUDGET REQUIREMENT	6,372	32,547	8,182	14,513	61,613

RECHARGES TO CHILDREN'S SERVICES 2014-15

Types of support services provided	2014-15 £'000	2013-14 £'000	Movement £'000
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CHIEF EXECUTIVE

Asset Strategy & Management	38	109	(71)
Business Unit & Graduate Trainees	-	45	(45)
Corporate Client	180	350	(170)
* Elevate Services	2,480	2,089	391
Energy & Compliance	32	46	(14)
Finance	636	778	(142)
Innovation & Funding	23	31	(8)
Insurance & Risk Management	15	10	5
Internal Audit	112	121	(9)
Democratic Services	115	125	(10)
HR Support	577	741	(164)
Legal Services	730	661	69
Marketing & Communications	155	174	(19)
Members And Mayoral Expenses including Members Transport and Post Delivery	63	6	57
Policy & Performance including Corporate Complaints	80	84	(4)
TOTAL CHIEF EXECUTIVE	5,236	5,370	(134)

RECHARGES TO CHILDREN'S SERVICES 2014-15

Types of support services provided	2014-15 £'000	2013-14 £'000	Movement £'000
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HOUSING , ENVIRONMENT & ENVIRONMENT - GF

Building Cleaning	227	196	31
Building Maintenance	81	138	(57)
Civic Buildings Accommodation	459	641	(182)
Security	36	5	31
Frizlands Depot	4	-	4
Fleet Management	2	1	1
Grounds Maintenance	7	7	-
Passenger Transport	1,289	1,320	(31)
Refuse Collection	52	48	4
TOTAL HOUSING, ENVIRONMENT & ENFORCEMENT - GF	2,157	2,356	(199)

ADULT & COMMUNITY SERVICES

Alarm Monitoring & Magnetic Locks	8	6	2
Security Contract	2	2	-
Sports Centres	1	1	-
TOTAL ADULT & COMMUNITY SERVICES	11	9	2

TOTAL SUPPORT CHARGES TO CHILDREN'S SERVICES	7,404	7,735	(331)
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* Elevate Services include: Rents, General Income, Property Services, Accounts for payments and Corporate procurement, HR and Payroll (Including Schools), B&D Direct and ICT (JV) including departmental

Children's Services Dedicated Schools Grant Revenue Budget 2014/15

Corporate Director: Helen Jenner
Tel: 020 8227 5800
Email: helen.jenner@lbbd.gov.uk

Group Manager - Finance: Patricia
Harvey
Tel: 0208 227 5086
Email: Patricia,Harvey@lbbd.gov.uk

CHILDREN SERVICES – DEDICATED SCHOOLS GRANT	Early Years Block	High Needs Block	Schools Block	Total
BUDGETS 2014-15				
EXPENSES				
Employee Expenses	1,271	4,367	395	6,033
Premises Costs	2	176	63	241
Transport Costs	16	201	-	217
Supplies & Services	16	28	2	46
Agency & Contracted Services	3,990	1,121	177	5,288
Transfer Payment	13,912	20,718	180,157	214,787
Recharges from HRA				-
Gross Controllable Expenditure	19,207	26,611	180,794	226,612
INCOME				
Dedicated Schools Grant (DSG)	-19,329	-26,874	-181,917	-228,120
Income - Grants, Fees & Charges & Other	-	-323	-	-323
Income - recharges to DSG & Schools	-	-	-	-
Income - recharges to Capital Programme & Other	-	-	-	-
Gross Controllable Income	-19,329	-27,197	-181,917	-228,443
NET CONTROLLABLE BUDGET	-122	-586	-1,123	-1,831
OTHER BUDGETS				
Support Services	122	586	1,123	1,831
Income - recharges to GF				
Capital Charges				
BUDGET REQUIREMENT	-	-	-	-

