

# FINANCE & RESOURCES

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**FINANCE & RESOURCES  
DEPARTMENT MISSION STATEMENT**

**DEPARTMENT OVERVIEW**

To deliver a recognised excellent and cost effective finance, property and facilities, project management and procurement service which leads and adds value to the Council's key strategies and objectives and which in turn meets the needs of our residents, businesses and visitors.

At the very heart of our Department are our core values of:

- 1.To actively promote and deliver a safer borough.
- 2.To continuously improve the performance of our services to meet our customers and stakeholders changing expectations.
- 3.To lead and support the delivery of the Council's strategic projects and regeneration programmes.
- 4.To actively promote and deliver an improved environment.
- 5.To set and manage a clear strategic financial direction of the Council.
- 6.To maintain and strengthen the governance framework of the Council.
- 7.To develop and improve our value culture within our Department.

**KEY SERVICE TARGETS / PRIORITIES FOR 2007/8**

1. To increase customer satisfaction across all services;
2. To further embed the efficiency culture within the organisation and deliver VFM opportunities across the Council through continued transformation;
3. To further embed the performance culture within the organisation;
4. To maintain and improve our Use of Resources and Benefit assessments results;
5. To finalise the establishment of an Urban Regeneration Vehicle for the borough; and
6. To identify and deliver a shared service approach for back office functions across the South London Partnership.

**KEY VOLUME INDICATORS**

DESCRIPTION	ACTUAL 2006/7	ORIGINAL 2007/8	FORECAST 2007/8	FORECAST 2008/9	% CHANGE
Debts Raised	27,000	17,000	29,000	<b>17,000</b>	(41)
Audit Days Delivered	1,704	1,703	1,704	<b>1,739</b>	2
Insurance Claims received.	755	720	755	<b>755</b>	-
No of Benefit Claimants	32,500	33,500	33,500	<b>33,750</b>	1
Council Tax Dwellings	140,205	140,425	140,425	<b>142,193</b>	1
Housing Benefit : number of days to assess new claim	27	26	25	<b>22</b>	(12)
Average sick days per FTE	6.1	5	5 days	<b>5</b>	

**FINANCIAL PERFORMANCE**

DESCRIPTION	ACTUAL 2006/7 £000	ORIGINAL 2007/8 £000	FORECAST 2007/8 £000	BUDGET 2008/9 £000	% CHANGE
Employees	14,541	14,654	15,414	<b>16,142</b>	5
Premises related expenditure	7,833	7,198	7,197	<b>7,234</b>	1
Supplies and Services	3,190	4,815	5,147	<b>4,335</b>	(16)
Third Party Payments	5,194	4,562	4,350	<b>4,313</b>	(1)
Transfer Payments	171,833	146,009	146,009	<b>146,009</b>	-
Transport related expenditure	83	104	103	<b>107</b>	4
Capital Charges	606	127	128	<b>164</b>	28
Deferred/Intangible Charges	602	1,236	1,236	-	(100)
Corporate support services bought in	(12,555)	(15,924)	(15,924)	<b>(12,627)</b>	(21)
Recharges (to) / from other services	(1,798)	(1,469)	(1,470)	<b>(1,510)</b>	3
<b>TOTAL EXPENDITURE</b>	<b>189,531</b>	<b>161,312</b>	<b>162,190</b>	<b>164,166</b>	<b>1</b>
Government Grants	(171,415)	(147,675)	(147,725)	<b>(147,675)</b>	(0)
Other Grants, reimbursements and contributions	(6,347)	(4,334)	(4,885)	<b>(4,526)</b>	(7)
Fees and Charges	(2,125)	(1,097)	(1,150)	<b>(1,406)</b>	22
Other Customer and Client Receipts	(2,443)	(3,590)	(3,616)	<b>(3,549)</b>	(2)
Interest Receivable	(117)	(132)	(132)	<b>(134)</b>	2
<b>TOTAL INCOME</b>	<b>(182,448)</b>	<b>(156,828)</b>	<b>(157,507)</b>	<b>(157,290)</b>	<b>(0)</b>

<b>NET EXPENDITURE</b>	<b>7,083</b>	<b>4,484</b>	<b>4,683</b>	<b>6,876</b>	<b>47</b>
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Contributions to / (from) Reserves	6,372	-	-	-	n/a
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<b>CURRENT BUDGET</b>	<b>14,853</b>		<b>4,689</b>		
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<b>TOTAL VARIANCE FROM BUDGET- Over/(Under)</b>	<b>(1,397)</b>		<b>(6)</b>		
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**TOP FIVE FINANCIAL RISKS 2008/9**

- 1) Capital receipt generation (£3.0m)
- 2) Delivery of savings for 2008/09 (£2.11m)
- 3) Corporate Procurement Savings for 2008/09 (£200k)
- 4) Overall Collection (£431m) including Council Tax Collection and NNDR £200m, Housing Benefit Subsidy £180m, Debtors £50m and Land Charges Income £1.3m

