



DERBY CITY COUNCIL

**COUNCIL CABINET  
24 FEBRUARY 2004**

Report of the Chief Executive  
and Director of Finance

**ITEM 17**

**GENERAL FUND REVENUE BUDGET 2004/5 TO 2006/7  
AND COUNCIL TAX SETTING FOR 2004/5**

**RECOMMENDATIONS**

To recommend to Council:

- 1.1 To note the final local government finance settlement announcement.
- 1.2 To approve for 2004/5 the departmental estimates and associated virements and use of reserves included in Appendices 1 and 3, incorporating the proposals listed in paragraphs 4.17 to 4.29.
- 1.3 To note the latest budget monitoring position provided in Appendix 6 and summarised in Table 5 and to adjust the 2003/5 budget to reflect the proposed use of reserves to support 2004/5 budgets.
- 1.4 To approve the measures proposed to manage 2004/5 budget risks, set out in paragraphs 4.41 to 4.46.
- 1.5 To approve a budget requirement for Derby City Council for the year ended 31 March 2005 of £251,890,400.
- 1.6 To approve within this total:

£

Service estimates of:

Education Department	141,093,000
Social Services Department	61,756,000
Development and Cultural Services Department	34,167,000
Commercial Services Department	3,495,000
Chief Executive's Department	50,933,400
Allocation following consultation	350,000
	<hr/> 291,794,400

<i>Less</i> capital charges	(38,626,000)
<i>Add</i> net appropriations to Pump Priming Fund	114,000
<i>Less</i> contributions from earmarked reserves as follows:	
Corporate reserves	(1,316,000)
Services' reserves	(76,000)

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251,890,400

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- 1.7 To note that, at its meeting on 13 January 2004, the Council calculated the amount of £67,930.80 as the Council's Tax Base for the year 2004/5 accordance with Regulation 3 of the Local Authorities (Calculation of Council Tax Base) Regulations 1992 made under Section 33(5) of the Local Government Finance Act 1992.
- 1.8 To calculate the following amounts for the year 2004/5 accordance with Sections 32 to 36 of the Local Government Finance Act 1992 (the Act).

- (a) £407,414,400 being the aggregate of the amounts which the Council estimates for the items set out in Section 32(2)(a) to (e) net of Section 32(3)(c) of the Act.
- (b) £155,524,000 being the aggregate of the amounts which the Council estimates for the items set out in Section 32(3)(a) and (b) of the Act.
- (c) £251,890,400 as its budget requirement for the year, being the amount by which the aggregate at (a) above exceeds the aggregate at (b) above, calculated by the Council, in accordance with Section 32(4) of the Act.
- (d) £190,493,243 being the aggregate of the sums which the Council estimates will be payable for the year into its General Fund in respect of redistributed non-domestic rates, revenue support grant, reduced by the amount of the sums which the Council estimates will be transferred in the year to its Collection Fund from its General Fund in accordance with Section 97(3) of the Local Government Finance Act 1988 (Council Tax) and the sum which the Council estimates will be transferred from its Collection Fund to its General Fund pursuant to the Collection Fund (Community Charges) Directions under Section 98(4) of the Local Government Finance Act 1988 (Community Charge).
- (e) £903.82 as the basic amount of its Council Tax for the year, being the amount at (c) above, less the amount at (d) above, all divided by the amount at 2.6 above, calculated by the Council, in accordance with Section 33 of the Act.

- (f) for the following Valuation Bands:

	£		£
A	602.55	E	1104.67
B	702.97	F	1305.52
C	803.40	G	1506.37
D	903.82	H	1807.64

as the amounts to be taken into account for the year, under Section 30(2)(a) of the Act, in respect of categories of dwellings listed in different valuation bands, being the amounts given by multiplying the amount at (e) above by the number which, in the proportion set out in Section 5(1) of the Act, is applicable to all dwellings listed in each particular valuation band divided by the number which in that proportion is applicable to dwellings listed in Valuation Band D, calculated by the Council, in accordance with Section 36(1) of the Act.

- 1.9 To note that for the year 2004/5, Derbyshire Police Authority, as precepting authority, has stated the following in a precept to the Council, in accordance with Section 40 of the Local Government Finance Act 1992, for each of the categories of dwellings shown below:

All dwellings in Valuation Band:

	£		£
A	TBA	E	TBA
B	TBA	F	TBA
C	TBA	G	TBA
D	TBA	H	TBA

- 1.10 To note that for the year 2004/5, Derbyshire Fire Authority, as precepting authority, has stated the following in a precept to the Council, in accordance with Section 40 of the Local Government Finance Act 1992, for each of the categories of dwellings shown below:

All dwellings in Valuation Band:

	£		£
A	TBA	E	TBA
B	TBA	F	TBA
C	TBA	G	TBA
D	TBA	H	TBA

- 1.11 Having calculated the aggregate in each case of the amount in 8.8 and 8.9 above, in accordance with Section 30(2) of the Local Government Finance Act 1992, to set the following amounts as the amounts of Council Tax for the year 2004/5 for each of the categories of dwellings shown below:

All dwellings in Valuation Band:

	£		£
A	TBA	E	TBA
B	TBA	F	TBA
C	TBA	G	TBA
D	TBA	H	TBA

- 1.12 To authorise the publication of the requisite notices in accordance with the provisions of Section 38(2) of the Local Government Finance Act 1992.

## **REASON FOR RECOMMENDATIONS**

2. The Council has a statutory duty to set a balanced budget for 2004/5. It must set the council tax for the City Council's own budget requirement and determine the combined council tax figure, including the taxes set independently by Derbyshire Police Authority and Derbyshire Fire Authority. It is the role of the Cabinet to advise Council and to make recommendations to it.

## **SUMMARY OF REPORT**

- 3.1 This report requests the Cabinet to consider issues relating to the 2004/5 revenue budget and to make recommendations to Council based on:
- an increase in Government formula grant of 6.5% in the final settlement
  - feedback from Overview and Scrutiny Commissions and other consultation on initial detailed budget proposals
  - public priorities reflected in the Council's draft summary Best Value Performance Plan and public views on specific budget choices.
- 3.2 The recommendations contained in this report:
- increase the Council's net budget requirement by 6.3%
  - increase the Schools budget by 6.6%, providing significant above-inflation growth in delegated schools budgets
  - increase the Social Services budget by 9.1%, to meet the growing demand for care and associated cost pressures, and to invest in improved in-house foster care, information technology and residential care standards
  - provide for other targeted service improvements, most significantly:
    - £350k to meet specific issues identified in public consultation
    - £750k to roll out twin bin recycling to a further four areas
    - increased LEA capacity and support to schools causing concern
    - £92k for new Alvaston Library
    - improvements to the Planning Service
  - broadly maintain service levels in the Council's other services.

## MATTERS FOR CONSIDERATION

### Introduction

- 4.1 The purpose of this report is to make final recommendations to Council on the 2004/5 revenue budget and the council tax to be levied to support that budget. Each section of the report deals with various elements that require consideration before a final decision is reached, namely:
- the approved guidelines, under which the budget has been prepared
  - resources available, linked to the local government finance settlement
  - the overall 2004/5 budget position, and how proposals address key service issues and reflect feedback from consultation
  - the latest estimated 2003/4 outturn position, and the state of the Council's reserves
  - risks within the budget proposals, and how they are to be managed
  - the implications for council tax
  - links with the Council's priorities
  - the implications for the medium term – 2005/6 and 2006/7.
- 4.2 Included in the appendices is summarised budget information for each department, that together with the text of the report constitutes the full budget proposal.

### Budget framework

- 4.3 The Cabinet approved initial revenue budget planning guidelines in July 2003 and October 2003. These were reviewed in December 2003 as the Council's financial situation for 2004/5 became clearer. The 16 December review reflected the impact of the provisional local government finance settlement for 2004/5, and Cabinet agreed to maintain the planning guidance.
- 4.4 The budget planning framework can be summarised as follows . . .
- Education Service. Schools Budget increases to be fully passported in cash, to equal the Schools Budget FSS increase, which is 6.6% in the final settlement.
  - All other services allocated basic cash limit increase of 3%.
  - Extra outside basic cash limits for:
    - Social Services provided additional £1m ongoing to reflect extra pressures and £1m one-off to support modernisation
    - pensions increases followed Government pension scheme funded
    - commitments to Twin Bin Recycling Scheme phase 2
    - running costs of Alvaston Library and meeting cost of nest phase of Urban Regeneration Company Contribution.
  - Capital financing - Treasury Management. Corporate budget, funded based on required need.

- Future treatment of public priorities fund to be considered separately.
- Cash limits calculated on an adjusted 2003/4 base, taking account of the impact of the shift in 2003/4 funding from specific grants to FSS, and changing responsibilities for delivery of services.
- Increases in earmarked specific grants were retained by services outside of cash limits, and in the case of Social Services they added significantly to the cash limit increase.
- Ongoing corporate contributions from the Neighbourhood Renewal Fund (£1m), would be made to ease the net budget position.

- 4.5 The overall approach to budget planning, and the detailed budgets produced by services within this framework reflected the need to align budgets to priorities now reflected in the draft Corporate Plan and to take account of public priorities and feedback from the consultation process. The Corporate Plan reflects both local priorities and those of central Government. More details of these links are given later in the report.
- 4.6 The framework aimed to deliver a sustainable medium term budget, using cash limits to provide incentives for continuous improvement and innovation and prudent management of departmental resources. It also enabled the cross cutting challenges facing the Council to be addressed, outside of the cash limits.

### **Impact of the local government finance settlement**

- 4.7 Cabinet received a report on the final local government finance settlement on 10 February 2004, following the final settlement of 29 January 2004. This section of the report sets out the impact of the overall settlement on the Council's budget plans, in the context of this final settlement.
- 4.8 For England as a whole, the national increase in FSS – assumed spending – is 4.9%. Within this total, the increase for education FSS is 5.8%. The Secretary of State for Education has further extended his reserve powers to set the Schools Budget to ensure that the increase in FSS intended for schools is passed on to schools. Nationally, the overall increase in planned local authority spending is 6.2%, a combination of the 4.9% total FSS increase and rapidly rising specific grants, particularly those for Social Services.
- 4.9 Formula grant has risen by 5.5% nationally. This is a greater increase than FSS mainly on account of the additional £340m added to the national settlement on 16 December 2003. The total increase in grants to local government – the 5.5% formula grant increase plus specific grant increases – is 7.3%.
- 4.10 The 2004/5 FSS and formula grant settlement specific to Derby is shown in Table 1, and explained in subsequent paragraphs.

**TABLE 1 - FSS AND FORMULA GRANT SETTLEMENT FOR DERBY**

	£m	%change
<b>Spending Assessment</b>		
FSS 2003/4	247.614	
Fire Authority FSS Adjustment	-6.265	
Other Service Transfer FSS Adjustments	-0.273	
Adjusted FSS 2003/4	241.076	
FSS 2004/5	254.226	
Adjusted Change in FSS	13.150	+5.5%
 2004/5 FSS changes by service		
Education – Schools	7.030	+6.6%
Education – Other	0.510	+3.8%
Social Services	3.166	+5.8%
Highways	0.574	+6.7%
EPCS (Other) Services	1.250	+2.6%
Capital Financing	0.620	+6.8%
Total Change in FSS	13.150	+5.5%
 <b>Formula Grant (RSG and NNDR)</b>		
Grant 2003/4	183.179	
Fire Authority Grant Adjustment	-3.619	
Other Service Transfer Grant Adjustments	-0.273	
Adjusted Grant 2003/4	179.287	
Grant 2004/5	190.925	
Adjusted Change in Grant	11.638	+6.5%

- 4.11 To be meaningful, the 2004/5 FSS and grant settlement has to be compared with an 'adjusted' 2003/4 settlement, to enable a like-for-like comparison of functions. The Government has published 2003/4 adjusted FSS and grant figures, and these adjustments have been used throughout this report when comparing funding between 2003/4 and 2004/5. Budget and tax comparisons between 2003/4 and 2004/5 are based on the Council's assessment of the actual budgetary and tax implications of the same changes.
- 4.12 For Derby, the main adjustment in 2004/5 is the transfer of Fire Authority budgets, FSS and formula grant to the newly independent Derbyshire Fire Authority. The new Fire Authority will set a council tax precept in its own right, and its budget no longer forms part of the Council's budget. 2003/4 FSS and formula grant have been reduced, respectively, by £6.265m and £3.618 to reflect this. The difference between these figures is to enable the Council to reduce its council tax share when the Fire Authority sets its separate council tax.
- 4.13 The formula for allocating FSS is unchanged in 2004/5. The 5.5% increase in Derby's FSS is above the 4.9% national increase but this difference reflects some specific commitments linked to local data . . .
- Substantial growth in secondary pupil numbers results in a 9.1% increase in the Secondary Schools FSS, above the national average 6.9% increase. This funding has to be passported to schools.

- The 6.7% growth in the highways FSS compares with 2.5% nationally. The difference reflects the growth in the City's principal road network following detrunking of the A5111 and A516, and is similar to additional costs to be incurred.

- 4.14 The 6.5% increase in formula grant is significantly above the rate of increase in FSS. This reflects the inclusion of a further £340m into the revised national settlement announced on 11 December 2003, from which Derby will receive £1.1m. The Government's purpose is to help authorities contain the scale of 2004/5 council tax increases, hence FSS spending provision is unchanged.
- 4.15 The majority of the FSS increase is committed as a first call on the revenue budget, as school FSS increases need to be passed on to schools, the Council has a legal obligation to maintain the newly detrunked roads using highways FSS, and capital financing FSS increases largely reflect corresponding pressures to fund the Council's borrowing. Cost pressures on social services, at a national as well as at a local level, are particular sharp, and exceed the 5.8% increase in FSS provided for. The Council's remaining services are funded through the £50m EPCS block, which is increasing at only 2.6%. It is the low rate of increase in funding for these latter services that explains the significant pressure on the Council's budget in 2004/5, in spite of the overall FSS increase.
- 4.16 The Council's formal response to consultation on the local government finance settlement was submitted in January and included reference to these issues, together with other technical points.

#### **The overall budget position for 2004/5**

- 4.17 The Council released its draft budget for consultation on 7 January, based on a provisional budget requirement for 2004/5 of £251.617m. This was the position before final changes to programmes to take account of responses to the consultation process in January and early February and final input from Cabinet members, and also before taking account of any unanticipated changes to resources in the final FSS and grant settlement. The final budget requirement proposed following this process totals £251,890,400. The table below summarises the revisions to the budget requirement, and how it compares in absolute terms with the FSS, at the consultation and final settlement.



**TABLE 2 - FSS AND BUDGET REQUIREMENT COMPARED**

	Consultation £m	Final £m	Change £m
<b>Government FSS</b>			
FSS 2003/4	247.614	247.614	
Adjustment – Fire FSS transfer	-6.265	-6.265	
Adjustment – Other Service Transfers	-0.273	-0.273	
Adjusted FSS 2003/4	241.076	241.076	0
FSS increase	13.128	13.150	+0.022
FSS 2004/5	254.204	254.226	+0.022
<b>Council Budget Requirement</b>			
Budget Requirement 2003/4	243.728	243.728	
Adjustment – Loss of Fire Levy	-6.475	-6.475	
Adjustment – Other Service Transfers	-0.219	-0.180	+0.039
Base Budget for Comparison 2003/4	237.034	237.034	+0.039
Budget Increase			
- change in Service Transfers	0	-0.039	-0.039
- as Allocated at Consultation	14.333	14.333	0
- for Allocation Following Consultation	0.250	0.350	+0.100
- New Variations in Budget	0	0.173	+0.173
Budget Requirement 2004/5	251.617	251.890	+0.273
<b>Budget Less FSS</b>			
2003/4 Original	-3.886	-3.886	0
2003/4 After Service Transfers	-4.042	-4.042	0
2004/5	-2.587	-2.336	+0.251
2004/5 % Variation from FSS	-1.02%	-0.92%	+0.1%

- 4.18 The proposed budget requirement of £251.890m is 0.92% or £2.336m below the final settlement FSS. FSS represents the Government's assumed level of spending for the purposes of grant allocation.
- 4.19 A summary revenue budget position for 2004/5 incorporating all detailed proposals is contained in **Appendix 1**. The net changes between 2003/4 and 2004/5 are summarised by service in **Appendix 2**. The proposals for each service department are attached in **Appendix 3** in two separate sections showing:
- an overall summary of each department's budget proposals for 2004/5 to 2006/7, by category of changes in the budget – Part 1
  - a summary budget for each service for 2004/5 – Part 2.
- 4.20 Changes to the position consulted upon are summarised below as reflected in the budget proposals. The reasons for the net £22k increase in FSS on final settlement were reported to Cabinet on 10 February. The net 273k increase in the final budget requirement reflects the following changes . . .

	£000
• The ongoing funding to be allocated in response to public consultation on specific budget issues has been increased from £250k to £350k. See paragraph 4.26 below.	+100
• Funding for maintenance for the detrunked A5111 and A516 is now to be provided entirely through additional mainstream FSS rather than specific grant. The budget has been increased to reflect this.	+244
• Additional ongoing insurance budget pressures previously identified to Cabinet after the 2003/4 budget was set are to be funded on an ongoing basis, rather than drawing on reserves.	+150
• Increase in the flood defence levy less than planned	-21
• Smoothing of increase in Treasury Management costs through use of Commutation Reserve earmarked to meet this pressure	-200
• Net £160k change in support service balances recharged outside of general fund	
▪ Policy Directorate	+157
▪ Other Chief Executive's Dept	-91
▪ Corporate budgets	-226
• Create contingency budget to ensure Schools FSS is fully passported or to address other risks	+160
• 2004/5 costs of the Education PFI scheme, as approved by Cabinet	+21
• Met by use of corporate reserves	-21
	<hr/>
	+273

4.21 The budget proposal also provides for the 2004/5 increase in the Schools FSS to be fully passed on to schools, for a 6.7% increase in delegated school budgets and a 5.5% increase in non-delegated school-related budgets. The final Section 52 statement is, however, only calculated in detail and submitted to DfES in March. As there is the possibility that the passporting criteria might not otherwise be met when the final Section 52 figures are calculated, a contingency budget is provided for to be applied against this risk if necessary.