RECHARGES TO DSG 2014-15

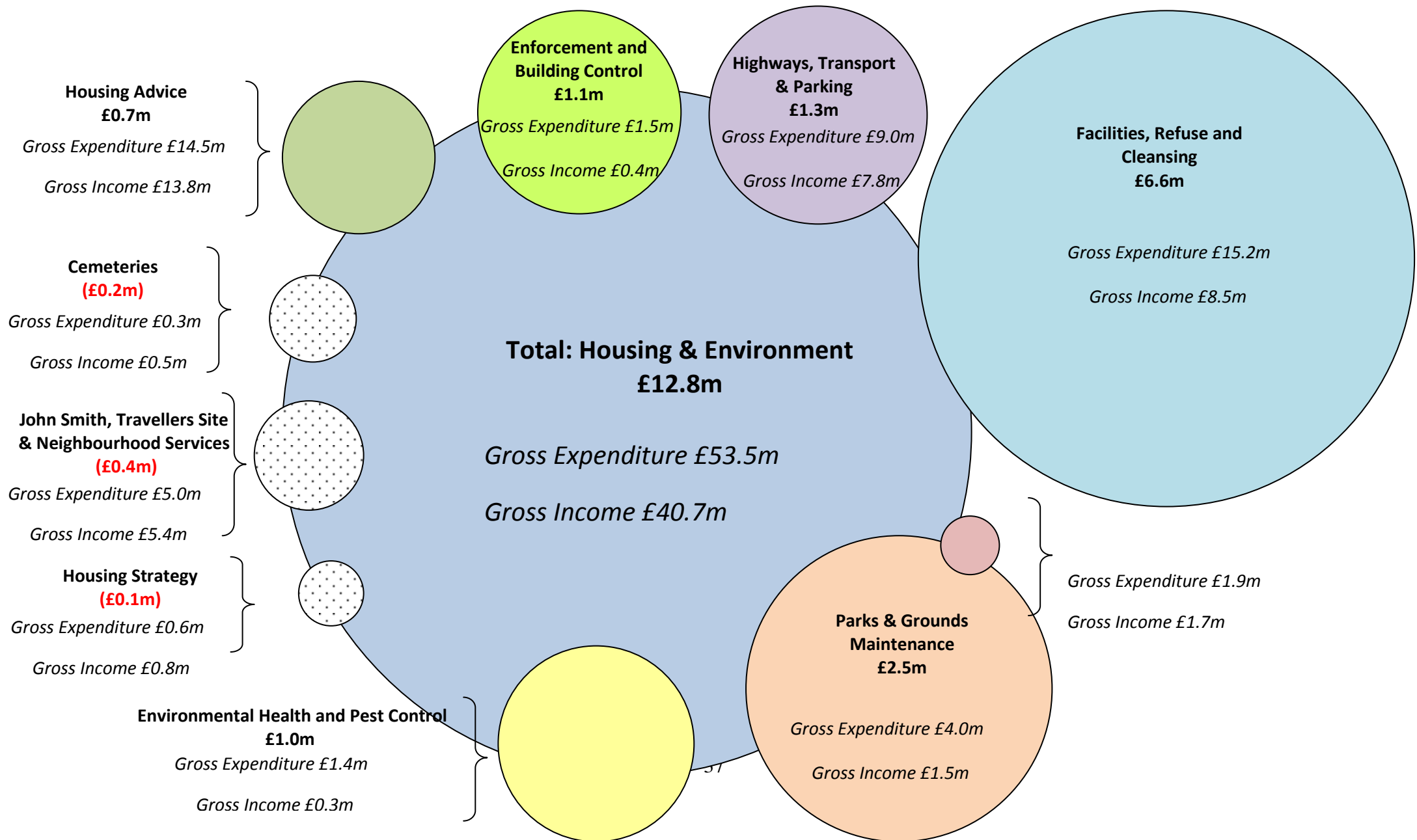
Types of support services provided	2014-15 £'000	2013-14 £'000	Movement £'000
CHIEF EXECUTIVE			
Elevate Services	292	307	(15)
Legal Services	232	232	-
School Appeals	36	36	-
TOTAL CHIEF EXECUTIVE	560	575	(15)
HOUSING & ENVIRONMENT GF			
Civic Buildings Accommodation	111	111	-
TOTAL HOUSING & ENVIRONMENT GF	111	111	(1)
ADULT & COMMUNITY SERVICES			
Alarm Monitoring & Magnetic Locks	2	2	-
TOTAL ADULT & COMMUNITY SERVICES	2	2	-
TOTAL SUPPORT CHARGES TO DSG	673	688	(15)

Housing and Environment Revenue Budget 2014/15

Corporate Director: Darren Henaghan
Tel: 020 8227 5700
Email: Darren.henaghan@lbbd.gov.uk

Group Accountant: Olufunke Johnson
Tel: 020 8227 2485
Email: Olufunke.Johnson @lbbd.gov.uk