## CABINET MEMBERS

Councillor Gavin Barwell, Cabinet Member for Resources & Customer Services
Councillor Dudley Mead, Cabinet Member for Housing & Deputy Leader (Finance)

## DEPARTMENT MANAGEMENT TEAM

NAME	TITLE	TEL. EX.
Nathan Elvery	Director of Finance & Resources	62822
Sarah Ireland	Divisional Director - Governance and Business Development	62070
Marion Kelly	Divisional Director - Corporate Financial Services	61848
Graham Cadle	Divisional Director - Financial Customer Services	63295
Nigel Cook	Divisional Director - Treasury and Pensions	62552
Anthony Middleton	Divisional Director - Regeneration and Asset Management	62187

## MOVEMENT IN SERVICE NET EXPENDITURE

FORECAST 2007/8 £000's	SERVICE	ORIGINAL BUDGET 2007/8 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2008/9 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	Other (C) £000's		
199	Corporate Financial Services	(268)	50	148	(70)	(74)
4,622	Financial Customer Services	5,953	118	325	6,396	7
(72)	Governance and Business Development	(248)	62	324	138	(156)
(170)	Regeneration and Asset Management	(842)	37	1,303	499	(159)
104	Treasury and Pensions	(112)	(2)	26	(87)	(22)
4,683	<b>TOTAL NET SPEND</b>	4,484	265	2,127	6,876	53

## STAFF ESTABLISHMENT NUMBERS

SERVICE	ORIGINAL BUDGET 2007/8 FTE STAFF	ORIGINAL BUDGET 2008/9 FTE STAFF	CHANGE IN FTE STAFF
Corporate Financial Services	25.0	39.0	14.0
Financial Customer Services	206.7	238.1	31.4
Governance and Business Development	45.6	48.3	2.7
Regeneration and Asset Management	67.5	57.6	(9.9)
Treasury and Pensions	43.9	21.0	(22.9)
<b>TOTAL FTE STAFF</b>	388.7	404.0	15.3

## SUBJECTIVE SUMMARY

FORECAST 2007/8 £000's	DESCRIPTION	ORIGINAL BUDGET 2007/8 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2008/9 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
15,414	Employees	14,654	358	1,129	<b>16,142</b>	10
7,197	Premises related expenditure	7,198	-	36	<b>7,234</b>	1
5,147	Supplies and Services	4,815	-	(480)	<b>4,335</b>	(10)
4,350	Third Party Payments	4,562	73	(322)	<b>4,313</b>	(5)
146,009	Transfer Payments	146,009	-	-	<b>146,009</b>	0
103	Transport related expenditure	104	-	3	<b>107</b>	3
178	Recharges from other Departments	178	-	32	<b>210</b>	18
<b>178,398</b>	<b>TOTAL EXPENDITURE</b>	<b>177,520</b>	<b>431</b>	<b>398</b>	<b>178,349</b>	<b>0</b>
(147,725)	Government Grants	(147,675)	-	-	(147,675)	0
(4,885)	Other Grants, reimbursements and contributions	(4,334)	(69)	(123)	(4,526)	4
(1,150)	Fees and Charges	(1,097)	(21)	(288)	(1,406)	28
(3,616)	Other Customer and Client Receipts	(3,590)	(73)	114	(3,549)	(1)
(132)	Interest Receivable	(132)	(3)	1	(134)	2
(1,648)	Recharges to other Departments	(1,647)	-	(73)	(1,720)	4
<b>(159,155)</b>	<b>TOTAL INCOME</b>	<b>(158,475)</b>	<b>(166)</b>	<b>(369)</b>	<b>(159,010)</b>	<b>0</b>

<b>19,243</b>	<b>NET CONTROLLABLE COST</b>	<b>19,044</b>	<b>265</b>	<b>29</b>	<b>19,339</b>	<b>2</b>
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128	Capital Charges	127	-	36	<b>164</b>	29
1,236	Deferred/Intangible Charges	1,236	-	(1,236)	-	(100)
(15,924)	Corporate support services bought in	(15,924)	-	3,297	(12,627)	(21)
<b>(14,560)</b>	<b>TOTAL UNCONTROLLABLE COST</b>	<b>(14,561)</b>	<b>-</b>	<b>2,097</b>	<b>(12,463)</b>	<b>(14)</b>

<b>4,683</b>	<b>NET COST OF SERVICE</b>	<b>4,484</b>	<b>265</b>	<b>2,127</b>	<b>6,876</b>	<b>53</b>
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-	Contributions to / (from) Earmarked Reserves	-	-	-	-	n/a
-	Contributions to / (from) Capital Reserves:	-	-	-	-	n/a
-	Financing of Capital Expenditure	-	-	-	-	n/a
-	Provision for Repayment of External Loans	-	-	-	-	n/a
-	Contribution to / (from) General Balances	-	-	-	-	n/a
-	<b>TOTAL APPROPRIATIONS</b>	-	-	-	-	n/a

