LONDON BOROUGH OF BRENT EXECUTIVE – 16TH FEBRUARY 2009 2009/10 BUDGET AND COUNCIL TAX

	EXECUTIVE SUMMARY	1		
1.	INTRODUCTION	10		
	Purpose and Contents of Report	10		
2.	RECOMMENDATIONS	12		
3.	THE BUDGET MAKING PROCESS			
	Introduction	17		
	Links to the Corporate Strategy and Service Planning Process	19		
	Links to the Medium Term Financial Strategy			
	Underlying Budget Assumptions used in the 2009/10 Budget Process			
	The Process for Developing the Proposals	22		
	Involvement of the Public and Other Stakeholders	23		
4.	THE PROBABLE OUTTURN 2008/09			
	Introduction	25		
	The 2007/08 Final Position			
	The 2008/09 Budget Forecasts			
	Children and Families			
	Environment and Culture			
	Housing and Community Care			
	Finance and Corporate Resources/Central Units			
	Central Items			
	General Fund Balances Carried Forward			
5.	THE 2009/10 REVENUE BUDGET REQUIREMENT	30		
	Introduction	30		
	2009/10 Service Area Budgets			
	Central Items			
	Performance and Activity Levels	42		
	Risks			
	Balances			
	Overall Budget Requirement			
6.	RESOURCES			
	Introduction	50		
	External Support	50		
	The Capping Rules	53		

	The Collection Fund	54		
	The Council Tax Base	54		
	Calculating the Council Tax Level	54		
	Greater London Authority (GLA)	55		
	Setting the Tax	57		
	Council Tax and NNDR Instalment Dates and Recovery Policy for Council Tax	57		
7.	THE FUTURE - MEDIUM TERM FORECAST			
	Introduction	59		
	Medium Term Financial Strategy	60		
	Resource Envelope	61		
	Managing the budget within the Resource Envelope	61		
	The 30 Year Plan	65		
8.	SCHOOLS BUDGET			
	Introduction	66		
	The Probable Outturn 2008/09	66		
	Schools Budget Funding in Brent	66		
	Schools Budget Risks	68		
	Schools Budget Medium Term Financial Plan	68		
9.	HOUSING REVENUE ACCOUNT			
	Introduction			
	The Probable Outturn 2008/09	70		
	The 2009/10 Budget	70		
	HRA Risks			
	HRA Medium Term Financial Plan	72		
10.	THE CAPITAL PROGRAMME 2008/09 to 2012/13			
	Introduction			
	The 2008/09 Capital Programme	76		
	2009/10 to 2012/13 Capital Programme	77		
	Capital Programme Risks	82		
11.	TREASURY MANAGEMENT STRATEGY AND ANNUAL INVESTMENT STRATEGY 2009/10			
	Introduction			
	Regulatory Requirements			
	Economic Background			
	Financial Market Background	92		
	Lending Policy			
	Borrowing Policy			

ii

	Debt F	Restruc	turing	98		
	agement	99				
12.	SETTING PRUDENTIAL INDICATORS FOR 2009/10					
	Introduction					
	Affordability					
	Prude	nce an	d Sustainability	102		
	Achieving Value for Money					
	Proper Stewardship of Assets					
	Practicality					
	Monitoring and Reporting on Prudential Indicators					
13.	VALUE FOR MONEY					
14.	PROCEDURES REQUIRED TO CONTROL EXPENDITURE					
	Introd	uction		111		
	Roles and Responsibilities					
	Monitoring the Budget					
	Virements, Transfers and In-Year Changes to Policy					
	Controlling the Budget					
	Financial Implications					
LIST		PENDI	CES	117		
Appendix A			2008/09 Latest Revenue Budget Compared with Forecast Outturn	118		
Appendix B			2009/10 Revenue Budget	119		
Apper	ndix C		Service Area Budget Summary	120		
Apper	ndix D	(i)	Analysis of Growth due to Demand, Price and Loss of Income	121		
		(ii)	Analysis of Savings Items Within Service Area Budgets	125		
		(iii)	Analysis of Adjustments to Service Area Budgets 2009/10	138		
		(iv)	Area Based Grants/Specific Grants	140		
Apper	ndix E	(i)	Extract from Minutes - Council Meeting 24 th November 2008: <i>"First Reading Debate on 2009/10 Budget"</i>	142		
		(ii)	First Interim Budget Panel Report	146		
Appendix F			Central Items	157		
Appendix G			A Guide to the Local Government Finance Settlement	174		
Apper		(i)	Council Tax Property Valuation Bands	190		
		(ii)	Council Tax and NNDR Instalment Dates and Collection Policy	191		

Appendix I		Financial Forecast 2010/11 - 2012/13	198
	(i)		200
Appendix J	(i) (ii)	Addressing Corporate Strategy Priorities	200
	(ii)	Planned performance and activity levels to be used in Performance and Finance Review reports (To be	_
		available in Full Council report)	
Appendix K	(i)	Dedicated Schools Budget 2009/10	209
	(ii)	Minutes of Schools Forum – 9 th December 2008	211
Appendix L		Housing Revenue Account Objective/Subjective Analysis	217
Appendix M	(i)	Capital Programme 2008/09 Projected Outturn (Summary)	219
	(ii)	Capital Programme 2008/09 Projected Outturn (Detailed)	221
	(ii)a	Changes to the 2008/09 Capital Programme occurring since the PFR Quarter 2 Monitoring Report	228
	(iii)	Proposed 2009/10 to 2012/13 Capital Programme (Summary)	231
	(iv)	Proposed 2009/10 to 2012/13 Capital Programme (Detailed)	233
	(v)	Capital Programme Key Activities and Outcomes	240
	(vi)	Proposed Capital Disposals	243
Appendix N	(i)	Annual Investment Strategy 2009/10	244
	(ii)	Local Government Investments – Specified	247
	(iii)	Local Government Investments – Non-specified	249
Appendix O		Advice from the Borough Solicitor	252
Appendix P		Scheme of Virements and Transfers Under Standing Order 17(a)	259
Appendix Q	(i)	Annual Efficiency Savings	268
	(ii)	NI179 Forecast – Annual Efficiency Indicator for 2008/09	
Appendix R		Background Information	269
Annex to Section 5		Job description and Person Specification – Assistant Director (Finance and Resources) Housing and Community Care	