Housing & Environment Net Controllable Budget, 2014/15



Housing & Environment	Direct Services £'000	Divisional Support £'000	Asset Management £'000	Parking Services £'000	Street Enforcement and Regulatory Services £'000	Housing General Fund £'000	Total £'000
BUDGETS 2014-15							
EXPENSES							
Employee Expenses	7,923	412	7,320	1,888	1,591	7,366	26,500
Premises Costs	282	-	3,760	218	28	151	4,439
Transport Costs	2,548	3	956	74	33	198	3,811
Supplies & Services	444	44	824	705	156	1,280	3,453
Agency & Contracted Services	572	-	520	150	586	13,079	14,907
Transfer Payment	-	135	-	-	-	-	135
Recharges from HRA	-	-	-	-	225	-	225
Gross Controllable Expenditure	11,768	595	13,380	3,035	2,619	22,074	53,470
INCOME							
Income - Grants, Fees & Charges & Other	(2,279)	(47)	(1,058)	(6,679)	(1,352)	(14,908)	(26,324)
Income - recharges to HRA	(2,551)	-	(884)	(36)	-	(6,535)	(10,006)
Income - recharges to DSG & Schools	(406)	-	(2,593)	-	-	-	(2,998)
Income - recharges to Capital Programme & Other	-	-	(1,031)	(100)	-	(203)	(1,334)
Use of reserves	-	-	-	-	-	-	-
Gross Controllable Income	(5,236)	(47)	(5,566)	(6,815)	(1,352)	(21,646)	(40,661)
NET CONTROLLABLE BUDGET	6,532	548	7,814	(3,780)	1,267	428	12,809
OTHER BUDGETS							
Support Services	3,833	147	2,507	578	680	3,255	11,000
Income - recharges to GF	(3,995)	-	(6,381)	(30)	(15)	-	(10,420)
Capital Charges	1,483	-	8,743	280	3	83	10,593
BUDGET REQUIREMENT	7,854	695	12,684	(2,952)	1,935	3,767	23,982

RECHARGES TO HOUSING & ENVIRONMENT - GF 2014-15 (1 OF 2)

Types of support services provided	2014-15 £'000	2013-14 £'000	Movement £'000
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CHIEF EXECUTIVE

Asset Strategy & Management	82	100	(18)
Business Management	37	31	6
Business Unit & Graduate Trainees	0	45	(45)
Corporate Client	129	169	(40)
* Elevate Services	3804	2,742	1,062
Energy & Compliance	49	98	(49)
Finance	476	599	(123)
Innovation & Funding	48	23	25
Insurance & Risk Management	21	15	6
Internal Audit	99	57	42
Land & Property	0	6	(6)
Subsidy	500	1,500	(1000)
Democratic Services	10	9	1
HR Support	702	513	189
Legal Services	145	148	(3)
Marketing & Communications	61	112	(51)
Members And Mayoral Expenses including Members Transport and Post Delivery	63	6	57
Policy & Performance including Corporate Complaints	84	84	-
TOTAL CHIEF EXECUTIVE	6,310	6,257	52

RECHARGES TO HOUSING & ENVIRONMENT - GF 2014-15 (2 OF 2)

Types of support services provided	2014-15 £'000	2013-14 £'000	Movement £'000
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HOUSING & ENVIRONMENT - GF

Building Cleaning	177	162	15
Building Maintenance	47	72	(25)
Civic Buildings Accommodation	88	226	(138)
Security	36	96	(60)
Cleansing	172	227	(55)
Enforcement Officer EHTS	15	15	-
Fleet Management	142	189	(47)
Frizlands Depot	291	351	(60)
Grounds Maintenance	2,673	2,207	466
Highway Engineer	65	43	22
Highways	582	555	27
Parking	30	-	30
Refuse Collection	247	192	55
TOTAL HOUSING, ENVIRONMENT & ENFORCEMENT - GF	4,565	4,335	230

ADULT & COMMUNITY SERVICES

Alarm Monitoring & Magnetic Locks	12	7	5
CCTV	100	100	-
Security Contract	2	2	-
Sports Centres	1	1	-
TOTAL ADULT & COMMUNITY SERVICES	115	110	5

TOTAL SUPPORT CHARGES TO HOUSING & ENVIRONMENT - GF	10,990	10,702	288
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RECHARGES FROM THE HRA

Localities	225	-	225
TOTAL HOUSING & ENVIRONMENT - HRA	225	-	225

* Elevate Services include: Rents, General Income, Property Services, Accounts for payments and Corporate procurement, HR and Payroll (Including Schools), B&D Direct and ICT (JV) including departmental

Housing Revenue Account Budget 2014/15

Corporate Director: Darren Henaghan
Tel: 020 8227 5700
Email: darren.hanaghan@lbbd.gov.uk

Group Accountant: Jahangir Mannan
Tel: 020 8227 2158
Email: jahangir.mannan@lbbd.gov.uk