<b>4,683</b>	<b>TOTAL NET EXPENDITURE</b>	<b>4,484</b>	<b>265</b>	<b>2,127</b>	<b>6,876</b>	<b>53</b>
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## \* OTHER VARIATIONS IN LEVEL OF EXPENDITURE

		£000's
Strategic budget - agreed pressures / service demands		595
Strategic budget - agreed additional income / savings		(1,203)
		(608)
Other resource changes		2,735
<b>TOTAL OTHER VARIATIONS IN RESOURCE</b>		<b>2,127</b>

**SERVICE DESCRIPTION**

The Finance Department is a key foundation to ensuring that the Council delivers effective and efficient services. This is underpinned by the Director of Finance & Resources responsibility for the financial administration of the Council and duty to ensure the security of the Council's finances and effective use of resources. The Finance Department's key objectives are:

1. Corporate Finance

- Provision of financial advice for strategic planning and policy-making to ensure efficient and effective use of resources
- Setting and delivering long-term financial plans and targets for Council services
- Ensuring the robustness of the Council's annual budget
- Preparation of statutory and other accounts, and associated grant claims
- Maintaining strong financial management underpinned by effective financial controls
- Developing and enabling the Council's financial systems to best meet business needs

**MOVEMENT IN NET EXPENDITURE**

	ORIGINAL BUDGET 2007/8 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2008/9 (D) £000's	% CHANGE (E) %
		Inflation (B) £000's	Other (C) £000's		
Financial Planning and Analysis	(267)	27	182	(58)	(78)
Accountancy And Funding	(1)	14	(16)	(3)	417
Financial Systems Team	-	9	(18)	(9)	n/a
<b>TOTAL NET SPEND</b>	<b>(268)</b>	<b>50</b>	<b>148</b>	<b>(70)</b>	<b>(74)</b>

**STAFF ESTABLISHMENT NUMBERS**

	ORIGINAL BUDGET 2007/8 FTE STAFF	ORIGINAL BUDGET 2008/9 FTE STAFF	CHANGE IN FTE STAFF
Financial Planning and Analysis	16.0	22.6	6.6
Accountancy And Funding	9.0	9.0	-
Financial Systems Team	-	7.4	7.4
<b>TOTAL FTE STAFF</b>	<b>25.0</b>	<b>39.0</b>	<b>14.0</b>

## SUBJECTIVE SUMMARY

FORECAST 2007/8 £000's	DESCRIPTION	ORIGINAL BUDGET 2007/8 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2008/9 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
2,015	Employees	1,339	50	736	2,125	59
-	Premises related expenditure	-	-	-	-	n/a
118	Supplies and Services	(191)	-	446	256	(234)
-	Third Party Payments	-	-	-	-	n/a
-	Transfer Payments	-	-	-	-	n/a
-	Transport related expenditure	0	-	-	-	(100)
-	Recharges from other departments	-	-	-	-	n/a
2,133	<b>TOTAL EXPENDITURE</b>	1,149	50	1,182	2,381	107
-	Government Grants	-	-	-	-	n/a
-	Other Grants, reimbursements and contributions	-	-	-	-	n/a
-	Fees and Charges	-	-	-	-	n/a
-	Other Customer and Client Receipts	-	-	-	-	n/a
-	Interest Receivable	-	-	-	-	n/a
-	Recharges to other departments	-	-	-	-	n/a
-	<b>TOTAL INCOME</b>	-	-	-	-	n/a

2,133	<b>NET CONTROLLABLE COST</b>	1,149	50	1,182	2,381	107
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-	Capital Charges	-	-	-	-	n/a
-	Deferred/Intangible Charges	-	-	-	-	n/a
(1,934)	Corporate support services bought in	(1,417)	-	(1,034)	(2,451)	73
(1,934)	<b>TOTAL UNCONTROLLABLE COST</b>	(1,417)	-	(1,034)	(2,451)	73

199	<b>NET COST OF SERVICE</b>	(268)	50	148	(70)	(74)
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-	Contributions to / (from) Earmarked Reserves	-	-	-	-	n/a
-	Contributions to / (from) Capital Reserves:	-	-	-	-	n/a
-	Financing of Capital Expenditure	-	-	-	-	n/a
-	Provision for Repayment of External Loans	-	-	-	-	n/a
-	Contribution to / (from) General Balances	-	-	-	-	n/a
-	<b>TOTAL APPROPRIATIONS</b>	-	-	-	-	n/a

199	<b>TOTAL NET EXPENDITURE</b>	(268)	50	148	(70)	(74)
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## \* OTHER VARIATIONS IN LEVEL OF EXPENDITURE

				£000's
<u>Strategic budget - agreed pressures / service demands</u>				
Market supplement impact				95
				95
<u>Strategic budget - agreed additional income / savings</u>				
				-
<u>Other resource changes</u>				
Divisional Reorganisation				
	- transfer of agency savings to Governance and Business Devt	FR3.2		250
	- transfer of PCS Accountancy Team	PC4.2		385
Various minor adjustments				(26)
Increased support services recharges to other departments				(556)
				53
<b>TOTAL OTHER VARIATIONS IN RESOURCE</b>				<b>148</b>

## SERVICE DESCRIPTION

## Divisional Overview of Services

The new Financial Customer Service Division has been set up to provide focus to ensure we meet our customers' expectations and needs, whilst maximising the income streams to the authority.

