

“Focusing on our Priorities”

Cabinet Budget Recommendations

South Tyneside Council

25th February 2005

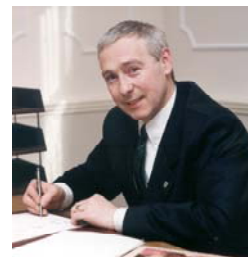


South Tyneside Council

Council Budget 2005 – 2008

“Focusing on our Priorities”

Foreword by the Leader of the Council



What a difference a year makes!

Last year we set out our ambition to become an **Excellent Council**.

And in December last year the Government said that we had improved from Fair to become Excellent following a very thorough inspection of what we have achieved and the way we work. But being excellent is not good enough!

Even more important to us is that our residents have noticed how we have and are changing for the better. A survey of local residents, carried out last summer by independent research company MORI, found that over the past twelve months more residents have become satisfied with the Council and its services.

Our record of improvement, particularly in the areas that matter most to you, is clear:-

- In 2003/4 the Council helped support 40 new businesses via the South Tyneside Development Fund and Tyne & Wear Small Business Grant.
- Unemployment has fallen by 10 per cent over the last year - but more still needs to be done.
- Youth disorder fell by 23 per cent across the borough during 2003/4 and burglary has fallen by over a third since 1998 and car crime by a record 40 per cent – but again more still needs to be done.
- The Council has more than doubled its recycling rate since 2001 thanks to your overwhelmingly enthusiastic response to the Council's KERB IT and KERB IT GREEN recycling schemes.

Our achievements are based on many things including effective use of our resources. Over the coming year we plan to focus even more clearly on the priorities that local people and stakeholders tell us matter most to them.

The 2005/06 budget reflects our determination to continue to improve the services our residents receive. We have listened to the feedback we received from the budget consultation that took place in January and early February have changed some of our spending proposals:-

- Our **Citizens Panel** expressed some concerns about plans to reduce grounds maintenance spending in our parks and open spaces. We have, as a result, removed this £75,000 savings proposal from our detailed budget.
- Our **business sector** wanted to see the Council adopt a keener focus on the review of staff vacancies. Our plans for next year will ensure all staff vacancies are automatically reviewed as they arise.
- We also plan to deliver a programme of corporate and service value for money reviews that will help us improve service performance and deliver the efficiency savings for future years.
- Our **voluntary sector** were concerned that the public might not understand their contribution to improving the borough and so we are offering to work more closely with the voluntary sector to raise its profile.

- Our **Lifelong Learning and Leisure Scrutiny Committee** and our **Trade Unions** told us about their concerns about our proposal to close our leisure centres during off-peak hours. We have, as a result, removed this savings proposal from our detailed budget.

Local residents also asked us to keep the increase in Council tax as low as possible. Our detailed budget is therefore recommending to Council **a council tax increase of 4.9 per cent in 2005/06**. For Band A properties, this will mean a weekly increase in Council Tax of 74p in 2005/06.

Our detailed budget, presented today, is one of **three key Council strategic planning documents** that are **fully integrated**, flow from the Community Strategy and focus on achieving the Council's priorities:-

- **Performing Together** (the Council's master service plan) – this sets out the Council's priorities and describes in detail what we plan to achieve;
- **Focusing on our Priorities** (the Council's medium term financial plan) – this plan directs overall spending to our key areas for improvement or where investment is needed; and
- **Building Capacity** (the Council's Workforce Development Plan) – this plan ensures we have the right people with the skills to deliver our priorities.

Council is asked today to agree the Medium Term Financial Plan and budget for 2005/06. Council will be asked to agree the Council's Master Service Plan and Workforce Development Plan on Thursday 24th March 2005.

I hope you will agree that we have listened, we will continue to listen and that next year's budget invests in what we all want - **A better future for South Tyneside's people**.

Paul Waggott

Leader of the Council

Cabinet Recommendations to the Borough Council

On the 16th February 2005 Cabinet agreed the following budget recommendations for the Borough Council to consider and agree on Friday 25th February 2005.

Budget Recommendation 1

That the Council's Medium Term Financial Plan for 2005 to 2008 as described in this document be approved.

Budget Recommendation 2

That the following Council budgets be approved:-

- a. The Council's **revenue** budget for the year 2005/06 is agreed as **£202.309m**;
- b. The Council's **revenue** spending limit, for planning purposes, for the year 2006/07 is agreed as **£213.985m** and for the year 2007/08 is agreed as **£222.682m**;
- c. The Council's **capital** budget (including the Housing Programme) for the year 2005/06 is agreed as **£59.364m**;
- d. The Council's provisional **capital** budget (including the Housing Programme) for the year 2006/07 is agreed as **£103.696m**, for the year 2007/08 is agreed as **£117.184m**, for the year 2008/09 is agreed as **£66.124m** and for the year 2009/10 is agreed as **£59.599m**;
- e. The Council's **housing revenue** budget for the year 2005/06 is agreed as **-£0.350m**;
- f. The Council's **housing revenue** budget, for planning purposes, for the year 2006/07 is agreed as **£0.462m** and for the year 2007/08 is agreed as **-£0.501m**;
- g. The **detailed 2005/06 revenue and capital budgets** identified in appendix 1, 2 and 3 of the Medium Term Financial Plan are agreed;
- h. The **Tyne and Wear Pension Fund** budget for the year 2005/06 is agreed as **£10.274m**;
- i. The **Tyne and Wear Pension Fund** budget, for planning purposes, for the year 2006/07 is agreed as **£10.912m** and for the year 2007/08 is agreed as **£11.624m**.

Budget Recommendation 3

That the following housing rent and service charge increases be approved:-

- a. Council house dwelling rents for 2005/06 increase by an **average of £2.47 per week** or 5.5% with effect from Monday 4th April 2005. This is in line with government guidelines on rent increases and restructuring;
- b. Service and temporary furnished accommodation charges for 2005/06 increase by 3.1% with effect from Monday 4th April 2005;
- c. Heating Charges for Jarrow and Hebburn Newtown increase by 5.0% with effect from Monday 4th April 2005;

- d. No increase in Community Alarms and Residential Wardens support charges for the financial year 2005/06.

Budget Recommendation 4

That the updated **use of Council reserves and carry forward policy** (as described pages 18 and 19 of the Medium Term Financial Plan) be approved.

Budget Recommendation 5

That Council request Cabinet to:-

- a. Consider and agree the **increase in Council fees and charges** for 2005/06 in March 2005 (page 14 of the Council's Medium Term Financial Plan);
- b. Consider and agree an updated **Council fees and charges policy** in September 2005 (page 14 of the Council's Medium Term Financial Plan);
- c. Review and agree the method of financing the proposed compensatory payment (and as a result, any required changes to the Council's 2005/06 budget) once a decision is received from government on capitalising this payment (pages 5 and 6 of the Council's Medium Term Financial Plan);
- d. Review the provisional capital programme for 2006/07 to 2009/10 in June 2005 once a government decision on the future use of 'right to buy' capital receipts from April 2006 is known (page 16 of the Council's Medium Term Financial Plan).

Budget Recommendation 6

That it be noted that at its meeting on 27th January 2005 the Council calculated the amount 43,967 as its Council Tax Base for the year 2005/06.

Budget Recommendation 7

That the following amounts be now calculated by the Council for the year 2005/06:-

- a. **£351,642,800** being the Council's total revenue expenditure for 2005/06;
- b. **£149,333,480** being the Council's total revenue income for 2005/06;
- c. **£202,309,320** being the Council's revenue cash limit budget for 2005/06 (a-b);
- d. **£1,051,000** being the amount of Council reserves to be used in 2005/06;
- e. **£201,258,320** being the Council's revenue budget requirement for 2005/06 (c-d);
- f. **£152,612,906** being the sum payable for 2005/06 into the Council's General Fund in respect of redistributed non-domestic rates, revenue support grant and transfer from the collection fund;
- g. **£48,645,414** being the sum to be met from South Tyneside MBC council tax in 2005/06 (e-f);
- h. The South Tyneside MBC council tax for the year 2005/06 for each category of dwelling shown as follows.

2005/06 BOROUGH COUNCIL TAX South Tyneside Council's Proportion	Band Weighting	South Tyneside Council 2004/05	South Tyneside Council 2005/06
Band A Properties	6/9	£703.19	£737.60
<i>Annual Increase</i>			£34.41
<i>Weekly Increase</i>			£0.66
Band B Properties	7/9	£820.39	£860.54
<i>Annual Increase</i>			£40.15
<i>Weekly Increase</i>			£0.77
Band C Properties	8/9	£937.59	£983.47
<i>Annual Increase</i>			£45.88
<i>Weekly Increase</i>			£0.88
Band D Properties	1	£1,054.79	£1,106.41
<i>Annual Increase</i>			£51.62
<i>Weekly Increase</i>			£0.99
Band E Properties	11/9	£1,289.19	£1,352.28
<i>Annual Increase</i>			£63.09
<i>Weekly Increase</i>			£1.21
Band F Properties	13/9	£1,523.58	£1,598.15
<i>Annual Increase</i>			£74.57
<i>Weekly Increase</i>			£1.43
Band G Properties	15/9	£1,757.98	£1,844.02
<i>Annual Increase</i>			£86.04
<i>Weekly Increase</i>			£1.65
Band H Properties	18/9	£2,109.58	£2,212.82
<i>Annual Increase</i>			£103.24
<i>Weekly Increase</i>			£1.99

Budget Recommendation 8

That it be noted that for the year 2005/06 the Northumbria Police Authority and the Tyne and Wear Fire and Civil Defence Authority have stated the following amounts in precepts issued to the Council for each of the following categories of the dwellings:-

2005/06 BOROUGH COUNCIL TAX Fire and Police Proportion	Band Weighting	Fire Authority 2004/05	Fire Authority 2005/06	Police Authority 2004/05	Police Authority 2005/06
Band A Properties	6/9	£41.55	£43.59	£44.62	£46.69
<i>Annual Increase</i>			£2.04		£2.07
<i>Weekly Increase</i>			£0.04		£0.04
Band B Properties	7/9	£48.47	£50.85	£52.06	£54.47
<i>Annual Increase</i>			£2.38		£2.41
<i>Weekly Increase</i>			£0.05		£0.05
Band C Properties	8/9	£55.40	£58.12	£59.49	£62.25
<i>Annual Increase</i>			£2.72		£2.76
<i>Weekly Increase</i>			£0.05		£0.05
Band D Properties	1	£62.32	£65.38	£66.93	£70.03
<i>Annual Increase</i>			£3.06		£3.10
<i>Weekly Increase</i>			£0.06		£0.06
Band E Properties	11/9	£76.17	£79.91	£81.80	£85.59
<i>Annual Increase</i>			£3.74		£3.79
<i>Weekly Increase</i>			£0.07		£0.07
Band F Properties	13/9	£90.02	£94.44	£96.68	£101.15
<i>Annual Increase</i>			£4.42		£4.47
<i>Weekly Increase</i>			£0.09		£0.09
Band G Properties	15/9	£103.87	£108.97	£111.55	£116.71
<i>Annual Increase</i>			£5.10		£5.16
<i>Weekly Increase</i>			£0.10		£0.10
Band H Properties	18/9	£124.64	£130.76	£133.86	£140.06
<i>Annual Increase</i>			£6.12		£6.20
<i>Weekly Increase</i>			£0.12		£0.12

Budget Recommendation 9

That, having calculated the council tax for South Tyneside Council, Northumbria Police Authority and Tyne and Wear Fire and Civil Defence Authority, the Council hereby sets the following amounts as the amount of Council Tax for the year 2005/06 for each category of dwelling shown below:-

2005/06 BOROUGH COUNCIL TAX	% of Properties in Each Band	% of Properties Receiving Benefit	Band Weighting	Borough Council Tax 2004/05	Borough Council Tax 2005/06
Band A Properties	67.6%	43.0%	6/9	£789.36	£827.88
<i>Percentage increase</i>					4.9%
<i>Annual Increase</i>					£38.52
<i>Weekly Increase</i>					£0.74
Band B Properties	12.5%	17.4%	7/9	£920.92	£965.86
<i>Percentage increase</i>					4.9%
<i>Annual Increase</i>					£44.94
<i>Weekly Increase</i>					£0.86
Band C Properties	10.4%	8.0%	8/9	£1,052.48	£1,103.84
<i>Percentage increase</i>					4.9%
<i>Annual Increase</i>					£51.36
<i>Weekly Increase</i>					£0.99
Band D Properties	5.7%	4.7%	1	£1,184.04	£1,241.82
<i>Percentage increase</i>					4.9%
<i>Annual Increase</i>					£57.78
<i>Weekly Increase</i>					£1.11
Band E Properties	2.3%	3.1%	11/9	£1,447.16	£1,517.78
<i>Percentage increase</i>					4.9%
<i>Annual Increase</i>					£70.62
<i>Weekly Increase</i>					£1.36
Band F Properties	1.0%	1.2%	13/9	£1,710.28	£1,793.74
<i>Percentage increase</i>					4.9%
<i>Annual Increase</i>					£83.46
<i>Weekly Increase</i>					£1.61
Band G Properties	0.5%	1.6%	15/9	£1,973.40	£2,069.70
<i>Percentage increase</i>					4.9%
<i>Annual Increase</i>					£96.30
<i>Weekly Increase</i>					£1.85
Band H Properties	0.1%	-	18/9	£2,368.08	£2,483.64
<i>Percentage increase</i>					4.9%
<i>Annual Increase</i>					£115.56
<i>Weekly Increase</i>					£2.22



Medium Term Financial Plan

2005 – 2008



South Tyneside Council

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1. Introduction

1. The Council's Medium Term Financial Plan is one of three key Council strategic planning documents:-
 - **Performing Together** (the Council's master service plan) – this sets out the Council's priorities and describes in detail what we plan to achieve;
 - **Focusing on our Priorities** (the Council's medium term financial plan) – this plan directs overall spending to our key areas for improvement or where investment is needed; and
 - **Building Capacity** (the Council's Workforce Development Plan) – this plan ensures we have the right people with the skills to deliver our priorities.
2. These strategic planning documents are **fully integrated** and flow from the Community Strategy. All three documents focus on achieving the Council's priorities.

