

## AUTUMN BUDGET STATEMENT

### Headlines

- Forecast growth for 2013 rises to 1.4% from 0.6%
- 2% capping of business rates and adjustments to reliefs
- £3bn of extra departmental cuts with Local government being protected
- Removal of employers National insurance Contributions for under-21s.
- Free school meals for reception, Year 1 and Year 2 pupils
- £70m of New Homes Bonus generated from London authorities will be pooled within the GLA's Local Enterprise Partnership.
- The retirement age to claim the state pension will increase earlier than planned

### Detail

The Chancellor of the Exchequer presented his Autumn Statement to the House of Commons on 5th December 2013. This briefing is to highlight the key announcements from the Autumn Statement as well as how this affects Local Government.

The Office for Budget Responsibility (OBR) has increased its forecasts for GDP growth this year and next. Britain's economy is now expected to grow by 1.4% for this year, an increase of 0.8% predicted in the 2013 Budget. Table 1 shows the revisions to the growth forecast as stated in the Autumn Statement.

**Table 1 – GDP growth forecasts for the UK**

Announcement	2011	2012	2013	2014	2015	2016	2017
Autumn Statement 2013	0.9%	0.2%	1.4%	2.4%	2.2%	2.6%	2.7%
Budget 2013	0.9%	0.2%	0.6%	1.8%	2.3%	2.7%	2.8%
Emergency Budget 2010	2.3%	2.8%	2.9%	2.7%	2.7%	-	-

In addition to the increase in growth, the chancellor based on the OBR's forecasts predicts the budget to run into a small surplus in 2018/19 however a large majority of the cuts required to reduce the deficit has of yet, not fed through into departmental spend. Table 2 below shows the changes in Public Sector Net Borrowing forecast since the last Autumn Statement and the delay in balancing public sector debt.

**Table 2 – Public Sector Net Borrowing forecast for the UK**

Announcement	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
Autumn Statement 2013	£112bn	£96bn	£79bn	£51bn	£23bn	(£2.2bn)
CSR 2013	£120bn	£108bn	£96bn	£67bn	£43bn	No Forecast

Autumn Statement 2012	£112bn	£99bn	£81bn	£56bn	No Forecast	No Forecast
Emergency Budget	£60bn	£37bn	£20bn	No Forecast	No Forecast	No Forecast

## Business Rates

Numerous announcements were made in regards to reducing the tax burden to businesses. Most notably, the Chancellor has capped the increase in business rates to 2% for 2014/15 only. In addition, further announcements on discounts to businesses have been announced.

- **Business rates: discount** – The government will introduce a business rates discount of £1,000 for retail and food and drink premises with a rateable value below £50,000 for 2 years up to the state aid limits from 1 April 2014.
- **Business rates: reoccupation relief** – The government will introduce a 50% business rates relief for 18 months up to the state aid limits for businesses that move into retail premises that have been empty for a year or more. Businesses which move into empty premises between 1 April 2014 and 31 March 2016 will be eligible for the relief.
- **Small Business Rate Relief (SBRR)** – The government will extend the doubling of SBRR for a further year from 1 April 2014.
- **Small Business Rate Relief on second properties** – The government will relax the SBRR rules to allow businesses in receipt of SBRR taking on an additional property to retain SBRR on the first property for 1 year, with effect from 1 April 2014.
- **Business rates: payment** – The government will allow businesses to pay business rates over 12 months rather than 10 months, with effect from 1 April 2014.
- **Business rates: appeals** – The government will consult on reforms to the business rates appeals process and will commit to clear 95% of the September 2013 backlog of appeals before July 2015.
- **Business rates administration: longer-term reform** – The government will publish a discussion paper in Spring 2014 setting out the advantages and disadvantages of different options for longer-term reforms to business rates administration which maintain the aggregate tax yield.

A statement has been issued subsequently, stating that local authorities will be fully refunded for the loss in revenue resulting from these changes. Exactly how this will be achieved remains to be announced, although the most likely option is via a Section 31 grant.

Autumn Statement 2013 announces a reduction in unprotected Resource Departmental Expenditure Limit (RDEL) budgets of £1.1 billion in 2014-15 and £1 billion in 2015-16. This represents a reduction of 1.1%. Health, schools and Official Development Assistance (ODA) budgets will continue to be protected in line with the policy set out at the 2013 Spending Review. Local government is also excluded from this reduction, to help local authorities to freeze council tax in 2014-15 and 2015-16.

The government will make funding available to offer every pupil attending a state-funded school in reception, year 1 and year 2 a free school lunch from September 2014. Pupil Premium rates and eligibility will be unaffected.

The government has announced that £70m of New Homes Bonus will be pooled within the London Local Enterprise Partnership. The New Homes Bonus will not be pooled to LEP's outside of London. This represents a change from the policy set out in the 2013 spending Review, which proposed that £400m of business rates should be pooled with LEP's across England. In addition, the government will carry out an evaluation of New Homes Bonus by Easter 2014 and consult on measures to improve the incentives.

The government announced that it would increase the funding available for new affordable housing, by increasing local authority Housing Revenue Account borrowing limits by £150m in 2015/16 and 2016/17. This will be allocated on a competitive basis and from the sale of vacant high value social housing.

### **Other Announcements**

- The state pension age is to increase to 68 in the mid-2030s and to 69 in the late 2040s. In April 2014, the state pension will rise by £2.95 a week.
- Overall welfare spending is to be capped.
- Petrol taxes stay frozen – a planned rise of 2p per litre for next year is to be scrapped.
- HM Treasury will continue to look at how public sector pay policy can be reformed. In advance of this, the government will pilot a “pay bill control” in a small number of government organisations. This will look to replace the 1% pay cap with a pre-determined budget for pay.
- The government will allow local authorities to sell assets and to use up to £200m of receipts to fund one-off costs of reforming services. This announcement follows the proposal in 2013 Spending Review.
- All pupils at state schools in England in Reception, Year 1 and Year 2 are to get free school lunches from next September, at an estimated cost of £600m a year
- Government propose to consult on a new 10-unit threshold for section 106 affordable housing contributions.
- Autumn Statement 2013 announces a national Council Tax discount of 50% for annexes from April 2014.