4.22 The final budget proposal allows the Council to deliver a relatively modest council tax increase whilst supporting the critical service areas under pressure and to reflect where possible the need for improved services to reflect consultation responses. Note that the detailed budget remains consistent with the consultation proposals set out in the 212 page document 'Draft Revenue Budget 2004/5 to 2006/7', which has been considered by all of the Scrutiny Commissions in January and early February. **Appendix 4** is a summary of the most salient features of the budget, for each service, as reflected in the proposals issued for consultation. In addition, the final budget is also setting out details of the allocation of a further £350k on a basis closely guided by the results of public consultation on specific budget issues, within paragraph 4.26 below.

- 4.23 Table 3 provides a summary by category of how the budget has changed since 2003/4 for the Council as a whole.

**TABLE 3 - SUMMARY REVENUE BUDGET 2003/04**

	£000
BUDGET REQUIREMENT 2003/4	243,728
Transfer in responsibilities and specific grants	(6,655)
BASE FOR COMPARISON 2003/4	237,073
Additional amounts in approved 2003/4 departmental budgets	110
Reversal of use of one-off resources	(423)
Full year effects – Modernisation fund / pump priming	173
ADJUSTED BASE BUDGET 2003/4	236,933
<i>Add Proposed budget changes 2004/5</i>	
Inflation	7,356
Growth	16,383
Efficiency Savings	(4,407)
Actions to Balance	(3,097)
TOTAL BUDGET 2004/5	253,168
Pump priming fund	114
One-off use of corporate reserves	(1,316)
One-off use of service reserves	(76)
BUDGET REQUIREMENT 2004/5	251,890
Funded by	
Base cashlimit	237,073
Add adjustments to the base	(26)
Add guideline cashlimit allocation	13,059
Additional allocations	1,784
CASHLIMIT 2004/5	251,890

- 4.24 The net year-on-year increase in the budget requirement, on a like-for-like basis taking account of the effect of service transfers, is 6.3%. Net increases by service are summarised in Table 4 below.

**TABLE 4 - 2004/5 BUDGET INCREASE BY DEPARTMENT**

Department	Budget £000	Increase on Adjusted Base %
Commercial Services	2,806	3.4%
Chief Executive's department		
• Policy Directorate	5,410	9.4%
• Corporate Services	9,094	6.6%
• Finance Directorate	7,120	3.0%
Development and Cultural Services	25,883	8.4%
Education		
• Schools	112,324	6.6%
• Other LEA	11,852	3.4%
• Sports and Leisure	2,472	4.1%
Social Services	57,376	9.1%
Corporate Budgets and Reserves	(736)	-168.5%
TOTAL 2004/5	251,890	6.3%

## **Addressing Issues of Public Concern and Feedback from Consultation**

- 4.25 Consultation has been a key part of the budget process. A series of consultation meetings were held between December and early February, including Overview and Scrutiny Commissions, Area Panels, Derby Pointer, Young and Older Persons Forums, Disabled People's Advisory Committee, Minority Ethnic Communities Advisory Committee, Business Ratepayers Groups, School Headteachers and Governors and through the local media. A key feature of the consultation has been to integrate discussions with the Council's Corporate Plan and its priorities.
- 4.26 Following this consultation, the sum remaining to be allocated has been increased from £250k to £350k. Proposals for its allocation are as follows . . .
- Meeting the top two priorities as a direct outcome of the consultation with the Derby Pointer, that is . . .
    - Priority 1: The provision of a further 82 dog waste bins and the costs of emptying the resultant waste. Total Cost £60k. Additional bins may be provided with contributions from area panels. Set up costs are £24k, ongoing costs are £36k.
    - Priority 2: Blitz campaign to remove litter and graffiti. Initially a one off campaign of £150k.
  - Using capital expenditure with the costs of borrowing to be met from the £350k as follows . . .
    - A programme of footpath and minor highways renewals totalling £450k. Annual debt servicing costs are £42k each year.
    - Additional spending of £150k on Disability Discrimination Act works to improve access to Council facilities. This will subsequently be added to the £150k already included in the capital programme, giving a total investment for 2004/5 of £300k. Annual debt servicing costs to be met from revenue are £14k each year.
    - An increase in youth facilities in parks, which was the 4th priority according to the Derby Pointer survey. This will include the installation of new facilities totalling £150k with debt servicing costs from revenue of £14k each year. This amount may be able to be supplemented by grants.
  - Protecting the Darley Park Concert and annual bonfire, together with providing some additional city centre entertainments throughout the year. Total to be allocated £70k to be supplemented by seeking out replacement and additional sponsorship.
- 4.27 At Cabinet on 10 February 2004, a series of formal responses from scrutiny commission and other consultation forums were considered.

- 4.28 Given the timescale between the meeting and the final budget being prepared it has not been possible to look in detail into all the matters raised. Many of the recommendations relate to general improvements in budget management and directly relate to service issues. Specific issues relating to the setting of the 2004/5 budget are addressed in **Appendix 5**.
- 4.29 In addition, the Overview and Scrutiny Commissions have made proposals for further budget review.

## **Fees and Charges**

- 4.30 It is proposed that delegated powers are given to chief officers to approve and implement increases to fees and charges in 2004/5, consistent with the budget proposals. Any increases above those included in these budget proposals must be reported separately to the Cabinet.

## **2003/4 Estimated Outturn**

- 4.31 A summary of the main issues arising from 2003/4 budget monitoring is provided in **Appendix 6** and summarised in Table 5 below.

**TABLE 5 - FORECAST OUTTURN 2003/4**

	Forecast (under)/overspend 2003/4
	£000
Education (excluding schools budgets)	
▪ Other Education Service	(280)
▪ Sport and Leisure	52
Social Services	682
Development and Cultural Services	(359)
Commercial Services	(53)
Chief Executive's department	
▪ Policy Directorate	41
▪ Corporate Services	15
▪ Finance Directorate (including e-Derby)	(545)
▪ Corporate budgets	(242)
Total excluding individual school budgets	(689)

- 4.32 The one-off use of the above forecast year-end underspending has not been included in the 2004/5 budget, except where stated below. Any ongoing budget implications have been considered in the 2004/5 budget. Actual treatment of variances will be considered on confirmation of final out-turn as part of the closure of accounts process.
- 4.33 The Social Services forecast overspending will be met from corporate underspending and reserves on the basis set out in **Appendix 7**.
- 4.34 Finance Directorate includes £450k forecast underspending on the e-Derby projects budget owing to bid approvals and scheme commencement not starting until later in the financial year. This underspend will need to be carried forward to 2004/5. £16k

of other forecast Finance underspending has been applied against one-off 2004/5 budget pressures.

- 4.35 A forecast general fund overspend of £188k on Supporting People is included in the corporate budgets forecast outturn due to shortfalls in the amount of Supporting People grant awarded by ODPM. This is covered from the corporate contingency budget set up in 2003/4 for potential risks recognised in this and other budgets during the budget process. This overspend could continue in 2004/5 and future years and the corporate contingency budget is being maintained as a budget provision against this. In addition, there could potentially be a further £338k funding gap which is being progressed with ODPM. This is not included in the above forecast out-turn on the assumption that additional funding will be granted by ODPM. Should ODPM not change the allocation, the Supporting People Board will have to consider the steps it needs to take to modify services to balance to the grant.
- 4.36 At this stage there is no forecast underspend shown on area panel budgets. However, in the event of any underspend at year end it is proposed to allow Area Panels full carry forward of unspent budgets into 2004/5.

### Corporate Reserves

- 4.37 **Appendix 7** provides a statement of the available corporate reserves and details of how the budget plans draw upon them.
- 4.38 The Council's earmarked Council's reserves are the cornerstone of a balanced budget strategy. These reserves totalled £9.2m at the start of 2003/4 and are forecast to be £9.5m at the end of 2004/5. Members should note that . . .
- Uncommitted general reserves need to be maintained at around 2% of the annual budget requirement, the minimum level agreed with our auditors. These are therefore being increased by £156k to £5.037m by transfers from the available reserves.
  - £2.8m remains in the commutation adjustment reserve after drawing £200k from the reserve in 2004/5. This reserve is earmarked to smooth the rapidly escalating cost of borrowing within Treasury Management over this decade as the 'commutation adjustment' which currently reduces the annual cost of financing borrowing is removed. It should be noted, that without further application of this reserve, Treasury Management costs will rise from a net £11.3m in 2004/5 to £12.7m in 2005/6 and £14.2m in 2006/7, on an upward trend. It is critical that this remaining reserve is kept available for use in later years, if the Council is to be confident that its capital programme is affordable. Further application of £200k of the reserve is currently assumed in each of 2005/6 and 2006/7, in budget plans for those years.
  - The trading services reserve of £1.0m was established from former DSO balances to limit the Council's exposure to trading losses and its ability to recover from any losses.
- 4.39 In addition the Council started the year with a balance of £1.545m of reserves not specifically earmarked. These mainly consisted of a reserve to provide for budget risks and the Council's modernisation reserve to promote improvement and change.

In order to meet the cost of the Social Services overspend in 2003/4 and the one-off injection for modernisation in 2004/5, these reserves will be substantially used up by the end of 2004/5, with a forecast balance of £339k. This will therefore remove most of the Council's capacity to deal with further unplanned needs and developments. The Council therefore needs to adopt a strategy to re-establish a significant level of non-earmarked corporate reserves during 2004/5. Such a strategy is set out in the following section considering management of budget risks.

- 4.40 It must be stressed that reserves are one-off resources. Any further use of reserves to reduce the impact of the budget proposals on council tax in 2004/5 would only be temporary, and would lead to correspondingly larger increases in council tax in 2005/6 when those reserves were unavailable and the underlying impact of spending was restored.

### **Management of Budget Risks**

- 4.41 The budget proposals in this report reflect the estimated 2004/5 position of the general fund at February 2004. They represent the best estimates currently available, but there are risks associated with the estimates. The main risks are that . . .

- Significant corporate reserves do not exist to meet new as yet unidentified spending pressures that could emerge, above the minimum required level.
- There remain potential commitments in the Social Services budget that are not taken into account in these plans. The most significant risk is the potential for cost increases in care home fees, above the 4% increase allowed for in 2004/5. The Council is currently in negotiation with the owners of care homes, who are seeking a higher increase to reflect pressure from the minimum wage and to provide a significant return on capital. The budget is prepared on the basis that any further growth in costs will have to be contained within the overall Social Services budget by holding back on development or making service savings.
- There is no provision for any new or increased costs of delivering PFI schemes, after applying reserves already set aside by Cabinet. General experience of PFI projects suggests that there could be risks here.
- There is also pressure on 2005/6 and 2006/7 budgets, set out in a later section, which will add to the consequences of any 2004/5 overspend.

The measures proposed to help contain these risks are set out below.

- 4.42 The approved revenue costs of preparing the schools and street lighting PFI projects have to date been funded from additional allocations from corporate reserves, as set out in Appendix 6. Costs of other PFI schemes, for example the current housing PFI scheme, are being funded from departmental resources. Given the situation of the corporate reserves, any additional revenue costs that might emerge in currently approved PFI schemes will need to be met from within current departmental resources, such as for example the use of the departmental underspending projected in 2003/4.

4.43 A strategy is also needed to help re-establish during 2004/5 additional corporate reserves and an ongoing corporate contingency budget to assist with future needs that may emerge from 2005/6 onwards. The following is proposed . . .

- The budget currently contains provision for a 3% local government pay award from April 2004. It is possible that the final settlement may be below that figure, although this is not at present being anticipated. If so, the unused balance will be vired to create a corporate contingency budget, which would not be applied for other purposes in 2004/5. If the final settlement is above 3%, the balance will need to be contained through reductions in programmes currently planned within service budgets.
- Should any underspending emerge on corporate budgets in 2003/4, greater than currently anticipated, commitments will not be made against the reserves created prior to the final stages of the 2005/6 budget process at the earliest, notwithstanding any urgent offsetting corporate pressures.
- Windfalls may emerge during 2004/5, from additional income which it was not explicitly budgeted for within the 2004/5 budget plans, or from reductions in anticipated expenditure. Although application of such windfalls may require specific approval under financial regulations, depending on their size, in practice departments have been generally given approval to make virements to use such income to support other departmental needs. For 2004/5, that policy will be constrained in so far as the departments and directorates whose final budget proposals most significantly exceeded the cash limits initially allocated for planning purposes in 2004/5 will be expected to return windfalls to the corporate contingency budget and to plan on this basis. This therefore applies to:
  - Social Services Department (subject to paragraph 4.45 below)
  - Development and Cultural Services Department
  - Corporate Services Directorate
- Service departments should not yet take any decisions that give rise to new commitments to apply in 2004/5 based on any overall departmental underspending anticipated to arise in 2003/4, on the assumption that such underspending will be carried forward. The carry forward of underspending requires specific approval under financial regulations, but there is a risk that such decisions might be anticipated pending formal approval.

4.44 It is also proposed to carry out a more general review of the 2004/5 budget at the point at which the 2003/4 outturn is approved, to establish whether any specific items contributing to a 2003/4 underspending will have a further ongoing impact on the 2004/5 budget. If so, there may be a case for adjusting the 2004/5 allocated budget in the context of this updated information, specifically for the departments and directorates which most significantly exceeded their planning cash limits for 2004/5. For these, all in-year virements including delegated approvals will require at least Cabinet approval until this exercise is concluded.



4.45 Given the risks outlined earlier, the Director of Social Services will report back to Cabinet with details of:

- a plan which clarified the actions needed to reduce the reliance on agency foster care placement and continues the reduction of children requiring placement
- with regard to the risk on care home fees provides a proposal which balances within the Social Services cash limit by reviewing any developments planned for in 2004/5 and if necessary holding back on these until this issue is resolved
- sets out in detail the proposed uses to which the growth in both ring-fenced and non-ring fenced specific grants in 2004/5 is being put to, including a review of the use of special grants which are included in 2004/5 including scale of developments funded from those grants.

4.46 Consistent with financial regulations, and as part of departmental risk management, all Directors will also ensure that funding for approved developments within the 2004/5 budget is treated as a contingency to meet general budget risks and developments only proceed where there is no significant risk of net departmental overspending once they are committed to those developments.

## Council tax

4.47 The proposed budget requirement results in a council tax for a Band D property of £903.82 in 2004/5 for Derby City Council services, excluding the Derbyshire Police and Derbyshire Fire Authority precepts. This is unchanged from the Band D tax set by the City Council in 2003/4.

**TABLE 6 - CALCULATION OF CITY COUNCIL BAND D COUNCIL TAX 2004/5**

	Expenditure £m
Budget requirement 2004/5	251.890
<i>Financed from:</i>	
Formula Grant - Revenue Support Grant	-128.560
Formula Grant – Share of National Business Rate	-62.364
Collection Fund Estimated Outturn 2003/4	0.431
Net Yield required from Council Tax 2004/5	61.397
Divided by tax base (Band D equivalent dwellings)	67930.8
Tax rate for Band D property 2004/5	903.82
Tax rate for Band D property 2003/4 including Fire	903.82
Increase £	0.00
Increase %	0.0%

- 4.48 Although the City Council is required to disclose the increase in 2004/5 as 0.0% on 2004/5 council tax bills, the bills must also contain a footnote stating that the 2004/5 and 2003/4 bills are not comparable. This is because the Derbyshire Fire Authority will from 2004/5 set its own council tax as a precepting authority, whereas in 2003/4 its levy was paid for by the Council and the City Council's council tax was higher as a consequence. Using the adjusted budget and grant figures issued by the Government, the underlying increase in the City Council's 2003/4 proposed council tax is 4.93%, as shown in Table 7. It also follows that, for Derby, the impact of the Fire Authority's 2004/5 tax proposal should be compared with a base figure of £42.49.

**TABLE 7 - COUNCIL TAX ADJUSTED INCREASE 2003/4 TO 2004/5**

	Amount	Band D Council Tax
	£m	£
Actual Council Tax 2003/4	60.772	£903.82
Less		
Fire Authority Levy 2003/4	-6.475	
Fire Authority Formula Grant 2003/4	+3.618	
Net Fire Adjustment	-2.857	-£42.49
Adjusted Council Tax 2003/4	57.915	£861.33
Council Tax 2004/5		£903.82
Adjusted Increase %		4.93%

- 4.49 Each £1m variation to the budget requirement from these figures would result in a £1m variation in the required tax yield, and a change of £14.72 in the Band D tax, or 1.71% of the adjusted 2003/4 council tax. If the budget requirement was set to equal the Council's FSS of £254.2m, the Band D council tax in 2004/5 would be £938.20, an 8.9% increase.
- 4.50 The Band D taxbase for 2004/5 has risen from 67,238.49 to 67,930.8. This mainly reflects the decision of Council to increase the tax on long term empty properties and second homes from 50% to 90% in 2004/5.
- 4.51 Table 8 below show the implications for chargeable dwellings in each property band. 86% of households fall into Band C or below and will pay less than the Band D standard. Single adult households also receive a 25% discount on these figures. Persons on low incomes in receipt of council tax benefit will pay less than the figures shown in the table.

**TABLE 8 - DERBY CITY COUNCIL TAX 2004/5 BY BAND**

Band	Council Tax 2004/5 2+ adults £	Council Tax 2004/5 1 adult £	Dwellings in Band	% of Dwellings
A- (disabled)	502.12	376.59	91	0.1%
A	602.55	451.91	51,063	52.5%
B	702.97	527.23	18,042	18.5%
C	803.40	602.55	14,526	14.9%
D	903.82	677.87	7,484	7.7%
E	1,104.67	828.50	3,742	3.9%
F	1,305.52	979.14	1,827	1.9%
G	1,506.37	1,129.78	509	0.5%
H	1,807.64	1,355.73	11	0.0%
Total			97,295	100%

- 4.52 The total budgeted tax yield of £61.397m divided by the 97,295 chargeable dwellings in Derby, means that the average 2004/5 tax per chargeable dwelling is £631.04, excluding the police and fire council tax. This is the average of what is actually paid by residents of Derby for City Council services, before allowing for reductions for council tax benefit.
- 4.53 Table 9 below shows how total council tax in Derby – including the separate police and fire taxes – compares in 2003/4 with average levels across England. The total tax is on average 7.8% below that for a property in the same band in another part of England, for both Band D and all other bands. The average amount charged per dwelling is 21.3% below the England average. The difference between the two figures is because property prices in Derby are below the England average, and more properties fall into lower bands and attract lower taxes as a consequence. Comparative figures for 2004/5 council taxes across England will be published by the Government before the end of March.