Focusing on our Priorities (the Council's Medium Term Financial Plan)

3. Each year, we need to identify what we need to spend on Council services for the following year and also identify provisional spending plans for the following two years to ensure our spending plans are balanced and match the money we will receive from government and council tax payers. These plans form part of the Council's medium term financial plan.
4. The following pages identify what extra money we plan to spend over the coming three years to continue delivering services, what we plan to spend on priority led initiatives, what we plan to invest in major capital projects and what current spending we plan to redirect to help fund our priorities.

The Executive Director Resources confirms to Council (as required by the Local Government Act 2003) that the spending plans identified in this medium term financial plan and the council tax calculation for 2005/06 are robust estimates that:

- Redirect resources towards our priorities in a way that is achievable;
- Reflect the best estimate of inflation and pay award factors available at this time;
- Consider and recognise the major financial risks facing the Council over the next three years;
- Contain proposals for increased income or reduced expenditure that are achievable over the medium term.

The Executive Director Resources also confirms that the level of Council reserves is adequate to meet the known financial risks facing the Council over the medium term.

2. What are the Council's spending plans?

5. The tables below summarise our revenue spending plans for 2005/06 and provisional spending plans for 2006/07 and 2007/08.

2004/05 Budget £m	Revenue Spending Forecast	2005/06 Budget £m	2006/07 Provisional Spending £m	2007/08 Provisional Spending £m
Directorate Revenue Budgets				
3.902	Corporate Development	4.145	4.100	3.574
102.124	Lifelong Learning & Leisure	107.691	112.089	116.879
25.157	Neighbourhood Services	26.748	28.025	28.589
3.250	Resources	3.457	3.031	2.685
9.222	Resources - Corporate Finance	6.680	11.309	14.655
49.472	Social Care & Health	53.588	55.431	56.300
193.127	TOTAL Directorate Revenue Budgets	202.309	213.985	222.682

2004/05 Budget £m	Revenue Spending Forecast	2005/06 Budget £m	2006/07 Provisional Spending £m	2007/08 Provisional Spending £m
181.903	Base Budget	193.127	202.309	213.985
12.061	Standstill Pressures	9.978	11.376	9.838
6.904	Priority Led initiatives	4.932	5.761	4.263
-	Redirection of Current Spending	-	5.461	5.404
193.127	TOTAL Revenue Spending Plans	202.309	213.985	222.682
5.1%	Percentage increase in Council budget	4.75%	5.77%	4.06%

6. Appendix 1 details the 2005/06 revenue budgets for each service and names the budget holder responsible for managing the budget. Appendix 2 details the 2005/06 capital budgets for each service.
7. The table below summarises our capital spending plans for 2005/06 and provisional spending plans for 2006/07 to 2009/10.

Revised 2004/05 £m	Council Capital Programme	Budget 2005/06 £m	Provisional Capital Programme					Programme TOTAL £m
			2006/7 £m	2007/8 £m	2008/9 £m	2009/10 £m		
11.131	Planned Maintenance Programme	9.150	7.899	7.643	7.243	6.993	38.928	
25.987	Capital Priority Schemes	35.084	65.738	58.785	8.125	1.850	169.582	
14.110	Housing Programme	15.130	14.059	13.756	13.756	13.756	70.457	
-	ALMO Decent Homes Programme	-	16.000	37.000	37.000	37.000	127.000	
51.228	TOTAL Council Capital Spending Plans	59.364	103.696	117.184	66.124	59.599	405.967	

8. In 2005/06, we plan to spend £202.309m (an increase of £9.182m or 4.75%) on our services and £59.364m on capital priorities and maintenance programmes. Our capital plans for later years reflect potential funding from the Building Schools for the Future programme to modernise and upgrade our secondary school buildings and investment to meet the Decent Homes Standard across all our council housing stock.
9. Our spending plans are explained in the following sections.

Spending on Current Services

10. The Council needs to spend money to keep services (excluding school budgets) at their current level. Just to standstill and continue to deliver our current services we will need to spend an extra £9.978m or 8.1% next year, a further £11.376m in 2006/07 and a further £9.838m in 2007/08.

11. The table below details our standstill pressures over the next three years.

Revenue Standstill Pressures (excluding School Delegated Budgets)	2005/06 £m	2006/07 £m	2007/08 £m
Inflation			
Pay Inflation	2.965	2.817	2.880
Pay Increments (staff not yet at top of scale)	0.481	0.517	0.447
Price Inflation	3.331	3.309	3.480
Increase / (decrease) in Pension Deficit Payments	- 1.426	0.663	0.662
Increase in Employers Pension Contributions	2.026	-	-
Increase in Landfill Tax	0.368	0.181	0.179
Increase in PTA Levy	0.116	0.360	0.380
Increase in Debt Charges	0.927	3.658	1.689
Increase in Insurance Premiums	0.082	0.086	0.091
Implementation of Single Status	0.182	0.341	1.461
	9.053	11.932	11.269
Increases in Charges			
Inflationary increase in external fees and charges	- 0.821	- 0.832	- 0.854
Inflationary increase in external funding	- 0.507	- 0.386	- 0.362
Increase in central support service recharges	- 0.140	- 0.006	- 0.127
Increase in notional capital recharges	0.027	-	-
Increase in Traded Services charges	- 1.007	- 0.626	- 0.651
	- 2.448	- 1.850	- 1.994
Demand Led			
Increased Waste Disposal Tonnage	0.179	0.082	0.090
Grounds Maintenance contribution to HRA	0.019	0.010	0.011
Mortgages - reducing portfolio	0.018	0.014	0.008
Increased demand for temporary accommodation	0.100	-	-
New ICT Systems Licence costs	0.020	-	-
Reduction in rental income from Council owned property	0.195	-	-
Reduced demand for Local Land searches	0.120	-	-
Out Borough Fostering Placements	1.000	-	-
	1.651	0.106	0.109
Statutory / Legislative			
Removal of responsibility to contribute to Magistrates Court service	- 0.280	-	-
Emergency Planning - mainstream funding of former grant service	0.131	-	-
	- 0.149	-	-
Other Standstill Pressures			
Placement care fees (Min wage inflation)	0.350	0.440	0.460
General Fund contribution to ALMO set up costs	0.354	- 0.354	-
Grounds Maintenance contract costs	0.277	-	-
Increased civic building costs	0.225	-	-
Reduced funding required for Youth Choice programme	- 0.200	-	-
	1.006	0.086	0.460
Changes to Government Funding			
Movement in grant income	- 1.138	0.361	- 0.006
Movement in grant expenditure	1.158	- 0.379	-
Mainstream FSS funding of grant expenditure	1.045	0.920	-
Business Rate Growth Incentive Scheme	- 0.200	0.200	-
	0.865	1.102	- 0.006
TOTAL STANDSTILL PRESSURES	9.978	11.376	9.838

12. The Council, like all local authorities, has a national agreement to implement a new pay & grading structure for the workforce. This new pay and grading structure is about ensuring fairness and equality in pay for both men and women employed by local authorities.
13. As a consequence of this nationally binding agreement, the Council is planning to implement a new pay & grading structure as soon as possible, but by no later than January 2007. Negotiations are currently taking place with Trade Unions.
14. Our capital spending plans provide a provisional £7.18m (subject to government and full Council approval) to meet the estimated cost of compensatory payments the Council needs to make to settle potential equal pay claims. Our standstill pressures provide for the estimated borrowing costs to fund this payment and the additional costs over the next three years as a result of implementing this national agreement.

15. Cabinet will be asked to agree the method of financing this compensatory payment once a decision has been received from government on capitalising this payment.

Spending on Planned Maintenance

16. The Council also needs to spend money to maintain our assets and meet estimated capital commitments carried forward from 2004/05. In common with all our capital spending plans we have used a simple colour system to assess each scheme's state of readiness to proceed.

Green	The scheme is ready to proceed within the timescales identified and funding has been secured.
Amber	The scheme is included within our spending plans but either requires further design and feasibility work or funding needs to be confirmed / secured before proceeding further.

17. We plan to spend £9.150m on planned capital maintenance in 2005/06. The detailed programme is shown in the table below.

Capital Planned Maintenance Programme	Budget	Provisional Programme				TOTAL	Scheme Status
	2005/06 £m	2006/7 £m	2007/8 £m	2008/9 £m	2009/10 £m		
Council Assets Maintenance Programme							
RESC01 Gordon House Covenant Payment	0.100	0.111	-	-	-	0.211	Green
RESC02 Energy Efficiency Improvements	0.050	0.050	0.050	0.050	0.050	0.250	Green
RESC03 Social Care & Health Facilities	0.350	0.350	0.350	0.350	0.350	1.750	Green
RESC04 Improve Access to Building (DDA Programme)	0.250	0.250	0.250	0.100	0.100	0.950	Green
RESC05 Health & Safety Works to Asset Portfolio	0.350	0.250	0.250	0.150	0.150	1.150	Green
RESC06 Community Centre Repair Programme	0.300	0.100	-	-	-	0.400	Green
RESC07 Care Standard Upgrade for Residential Homes	0.250	0.250	0.250	0.100	0.100	0.950	Green
RESC08 Front Line Buildings / Civic Buildings Maintenance	0.350	0.350	0.350	0.350	0.350	1.750	Green
RESC09 Riverside Maintenance	0.200	0.200	0.200	0.200	0.200	1.000	Green
RESC10 Estate Shops Maintenance	-	-	0.250	-	-	0.250	Green
RESC11 Industrial Units Maintenance	-	-	-	0.250	-	0.250	Green
	2.200	1.911	1.950	1.550	1.300	8.911	
Neighbourhood Services Maintenance Programme							
NSC01 Adoption of Back Lanes	0.100	0.100	0.100	0.100	0.100	0.500	Green
NSC02 Improving the Quality of Footpaths	0.250	0.250	0.250	0.250	0.250	1.250	Green
NSC03 Memorial Health & Safety Works	0.050	0.050	0.050	0.050	0.050	0.250	Green
NSC04 Windmill at Middlefield's Depot	0.050	-	-	-	-	0.050	Amber
NSC05 Maintain and Improve Subways	0.100	0.100	0.100	0.100	0.100	0.500	Green
NSC06 Integrated Transport Programme (LTP)	1.702	1.495	1.495	1.495	1.495	7.682	Green
NSC07 Highways Maintenance Programme (LTP)	1.937	1.276	1.276	1.276	1.276	7.041	Green
NSC08 Highways Infrastructure Improvements	0.200	0.200	-	-	-	0.400	Green
	4.389	3.471	3.271	3.271	3.271	17.673	
School Assets Maintenance Programme							
LLLC01 Asset Management Surveys	0.050	-	-	-	-	0.050	Green
LLLC02 School Asset Condition and Suitability	0.323	0.500	0.500	0.500	0.500	2.323	Green
LLLC03 Schools Devolved Capital Spending	1.888	1.717	1.822	1.822	1.822	9.071	Green
	2.261	2.217	2.322	2.322	2.322	11.444	
Design and Feasibility - New schemes	0.100	0.100	0.100	0.100	0.100	0.500	Green
Capital Programme Contingency Fund	0.200	0.200	-	-	-	0.400	Green
TOTAL Council Planned Maintenance Programme	9.150	7.899	7.643	7.243	6.993	38.928	

Spending on Council Priorities

18. We also need to spend money to deliver our vision for South Tyneside by progressing with our Council priorities. The following sections outline our spending priorities and why we believe we need to spend money on these actions.

Enterprise and Jobs

19. Over the past year we have made real progress towards our vision of making **South Tyneside a centre for enterprise and innovation where new and existing businesses can realise their full potential and people can find jobs.**
- We have provided grants for businesses to create and protect jobs in the borough and since April 2003 we have created 761.
 - In 2003/4 the Council funded 40 new businesses via the South Tyneside Development Fund and Tyne & Wear Small Business Grant.
 - In November South Tyneside was recognised as the Centre for Enterprise in the North East.
 - Unemployment in the borough fell by 10% over the past year.
 - The new Quadrus Centre in Boldon will provide state of the art accommodation for new businesses and up to 150 new jobs when it is completed in Spring 2005.
20. The following table shows the key Enterprise and Jobs Capital Priorities over the next five years.

Capital Priority Schemes	Budget	Provisional Programme				TOTAL	Scheme Status
	2005/06 £m	2006/7 £m	2007/8 £m	2008/9 £m	2009/10 £m		
Enterprise and Jobs							
E3 Helping businesses to survive and develop and grow							
CDC01 Completion of Quadrus Building	0.183	0.073	-	-	-	0.256	Green
CDC02 Business Support Fund (retentions, relocations and start-up)	0.500	0.500	-	-	-	1.000	Green
CDC03 A19 Jobslink Corridor	1.540	2.130	1.330	-	-	5.000	Amber
	2.223	2.703	1.330	-	-	6.256	

21. In addition to these schemes, working with the Learning and Skills Council, we plan to expand our existing apprentice scheme next year.