### **Effect on Local Government**

The Chancellor announced further reductions in public sector expenditure for 2014/15 and 2015/16 for unprotected departments. As stated, Local Government have been excluded as to aid local government in freezing council tax however other department such as the Department for Work and Pensions face further reductions. Havering currently receives a number of grants from these departments and it is highly likely that these reductions will be passed down to local authorities.

A number of changes to business rates were announced by the chancellor. At present there is no clear statement on whether this is to be funded in full from the treasury or by the current shares used in allocating business rate yield. In addition,

these new policies on relief create a more complicated / centrally controlled system of taxation due to the various mandatory reliefs in place and the various forms of compensation from central government.

During the Summer 2013, Government announced a consultation in regards to removing £400m from the New Homes Bonus and transferring this to Local Enterprise Partnerships. As announced in the Autumn Statement, only the London Local Enterprise Partnership (LEP) contribution will remain, costing London authorities £70m. This approximately results in a loss of £1.3m to Havering's NHB allocation.

## APPENDIX B

### **PROVISIONAL LOCAL GOVERNMENT FINANCE SETTLEMENT** **2014/15 & 2015/16**

#### **1. Introduction**

- 1.1. On 18th December 2013, Parliamentary under Secretary of State at the Department for Communities and Local Government, Brandon Lewis MP, made a written statement to Parliament concerning the provisional local government finance settlements 2014/15 and 2015/16. This briefing note highlights key issues of note and some comparative information.
- 1.2. The provisional settlement provides local authorities with their provisional funding allocations for the next two years (2014/15 and 2015/16) only.

#### **2. Headlines**

- 2.1. The Secretary of State announced that councils will face an average reduction in spending power of 2.9% and that no authority would experience a decrease of more than 6.9%. In a similar manner to the previous years, the government's headlines focus on comparative figures concerning a local authority's "revenue spending power"
- 2.2. From the introduction of localisation of business rates in 2013, the formula grant methodology is now fixed until the next reset in 2020/21. The various indicators and data sets are fixed based on the 2013/14 formula grant calculation which includes data from the 2001 census.
- 2.3. As originally announced in the 2013 Autumn Statement, local government was exempt from any further cuts as local authorities have already seen reductions from the previous Autumn Statement and Spending Round (SR2013) which results in a further reduction of £15m to Havering's Revenue Support Grant (RSG) by 2015/16.

#### **3. National Control Total and Spending powers**

- 3.1. The average spending power reduction nationally has been stated as 2.9% with Havering's comparable reduction in 2014/15 as 0.85% and an increase in 2015/16 of 1.2%. Although 2014/15 shows relatively low reductions in funding level whilst 2015/16 shows an actual increase. The figures presented are not a true reflect of the cuts facing local government as they do not compare like for like. For example, the figures include a number of estimates, shared funding and additional burdens being placed on local authorities. For example the figures include:
  - Estimates in regards to the New Homes Bonus
  - No account of the top-slice in New Homes Bonus
  - £15m grant of "pooled funding from NHS" and
  - Additional burdens in relation to Adult Social Care.

3.2. Table 1 below shows the reduction in formula funding from 2013/14 to 2015/16 following the reductions announced at the 2012 Autumn Statement and the 2013 Spending Round. The amount of funding available for local authorities has reduced by £2.5bn in 2014/15 and by a further £3.1bn in 2015/16.

Table 1- Spending Control Total for 2013-14 to 2015-16

	2013/14 £000's	2014/15 £000's	2015/16 £000's
Departmental Control Totals	26,283	23,808	20,675
Reduction in Funding		(2,475)	(3,133)
Percentage Reduction		(9.4%)	(13.1%)

#### 4. The Formula Funding – Havering

- 4.1. The provisional funding allocation is used to determine both Havering's Revenue Support Grant (RSG) and Business Rate Baseline (BRB). This comprises of the current four-block formula grant model which has been frozen since last year's settlement and incorporates £31.2m of rolled in grants. This equates to a provisional Settlement Funding Assessment (SFA) for 2014/15 of £69.658m (£60.753m for 2015/16) compared to a 2013/14 equivalent of £75.569m. As business rates is uprated in line with inflation or for 2014/15 by the 2% cap announced in the Autumn statement, all of the funding adjustments only effect Havering's RSG.
- 4.2. The methodology used in allocating the reductions in departmental spending has also changed. The £31.2m of rolled in grant have been accounted for separately with various level of reductions being applied to each grant. Appendix 1 shows the reduction in funding and notably the significant decrease to Havering's RSG allocation.
- 4.3. In order to compare like for like, Appendix 1 shows a comparison of Havering's settlement funding allocation since 2013/14. When compared to the 2013/14 grant allocation, Havering's RSG will have reduced by £15m by 2015/16. As part of the 2014/15 calculation, the Council Tax Support (CTS) grant which was introduced in 2013/14 has now been completely rolled up into the formula grant and has been scaled using the same methodology as the core grant.
- 4.4. The reduction in core RSG grant is predominantly due to the reductions placed on local authorities through the Autumn Statement in 2012 and the Spending Round in 2013. Due to the formula being locked in and the 2% increase in business rates, each authority's core RSG allocation is being scaled by 33%.
- 4.5. The amount of New Homes bonus removed from the formula grant has also been adjusted. Previously it was announced that £200m would be removed from the departmental control totals. Following the release of the provisional allocations in November, the total amount required is less than the amount to

be removed from the control totals. As a result, £100m was not needed therefore returned to the control totals mitigating the reduction in grant allocation in both 2014/15 and 2015/16.