**TABLE 9 - COUNCIL TAX IN DERBY – THE CONTEXT**

	1997/8 Band D £	2003/4 Band D £	2003/4 Average Tax per Dwelling £
Derby (including Police and Fire)	671.76	1,015.59	714.69
England	688.94	1,101.75	908.47
Difference	-17.18 -2.5%	-86.16 -7.8%	-193.78 -21.3%

- 4.54 Table 9 also shows that tax increases in Derby have fallen behind the England average since the Council was created as a unitary authority in 1997/98. In all but one of these years, the rate of tax increase in Derby has been lower than the average increase across England.

- 4.55 Of the 42 councils in the East Midlands region, council taxes in Derby are currently the lowest of all when comparing properties in similar bands. The average Band D council tax in the East Midlands in 2003/4 is £1,125.02. Council taxes in Derby are the second lowest when comparing the average amount charged per dwelling.
- 4.56 For the purpose of distributing Government grant, the Government has for 2004/5 set an 'Assumed National Council Tax' for England, or ANCT, of £1061.46 at Band D. The 2004/5 ANCT for Derby is £929.46, and that for Derbyshire Police £93.00 and Derbyshire Fire £39.00. The actual 2004/5 Band D council tax proposed for Derby City Council of £903.82 is therefore £25.19 or 2.8% below the level assumed by the Government.
- 4.57 The Derbyshire Police Authority and Derbyshire Fire Authority are required to separately set council taxes, which will be shown separately on council tax bills in Derby. The statutory decision by the Council will need to take account of this and members will be updated as soon as the decisions are taken.
- 4.58 Earlier reports to Cabinet have explained how the Government has significantly hardened its approach to capping of local authority budgets in 2004/5, compared to earlier years. Within these warnings, the Government has stated that police and fire authorities will not be exempt from capping. The Government has power either to require local authorities to set a new, lower budget in 2004/5, or to determine a notional lower 2004/5 budget to be used when assessing whether 2005/6 budgets were excessive. Designation for capping will not take place until after 2005/6 budgets are set, and the budgets that will trigger capping are not known in advance.
- 4.59 The Council itself is not considered to be under any significant risk of capping in 2004/5. However, the Fire Authority and possibly also the Police Authority may be at risk. If either were capped and required to set a new 2004/5 budget and council tax, then this would still cause serious administrative and cash flow problems for the Council, whilst rebilling took place. The administrative costs would be recovered from the capped authority, but the recovery of lost cash flow would be more difficult without agreement. The 2004/5 budget makes no provision for any costs that might remain with the Council to fund.

## **Council priorities**

- 4.60 Attached at **Appendix 8** is the Council's draft summary Best Value Performance Plan for 2004/5 which will be distributed to all households. This shows the Council's vision and priorities and it is important that the budget reflects these. Highlights of the budget proposals aimed at addressing priorities are as follows . . .

**Priority 1:** Minimise increases in Council Tax and increase value for money from Council services.

- 4.9% tax increase represents a low single figure increase requested by Government and has been the basis of substantial consultation.
- Budget identified over £4m of savings on budgets, excluding schools.

- Priority 2:** Tackle under-achievement in schools, in particular by helping schools come out of special measures or serious weakness and preventing other schools entering these categories.
- The proposals for Education Service budget include significant growth in individual school budgets and £115,000 to fund specific support and intervention in schools experiencing various levels of difficulty.
- Priority 3:** Promote the city as a major force for industry, commerce, culture and tourism through the country and as an equal participant within the East Midlands region.
- The Council has established with partners, the Derby Cityscape Company, has recently introduced an electronic tourist information system and continues to develop its partnership within the East Midlands Development Association (EMDA).
- Priority 4:** Continue plans to remove traffic from city centre streets, where this helps people make better use of the city centre, and improve transport choice by completing Connecting Derby – the city centre transport plan.
- The Transport Plan is a key component of the Council's capital programme with £6.6m earmarked for 2004/5. Further funding bids are in progress with Government to complete the Connecting Derby scheme.
- Priority 5:** Develop an integrated management system of the city and district centres to improve their attractiveness and viability.
- A number of projects, initially supported by Neighbourhood Renewal Funding and other external funding sources are in progress in Derwent, Alvaston, and Sinfen.
- Priority 6:** Continue to expand doorstep recycling and other recycling activity.
- A further four rounds are included in the budget proposals.

**Priority 7:** Develop plans to modernise the fostering service and residential and community care for adults to meet the level of demand and the requirements of the National Care Standards Commission.

- Social Services has been provided with an increase of over 9% to deliver an effective service with £1m provided on a one-off basis corporately to promote the modernisation of services. The capital programme has also provided £750k pa to meet National Care Standards Commission building requirements.

**Priority 8:** Enhance the community leadership role of the Council both at strategic and neighbourhood level, through partnership working and listening to, and communicating with public.

- Ongoing budget commitment to Area Panels and Area and Neighbourhood teams to ensure improvements maintained.

**Priority 9:** Respond to people's needs appropriately, on time and first time, by developing a customer-focused culture, using new technology and investing in the Council's buildings to provide modern working environments for service delivery and employees.

- E-Derby Strategy and flagship programme of building improvements focus significantly on customer service improvements. Funding for Corporate Customer Service Manager to be met initially through savings in Revenues and Benefit Service.

**Priority 10:** Decide planning applications more quickly, while maintaining the quality of decision-making within a framework for the sustainable economic, environmental and social development of Derby.

- Increased level of planning income and specific grant from Government has enabled a three year improvement plan to be implemented.

### **The Medium Term Outlook – 2005/6 and 2006/7**

4.61 As part of the Council's three year budget planning process, services have also been asked to prepare indicative budgets for the second and third years of the budget cycle. These are included in **Appendix 3** for individual departments, and the overall changes in the 2005/6 and 2006/7 budgets are shown in summary form in **Appendix 9**.

- 4.62 Guideline cash limits are also shown for each department. Other than for schools, departmental cash limits have been uplifted by 3% in each year. In practice, the cash limits assumed for 2005/6 and 2006/7 have not been subject to recent consideration by the Cabinet and budgets have not therefore been constrained to balance to the finally agreed cash limit. The exception is that the increases in the schools FSS are mirrored by increases in the schools cash limit and balanced.
- 4.63 Forward budget proposals have yet to be subject to the same degree of scrutiny as in 2004/5 and do not represent a firm commitment by the Council to spend at this level. These are therefore only 'indicative' budgets and are mainly of relevance as a guide to assessing forward pressures on service budgets.
- 4.64 In total, indicative budgets as submitted show an overall increase in the budget requirement of 6.7% in 2005/6 and 5.5% in 2006/7. This is in excess of the expected growth in FSS and grant resources over the same period. The 2005/6 and 2006/7 budgets grow, respectively, by £2.4m and £3.0m more than the growth in resources in these years, a cumulative difference of £5.4m.
- 4.65 The following potential variations should be noted when interpreting these budgets . . .
- £1m of the increase in the 2004/5 Social Services cash limit is a one-off allocation, to put into effect service modernisation measures that will deliver equivalent savings to budgets in later years. However, the indicative 2005/6 budget has yet to reflect amendments to reflect the efficiency savings that will result from the developments funded in 2004/5 and which will reduce the indicative budget. These are to be put forward subsequently by the Director of Social Services.
  - The 2005/6 budget provides for additional costs of £2.1m, representing the estimated cost other than in schools budgets of the April 2004 pensions revaluation, which takes effect from 2005/6. This reflects the estimated situation of the local government scheme in Derbyshire. In practice it reflects a national problem affecting all local government schemes due to the fall in stock markets since the last triennial revaluation. The Government may therefore be under strong pressure to provide additional grant to fund this pressure in 2005/6, beyond that currently provided in the CSR and planned for by the Council. This is because, if it fails to do so, there will be considerable upward pressure on council taxes in all local authorities in England as a consequence.
  - The continuation of the £340m of additional 2004/5 formula grant into 2005/6 has yet to be confirmed by Government, although the Council's plans assume continuation of its £1.1m share of this grant.
  - The Council is heavily reliant on specific grant funding from the Government and other agencies to fund administrative posts as well as specific initiatives. The continuation of much of this funding is currently uncertain. Although this uncertainty is inevitable given that the Government currently has no formal expenditure plans beyond 2005/6, the withdrawal of such funding does represent a risk.

- New as yet unidentified pressure may emerge as the 2005/6 budget process progresses.

- 4.66 The Council is likely to be in receipt of 'reward' funding under the LPSA agreement with Government in 2005/6. The precise amount will depend upon performance against LPSA targets. For 2005/6 and 2006/7 indicative budgets, it has been assumed that services currently supported from LPSA pump priming grant will continue to be supported as the first call on LPSA reward grant. The remainder of any LPSA reward grant received will be treated as a non-earmarked corporate reserve.
- 4.67 The FSS allocated to Derby will also be subject to further variation, with a further review scheduled for 2006/7. FSS will also change further, if the Council is able to persuade ONS of the need to make a change in the mid-year population estimates for Derby. These estimates are currently the subject of a review by ONS, together with those in several other local authorities, but there is as yet no commitment to make any change.
- 4.68 Summing up, the overall increase in the indicative budgets for 2005/6 and 2006/7 is significant, relative to the expected change in FSS. Although there is clearly a risk, the uncertainties over the resource position mean it is unclear whether this is a serious problem, or not. The situation warrants detailed early scrutiny of indicative budgets for 2005/6 and reinforces the need to adopt the strategy towards the Council's reserves set out above.

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<b>Background papers:</b>	None
<b>List of appendices:</b>	Appendix 1 – Implications As listed in the Index of Appendices



## IMPLICATIONS

### Financial

1. As described in the report.

### Legal

- 2.1 The Council is obliged to set a balanced budget for 2004/5. It must set the Council Tax for the City Council's own budget requirement, and determine the combined Council Tax figure, including the Tax set independently by the Derbyshire Police Authority and Derbyshire Fire Authority. The Council cannot delegate these responsibilities. The role of Cabinet is to advise the Council.
- 2.2 In setting its budget, the Council is obliged to take account of spending guidance issued by the Government, including the availability of reserve capping powers.
- 2.3 The method of calculation of the Council's Budget and Council Tax is prescribed in the Local Government Finance Act 1992 and associated Regulations.

### Personnel

3. Specific personnel proposals arising from the budget decisions made as a result of this report will be dealt with in accordance with normal personnel procedures and approval arrangements, including consultation with trade unions.

### Corporate Themes and Priorities

4. The close relationship between the budget and corporate themes and priorities is made clear in the report.

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# Summary - Revenue Budget 2004/05

SERVICE ACTIVITY	Employees £000's	Running Costs £000's	External Income £000's	Controllable Budget 2004/2005 £000's	Capital Charges £000's	Net Support Services £000's	Departmental Budget 2004/05 £000's	Memorandum Reserves Movements	
								Service	Other
								£000's	£000's
Commercial Services	2,986	3,885	(4,049)	2,822	783	(110)	3,495	(16)	
Chief Executives Department	22,993	90,724	(73,702)	40,015	21,452	(10,534)	50,933	(42)	(146)
Development & Cultural Services	13,065	25,124	(12,253)	25,936	5,370	2,861	34,167	(18)	(35)
Education	111,429	50,435	(35,195)	126,669	10,282	4,142	141,093		(21)
Social Services	36,586	49,723	(28,933)	57,376	739	3,641	61,756		(1,000)
Add allocation following consultation		350		350			350		
<b>Departmental Total</b>	<b>187,059</b>	<b>220,241</b>	<b>(154,132)</b>	<b>253,168</b>	38,626	0	<b>291,794</b>	(76)	(1,202)
Less Capital Charges					(38,626)		(38,626)		
<b>Net Expenditure</b>	<b>187,059</b>	<b>220,241</b>	<b>(154,132)</b>	<b>253,168</b>	0	0	<b>253,168</b>		
<b>Appropriations to/(from) reserves:</b>									
forecast service underspends				(16)			(16)		
other service reserves				(60)			(60)		
net (from)/to pump priming fund				114			114		
corporate reserves				(1,316)			(1,316)		
<b>Total General Fund Budget Requirement</b>				<b>251,890</b>	0	0	<b>251,890</b>		

Funded by:	£'000's
Revenue Support Grant	128,560
Business Rates	62,364
Collection Fund net balance	(431)
Council Tax	61,397
	<b>251,890</b>

## SUMMARY OF CHANGES IN REVENUE BUDGET - 2003/4 TO 2004/5

SUMMARY OF REVENUE BUDGET PROPOSALS £000's																
	Comm Svs	CHIEF EXECUTIVE'S					D&CS	EDUCATION				Soc Svs	Add to allocate	Department Total	Adjust ments	Budget Requirement
		Policy	Corp Servs	Finance	Corp Budgets	TOTAL		Schools Block	Other LEA	Sports & Leisure	TOTAL					
<b>PROPOSED BUDGET</b>																
Original approved budget 2003/4	2,687	4,883	8,487	7,160	26,942	47,472	24,461	105,342	11,792	2,666	119,800	50,418	0	244,838	-1,110	243,728
less budget adjustments	31	128	77	-395	-387	-577	115		138	-296	-158	-411		-1,000	1,000	0
<b>Latest Approved Controllable Base Budget</b>	<b>2,718</b>	<b>5,011</b>	<b>8,564</b>	<b>6,765</b>	<b>26,555</b>	<b>46,895</b>	<b>24,576</b>	<b>105,342</b>	<b>11,930</b>	<b>2,370</b>	<b>119,642</b>	<b>50,007</b>	<b>0</b>	<b>243,838</b>	<b>-110</b>	<b>243,728</b>
Add/less Service Transfers	-5	0	-32	154	-9,318	-9,196	80	40	-154	4	-110	2,576	0	-6,655	0	-6,655
<b>Base for Comparison</b>	<b>2,713</b>	5,011	8,532	6,919	17,237	37,699	24,656	105,382	11,776	2,374	119,532	52,583	0	237,183	-110	237,073
Less: Reversal of one-off items	0	-65	0	-9	-38	-112	-960	0	-311	0	-311	0	960	-423	215	-208
Add: Full Year Effects of previous funding	0	0	0	0	0	0	173	0	0	0	0	0	0	173	9	182
<b>Adjusted Base Budget</b>	<b>2,713</b>	4,946	8,532	6,910	17,199	37,587	23,869	105,382	11,465	2,374	119,221	52,583	960	236,933	114	237,047
<b>Add Proposed Budget changes</b>																
<b>Inflation</b>	<b>66</b>	251	265	264	112	892	870	2,721	439	57	3,217	2,311		7,356		7,356
<b>Growth</b>	<b>184</b>	436	612	267	1,860	3,175	2,540	4,356	770	59	5,185	5,199	100	16,383	-1,200	15,183
<b>Efficiency savings</b>	<b>-45</b>	-107	-218	-261	-882	-1,468	-452	-135	-751	-18	-904	-828	-710	-4,407		-4,407
<b>Actions to Balance</b>	<b>-96</b>	-116	-53	-2	0	-171	-891	0	-50	0	-50	-1,889		-3,097		-3,097
<b>Total proposed budget changes</b>	<b>109</b>	464	606	268	1,090	2,428	2,067	6,942	408	98	7,448	4,793	-610	16,235	-1,200	15,035
<b>Proposed department budget</b>	<b>2,822</b>	5,410	9,138	7,178	18,289	40,015	25,936	112,324	11,873	2,472	126,669	57,376	350	253,168	-1,086	252,082
less use of one-off service reserves	-16	0	-26	-16		-42	-18				0			-76		-76
less use of one-off corporate reserves		0	-18	-42		-60	-35		-21		-21			-116		-116
<b>Proposed Budget Requirement</b>	<b>2,806</b>	5,410	9,094	7,120	18,289	39,913	25,883	112,324	11,852	2,472	126,648	57,376	350	252,976	-1,086	251,890
<b>CASH LIMIT</b>																
<b>Adjusted Base Cashlimit</b>	<b>2,713</b>	4,946	8,532	6,910	17,199	37,587	23,869	105,382	11,465	2,374	119,221	52,583	960	236,933	114	237,047
Add provisional guideline cashlimit increase	93	355	296	210	961	1,822	1,572	6,942	387	98	7,427	3,855	-710	14,059	-1,000	13,059
Add further cashlimit allocations	0	109	266		129	504	442				0	938	100	1,984	-200	1,784
<b>Provisional Guideline Cashlimit</b>	<b>2,806</b>	5,410	9,094	7,120	18,289	39,913	25,883	112,324	11,852	2,472	126,648	57,376	350	252,976	-1,086	251,890
<b>Funding Gap - £'000 (cumulative)</b>	<b>0</b>	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Budget requirement - % increase over Adjusted Base Budget</b>	<b>3.4%</b>	9.4%	6.6%	3.0%	6.3%	6.2%	8.4%	6.6%	3.4%	4.1%	6.2%	9.1%	-63.5%	6.8%	-1052.6%	6.3%