Healthy Living and Care

22. We aim to make South Tyneside **a place where people are healthy, live longer and are helped to care for themselves.**
23. Last year, we identified areas in which we could make a real difference and focused our spending accordingly. We invested in restructuring our front line services, diversifying and re-investing in services for older people as well as giving looked after children more opportunity to live in a family environment. And thanks to our adoption campaign 'The You Effect' all children under the age of 10 are now in family settings. This investment led to our frontline services rising from a 1* service to 2* with promising prospects for improvement (SSI report).
24. To continue our success, we believe that we need to spend more on the priority actions shown in the table on the next page.

Revenue Priority Led Initiatives		2005/06 £m	2006/07 £m	2007/08 £m
Healthy Living and Care				
SCHRO1	Increase in provision for people with dementia and improve day care	0.077	0.080	0.050
SCHRO2	Improve Learning Disability services	0.355	0.572	0.052
SCHRO3	Improve Physical Disability services	0.116	0.076	0.016
SCHRO4	introduce Integrated Childrens System framework	0.020	-	-
SCHRO5	Introduce Young Persons Advocacy service	0.020	-	-
SCHRO6	Increase pocket money and personal allowances for looked after children	0.015	-	-
		0.603	0.728	0.118

25. The table below shows the key Healthy Living and Care Capital Priorities over the next five years.

Capital Priority Schemes	Budget	Provisional Programme				TOTAL £m	Scheme Status	
	2005/06 £m	2006/7 £m	2007/8 £m	2008/9 £m	2009/10 £m			
Healthy Living and Care								
H1	Improving Life Chances for Children							
SCHC01	Surestart - Primrose, Biddick Hall, Riverside	2.279	-	-	-	-	2.279	Amber
H6	Meeting the needs of vulnerable people							
SCHC02	Social Care and Health System Upgrade	0.115	0.115	0.115	-	-	0.345	Amber
NSC09	Disabled Facilities in Private Housing	1.000	1.000	1.000	1.000	1.000	5.000	Amber
		3.394	1.115	1.115	1.000	1.000	7.624	

Safer Communities

26. Crime, generally, is falling in the Borough. Youth disorder fell by 23% during 2003/4 and our Youth Offending Service has been commended nationally for its work in steering young people away from crime and anti-social behaviour. Burglaries and vehicle crime are also falling. However, local people are still concerned about crime in their area. Our MORI Residents survey showed that fear of crime and anti-social behaviour is a clear priority for residents.
27. This year's 2004/05 budget is already providing £0.82m additional funding for community warden schemes across the borough and actions to reduce youth disorder and anti-social behaviour. We will continue to act to make South Tyneside **a safe and tolerant place to live**. The table below shows our key spending priorities for the coming year:

Revenue Priority Led Initiatives		2005/06 £m	2006/07 £m	2007/08 £m
Safer Communities				
CDR01	Mainstream funding for Safer Community posts	0.050	-	-
NSR01	Mainstream funding for Community Warden & Anti Social Behaviour schemes	-	0.659	-
		0.050	0.659	-

28. The table below shows the key Safer Communities Capital Priorities over the next five years.

Capital Priority Schemes	Budget	Provisional Programme				TOTAL £m	Scheme Status	
	2005/06 £m	2006/7 £m	2007/8 £m	2008/9 £m	2009/10 £m			
Safer Communities								
C2	Raising public confidence							
CDC04	Burglary reduction scheme	0.120	-	-	-	-	0.120	Amber
NSC10	Improve safety of access to Bede Metro	0.176	-	-	-	-	0.176	Amber
		0.296	-	-	-	-	0.296	

Stronger Communities

29. South Tyneside is recognized as a great community by those who should know – local people. Over four fifths of respondents in the Residents Survey are satisfied with South Tyneside as a place to live. We know this too and know that we can make South Tyneside **a place where people are included and everyone feels involved.**
30. Over the past year we have tackled fuel poverty across the borough, our Benefits Service has received the highest score possible and people have come off benefits in South Tyneside five times faster than the national average. We have achieved Level 1 of the Equality Standard and we are working to involve young people in decision-making in the community.
31. The table below shows the key Stronger Communities Capital Priorities over the next five years.

Capital Priority Schemes	Budget	Provisional Programme				TOTAL	Scheme Status
	2005/06 £m	2006/7 £m	2007/8 £m	2008/9 £m	2009/10 £m		
Stronger Communities							
S3 Increasing diversity of services							
CDC05 Included Communities Fund	0.300	0.350	0.350	-	-	1.000	Amber
CDC06 Community Area Forums Capital Grant	0.100	0.100	0.100	0.100	0.100	0.500	Green
	0.400	0.450	0.450	0.100	0.100	1.500	

Learning, Creativity and Culture

32. Our school results are showing real improvement at GCSE and other stages. In February 2004 South Shields Museum re-opened after a £1.5million improvement programme. The Customs House has celebrated its first decade as a theatre and arts centre by announcing a multi-million pound programme to improve its facilities for the public.
33. We believe that learning, creativity and culture enriches our lives and that is why we want South Tyneside to be **a great place for everyone to learn and enjoy life.** To achieve our vision for South Tyneside we want to spend money on:-

Revenue Priority Led Initiatives		2005/06 £m	2006/07 £m	2007/08 £m
Learning, Creativity and Culture				
LLLLR01	Passport increase in funding to School Delegated Budgets	3.337	4.490	4.029
LLLLR02	Appoint a Swimming Development Officer	0.025	-	-
LLLLR03	Contribution to Boldon School PFI affordability gap	-	0.170	0.170
LLLLR04	Deliver improved Cultural Services	0.091	-	-
LLLLR05	Regional Cultural Activity (Tall Ships event)	0.489	0.489	-
		3.942	4.171	4.199

34. The table overleaf shows the key Learning, Creativity and Culture Capital Priorities over the next five years.

Capital Priority Schemes	Budget	Provisional Programme				TOTAL	Scheme Status
	2005/06 £m	2006/7 £m	2007/8 £m	2008/9 £m	2009/10 £m		
Learning, Creativity and Culture							
L2 High quality learning experience							
LLLC04 Horsley Hill Learning Campus	8.374	3.705	-	-	-	12.079	Green
LLLC05 New community and school sports facilities	2.900	-	-	-	-	2.900	Amber
LLLC06 Building Schools for the Future	0.250	50.200	50.200	5.050	-	105.700	Amber
LLLC07 Primary School Reorganisation (Jarrow and Hebburn areas)	-	0.200	0.800	-	-	1.000	Amber
LLLC08 Children's Centres	1.395	-	-	-	-	1.395	Amber
LLLC09 Replacement of Dunn Street School	1.041	-	-	-	-	1.041	Amber
L7 Cultural renaissance of the region							
LLLC10 South Marine Park Redevelopment (Lottery Bid)	-	1.225	2.450	1.225	-	4.900	Amber
	13.960	55.330	53.450	6.275	-	129.015	

Housing and Environment

35. In every survey across the borough local people tell us that a clean environment is important. That is why we want South Tyneside to be **a clean and attractive place that people choose to live in, work and visit.**
36. We have introduced kerbside recycling across the borough and the response has been tremendous. Over 10,000 tonnes of glass, paper, cans and garden waste have been recycled or composted in the past year, easily breaking the targets set for us by the government. Our new composting facility in Middlefields ensures that your waste is turned into valuable soil conditioner and compost and reused to make the borough greener. Blitz It is ensuring that our streets are cleaner than ever.
37. The table below shows the key Housing and Environment priority led initiatives, which we believe we should spend money on.

Revenue Priority Led Initiatives		2005/06 £m	2006/07 £m	2007/08 £m
Housing and Environment				
NSR02	Implement a Local Development Framework	0.067	0.053	- 0.054
NSR03	Gateway to Christmas	0.060	-	-
NSR04	Improve Street Lighting through PFI	0.150	0.150	-
CDR02	Increase in Community Area Forum grants	0.060	-	-
		0.337	0.203	- 0.054

38. The table below shows the key Housing and Environment Capital Priorities over the next five years.

Capital Priority Schemes	Budget	Provisional Programme				TOTAL	Scheme Status
	2005/06 £m	2006/7 £m	2007/8 £m	2008/9 £m	2009/10 £m		
Housing and Environment							
A3 Improving South Tyneside as a place to live							
NSC11 New Recycling Village (Civic Amenities Site)	0.800	-	-	-	-	0.800	Green
NSC12 Improve Private Housing In the Borough	0.750	0.750	0.750	0.750	0.750	3.750	Amber
A6 Protecting the natural environment							
NSC13 Coastal Protection and Flood Defence	0.360	1.090	-	-	-	1.450	Amber
	1.910	1.840	0.750	0.750	0.750	6.000	

39. In addition to these Council capital priorities, the table on the next page shows the investment priorities for our Council Housing portfolio over the next five years. Investment to meet the decent homes standard should increase from 2006/07 once the new Arms Length Management Organisation (ALMO) receives a minimum 2 star rating.

Housing Capital Programme	Budget 2005/06 £m	Provisional Housing Programme				Programme TOTAL £m	Scheme Status
		2006/7 £m	2007/8 £m	2008/9 £m	2009/10 £m		
Contractual Commitments from 2004/05	0.100	0.100	0.100	0.100	0.100	0.500	Green
Delivering Decent Homes from 2004/05	0.750	-	-	-	-	0.750	Green
Health and Safety Programmes	0.265	0.265	0.265	0.265	0.265	1.325	Green
High Priority Essential Work	6.275	6.205	6.205	6.205	6.205	31.095	Green
Home Loss / Disturbance Payments	0.340	0.340	0.340	0.340	0.340	1.700	Green
Supporting the Programme	0.710	0.710	0.710	0.710	0.710	3.550	Green
Delivering Decent Homes - Window Programme	1.000	0.301	0.314	0.314	0.314	2.243	Green
To be allocated by Community Area Forums:-							
Community Area Forum Investment Programme	1.200	1.200	1.200	1.200	1.200	6.000	Green
Delivering Decent Homes	4.490	4.938	4.622	4.622	4.622	23.294	Green
TOTAL Housing Capital Programme (without ALMO)	15.130	14.059	13.756	13.756	13.756	70.457	
Potential ALMO Decent Homes Investment Programme	-	16.000	37.000	37.000	37.000	127.000	Amber
TOTAL Housing Capital Programme (with ALMO)	15.130	30.059	50.756	50.756	50.756	197.457	

Modernisation

40. We believe that the Council has a vital contribution to making South Tyneside a prosperous and vibrant place where people will want to live and work and visit. To achieve this the Council must be prepared to change the way it works to become more effective and must let local people speak and also listen to what they have to say. That is why we are committed to becoming a **modern, effective and responsive local authority**.
41. We have invested in our Members and employees and gained Investors in People status. Our Management Development Programme and Impact scheme for managers is improving our capacity to deliver. Investing on our consultation team and launching a web based information guide about the borough, Intelligence Online, mean that we have better information about what local people want and what will work best for South Tyneside.
42. The table below shows the key Modernisation Capital Priorities over the next five years.

Capital Priority Schemes	Budget 2005/06 £m	Provisional Programme				TOTAL £m	Scheme Status
		2006/7 £m	2007/8 £m	2008/9 £m	2009/10 £m		
Modernisation							
Contractual Commitments from 2004/05							
2004/5 Local Public Sector Agreement Pump Priming Grant	0.422	-	-	-	-	0.422	Green
2004/5 ICT Systems Replacement Programme	1.865	-	-	-	-	1.865	Green
M3 Ensuring capacity to deliver the vision and priorities							
RESC12 ICT system replacement programme	0.835	0.260	0.260	-	-	1.355	Green
RESC13 Implementation of the Council's E-government Strategy	0.500	0.569	-	-	-	1.069	Green
RESC14 Single Status Capitalisation Costs (provisional)	6.239	0.941	-	-	-	7.180	Amber
CDC07 Lottery Development Fund	0.100	0.100	0.100	-	-	0.300	Green
	9.961	1.870	0.360	-	-	12.191	

43. As mentioned earlier, the modernisation priorities now include provisional estimates for implementing single status.

Transformation

44. The Residents Survey shows that local people are generally satisfied with what the Council is doing for South Tyneside. However, people want to see more evidence of how conditions and prospects for people in South Tyneside are being transformed.
45. We have made a good start through the development of a new urban village and primary school at Westoe and work has begun on the regeneration of Cleadon Park.

Our Building Schools for the Future programme will transform local secondary schools providing state of the art facilities in the next few years. But we know that we are well placed for success and have great potential as a European gateway to the transforming cities of Newcastle and Sunderland. Our recently published Regeneration Strategy identifies what we need to do to unlock that potential.

