



DERBY CITY COUNCIL

COMMUNITY REGENERATION COMMISSION
25 January 2005

Report of the Director of Corporate Services

The Council's 2005/06 – 2007/08 Draft Revenue Budget

RECOMMENDATION

- 1.1 That the members consider those aspects of the Council's draft 2005/06 – 2007/08 Revenue Budget that fall within the remit of the Commission.
- 1.2 That where appropriate the Commission offers recommendations:
 - a) On proposals contained in the draft budget that fall within the remit of the Commission, and;
 - b) On what the Commission considers to be the best ways of using the £700,000 of unallocated public priority spending.
- 1.3 That members identify any aspects of the budget which they would like to track and scrutinise at subsequent meetings by the use of Performance Eye.

SUPPORTING INFORMATION

- 2.1 The Council's draft Revenue Budget was issued to Overview and Scrutiny Commission members at the briefing meeting on 11 January 2005.
- 2.2 All the Commissions will have an opportunity for detailed consideration of the draft Revenue Budget at their business meetings in January 2005.
- 2.3 From reading the draft budget document, members will be aware that decisions have yet to be taken about the ways in which a sum totalling £700,000 will be allocated for spending on public priorities.
- 2.4 It is suggested that where appropriate that each of the Commissions makes recommendations on:
 - a) Proposals contained in the draft budget that fall within the remit of the Commission, and;
 - b) What the Commission considers to be the best ways of using the £700,000 of unallocated public priority spending.

- 2.5 The Performance Eye performance monitoring facility gives the Overview and Scrutiny Commissions the means of monitoring the effects and outcomes of the funding for Council services agreed through the budget process. It is suggested that each Commission could identify particular service areas within its remit and could at subsequent meetings use Performance Eye to track progress, and examine performance and the outcome of the budget allocation within those areas.
- 2.6 A summary of the information from the draft Revenue Budget that relates to the Community Regeneration Commission is contained within Appendix 2 of this report.
- 2.7 A list of the areas falling within the Commission's portfolio is contained in Appendix 3 of this report.

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Background papers:	None
List of appendices:	Appendix 1 – Implications Appendix 2 – Community Regeneration Commission revenue budget proposals Appendix 3 – Community Regeneration Commission portfolio

Appendix 1

IMPLICATIONS

Financial

1. None arising from directly this report.

Legal

2. None arising from this report.

Personnel

3. None arising from this report.

Equalities impact

4. Recommendations concerning the Council's Revenue budget have the potential to be of benefit to all Derby people.

Corporate objectives and priorities for change

5. The Council's Revenue Budget relates to all the Corporate Objectives and Priorities for Change.

Appendix 2

Community Regeneration Commission – revenue budget proposals.

The entries below cover:

- Services within the Commission’s own portfolio *plus*
- Services outside the Community Regeneration portfolio but which the Commission have shown interest in through earlier topic reviews and scrutiny of cross-cutting issues

This appendix needs to be read in conjunction with the Draft Revenue Budget book, to which the page numbers refer, previously circulated to all members.

Page	Extract/comment
1	The budget is constructed to produce a council tax increase around 4.5%
2	Additional allocations are identified for 7 service areas, including £100k extra is to be made available for the Community Safety Partnership to help sustain important programmes.
3	Efficiency savings, grants and income generation are to fund: <ul style="list-style-type: none"> • Street lighting PFI improvements • The costs of implementing and early years of liquor licensing are (to be) covered by the creation of a reserve until the true ongoing costs are known (£200k)
3	On the Public Priorities Fund, there is to be an <i>extra</i> £200k of ongoing spending. Additionally, for 05/06 only there is to be £500k for one-off uses. The use of these sums will be decided in light of the results of public consultation. This is a key issue that the Commission may have views about.
4	One of the specific risks associated with the delivery of the 05/06 draft budget is the short term difficulty of delivering reductions in Supporting People spending following the significant cut in Government grant support. This may require a further one-off allocation from reserves if unavoidable costs occur.
7	Para 2.8 - In summary, as far as the ‘extra funding’ announced (on 2 December 2004) for local government is relevant to Derby, it does no more than replace funding that would have been cut under the Government’s July 2004 plans.
10	The Supporting People grant falls by 5% for Derby – the same as nationally. There is also the prospect of further significant falls in 06/07 and 07/08.
11	Miscellaneous police grants have risen nationally and some may be relevant to the Community Safety Partnership: including: <ul style="list-style-type: none"> • £23m for the Neighbourhood Policing Fund • £8m for Community Support Officers
22	This year chief officers have been permitted to share with non-Cabinet members <i>possible</i> further service proposals and the action to fund them within overall budget totals. These are not, at this stage, recommended or approved by Cabinet and do not form part of the