## COMMERCIAL SERVICES

Overall summary by category of change			
	DEPARTMENT TOTAL		
	2004/2005 £'000	2005/2006 £'000	2006/2007 £'000
<b>PROPOSED BUDGET</b>			
Original approved budget 2003/4	2,687	2,806	2,890
less budget adjustments	31		
<b>Latest Approved Controllable Base Budget</b>	<b>2,718</b>	<b>2,806</b>	<b>2,890</b>
Add/less Service Transfers	-5		
<b>Base for Comparison</b>	<b>2,713</b>	<b>2,806</b>	<b>2,890</b>
Less: Reversal of one-off items			
Add: Full Year Effects of previous funding			
<b>Adjusted Base Budget</b>	<b>2,713</b>	<b>2,806</b>	<b>2,890</b>
<b>Add Proposed Budget changes</b>			
<b>Inflation</b>	<b>66</b>	<b>79</b>	<b>82</b>
<b>Growth</b>	<b>184</b>	<b>5</b>	<b>5</b>
<b>Efficiency savings</b>	<b>-45</b>	<b>0</b>	<b>0</b>
<b>Actions to Balance</b>	<b>-96</b>	<b>0</b>	<b>0</b>
<b>Total proposed budget changes</b>	<b>109</b>	<b>84</b>	<b>87</b>
<b>Proposed departmental budget</b>	<b>2,822</b>	<b>2,890</b>	<b>2,977</b>
less use of one-off service reserves	-16		
less use of one-off corporate reserves			
<b>Proposed Budget Requirement</b>	<b>2,806</b>	<b>2,890</b>	<b>2,977</b>
<b>CASH LIMIT</b>			
<b>Adjusted Base Cashlimit</b>	<b>2,713</b>	<b>2,806</b>	<b>2,890</b>
Add provisional guideline cashlimit increase	93	84	87
<b>Provisional Guideline Cashlimit</b>	<b>2,806</b>	<b>2,890</b>	<b>2,977</b>
<b>Funding Gap - £'000 (cumulative)</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Budget - % increase over Adjusted Base Budget</b>	<b>3.4%</b>	<b>3.0%</b>	<b>3.0%</b>

## CHIEF EXECUTIVE'S DEPARTMENT DEPARTMENT

Overall summary by category of change															
	POLICY DIRECTORATE			CORPORATE SERVICES DIRECTORATE			FINANCE DIRECTORATE			CORPORATE BUDGETS			DEPARTMENT TOTAL		
	2004/2005	2005/2006	2006/2007	2004/2005	2005/2006	2006/2007	2004/2005	2005/2006	2006/2007	2004/2005	2005/2006	2006/2007	2004/2005	2005/2006	2006/2007
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>PROPOSED BUDGET</b>															
Original approved budget 2003/4	4,883	5,410	5,654	8,487	9,094	9,596	7,160	7,120	7,413	26,942	18,289	19,520	47,472	39,913	42,183
less budget adjustments	128			77			-395			-387			-577	0	0
<b>Latest Approved Controllable Base Budget</b>	<b>5,011</b>	<b>5,410</b>	<b>5,654</b>	<b>8,564</b>	<b>9,094</b>	<b>9,596</b>	<b>6,765</b>	<b>7,120</b>	<b>7,413</b>	<b>26,555</b>	<b>18,289</b>	<b>19,520</b>	<b>46,895</b>	<b>39,913</b>	<b>42,183</b>
Add/less Service Transfers	0	0	0	-32	0	0	154	0	0	-9,318	0	0	-9,196	0	0
<b>Base for Comparison</b>	<b>5,011</b>	<b>5,410</b>	<b>5,654</b>	<b>8,532</b>	<b>9,094</b>	<b>9,596</b>	<b>6,919</b>	<b>7,120</b>	<b>7,413</b>	<b>17,237</b>	<b>18,289</b>	<b>19,520</b>	<b>37,699</b>	<b>39,913</b>	<b>42,183</b>
Less: Reversal of one-off items	-65	0	0	0	0	0	-9	0	0	-38	0	0	-112	0	0
Add: Full Year Effects of previous funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Adjusted Base Budget</b>	<b>4,946</b>	<b>5,410</b>	<b>5,654</b>	<b>8,532</b>	<b>9,094</b>	<b>9,596</b>	<b>6,910</b>	<b>7,120</b>	<b>7,413</b>	<b>17,199</b>	<b>18,289</b>	<b>19,520</b>	<b>37,587</b>	<b>39,913</b>	<b>42,183</b>
<b>Add Proposed Budget changes</b>															
<b>Inflation</b>	251	180	181	265	481	495	264	236	247	112	103	117	892	1,000	1,040
<b>Growth</b>	436	72	47	612	-128	46	267	59	50	1,860	1,128	1,509	3,175	1,131	1,652
<b>Efficiency savings</b>	-107	0	0	-218	0	0	-261	-2	-2	-882	0	0	-1,468	-2	-2
<b>Actions to Balance</b>	-116	-8	-9	-53	149	-6	-2	0	0	0	0	0	-171	141	-15
<b>Total proposed budget changes</b>	<b>464</b>	<b>244</b>	<b>219</b>	<b>606</b>	<b>502</b>	<b>535</b>	<b>268</b>	<b>293</b>	<b>295</b>	<b>1,090</b>	<b>1,231</b>	<b>1,626</b>	<b>2,428</b>	<b>2,270</b>	<b>2,675</b>
<b>Proposed departmental budget</b>	<b>5,410</b>	<b>5,654</b>	<b>5,873</b>	<b>9,138</b>	<b>9,596</b>	<b>10,131</b>	<b>7,178</b>	<b>7,413</b>	<b>7,708</b>	<b>18,289</b>	<b>19,520</b>	<b>21,146</b>	<b>40,015</b>	<b>42,183</b>	<b>44,858</b>
less use of one-off service reserves	0			-26			-16			0			-42	0	0
less use of one-off corporate reserves	0			-18			-42			0			-60	0	0
<b>Proposed Budget Requirement</b>	<b>5,410</b>	<b>5,654</b>	<b>5,873</b>	<b>9,094</b>	<b>9,596</b>	<b>10,131</b>	<b>7,120</b>	<b>7,413</b>	<b>7,708</b>	<b>18,289</b>	<b>19,520</b>	<b>21,146</b>	<b>39,913</b>	<b>42,183</b>	<b>44,858</b>
<b>CASH LIMIT</b>															
<b>Adjusted Base Cashlimit</b>	<b>4,946</b>	<b>5,410</b>	<b>5,561</b>	<b>8,532</b>	<b>9,094</b>	<b>9,357</b>	<b>6,910</b>	<b>7,120</b>	<b>7,355</b>	<b>17,199</b>	<b>18,289</b>	<b>19,616</b>	<b>37,587</b>	<b>39,913</b>	<b>41,889</b>
Add provisional guideline cashlimit increase	355	151	154	296	263	271	210	235	241	961	1,327	1,707	1,822	1,976	2,373
Add further cashlimit allocation	109			266						129			504	0	0
<b>Provisional Guideline Cashlimit</b>	<b>5,410</b>	<b>5,561</b>	<b>5,715</b>	<b>9,094</b>	<b>9,357</b>	<b>9,628</b>	<b>7,120</b>	<b>7,355</b>	<b>7,596</b>	<b>18,289</b>	<b>19,616</b>	<b>21,323</b>	<b>39,913</b>	<b>41,889</b>	<b>44,262</b>
<b>Funding Gap - £'000 (cumulative)</b>	<b>0</b>	<b>93</b>	<b>158</b>	<b>0</b>	<b>239</b>	<b>503</b>	<b>0</b>	<b>58</b>	<b>112</b>	<b>0</b>	<b>-96</b>	<b>-177</b>	<b>0</b>	<b>294</b>	<b>596</b>
<b>Budget - % increase over Adjusted Base Budget</b>	<b>9.4%</b>	<b>4.5%</b>	<b>3.9%</b>	<b>6.6%</b>	<b>5.5%</b>	<b>5.6%</b>	<b>3.0%</b>	<b>4.1%</b>	<b>4.0%</b>	<b>6.3%</b>	<b>6.7%</b>	<b>8.3%</b>	<b>6.2%</b>	<b>5.7%</b>	<b>6.3%</b>

## DEVELOPMENT AND CULTURAL SERVICES

## Overall summary by category of change

	DEPARTMENT TOTAL		
	2004/2005 £'000	2005/2006 £'000	2006/2007 £'000
<b>PROPOSED BUDGET</b>			
Original approved budget 2003/4	24,461	25,883	27,015
less budget adjustments	115		
<b>Latest Approved Controllable Base Budget</b>	<b>24,576</b>	<b>25,883</b>	<b>27,015</b>
Add/less Service Transfers	80		
<b>Base for Comparison</b>	<b>24,656</b>	<b>25,883</b>	<b>27,015</b>
Less: Reversal of one-off items	-960		
Add: Full Year Effects of previous funding	173		
<b>Adjusted Base Budget</b>	<b>23,869</b>	<b>25,883</b>	<b>27,015</b>
<b>Add Proposed Budget changes</b>			
<b>Inflation</b>	870	1,281	1,384
<b>Growth</b>	2,540	597	1,053
<b>Efficiency savings</b>	-452	-9	-11
<b>Actions to Balance</b>	-891	-737	-1,206
<b>Total proposed budget changes</b>	<b>2,067</b>	<b>1,132</b>	<b>1,220</b>
<b>Proposed departmental budget</b>	<b>25,936</b>	<b>27,015</b>	<b>28,235</b>
less use of one-off service reserves	-18		
less use of one-off corporate reserves	-35		
<b>Proposed Budget Requirement</b>	<b>25,883</b>	<b>27,015</b>	<b>28,235</b>
<b>CASH LIMIT</b>			
<b>Adjusted Base Cashlimit</b>	<b>23,869</b>	<b>25,883</b>	<b>26,638</b>
Add provisional guideline cashlimit increase	1,572	755	775
Ad further cashlimit allocation	442		
<b>Provisional Guideline Cashlimit</b>	<b>25,883</b>	<b>26,638</b>	<b>27,413</b>
<b>Funding Gap - £'000 (cumulative)</b>	<b>0</b>	<b>377</b>	<b>822</b>
<b>Cashlimit - % increase over Adjusted Base Budget</b>	<b>8.4%</b>	<b>4.4%</b>	<b>4.5%</b>

## EDUCATION DEPARTMENT

Overall summary by category of change												
	SCHOOLS			LEA			SPORT AND LEISURE			EDUCATION DEPARTMENT TOTAL		
	2004/2005 £'000	2005/2006 £'000	2006/2007 £'000	2004/2005 £'000	2005/2006 £'000	2006/2007 £'000	2004/2005 £'000	2005/2006 £'000	2006/2007 £'000	2004/2005 £'000	2005/2006 £'000	2006/2007 £'000
<b>PROPOSED BUDGET</b>												
Original approved budget 2003/4	105,342	112,324	118,903	11,792	11,852	12,204	2,666	2,472	2,554	119,800	126,648	133,661
less budget adjustments	0	0		138			-296			-158	0	0
<b>Latest Approved Controllable Base Budget</b>	<b>105,342</b>	<b>112,324</b>	<b>118,903</b>	<b>11,930</b>	<b>11,852</b>	<b>12,204</b>	<b>2,370</b>	<b>2,472</b>	<b>2,554</b>	<b>119,642</b>	<b>126,648</b>	<b>133,661</b>
Add/less Service Transfers	40	0	0	-154	0	0	4	0	0	-110	0	0
<b>Base for Comparison</b>	<b>105,382</b>	<b>112,324</b>	<b>118,903</b>	<b>11,776</b>	<b>11,852</b>	<b>12,204</b>	<b>2,374</b>	<b>2,472</b>	<b>2,554</b>	<b>119,532</b>	<b>126,648</b>	<b>133,661</b>
Less: Reversal of one-off items	0	0	0	-311	0	0	0	0	0	-311	0	0
Add: Full Year Effects of previous funding	0	0	0	0	0	0	0	0	0	0	0	0
<b>Adjusted Base Budget</b>	<b>105,382</b>	<b>112,324</b>	<b>118,903</b>	<b>11,465</b>	<b>11,852</b>	<b>12,204</b>	<b>2,374</b>	<b>2,472</b>	<b>2,554</b>	<b>119,221</b>	<b>126,648</b>	<b>133,661</b>
<b>Add Proposed Budget changes</b>												
<b>Inflation</b>	2,721	3,012	2,413	439	393	416	57	60	67	3,217	3,465	2,896
<b>Growth</b>	1,421	1,571	778	770	21	-16	59	22	18	2,250	1,614	780
<b>Available for Growth outside of ISB</b>	2,935	1,996	3,776	0	-62	-38	0	0	0	2,935	1,934	3,738
<b>Efficiency savings</b>	-135	0	0	-751	0	0	-18	0	0	-904	0	0
<b>Actions to Balance</b>	0	0	0	-50	0	0	0	0	0	-50	0	0
<b>Total proposed budget changes</b>	<b>6,942</b>	<b>6,579</b>	<b>6,967</b>	<b>408</b>	<b>352</b>	<b>362</b>	<b>98</b>	<b>82</b>	<b>85</b>	<b>7,448</b>	<b>7,013</b>	<b>7,414</b>
<b>Proposed departmental budget</b>	<b>112,324</b>	<b>118,903</b>	<b>125,870</b>	<b>11,873</b>	<b>12,204</b>	<b>12,566</b>	<b>2,472</b>	<b>2,554</b>	<b>2,639</b>	<b>126,669</b>	<b>133,661</b>	<b>141,075</b>
less use of one-off service reserves												
less use of one-off corporate reserves				-21								
<b>Proposed Budget requirement</b>	<b>112,324</b>	<b>118,903</b>	<b>125,870</b>	<b>11,852</b>	<b>12,204</b>	<b>12,566</b>	<b>2,472</b>	<b>2,554</b>	<b>2,639</b>	<b>126,669</b>	<b>133,661</b>	<b>141,075</b>
<b>CASH LIMIT</b>												
<b>Adjusted Base Cashlimit</b>	<b>105,382</b>	<b>112,324</b>	<b>118,903</b>	<b>11,465</b>	<b>11,852</b>	<b>12,204</b>	<b>2,374</b>	<b>2,472</b>	<b>2,554</b>	<b>119,221</b>	<b>126,648</b>	<b>133,661</b>
Add provisional guideline cashlimit increase	6,942	6,579	6,967	387	352	362	98	82	85	7,427	7,013	7,414
<b>Provisional Guideline Cashlimit</b>	<b>112,324</b>	<b>118,903</b>	<b>125,870</b>	<b>11,852</b>	<b>12,204</b>	<b>12,566</b>	<b>2,472</b>	<b>2,554</b>	<b>2,639</b>	<b>126,648</b>	<b>133,661</b>	<b>141,075</b>
<b>Funding Gap - £'000 (cumulative)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>21</b>	<b>0</b>	<b>0</b>
<b>Budget - % increase over Adjusted Base Budget</b>	<b>6.6%</b>	<b>5.9%</b>	<b>5.9%</b>	<b>3.4%</b>	<b>3.0%</b>	<b>3.0%</b>	<b>4.1%</b>	<b>3.3%</b>	<b>3.3%</b>	<b>6.2%</b>	<b>5.5%</b>	<b>5.5%</b>



## SOCIAL SERVICES DEPARTMENT

Overall Summary by category of change			
	DEPARTMENT TOTAL		
	2004/2005 £'000	2005/2006 £'000	2006/2007 £'000
<b>PROPOSED BUDGET</b>			
Original approved budget 2003/4	50,418	57,376	60,749
less budget adjustments	-411	0	0
<b>Latest Approved Controllable Base Budget</b>	<b>50,007</b>	<b>57,376</b>	<b>60,749</b>
Add/less Service Transfers	2,576	0	0
<b>Base for Comparison</b>	<b>52,583</b>	<b>57,376</b>	<b>60,749</b>
Less: Reversal of one-off items	0	0	0
Add: Full Year Effects of previous funding	0	0	0
<b>Adjusted Base Budget</b>	<b>52,583</b>	<b>57,376</b>	<b>60,749</b>
<b>Add Proposed Budget changes</b>			
<b>Inflation</b>	<b>2,311</b>	<b>2,624</b>	<b>2,766</b>
<b>Growth</b>	<b>5,199</b>	<b>217</b>	<b>551</b>
<b>Efficiency savings</b>	<b>-828</b>	<b>0</b>	<b>0</b>
<b>Actions to Balance</b>	<b>-1,889</b>	<b>532</b>	<b>178</b>
<b>Total proposed budget changes</b>	<b>4,793</b>	<b>3,373</b>	<b>3,495</b>
<b>Proposed Budget Requirement</b>	<b>57,376</b>	<b>60,749</b>	<b>64,244</b>
<b>CASH LIMIT</b>			
<b>Adjusted Base Cashlimit</b>	52,583	57,376	59,081
Add provisional guideline cashlimit increase	3,855	1,705	1,757
Add further cashlimit allocations	938	0	0
<b>Provisional Guideline Cashlimit</b>	<b>57,376</b>	<b>59,081</b>	<b>60,838</b>
<b>Funding Gap - £'000 (cumulative)</b>	<b>0</b>	<b>1,668</b>	<b>3,406</b>
<b>Budget - % increase over Adjusted Base Budget</b>	<b>9.1%</b>	<b>5.9%</b>	<b>5.8%</b>

## COMMERCIAL SERVICES DEPARTMENT - Revenue Budget 2004/2005

SERVICE ACTIVITY	Employees £'s	Running Costs £'s	External Income £'s	Proposed Controllable Budget 2004/05 £'s	Capital Charges £000's	Net Support Services £000's	Department Budget 2004/05 £000's
<b>Cemeteries and Crematorium</b>							
Cemeteries	93	70	(190)	(27)			(27)
Maintenance- Disused Burial Grounds	0	2	0	2			2
Crematorium	180	295	(963)	(488)			(488)
	<b>273</b>	<b>367</b>	<b>(1,153)</b>	<b>(513)</b>	<b>0</b>	<b>0</b>	<b>(513)</b>
<b>Management, Finance &amp; Admin</b>							
London Road (Funded by Trading Services)	748	112	0	860			860
Stores Road (Funded by Trading Services)	505	37	0	542			542
Parks	125	25	0	150			150
	<b>1,378</b>	<b>174</b>	<b>0</b>	<b>1,552</b>	<b>0</b>	<b>0</b>	<b>1,552</b>
<b>Parks</b>							
City Centre & Neighbourhood Horticultural Features	0	3	(55)	(52)			(52)
Landscape Client	190	14	(75)	129			129
Grounds Maintenance Client	247	14	(67)	194			194
Golf Client	6	2	(311)	(303)			(303)
Garden Allotments	10	17	(17)	10			10
Outdoor Amenities	791	522	(478)	835			835
Arboretum	91	86	(146)	31			31
Grounds Maintenance Contracts	0	2,686	(345)	2,341			2,341
	<b>1,335</b>	<b>3,344</b>	<b>(1,494)</b>	<b>3,185</b>	<b>0</b>	<b>0</b>	<b>3,185</b>
<b>Trading Services</b>	<b>0</b>	<b>0</b>	<b>(1,402)</b>	<b>(1,402)</b>			<b>(1,402)</b>
Support Service Recharges (Department Total)						(110)	(110)
Capital Charges (Department Total)					783		783
<b>Total Department Budget</b>	<b>2,986</b>	<b>3,885</b>	<b>(4,049)</b>	<b>2,822</b>	<b>783</b>	<b>(110)</b>	<b>3,495</b>