46. The table below shows the key Transformation Capital Priorities over the next five years.

Capital Priority Schemes	Budget	Provisional Programme				TOTAL	Scheme Status
	2005/06 £m	2006/7 £m	2007/8 £m	2008/9 £m	2009/10 £m		
Transformation							
T4/5 Regeneration of Riverside and Town Centre							
CDC08 Regeneration Fund for Land Purchases	0.600	0.600	-	-	-	1.200	Green
CDC09 Regeneration and Transformation Fund	0.500	0.500	-	-	-	1.000	Green
CDC10 Tyne Gateway	1.840	1.330	1.330	-	-	4.500	Amber
	2.940	2.430	1.330	-	-	6.700	

Redirecting Current Revenue Spending

47. To make sure we can continue to focus our spending on our priorities, we have identified proposals for reducing spending and increasing efficiency across all of the Council's services both in the short and medium term.
48. The proposals included in our budget, which we have widely consulted upon, have involved some tough decisions and we have done all that we can to minimise the impact on services. Where possible, we have identified where we can reduce spending on back office functions by working more efficiently so that we can protect front line services.
49. During 2005/06 we plan to undertake a programme of **Corporate and Service Value for Money Reviews** each tasked, at the outset, with the delivery of efficiencies (in line with Gershon) and budget savings. Clear milestones and outputs would be set for these reviews and included within Performing Together.
50. The review areas are in some cases already part of our work programmes and will include the following areas:-

Corporate Reviews

- **People** (covering employee benefits, home-working and completed as part of single status implementation);
- **Property** (corporate property review supported by Asset Management);
- **Supplies** (review of purchasing arrangements and supplies budgets supported by Procurement Team);
- **Transport** (review covering all transport and fleet management activity);
- **Strategic Procurement** (review to investigate potential partnering solutions for back office functions).

Service Reviews (1 project board per directorate to manage all service reviews)

- These reviews would be undertaken by directorates.

51. For 2006/07 and 2007/08, to balance our spending plans we need these value for money reviews to identify options to deliver 4.75% savings and 4.7% savings

respectively from the £112m budget we can directly influence and control. Savings targets have been identified for each directorate.

52. The savings identified by each Council directorate are shown in the table below.

Redirection of Current Spending		2005/06	2006/07	2007/08
		£m	£m	£m
Corporate Development				
CDS01	Spend less on supplies, services and administration	- 0.070	-	-
CDS02	Restructure information team	- 0.016	-	-
CDS03	Reduce one-off grant payments to voluntary organisations	- 0.030	-	-
CDS04	Do MORI residents survey once every two years	- 0.040	-	-
CDS05	Remove Council contribution to Youth Choice programme	- 0.100	-	-
CDS06	Increase On View magazine income	- 0.018	-	-
CDS07	Stop external press cuttings service	- 0.012	-	-
CDS08	Corporate and Service Value for Money reviews	-	- 0.253	- 0.250
		- 0.286	- 0.253	- 0.250
Lifelong Learning and Leisure				
LLLS01	Spend less on supplies, services, admin and consultancy fees	- 0.382	-	-
LLLS02	Savings from new library system and increased external funding	- 0.083	-	-
LLLS03	Review service charges to schools to ensure full cost recovery	- 0.035	-	-
LLLS04	Spend less on community facilities and outreach schemes	- 0.190	-	-
LLLS05	Review spending on home to school transport	- 0.050	-	-
LLLS06	Spend less on staffing by reviewing vacant posts as they arise	- 0.261	-	-
LLLS07	LEA / Schools 50% contribution to Boldon PFI scheme	-	- 0.085	- 0.085
LLLS08	Corporate and Service Value for Money reviews	-	- 1.018	- 1.007
		- 1.001	- 1.103	- 1.092
Neighbourhood Services				
NSS01	Spend less on the disposal of electrical household waste	- 0.100	-	-
NSS02	Spend less on waste collection by improving team working	- 0.031	-	-
NSS03	Increase planning fees and grant income	- 0.125	-	-
NSS04	Increase building control fees and other efficiencies	- 0.028	-	-
NSS05	Reduce staffing budgets to reflect increased staff turnover levels	- 0.164	-	-
NSS06	Increase Income from traded services due to increased turnover	- 0.600	-	-
NSS07	Make efficiencies in Streetscape enforcement work	- 0.100	-	-
NSS08	Increase Bereavement Fees in line with regional charging levels	- 0.080	-	-
NSS09	Spend less on supplies and services	- 0.022	-	-
NSS10	Introduce small charges for some pest control work	- 0.015	-	-
NSS11	Review the charges for temporary accommodation	- 0.100	-	-
NSS12	Improved efficiencies in grounds maintenance	- 0.277	-	-
NSS13	Increase income from parking enforcement	- 0.050	-	-
NSS14	Corporate and Service Value for Money reviews	-	- 0.901	- 0.892
		- 1.692	- 0.901	- 0.892
Resources				
RESS01	Spend less on supplies, services and other back office costs	- 0.445	-	-
RESS02	Increase income recovered for services	- 0.020	-	-
RESS03	Increase charge for liability orders from £48 to £53	- 0.015	-	-
RESS04	Spend less on mainframe as new IT systems are introduced	- 0.100	-	-
RESS05	Reduce corporate training and development budget	- 0.040	-	-
RESS06	Recover more design and consultancy fees from capital programme	- 0.325	-	-
RESS07	Spend less on overtime, temporary staffing and delete vacant posts	- 0.203	-	-
RESS08	Reduce staffing budgets to reflect increased staff turnover levels	- 0.136	-	-
RESS09	Review of Fees and Charges	- 0.100	-	-
RESS10	Corporate and Service Value for Money reviews	-	- 0.847	- 0.838
		- 1.384	- 0.847	- 0.838

Redirection of Current Spending		2005/06	2006/07	2007/08
		£m	£m	£m
Social Care and Health				
SCHS01	Review work processes in Business and Support services	- 0.060	-	-
SCHS02	Reduce spending on supplies, equipment and materials	- 0.388	-	-
SCHS03	Increase income from the Home Office	- 0.070	-	-
SCHS04	Review contracts with the voluntary sector	- 0.066	-	-
SCHS05	Review Early Years and Sure Start services	- 0.458	-	-
SCHS06	Increase partner contributions for holiday play schemes	- 0.027	-	-
SCHS07	Increase partner contributions to the Youth Offending service	- 0.054	-	-
SCHS08	Reduce the cost and number of independent fostering placements	- 0.122	-	-
SCHS09	Review charges for Social Care services	- 0.100	-	-
SCHS10	Reduce support to people admitted to hospital	- 0.020	-	-
SCHS11	Corporate and Service Value for Money reviews	-	- 2.357	- 2.332
		- 1.365	- 2.357	- 2.332
TOTAL Redirection of Spending		- 5.728	- 5.461	- 5.404

53. Cabinet on 16th March 2005, will approve Fees and Charges for 2005/06.
54. The Council also plans to undertake a fundamental review of all fees and charges during the first six months of 2005/06. The purpose of the review will be to:-
- Examine the Council's current fees and charges policy and ensure charges remain consistent with Council priorities;
 - Ensure fee concessions are consistently applied across all Council services; and
 - Consider the use of new powers to charge for discretionary services provided.
55. Cabinet will be asked to consider and agree recommendations arising from the review in September 2005.

The Council's Financial Position over the Medium Term

56. Over the medium term the Council faces continuing financial pressures and has built in challenging savings targets into the above spending plans for 2006/07 and 2007/08 to ensure they remain affordable.
57. The following table identifies key financial risks to the Council's financial position over the medium term, the actions taken (within this financial plan) and the future actions proposed to reduce the impact of these risks on the Council's future financial position.

Financial Risk	Risk	Action Taken / Proposed
Council Spending Plans		
1. Increase in costs from implementing single status.	Medium	<ul style="list-style-type: none"> • Financial Plan provides for future estimated costs • Government permission to capitalise compensatory payment has been requested • Cabinet will keep position under review
2. Large financial penalties if landfill waste reduction targets are not achieved.	Medium	<ul style="list-style-type: none"> • £0.193m funding provided in 2005/06 • Position being monitored and action plan being prepared by Neighbourhood Services to reduce risk of penalties in future years
3. Value for Money reviews do not deliver savings options	Medium	<ul style="list-style-type: none"> • Reviews identified as one of the Council's 16 X Plus projects • Outputs included in Performing Together and reviewed as part of Council's performance management arrangements • Review of Fees and Charges will be completed by August 2005
4. Establishing the ALMO could result in increased costs for the General Fund.	Low	<ul style="list-style-type: none"> • ALMO project team established and resourced • 2006/07 financial plan will be updated once detailed costs are known
5. Council overspends	Low	<ul style="list-style-type: none"> • Robust monthly budget monitoring controls in place to give early warning

Financial Risk	Risk	Action Taken / Proposed
Council Funding Plans		
1. Changes to Formula Spending Share Methodology from 2006/07 could reduce future government funding increases	High	<ul style="list-style-type: none"> • Forecasts reflect known funding changes, reduced Social Services funding arising from new census data and our reducing population relative to the England total • Developing regional case for reform of government funding with other North East councils • Government expected to increase three year revenue and capital allocations from 2006/07
2. Receipts from the sale of Council houses are no longer available to support the Council's capital programme	Medium	<ul style="list-style-type: none"> • Government permission sought as part of ALMO bid • Cabinet will review provisional programme in June 2005 once a decision is known
3. Increased investment to meet Decent Homes standard is not received	Low	<ul style="list-style-type: none"> • ALMO project team is established • Service improvement plan is resourced to deliver 2 star rating • Regular monitoring of improvement plan
4. £1.1m one-off revenue support grant provided in 2005/06 is not replaced in 2006/07	Low	<ul style="list-style-type: none"> • Funding forecasts reflect potential reduced funding levels
5. Capital Financing funding may reduce in future years to reflect advance funding received in 2005/06	Low	<ul style="list-style-type: none"> • Funding forecasts reflect potential reduced funding levels
6. Direct funding of Schools from 2006/07 may reduce interest earned on Council cash balances	Low	<ul style="list-style-type: none"> • Awaiting detailed government proposals • 2006/07 financial plan will be updated once detailed costs are known

58. These medium term financial risks support our current approach to protecting our reserves position and limiting the use of these reserves to support on-going spending.

3. How will the Council fund the capital spending plans?

59. The table below summarises our capital funding plans for 2005/06 and provisional funding plans for 2006/07 to 2009/10.

Revised 2004/05 £m	Council Capital Funding Forecast	Funding 2005/06 £m	2006/7 £m	Provisional Capital Funding 2007/8 £m	2008/9 £m	2009/10 £m	Funding TOTAL £m
9.114	Supported Borrowing	6.986	48.066	69.349	43.349	43.349	211.099
-	Unsupported Borrowing	6.239	0.941	-	-	-	7.180
10.784	Housing Major Repairs Reserve/Allowance	11.743	10.733	10.430	10.430	10.430	53.766
18.149	External Funding (secured and bid for)	23.109	31.785	30.759	8.269	2.144	96.066
-	Government Grants and Revenue Contributions	2.677	2.164	2.173	2.173	2.173	11.360
13.181	Council Capital Receipts	8.610	10.007	4.473	1.903	1.503	26.496
51.228	TOTAL Council Capital Programme Funding	59.364	103.696	117.184	66.124	59.599	405.967

60. From 1st April 2004, a prudential code for capital financing applies to all Councils. The prudential code allows the Council to determine what it needs to borrow each year to finance capital spending plans providing we can demonstrate we can afford to repay the debt and interest charges.

61. The Council's prudential indicators and borrowing requirements are detailed in section 8 of this financial plan.

Capital External Funding Forecast

62. The table on the next page identifies the external funding we have bid for and the external funding we have secured over the coming five years.

External Capital Funding Forecast	Funding 2005/6 £m	Provisional External Funding				Funding TOTAL £m
		2006/7 £m	2007/8 £m	2008/9 £m	2009/10 £m	
Capital Grant from central government						
Single Programme	3.000	3.150	2.350	-	-	8.500
Neighbourhood Renewal Funding	0.396	-	-	-	-	0.396
DfES Standards Fund and Targetted Capital Grant	6.945	24.533	24.000	5.050	-	60.528
DfES Schools Devolved Formula Capital Grant	1.888	1.717	1.822	1.822	1.822	9.071
DfES Unringfenced Capital Grant	0.874	-	-	-	-	0.874
DoH Surestart Capital Grant	4.155	-	-	-	-	4.155
ODPM Disabled Facilities Capital Grant	0.322	0.322	0.322	0.322	0.322	1.610
DEFRA Coastal Protection Capital Grant	0.784	0.800	-	-	-	1.584
Other Central Government Capital Grant	3.474	0.115	0.115	-	-	3.704
Capital Grants and Contributions from other sources						
European Regional Development Fund	0.130	0.023	-	-	-	0.153
Heritage Lottery Fund	-	1.075	2.150	1.075	-	4.300
Insurance Receipts	1.041	-	-	-	-	1.041
Other Funding	0.100	0.050	-	-	-	0.150
TOTAL External Capital Funding Forecast	23.109	31.785	30.759	8.269	2.144	96.066
External Funding Secured and Bid For						
External Funding Secured	16.550	3.478	2.350	-	-	22.378
External Funding Bid For	6.559	28.307	28.409	8.269	2.144	73.688
TOTAL External Capital Funding Forecast	23.109	31.785	30.759	8.269	2.144	96.066

63. All of this external funding is not, as yet, secured. Capital schemes dependent on external funding will not proceed until full funding has been secured.

Capital Receipts Forecast

64. The table below identifies the capital receipts we expect to receive over the coming five years and the receipts required for the capital programme.