	<p>budget proposals. This allows a dialogue with the commissions about service priorities: would members support some service reductions as a means of enhancing other services? Page 22 sets out options from Commercial Services. This Commission previously encouraged the use of the Public Priorities Fund to improve the play areas. Therefore, the key issue for the Community Regeneration Commission would be whether £32k should be found to maintain the standard of newly enhanced play areas by endorsing some of the savings measures described at para 4.4? [Note: this matter falls within the portfolio of Culture and Prosperity]</p>
33	<p>Policy Directorate 13 key planning issues are listed, including:</p> <ul style="list-style-type: none"> • Loss of income from Derby Homes for Personnel, Equalities and Communications • Introducing new housing standards • Housing development and homelessness • Pressure on the • Supporting People budget • Area/neighbourhood working • Loss of regeneration funding streams • Improving communications and embedding consultation
33	Five successes/accolades are referred to in para 4.1
34	Para 1.2 states the time is approaching to evaluate our current area and neighbourhood working... Neighbourhood co-ordination work in the three priority areas is funded through Neighbourhood Renewal Funding, NRF, with no funding guaranteed beyond 05/06. As well as NRF, Objective2, URBAN and SRB programmes are all diminishing – SRB effectively finishes in March 2006.
34	The new Housing Act will bring about some of the most fundamental changes to private sector housing in the past 50 years.
35	Para 1.6 refers to increasing housing demand and homelessness. A key priority will be to tackle the increasing number of people sleeping rough in Derby.
35	Para 1.8 (1st so numbered) the Supporting People grant cuts mean £750k has to be found. See also comments regarding pages 165 and 176.
35	Para 1.9 Community Safety Partnership: Grants time-expire from 05/06 for burglary reduction, YOS accommodation officer and the CSP analyst and, from 06/07, for the ASB team. Growth items are also listed. £100k is being made available for these though contributions are also being sought from partner bodies.
35	<p>Para 1.8 (2nd so numbered) lists four service priorities under the 2005/08 Community Safety Strategy:</p> <ul style="list-style-type: none"> • Drug treatment services • Persistent and priority offenders • Community cohesion/fear of crime • Violent crime – city centre and domestic violence
36	The table shows £268k efficiency savings and para 3.5 lists the seven areas these are to be found from but does not show individual figures for the contribution of each.

38	Para 3.6.1 lists nine key budget pressures which add up to £286k in the table.
38	As mentioned (re page 22), this year chief officers have been permitted to share with non-Cabinet members <i>possible</i> further service proposals and any action that would allow them to be funded. To repeat, these are not, at this stage, recommended or approved by Cabinet and do not form part of the budget proposals. Two issues are raised, one is about the 2 unfilled posts Area Panel Managers from April 2005, cost £70k. The other is flagging an issue for April 2006: the three Neighbourhood Co-ordinators funding time expires then, £150k would be needed to mainstream – or lose – those posts. It is explicit that only new corporate funding, rather than balancing through other savings, can resource these posts.
40	Corporate Services Directorate 8 significant planning issues are listed, including: <ul style="list-style-type: none"> Liquor licensing begins February 2005 with income likely to short of operating costs an issue that the Community Regeneration Commission commented on in its report <i>Crime and Disorder and Young People</i> [Note: this matter falls within the portfolio of Planning and Environment]
45	Finance Directorate the housing and council tax benefits service falls within the Community Regeneration Commission's portfolio. Continuing to improve that service is one of five service planning issues. The latest external inspection promoted the service from "fair" to "good".
47	The Directorate's year-on –year budget approach is described. Para 1.3 flags the intention to reduce the monies made available in 2003/04 for the benefits service recovery package. See next comment
49	£100k was identified as a safe level of reduction, however £61k of that dividend is required to make up an income shortfall on council tax administration. See comment re page 83
50	Of £121k ongoing efficiency savings, £41k is found from revenues and benefits: £20k through reduced sickness absence and £21k from other salary savings.
50	The four aspirations at para 4 include replacement of the revenue and benefits computer system
54	Corporate Budgets - Other includes the net costs of benefits payments. The proposed service efficiencies include £195k benefit payment savings. See next comment.
61 + 65	The proposed £195k saving would eliminate the shortfall between £35,067 running costs and the £34,872 external income.
83	Appendix 7a is a two page summary of the base budget review of revenues and benefits [relates to comments on pages 47 and 49]
92	Development & Cultural Services [Note: the matters referred to fall within the portfolio of the Planning and Environment Commission] Among the service planning issues for the Highways, Transport and Waste Management Division are: <ul style="list-style-type: none"> Delivering the Street Lighting PFI Improving street cleaning standards