Much of the transformation to improve these services requires the development of new technology streams to improve efficient access to our services and to streamline and automate processes.

Initial projects are underway to measure and improve customer services, to provide greater access through technology and to provide efficiencies through shared services. We are confident our record of high performance will allow the effective management of such opportunities.

## Division's Service Priorities

- Maximise collection of revenues to the authority (Ctax, NNDR, Debtors and Land Charges)
- Increase customer satisfaction through improved service performance, quality, choice and access
- Deliver IT solutions to improve service performance and efficiency – incl. payment channels, Direct Debit, BACS and on-line customer information
- Deliver shared services to and with other local authorities to share good practice and reduce costs
- Develop a skilled and dedicated workforce to achieve our objectives.

## MOVEMENT IN NET EXPENDITURE

	ORIGINAL BUDGET 2007/8 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2008/9 (D) £000's	% CHANGE (E) %
		Inflation (B) £000's	Other (C) £000's		
Revenues	1,214	21	792	2,027	67
Benefits	(1,063)	55	1,963	955	(190)
Visits	475	9	55	539	13
Policy, Training and Quality	484	-	(484)	-	(100)
Finance and IT	3,164	85	(393)	2,856	(10)
Other Revenue and Benefit Services	99	-	(64)	35	(65)
Cashiers	406	13	(444)	(25)	(106)
DWP Funding	-	-	-	-	n/a
Housing Benefit (Finance)	1,174	(39)	(573)	562	(52)
Cost of Local Council Tax Collection	-	-	-	-	n/a
Exchequer Management	-	-	-	-	n/a
Cash Management	-	21	79	100	n/a
Revenue Control	-	-	-	-	n/a
AR (Debtors) Team	-	-	-	-	n/a
AP (Creditors) Team	-	-	-	-	n/a
Local Land Charges	-	(47)	(606)	(653)	n/a
<b>TOTAL NET SPEND</b>	<b>5,953</b>	<b>118</b>	<b>325</b>	<b>6,396</b>	<b>7</b>

## STAFF ESTABLISHMENT NUMBERS

	ORIGINAL BUDGET 2007/8	ORIGINAL BUDGET 2008/9	CHANGE IN FTE
	FTE STAFF	FTE STAFF	FTE STAFF
Revenues	64.5	63.9	(0.6)
Benefits	69.4	87.6	18.2
Visits	12.0	12.0	-
Policy, Training and Quality	9.5	-	(9.5)
Finance and IT	31.8	19.0	(12.8)
Cashiers	19.4	12.6	(6.8)
DWP Funding	-	-	-
Housing Benefit (Finance)	-	-	-
Cost of Local Council Tax Collection	-	-	-
Exchequer Management	-	-	-
Cash Management	-	31.2	31.2
Revenue Control	-	-	-
AR (Debtors) Team	-	-	-
AP (Creditors) Team	-	-	-
Local Land Charges	-	11.7	11.7
<b>TOTAL FTE STAFF</b>	<b>206.7</b>	<b>238.1</b>	<b>31.4</b>

**FINANCE & RESOURCES**
**FINANCIAL CUSTOMER SERVICES**
**SUBJECTIVE SUMMARY**

FORECAST 2007/8 £000's	DESCRIPTION	ORIGINAL BUDGET 2007/8 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2008/9 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
7,640	Employees	6,215	188	1,173	7,576	22
14	Premises related expenditure	14	-	-	14	(3)
2,134	Supplies and Services	1,806	-	124	1,930	7
1,713	Third Party Payments	1,498	57	259	1,814	21
146,009	Transfer Payments	146,009	-	-	146,009	0
40	Transport related expenditure	39	-	1	40	4
-	Recharges from other departments	-	-	32	32	n/a
157,550	<b>TOTAL EXPENDITURE</b>	155,580	245	1,589	157,414	1
(147,725)	Government Grants	(147,675)	-	-	(147,675)	0
(4,885)	Other Grants, reimbursements and contributions	(4,334)	(69)	(123)	(4,526)	4
(3)	Fees and Charges	-	0	0	-	n/a
(1,561)	Other Customer and Client Receipts	(33)	(58)	(1,400)	(1,490)	4,464
-	Interest Receivable	-	-	-	-	n/a
(14)	Recharges to other departments	-	-	(11)	(11)	n/a
(154,188)	<b>TOTAL INCOME</b>	(152,041)	(127)	(1,533)	(153,702)	1