4.6. Table 2 shows the list of grants which forms part of Havering's Settlement Funding Assessment. The most notable reduction is the decrease of Early Intervention funding by approximately 7.7% in 2014/15 and by a further 8.5% in 2015/16.

4.7. In addition, the 2013/14 council tax freeze grant has also been rolled into the settlement funding assessment and now potentially faces reductions. The 2011/12 grant allocation which is already part of the settlement funding allocation is beginning to be reduced slightly even without being fully integrated into the formula. This also excludes the 2012/13 allocation which has been removed completely.

Table 2. Analysis of grants incorporated into the Settlement Funding Assessment

	Settlement 2013/14 £000's	Settlement 2014/15 £000's	Settlement 2015/16 000's
Council Tax Freeze Funding 11/12	2,680	2,668	2,667
Council Tax Freeze Funding 13/14		1,098	1,098
Early Intervention Funding	6,646	6,131	5,607
Homelessness Prevention	400	394	394
Lead Local Flood Authorities Funding	132	130	130
Learning Development & Public Reform	7,822	7,896	7,893
Returned Capitalisation		81	
<b>Total</b>	<b>17,680</b>	<b>18,398</b>	<b>17,789</b>

4.8. The formula grant system has consistently penalised Havering since its inception. Compared to other authorities in London, Havering receives one of the lowest grant-per-head allocations despite being one of the largest boroughs in London with the highest proportion of elderly population. The indicators and data sets do not reflect the demographics pressures affecting the authority which has resulted in Havering having to increase its council tax to compensate. Appendix 2 shows the grant per head allocations for London, clearly showing the amount of funding Havering receives compared to other London authorities.

## 5. Business Rate Baseline – Havering

5.1 As announced in the Autumn Statement, business rates will be capped at 2% next year. As of yet, no decision has been made in relation to how the extension to the small business rate reliefs will be funded. Table 3 below shows how the 2% cap affects Havering's Business Rate Baseline and Top-up

Table 3 – Effects of the 2% cap in 2014/15 and estimated increase in Business Rate in 2015/16.

	Settlement 2013/14 £000's	Settlement 2014/15* £000's	Settlement 2015/16** £000's
Business Rate Baseline	30,189	30,777	31,627

Top-Up	9,033	9,208	9,462
Target Business Rates	21,156	21,569	22,165
Safety Net	27,925	28,468	29,254
Note :			
* 2014/15 - 2% cut			
** 2015/16 - estimated at 2.7%			

## 6. Pooling

6.1 In October 2013, Havering applied to enter into a pooling arrangement with Thurrock Borough Council, Basildon Borough Council and Barking & Dagenham. As part of the settlement announcement, this has been formally approved. As a result, Havering will be able to share in the growth generated by the pool as a whole.

6.2 Table 4 below shows the make-up of the authorities within the pool. As part of the process, the pool will be a tariff authority paying a 4% levy to central government. Thurrock will lead of the administration of the pool and will make the necessary transaction with DCLG.

Table 4 - 2014-15 Key Information for pools.

Local authorities within pool	Thurrock	Basildon	Havering	Barking and Dagenham	Total for pool
	£000's	£000's	£000's	£000's	£000's
Baseline funding level	29,574	5,077	30,777	51,386	116,815
Tariffs and Top-Ups	(23,224)	(25,467)	9,208	34,346	(5,137)
Levy Rate	0.44	0.50	0.00	0.00	0.04
Safety Net Threshold	27,356	4,696	28,468	47,532	108,054

## 7. Timeline for Response

7.1 The Government is consulting on the draft settlement figures and written representative must be sent by the 15<sup>th</sup> January 2014.



## PROVISIONAL GRANT SETTLEMENT 2013/14 & 2014/15 TRANSFERS

	Settlement 2013/14 £000	Settlement 2014/15 £000	Settlement 2015/16 £000
<b>Bal B/f</b>	<b>53,296</b>	<b>57,888</b>	<b>51,260</b>
<b><u>Transferred into formula</u></b>			
Council Tax Support Funding	13,548		
LACSEG	(4,978)		
Floor	(3,978)		
Scaling		<u>(6,628)</u>	<u>(8,296)</u>
	<b><u>57,888</u></b>	<b><u>51,260</u></b>	<b><u>42,964</u></b>
<b><u>Included as part of the Settlement Funding Allocation</u></b>			
Council Tax Freeze Funding 11/12	2,680	2,668	2,667
Council Tax Freeze Funding 13/14		1,098	1,098
Early Intervention Funding	6,646	6,131	5,607
Homelessness Prevention	400	394	394
Lead Local Flood Authorities Funding	132	130	130
Learning Development and Public Reform	7,822	7,896	7,893
Returned Capitalisation		81	
<b>Total Transfers</b>	<b>17,680</b>	<b>18,398</b>	<b>17,789</b>
<b><u>Provisional Grant</u></b>	<b>75,568</b>	<b>69,658</b>	<b>60,753</b>
Of which relates to business rates	30,189	30,777	31,627
Payment via Revenue Support Grant	45,378	38,881	29,126

## 2014/15 SETTLEMENT FUNDING PER HEAD OF POPULATION

<b>Authority</b>	<b>Grant Per Head £s</b>
City of London	4,364.91
Barking and Dagenham	611.48
Barnet	329.80
Bexley	315.63
Brent	559.11
Bromley	246.57
Camden	812.40
Croydon	402.97
Ealing	450.42
Enfield	468.91
Greenwich	645.29
Hackney	881.38
Hammersmith and Fulham	663.73
Haringey	632.34
Harrow	326.13
Havering	293.63
Hillingdon	343.37
Hounslow	385.40
Islington	812.38
Kensington and Chelsea	650.77
Kingston Upon Thames	271.89
Lambeth	723.15
Lewisham	675.73
Merton	359.33
Newham	709.56
Redbridge	378.66
Richmond Upon Thames	245.38
Southwark	788.96
Sutton	389.86
Tower Hamlets	856.22
Waltham Forest	536.47
Wandsworth	469.90
Westminster	805.64