Capital Receipts Forecast Summary	Capital Receipts				
	2005/06 £m	2006/07 £m	2007/08 £m	2008/09 £m	2009/10 £m
Capital Receipts required for Capital Programme	8.610	10.007	4.473	1.903	1.503
Capital Receipts Available					
Capital Receipts Brought Forward	7.136	7.583	3.766	5.033	8.220
Capital Receipts (including housing receipts)	9.057	6.190	5.740	5.090	4.340
	16.193	13.773	9.506	10.123	12.560
TOTAL Receipts Surplus(+)/ Deficit(-)	7.583	3.766	5.033	8.220	11.057

65. Our forecast assumes that capital receipts from the sale of council houses will continue to be available to support the Council's capital programme once the ALMO is established in April 2006. We will know whether this is the case once the outcome of the ALMO bid to central government is known in May 2005.
66. Until a decision on the future use of capital receipts from the sale of council houses is known, Council is asked to approve the 2005/06 capital programme and provisionally approve the 2006/07 to 2009/10 programme. Cabinet will be asked to

review the provisional capital programme in June 2005 once a decision on these housing receipts is known.

4. How will the Council fund the revenue spending plans?

67. The table below summarises our revenue funding plans for 2005/06 and provisional funding plans for 2006/07 and 2007/08.

2004/05 Budget £m	Revenue Funding Forecast	2005/06 Budget £m	2006/07 Provisional Funding £m	2007/08 Provisional Funding £m
143.749	Revenue Support Grant and Business Rates	152.610	159.763	167.743
2.905	Council General Reserves	0.515	3.037	1.270
-	Forward Planning Reserve	0.536	0.153	0.136
46.473	Council Tax Income	48.648	51.032	53.533
193.127	TOTAL Revenue Funding Forecast	202.309	213.985	222.682

68. In 2005/06, we will receive **75% of our revenue income from central government**, and **24% from council tax**. We will fund the remaining **1% from council reserves**.

Revenue Support Grant and Business Rates

69. The government uses the Formula Spending Share (FSS) to determine what funding it will give us each year. On 27th January 2005, the government told us we will receive **£152.61m revenue support grant** in 2005/06, an increase of £8.861m compared with the previous year.

70. The table below identifies the revenue support grant and business rate income we will receive from government in 2005/06 and our forecast for 2006/07 and 2007/08.

2004/05 Budget £m	Revenue Funding Forecast	2005/06 Budget £m	2006/07 Provisional Funding £m	2007/08 Provisional Funding £m
143.749	Revenue Support Grant and Business Rates	152.610	159.763	167.743

71. Our forecasts of government funding for 2006/07 and 2007/08 are based upon national funding increases identified in the government's 2004 comprehensive spending review. These forecasts plan for a reduction in revenue support grant in 2006/07 as one-off funding ends and take account of the use of new census data in 2006/07 that will reduce funding increases for social services.

72. The government plans to revise the FSS formula in advance of the 2006/07 finance settlement. During 2005/06 we will continue to lobby for changes in the formula that will benefit both the Council and the north-east region.

Use of Council Reserves

73. The Council has four types of cash reserves:-

- **Strategic Reserve** - to cover emergency events such as unforeseen financial liabilities or natural disasters. This reserve currently equals 2% of the Council's net revenue budget and is the recommended **minimum** amount of reserves that should be retained by the Council as a contingency
- **General Reserves** - to support future spending plans and one-off spending.

- **Forward Planning Reserve** - to help offset medium term spending pressures facing the Council.
- **Directorate Earmarked Reserves** – held for specific commitments and principally include cash balances held on behalf of schools.

74. The table below forecasts that the total Council cash reserves at 31st March 2005 will be £17.502m.

Council Reserves	Strategic Reserve £m	General Reserves £m	F Planning Reserve £m	Earmarked Reserves £m	TOTAL RESERVES £m
Balance as at 31st March 2004	3.863	4.124	3.661	9.401	21.049
Planned Use of Reserves in 2004/05					
ALMO Set Up Costs	-	-	- 0.492	-	- 0.492
Single Status Implementation Costs (provisional)	-	-	- 0.029	-	- 0.029
Planned Use of Earmarked Reserves	-	-	-	- 1.671	- 1.671
Planned Use of General Reserves in 2004/05	-	- 2.905	-	-	- 2.905
Planned Use of Reserves in 2004/05	-	- 2.905	- 0.521	- 1.671	- 5.097
Planned Contribution to Reserves in 2004/05					
Business Rate Refunds received	-	0.300	-	-	0.300
Forecast Treasury Management Underspend	-	-	1.000	-	1.000
Expected Airport Dividend for 2004	-	-	0.250	-	0.250
Transfer of surplus on transport account to reserves	-	-	0.395	- 0.395	-
Planned Contribution to Reserves in 2004/05	-	0.300	1.645	- 0.395	1.550
Estimated Balance as at 31st March 2005	3.863	1.519	4.785	7.335	17.502

75. In deciding how these reserves should be used in future years the Council has a responsibility to consider the financial pressures it faces over the medium term and must have a policy for the use of reserves. It must also clearly identify and understand what its reserves policy will be. This is a formal requirement of the Local Government Act 2003.

76. The Council's reserves and carry forward policy is described below:-

South Tyneside Council - Use of Council Reserves Policy

1. The purpose of the **Council's strategic reserve** is to cover emergency events only such as unforeseen financial liabilities or natural disasters. This reserve will be maintained at a **minimum 2% of the Council's net revenue budget**.
2. The purpose of the **Council's general reserves** is to support one-off and limited on-going revenue spending. Cabinet may agree to the use of general reserves up to a limit of £0.5m.
3. The purpose of the **Council's forward planning reserve** is to help offset medium term liabilities facing the Council and to maintain the strategic reserve at the minimum 2% level.
4. The purpose of the **Council's earmarked reserves** is to meet identified spending commitments. These reserves will only be used for the purpose for which they were created and will be reviewed annually. If they are no longer required they will be transferred to the forward planning reserve.

South Tyneside Council - Carry Forward Policy

1. Any **overspending** by a directorate will be carried forward by the directorate (subject to confirmation by Cabinet);
2. Each directorate is encouraged to plan for and achieve a **minimum 1% underspending** through good financial management. To encourage this, 25% of any revenue underspending declared by 31st December each year will be available to the directorate to help meet spending pressures in subsequent years.

77. In addition to these reserves, the Council will receive reward grant money in 2006/07 and 2007/08 from its Local Public Service Agreement (LPSA) if at least 60% of the stretch targets are achieved.
78. It is proposed that any reward grant money received in future years is held in a new LPSA Earmarked Reserve and used to provide up-front funding for LPSA 2 targets and future service improvement activities.
79. The table below identifies the planned use of Council reserves in 2005/06 to 2007/08.

Council Reserves	Strategic Reserve £m	General Reserves £m	F Planning Reserve £m	Earmarked Reserves £m
Estimated Balance as at 31st March 2005	3.863	1.519	4.785	7.335
Planned Use of Reserves in 2005/06				
ALMO Set Up Costs	-	-	0.354	-
Single Status Implementation Costs (provisional)	-	-	0.182	-
Planned Use of Earmarked Reserves	-	-	-	0.666
Planned Use of General Reserves in 2005/06	-	0.515	-	-
Planned Use of Reserves in 2005/06	-	0.515	0.536	0.666
Planned Contribution to Reserves in 2005/06				
Business Rate Refunds expected	-	0.585	-	-
Transfer from Planning to Strategic Reserve (2% level maintained)	0.186	-	0.186	-
Planned Contribution to Reserves in 2005/06	0.186	0.585	0.186	-
Estimated Balance as at 31st March 2006	4.049	1.589	4.063	6.669
Planned Use of Reserves in 2006/07				
Single Status Implementation Costs (provisional)	-	-	0.153	-
Planned Use of General Reserves in 2006/07	-	3.037	-	-
Planned Use of Reserves in 2006/07	-	3.037	0.153	-
Planned Contribution to Reserves in 2006/07				
Transfer from Planning to General Reserves	-	3.390	3.390	-
Transfer from Planning to Strategic Reserve (2% level maintained)	0.178	-	0.178	-
Planned Contribution to Reserves in 2006/07	0.178	3.390	3.568	-
Estimated Balance as at 31st March 2007	4.227	1.942	0.342	6.669
Planned Use of Reserves in 2007/08				
Single Status Implementation Costs (provisional)	-	-	0.136	-
Planned Use of Earmarked Reserves	-	-	-	0.028
Planned Use of General Reserves in 2007/08	-	1.270	-	-
Planned Use of Reserves in 2007/08	-	1.270	0.136	0.028
Planned Contribution to Reserves in 2007/08				
Transfer from Planning to Strategic Reserve (2% level maintained)	0.206	-	0.206	-
Planned Contribution to Reserves in 2007/08	0.206	-	0.206	-
Estimated Balance as at 31st March 2008	4.433	0.672	0.000	6.641

80. For 2005/06 we plan to use £0.515m general reserves and £0.536m forward planning reserve to support our spending plans. By 31st March 2008, we forecast that our strategic reserve will still be maintained at its current 2% level and that

£0.672m general reserves (53% of general reserves used in 2007/08) will be available to support future spending plans.

Increased Council Tax Income

81. The table below identifies the amount of income we need to raise from council tax in 2005/06 and, **for planning purposes only**, what income we may need in 2006/07 and 2007/08 to balance our spending plans.

2004/05 Budget £m	Revenue Funding Forecast	2005/06 Budget £m	2006/07 Provisional Funding £m	2007/08 Provisional Funding £m
46.473	Council Tax Income	48.648	51.032	53.533

82. The actual increases in council tax income in future years will depend on circumstances at the time, including the level of actual funding received from government. This may be higher or lower than these planning assumptions and as such do not represent commitments by the Council at this time.

5. What will be the Borough's Council Tax for 2005/06?

83. The Borough's Council Tax pays for services provided by South Tyneside Council, Northumbria Police Authority and the Tyne and Wear Fire and Civil Defence Authority.
84. The Council Tax for each property band is based on a proportion of the band D council tax. The band D council tax is calculated by dividing the amount of income required by the Council Tax Base.
85. The Council agreed a **Council Tax Base of 43,967 for 2005/06** at its meeting on 27th January 2005.

South Tyneside Council Tax Collection Fund

86. Each year the Council sets the Borough's Council Tax and collects the money due from council tax payers. The money we receive is paid into a separate 'Collection Fund'. Payments are made from this fund to South Tyneside Council, Northumbria Police Authority and the Tyne and Wear Fire and Civil Defence Authority.
87. As the billing authority we are required to keep this fund in balance. By 31st March 2005 we expect the Collection Fund to be in balance. Both the Fire and Police authorities have been notified of this.

South Tyneside Council's Council Tax Requirement

88. To fund our spending plans, we need to increase **our proportion of the Borough's Council Tax by 4.9%** in 2005/06 to raise **£48.648m**. The table on the next page identifies the effect of this 4.9% increase in council tax for property band.

2005/06 BOROUGH COUNCIL TAX South Tyneside Council's Proportion	Band Weighting	South Tyneside Council 2004/05	South Tyneside Council 2005/06
Band A Properties	6/9	£703.19	£737.60
<i>Annual Increase</i>			£34.41
<i>Weekly Increase</i>			£0.66
Band B Properties	7/9	£820.39	£860.54
<i>Annual Increase</i>			£40.15
<i>Weekly Increase</i>			£0.77
Band C Properties	8/9	£937.59	£983.47
<i>Annual Increase</i>			£45.88
<i>Weekly Increase</i>			£0.88
Band D Properties	1	£1,054.79	£1,106.41
<i>Annual Increase</i>			£51.62
<i>Weekly Increase</i>			£0.99
Band E Properties	11/9	£1,289.19	£1,352.28
<i>Annual Increase</i>			£63.09
<i>Weekly Increase</i>			£1.21
Band F Properties	13/9	£1,523.58	£1,598.15
<i>Annual Increase</i>			£74.57
<i>Weekly Increase</i>			£1.43
Band G Properties	15/9	£1,757.98	£1,844.02
<i>Annual Increase</i>			£86.04
<i>Weekly Increase</i>			£1.65
Band H Properties	18/9	£2,109.58	£2,212.82
<i>Annual Increase</i>			£103.24
<i>Weekly Increase</i>			£1.99

Fire and Police Authority Council Tax Precepts

89. The table below identifies the precepts for the Tyne and Wear Fire and Civil Defence Authority and the Northumbria Police Authority.

2005/06 BOROUGH COUNCIL TAX Fire and Police Proportion	Band Weighting	Fire Authority 2004/05	Fire Authority 2005/06	Police Authority 2004/05	Police Authority 2005/06
Band A Properties	6/9	£41.55	£43.59	£44.62	£46.69
<i>Annual Increase</i>			£2.04		£2.07
<i>Weekly Increase</i>			£0.04		£0.04
Band B Properties	7/9	£48.47	£50.85	£52.06	£54.47
<i>Annual Increase</i>			£2.38		£2.41
<i>Weekly Increase</i>			£0.05		£0.05
Band C Properties	8/9	£55.40	£58.12	£59.49	£62.25
<i>Annual Increase</i>			£2.72		£2.76
<i>Weekly Increase</i>			£0.05		£0.05
Band D Properties	1	£62.32	£65.38	£66.93	£70.03
<i>Annual Increase</i>			£3.06		£3.10
<i>Weekly Increase</i>			£0.06		£0.06
Band E Properties	11/9	£76.17	£79.91	£81.80	£85.59
<i>Annual Increase</i>			£3.74		£3.79
<i>Weekly Increase</i>			£0.07		£0.07
Band F Properties	13/9	£90.02	£94.44	£96.68	£101.15
<i>Annual Increase</i>			£4.42		£4.47
<i>Weekly Increase</i>			£0.09		£0.09
Band G Properties	15/9	£103.87	£108.97	£111.55	£116.71
<i>Annual Increase</i>			£5.10		£5.16
<i>Weekly Increase</i>			£0.10		£0.10
Band H Properties	18/9	£124.64	£130.76	£133.86	£140.06
<i>Annual Increase</i>			£6.12		£6.20
<i>Weekly Increase</i>			£0.12		£0.12

90. The Tyne and Wear Fire and Civil Defence Authority precept for 2005/06 has increased by 4.9%. The Northumbria Police Authority precept for 2005/06 has increased by 4.6%.