HRA Estimate 2014/15 – Statutory Format BUDGETS 2014-15	2013/14 (£'000)	2014/15 (£'000)	Change (£'000)	Change (%)
INCOME				
Rents of dwelling	(86,627)	(86,929)	(302)	0.3
Non Dwelling rents	(2,503)	(2,503)	-	-
Charges for services and facilities	(17,644)	(16,250)	1,394	(7.9)
Capitalisation of revenue repairs	(1,000)	(1,000)	-	-
Total Income	(107,774)	(106,682)	1,092	(1.0)
EXPENDITURE				
Repairs and maintenance	20,000	20,385	385	1.9
Supervision and management	39,229	40,884	1,655	4.2
Rent, rates, taxes and other charges	700	700	-	-
Depreciation of fixed assets	9,500	9,500	-	-
Provision for bad debts	3,159	3,159	-	-
Interest charges	9,759	9,759	-	-
Total Expenditure	82,347	84,387	2,040	2.5
Net Income – HRA Services	(25,428)	(22,295)	3,132	(12.3)
Saving Requirement	-	(6,133)	(6,133)	(100.0)
Corporate & Democratic Core	811	811	-	-
Revenue Contributions towards Capital	24,953	25,953	1,000	4.0
Pension Contribution	-	2,000	2,000	100.0
Net Cost of HRA Services	336	336	0	-
Interest & Investment Income	(336)	(336)	-	-
Deficit / (Surplus) for the year	0	0	0	0

RECHARGES TO HRA 2014-15 (1 OF 3)

Types of support services provided	2014-15 £'000	2013-14 £'000	Movement £'000
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CHIEF EXECUTIVE

Corporate Client	239	239	0
Corporate Management	685	811	(126)
* Elevate Services	4,323	4,942	(619)
Energy & Compliance	19	19	0
Finance	271	250	21
HRA Commercial Properties	566	740	(174)
Innovation & Funding	33	38	(5)
Insurance & Risk Management	65	53	12
Internal Audit	25	55	(30)
Management & Admin	92	94	(2)
Property Services - Pondfield House	200	200	0
Regeneration - Sustainable Communities & Economic Development	220	218	2
Tenancy Investigation Team	151	149	2
HR Support	242	223	19
Legal Services	311	247	64
Marketing & Communications	61	61	0
Policy & Performance including Corporate Complaints	74	74	0
TOTAL CHIEF EXECUTIVE	7,577	8,413	(836)

2014-15 HRA £'000	2014-15 DLO £'000	2014-15 TOTAL £'000
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239		239
685		685
3,295	1,028	4,323
19		19
271		271
566		566
33		33
5		65
25		25
92		92
-	200	200
220		220
151		151
182	60	242
311		311
61		61
74		74
6,289	1,288	7,577

Types of support services provided	2014-15 £'000	2013-14 £'000	Movement £'000
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2014-15 HRA £'000	2014-15 DLO £'000	2014-15 TOTAL £'000
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HOUSING & ENVIRONMENT - GF

Building Cleaning	90	94	(4)
Civic Buildings Accommodation	242	206	36
Cleansing	572	611	(39)
Environmental Health & Trading Standards - Pest Control	160	160	-
Fleet Management	261	237	24
Frizlands Depot	112	50	62
Grounds Maintenance	885	944	(59)
Highways	121	110	11
Highways Maintenance	180	180	-
Housing Advice	1,600	1,600	-
Housing Strategy	272	272	-
Localities	4,662	4,662	-
Off Street Parking	36	42	(6)
Refuse Collection	813	871	(58)
TOTAL HOUSING & ENVIRONMENT - GF	10,006	10,039	(33)

90		90
242		242
572		572
160		160
261		261
112		112
885		885
121		121
180		180
1,600		1,600
272		272
4,662		4,662
36		36
813		813
10,006	-	10,006

RECHARGES TO HRA 2014-15 (3 OF 3)

Types of support services provided	2014-15 £'000	2013-14 £'000	Movement £'000
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2014-15 HRA £'000	2014-15 DLO £'000	2014-15 TOTAL £'000
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ADULT & COMMUNITY SERVICES

Alarm Monitoring & Magnetic Locks	12	12	-
Anti-social behaviour	116	116	-
CCTV	188	188	-
Domestic Violence	40	40	-
Neighbourhood Management	92	92	-
Security Contract	2	2	-
Sports Centres	1	1	-
Surveillance and Monitoring Service (SAMS)	176	176	-
TOTAL ADULT & COMMUNITY SERVICES	627	627	-