## APPENDIX C

## SPECIFIC GRANTS (AS NOTIFIED 24 DECEMBER 2013)

Directorate	Service	Funding Body	Grant name	SPECIFIC RINGFEN CED 2013/14 £000's	SPECIFIC RINGFEN CED 2014/15 £000's	SPECIFIC UNRINGF ENCED GRANT 2013/14 £000'S	SPECIFIC UNRINGF ENCED GRANT 2014/15 £000'S	TOTAL RSG AND BUSINESS RATES 2013/14	TOTAL RSG AND BUSINESS RATES 2014/15
CHILDRE'N ADULTS AND HOUSING	ADULTS	DOH	NHS for Social Care Grant (Better Care Fund from 2015/16	0.00	0.00	3,599.51	4,609.38	0.00	
CHILDREN ADULTS AND HOUSING	ADULTS	DOH	New Burdens for Adult Social Care	0.00	0.00	0.00	1,194.25	0.00	
CHILDREN ADULTS AND HOUSING	ADULTS	DOH	Local Reform and Community Voices	0.00	0.00	176.14	181.64	0.00	
CHILDREN ADULTS AND HOUSING	ADULTS	DOH	Guaranteed Income Payments for Veterans Grant 2012/13	0.00	0.00	1.48	0.00	0.00	
CHILDREN ADULTS AND HOUSING	ADULTS	DOH	Learning Disability and Health Reform Grant	0.00	0.00	0.00	0.00	7,821.66	7,896.00
CHILDREN ADULTS AND HOUSING	CHILDRENS SERVICES	DFE	Social Work Improvement Team	158.62	0.00	0.00	0.00	0.00	
CHILDREN ADULTS AND HOUSING	CHILDRENS SERVICES	DCLG	Troubled Families	0.00	0.00	530.00	0.00	0.00	
CHILDREN ADULTS AND HOUSING	CHILDRENS SERVICES	DFE	Early Intervention Grant	0.00	0.00	0.00	0.00	6,646.10	6,131.00
CHILDREN ADULTS AND HOUSING	CHILDRENS SERVICES	YJB	Youth Offending Team	299.56	0.00	0.00	0.00	0.00	
CHILDREN ADULTS AND HOUSING	CHILDRENS SERVICES	DFE	Adoption Improvement Grant	104.75	0.00	390.89	0.00	0.00	
CHILDREN ADULTS AND HOUSING	CHILDRENS SERVICES	YJB	Children on Remand - New	0.00	0.00	74.23	0.00	0.00	
CHILDREN ADULTS AND HOUSING	CHILDRENS SERVICES	DFE	SEN Funding	0.00	0.00	75.00	0.00		
CHILDREN ADULTS AND HOUSING	BUSINESS AND PERFORMANCE	DOH	Zero based Review of Adult Social Care	0.00	0.00	59.06	0.00	0.00	
CHILDREN ADULTS AND HOUSING	HOMES AND HOUSING	DCLG	Homelessness Grant	0.00	0.00	0.00	0.00	400.00	394.00
CHILDREN ADULTS AND HOUSING	LEARNING AND ACHIEVEMENT	DFE	Dedicated Schools Grant	124,971.35	0.00	0.00	0.00	0.00	

Directorate	Service	Funding Body	Grant name	SPECIFIC RINGFEN CED 2013/14 £000's	SPECIFIC RINGFEN CED 2014/15 £000's	SPECIFIC UNRINGF ENCED GRANT 2013/14 £000'S	SPECIFIC UNRINGF ENCED GRANT 2014/15 £000'S	TOTAL RSG AND BUSINESS RATES 2013/14	TOTAL RSG AND BUSINESS RATES 2014/15
CHILDREN ADULTS AND HOUSING	LEARNING AND ACHIEVEMENT	DFE	Dedicated Schools Grant -New alloc for 2 year olds from 13/14	0.00	0.00	2,119.82	0.00	0.00	
CHILDREN ADULTS AND HOUSING	LEARNING AND ACHIEVEMENT	DFE	Education Services Grant	0.00	0.00	3,510.60	3,326.22	0.00	
CHILDREN ADULTS AND HOUSING	LEARNING AND ACHIEVEMENT	YPLA	YPLA Teachers Pay Grant	57.80	0.00	0.00	0.00	0.00	
CHILDREN ADULTS AND HOUSING	LEARNING AND ACHIEVEMENT	YPLA	YPLA Pupil Premium Grant	5,051.55	0.00	0.00	0.00	0.00	
CHILDREN ADULTS AND HOUSING	LEARNING AND ACHIEVEMENT	YPLA	LSC Havering College of Adult Education	181.77	0.00	0.00	0.00	0.00	
CHILDREN ADULTS AND HOUSING	LEARNING AND ACHIEVEMENT	YPLA	LSC Havering Adult Education Central Office(FLIF/TTG funding)	1,086.50	0.00	0.00	0.00	0.00	
CHILDREN ADULTS AND HOUSING	LEARNING AND ACHIEVEMENT	DCLG	Extended Rights to Free Travel	0.00	0.00	37.00	0.00	0.00	
CHILDREN ADULTS AND HOUSING	LEARNING AND ACHIEVEMENT	DFE	HIAS Development Projects	36.84	0.00	0.00	0.00	0.00	
CHILDREN ADULTS AND HOUSING	LEARNING AND ACHIEVEMENT	DFE	Schools	426.69	0.00				
				<b>132,375.42</b>	<b>0.00</b>	<b>10,573.73</b>	<b>9,311.48</b>	<b>14,867.76</b>	<b>14,421.00</b>
CULTURE COMMUNITY & ECONOMIC DEVELOPMENT	CULTURE AND LEISURE	ARTS COUNCIL	Havering Music School	276.06	0.00	0.00	0.00	0.00	
CULTURE COMMUNITY & ECONOMIC DEVELOPMENT	CUSTOMER SERVICES		Births Deaths and Marriages	7.07	0.00	0.00	0.00	0.00	
CULTURE COMMUNITY & ECONOMIC DEVELOPMENT	ECONOMIC DEVELOPMENT		Environmental Stewardship	25.67	0.00	0.00	0.00	0.00	
CULTURE COMMUNITY & ECONOMIC DEVELOPMENT	POLICY AND COMMUNITY MANAGER	MOPAC	Mayors Funding for DIP and Community Safety	0.00	0.00	213.40	0.00		
CULTURE COMMUNITY & ECONOMIC DEVELOPMENT	REGENERATION POLICY AND	DCLG	Community Rights to Bid	0.00	0.00	7.86	7.86	0.00	