## CHIEF EXECUTIVES DEPARTMENT - Revenue Budget 2004/2005

SERVICE ACTIVITY	Employees	Running Costs	External Income	Proposed Controllable Budget 2004/2005	Capital Charges	Net Support Services	Department Budget 2004/05
	£000's	£000's	£000's	£000's	£000's	£000's	£000's
<b>CORPORATE BUDGETS</b>							
<b>Other Corporate Budgets</b>							
The Chief Executive	148	4	0	152			152
Registration of Electors	68	53	(3)	118			118
Conduct of Elections	0	110	0	110			110
Mayoral Expenses	108	61	(12)	157			157
Twinning	17	22	(1)	38			38
Members Allowances	0	817	0	817			817
Magistrates Court	0	313	0	313			313
Corporate Management	159	89	0	248			248
Derby Coroner	0	170	0	170			170
Environment Agency	0	69	0	69			69
Transport Act 1985	0	42	0	42			42
Residual Reorganisation Costs	306	10		316			316
Insurance	293	1,990	(553)	1,730			1,730
Corporate Contingency Fund	0	326	0	326			326
Support Services Recharge Balance	0	160	0	160			160
Trading Services Rebate	78	0	(500)	(422)			(422)
Car Leasing	21	176	(73)	124			124
External Audit Fees	0	297	(44)	253			253
Bank Charges	16	64	(26)	54			54
Benefit Payments	0	35,067	(34,872)	195			195
Concessionary fares	8	1,469	0	1,477			1,477
Emergency Planning	0	10	0	10			10
Former Transport Superannuation	358	0	0	358			358
	<b>1,580</b>	<b>41,319</b>	<b>(36,084)</b>	<b>6,815</b>	<b>0</b>	<b>0</b>	<b>6,815</b>
<b>Fire</b>	0	0	0	0			0
<b>Treasury Management</b>	0	23,298	(11,824)	11,474			11,474
<b>TOTAL CORPORATE BUDGETS</b>	<b>1,580</b>	<b>64,617</b>	<b>(47,908)</b>	<b>18,289</b>	<b>0</b>	<b>0</b>	<b>18,289</b>
<b>POLICY DIRECTORATE</b>							
<b>Directorate Management</b>	<b>194</b>	<b>63</b>	<b>(31)</b>	<b>226</b>			226
<b>Corporate Communications</b>	<b>135</b>	<b>75</b>	<b>(28)</b>	<b>182</b>			182
<b>Derby City Partnership</b>	<b>125</b>	<b>91</b>	<b>(142)</b>	<b>74</b>			74

## CHIEF EXECUTIVES DEPARTMENT - Revenue Budget 2004/2005

SERVICE ACTIVITY	Employees	Running Costs	External Income	Proposed Controllable Budget 2004/2005	Capital Charges	Net Support Services	Department Budget 2004/05
	£000's	£000's	£000's	£000's	£000's	£000's	£000's
<b>Personnel &amp; Equalities</b>							
Equalities	192	118	(141)	169			169
Kedleston Road	62	85	(63)	84			84
Personnel	1,033	186	(340)	879			879
Job Evaluation	77	7	0	84			84
Occupational Health	93	57	(150)	0			0
Learning to Work	418	103	(380)	141			141
	<b>1,875</b>	<b>556</b>	<b>(1,074)</b>	<b>1,357</b>	<b>0</b>	<b>0</b>	<b>1,357</b>
<b>Community Policy</b>							
Community and Housing Strategy	425	63	0	488			488
Area and Neighbourhood Unit	637	234	(386)	485			485
Community Policy Management	101	19	0	120			120
Community Grants	0	824	0	824			824
Anti-Poverty Initiatives	0	14	0	14			14
External Funding Unit	550	51	(384)	217			217
	<b>1,713</b>	<b>1,205</b>	<b>(770)</b>	<b>2,148</b>	<b>0</b>	<b>0</b>	<b>2,148</b>
<b>Derby Community Safety Partnership</b>							
Adult Crime Initiatives	166	0	0	166			166
Domestic Violence	12	0	0	12			12
	<b>178</b>	<b>0</b>	<b>0</b>	<b>178</b>	<b>0</b>	<b>0</b>	<b>178</b>
<b>Housing &amp; Advice Services</b>							
Derby Advice	428	78	(50)	456			456
HGF Account	0	1	0	1			1
Housing Services Management	189	49	0	238			238
Housing Options (Private)	408	331	(152)	587			587
Rehousing Officer	25	0	(25)	0			0
Derby Homefinder	93	98	(191)	0			0
Homelessness Strategy	125	0	(125)	0			0
Community Care (Private)	83	52	(125)	10			10
Homeless Hostel	9	20	(16)	13			13
Private Sector Renewal	688	229	(962)	(45)			(45)
Advances to Housing Associations			(9)	(9)			(9)
Derby Homezone	20	0	(20)	0			0
Building a Better Derwent	60	12	(72)	0			0
Shelton Lock Mobile Home Park	8	10	(24)	(6)			(6)
Supporting People	264	10	(274)	0			0
	<b>2,400</b>	<b>890</b>	<b>(2,045)</b>	<b>1,245</b>	<b>0</b>	<b>0</b>	<b>1,245</b>
<b>TOTAL POLICY DIRECTORATE</b>	<b>6,620</b>	<b>2,880</b>	<b>(4,090)</b>	<b>5,410</b>	<b>0</b>	<b>0</b>	<b>5,410</b>

## CHIEF EXECUTIVES DEPARTMENT - Revenue Budget 2004/2005

SERVICE ACTIVITY	Employees £000's	Running Costs £000's	External Income £000's	Proposed Controllable Budget 2004/2005 £000's	Capital Charges £000's	Net Support Services £000's	Department Budget 2004/05 £000's
<b>CORPORATE SERVICES DIRECTORATE</b>							
<b>Democratic Services</b>							
Telecommunications	193	272	(47)	418			418
Elections Administration	27	56	0	83			83
Member Services	83	101	0	184			184
Register Office	269	52	(237)	84			84
Management & Administration	333	195	(15)	513			513
Central Services	97	123	(217)	3			3
Committee Services	280	49	(5)	324			324
Overview & Scrutiny	190	68	0	258			258
Land Charges	210	79	(613)	(324)			(324)
	<b>1,682</b>	<b>995</b>	<b>(1,134)</b>	<b>1,543</b>	<b>0</b>	<b>0</b>	<b>1,543</b>
<b>Legal</b>	1,016	213	(344)	885			885
<b>Property Services</b>							
Accommodation	200	1,232	(51)	1,381			1,381
Estates	516	573	(1,171)	(82)			(82)
Markets	186	1,375	(2,655)	(1,094)			(1,094)
Festivities	0	100	0	100			100
Property Maintenance	448	29	(120)	357			357
Quantity Surveying	168	10	(222)	(44)			(44)
Building Services	554	32	(244)	342			342
Architectural Services	399	24	(462)	(39)			(39)
Property Services Administration	298	23	(5)	316			316
Repair & Maintenance Works	0	3,761	(954)	2,807			2,807
Repair & Maintenance Fees	0	142	(103)	39			39
Building Cleaning Contract	0	323	0	323			323
	<b>2,769</b>	<b>7,624</b>	<b>(5,987)</b>	<b>4,406</b>	<b>0</b>	<b>0</b>	<b>4,406</b>
<b>Environmental Health &amp; Trading Standards</b>							
Licensing	141	17	(235)	(77)			(77)
Hackney Carriages	151	39	(237)	(47)			(47)
Environmental Health Management & Admin	267	42	(4)	305			305
Commercial	363	31	(13)	381			381
Abandoned Vehicles	17	56	(5)	68			68
Abandoned Vehicles LPSA	25	31	(67)	(11)			(11)
Pollution Control	219	17	(31)	205			205
Air Quality Management Areas	18	19	0	37			37
General	241	28	0	269			269
Pest Control	98	47	(87)	58			58
Dog Control	80	72	(5)	147			147
Health & Safety	287	24	0	311			311
Trading Standards	634	83	(59)	658			658
	<b>2,541</b>	<b>506</b>	<b>(743)</b>	<b>2,304</b>	<b>0</b>	<b>0</b>	<b>2,304</b>
<b>Total Corporate Services Directorate</b>	<b>8,008</b>	<b>9,338</b>	<b>(8,208)</b>	<b>9,138</b>	<b>0</b>	<b>0</b>	<b>9,138</b>

## CHIEF EXECUTIVES DEPARTMENT - Revenue Budget 2004/2005

SERVICE ACTIVITY	Employees £000's	Running Costs £000's	External Income £000's	Proposed Controllable Budget 2004/2005 £000's	Capital Charges £000's	Net Support Services £000's	Department Budget 2004/05 £000's
<b>FINANCE DIRECTORATE</b>							
<b>Corporate Finance Service Unit</b>							
Finance Management	443	17	(6)	454			454
Accountancy & Technical Finance	1,049	20	(263)	806			806
Internal Audit	434	61	(99)	396			396
	<b>1,926</b>	<b>98</b>	<b>(368)</b>	<b>1,656</b>	<b>0</b>	<b>0</b>	<b>1,656</b>
<b>Financial Services</b>							
Tax	79	8	(34)	53			53
Management Support	78	18	(1)	95			95
Employee Payments	214	53	(133)	134			134
Vision System	38	200	(16)	222			222
External Payments	290	90	(298)	82			82
	<b>699</b>	<b>369</b>	<b>(482)</b>	<b>586</b>	<b>0</b>	<b>0</b>	<b>586</b>
<b>ICT &amp; Performance</b>							
Strategic Planning & Performance	237	122	19	378			378
Computer Services	251	2,577	(956)	1,872			1,872
E Services	136	447	0	583			583
Projects	44	1	0	45			45
	<b>668</b>	<b>3,147</b>	<b>(937)</b>	<b>2,878</b>	<b>0</b>	<b>0</b>	<b>2,878</b>
<b>Revenues &amp; Benefits</b>							
Income & Post Room	342	33	(18)	357			357
Council Tax Billing	606	343	(386)	563			563
NDR Billing & Collection	70	79	(329)	(180)			(180)
PFI Contract	0	386		386			386
Policy & Development	275	47		322			322
Systems & Performance	264	5		269			269
Divisional Management	5	23		28			28
Benefits Admin	1,425	169	(1,727)	(133)			(133)
Inspection Service	416	95	(171)	340			340
Recovery of Overpayments	89	17	0	106			106
	<b>3,492</b>	<b>1,197</b>	<b>(2,631)</b>	<b>2,058</b>	<b>0</b>	<b>0</b>	<b>2,058</b>
<b>Total Finance Directorate</b>	<b>6,785</b>	<b>4,811</b>	<b>(4,418)</b>	<b>7,178</b>	<b>0</b>	<b>0</b>	<b>7,178</b>
Partnership budgets		9,078	(9,078)	0			0
Support Service Recharges (Department total)						(10,534)	(10,534)
Capital Charges (Department total)					21,452		21,452
<b>Total Department Budget</b>	<b>22,993</b>	<b>90,724</b>	<b>(73,702)</b>	<b>40,015</b>	<b>21,452</b>	<b>(10,534)</b>	<b>50,933</b>

## Development & Cultural Services Department - Revenue Budget 2004/2005

SERVICE ACTIVITY	Employees	Running Costs	External Income	Controllable Budget 2004/05	Capital Charges	Net Support Services	Department Budget 2004/05
	£000's	£000's	£000's	£000's	£000's	£000's	£000's
<b>Business Support</b>							
Business Support Unit	1,011	319	(12)	1,318			1,318
Former Leisure department residual costs	35	0	0	35			35
	<b>1,046</b>	<b>319</b>	<b>(12)</b>	<b>1,353</b>	<b>0</b>	<b>0</b>	<b>1,353</b>
<b>City Development &amp; Tourism</b>							
Economic Development Unit	278	191	(18)	451			451
Rosehill Business Centre	0	3	0	3			3
ID Centre	18		(18)	0			0
City Centre Management	67	2	(3)	66			66
Tourism	71	107	(9)	169			169
Tourist Information Centre	135	53	(33)	155			155
	<b>569</b>	<b>356</b>	<b>(81)</b>	<b>844</b>	<b>0</b>	<b>0</b>	<b>844</b>
<b>Planning</b>							
Building Control	551	53	(565)	39			39
Development Control	508	95	(632)	(29)			(29)
Plans and Policies	399	64	(31)	432			432
Brownfield Development - LPSA	28	0	(25)	3			3
Environmental Sustainability	328	65	(30)	363			363
Footpaths	0	8	0	8			8
Project Riverlife	25	10	(3)	32			32
Environmental Improvements	0	0	0	0			0
Environmental Strategy Development	75	22	0	97			97
	<b>1,914</b>	<b>317</b>	<b>(1,286)</b>	<b>945</b>	<b>0</b>	<b>0</b>	<b>945</b>
<b>Highways &amp; Street Lighting</b>							
Highways Maintenance & Street Lighting	841	4,281	(196)	4,926			4,926
	<b>841</b>	<b>4,281</b>	<b>(196)</b>	<b>4,926</b>	<b>0</b>	<b>0</b>	<b>4,926</b>
<b>Traffic &amp; Transportation</b>							
Traffic & Transportation	2,148	3,979	(3,642)	2,485			2,485
Road Casualty Reduction - LPSA	25	60	(70)	15			15
Car Parks	457	957	(3,029)	(1,615)			(1,615)
CCTV	0	393	(202)	191			191
Street Furniture	0	0	(104)	(104)			(104)
	<b>2,630</b>	<b>5,389</b>	<b>(7,047)</b>	<b>972</b>	<b>0</b>	<b>0</b>	<b>972</b>
<b>Engineering Design</b>							
Engineering & Design Services	1,110	386	(938)	558			558
Highways Property Administration	0	10	(50)	(40)			(40)
	<b>1,110</b>	<b>396</b>	<b>(988)</b>	<b>518</b>	<b>0</b>	<b>0</b>	<b>518</b>
<b>Entertainments</b>							
Assembly Rooms and Guildhall	738	1,097	(1,152)	683			683
Guildhall Catering and Cleaning	31	20	(55)	(4)			(4)
	<b>769</b>	<b>1,117</b>	<b>(1,207)</b>	<b>679</b>	<b>0</b>	<b>0</b>	<b>679</b>

## Development & Cultural Services Department - Revenue Budget 2004/2005

SERVICE ACTIVITY	Employees	Running Costs	External Income	Controllable Budget 2004/05	Capital Charges	Net Support Services	Department Budget 2004/05
	£000's	£000's	£000's	£000's	£000's	£000's	£000's
<b>Arts</b>							
Culture Management	79	0	0	79			79
Arts Development	215	162	(163)	214			214
Arts Grants	0	736	(10)	726			726
Events	44	91	(43)	92			92
	<b>338</b>	<b>989</b>	<b>(216)</b>	<b>1,111</b>	<b>0</b>	<b>0</b>	<b>1,111</b>
<b>Museums</b>							
Museums & Art Gallery	1,043	290	(126)	1,207			1,207
	<b>1,043</b>	<b>290</b>	<b>(126)</b>	<b>1,207</b>	<b>0</b>	<b>0</b>	<b>1,207</b>
<b>Libraries</b>							
Libraries Administration	357	416	(54)	719			719
Branch Libraries	1,256	257	(203)	1,310			1,310
Children's Mobile Library LPSA	50	48	(60)	38			38
Mobile Library	50	21	(4)	67			67
Schools Library Service	9	0	(9)	0			0
Bindery Service	55	3	(50)	8			8
City Book Fund	0	492	0	492			492
Blagreaves Sub Unit	130	0	(111)	19			19
Special Services Unit	40	4	(7)	37			37
Established/Non Established Relief	241	0	0	241			241
Bookstart	40	0	(40)	0			0
Education Action Zone	11	0	(11)	0			0
Childrens Team	67	0	0	67			67
	<b>2,306</b>	<b>1,241</b>	<b>(549)</b>	<b>2,998</b>	<b>0</b>	<b>0</b>	<b>2,998</b>
<b>Waste Management</b>							
Refuse Collection - Client	101	2,490	(54)	2,537			2,537
Waste Disposal	93	4,581	(80)	4,594			4,594
Street Cleansing Client	111	1,650	0	1,761			1,761
Conveniences	17	402	(3)	416			416
Recycling	87	460	(318)	229			229
Recycling LPSA	22	55	(50)	27			27
Recycling Plan	68	791	(40)	819			819
	<b>499</b>	<b>10,429</b>	<b>(545)</b>	<b>10,383</b>	<b>0</b>	<b>0</b>	<b>10,383</b>
Support Service Recharges (Department total)						2,861	2,861
Capital Charges (Department total)					5,370		5,370
<b>Total Department Budget</b>	<b>13,065</b>	<b>25,124</b>	<b>(12,253)</b>	<b>25,936</b>	<b>5,370</b>	<b>2,861</b>	<b>34,167</b>