South Tyneside Council Tax for 2005/06

91. After taking account of the council tax requirements of South Tyneside Council and the increases in Fire and Police precepts, the table below shows that a 4.9% increase in Borough's Council Tax for 2005/06 is required to meet these commitments.

2004/05 Band D	Council Tax Increase	2005/06 Band D	Increase in Band D	
			£	%
£1,054.79	South Tyneside Council	£1,106.41	£51.62	4.9%
£62.32	Fire Authority	£65.38	£3.06	4.9%
£66.93	Police Authority	£70.03	£3.10	4.6%
£1,184.04	Borough Band D Council Tax	£1,241.82	£57.78	4.9%

92. The table below identifies the Borough's Council Tax for each property band for 2005/06.

2005/06 BOROUGH COUNCIL TAX	% of Properties in Each Band	% of Properties Receiving Benefit	Band Weighting	Borough Council Tax 2004/05	Borough Council Tax 2005/06
Band A Properties	67.6%	43.0%	6/9	£789.36	£827.88
<i>Percentage increase</i>					4.9%
<i>Annual Increase</i>					£38.52
<i>Weekly Increase</i>					£0.74
Band B Properties	12.5%	17.4%	7/9	£920.92	£965.86
<i>Percentage increase</i>					4.9%
<i>Annual Increase</i>					£44.94
<i>Weekly Increase</i>					£0.86
Band C Properties	10.4%	8.0%	8/9	£1,052.48	£1,103.84
<i>Percentage increase</i>					4.9%
<i>Annual Increase</i>					£51.36
<i>Weekly Increase</i>					£0.99
Band D Properties	5.7%	4.7%	1	£1,184.04	£1,241.82
<i>Percentage increase</i>					4.9%
<i>Annual Increase</i>					£57.78
<i>Weekly Increase</i>					£1.11
Band E Properties	2.3%	3.1%	11/9	£1,447.16	£1,517.78
<i>Percentage increase</i>					4.9%
<i>Annual Increase</i>					£70.62
<i>Weekly Increase</i>					£1.36
Band F Properties	1.0%	1.2%	13/9	£1,710.28	£1,793.74
<i>Percentage increase</i>					4.9%
<i>Annual Increase</i>					£83.46
<i>Weekly Increase</i>					£1.61
Band G Properties	0.5%	1.6%	15/9	£1,973.40	£2,069.70
<i>Percentage increase</i>					4.9%
<i>Annual Increase</i>					£96.30
<i>Weekly Increase</i>					£1.85
Band H Properties	0.1%	-	18/9	£2,368.08	£2,483.64
<i>Percentage increase</i>					4.9%
<i>Annual Increase</i>					£115.56
<i>Weekly Increase</i>					£2.22

6. What are the Council's housing revenue spending plans?

93. The table below summarises the overall position on the Housing Revenue Account for the next three years.

Housing Revenue Account	2005/06 Budget £m	2006/07 Provisional Budget £m	2007/08 Provisional Budget £m
Expenditure	45.051	45.712	44.947
Income	-45.401	-45.250	-45.448
TOTAL Surplus (-) / Deficit (+)	- 0.350	0.462 -	0.501

Housing Revenue Account Reserves	2005/06 £m	2006/07 £m	2007/08 £m
Estimated Balance (brought forward)	- 3.352 -	3.702 -	3.240
Surplus (-) / Deficit (+) for year	- 0.350	0.462 -	0.501
Estimated Balance (carried forward)	- 3.702 -	3.240 -	3.741
Housing Reserves			
Strategic Reserve	- 1.000 -	1.000 -	1.000
General Balances	- 2.702 -	2.240 -	2.741

94. A strategic reserve of £1m is maintained over the medium term as this is considered the minimum balance necessary to give stability to the financial position on the account.

Housing Revenue Expenditure Plans for 2005/06

95. The table below details the HRA planned expenditure for 2005/06.

Housing Revenue Account Expenditure	2004/05 Budget £m	2005/06 Budget £m	Change £m	%
Management	11.897	12.975	1.078	9.1%
Repairs	11.669	12.793	1.124	9.6%
Capital Charges	17.127	17.054 -	0.073	-0.4%
Other Expenditure	1.591	1.729	0.138	8.7%
Consultation / Stock Options	0.500	0.500	-	0.0%
TOTAL Housing Revenue Expenditure	42.784	45.051	2.267	5.3%

96. Overall spending is set to increase by 5.3% in 2005/06. Increased spending on repairs and management reflects increased funding as a result of government changes to the distribution of housing subsidy from 2005/06. Additional insurance charges increase the other expenditure total.

Housing Revenue Income Plans for 2005/06

97. The table below details the HRA income for 2005/06.

Housing Revenue Account Income	2004/05		2005/06		Change	
	Budget	Budget	Budget	Budget	£m	%
	£m	£m	£m	£m		
Dwelling Rents	- 41.529	- 41.638	- 0.109	0.3%		
Other Services / Property Income	- 1.399	- 1.434	- 0.035	2.5%		
Support Services Income	- 0.964	- 0.992	- 0.028	2.9%		
Other Contributions	- 1.443	- 1.446	- 0.003	0.2%		
Housing Subsidy Recovery	3.760	0.109	- 3.651	-97.1%		
TOTAL Housing Revenue Income	- 41.575	- 45.401	- 3.826	9.2%		

98. The key area of change is the reduction in housing subsidy recovery. This allows us to keep more of our income to fund our spending plans.

Housing Revenue Priority Led Initiatives

99. The table below details the priority spending for 2005/06.

Revenue Priority Led Initiatives	2005/06 £m
Housing and Environment	
Deliver Excellence in our Repairs Service	1.000
Deliver Excellence in our Management Service	0.400
TOTAL Housing Revenue Priority Led Initiatives	1.400

100. Achievement of a minimum “2-Star”, good-inspection is a pre-requisite to securing the additional investment funds by the ALMO. This investment will provide funding to achieve a minimum ‘2 star’ good inspection.

Dwelling Rents and Service Charges for 2005/06

101. As in previous years we have to set our rents and service charges in accordance with the government guidelines. The budget plans for 2005/06 are:-

Dwelling Rents

- An average rent across all stock for 2005/06 of £47.40 per week (48 week collection) - an **average rent rise of around £2.47 per week (5.5%)**;

Service Charges

- **3.1% increase** in garage rents;
- **3.1% increase** in service charges for landlord services-wardens & communal facilities;
- **3.1% increase** in sheltered accommodation-guest room charges;

Heating Charges – High Rise District Heating Schemes

- To recover increased energy costs with respect to the two high rise district heating schemes the budget assumes the following: -
- Heating charges at Hebburn Newtown for 2005/06 to be **increased by 5%**;
- The price of a heating card at Jarrow for 2005/2006 to be **increased by 5%**;

Temporary furnished accommodation

- **3.1% increase** in temporary furnished accommodation charges;

Supporting People Charges

- **No increase** is proposed for Community Alarms and Resident Wardens Support Charges.

7. What are the Tyne and Wear Pension Fund's Spending Plans?

1. The Council administers the Local Government Pension Fund for the Tyne and Wear region and is responsible for agreeing the pension administration and investment budgets for the Fund each year.
2. The table below summarises the spending plans for the Fund for 2005/06 and provisional spending plans for 2006/07 and 2007/08. The Pension Committee has considered and agreed these spending plans on 9th February 2005.

2004/05 Budget £m	Tyne and Wear Pension Fund	2005/06 Budget £m	2006/07 Provisional £m	2007/08 Budgets £m
	Investment Office			
6.076	Investment Management Fees	7.272	7.928	8.535
0.179	Property Portfolio	0.199	0.205	0.211
0.753	Direct Costs and Recharges	0.718	0.608	0.639
2.201	Pensions Office	2.085	2.171	2.239
9.209	TOTAL Tyne and Wear Pension Fund Budgets	10.274	10.912	11.624
	Percentage increase in Pension budget	11.6%	6.2%	6.5%

3. The largest single influence on the Pension Fund's spending plans is the increase in investment management fees. The increase is particularly steep in 2005/06 because manager's fees are generally calculated on an ad valorem basis, which means that they are based on the value of assets under management. As the value of the Fund has increased by an amount greater than that assumed when setting the budget for 2004/05, the management fees have also increased by a greater amount than budgeted for. This has to be seen as good news.
4. Excluding investment management fees the spending plans for 2005/06 show an overall decrease of £131,300 from 2004/05.

8. What are the Council's prudential indicators?

Prudential Code

5. Section 3 of the Local Government Act 2003 requires the Council to determine its own affordable borrowing requirement necessary to fund capital expenditure. The Prudential Code is a professional code of practice, backed by legislation, to support Councils when taking investment decisions on their programmes.
6. The key objectives of the Code are to ensure, within a clear framework, that capital investment plans of local authorities are **affordable, prudent and sustainable** and that **treasury management decisions are taken in accordance with good professional practice**.

7. This system of capital finance allows the Council to have much greater flexibility and freedom over its borrowing. However the government only allows for revenue support on additional debt up to a pre-arranged limit. As a result, the cost of any further borrowing that the Council would want to undertake would have to be met from revenue expenditure and would need to be affordable and sustainable in the long term.
8. To demonstrate that the Council has fulfilled these objectives, the following sections set out the prudential code indicators that must be set and agreed by full Council. Full Council must also agree any future changes to these indicators.

Compliance with the Prudential Code

9. The Council has established procedures to monitor all forward looking prudential indicators and has developed a measurement and reporting process that highlights significant deviations from expectations.
10. In calculating the prudential indicators for 2006/07 and 2007/08, potential increased ALMO investment in the Housing programme resulting from a '2 star' inspection result has been excluded until the outcome of the inspection is known.
11. In considering the capital programme, the code requires the Council to have regard to:-
 - **Affordability** – the implications of capital investment decisions on future Council Tax and Council housing rents;
 - **Prudence and sustainability** – the implications for external borrowing;
 - **Value for money and options appraisal**;
 - **Stewardship** of Council assets (asset management planning);
 - **Service objectives** - strategic planning;
 - **Practicality** – the achievability of the forward plan.
12. During last year we have revised the way in which we monitor and deliver our capital programme and we will be looking to make further improvements in the coming year.
13. Our capital budgets include prudential borrowing in 2005/06 and 2006/07 relating to the provisional costs of compensatory payments arising from the implementation of single status. Our plans assume, at this stage, that government will allow us to capitalise this potential payment and undertake prudential borrowing to meet these costs.
14. Cabinet will be asked to review the Council's capital programme and planned borrowing once the final compensatory payment costs and the government's views are known.

Affordability - council capital financing requirement

15. The Council's Capital Financing Requirement measures the Council's underlying need to borrow money to fund its capital programme.
16. The following table summarises the Council's capital programme for 2004/05 to 2007/08 (excluding potential ALMO investment).

2003/04 Actual £m	2004/05 Revised £m	Capital Spending Plans	2005/06 Budget £m	2006/07 Provisional Spending £m	2007/08 £m	Total Capital £m
22.457	37.118	Council Capital Programme	44.234	73.637	66.428	184.299
14.518	14.110	Housing Capital Programme	15.130	14.059	13.756	42.945
36.975	51.228	TOTAL - Council Capital Programme	59.364	87.696	80.184	227.244

17. The table below identifies the Council's Capital Financing Requirement for this capital programme (after taking account of debt we need to repay each year).

2003/04 Actual £m	2004/05 Revised £m	Capital Financing Requirement (CFR)	2005/06 Budget £m	2006/07 Estimate £m	2007/08 Estimate £m
86.496	89.920	Council Capital Programme	97.251	124.117	149.354
79.433	81.759	Housing Capital Programme	84.146	86.472	88.798
165.929	171.679	TOTAL - Council Capital Financing Requirement	181.397	210.589	238.152

Affordability - ratio of financing to council's net revenue stream

18. The following table identifies the estimated ratio of financing costs (debt charges, interest payments and interest receivable) to the Council's net revenue stream for current and future spending plans identified in this financial plan.

2003/04 Actual £m	2004/05 Revised %	Ratio of Financing Costs to Net Revenue Stream	2005/06 Budget %	2006/07 Estimate %	2007/08 Estimate %
2.91%	3.91%	Council Capital Programme	4.19%	5.67%	6.21%
42.27%	38.83%	Housing Capital Programme	37.30%	36.46%	35.68%

Affordability – estimated impact of capital investment decisions

19. A key measure of affordability is the incremental impact on the Council Tax and the Council rent levels of capital investment decisions.
20. The following table identifies the estimated incremental impact of capital investment decisions in this budget report, compared to capital investment decisions agreed in last years Medium Term Financial Plan, on future council tax and housing rent levels.