3,362	<b>NET CONTROLLABLE COST</b>	3,539	118	55	3,713	5
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65	Capital Charges	65	-	(65)	-	(100)
-	Deferred/Intangible Charges	-	-	-	-	-
1,195	Corporate support services bought in	2,350	-	334	2,684	14
1,260	<b>TOTAL UNCONTROLLABLE COST</b>	2,414	-	269	2,684	11

4,622	<b>NET COST OF SERVICE</b>	5,953	118	325	6,396	7
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-	Contributions to / (from) Earmarked Reserves	-	-	-	-	n/a
-	Contributions to / (from) Capital Reserves:	-	-	-	-	n/a
-	Financing of Capital Expenditure	-	-	-	-	n/a
-	Provision for Repayment of External Loans	-	-	-	-	n/a
-	Contribution to / (from) General Balances	-	-	-	-	n/a
-	<b>TOTAL APPROPRIATIONS</b>	-	-	-	-	n/a

4,622	<b>TOTAL NET EXPENDITURE</b>	5,953	118	325	6,396	7
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**\* OTHER VARIATIONS IN LEVEL OF EXPENDITURE**

		£000's
<u>Strategic budget - agreed pressures / service demands</u>		
Land Charges	Ref.	200
		200
<u>Strategic budget - agreed additional income / savings</u>		
Shared Services: Benefits, Council Tax, Training and Systems Control	Ref.	(50)
Cash Office closure		(150)
LHA implementation (benefit changes)		(25)
Home working		(25)
Payment channel tender		(25)
Land Charges restructure		(25)
Postal Advertising Council Tax, NNDR and Benefits		(25)
Payment by BACS		(30)
Provision of External training		(10)
		(365)
<u>Other resource changes</u>		
Divisional Reorganisation - transfer of Exchequer Services	Ref. FR5.2	(133)
- transfer of Land Charges	FR4.2	(819)
Various minor adjustments		18
Capital Asset charges		(65)
Reduced support services recharges to other departments		1,489
		490
<b>TOTAL OTHER VARIATIONS IN RESOURCE</b>		<b>325</b>

## SERVICE DESCRIPTION

- Developing the overall financial governance arrangements ensuring they are sound, fit for purpose and represent best practice including delivering internal audit and risk management services;

- Preventing, detecting and deterring fraud and corruption including developing the Council as the London-wide anti-fraud strategic lead, in partnership with Deloitte's

-Delivering the Council's insurance services including leading and developing the London Authorities Mutual Limited across London

-Leading the Council's Use of Resources assessment ensuring that the process drives out service improvements across the Council;

-Continuing to embed the Procurement "Centre of Excellence" approach and deliver savings and efficiencies through improved corporate procurement, contracts and purchasing;

-Leading the Council's efficiency agenda, delivering the Release programme and embedding an improved VFM culture across the Council

-Supporting the Department in strategic planning, service development & performance management

## MOVEMENT IN NET EXPENDITURE

	ORIGINAL BUDGET 2007/8 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2008/9 (D) £000's	% CHANGE (E) %
		Inflation (B) £000's	Other (C) £000's		
Audit and Fraud Prevention	(2)	32	(44)	(14)	474
Central Finance Management	(132)	9	(36)	(159)	20
Directorate	-	-	351	351	n/a
Insurance and Risk Management	(1)	3	(255)	(253)	45,900
Procurement	(111)	13	123	25	(122)
Performance and Efficiency Team	-	5	183	188	n/a
Financial Management	(2)	-	2	-	(100)
<b>TOTAL NET SPEND</b>	<b>(248)</b>	<b>62</b>	<b>324</b>	<b>138</b>	<b>(156)</b>

## STAFF ESTABLISHMENT NUMBERS

	ORIGINAL BUDGET 2007/8	ORIGINAL BUDGET 2008/9	CHANGE IN FTE
	FTE STAFF	FTE STAFF	FTE STAFF
Audit and Fraud Prevention	15.8	15.5	(0.3)
Central Finance Management	10.8	2.8	(8.0)
Directorate	-	4.0	4.0
Insurance and Risk Management	4.0	5.0	1.0
Procurement	11.0	11.0	-
Performance and Efficiency Team	-	10.0	10.0
Financial Management	4.0	-	(4.0)
<b>TOTAL FTE STAFF</b>	<b>45.6</b>	<b>48.3</b>	<b>2.7</b>