## EDUCATION DEPARTMENT- Revenue Budget 2004/2005

SERVICE ACTIVITY	Employees £000's	Running Costs £000's	External Income £000's	Proposed Controllable Budget 2004/2005 £000's	Capital Charges £000's	Net Support Services £000's	Department Budget 2004/05 £000's
<b>Individual Schools Budget (including nursery schools)</b>	89,466	21,731		111,197			111,197
Learning and Skills Council - Post 16			(5,993)	(5,993)			(5,993)
School Standards Grant			(3,831)	(3,831)			(3,831)
							0
	<b>89,466</b>	<b>21,731</b>	<b>(9,824)</b>	<b>101,373</b>	<b>0</b>	<b>0</b>	<b>101,373</b>
<b>Lifelong Learning and Community/ Youth &amp; Community</b>							
Adult Learning	2,260	715	(3,434)	(459)			(459)
Youth Service	1,600	567	(495)	1,672			1,672
Awards Administration	161	13	(19)	155			155
Discretionary Awards	0	5	0	5			5
Early Years & Childcare	716	2,495	(1,063)	2,148			2,148
Family and Out of Lesson Time Learning	295	337	(517)	115			115
SureStart	1,487	1,850	(3,337)	0			0
	<b>6,519</b>	<b>5,982</b>	<b>(8,865)</b>	<b>3,636</b>	<b>0</b>	<b>0</b>	<b>3,636</b>
<b>Resources &amp; Strategic Planning</b>							
Asset Management	204	72	0	276			276
Catering	0	45	(44)	1			1
Central Staff Cover	338	16	0	354			354
Finance	631	1	(316)	316			316
ICT / IMS	259	245	(174)	330			330
Management Team & Support	453	57	0	510			510
Mandatory Awards	0	512	(512)	0			0
Marketing & Communications	182	183	(16)	349			349
Personnel	673	39	(454)	258			258
Policy & Corporate Planning	62	0	0	62			62
Pupil Services (Admissions)	168	24	0	192			192
Premises Costs	0	24	0	24			24
Voluntary Early Retirement	1,782	0	0	1,782			1,782
Other	(59)	240	0	181			181
	<b>4,693</b>	<b>1,458</b>	<b>(1,516)</b>	<b>4,635</b>	<b>0</b>	<b>0</b>	<b>4,635</b>

# EDUCATION DEPARTMENT- Revenue Budget 2004/2005

SERVICE ACTIVITY	Employees £000's	Running Costs £000's	External Income £000's	Proposed Controllable Budget 2004/2005 £000's	Capital Charges £000's	Net Support Services £000's	Department Budget 2004/05 £000's
<b>School Improvement and Inclusion</b>							
Access Service	343	24	(22)	345			345
Education Psychologists	682	24	(50)	656			656
Education Welfare Service	629	111	(395)	345			345
Home to School Transport	236	2,296	0	2,532			2,532
Inclusion	147	516	(58)	605			605
School Improvement	1,226	540	(710)	1,056			1,056
Special Services Support	456	72	0	528			528
Recoupment / Non Maintained Schools	0	2,865	(1,299)	1,566			1,566
Special Needs Education Care Officers	0	0	(46)	(46)			(46)
Special Needs Support Service	3,271	711	(1,027)	2,955			2,955
Other	0	6	0	6			6
	<b>6,990</b>	<b>7,165</b>	<b>(3,607)</b>	<b>10,548</b>	<b>0</b>	<b>0</b>	<b>10,548</b>
<b>Standards Fund</b>	434	11,759	(8,209)	3,984			3,984
	<b>434</b>	<b>11,759</b>	<b>(8,209)</b>	<b>3,984</b>	<b>0</b>	<b>0</b>	<b>3,984</b>
<b>Education PFI</b>	0	21	0	21			21
<b>Education Sport &amp; Leisure</b>							
Community & Play	353	143	(36)	460			460
Grants	0	29	0	29			29
Sports Development	160	60	(24)	196			196
Marketing & Admin	188	385	(102)	471			471
Sports Centres	2,626	1,702	(3,012)	1,316			1,316
	<b>3,327</b>	<b>2,319</b>	<b>(3,174)</b>	<b>2,472</b>	<b>0</b>	<b>0</b>	<b>2,472</b>
Support Service Recharges (Department total)						4,142	4,142
Capital Charges (Department total)					10,282		10,282
<b>Total Department Budget</b>	<b>111,429</b>	<b>50,435</b>	<b>(35,195)</b>	<b>126,669</b>	<b>10,282</b>	<b>4,142</b>	<b>141,093</b>

## SOCIAL SERVICES DEPARTMENT- Revenue Budget 2004/2005

SERVICE ACTIVITY	Employees £000's	Running Costs £000's	External Income £000's	Proposed Controllable Budget 2004/2005 £000's	Capital Charges £000's	Net Support Services £000's	Department Budget 2004/05 £000's
<b>Service Strategy &amp; Regulation</b>							
Director & Support	149	0	0	149			149
Policy, Planning, Perf & Res	865	41	(77)	829			829
	<b>1,014</b>	<b>41</b>	<b>(77)</b>	<b>978</b>	<b>0</b>	<b>0</b>	<b>978</b>
<b>Children &amp; Families</b>							
Children & Families Management	822	79	(22)	879			879
Care Management & Purchasing	4,742	1,554	(657)	5,639			5,639
Residential Care	3,272	7,060	(928)	9,404			9,404
Non Residential Services	1,811	1,434	(1,282)	1,963			1,963
	<b>10,647</b>	<b>10,127</b>	<b>(2,889)</b>	<b>17,885</b>	<b>0</b>	<b>0</b>	<b>17,885</b>
<b>Elderly</b>							
Management	156	2	(10)	148			148
Care Management & Purchasing	2,692	359	(344)	2,707			2,707
Residential Care	3,661	19,294	(16,321)	6,634			6,634
Non Residential Services	5,774	3,788	(1,433)	8,129			8,129
	<b>12,283</b>	<b>23,443</b>	<b>(18,108)</b>	<b>17,618</b>	<b>0</b>	<b>0</b>	<b>17,618</b>
<b>Physical or Sensory Disability</b>							
Management	97	2	(10)	89			89
Care Management & Purchasing	1,138	849	(133)	1,854			1,854
Residential Care	0	1,238	(659)	579			579
Non Residential Services	456	2,508	(122)	2,842			2,842
	<b>1,691</b>	<b>4,597</b>	<b>(924)</b>	<b>5,364</b>	<b>0</b>	<b>0</b>	<b>5,364</b>
<b>Learning Disabilities</b>							
Management	97	0	(26)	71			71
Care Management & Purchasing	1,282	148	(942)	488			488
Residential Care	1,346	6,277	(2,778)	4,845			4,845
Non Residential Services	1,878	1,289	(851)	2,316			2,316
	<b>4,603</b>	<b>7,714</b>	<b>(4,597)</b>	<b>7,720</b>	<b>0</b>	<b>0</b>	<b>7,720</b>
<b>Mental Health Needs</b>							
Management	31	0	(10)	21			21
Care Management & Purchasing	1,617	95	(665)	1,047			1,047
Residential Care	0	1,400	(650)	750			750
Non Residential Services	218	409	(271)	356			356
	<b>1,866</b>	<b>1,904</b>	<b>(1,596)</b>	<b>2,174</b>	<b>0</b>	<b>0</b>	<b>2,174</b>

## SOCIAL SERVICES DEPARTMENT- Revenue Budget 2004/2005

SERVICE ACTIVITY	Employees £000's	Running Costs £000's	External Income £000's	Proposed Controllable Budget 2004/2005 £000's	Capital Charges £000's	Net Support Services £000's	Department Budget 2004/05 £000's
<b>Other Adult Client Groups</b>							
Management	14	0	(10)	4			4
Care Management & Purchasing	16	18	0	34			34
Residential Care	0	319	(86)	233			233
Non Residential Services	0	(20)	0	(20)			(20)
	<b>30</b>	<b>317</b>	<b>(96)</b>	<b>251</b>	<b>0</b>	<b>0</b>	<b>251</b>
<b>Resources &amp; Performance Management</b>							
Training	887	234	(546)	575			575
Personnel	440	40	(35)	445			445
Finance	1,095	35	(65)	1,065			1,065
Management & Administration	1,596	946	0	2,542			2,542
Information	434	325	0	759			759
	<b>4,452</b>	<b>1,580</b>	<b>(646)</b>	<b>5,386</b>	<b>0</b>	<b>0</b>	<b>5,386</b>
Support Service Recharges (Department total)						3,641	3,641
Capital Charges (Department total)					739		739
<b>Total Department Budget</b>	<b>36,586</b>	<b>49,723</b>	<b>(28,933)</b>	<b>57,376</b>	<b>739</b>	<b>3,641</b>	<b>61,756</b>

## **MAIN ISSUES IN SERVICE BUDGET SUBMISSIONS**

### **Departments meeting initial cash limit targets**

#### **Education Service**

Schools Block (6.6% increase)

- passporting requirements to be met in full
- approximately £3.9m growth in schools budgets after inflation
- resolution of UNISON grading claim being finalised
- changes to funding arrangements for pupil referral unit via clawback from schools
- increase in capacity area £100k to support schools causing concern.

LEA Block (3.4% increase)

- return of £600k overspend in 2002/3 has enabled service to improve capacity in 2004/5
- increased support for standards fund (£68k)
- additional early years monitoring posts (£96k)
- Policy development (£40k)
- Staff development (£80k)
- Youth Service additional funding (£70k).

Sports and Leisure (4.1% increase)

- largely maintenance based budget pending best value review.

#### **Commercial Services (3.4% increase)**

- Additional costs relating to new open space, extra ranger duties etc to be funded from rationalisation of underused facilities.

#### **Chief Executive's – Finance (3.0% increase)**

- continued improvement in Revenues and Benefits being sustained by additional government grants.

## **Departments exceeding initial cash limit targets**

### **Development and Cultural Services (8.4% increase)**

- additional resources for administration and business support
- improvement plan for Planning Service through planning delivery grant
- further four rounds for twin bin scheme funded (£750k)
- highways and footpath maintenance budget under pressure. Final budget includes additional capital support pending full review of budget in 2004/5
- on-street car parking income continues to be buoyant and helps support highways and transportation budget
- funding for new Alvaston Library provided (£92k)
- issue over cost of cultural events (£55k).

### **Chief Executive's – Policy (9.4% increase)**

- savings in Communications section (£35k)
- reduction in Anti Poverty budget to fund pressures in Community Policy section (£30k)
- homelessness pressures (£50k)
- capital salaries pressure – solved one-off but needs review in 2004/5.

### **Chief Executive's – Corporate Services (6.6% increase)**

- increased cost for elections administration (£41k)
- Environmental Health – additional funding to meet career grade costs to avoid freezing posts (£42k)

### **Social Services (9.1% increase)**

- £2.3m growth in external children placement costs plus investment in in-house foster care (£600k) to contain future growth
- £232k investment in IT for children and adult services, to introduce e-forms and the Electronic Social Care Record
- savings in children's fieldwork to reflect existing staffing (£150k)
- 4% increase in fees for external adult care pending further modelling exercise

## **Social Services** (cont'd)

- limited shift from care home to intensive home care elderly provision
- national care standards for residential care (£100k plus £750k from capital programme)
- new transport contract to improved specification
- additional placement pressures for disability services
- redevelopment of Rycote disability service (£56k)
- liabilities under s117 of Mental Health Act (£250k)
- various initiatives to address recruitment and retention, training and conditions of service of staff across the department
- restructure accommodation across the department (£92k)





## SUMMARY OF RESPONSE TO RECOMMENDATIONS MADE BY FORMAL CONSULTEES

### A. Scrutiny Commissions

Consultee	Issue	Cabinet Proposals
Education Commission	That Council Cabinet refer any proposals concerning the transfer of funds where pupils are excluded, to the Commission for further detailed consideration.	Agreed The Education Commission considered the schools Formula Funding proposals on 23 February.
Social Care and Health Commission	That Social Services produce a comprehensive report analysing the present, medium and long term financial pressures that affect Children's Services dealing with both existing financial difficulties but short and long term measure to contain spend within budgets.	Agreed
Community Regeneration Commission	No formal recommendations made.	
Culture and Prosperity	1. Market Traders and customers should be consulted about the future of Allenton Market and their views and opinions about the value of the market to the local community should be considered as part of the options approved.	Agreed
	2. It is recommended that the need for a usage of the Council's sports and play facilities is fully assessed and that Council Cabinet reconsider the proposal to revise car parking charges at Markeaton Park in the light of this assessment.	The budget does not include proposals to revise car parking charges at Markeaton Park following the Derby Pointer consultation

Consultee	Issue	Cabinet Proposals
Culture and Prosperity	3. It is recommended that budget proposals relating to the sport element of the Education Service are reviewed and that demand and level of use of the facilities are assessed to ensure that the budget proposals will not reduce the availability of good quality sports facilities in Derby.	A best value review of the service is about to commence. Pending the review, the budget has been set to cover inflation costs.
	4. It is recommended that procedures are put in place that will enable the Sports and Leisure Service to deal promptly with building defects and mechanical breakdowns and thereby avoid the unnecessary prolonged and expensive closure of facilities.	Noted
	5. The Commission recommends that some of the profits from the Pantomime at the Assembly Rooms be reinvested in equipment and in achieving higher overall quality to ensure that the level of seat sales remain high.	Carry forward proposals for the use of any underspending will to put forward to Cabinet once the financial year has closed.
	6. The Commission recommends that all practicable actions are taken to obtain the funding needed to retain the Concert in the Park and the Bonfire. There is however a need to strike a balance between the big one day events and smaller local events.	The budget proposals include an increase in these areas to ensure their continuation.

<b>Consultee</b>	<b>Issue</b>	<b>Cabinet Proposals</b>
Culture and Prosperity	7. Commission members recognise the value to Derby people of the IT equipment available at Libraries and consider it is important for the reasons of good service delivery, that funds were available to maintain the equipment and replace it when necessary.	In 2003/4 the Council is to offer free internet access to library users using the e-Derby budget. ICT equipment replacement should be provided by services from within cash limits on a rolling programme basis.
	8. Commission members considered that Derby people would benefit from the late opening of libraries and if the museums were open on Sundays. They also thought that the provision of a library in Alvaston would be of benefit to the area.	Library opening hours were extended in 2003/4 and may be further reviewed in the future. Museums do open on Sundays.
Scrutiny Management Commission	That Council Cabinet be recommended to enhance the repairs and maintenance budget for roads and pavements by £1.25m.	In its proposals, the Cabinet has added £450k to the capital budget for pavement and minor highways renewals. In addition there will be a review of highways spending in 2004/5.
Planning and Environment Commission	1. The Commission recommends that Council Cabinet makes available the funding needed for the two Environmental Health posts that would otherwise have to be frozen.	The budget has been increased to avoid the need to freeze posts.
	2. The Commission recommends that the delivery of the Building Refuse Collection Service is reviewed with the objectives of resolving the operational problems and targeting the problem areas whilst offering the public elsewhere in Derby a way of disposing of bulky items of refuse.	The free service introduced as a trial on a one off basis ceases at the end of March 04. The initial results show the scheme has had limited impact, but a fuller review will take place at the end of the trial.

Consultee	Issue	Cabinet Proposals
Planning and Environment Commission	3. The Commission is concerned that it has not been possible to provide funding to improve public transport in Derby. The Commission recommends that this budget area and the way in which funds are apportioned to the Park and Ride schemes and bus services is reviewed.	Noted
	4. The Commission recommends that consideration is given to providing all, or at least some, of the funding needed for footway maintenance. This recommendation was also made by the Commission in November 2003 following its service area review of the footway maintenance budget.	£450,000 additional resource has been found for footpath renewals in 2004/5 over and above core budgets and LTP allocations. A full review of highways and footpath maintenance spending will take place in 2004/5.
	5. The Commission notes that the level of funding that Derby receives from central sources is less per capita than that allocated to Nottingham and Leicester. The Commission recommends that the Council puts pressure on GOEM to resolve this inequality.	Agreed.

## SUMMARY OF RESPONSE TO RECOMMENDATIONS MADE BY FORMAL CONSULTEES

### B. Other Consultation Meetings

Meetings were held with the following groups:

- Women's Advisory Committee
- Joint Consultative Committee
- Minority Ethnic Communities Advisory Committee
- Disabled Peoples' Advisory Committee
- meeting with representatives of non-domestic ratepayers, business community and parties
- meeting with Chairs of Governors and Headteachers (no minutes produced).

The minutes of these meetings were tabled at the cabinet on 10 February 2004. None of the minutes contained formal recommendations to Cabinet. Most questions and queries were answered at the meetings and where any were outstanding, relevant chief officers have subsequently provided responses. Members of the bodies were also invited to put any further issues in writing to the Cabinet from their respective organisations. One such letter has been received from NASUWT which effectively included three recommendations, summarised as follows:

- welcome the additional funding overall for Education
- request the abandoning of the proposals to fine schools which exclude pupils
- requests transitional funding for nursery schools
- requests funding for avoiding compulsory redundancies for High View School.

The issues raised relate to the way in which funding is allocated to schools rather than the total education budget. In line with responses provided at meetings with heads and governors, they welcome the proposals for the education budget overall, whilst raising some specific points. The funding position does provide for significant growth in the total schools budget. Whilst the 4% per pupil guarantee provides protection for all schools (but does not apply directly to nursery schools), changes in pupil numbers will still impact on budgets and possibly staffing. The proposals within the formula funding report for deducting funding from secondary schools when pupils are excluded, strike a balance between the concerns expressed and the need to fund continuing education of those pupils. The proposals relating to delegation of nursery school budgets include transitional protection and small school support.

Consultation meetings/presentations were also made to the Council's five area panels, Derby Youth Forum and Older People. People attending the meeting were invited to fill in the Derby Pointer Questionnaire along with a general invite through the website. The responses from these groups were relatively modest and are not statistically significant, but are summarised in Table A for consideration.

**Table A – Responses from Other Consultees**

<b>Proposal</b>	<b>% Support</b>	<b>% If support, prepared to pay more Council Tax</b>
Re-introduce recreation pass – redundant / early retired	47 <b>(50)</b>	32 (71)
Increase dog waste bins	57 <b>(70)</b>	37 (64)
Increase facilities for young people in parks	55 <b>(65)</b>	36 (68)
Team to tackle night time nuisance at weekends	70 <b>(67)</b>	48 (68)
Increase city centre events and extend Darley Park concert	53 <b>(51)</b>	34 (65)
Blitz campaign to remove litter / graffiti	67 <b>(70)</b>	29 (58)
Withdraw car parking charges at Markeaton Park	43 <b>(43)</b>	18 (47)
Three more twin bin re-cycling rounds	57 <b>(63)</b>	34 (58)

Figures in brackets are Derby Pointer results.