12	-	12
116	-	116
188	-	188
40	-	40
92	-	92
2	-	2
1	-	1
176	-	176
627	-	627

TOTAL SUPPORT CHARGES TO HRA	18,210	19,079	(869)
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16,922	1,288	18,210
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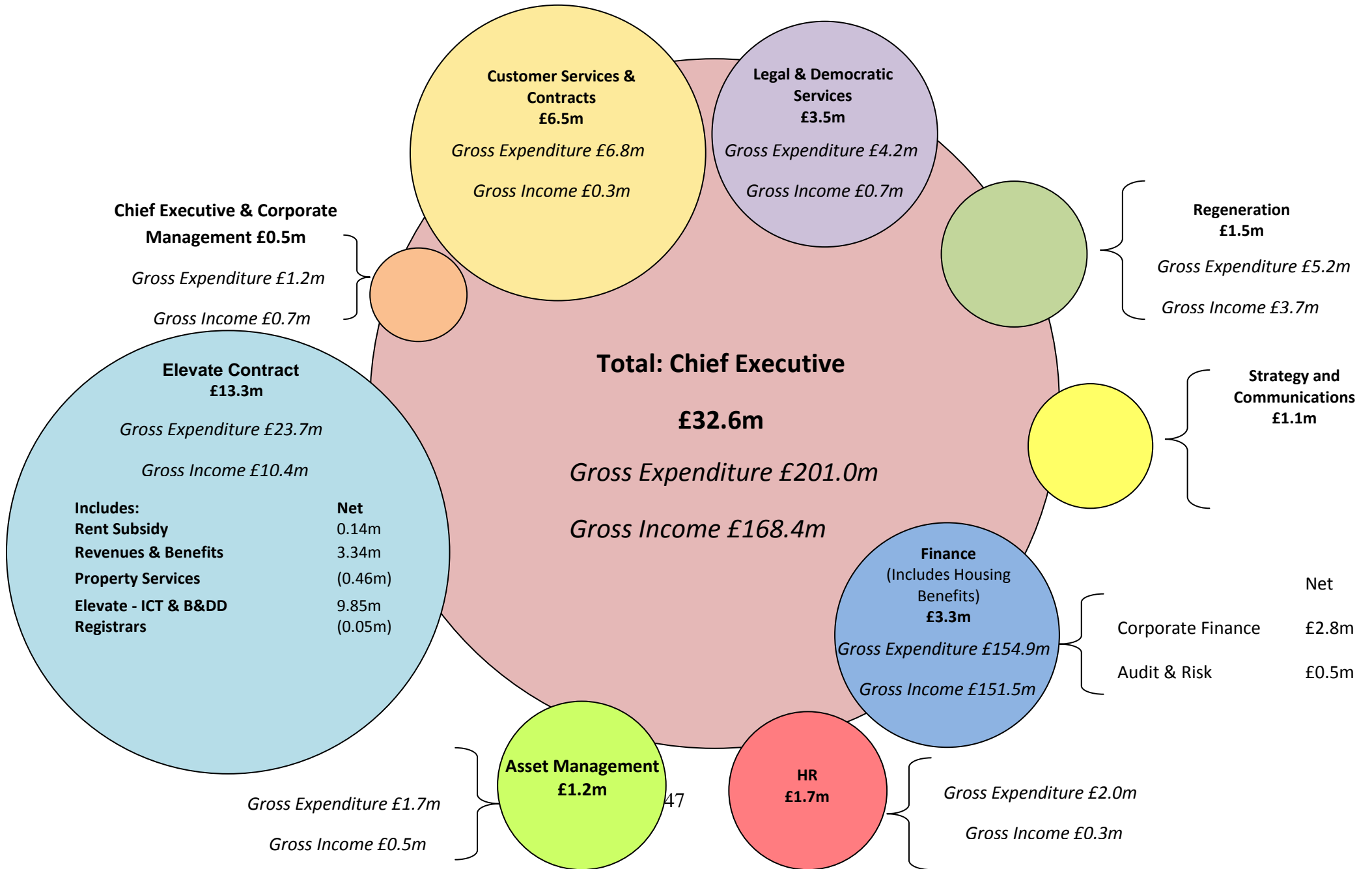
* Elevate Services include: Rents, Cashiers, General Income, Property Services, Accounts for payments and Corporate procurement, HR and Payroll (Including Schools), B&D Direct and ICT (JV) including departmental

Chief Executive's Directorate Budget 2014/15

Chief Executive: Graham Farrant
Tel: 020 8227 2789
Email: graham.farrant@lbbd.gov.uk

Group Accountant: Olufunke Johnson
Tel: 020 8227 2485
Email: olufunke.johnson@lbbd.gov.uk

