LONDON DEVELOPMENT AGENCY

Planning Totals for Business Planning Autumn 2009

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Key messages from Board

LONDON DEVELOPMENT AGENCY

	%	Approach
Regeneration		Focus on masterplanning and public realm
Climate change		Focus on economic payback
Sustained Employment		Increase link between Sustained Employment and Business Support
Business Support		Increase value from investment and rationalise portfolio
International Promotion		Increase value from investment and rationalise portfolio
Olympics		Move towards integration with mainstream LDA themes

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Resource assumptions

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- 2010/11 as spending review but with £53m budget raid
- 2011/12 to 2013/14- 5% cash reduction per annum
- Olympic funding: ‘no detriment’ position
  - Land transfers to OPLC
  - LDA grant contribution maintained as currently planned
  - Borrowing reprofiled

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Commitments

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	2010-11	2011-12	2012-13	2013-14
Available Budget	183.1	163.2	156.4	199.3
Commitments	145.1	63.6	35.8	22.8
Headroom	38.0	99.6	120.6	176.5
% of Budget	20.7%	61.0%	77.1%	88.6%

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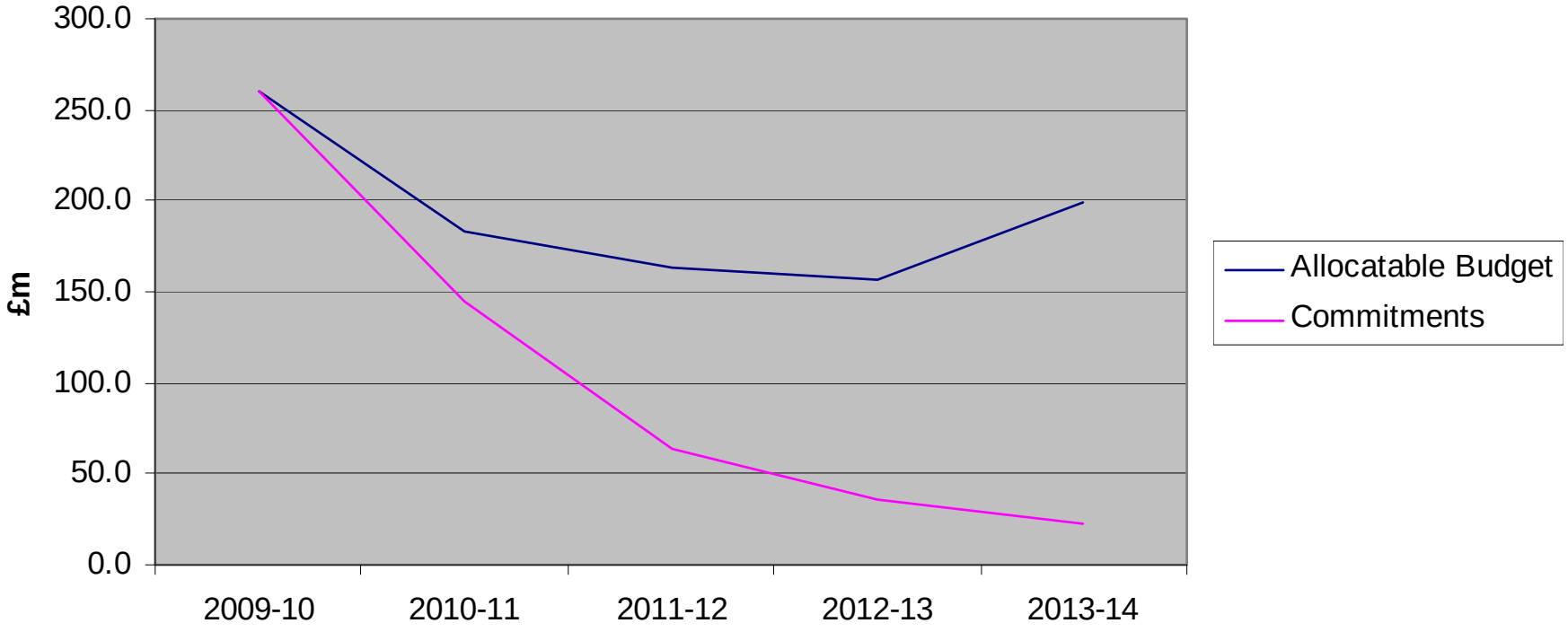
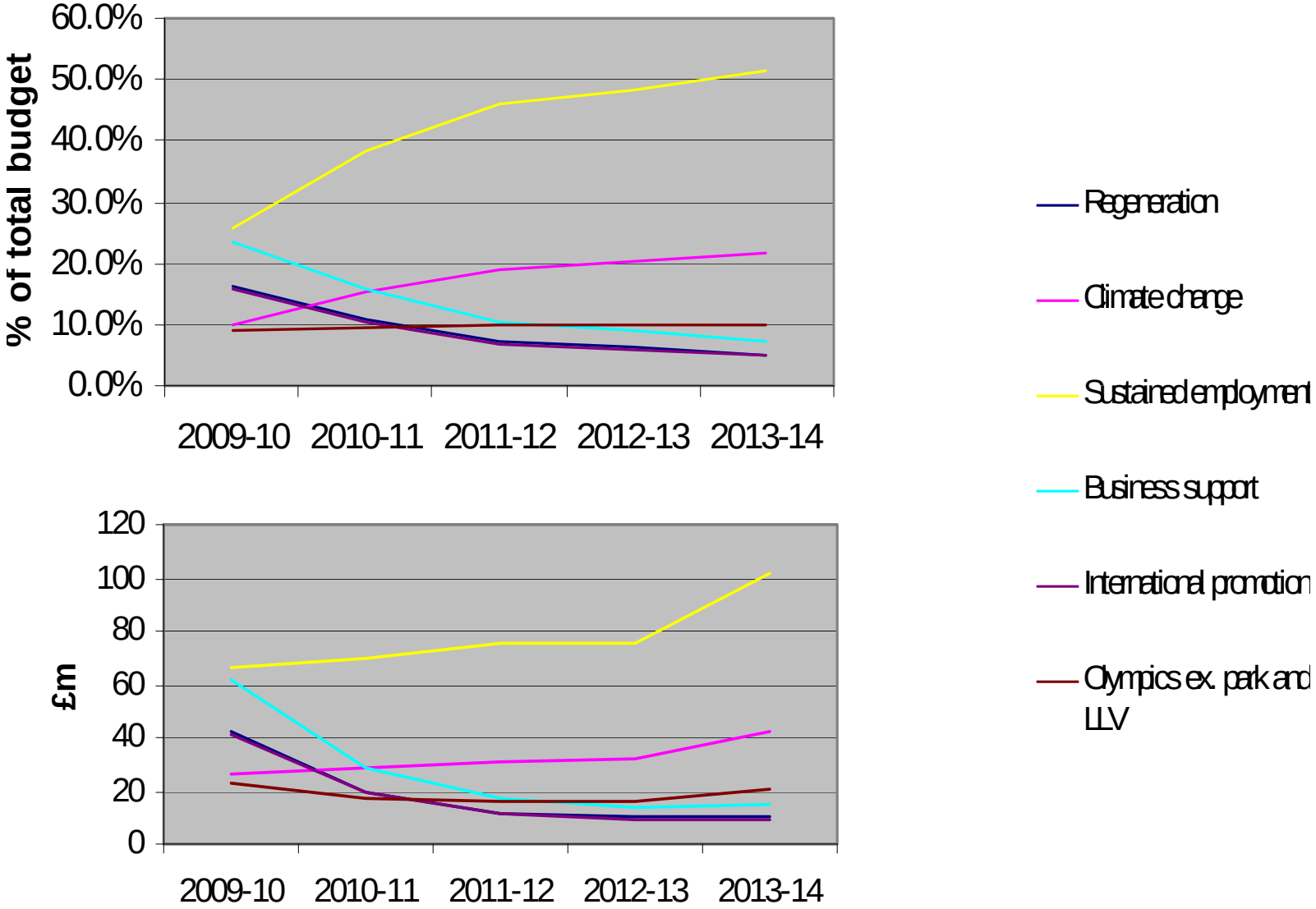
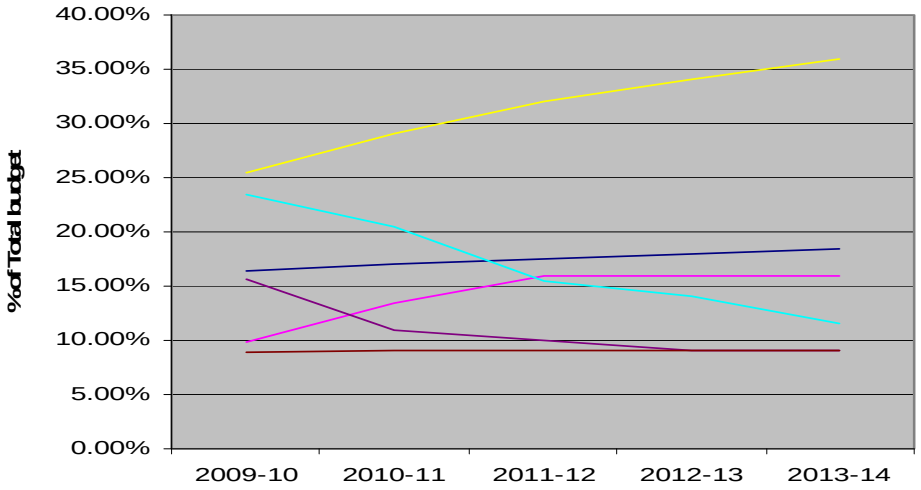
Resource assumptions- summary