## ESTIMATED OUTTURN 2003/4 – MAIN ISSUES BY DEPARTMENT

Department and service variance explanations	Potential year-end variance +/-
<b>Commercial Services Department</b>	
Anticipated Trading Account Surplus	-414
Less:	
Returned to General Fund	332
Returned to Housing Revenue Account	0
	-82
Other Commercial Services – outdoor amenities. BVR savings not achieved (£100k) offset partly by recovery of rents, actions to make savings to compensate and increased income due to good weather.	29
<b>Total</b>	<b>-53</b>
<b>Chief Executives Department</b>	
<b>Corporate budgets</b>	
Treasury Management - The 2003/04 budget included an additional sum of approx. £400k to cover for volatility in borrowing levels and interest rates during the year. It is expected that £200k of this sum will not be required and will therefore result in a revenue saving. The additional net cost relates to reduced investment income together with expected interest payable on PFI grant surplus balances.	-200
Magistrates Court – additional costs due to PFI scheme. To be addressed as part of 2004/05 budget process	78
Corporate contingency budget to be released	-120
	<b>-242</b>
<b>Policy Directorate:</b>	
Housing Options – continued pressures on emergency accommodation provision	65
Care Link - overachieved rental income	-30
Housing Grants –underspends due to staff vacancies	-40
Peartree Home Improvements – lower grant income as some expenditure is exempt	10
Other net overspends	36
	<b>41</b>

<b>Corporate Services</b>	
Accommodation – increased service charge costs on St. Peter's House and Celtic House	130
Estates – rental income above target due to Chapel Street occupancy and additional lettings at Beaufort Street Business Centre	-234
Legal – overspend on staffing costs and counsel fees due to increased number and complexity of cases	56
Environmental Health & Trading Standards - net underspend across division due to staffing vacancies	-29
Markets- unachievable income targets	56
Other net overspends	36
	<b>15</b>
<b>Finance Directorate</b>	
Corporate Finance – staffing savings due to recruitment lag, applied to balance 2004/5 budget.	-16
Revenues & Benefits - additional income streams generated partially offset by associated costs	-79
Computer Services and E Derby – underspend on e-Government schemes due to slippage. It is proposed to carryforward these underspends to support expenditure in 2004/05	-450
<b>Total</b>	<b>-545</b>
<b>Development and Cultural Services Department</b>	
<b>Business Support</b>	
Overspent staffing costs due to lack of turnover	35
	<b>35</b>
<b>Culture</b>	
Museums net overspend – mainly due to cover for long term sickness	29
Assembly Rooms forecast net surplus from additional admission fees	-78
Events overspend on Bonfire and Darley Park concert	16
Arts grants – one-off savings to partially fund Events overspend	-10
	<b>-43</b>
<b>Development</b>	
Development Control forecast over-achievement of fees	-219
	<b>-219</b>



<b>Development and Cultural Services Department cont'd</b>	
<b>Highways and Transportation</b>	
Street Lighting electricity overspend – now billed on actual usage	37
Street Lighting overspend on fault maintenance	40
Street Lighting – salary underspend	-23
Traffic Control – additional external funding received relating to 2002/3	-30
Traffic Control – possible salary underspend	-50
School Crossing Patrols – increase charges from contractor	18
Public Transport – mainly due to underspend on Strategy Revenue costs	-57
Off street parking income forecast, net of contractor income share	-100
On street net fines and fees income estimate	-45
Additional office accommodation costs funded from increased income	50
	<b>-160</b>
<b>Waste Management</b>	
Net variances on core waste management budgets	28
	<b>28</b>
<b>Total</b>	<b>-359</b>
<b>Education Department excluding Individual School Budgets</b>	
Recoupment/independent special school fees – reduction in new cases, action taken to develop internal provision	-401
Home to school transport – increased contractual costs	174
Maternity cover in schools – increased statutory entitlement	81
Early retirements – reduction in ongoing commitments	-57
Special educational needs support service – staffing vacancies	-50
Sports centres – shortfalls against income targets	108
Other variances across the department	-83
<b>Total</b>	<b>-228</b>
<b>Social Services Department</b>	
<b>Adult Services Independent Sector Placements</b>	
This represents the full year projected costs of independent sector residential and nursing placements for adults across all client groups, combined with the numbers of clients remaining above Budget Strategy levels.	661
This is an £214K decrease from that reported on 18 November 2003 resulting from increased contributions from Health partners (predominantly for clients with learning disabilities) and the use of part of the delayed discharges grant allocation to offset placement costs.	
Adult Services would broadly balance overall if budgets had not been set-aside as budget contingency	
<b>Children and Families Agency (including Fostering and Adoption)</b>	
Overspend due to the full year effect of placements in early 2003/04 and the increase in use of independent fostering agencies for 28 children.	1,990
This is an £84k increase to that reported on 18 November.	

<b>Social Services Department</b>	
<b>Employee costs</b> Difficulties and/or delays in recruiting to posts have reduced the full year projected commitments.  This is £47k additional projected underspend to that reported on 18 November 2003.	-501
<b>Vicarage Road</b> Derbyshire County Council have implemented a plan to cease placing a number of their children requiring respite care at the Vicarage Road Family Centre. This was completed in December 2003.  This is as reported in November 2003.	150
<b>Other areas</b> The latest forecast position is an increase of £132k in the projected overspend from that reported in November 2003. The material changes within this are: <ul style="list-style-type: none"> <li>▪ Domiciliary care and direct payments – increase of £189k reflects the full-year effect of current client numbers; and</li> <li>▪ Reductions in the estimated costs of contracts for meals on wheels, laundry and day care.</li> </ul>	624
<b>Contingency budgets</b> As reported to Cabinet on 15 July 2003, the Social Services' Management Action Plan identified a range of actions within the Department's budget to reduce or avoid further spending in order to ameliorate the effects of projected overspending areas. Specific budgets and projected savings or under-spends have been identified as part of this Plan and are being held as contingency.	-2,242
<b>Total</b>	<b>682</b>

## CORPORATE RESERVES

Earmarked Corporate Reserves			
Reserve	Bfwd 01/04/2003 £000	Changes 2003/4 & 2004/5 £000	Balance 31 March 2005 £000
General Reserve (2% of budget requirement)	4881	156	5037
Commutation adjustment reserve	3062	-200	2862
Trading Services reserve	1000	0	1000
Pump Priming Fund ( spend to save)	210	151	361
Earmarked reserve for s.117 Mental Health repayments	0	250	250
<b>Total</b>	<b>9153</b>	<b>357</b>	<b>9510</b>

Other Corporate Reserves			
Reserves available	Bfwd 01/04/2003 £000	Additions 2003/4 £000	Balance Available £000
Corporate investment fund	520		520
NDR refunds reserve	202	228	430
Future budget uncertainties reserve	823		823
Add existing earmarked reserves no longer required for original purpose:			
Car Parks/Waste management pressures reserve		109	109
City Training reserve no longer required		50	50
IDEA reserve no longer required		60	60
Pride Park reserve no longer required		60	60
VAT partial exemption liabilities reserve		350	350
Creation of new earmarked reserve for s.117 Mental Health repayments		-250	-250
<b>Total available</b>	<b>1545</b>	<b>607</b>	<b>2152</b>
			less further planned use £000
Social Services :			
balance of 2003/4 forecast overspend			-440
to support 2004/5 budget			-1000
Building for Excellence :			
to support 2004/5 costs			-42
Street lighting PFI (assuming approval of recommendation to Cabinet 24 February 2004)			-175
Maintain general reserves at 2% of budget requirement			-156
Total use			-1813
<b>Balance remaining at 31 March 2005</b>			<b>339</b>



**Derby City Council**

**Summary Performance Plan 2004-05**

**Text for joint document**

**Draft 1.2**

## **WELCOME**

Welcome to the fifth edition of the Council's Summary Best Value Performance Plan. Each year our annual Best Value Performance Plan is published by 30 June but we must still publish a summary by 31 March.

In this edition we give you the results of this year's independent assessment of the Council's performance. We tell you about the action we are taking in response to this and the progress we have made since last year's assessment. We explain our new vision and the priorities we have set. We report on some of the key outcomes from last year's Best Value reviews and tell you about changes we have made to the review programme.

We explain the consultation processes we have established, through which we listen to the views of Derby people and detail some of the improvements we have made as a result. We give you an update on the progress of the Local Public Service Agreement we agreed with the government. If you would like to find out more, or tell us what you think about this Plan, contact details can be found at the end of this document.

## **Comprehensive Performance Assessment**

Last year we told you the results of the Audit Commission's first Comprehensive Performance Assessment, CPA, that said Derby's overall performance was 'good'. On 18 December 2003 the results for the second year of CPA were announced. They said that Derby is still a 'good' council. This is second only to 'excellent' in the categories the Commission applies to councils. They recognised the improvements we have made and the work we are doing to make further improvements. The Audit Commission's scorecard for Derby is reproduced overpage.

For more information you can visit the Audit Commission's website [www.audit-commission.gov.uk](http://www.audit-commission.gov.uk)

## How is Derby City Council performing?

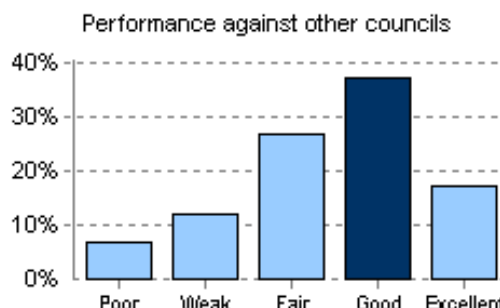
### Overall performance

**good**

**Derby City Council** has been measured as good in the way that it serves its local people. The chart opposite shows what share of councils also received this rating.

We reached this overall rating by looking at:

1. how **Derby City Council** is run; and
2. how **Derby City Council's** main services perform.



### 1. How is Derby City Council run and what progress has the council made in the last year?

Derby City Council continues to be a good council.

Over the last year, Derby City Council has made improvements in some services, for example benefits and education. However, some services have deteriorated, for example environmental services.

The council continues to perform well in housing and social care services and it continues to manage its finances well.

The council has developed its ability to improve, by enhancing the way it manages its own performance, developing its risk management and investing in new technology and e-government. The council is working to provide solutions to accommodation problems which restrict customer access to council services.

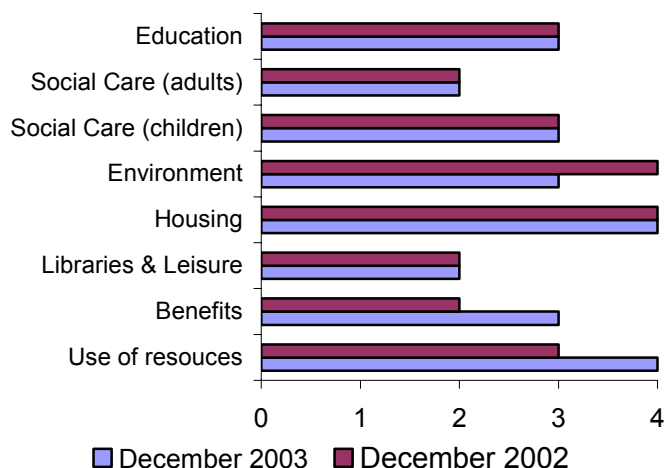
Based on current plans the council is well placed to improve the way it works and the services it provides to local people.

In December 2002 **Derby City Council** received a measurement of 3 out of 4 for the way it is run.

### 2. How do Derby City Council's main services perform?

We have assessed core service performance in the service areas shown alongside. Each service is scored on a scale from 1 to 4, with 1 being the lowest and 4 being the highest. Education and social care are given more importance in reaching the overall service score than other areas.

Overall service performance **3** out of 4



The Council is committed to make its services even better and tackle issues which mean some services are not as good as we would like. We have a clear vision of the kind of city we want Derby to be, with priorities for improvement and actions to bring this about. We have 10 priorities where we want the Council to make a difference now. The importance of these priorities reflects the views of over 1,000 Derby people we consulted in a range of ways at the beginning of 2004. Our objectives demonstrate the broader issues we will continue to address.

### **Our vision for the city**

To build on Derby's heritage and skills to make it a modern city that attracts businesses and visitors and where everyone can live safely, harmoniously, and achieve their full potential.

### **Our objectives**

Through the services we provide and in partnership with others, we will make Derby a city of:

- **job opportunities** – through job retention, inward investment and developing underused industrial land in and around the city.
- **strong and positive neighbourhoods** – with good local services, where people feel safe and there are strong relationships within and between communities.
- **education** – where provision responds to people's needs, so they can develop skills and knowledge all through their lives, leading to better life choices and chances.
- **protecting and supporting people** – through social, education, housing and health care services working together to protect vulnerable adults and children, reduce health inequalities and help people live independent lives in the way they choose.
- **a healthy environment** – with reduced water, air and land pollution levels through encouraging people to cut waste, use public transport more and recycle more.
- **shops, commercial and leisure activities** – of a wide variety that appeal to local people and attract visitors by developing cultural and heritage opportunities.
- **integrated, cost effective services** that respond to customers' and community needs, rather than those of the Council.

The Council will:

- be open, transparent and honest in everything it does
- value its employees in delivering services
- develop effective partnerships with all stakeholders, especially Derby's residents.

### **Our priorities for change**

To achieve our Vision for Derby, these are our priorities ...

1. Minimise increases in Council Tax and increase value for money from Council services.
2. Tackle under-achievement in schools, in particular by helping schools come out of special measures or serious weakness and preventing other schools entering these categories
3. Promote the city as a major force for industry, commerce, culture and tourism throughout the country and as an equal participant within the East Midlands region.



4. Continue plans to remove traffic from city centre streets, where this helps people make better use of the city centre, and improve transport choice by completing Connecting Derby – the city centre transport plan.
5. Develop an integrated management system of the city and district centres to improve their attractiveness and viability.
6. Continue to expand doorstep recycling and other recycling activity.
7. Develop plans to modernise the fostering service and residential and community care for adults to meet the level of demand and the requirements of the National Care Standards Commission.
8. Enhance the community leadership role of the Council both at strategic and neighbourhood level, through partnership working and listening to, and communicating, with the public.
9. Respond to people's needs appropriately, on time and first time, by developing a customer-focused culture, using new technology and investing in the Council's buildings to provide modern working environments for service delivery and employees.
10. Decide planning applications more quickly, while maintaining the quality of decision-making within a framework for the sustainable economic, environmental and social development of Derby.

The finance information on page ?? of this document tells you how much we will spend and how we will fund our spending to achieve the priorities we have set. More details of how we will address our vision and priorities can be found in our Corporate Plan that will be published during April 2004.

### **Local Public Service Agreement**

The Council's three-year Local Public Services Agreement – LPSA – with the government ends in March 2005. In this, we have set very challenging targets that we hope to achieve through better ways of working and more investment which has been assisted by the government as part of the agreement. If we achieve the 12 targets in full we will receive up to £5.4 million in performance reward grant to spend on services in Derby.

**[to include LPSA update – to be based on 3rd quarter performance that will be reported to Cabinet on 16 March 2004]**

### **Best Value**

Best Value is intended to help all councils improve services and to give local people more say. It is about providing quality services at a reasonable cost and means we:

- review our services regularly
- consult local people about these services
- produce an improvement plan for each service as it is reviewed
- publish a performance plan each year to show how the Council is doing overall
- send a summary plan to all homes in Derby. This is a summary of the plan for 2004/2005.

Best Value should give you:

- higher quality council services that compare with the best on offer
- more opportunities to tell us what you think about the Council
- services that meet the needs of all sections of the community.

The Audit Commission has said that Derby City Council is providing excellent, three star services in Maintaining Council Homes, Front Line Housing services and Sustainable Estates, Private Sector Housing, Economic Development and Tourism and Plans and the Environment. Our Street Cleaning, Markets and Payroll services are judged as being good, two star services and although our Arts and Entertainments service was judged as being fair, the inspectors did recognise that we have made plans to improve the service in the future.

### **Our review programme**

Best Value requires councils to review their services. Every year, we publish our review programme in the Best Value Performance Plan in June.

We have the following reviews in progress

- Derby Homes – Support Services
- Support Services
- Bereavement Services
- Service access
- Services to road users
- Development
- Education and social inclusion
- Sport and leisure in the community

These reviews should be completed by the autumn. We will begin a second batch of reviews in the early summer. These are:

- A Sustainable Derby
- Supporting vulnerable adults in their own home
- Revenues and Benefits

We are also intending to start two further reviews in the autumn. These are likely to include:

- Communication
- City services for city schools

If you would like more information about any of our Best Value reviews, please contact the Strategic Planning and Performance Unit on 01332 258457.

### **Our reviews in 2003/2004**

In 2003/2004 we started nine reviews. Some are not scheduled to be finalised until 2004/05. The reviews of Services to Road Users, Development, Service Access and Sport and Leisure in the Community will be completed by May 2004. For the two reviews that have been completed we have plans for how we will improve in the future. Here are some of the findings that could most affect you, or the people you know.

#### **Schools and Social Services Transport**

- Investigate options for restructuring the current Transport Procurement Service and to centralise the service.
- Review Criteria, Assessment and Appeals process.
- Improve the quality of the service and improve Customer Care.
- To improve aspects of the service which have an impact on customer safety.

#### **Services to looked after children**

- Improve assessment and care planning
- Improve services which support looked after children
- Improve placement quality and choice
- Improve training and joint working

In addition to our Best Value reviews, we have started our 'Building for Excellence' programme which should help us make significant improvement across all our services by 2006. This includes looking at how people access our services, in person and electronically, the wider use we make of Information Technology and e-government, the buildings we provide services from and how we train and develop people so they can provide the best service to you.