Chief Executive Net Controllable Budget, 2014/15



CHIEF EXECUTIVE (part 1 of 2)	Finance	Corporate Management	Asset Strategy, Energy & Compliance Management	Customer Services, Contracts and Business Improvements (incl Elevate)	Regeneration & Economic Development (inc Corp Client and Capital Delivery)
BUDGETS 2014-15	£'000	£'000	£'000	£'000	£'000
EXPENSES					
Employee Expenses - Salaries	3,940		501	898	4,308
Premises Costs			1,077	126	
Transport Costs	19		2	5,786	35
Supplies & Services	1,099	610	89	424	244
Agency & Contracted Services	259	298	20	23,152	592
Transfer Payment	149,556			142	
Recharges from HRA		44			
Gross Controllable Expenditure	154,874	952	1,689	30,527	5,178
INCOME					
Income - Grants, Fees & Charges & Other	(150,229)		(10)	(3,788)	(1,079)
Income - recharges to HRA	(545)	(685)	(19)	(5,090)	(551)
Income - recharges to DSG & Schools	(314)		(214)	(1,045)	
Income - recharges to Capital Programme & Other	(452)		(261)	(800)	(2,089)
Gross Controllable Income	(151,540)	(685)	(505)	(10,723)	(3,718)
NET CONTROLLABLE BUDGET	3,334	267	1,184	19,804	1,460
OTHER BUDGETS					
Support Services	713	4,071	451	1,680	1,210
Income - recharges to GF	(4,171)		(952)	(10,079)	(451)
Capital Charges			133	1,038	402
BUDGET REQUIREMENT	(124)	4,338	816	12,443	2,621

CHIEF EXECUTIVE (part 2 of 2)	Chief Executive	Strategy & Communication	Legal & Democratic Services	Human Resources	TOTAL
BUDGETS 2014-15	£'000	£'000	£'000	£'000	
EXPENSES					
Employee Expenses - Salaries	232	1,052	3,794	1,947	16,672
Premises Costs	1		12		1,216
Transport Costs	6	3	26	5	5,881
Supplies & Services	17	311	359	33	3,184
Agency & Contracted Services	10				24,332
Transfer Payment					149,698
Recharges from HRA					44
Gross Controllable Expenditure	266	1,365	4,190	1,985	201,025
INCOME					
Income - Grants, Fees & Charges & Other	(17)	(111)	(30)	(25)	(155,289)
Income - recharges to HRA		(134)	(311)	(242)	(7,577)
Income - recharges to DSG & Schools			(297)		(1,869)
Income - recharges to Capital Programme & Other			(61)		(3,663)
Gross Controllable Income	(17)	(245)	(698)	(267)	(168,398)
NET CONTROLLABLE BUDGET	249	1,120	3,492	1,718	32,627
OTHER BUDGETS					
Support Services	169	220	818	484	9,816
Income - recharges to GF	(503)	(1,340)	(3,887)	(2,202)	(23,584)
Capital Charges			9		1,582
BUDGET REQUIREMENT	(85)	-	432	-	20,441

RECHARGES TO THE CHIEF EXECUTIVE DIRECTORATE 2014-15 (1 OF 3)

Types of support services received	2014-15 £'000	2013-14 £'000	Movement £'000
CHIEF EXECUTIVE DIRECTORATE (INTERNAL RECHARGES)			
Asset Strategy & Management	79	130	(51)
Business Unit & Graduate Trainees	0	180	(180)
Energy & Compliance	63	-	63
* Elevate Services	2,096	3,316	(1,220)
Finance	985	925	60
Innovation & Funding	10	31	(21)
Insurance & Risk Management	96	94	2
Internal Audit	212	259	(47)
Leasehold Buildings (Maritime House) & (Crown House) Accommodation	374	229	145
Treasury Management	114	160	(46)
Chief Executive	503	497	6
Democratic Services	829	784	45
HR Support	256	376	(120)
Legal Services	602	548	54
Marketing & Communications	242	270	(28)
Members And Mayoral Expenses including Members Transport and Post Delivery	1,074	1,123	(49)
Policy & Performance including Corporate Complaints	482	593	(111)
TOTAL CHIEF EXECUTIVE	8,017	9,515	(1,498)

RECHARGES TO THE CHIEF EXECUTIVE DIRECTORATE 2014-15 (2 OF 3)

Types of support services provided	2014-15 £'000	2013-14 £'000	Movement £'000
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HOUSING & ENVIRONMENT - GF