Directorate	Service	Funding Body	Grant name	SPECIFIC RINGFEN CED 2013/14 £000's	SPECIFIC RINGFEN CED 2014/15 £000's	SPECIFIC UNRINGF ENCED GRANT 2013/14 £000'S	SPECIFIC UNRINGF ENCED GRANT 2014/15 £000'S	TOTAL RSG AND BUSINES S RATES 2013/14	TOTAL RSG AND BUSINES S RATES 2014/15
	PLANNING								
CULTURE COMMUNITY & ECONOMIC DEVELOPMENT	REGENERATION POLICY AND PLANNING	DCLG	Community Rights to challenge new burdens - New	0.00	0.00	8.57	8.57	0.00	
CULTURE COMMUNITY & ECONOMIC DEVELOPMENT	REGENERATION POLICY AND PLANNING	DCLG	Flood Funding	0.00	0.00	77.53	77.53	132.00	130.00
CULTURE COMMUNITY & ECONOMIC DEVELOPMENT	STREETCARE	DCLG	Waste Collection - Green Rewards	0.00	0.00	462.76	399.46	0.00	
CULTURE COMMUNITY & ECONOMIC DEVELOPMENT	STREETCARE	DCLG	Waste Collection Campaign	0.00	0.00	127.04	126.50	0.00	
				<b>308.80</b>	<b>0.00</b>	<b>897.16</b>	<b>619.92</b>	<b>132.00</b>	<b>130.00</b>
PUBLIC HEALTH	PUBLIC HEALTH	DOH	Healthy Lives for Healthy People - Public Health Funding	8,833	9,717	0.00	0.00	0.00	
				<b>8,833.40</b>	<b>9,716.74</b>	<b>0.00</b>	<b>0.00</b>	<b>0</b>	<b>-</b>
RESOURCES	EXCHEQUER SERVICES	DCLG	Localisation Support for CT.Transitional Grant Scheme	0.00	0.00	366.81	0.00	0.00	
RESOURCES	EXCHEQUER SERVICES	DWP	Rent Allowances	44,444.54	0.00	0.00	0.00	0.00	
RESOURCES	EXCHEQUER SERVICES	DWP	Disc Hsg Pay and App Imple	582.76	0.00	0.00	0.00	0.00	
RESOURCES	EXCHEQUER SERVICES	DWP	Rent Rebates	31,192.95	0.00	0.00	0.00	0.00	
RESOURCES	EXCHEQUER SERVICES	DWP	CT Support and HB Admin Grant	1,380.49	1,290.48	17.15	0.00	0.00	
RESOURCES	EXCHEQUER SERVICES	DWP	Housing Benefit Transitional Grant	0.00	0.00	91.06	0.00	0.00	
	EXCHEQUER SERVICES	DWP	Housing Benefit Welfare Reform Grant	0.00	0.00	20.76	0.00	0.00	

Directorate	Service	Funding Body	Grant name	SPECIFIC RINGFEN CED 2013/14 £000's	SPECIFIC RINGFEN CED 2014/15 £000's	SPECIFIC UNRINGF ENCED GRANT 2013/14 £000'S	SPECIFIC UNRINGF ENCED GRANT 2014/15 £000'S	TOTAL RSG AND BUSINESS RATES 2013/14	TOTAL RSG AND BUSINESS RATES 2014/15
RESOURCES	EXCHEQUER SERVICES	DWP	Recession Funding	68.31	0.00	0.00	0.00	0.00	
RESOURCES	EXCHEQUER SERVICES	DCLG	Implementation of new CT Scheme	0.00	0.00	123.06	119.93	0.00	
RESOURCES	LEGAL AND DEMOCRATIC SERVICES	DCLG	Electoral Registration	0.00	0.00	9.99	0.00	0.00	
RESOURCES	EXTERNAL FINANCE	DCLG	Council Tax Freeze Grant Year 1	0.00	0.00	0.00	0.00	2,680.19	2,669.00
RESOURCES	EXTERNAL FINANCE	DCLG	Council Tax Freeze Grant Year 2	0.00	0.00	0.00	0.00	0.00	
RESOURCES	EXTERNAL FINANCE	DCLG	Council Tax Freeze Grant Year 3	0.00	0.00	1,083.19	0.00	0.00	1,098.00
RESOURCES	EXTERNAL FINANCE	DCLG	Council Tax Freeze Grant Year 4	0.00	0.00	0.00	1,103.73	0.00	
RESOURCES	EXTERNAL FINANCE	DCLG	Council Tax Freeze Grant Year 5	0.00	0.00	0.00	0.00	0.00	
RESOURCES	EXTERNAL FINANCE	DCLG	Unallocated Grant: New Homes Bonus	0.00	0.00	2,053.24	3,520.49	0.00	
RESOURCES	FINANCE AND PROCUREMENT	DCLG	Social Housing Fraud	0.00	0.00	100.00	100.00	0.00	
RESOURCES	HUMAN RESOURCES	DOH	Supported Employment	2.98	0.00	0.00	0.00	0.00	
RESOURCES	EXCHEQUER SERVICES	DOH	Localisation of Social Fund - Admin	0.00	0.00	731.85	721.20	0.00	
				<b>77,672.02</b>	<b>1,290.48</b>	<b>4,597.09</b>	<b>5,565.35</b>	<b>2680.19</b>	<b>3,767.00</b>
			Returned Capitalisation Funding						
			<b>TOTAL EXCLUDING NHB AND RSG</b>	<b>219,189.64</b>	<b>11,007.22</b>	<b>16,067.98</b>	<b>15,496.75</b>	<b>17,679.95</b>	<b>18,318.00</b>
RESOURCES	EXCHEQUER SERVICES	DCLG	Council Tax Benefit	0.00	0.00	0.00	0.00	13,549.03	-
RESOURCES	RSG	DCLG	Revenue Support Grant	0.00	0.00	0.00	0.00	26,626.12	27,684.00