Estimated Incremental Impact of Capital Investment Decisions	2005/06	2006/07	2007/08
For the Band D Council Tax	£10.63	£14.77	£40.31
For Average Weekly Housing Rents	-£0.04	-£0.07	£1.44

21. In practice, the Council's capital investment decisions will not translate into the above council tax and rent increases because the Council will receive increased revenue support grant and housing subsidy to fund planned supported borrowing.

Prudence – council treasury management practices

22. The Council has an integrated treasury management strategy and has adopted the CIPFA *Code of Practice for Treasury Management in the Public Services*.

23. The Council has at any point in time, a number of cashflows both positive and negative, and manages its treasury position in terms of its borrowings and investments in accordance with its approved treasury management strategy and practices.
24. The Council's treasury management strategy and annual plan for 2005/06 will be presented to Cabinet for approval on Wednesday 16th March 2005.

Prudence Indicator - net borrowing and capital finance requirement

25. The Prudential Code includes the following as a key indicator of prudence:

“In order to ensure that over the medium term net borrowing will only be for a capital purpose, the Council should ensure that net external borrowing does not, except in the short term, exceed the total of capital financing requirement in the preceding year plus the estimates of any additional capital financing requirement for the current and next two financial years”

26. No difficulties are envisaged in meeting this requirement. This view takes into account current commitments, existing plans, and the proposals in this medium term financial plan.

Prudence – council external debt

27. The Council's actual external debt at 31st March 2004 was £175m comprising £174.7m borrowing and £0.3m other long-term liabilities. The Council's debt at 31st March 2005 is estimated to be £172m.
28. The Council needs to approve an authorised limit and operational boundary for its external debt (gross of investments) for the next three financial years. These limits separately identify borrowing from other long-term liabilities such as finance leases.
29. The following table identifies the **Council's authorised limit for external debt** for 2005/06 to 2007/08. For 2005/06, the authorised limit of £270m is the statutory limit determined under section 3(1) of the Local Government Act 2003.

Council External Debt	2005/06 Budget £m	2006/07 Estimate £m	2007/08 Estimate £m
External Debt Authorised Limit			
Council Borrowing	265.0	280.0	280.0
Other Council Long Term Liabilities	5.0	5.0	5.0
TOTAL - Council External Debt Authorised Limit	270.0	285.0	285.0

30. These authorised limits are consistent with the Council's current commitments, existing plans and proposals in this budget report for capital expenditure and financing, and with its proposed treasury management policy statement and practices. They are based on the **estimate of the most likely, prudent but not worst case scenario, with sufficient headroom over and above to allow for operational management** (e.g. unusual cash movements). Risk analysis and risk management strategies have been taken into account, as have plans for capital expenditure, estimates of the capital financing requirement and estimates of cashflow requirements for all purposes.
31. The following table identifies the **Council's operational boundary for external debt** for 2005/06 to 2007/08.

Council External Debt	2005/06	2006/07	2007/08
	Budget £m	Estimate £m	Estimate £m
External Debt Operational Boundary			
Council Borrowing	228.0	258.0	258.0
Other Council Long Term Liabilities	2.0	2.0	2.0
TOTAL - Council External Debt Operational Boundary	230.0	260.0	260.0

32. The operational boundary is calculated in the same way as the authorised limit but without the additional headroom and equates to the maximum of external debt projected by this estimate. These limits represent the highest expected level of debt, which incorporates the actual external debt and allows for the risk of being unable to finance capital expenditure from internal sources.
33. The Council is asked to continue delegate authority, as in 2004/05, to the Executive Director Resources to effect movement between the separately agreed authorised and operational boundary limits for borrowing and other long term liabilities, in accordance with option appraisal and best value for the authority, within the total limit for any individual year. Any use made of this delegation will be reported to the Council at its next meeting.

Prudence – council fixed and variable interest rate exposure

34. The following table sets upper limits on the Council's fixed and variable interest rate exposures for net outstanding principal sums for the next three years.

Fixed and Variable Interest Rate Exposure	2005/06	2006/07	2007/08
	Budget %	Estimate %	Estimate %
Fixed rate interest - upper limit	100%	100%	100%
Variable rate interest - upper limit	40%	40%	40%

35. No change to our interest rate exposure is proposed.

Prudence - maturity structure of council borrowing

36. The following table sets upper and lower limits for the maturity structure of the Council's borrowing during 2005/06. The limits represent the amount of projected fixed rate borrowing maturing in each period, as a percentage of total projected fixed rate borrowing.

Maturity Structure of Borrowing for 2005/06	Upper Limit %	Lower Limit %
	Under 12 months	40%
12 months and 24 months	40%	0%
24 months and 5 years	50%	0%
5 years and within 10 years	75%	0%
10 years and above	100%	25%

37. No change to our borrowing maturity structure is proposed.

Prudence - investments for periods longer than 364 days

38. The Council is now legally allowed to invest for longer than 364 days but less than 5 years. The maximum amount to be invested for periods beyond 364 days will be limited to 10% of the investment portfolio at the time the investment is made.

9. How will spending be monitored and controlled during the year?

Budget Monitoring

39. Regular budget monitoring is an important financial control to ensure that spending during the year is in line with budgets agreed by Council. Each service budget has a named budget holder responsible for managing the budget.
40. During 2005/06, revenue and capital budgets will be monitored on a monthly basis at a budget holder and directorate level. Each month, the Council's Executive Team will consider each directorate's budget monitoring reported position and agree actions, if required, to ensure spending remains in line with agreed budgets.
41. Each quarter, the Council's Cabinet and Resources Scrutiny Committee will be asked to consider a report detailing spending for the previous quarter and projected spending for the full year.

Budget Transfers

42. During the year budget holders may need to transfer budgets from one service area to another to reflect changed service needs or priorities. A budget transfer is defined as a movement of budget between any budget service line identified in Appendix 1 and 2 of this report.
43. Budget transfers between £50,000 and £100,000 must be discussed with the appropriate Cabinet Member(s) before a decision is taken by the responsible Executive Director.
44. Budget transfers greater than £100,000 require the approval of the Cabinet.
45. Budget transfers greater than £500,000 require the approval of the full Council and must be proposed by the Cabinet.

2005/06 Council Revenue Budget

Line Ref	2004/05 Budget £	Council Revenue Budget	Budget Holder	Total Cost £	Total Income £	2005/06 Budget £
		CORPORATE DEVELOPMENT	D. Slater			
		PERFORMANCE AND INNOVATION	K. Harcus			
1	0	Performance Team	K. Harcus, Head of Performance and Innovation	456,940	-456,940	0
2	0	Innovation Team	K. Harcus, Head of Performance and Innovation	379,750	-379,750	0
3	0	Sub-Total		836,690	-836,690	0
		CORPORATE GROWTH AND FOCUS	D. Wood			
4	0	Policy Team	D. Wood, Head of Corporate Growth and Focus	582,860	-582,860	0
5	125,900	LSP Team	D. Wood, Head of Corporate Growth and Focus	278,430	-67,210	211,220
6	0	Information Team	D. Wood, Head of Corporate Growth and Focus	781,640	-781,640	0
7	125,900	Sub-Total		1,642,930	-1,431,710	211,220
		ECONOMIC DEVELOPMENT	R. O'Farrell			
8	1,404,610	Economic Development	R. O'Farrell Head of Economic Development	4,007,690	-2,456,410	1,551,280
9	1,404,610	Sub-Total		4,007,690	-2,456,410	1,551,280
		COMMUNICATIONS	L. Fothergill			
10	0	Communications	L. Fothergill, Head of Corporate Communications	1,425,020	-1,425,020	0
11	0	Sub-Total		1,425,020	-1,425,020	0
		BUILDING STRONG COMMUNITIES	S. Brown			
12	251,570	Partnership Team	S. Brown, Head of Building Stronger Communities	836,800	-426,090	410,710
13	632,240	Regeneration Team	S. Brown, Head of Building Stronger Communities	1,149,050	-413,920	735,130
14	588,950	Grants	S. Brown, Head of Building Stronger Communities	4,190,810	-3,603,030	587,780
15	250,000	Youth Choice	S. Brown, Head of Building Stronger Communities	609,850	-609,850	0
16	580,040	Community Health and Safety	S. Brown, Head of Building Stronger Communities	648,910	0	648,910
17	2,302,800	Sub-Total		7,435,420	-5,052,890	2,382,530
		SERVICE MANAGEMENT & SUPPORT	D. Slater			
18	0	Management	D. Slater, Executive Director Corporate Development	516,560	-516,560	0
19	0	Support Services	C. Bird, Chief Administrative Officer	184,170	-184,170	0
20	0	Sub-Total		700,730	-700,730	0
21	0	CHIEF EXECUTIVE OFFICE	I. Lucas	273,510	-273,510	0
22	3,833,310	TOTAL CORPORATE DEVELOPMENT REVENUE BUDGET		16,321,990	-12,176,960	4,145,030
		LIFELONG LEARNING AND LEISURE	J Potter			
		SCHOOLS DELEGATED	G Rollings			
23	67,582,560	Delegated Schools Budget	G Fowler, Acting Finance Manager	72,649,970	-1,578,260	71,071,710
24	0	Schools Standard Grant	G Fowler, Acting Finance Manager	2,774,900	-2,774,900	0
25	2,030,620	Standards Fund	B Machin, Resources and Planning Officer	7,701,990	-5,475,090	2,226,900
26	69,613,180	Sub-Total		83,126,860	-9,828,250	73,298,610
		SCHOOL IMPROVEMENT	M Dillon			
27	19,410	Education Business Partnership	M Riches, EBP Partnership Director	332,440	-312,230	20,210
28	196,440	Chuter Ede Education Centre	J Krantz, Centre Manager	515,590	-284,140	231,450
29	0	Library Service	K Hall, Library Service Manager	112,270	-112,270	0
30	230,000	LEA Initiatives	B Machin, Resources and Planning Officer	190,550	0	190,550
31	664,400	School Improvement Team	B Machin, Resources and Planning Officer	704,160	0	704,160
32	56,190	Governor Support	A Locklan, Governors Support Manager	228,930	-156,280	72,650
33	171,300	EDIC	R Sanderson, Information Manager	174,150	0	174,150
34	124,770	Central Support Charges	G Fowler, Acting Finance Manager	189,550	0	189,550
35	3,379,020	Capital Charges	G Fowler, Acting Finance Manager	4,532,820	0	4,532,820
36	0	Redirection of Spending and Efficiency Gains	G Fowler, Acting Finance Manager	-54,000	0	-54,000
37	4,841,530	Sub-Total		6,926,460	-864,920	6,061,540

2005/06 Council Revenue Budget

Line Ref	2004/05 Budget £	Council Revenue Budget	Budget Holder	Total Cost £	Total Income £	2005/06 Budget £
		ACCESS AND INCLUSION	A Bradley			
38	86,630	Home to College Transport	T Reynolds, SEN Transport Manager	89,220	0	89,220
39	733,070	Special Education Transport	T Reynolds, SEN Transport Manager	719,260	0	719,260
40	63,850	Inter LEA Recoupment	S Makin, Pupil Services Manager	189,060	-123,700	65,360
41	883,860	Independent School Fees	S Makin, Pupil Services Manager	910,840	0	910,840
42	471,620	Education Welfare Officers	J Soulsby, E.W.O. Manager	627,660	-130,000	497,660
43	91,870	Clothing Grants	J Soulsby, E.W.O. Manager	54,630	0	54,630
44	442,680	Education Psychology	M Walsh, SEN Assessment Manager	723,280	-147,920	575,360
45	774,690	Alternative Education Service	C Marchant, Manager AEN Service	1,517,270	-714,780	802,490
46	144,620	Visually Impaired Service	S Helmsley, Head of Visually Impaired Service	176,340	-18,830	157,510
47	350,720	Hearing Impaired Service	E Raynor, Head of Hearing Impaired Service	423,590	-41,120	382,470
48	135,340	Portage and Preschool	V Davies, Portage Manager	247,790	-75,830	171,960
49	142,050	English Second Language Service	J Braithwaite, Ethnic Minority Service Manager	146,310	0	146,310
50	0	Ethnic Minority Achievement	J Braithwaite, Ethnic Minority Service Manager	20,650	-20,650	0
51	520,590	Learning Support Service	W Larmont, Learning Support Manager	813,540	-359,560	453,980
52	-73,660	Other SEN Support	S Makin, Pupil Services Manager	438,290	-583,340	-145,050
53	156,390	Schools Admission	L Rodgers, School Services Manager	156,240	0	156,240
54	288,760	Pupil Services	S Makin, Pupil Services Manager	351,890	0	351,890
55	8,280	Other Exchange Visits	L Rodgers, School Services Manager	8,530	0	8,530
56	300,200	Central Support Services	G Fowler, Acting Finance Manager	468,880	0	468,880
57	43,950	Home to School Transport	D Morgan, Student Support Officer	46,150	0	46,150
58	0	Redirection of Spending and Efficiency Gains	G Fowler, Acting Finance Manager	-60,000	0	-60,000
59	5,565,510	Sub-Total		8,069,420	-2,215,730	5,853,690
		LIFELONG LEARNING	C Smith			
60	480,660	Nursery Education	A Tennet, Early Years Manager	1,949,200	-1,447,770	501,430
61	0	Other Early Years	A Tennet, Early Years Manager	350,000	-350,000	0
62	261,430	Early Excellence Centre	J Bennett, Manager Early Excellence Centre	464,210	-208,760	255,450
63	2,164,130	Community Education	S Chilton, Community Development Manager	3,654,400	-1,268,900	2,385,500
64	15,440	Community Learning	J Pace, Adult Education Manager	337,310	-314,830	22,480
65	874,440	Youth Service	V High, Youth Services Manager	1,157,540	-224,870	932,670
66	42,210	Family Learning	H Walke, Family Learning Co-ordinator	43,560	0	43,560
67	25,030	Student Support	D Morgan, Student Support Officer	132,640	-89,250	43,390
68	98,900	Adult Education	J Pace, Adult Education Manager	1,114,150	-989,500	124,650
69	59,330	Adult/Youth Training	J Dale, Agency Manager	797,880	-797,880	0
70	259,720	Outdoor Education Service	V High, Youth Services Manager	604,880	-349,050	255,830
71	374,280	Lifelong Learning Administration	V High, Youth Services Manager	440,670	0	440,670
72	2,867,100	Public Library Service	M Freeman, Libraries Manager	3,060,670	-315,400	2,745,270
73	259,970	Children's Play	B Atkinson, Cultural Development Manager	280,910	-2,680	278,230
74	0	Redirection of Spending and Efficiency Gains	G Fowler, Acting Finance Manager	-127,000	0	-127,000
75	7,782,640	Sub-Total		14,261,020	-6,358,890	7,902,130