	that the Community Regeneration Commission has commented on in its report <i>Social Inclusion and the Physical Environment</i> and previous budget comments
93	Among the seven service objects listed in the Departmental Mission is: <ul style="list-style-type: none"> • Creating a safe and clean city
97	A permanent drug litter removal squad is to be funded. The Community Regeneration Commission had commented on drugs litter its report <i>Social Inclusion and the Physical Environment</i> . See next comment.
101	Para 3.3.3, 04/05 budget increases enable the temporary drugs litter squad to be permanently incorporated into the street cleansing contract.
101	Para 3.3.7 points out that the lion's share of Public Priorities Funds in both of the first two years of that fund have been used for streetcare improvements. The Director comments that this has made a real impact in local communities and D&CS wish to see PPF continue to concentrate on streetcare issues and that overview and scrutiny may wish to make representations to Cabinet on i) the overall level and ii) the use of PPF proposed.
136	Education [the matters referred to fall within the portfolio of the Education Commission]. Amongst nine performance issues listed is: <ul style="list-style-type: none"> • Improving attendance which the Community Regeneration Commission commented on in <i>Crime and Disorder and Young People</i>
138	Para 1.9 Because the LEA Budget (in contrast to the Schools Budget) is limited to an inflationary increase, it may not be possible to continue programmes in the <i>youth service</i> , adult learning and early years where external funding is ending.
144	Under the heading 'Further growth proposals and strategy to meet them' the matters of interest to the Community Regeneration Commission – arising from previous topic reviews - are actually about the potential/prospective loss of current externally funded services as mainstream funding is not being proposed. <ul style="list-style-type: none"> • Para 4.3 refers to two posts in the PHSE and Citizenship Team which support <i>social cohesion</i> and healthy schools' initiatives, described as a notable success in Derby, where external funding has 'an uncertain future' = potential loss of service • Para 4.5 three youth service projects, funded from a mix of SRB, the Children's Fund and Government Office for the East Midlands time expires in March 2005. This pool of £60k funds two full-time posts = prospective loss of service
165	Social Services [the matters referred to fall within the portfolio of the Social Care and Health Commission]. Current planning issues listed includes national budget reductions in Supporting People.
175	£50k is to be found for the Community Safety Partnership to meet currently under funded costs in the Youth Offending Team
176	Additional funding, amount not specified, will fund the loss of

Supporting People central grant. See also comments regarding pages 33 and 35.

Appendix 3

Community Regeneration Commission – Portfolio 2004/05

Social Inclusion, including Anti-Poverty initiatives
Community Governance and Consultation
Community Regeneration and Development, including
Community Planning
Special Programmes Management including all Single
Regeneration Budget Schemes
New Deal for Communities
Community and Equalities Grants
Cultural Diversity
Housing and Council Tax Benefits
Welfare Rights
Community Legal Services including Law Centre and Citizens
Advice Bureau
Crime and Disorder, including Youth Offending Service
External Employment Initiatives
Housing Management
Housing Strategy and Development
Private Sector Housing