

2011/12 Revenue Budget - Summary Financial Position

	2011/12 £m	2012/13 £m	2013/14 £m
Funding Assumptions * ¹	2,697.2	2,580.6	2,643.4
Net Revenue Expenditure * ¹	2,881.6	2,893.7	3,051.0
Budget Gap	184.4	313.1	407.6
Growth	38.6	51.8	56.0
Reductions:			
Corporate Issues	-44.8	-77.5	-106.2
Service Improvement	-85.7	-153.5	-183.9
Supports Services	-23.7	-16.4	-17.5
Operational Services	-31.1	-31.3	-34.6
MPA	-0.6	-0.6	-0.6
Total Reductions	-185.9	-279.3	-342.8
Budget Resilience	27.9	25.4	25.4
Budget Gap as per submission to the Mayor	65.0	111.0	146.2
Provisional Settlement Announcement			
Further reduction in General Grant	26.1	45.2	69.3
Revised Budget Gap following Provisional Settlement Announcement	91.1	156.2	215.5
Mayor's Draft Consultation Budget			
Additional Precept	-30.0	-30.0	-30.0
Revised Budget Gap following Mayor's Draft Consultation Budget	61.1	126.2	185.5

Notes:

*1. The funding assumptions for 2011/12 (including the police precept) prior to the police funding announcement was £2,594.6m, the announcement outlined that certain specific grants were being moved into the General Police Grant (Crime Fighting Fund - £73m, Rule 2 Grant - £54.7m, less a £5m reduction for these two grants which had already been accounted for and the Basic Command Unit (BCU) Fund - £7.9m). These changes combined with £28m in-year reductions for 2010/11 now treated as a permanent reduction, increased the total General Police Grant and increased Net Revenue Expenditure by £102.6m. The additional £30m precept and the further reduction in General Grant £26.1m increased the total funding assumption to £2,701.1m.

2. This analysis makes no allowance for changes in specific grant and third party income. The current planning assumption is that reductions on income will be matched by reductions in expenditure. If expenditure cannot be reduced as quickly as income the budget gap will increase.