## SUBJECTIVE SUMMARY

FORECAST 2007/8 £000's	DESCRIPTION	ORIGINAL BUDGET 2007/8 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2008/9 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
2,379	Employees	2,380	50	124	2,554	7
-	Premises related expenditure	-	-	-	-	n/a
975	Supplies and Services	832	-	(122)	710	(15)
684	Third Party Payments	616	16	-	632	3
-	Transfer Payments	-	-	-	-	n/a
9	Transport related expenditure	9	-	-	9	(1)
-	Recharges from other departments	-	-	-	-	n/a
4,047	<b>TOTAL EXPENDITURE</b>	3,837	66	2	3,905	2
-	Government Grants	-	-	-	-	n/a
-	Other Grants, reimbursements and contributions	-	-	-	-	n/a
(48)	Fees and Charges	(26)	(1)	(30)	(57)	116
(13)	Other Customer and Client Receipts	(1)	-	-	(1)	(15)
(132)	Interest Receivable	(132)	(3)	1	(134)	2
-	Recharges to other departments	-	-	-	-	n/a
(193)	<b>TOTAL INCOME</b>	(160)	(4)	(29)	(193)	21

3,854	<b>NET CONTROLLABLE COST</b>	3,677	62	(27)	3,712	1
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32	Capital Charges	32	-	30	62	93
1,136	Deferred/Intangible Charges	1,136	-	(1,136)	-	(100)
(5,094)	Corporate support services bought in	(5,093)	-	1,457	(3,636)	(29)
(3,926)	<b>TOTAL UNCONTROLLABLE COST</b>	(3,925)	-	351	(3,574)	(9)

(72)	<b>NET COST OF SERVICE</b>	(248)	62	324	138	(156)
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-	Contributions to / (from) Earmarked Reserves	-	-	-	-	n/a
-	Contributions to / (from) Capital Reserves:	-	-	-	-	n/a
-	Financing of Capital Expenditure	-	-	-	-	n/a
-	Provision for Repayment of External Loans	-	-	-	-	n/a
-	Contribution to / (from) General Balances	-	-	-	-	n/a
-	<b>TOTAL APPROPRIATIONS</b>	-	-	-	-	n/a

(72)	<b>TOTAL NET EXPENDITURE</b>	(248)	62	324	138	(156)
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## \* OTHER VARIATIONS IN LEVEL OF EXPENDITURE

	£000's
<u>Strategic budget - agreed pressures / service demands</u>	
Insurable Risk and Partnership Risk Management	50
Strategy & Business Development Team	100
	150
<u>Strategic budget - agreed additional income / savings</u>	
Local Authorities Mutual Ltd	(150)
Audit & Anti Fraud Shared Services	(30)
Agency Staffing	(50)
Operational Risk Management Improvements	(100)
Audit & Contract Assistant 0.33 FTE	(12)
	(342)
<u>Other resource changes</u>	
Divisional Reorganisation - transfer of agency savings from Corporate Financial Services	(250)
Leadership Training savings	(45)
Building Schools for Future - Programme costs	400
Transfer (Mobile phone savings/Procurement)	16
Various minor adjustments	42
Reduction in Deferred Charges	(1,136)
Capital Asset charges	30
Reduced support services recharges to other departments	1,459
	516
<b>TOTAL OTHER VARIATIONS IN RESOURCE</b>	<b>324</b>

## SERVICE DESCRIPTION

Regeneration & Asset Management Services delivers the following services:

- Developing the Borough-wide district centre regeneration strategies and linking these to the Council's Urban Regeneration Vehicle that is delivering a major pipeline of regeneration across the Borough;
- The corporate project management team, covering asset planning and regeneration project delivery. The team is also delivering the Council's new Council Housing new build programme in addition to the Council's capital programme and education works programme.
- Leading the Council's service response for Civil Contingency and Civil Emergency issues and providing corporate security services across the Council's estate, together with fire safety advice through the Council's fire officer.
- Manage the Council's asset challenge programme, landlord and tenant relationships, property brokerage service, and right to buy programme. The team provides general expert advice on property issues and maintains the property database. The Council's landholdings for which they are responsible are valued at in excess of £1.8billion.
- Providing professional premises' brokerage services to the business community, ensuring that any businesses wishing to locate in Croydon have a free expert advice service on a range of premises related issues.
- Managing the outsourced facilities management contract, including the performance management of daily operations within the Civic Office accommodation. The team also covers the management of the Council's catering services.
- The contract administration and contractual / risk compliance of the Council's major asset based PPP / PFI partnerships. These include the FM partnership, the 'New for Old' elderly care homes PFI, the education PFI and a number of other PPP / PFI schemes coming on stream.