### Best Value Satisfaction Surveys

Every three years the Council is required to carry out a series of satisfaction surveys to collect information for a number of Best Value Performance Indicators, BVPIs. We carried out a survey asking a random sample of residents, over 1,100 told us how satisfied they are with many of the services we provide.

This information was last collected in 2000/01. We have set targets for the level of satisfaction we hope to achieve. Results of the surveys are show here with the targets we set and the previous survey results for comparison.

Ref	Description	Actual 2000/01	Target 2003/04	Actual 2003/04
BV3	Overall satisfaction	63.8%	68%	*
BV4	Satisfaction with complaint handling	37.1%	41%	*
BV89	Satisfaction with cleanliness	Not available	70%	*
BV90a	Satisfaction with waste collection		92%	*
BV90b	Satisfaction with waste recycling		77%	*
BV90c	Satisfaction with waste disposal		77%	*
BV103	Satisfaction with transport information	54%	56%	*
BV104	Satisfaction with bus services	65%	67%	*
BV119a	Satisfaction with sports/leisure facilities	67%	69%	*
BV119b	Satisfaction with libraries	71%	75%	*
BV119c	Satisfaction with museums/galleries	64%	68%	*
BV119d	Satisfaction with theatres/concert halls	72%	76%	*
BV119e	Satisfaction with parks and open spaces	79%	75%	*
BV74a	Satisfaction with the council as a landlord – all tenants	77.9%	79%	74.8%
BV74b	Satisfaction with the council as a landlord – BME tenants	Not required	Not available	60.9%
BV74c	Satisfaction with the council as a landlord – non-BME tenants			75.9%
BV75a	Satisfaction of all council tenants with participation	58.8%	60%	58.9%
BV75b	Satisfaction of BME council tenants with participation	Not required	Not available	41.9%
BV75c	Satisfaction of non-BME council tenants with participation			60.2%

\* [To be included when survey results are received]

Surveys for the benefits, planning and library services are still to be completed. Full results of all the satisfaction surveys will be published in the Best Value Performance Plan in June 2004.

### Consultation

#### Working with you to improve services

Listening to local residents views is an important part of the Council's decision making process. The Council has a legal duty to consult local people on a wide range of service issues, for example:

- Education Plans
- Social Services and Community Care Plan
- Children's Services Plan
- Planning and highways regulations

But we also use a variety of other consultation methods to make sure local residents play a key role in determining local needs and the development of the city.

### **Meeting local needs**

The Council set up five area panels in December 2001. Each area panel covers three or four wards and is made up of the local ward councillors. They meet every two months at a different venue within the area, normally on Wednesday evening and last for about two hours. The area panel meetings are an opportunity for residents to raise issues, give views, and suggest improvements about services in your neighbourhood with your local ward councillors. Representatives from the Council, the Police and other agencies also attend.

### **Service improvement**

For particular services, we have a range of user surveys, exhibitions, discussion forums and consultation panels. A good example of this is the network of 15 Community Panels made up of Derby Council tenants, leaseholders and house owners who meet to discuss housing issues.

### **Quality of life in Derby**

Partnerships are an increasing feature of the way we deliver our services and help others to deliver theirs. For us, the most important of these is the Derby City Partnership, which is an alliance of key organisations from all sectors in the city. Its aim is to develop a common vision for the future economic and social development of the city and to represent Derby's case for government support as well as to potential investors in the city.

In addition, we work very closely with other statutory agencies such as the Police and Health Authority, voluntary organisations and a host of companies - large and small - which help us deliver services.

### **A Consultation Strategy for Derby**

This Strategy is a Derby City Partnership project that is designed to improve the quality of consultation in the city. The aim is to reduce costs, build up local expertise, work within a 'charter' to protect local people's interests and to monitor collected information so that we can use it more effectively. The Strategy will begin in earnest in April 2004, from then you will be able to find out about what is being consulted on and how you can take part by looking at the 'Derby Consultation Finder' on the City Council website.

### **Involving all members of the community**

We want to make sure that our consultation processes give us opinions from all sections of the community. The government has asked us to make sure that groups who are often 'hard to reach' are given the opportunity to participate in consultation exercises. At Derby, for example, we make every effort to make sure that our major publications are available in Hindi, Urdu, Punjabi, large print, computer disc, Braille or on tape. We also try to make our face-to-face contact accessible by using signers and interpreters. We have a textphone line for anyone who wants to contact us that way.

To make sure we get a rounded view of how our policies affect people, we have three advisory committees representing women, disabled people and minority ethnic communities. We also have a young people's forum to find out the views and concerns of young people in the city and close links to the independent Senior's Forum and other organisations which represent older people.

## Budget and service priorities

The Derby Pointer Citizens' Panel is one of the key consultation methods we use to get local residents views about our service and budget priorities. The Panel is made up of 1,000 local people, representative of the local population by age, sex, ethnicity and area, selected at random from the Post Office Address File.

Some of the topics we have asked panel members about include:

- Crime and crime prevention
- Derby's Air Quality Action Plan
- Taxis and Private Hire Vehicles
- 2004/05 priorities and budget plans

We have used the survey results to improve services. For example ...

Points raised by the panel	Our improvements
The level of vehicle crime in the streets around where people live has increased – theft of vehicles and theft from vehicles.	The Anti-Social Behaviour Team will launched operation 'Cubit' in Summer 2003 to reduce the number of abandoned vehicles in Derby. This initiative will help to reduce people's fear and perception of auto crime.
Anti-social behaviour, particularly criminal damage and harassment, not being reported.	Aug 2003 – Mar 2004  The Crime and Disorder Partnership will increase the visibility and promote the work of the Anti-Social Behaviour Team. The Police Call Centre Service will be revised.
Existing/non-users would use the library more often if there was a better selection of books.	We have reviewed and amended our buying practices to make sure that the available Book Fund is used to best effect. We have adopted new buying patterns to increase the availability of best-sellers. We have taken action to make sure that books are available as soon as possible after their publication.
20% of respondents would use a credit card to pay their Council Tax	Council Tax payers can now pay by Switch – debit card over the Internet or by telephone.

If you have any ideas about how we can listen better or you want to get involved in any of these consultation activities, we'd like to hear from you. Contact the Consultation Support Team within the Community Policy Division on 01332 258415.

## HOW TO CONTACT US

### Punjabi

ਜੇ ਤੁਹਾਨੂੰ ਇਸ ਦਸਤਾਵੇਜ਼ ਪੜ੍ਹਨ ਲਈ ਜਾਂ ਇਸਦੇ ਕਿਸੇ ਭਾਗ ਦੇ ਅਨੁਵਾਦ ਕਰਾਨ ਲਈ ਸਹਾਇਤਾ ਦੀ ਲੋੜ ਹੈ ਤਾਂ ਸਾਨੂੰ ਦੱਸੋ। ਸਾਨੂੰ ਦੱਸੋ ਕਿ ਇਹ 'ਸੰਮਰੀ ਪਰਫਾਰਮੈਂਸ ਪਲੈਨ' ਬਾਰੇ ਹੈ, ਤੁਸੀਂ ਸਾਡੇ ਨਾਲ ਇਸ ਟੈਲੀਫੋਨ ਨੰਬਰ ਤੇ ਸੰਪਰਕ ਕਰ ਸਕਦੇ ਹੋ। 01332 258422

### Hindi

यदि आपको इस दस्तावेज़ को पढ़ने या इसके अनुवाद कराने के लिए सहायता चाहिए तो हमें बताएं। और कहें कि यह 'सम्मरी परफारमैस प्लैन' के बारे में है, आप हमसे इस टैलीफोन नम्बर पर सम्पर्क कर सकते हैं। 01332 258422

### Urdu

اگر آپ کو اس دستاویز کے پڑھنے میں مدد یا کسی حصہ کا ترجمہ کرانے کی ضرورت ہو، تو ہم سے رابطہ کریں،  
اور ہمیں بتائیں، کہ یہ سمیری پرفورمنس پلان کے بارے میں ہے،  
اس کیلئے ہم سے اس نمبر پر رابطہ کریں، 01332 258422

### To find out more

This is only a summary so we can't include everything. If you would like more details, our full Performance Plan will be published on 30 June 2004. You will be able to see a copy of this in our libraries, at the Council House and on the Council's website at [www.derby.gov.uk](http://www.derby.gov.uk) from 1 July 2004. Our Corporate Plan, which describes in more detail how we will address our vision and priorities, will also be published on the website during April 2004.

If you would like a copy of the full plan when it's published, contact the Strategic Planning and Performance Unit.

The services in this plan are covered in more detail in a number of other plans and strategy documents. Details are available from:

Strategic Planning and Performance Unit  
PO Box 6291  
The Council House  
Coronation Street  
Derby DE1 2YL

Tel 256297  
Fax 256257  
Textphone 258427  
E-mail: [performance@derby.gov.uk](mailto:performance@derby.gov.uk)

A copy of this plan can be found on our website at [www.derby.gov.uk](http://www.derby.gov.uk).

### Elected Members of the Council

To contact a Councillor for your area ask for their address from:

Member Services, The Council House  
Coronation Street, Derby DE1 2FS  
Tel 255367

Or go to our website at [www.derby.gov.uk](http://www.derby.gov.uk) and click on Your Council.

## SUMMARY OF CHANGES IN REVENUE BUDGET 2004/5 TO 2005/6

SUMMARY OF REVENUE BUDGET PROPOSALS £000's																
	Comm Svs	CHIEF EXECS					D&CS	EDUCATION				Soc Svs	Add to allocate	Department Total	Adjust ments	Budget Requirement
		Policy	Corp Svcs	Finance	Corp Budgets	TOTAL		Schools Block	Other LEA	Sports & Leisure	TOTAL					
<b>PROPOSED BUDGET</b>																
<b>Latest Approved Controllable Base Budget</b>	<b>2,806</b>	5,410	9,094	7,120	18,289	<b>39,913</b>	<b>25,883</b>	112,324	11,852	2,472	<b>126,648</b>	<b>57,376</b>	350	<b>252,976</b>	-1,086	<b>251,890</b>
Add/less Service Transfers	0	0	0	0	0	0		0	0	0	0	0		0		0
<b>Base for Comparison</b>	<b>2,806</b>	5,410	9,094	7,120	18,289	<b>39,913</b>	<b>25,883</b>	112,324	11,852	2,472	<b>126,648</b>	<b>57,376</b>	350	<b>252,976</b>	-1,086	<b>251,890</b>
Less: Reversal of one-off items	0	0	0	0	0	0		0	0	0	0	0		0	1,000	<b>1,000</b>
Add: Full Year Effects of previous funding	0	0	0	0	0	0		0	0	0	0	0		0		0
<b>Adjusted Base Budget</b>	<b>2,806</b>	5,410	9,094	7,120	18,289	<b>39,913</b>	<b>25,883</b>	112,324	11,852	2,472	<b>126,648</b>	<b>57,376</b>	350	<b>252,976</b>	-86	<b>252,890</b>
<b>Add Proposed Budget changes</b>																
Inflation	79	180	481	236	103	1,000	1,281	3,012	393	60	3,465	2,624		8,449		8,449
Growth	5	72	-128	59	1,128	1,131	597	3,567	-41	22	3,548	217	2,100	7,598		7,598
Efficiency savings	0	0	0	-2	0	-2	-9	0	0	0	0	0		-11		-11
Actions to Balance	0	-8	149	0	0	141	-737	0	0	0	0	532		-64		-64
<b>Total proposed budget changes</b>	<b>84</b>	244	502	293	1,231	<b>2,270</b>	<b>1,132</b>	6,579	352	82	<b>7,013</b>	<b>3,373</b>	2,100	<b>15,972</b>	0	<b>15,972</b>
<b>Proposed Budget Requirement</b>	<b>2,890</b>	5,654	9,596	7,413	19,520	<b>42,183</b>	<b>27,015</b>	118,903	12,204	2,554	<b>133,661</b>	<b>60,749</b>	2,450	<b>268,948</b>	-86	<b>268,862</b>
<b>CASH LIMIT</b>																
<b>Adjusted Base Cashlimit</b>	<b>2,806</b>	5,410	9,094	7,120	18,289	<b>39,913</b>	<b>25,883</b>	112,324	11,852	2,472	<b>126,648</b>	<b>57,376</b>	350	<b>252,976</b>	-86	<b>252,890</b>
Add provisional guideline cashlimit increase	84	151	263	235	1,327	1,976	755	6,579	352	82	7,013	1,705		11,533		11,533
<b>Provisional Guideline Cashlimit</b>	<b>2,890</b>	5,561	9,357	7,355	19,616	<b>41,889</b>	<b>26,638</b>	118,903	12,204	2,554	<b>133,661</b>	<b>59,081</b>	350	<b>264,509</b>	-86	<b>264,423</b>
<b>Funding Gap - £'000 (cumulative)</b>	<b>0</b>	93	239	58	-96	<b>294</b>	<b>377</b>	0	0	0	<b>0</b>	<b>1,668</b>	2,100	<b>4,439</b>	0	<b>4,439</b>
<b>Budget - % increase over Adjusted Base Budget</b>	<b>3.0%</b>	<b>4.5%</b>	<b>5.5%</b>	<b>4.1%</b>	<b>6.7%</b>	<b>5.7%</b>	<b>4.4%</b>	<b>5.9%</b>	<b>3.0%</b>	<b>3.3%</b>	<b>5.5%</b>	<b>5.9%</b>	<b>600.0%</b>	<b>6.3%</b>	<b>0.0%</b>	<b>6.3%</b>

## SUMMARY OF CHANGES IN REVENUE BUDGET 2005/6 TO 2006/7

SUMMARY OF REVENUE BUDGET PROPOSALS £000's																
	Comm Svs	CHIEF EXECS					D&CS	EDUCATION				Soc Svs	Add to allocate	Department Total	Adjust ments	Budget Requirement
		Policy	Corp Servs	Finance	Corp Budgets	TOTAL		Schools Block	Other LEA	Sports & Leisure	TOTAL					
<b>PROPOSED BUDGET</b>																
Latest Approved Controllable Base Budget	2,890	5,654	9,596	7,413	19,520	42,183	27,015	118,903	12,204	2,554	133,661	60,749	2450	268,948	-86	268,862
Add/less Service Transfers		0	0	0	0	0		0	0	0	0	0		0		0
<b>Base for Comparison</b>	<b>2,890</b>	<b>5,654</b>	<b>9,596</b>	<b>7,413</b>	<b>19,520</b>	<b>42,183</b>	<b>27,015</b>	<b>118,903</b>	<b>12,204</b>	<b>2,554</b>	<b>133,661</b>	<b>60,749</b>	<b>2450</b>	<b>268,948</b>	<b>-86</b>	<b>268862</b>
Less: Reversal of one-off items		0	0	0	0	0		0	0	0	0	0		0		0
Add: Full Year Effects of previous funding		0	0	0	0	0		0	0	0	0	0		0		0
<b>Adjusted Base Budget</b>	<b>2,890</b>	<b>5,654</b>	<b>9,596</b>	<b>7,413</b>	<b>19,520</b>	<b>42,183</b>	<b>27,015</b>	<b>118,903</b>	<b>12,204</b>	<b>2,554</b>	<b>133,661</b>	<b>60,749</b>	<b>2450</b>	<b>268,948</b>	<b>-86</b>	<b>268862</b>
<b>Add Proposed Budget changes</b>																
Inflation	82	181	495	247	117	1,040	1,384	2,413	416	67	2,896	2,766		8,168		8168
Growth	5	47	46	50	1,509	1,652	1,053	4,554	-54	18	4,518	551		7,779		7779
Efficiency savings	0	0	0	-2	0	-2	-11	0	0	0	0	0		-13		-13
Actions to Balance	0	-9	-6	0	0	-15	-1,206	0	0	0	0	178		-1,043		-1043
<i>Total proposed budget changes</i>	<i>87</i>	<i>219</i>	<i>535</i>	<i>295</i>	<i>1,626</i>	<i>2,675</i>	<i>1,220</i>	<i>6,967</i>	<i>362</i>	<i>85</i>	<i>7,414</i>	<i>3,495</i>	<i>0</i>	<i>14,891</i>	<i>0</i>	<i>14891</i>
<b>Proposed Budget Requirement</b>	<b>2,977</b>	<b>5,873</b>	<b>10,131</b>	<b>7,708</b>	<b>21,146</b>	<b>44,858</b>	<b>28,235</b>	<b>125,870</b>	<b>12,566</b>	<b>2,639</b>	<b>141,075</b>	<b>64,244</b>	<b>2450</b>	<b>283,839</b>	<b>-86</b>	<b>283753</b>
<b>CASH LIMIT</b>																
Adjusted Base Cashlimit	2,890	5,561	9,357	7,355	19,616	41,889	26,638	118,903	12,204	2,554	133,661	59,081	350	264,509	-86	264,423
Add provisional guideline cashlimit increase	87	154	271	241	1,707	2,373	775	6,967	362	85	7,414	1,757		12,406		12406
<b>Provisional Guideline Cashlimit</b>	<b>2,977</b>	<b>5,715</b>	<b>9,628</b>	<b>7,596</b>	<b>21,323</b>	<b>44,262</b>	<b>27,413</b>	<b>125,870</b>	<b>12,566</b>	<b>2,639</b>	<b>141,075</b>	<b>60,838</b>	<b>350</b>	<b>276,915</b>	<b>-86</b>	<b>276829</b>
<b>Funding Gap - £'000 (cumulative)</b>	<b>0</b>	<b>158</b>	<b>503</b>	<b>112</b>	<b>-177</b>	<b>596</b>	<b>822</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3,406</b>	<b>2100</b>	<b>6,924</b>	<b>0</b>	<b>6924</b>
<b>Budget - % increase over Adjusted Base Budget</b>	<b>3.0%</b>	<b>3.9%</b>	<b>5.6%</b>	<b>4.0%</b>	<b>8.3%</b>	<b>6.3%</b>	<b>4.5%</b>	<b>5.9%</b>	<b>3.0%</b>	<b>3.3%</b>	<b>5.5%</b>	<b>5.8%</b>	<b>0.0%</b>	<b>5.5%</b>	<b>0.0%</b>	<b>5.5%</b>