Directorate	Service	Funding Body	Grant name	SPECIFIC RINGFEN CED 2013/14 £000's	SPECIFIC RINGFEN CED 2014/15 £000's	SPECIFIC UNRINGF ENCED GRANT 2013/14 £000'S	SPECIFIC UNRINGF ENCED GRANT 2014/15 £000'S	TOTAL RSG AND BUSINES S RATES 2013/14	TOTAL RSG AND BUSINES S RATES 2014/15
RESOURCES	COLLECTION FUND	DCLG	Business Rates	0.00	0.00	0.00	0.00	17,714.15	23,576.00
RESOURCES	RETURNED CAPITALISATION FUNDING	DCLG	Returned Capitalisation Funding 14/15						
			<b>TOTAL INCLUDING NHB AND RSG</b>	<b>219,189.64</b>	<b>11,007.22</b>	<b>16,067.98</b>	<b>15,496.75</b>	<b>75,569.25</b>	<b>69,578.00</b>

## SCHEDULE OF REVENUE BUDGET ITEMS

Detail	Description	Head of Service Lead	2014/15
			£000's
<b>CULTURE, COMMUNITY &amp; ECONOMIC DEVELOPMENT</b>			
<b>Streetcare</b>	<b>Parking</b> income is not expected to reach the levels assumed in the budget and therefore this has to be assumed to be an ongoing budget pressure.	Bob Wenman	200
<b>Corporate &amp; Customer Transformation</b>	The Council has made a major investment in new technology to improve customer service and provide access to many services 24/7. The new portal, implemented in partnership with Waltham Forest, is now live albeit later than planned due to technical difficulties. This will greatly increase the level of automated customer transactions which will lead to further savings once embedded.	Caroline Woolf	200
<b>Regulatory</b>	Income from <b>building control</b> functions has reduced significantly over the last year or so, driven in particular by general economic conditions and the state of the housing market. This seems unlikely to be reversed and so represents a permanent budget pressure.	Patrick Keyes	300
<b>CHILDREN'S, ADULTS &amp; HOUSING</b>			
<b>Children's</b>	<b>Remand Framework</b> shortfall of funding given the additional pressure on the services in this area	Kathy Bundred	250
<b>Children's Learning &amp; Achievement</b>	<b>Impact of Children &amp; Families Bill on Special Educational Needs,</b> as set out in paragraphs 5.52 to 5.62	Kathy Bundred Mary Pattinson	TBC
<b>RESOURCES</b>			
<b>Exchequer Services</b>	<b>HB/CTS Admin Grant</b> reduction in allocation from central government	Jeff Potter	158



<b>Legal &amp; Democratic Services</b>	<b>Electoral Registration</b> increased costs due to additional legislative requirements	Ian Burns	35
<b>Corporate</b>	<b>Utilities</b> contractual increase in price	Corporate	70
<b>OVERALL TOTAL</b>			1,213

## CAPITAL PROGRAMME 2014/15

Core Havering Programme	2014/15
	£'000
Parks, Libraries, Leisure & Cemeteries	1,000
Street Environment	2,000
Protection of Assets and Health and Safety	500
Regeneration	100
Disabled Facilities Grant (Council element only)	300
<b>Total</b>	<b>3,900</b>
Disabled Facilities Grant (grant funded element - estimated)	655
<b>Total</b>	<b>4,555</b>

Note 1 : the detailed schemes included within this sum are set out on the following pages.

Note 2 : the DFG grant funded element is as advised by DCLG on 2 January 2014.

Capital Scheme Name	Scheme Description	Third Tier Manager	Forward Programme Block	Amount £	2014/15	Funding Sources		
						Capital Receipts £	Grants & S106 £	Other External £
<b>2014/15 Core Programme</b>								
Crematorium Asset Renewal	Implementation of Priority Condition Survey Work / Chapel of Meditation Renovation/ Programmed Renewal of Cremators (and associated ductwork)	Louise Edmonds	Parks, Libraries, Leisure & Cemeteries £415k	210,000	210,000	210,000		
Bereavement Services Premises Renewal	Implementation of Priority Condition Survey Work (Buildings, Paths, Boundary Walls Programmed Renewal)	Louise Edmonds	Parks, Libraries, Leisure & Cemeteries £415k	45,000	45,000	45,000		
Cemetery Asset Renewal	Implementation of Priority Condition Survey Work/Romford Chapel Stonework Renovation	Louise Edmonds	Parks, Libraries, Leisure & Cemeteries £415k	165,000	165,000	165,000		
Crematorium Improvements	Vase Blocks Front Garden as Show Garden)/Electronic Book of Remembrance	Louise Edmonds	Parks, Libraries, Leisure & Cemeteries £415k	55,000	55,000	55,000		
Cemetery Improvements	Conversion of Romford Chapel to Hall of Remembrance and Visitor facility	Louise Edmonds	Parks, Libraries, Leisure & Cemeteries £415k	25,000	25,000	25,000		
				<b>500,000</b>	<b>500,000</b>	<b>500,000</b>		