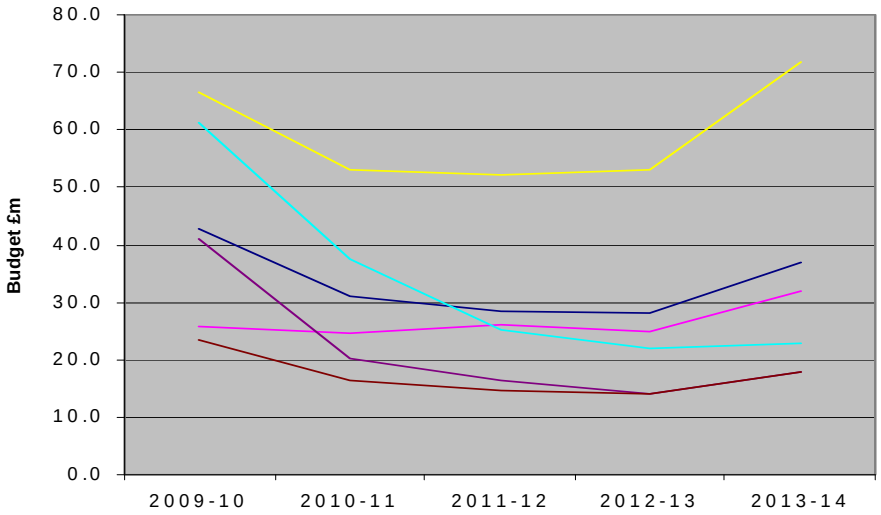


Planning totals version I- Investment methodology



Planning totals version II- Board





- Regeneration
- Climate change
- Sustained employment
- Business support
- International promotion
- Olympics ex. park and LLV

Contingency Planning

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- 2 areas of uncertainty
  - No agreement to land and debt transfer and residual borrowing
  - More radical budget reductions post election
- Next stages of Business Planning to preserve flexibility and illustrate options for final budget decision.

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Illustrative resource reductions

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		2010-11	2011-12	2012-13	2013-14
Grant	5%	325	309	293	279
	7.50%	325	301	278	257
	10%	325	293	263	237
	12.50%	325	284	249	218

Grant reduction		2010-11	2011-12	2012-13	2013-14
	5%	0	0	0	0
	7.50%	0	8	15	21
	10%	0	16	30	42
	12.50%	0	24	44	61

Headroom Reduction		2010-11	2011-12	2012-13	2013-14
	5%	38.0	99.6	120.6	176.5
	7.50%	38.0	91.6	105.6	155.5
	10%	38.0	83.6	90.6	134.5
	12.50%	38.0	75.6	76.6	115.5