## MOVEMENT IN NET EXPENDITURE

	ORIGINAL BUDGET	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET	% CHANGE (E) %
	2006/7 (A) £000's	Inflation (B) £000's	Other (C) £000's	2007/8 (D) £000's	
Divisional Director	(392)	3	407	18	(105)
FM Services - Soft	(3,152)	7	581	(2,564)	(19)
FM & Professional Services	(9)	13	(360)	(356)	4,020
FM Services - Hard	1,883	(11)	(223)	1,649	(12)
Asset Transformation and Development	1,298	15	25	1,338	3
Emergency Management	350	10	54	415	18
Local Land Charges	(819)	-	819	-	(100)
<b>TOTAL NET SPEND</b>	<b>(842)</b>	<b>37</b>	<b>1,303</b>	<b>499</b>	<b>(159)</b>

## STAFF ESTABLISHMENT NUMBERS

	ORIGINAL BUDGET	ORIGINAL BUDGET	CHANGE IN
	2007/8 FTE STAFF	2008/9 FTE STAFF	FTE STAFF
Divisional Director	1.0	1.0	-
FM Services - Soft	7.2	7.2	-
FM & Professional Services	15.9	15.4	(0.5)
FM Services - Hard	9.0	11.0	2.0
Asset Transformation and Development	12.7	15.0	2.3
Emergency Management	9.0	8.0	(1.0)
Local Land Charges	12.7	-	(12.7)
<b>TOTAL FTE STAFF</b>	<b>67.5</b>	<b>57.6</b>	<b>(9.9)</b>

## SUBJECTIVE SUMMARY

FORECAST 2007/8 £000's	DESCRIPTION	ORIGINAL BUDGET 2007/8 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2008/9 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
2,504	Employees	2,925	60	(236)	2,749	(6)
7,183	Premises related expenditure	7,183	-	36	7,219	0
1,855	Supplies and Services	1,940	-	(605)	1,335	(31)
1,788	Third Party Payments	1,938	-	(71)	1,867	(4)
-	Transfer Payments	-	-	-	-	n/a
54	Transport related expenditure	54	-	3	57	5
178	Recharges from other departments	178	-	-	178	(0)
13,562	<b>TOTAL EXPENDITURE</b>	14,219	60	(873)	13,405	(6)
-	Government Grants	-	-	-	-	n/a
-	Other Grants, reimbursements and contributions	-	-	-	-	n/a
(493)	Fees and Charges	(462)	(8)	(30)	(500)	8
(2,042)	Other Customer and Client Receipts	(3,547)	(15)	1,505	(2,057)	(42)
-	Interest Receivable	-	-	-	-	n/a
(1,467)	Recharges to other departments	(1,431)	-	(112)	(1,543)	8
(4,001)	<b>TOTAL INCOME</b>	(5,440)	(23)	1,363	(4,100)	(25)

9,561	<b>NET CONTROLLABLE COST</b>	8,778	37	490	9,306	6
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31	Capital Charges	31	-	71	102	232
100	Deferred/Intangible Charges	100	-	(100)	-	(100)
(9,862)	Corporate support services bought in	(9,751)	-	842	(8,909)	(9)
(9,731)	<b>TOTAL UNCONTROLLABLE COST</b>	(9,620)	-	813	(8,807)	(8)

(170)	<b>NET COST OF SERVICE</b>	(842)	37	1,303	499	(159)
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-	Contributions to / (from) Earmarked Reserves	-	-	-	-	n/a
-	Contributions to / (from) Capital Reserves:	-	-	-	-	n/a
-	Financing of Capital Expenditure	-	-	-	-	n/a
-	Provision for Repayment of External Loans	-	-	-	-	n/a
-	Contribution to / (from) General Balances	-	-	-	-	n/a
-	<b>TOTAL APPROPRIATIONS</b>	-	-	-	-	n/a

(170)	<b>TOTAL NET EXPENDITURE</b>	(842)	37	1,303	499	(159)
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## \* OTHER VARIATIONS IN LEVEL OF EXPENDITURE

				£000's
<u>Strategic budget - agreed pressures / service demands</u>				Ref.
				-
<u>Strategic budget - agreed additional income / savings</u>				Ref.
Reprographics savings through procurement of new copier contracts - Procurement				(235)
Professional services outsourcing - Procurement				(30)
Energy Management - Leading & Learning				(15)
Interserve Service Savings - Enabling Partnerships				(26)
Creation of staff positions to undertake work currently done by external consultants - Review & Challenge				(30)
				(336)
<u>Other resource changes</u>				Ref.
Divisional Reorganisation - transfer of Land Charges				FR2.2
Transfer from ECPP (Security)				ECP3.2
Transfer from ECPP (ID Equipment & Card Key systems)				ECP3.2
Employee costs, increments and pension				80
Various minor adjustments				20
Property Insurances				41
Capital Asset and Deferred Charges				(29)
Reduced support services recharges to other departments				944
				1,639
<b>TOTAL OTHER VARIATIONS IN RESOURCE</b>				<b>1,303</b>

## SERVICE DESCRIPTION

- Administering the cash management function for the authority, including investment of cash balances, investment of the Pensions Fund, management of the authority's debt portfolio, and ensuring adequate liquidity at all times.  
 - Administering the Council's local government pension scheme.  
 - Advising on treasury management, and the prudential regime.