Capital Scheme Name	Scheme Description	Third Tier Manager	Forward Programme Block	Amount £	2014/15	Funding Sources		
						Capital Receipts £	Grants & S106 £	Other External £
<b>2014/15 Core Programme</b>								
Parklands Bridge	Restoration of Parklands Bridge	Martin Stanton	Parks Libraries Leisure and Cemeteries	80,000	80,000	80,000		
Playground Replacement / repairs	Replacement and repairs to equipment in playgrounds	Martin Stanton	Parks Libraries Leisure and Cemeteries	60,000	60,000	60,000		
Allotment investment	Urgent works required on allotment sites	Martin Stanton	Parks Libraries Leisure and Cemeteries	15,000	15,000	15,000		
Heritage buildings	Restoration and upkeep of historic buildings	Martin Stanton	Parks Libraries Leisure and Cemeteries	30,000	30,000	30,000		
Public Rights of Way and Countryside	Fencing and path works	Martin Stanton	Parks Libraries Leisure and Cemeteries	10,000	10,000	10,000		
Depots H&S investment	Urgent works to deal with Health and Safety issues at the depots	Martin Stanton	Parks Libraries Leisure and Cemeteries	10,000	10,000	10,000		
Langtons Gardens restoration match funding	HLF Bid match funding to restore Langtons Gardens	Martin Stanton	Parks Libraries Leisure and Cemeteries	50,000	50,000	50,000		
Customer access points	Install customer access points in Libraries	Martin Stanton	Parks Libraries Leisure and Cemeteries	35,000	35,000	35,000		
Libraries redecoration programme	Urgent redecoration and carpet replacement works in Libraries	Ann Rennie	Parks Libraries Leisure and Cemeteries	20,000	20,000	20,000		
Book fund investment	Book purchase for the new libraries in Rainham and Harold Hill	Ann Rennie	Parks Libraries Leisure and Cemeteries	40,000	40,000	40,000		
Public realm improvements	Installation of public realm culture improvements	Ann Rennie	Parks Libraries Leisure and Cemeteries	20,000	20,000	20,000		
Hornchurch Arts	Signage for the Arts Offer	Guy Selfe	Parks Libraries Leisure and Cemeteries	10,000	10,000	10,000		
Queen's Theatre	Essential repair and maintenance works at the Queen's Theatre	Guy Selfe	Parks Libraries Leisure and Cemeteries	20,000	20,000	20,000		
Parks Investment	Improving the quality of the environment in parks across the Council	Guy Selfe	Parks Libraries Leisure and Cemeteries	70,000	70,000	70,000		
Hornchurch Athletics Stadium Floodlights	Sinking fund for the floodlights replacement at Hornchurch Athletics Stadium			30,000	30,000	30,000		
				<b>500,000</b>	<b>500,000</b>	<b>500,000</b>		

Capital Scheme Name	Scheme Description	Third Tier Manager	Forward Programme Block	Amount		Funding Sources		
				£	2014/15	Capital Receipts £	Grants & S106 £	Other External £
Proposed capital schemes, subject to change								
<b>Highways</b>								
Footways	Various highway footway improvement schemes	Chris Layton		500,000	500,000	500,000		
Footway Slurry seal Programme	Various highway footway improvement schemes	Chris Layton		200,000	200,000	200,000		
Carriageways	Various highway carriageway improvement schemes	Chris Layton		600,000	600,000	600,000		
Anti-Skid	Anti skid surface areas in connection with above works	Chris Layton		25,000	25,000	25,000		
<b>Street Lighting</b>								
Street Lighting	Street Lighting replacement programme	Chris Layton		250,000	250,000	250,000		
Center Island Bollards	Center Island bollard conversion / removals	Chris Layton		25,000	25,000	25,000		
Lamp Column painting	Large scale painting programme on main routes	Chris Layton		20,000	20,000	20,000		
<b>Other</b>								
Gidea Park station scheme, Phase 3	Station & shopping area improvement scheme part funded by TFL	Chris Layton		70,000	70,000	70,000		
Small scale shopping centre scheme, TBA	Small scale shopping area improvements	Chris Layton		25,000	25,000	25,000		
large scale shopping centre scheme, TBA	Local area improvement scheme	Chris Layton		75,000	75,000	75,000		
Subway enhancements	Completion of 2 year subway enhancement programme around town centre	Chris Layton				0		
Tree pit upgrades, remove grates & trip hazards	Removal of metal grates and replacement with resin bonded non trip materials	Chris Layton		20,000	20,000	20,000		
Litter Bins	Purchase of replacement & or additional litter bins	Paul Ellis		25,000	25,000	25,000		
<b>Parking</b>								
Car parks, bays white lining	Re lining of car parking bays	David Pritchard		15,000	15,000	15,000		
Car parks, small scale improvements	Shrub beds, litter bins and fencing	David Pritchard		20,000	20,000	20,000		
<b>Waste</b>								
Waste enforcement initiatives	Increased waste enforcements initiatives that contribute towards containment of tonnage from illegal fly tipping	Paul Ellis		20,000	20,000	20,000		
<b>Environmental Maintenance</b>								
Dangerous Tree Replacement Programme	Removal of dangerous trees arising from storm damage, disease and or accidents	Paul Ellis		50,000	50,000	50,000		
Shrub Bed Replacement schemes	Removal of high maintenance shrub beds that cause sight line problems	Paul Ellis		60,000	60,000	60,000		
				<b>2,000,000</b>	<b>2,000,000</b>	<b>2,000,000</b>		