Proposed planning totals

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		Original Budget	Revised Budget	Planning Totals			
Prog	Prog Name	2009-10	2009-10	2010-11	2011-12	2012-13	2013-14
1	Housing creation	12.7	6.2	12.8	8.4	8.3	10.9
2	Commercial land and remediation	9.7	9.3	6.1	6.5	8.2	8.4
3	Town centres public realm and green space	20.4	14.1	12.3	13.6	11.6	17.6
REGENERATION		**42.8**	**29.6**	**31.1**	**28.6**	**28.1**	**36.9**
4	Energy and waste	25.8	21.3	24.7	26.1	25.0	31.9
CLIMATE CHANGE		**25.8**	**21.3**	**24.7**	**26.1**	**25.0**	**31.9**
6	Skills strategy and innovation	1.3	1.0	1.0	1.0	1.0	1.4
7	Employment information and advice	5.7	3.6	4.5	4.4	4.5	6.1
8	Youth	15.9	12.9	12.8	12.5	12.7	17.2
9	Childcare	5.5	5.5	8.5	4.3	4.4	5.9
10	Employability	38.2	29.7	26.2	29.9	30.5	41.1
SUSTAINED EMPLOYMENT		**66.6**	**52.7**	**53.1**	**52.2**	**53.2**	**71.7**
13	Business strategy and partnership	1.1	0.8	0.1	0.1	0.0	0.1
14	Integrated business link	28.9	28.4	27.7	21.2	20.8	21.0
15	Finance	12.1	12.1	1.3	1.1	0.3	1.1
16	Business growth	19.2	18.1	8.5	2.9	0.7	0.8
BUSINESS SUPPORT		**61.3**	**59.4**	**37.5**	**25.3**	**21.9**	**22.9**
17	Global competitiveness	40.9	36.8	20.1	16.3	14.1	17.9
INTERNATIONAL PROMOTION		**40.9**	**36.8**	**20.1**	**16.3**	**14.1**	**17.9**
11	Olympic skills	10.3	7.6	3.3	2.5	6.2	7.9
12	Greater sport participation	6.0	3.3	8.2	7.8	3.6	4.6
19	Olympics culture	2.9	1.2	2.0	1.8	1.7	2.2
18	Olympic business benefits	4.1	3.8	2.9	2.6	2.5	3.2
OLYMPICS		**23.3**	**15.9**	**16.5**	**14.7**	**14.1**	**17.9**
TOTAL		**260.7**	**215.7**	**183.1**	**163.2**	**156.4**	**199.3**
5	Olympic park and lower lea valley	132.4	196.4	241.6	199.2	216.3	50.0
20	Corporate planning	3.0	3.0	2.8	2.0	1.8	1.8
	Contingency	4.0	5.0	3.0	2.0	2.0	1.9
	Administration	41.6	41.6	42.4	43.6	44.9	40.8
Total		**181.0**	**246.0**	**289.8**	**246.8**	**265.0**	**94.5**
Total Base Budget - Gross		**441.7**	**461.7**	**472.9**	**410.0**	**421.4**	**293.8**
INCOME							
	Core Grant	376.8	376.8	325.0	308.8	293.4	278.7
	Swaps	-1.8	-1.8	0.0	0.0	0.0	0.0
	Capital Receipts - Olympic	5.4	23.4	4.0	0.0	0.0	0.0
	Capital Receipts - Other	5.0	14.0	5.9	4.3	6.3	15.1
	Business Link Repayment	0.0	5.0	0.0	0.0	0.0	0.0
	Borrowing	28.9	28.9	138.0	96.9	121.7	0.0
	2008/09 b/f	27.5	15.5	0.0	0.0	0.0	0.0
	Total Income	**441.7**	**461.7**	**472.9**	**410.0**	**421.4**	**293.8**

Next steps

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Month	Activity
September 2009	Interim budget submission to Mayor
October	EDS/ IS consultation begins
	Detailed Business Planning begins
November	Land and debt resolved
	Board awayday and Board meeting to agree budget
	Budget proposal submitted to Mayor for assembly scrutiny
January 2010	Board approval of IS, budget and Business Plans
March	Mayoral/ BIS sign off
	LDA 2010/11 project directory published

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