Building Cleaning	42	22	20
Civic Buildings Accommodation	1,106	1,102	4
Security	48	6	42
Building Control	-	90	(90)
Cleansing	92	90	2
Fleet Management	9	2	7
Frizlands Depot	5	17	(12)
Grounds Maintenance	3	52	(49)
Refuse Collection	31	88	(57)
TOTAL HOUSING, ENVIRONMENT & ENFORCEMENT - GF	1,336	1,469	(133)

ADULT & COMMUNITY SERVICES

Alarm Monitoring & Magnetic Locks	4	4	-
Barking Learning Centre (BLC)	183	149	34
Centrally Controlled items - Service Strategy	27	27	-
Dagenham Library & One Stop Shop	182	196	(14)
Security Contract	2	2	-
Sports Centres	1	1	-
TOTAL ADULT & COMMUNITY SERVICES	399	379	20

RECHARGES TO THE CHIEF EXECUTIVE DIRECTORATE 2014/15 (3 OF 3)

Types of support services provided	2014-15 £'000	2013-14 £'000	Movement £'000
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CHILDRENS director charge to CDC

Corporate and Democratic Core (CDC) function related to those activities that provide the infrastructure that allows services to be provided and the information that is required for public accountability.	22	22	-
TOTAL CHILDRENS DIRECTOR CHARGE TO CDC	22	22	-

TOTAL SUPPORT CHARGES TO THE CHIEF EXECUTIVE DIRECTORATE	9,774	11,385	(1,611)
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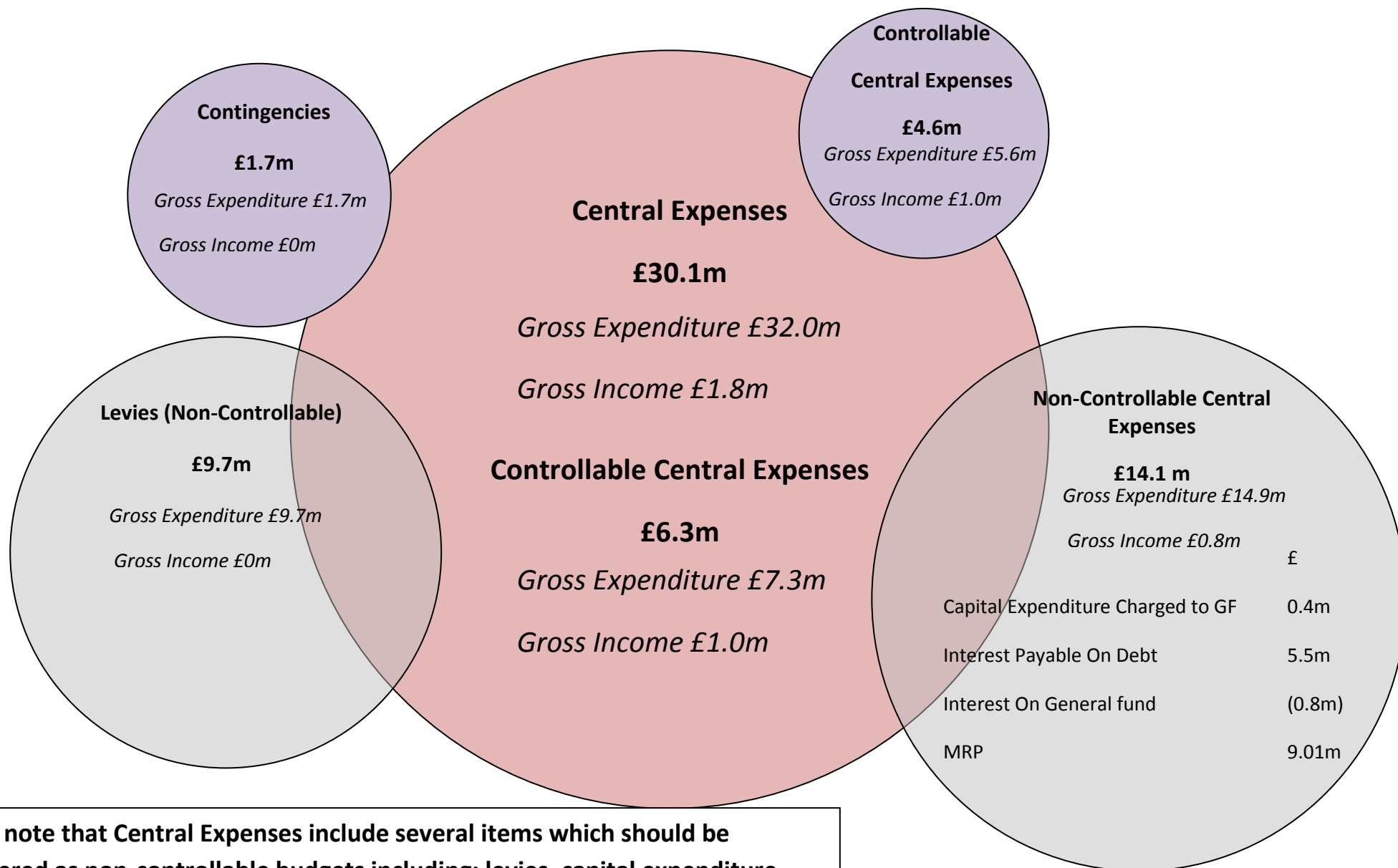
RECHARGES FROM THE HRA