## MOVEMENT IN NET EXPENDITURE

	ORIGINAL	Variations in Level of		ORIGINAL	% CHANGE (E) %
	BUDGET	Expenditure on (A)		BUDGET	
	2007/8 (A) £000's	Inflation (B) £000's	Other (C) £000's	2008/9 (D) £000's	
Pensions and Gratuities	(6)	-	-	(6)	(2)
Pension and Treasury Management	32	6	(106)	(68)	(314)
Pension Administration Team	1	(8)	6	(13)	(1,338)
Exchequer Management	(127)	-	127	-	(100)
Cash Management	(0)	-	0	-	(100)
Revenue Control	(1)	-	1	-	(100)
AR (Debtors) Team	(2)	-	2	-	(100)
AP (Creditors) Team	(2)	-	2	-	(100)
Financial Systems Team	(5)	-	5	-	(100)
<b>TOTAL NET SPEND</b>	<b>(112)</b>	<b>(2)</b>	<b>26</b>	<b>(87)</b>	<b>(22)</b>

## STAFF ESTABLISHMENT NUMBERS

	ORIGINAL	ORIGINAL	CHANGE
	BUDGET 2007/8 FTE STAFF	BUDGET 2008/9 FTE STAFF	IN FTE STAFF
Pensions and Gratuities	-	-	-
Pension and Treasury Management	7.4	10.4	3.0
Pension Administration Team	-	10.6	10.6
Exchequer Management	-	-	-
Cash Management	1.8	-	(1.8)
Revenue Control	6.5	-	(6.5)
AR (Debtors) Team	11.2	-	(11.2)
AP (Creditors) Team	9.7	-	(9.7)
Financial Systems Team	7.4	-	(7.4)
<b>TOTAL FTE STAFF</b>	<b>43.9</b>	<b>21.0</b>	<b>(22.9)</b>

## SUBJECTIVE SUMMARY

FORECAST 2007/8 £000's	DESCRIPTION	ORIGINAL BUDGET 2007/8 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2008/9 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
876	Employees	1,795	10	(667)	1,138	(37)
-	Premises related expenditure	-	-	-	-	n/a
65	Supplies and Services	428	-	(323)	105	(75)
165	Third Party Payments	510	-	(510)	-	(100)
-	Transfer Payments	-	-	-	-	n/a
-	Transport related expenditure	1	-	(1)	-	(100)
-	Recharges from other departments	-	-	-	-	n/a
1,106	<b>TOTAL EXPENDITURE</b>	2,735	10	(1,502)	1,243	(55)
-	Government Grants	-	-	-	-	n/a
-	Other Grants, reimbursements and contributions	-	-	-	-	n/a
(606)	Fees and Charges	(609)	(12)	(228)	(849)	39
-	Other Customer and Client Receipts	(10)	-	10	-	(100)
-	Interest Receivable	-	-	-	-	n/a
(167)	Recharges to other departments	(216)	-	49	(167)	(23)
(773)	-	(834)	(12)	(170)	(1,016)	22

333	<b>NET CONTROLLABLE COST</b>	1,901	(2)	(1,672)	227	(88)
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-	Capital Charges	-	-	-	-	n/a
-	Deferred/Intangible Charges	-	-	-	-	n/a
(229)	Corporate support services bought in	(2,013)	-	1,698	(315)	(84)
(229)	<b>TOTAL UNCONTROLLABLE COST</b>	(2,013)	-	1,698	(315)	(84)

104	<b>NET COST OF SERVICE</b>	(112)	(2)	26	(87)	(22)
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-	Contributions to / (from) Earmarked Reserves	-	-	-	-	n/a
-	Contributions to / (from) Capital Reserves:	-	-	-	-	n/a
-	Financing of Capital Expenditure	-	-	-	-	n/a
-	Provision for Repayment of External Loans	-	-	-	-	n/a
-	Contribution to / (from) General Balances	-	-	-	-	n/a
-	<b>TOTAL APPROPRIATIONS</b>	-	-	-	-	n/a

104	<b>TOTAL NET EXPENDITURE</b>	(112)	(2)	26	(87)	(22)
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## \* OTHER VARIATIONS IN LEVEL OF EXPENDITURE

			£000's
<u>Strategic budget - agreed pressures / service demands</u>			
Treasury Management Staff	Ref.		100
Cash Management Staff			50
			150
<u>Strategic budget - agreed additional income / savings</u>			
Review of recharge to pension fund	Ref.		(160)
			(160)
<u>Other resource changes</u>			
Divisional Reorganisation - transfer of Exchequer Services	Ref.		133
Various minor adjustments	FR2.2		(11)
Increased support services recharges to other departments			(86)
			36
<b>TOTAL OTHER VARIATIONS IN RESOURCE</b>			<b>26</b>