Capital Scheme Name	Scheme Description	Third Tier Manager	Forward Programme Block	Amount		Funding Sources		
				£	2014/15	Capital Receipts £	Grants & S106 £	Other External £
<b>2014/15</b>								
Corporate buildings	Fire risk assessment works	Sue Wilks	Protection of Assets and Health and Safety £500k	75,000	75,000	75,000		
Corporate buildings	Legionella	Sue Wilks	Protection of Assets and Health and Safety £500k	75,000	75,000	75,000		
Corporate buildings	Operational buildings issues	Sue Wilks	Protection of Assets and Health and Safety £500k	100,000	100,000	100,000		
Corporate buildings	Corporate landlord works	Andy Skeggs	Protection of Assets and Health and Safety £500k	100,000	100,000	100,000		
Corporate buildings	Actions arising from condition surveys	Andy Skeggs	Protection of Assets and Health and Safety £500k	150,000	150,000	150,000		
<b>Totals</b>				<b>500,000</b>	<b>500,000</b>	<b>500,000</b>		

Capital Scheme Name	Scheme Description	Third Tier Manager	Forward Programme Block	Amount		Funding Sources		
				£	2014/15	Capital Receipts £	Grants & S106 £	Other External £
<b>2014/15 Core Programme</b>								
Town Centre Regeneration	Local improvement projects to support town centre and neighbourhood initiatives in Elm Park and Collier Row, including match for external funding	Nigel Young	Regeneration 100k	100,000	100,000	100,000		

Capital Scheme Name	Scheme Description	Third Tier Manager	Forward Programme Block	Amount			Funding Sources		
				£	2014/15	2015/16	2016/17 and beyond	Capital Receipts £	Grants & S106 £
<b>2014/15 Core Programme</b>									
Disabled Facilities Grant	Disabled Facilities Grant - 2014/15	Jonathan Geall		955,000	955,000			300,000	655,000

DRAFT EDUCATION CAPITAL PROGRAMME 2014/15 AND 2015/16

Capital Scheme Name	Scheme Description	Amount £			Funding Sources		
			2014/15	2015/16 and beyond	Capital Receipts £	Grants & S106 £	Other External £
Primary Expansion	Phase 2 primary expansion	14,626,076	7,313,038	7,313,038		14,626,076	
<b>Funded by:</b>							
	Basic Need Grant - 15/16 Allocation					14,624,076	
School Kitchen Works	Block allocation to fund works in school kitchens required to deliver the increased offer of Free School Meals - Maintained Schools	536,417	536,417			536,417	
School Kitchen Works	Block allocation to fund works in school kitchens required to deliver the increased offer of Free School Meals - Voluntary Aided Schools	106,325	106,325			106,325	
		<b>642,741</b>	<b>642,741</b>			<b>642,741</b>	
<b>Funded by:</b>							
	Universal infant free school meals capital 2014-15					<b>642,742</b>	

Nursery Expansion Programme	Expansion of Nursery Education in Suttons/Mawney/Hacton (as part of PSPB Programme)	422,000	422,000			422,000	
<b>Funded by:</b>							
Nursery Education grant						422,000	
Various Schools/ PRU's/ Children's Centres	Emergency Repairs	450,000	450,000			450,000	
Various Schools *	Urgent / Unplanned Hygiene Water Works Programme	175,000	175,000			175,000	
Various Schools *	Education Capital Projects - Asbestos Removal	400,000	400,000			400,000	
Various Schools	DDA works	100,000	100,000			100,000	
Crownfield	Replace Gas Fired Boiler (KS2 Building)	120,000	120,000			120,000	
Scotts Primary	Replace Gas Fired Boiler	150,000	150,000			150,000	
Clockhouse Primary	Replace Gas Fired Boiler (KS2 Building)	140,000	140,000			140,000	
Mead Primary Inf & Junior Buildings	Replace Gas Fired Boiler	200,000	200,000			200,000	
Engayne	Replace Gas Fired Boiler	120,000	120,000			120,000	
Newtons	Upgrade Electrical Distribution	150,000	150,000			150,000	
Towers Infants	Upgrade Electrical Distribution	200,000	200,000			200,000	
Harold Court Primary	Replace Windows and Doors	150,000	150,000			150,000	

Newtons	Upgrade Electrical Distribution	30,000	30,000			30,000	
Corbets Tey School *	Roof replacement main block	120,000	120,000			120,000	
Engayne Primary *	Roof Covering Replacement	40,000	40,000			40,000	
The James Oglethorpe *	Roof Covering Replacement	145,000	145,000			145,000	
Ravensbourne	Replace Roof Covering	150,000	150,000			150,000	
Whybridge Junior School *	Window replacement	50,000	50,000			50,000	
Gaynes	Window replacement	110,000	110,000			110,000	
Whybridge Inf	Replace Pipework & Heat Emitters	200,000	200,000			200,000	
		3,200,000	3,200,000	-	-	3,200,000	
<b>Funded By</b>							
Estimated School Maintenance Grant 14/15						3,200,000	

CAPITAL PROGRAMME  
GRANT FUNDED AREAS

PROGRAMME AREA	£
TFL Programme for 2014/15 (announced on 20 <sup>th</sup> December):	
Annual Spending Submission for Corridors, Neighbourhoods, and Supporting Measures	2,189,000
Schemes for the Local Transport Funding "pot"	100,000
Romford Major Scheme (Victoria Road and The Battis)	200,000
Principal Road Maintenance schemes	567,000
Note : details still awaited for the Borough Cycling and Bridge Strengthening and Assessment Programmes	
Adults PSS Community Capacity Grant 2014/15 (estimated)	552,000
Early Years Capital Grant (estimated)	500,000
Aiming High - Additional Needs for Disabled children (estimated)	170,000



CORPORATE PLAN REFRESH

“PLAN ON A PAGE”