Director's Cost	44	37	7
TOTAL HOUSING & ENVIRONMENT - HRA	44	37	7

* Elevate Services include: Rents, General Income, Property Services, Accounts for payments and Corporate procurement, HR and Payroll (Including Schools), B&D Direct and ICT (JV) including departmental

CENTRAL BUDGETS

2014/15



Please note that Central Expenses include several items which should be considered as non-controllable budgets including; levies, capital expenditure charged to the general fund, interest on debt and Minimal Revenue Provision.

CENTRAL FINANCE

Below are details of the budgets that are held centrally for corporate items. This includes £1.7 million of budget contingency, to help cover some the budget risks as described in the first part of this budget book, and £9.8 million for levies that are payable to four other bodies including to ELWA for the disposal / landfill of waste.

The Central Expenses budget (second table below) includes the Council's Minimum Revenue Provision, which is the amount the Council has to pay each year towards paying back money it has borrowed to fund the capital programme. It also includes transfers to reserves, internet payable and receivable, and other corporate expenses. Shown below the sub-total of £18.7 million is the Council's budget for depreciation. This is not a "real" budget i.e. cash budget, and is offset by corresponding debit entries shown within each of the services above.

Central Budgets		£'000
Contingency		1,746
Levies		
East London Waste Authority Levy (ELWA)	9,245	
London Pension Authority Levy	180	
Lee Valley Regional Park Levy	156	
Environmental Agency Levy	104	9,685
Sub-Total:		11,431
Central Expenses		
Minimum Revenue Provision (MRP)	9,011	
Transfers to/(from) Reserves	(1,187)	
Corporate Expenses	6,015	
Interest Payable	5,500	
Interest Receivable	(629)	18,710
Depreciation		(25,684)
Sub-Total: Central Expenses and Depreciation		(6,974)
Total		4,457

The amounts shown above for levies are the budgeted amounts within the Central Budget. These amounts differ from the actual levies for 2014/15 of £9.808 million as presented in the introduction to this Budget Book, as the Council was notified of the levies after setting the budget

CAPITAL PROGRAMME 2014/15 to 2016/17

Proposed capital programme by Directorate:

The proposed capital programme, summarised by Directorate, is shown below. These budgets will still be subject to change, roll-forwards and re-profiling.

Capital Expenditure	2013/14	2014/15	2015/16	2016/17
£000's	Approved	Estimate	Estimate	Estimate
Adult & Community Services	7,704	7,522	170	(TBC)
Children's Services	34,740	73,947	31,620	(TBC)
Housing & Environment	4,815	0	0	(TBC)
Chief Executive	10,485	1,429	475	(TBC)
General Fund	57,744	82,898	32,265	(TBC)
HRA	80,587	92,315	41,639	39,757
Total	138,331	175,213	73,904	39,757

Funding for capital programme 2013/14 to 2016/17

The proposed funding of the capital programme is set out below.

Capital Expenditure	2013/14	2014/15	2015/16	2016/17
£000's	Approved	Estimate	Estimate	Estimate
General Fund	57,744	82,898	32,265	(TBC)
HRA	80,587	92,315	41,639	39,757
Approved Capital Prog	138,331	175,213	73,904	39,757
Financed by:				
Government Grants	55,101	85,536	31,620	0
MRA & HRA Contributions	48,107	65,552	35,629	39,757
Section 106	846	400		0
GF Revenue Cont	1,812			0
Borrowing	5,518	10,880	280	0
Reserves (incl Invest to Save)	759			0
Capital Receipts (Inc Right to buy)	26,188	12,845	6,375	
Total	138,331	175,213	73,904	39,757

Revenue & Capital Budget Book

2014/15



London Borough of Barking and Dagenham
Phone: 020 8215 3000

Out-of-hours emergencies only
Phone: 020 8594 8356
Fax: 020 8227 3470
Email: 3000direct@lbbd.gov.uk
Website: www.barking-dagenham.gov.uk

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