2005/06 Council Revenue Budget

Line Ref	2004/05 Budget £	Council Revenue Budget	Budget Holder	Total Cost £	Total Income £	2005/06 Budget £
		STRATEGY AND RESOURCES	G Rollings			
76	0	School Meals and Milk	E Luke, Catering Manager	5,534,220	-5,534,220	0
77	456,850	Maintenance of Land and Buildings	Vacant, Asset Manager	278,900	0	278,900
78	227,090	Schools Non Delegated	G Fowler, Acting Finance Manager	412,040	-177,860	234,180
79	402,800	Finance and Administration	G Fowler, Acting Finance Manager	776,190	-318,550	457,640
80	271,040	Personnel	M Grady, Personnel Manager	760,990	-447,620	313,370
81	597,210	Asset Management	Vacant, Asset Manager	221,060	0	221,060
82	42,550	Client Services	K Goode, Purchasing Advisory Services for Schools	48,310	-13,140	35,170
83	125,870	Policy	T Welsh, Policy and Planning Manager	146,580	0	146,580
84	309,960	Strategic Management	G Fowler, Acting Finance Manager	424,020	-178,430	245,590
85	1,205,030	Residual Pensions	G Fowler, Acting Finance Manager	1,240,580	0	1,240,580
86	1,023,560	Valuation Lump Sum	G Fowler, Acting Finance Manager	1,023,560	0	1,023,560
87	0	ST College Pensions	G Fowler, Acting Finance Manager	106,160	-106,160	0
88	1,248,760	Central Support Charges	G Fowler, Acting Finance Manager	1,312,810	0	1,312,810
89	0	Redirection of Spending and Efficiency Gains	G Fowler, Acting Finance Manager	-83,000	0	-83,000
90	5,910,720	Sub-Total		12,202,420	-6,775,980	5,426,440
		CULTURAL & COMMUNITY SERVICES	T Duggan			
91	2,608,450	Indoor Sport & Recreation Facilities	R Jago, Cultural Operations Manager	4,768,070	-2,137,110	2,630,960
92	56,610	School Swimming	R Jago, Cultural Operations Manager	453,100	-444,410	8,690
93	15,500	Caravan Sites	R Jago, Cultural Operations Manager	190,080	-183,220	6,860
94	199,150	Outdoor Sport & Recreation Facilities	R Jago, Cultural Operations Manager	227,140	-22,280	204,860
95	1,665,210	Community Parks & Open Spaces	R Jago, Cultural Operations Manager	1,936,610	-244,560	1,692,050
96	23,310	Allotments	R Jago, Cultural Operations Manager	116,760	-86,450	30,310
97	166,450	Children's Play	B Atkinson, Cultural Development Manager	272,440	-94,290	178,150
98	272,070	Foreshore	R Jago, Cultural Operations Manager	400,870	-134,440	266,430
99	349,120	EPA Cleansing Duties	R Jago, Cultural Operations Manager	366,250	0	366,250
100	613,090	Sports Development	B Atkinson, Cultural Development Manager	770,310	-116,000	654,310
101	113,020	Great North Run	R Jago, Cultural Operations Manager	197,860	-49,720	148,140
102	224,450	Cookson Festival	R Jago, Cultural Operations Manager	277,790	-42,850	234,940
103	0	Tall Ships and Other New Events	R Jago, Cultural Operations Manager	420,000	0	420,000
104	304,040	Tourism	B Atkinson, Cultural Development Manager	508,030	-170,600	337,430
105	436,830	Arts Development and Support	B Atkinson, Cultural Development Manager	557,570	0	557,570
106	92,340	Archive Service	B Atkinson, Cultural Development Manager	93,660	0	93,660
107	1,194,580	Museum and Galleries	B Atkinson, Cultural Development Manager	1,343,990	-72,810	1,271,180
108	76,000	Cultural & Community Services Administration	B Atkinson, Cultural Development Manager	982,030	-855,660	126,370
109	0	Redirection of Spending and Efficiency Gains	G Fowler, Acting Finance Manager	-80,000	0	-80,000
110	8,410,220	Sub-Total		13,802,560	-4,654,400	9,148,160
111	102,123,800	TOTAL LIFELONG LEARNING AND LEISURE REVENUE BUDGET		138,388,740	-30,698,170	107,690,570
		NEIGHBOURHOOD SERVICES	A Skelton			
		HSG & CONSTRUCTION SERVICES	P Hanson			
112	390,000	Contributions to the HRA for items shared	P Hanson, Head of Hsg & Construction Services	419,000	0	419,000
113	-4,860	Housing Advances	P Hanson, Head of Hsg & Construction Services	27,500	-25,600	1,900
114	1,812,760	Grants to Private Householders	P Hanson, Head of Hsg & Construction Services	1,750,000	0	1,750,000
115	57,910	Homelessness	P Hanson, Head of Hsg & Construction Services	169,430	-115,530	53,900
116	-10,340	Other Council Property	P Hanson, Head of Hsg & Construction Services	10,980	-21,840	-10,860
117	307,350	Community Wardens	P Hanson, Head of Hsg & Construction Services	377,680	0	377,680

2005/06 Council Revenue Budget

Line Ref	2004/05 Budget £	Council Revenue Budget	Budget Holder	Total Cost £	Total Income £	2005/06 Budget £
118	0	Community Wardens Extension	P Hanson, Head of Hsg & Construction Services	217,000	-217,000	0
119	0	Anti Social Behaviour	P Hanson, Head of Hsg & Construction Services	245,600	-245,600	0
120	-420,000	Building Works	E. Sadler, Building Services Manager	28,588,240	-29,608,240	-1,020,000
121	2,132,820	Sub-Total		31,805,430	-30,233,810	1,571,620
		STREETSCAPE	T. Collins			
122	231,690	Sustainable Design	R. Weetman, Sustainable Design Manager	621,600	-621,600	0
123	1,206,140	Environmental Projects	R. Weetman, Sustainable Design Manager	720,330	0	720,330
124	31,210	Groundwork Trust	R. Weetman, Sustainable Design Manager	32,660	0	32,660
125	805,120	Highways Structural Maintenance	T. Dixon, Infrastructure Manager	772,510	-7,300	765,210
126	1,560,420	Highways Construction (Capital charges)	T. Dixon, Infrastructure Manager	2,207,490	0	2,207,490
127	2,791,160	Highways Routine Maintenance	T. Dixon, Infrastructure Manager	1,241,930	-3,250	1,238,680
128	419,540	Winter Maintenance	T. Dixon, Infrastructure Manager	427,240	0	427,240
129	1,363,760	Street Lighting	T. Dixon, Infrastructure Manager	1,694,580	-35,680	1,658,900
130	68,930	Festive Lighting	T. Dixon, Infrastructure Manager	133,130	0	133,130
131	0	Traffic Signs	T. Dixon, Infrastructure Manager	150,680	0	150,680
132	0	Highways Maintenance Departmental Costs	T. Dixon, Infrastructure Manager	1,504,800	-67,200	1,437,600
133	0	Engineering Works, Highways	T. Dixon, Infrastructure Manager	3,245,720	-3,245,720	0
134	0	Engineering Works, Streetlighting	T. Dixon, Infrastructure Manager	1,423,000	-1,423,000	0
135	0	Transport Operations	R. Hepburn, Fleet Manager	4,288,230	-4,288,230	0
136	0	Highways and Structures Design	D. Elliott, Transport Design Manager	795,330	-795,330	0
137	459,980	Traffic Management	D. Elliott, Transport Design Manager	613,120	-58,800	554,320
138	744,950	Road Safety	D. Elliott, Transport Design Manager	933,270	-113,400	819,870
139	96,180	Car Parking	D. Elliott, Transport Design Manager	800,430	-693,010	107,420
140	2,256,730	Streetscene and Streetscape	K. Wallace, Environmental Maintenance Manager	2,727,270	-502,840	2,224,430
141	-136,820	Market	K. Wallace, Environmental Maintenance Manager	254,250	-384,880	-130,630
142	308,570	Bereavement Services	K. Wallace, Environmental Maintenance Manager	1,052,990	-827,030	225,960
143	442,580	Public Conveniences	K. Wallace, Environmental Maintenance Manager	455,400	-520	454,880
144	0	Grounds Maintenance	K. Wallace, Environmental Maintenance Manager	595,790	0	595,790
145	0	Building Cleaning Services	K. Wallace, Environmental Maintenance Manager	3,028,510	-3,028,510	0
146	2,509,200	Waste Collection	S. Quinn, Waste Services Manager	2,138,500	-184,660	1,953,840
147	0	Recycling Collection	S. Quinn, Waste Services Manager	820,760	-93,580	727,180
148	3,265,880	Waste Disposal	S. Quinn, Waste Services Manager	4,420,260	-562,030	3,858,230
149	0	Arson Task Force	S. Quinn, Waste Services Manager	31,700	-31,700	0
150	18,425,220	Sub-Total		37,131,480	-16,968,270	20,163,210
		STRATEGIC & REGULATORY SERVICES	A. French			
151	1,310,460	Environmental Health	A. Wainwright, Environmental Services Manager	1,904,620	-326,450	1,578,170
152	223,060	Licensing	D. Brooks, Trading Standards Manager	517,800	-302,160	215,640
153	516,710	Trading Stds and Consumer Protection	D. Brooks, Trading Standards Manager	603,410	-3,090	600,320
154	865,130	Development Control	K. Lawless, Development Control Manager	1,235,450	-477,120	758,330
155	407,710	Strategic Planning Policy	D. McKenzie, Strategic Policy & Project Service Mgr	621,630	-69,870	551,760
156	252,090	Countryside Projects	D. McKenzie, Strategic Policy & Project Service Mgr	265,370	-17,060	248,310
157	173,240	Strategic Housing Policy	D. McKenzie, Strategic Policy & Project Service Mgr	255,040	-92,000	163,040
158	167,320	Strategic Transport Policy	D. McKenzie, Strategic Policy & Project Service Mgr	169,440	0	169,440
159	0	Building Regulations Charging Account	I. Wilkinson, Building Surveying Manager	372,500	-372,500	0
160	479,720	Building Control Non-Fee Earning Account	I. Wilkinson, Building Surveying Manager	477,820	0	477,820
161	0	Strategic and Regulatory Administration	A. French, Head of Strategic and Regulatory Services	127,260	-127,260	0
162	4,395,440	Sub-Total		6,550,340	-1,787,510	4,762,830

2005/06 Council Revenue Budget

Line Ref	2004/05 Budget £	Council Revenue Budget	Budget Holder	Total Cost £	Total Income £	2005/06 Budget £
		BUSINESS INNOVATION	B.Scott			
163	45,130	Warden Call and CCTV	A. Prescott, Customer Relationship Manager	1,271,940	-1,271,940	0
164	16,510	CCTV contribution	A. Prescott, Customer Relationship Manager	89,760	-51,500	38,260
165	210,810	Call Centre	A. Prescott, Customer Relationship Manager	212,590	0	212,590
166	0	Performance and Business Group	B. Scott, Finance Manager	2,325,160	-2,325,160	0
167	272,450	Sub-Total		3,899,450	-3,648,600	250,850
168	25,225,930	TOTAL NEIGHBOURHOOD SERVICES REVENUE BUDGET		79,386,700	-52,638,190	26,748,510
		RESOURCES	J Alderson			
		FINANCE	J. Hayes			
169	0	Financial Management	S. Haley, Group Manager Financial Management	554,320	-554,320	0
170	0	Neighbourhood Services Finance	B. Scott, Finance Manager	361,190	-361,190	0
171	0	Financial Planning	A. Hayday, Group Manager Financial Planning	340,340	-340,340	0
172	0	Financial Services	J. Lewins, Group Manager Financial Services	1,137,730	-1,137,730	0
173	104,160	Benefits Administration	T. Oliver, Group Manager Council Tax & Benefits	2,336,530	-2,221,530	115,000
174	-85,000	Housing Benefits Payments	T. Oliver, Group Manager Council Tax & Benefits	40,953,830	-41,041,380	-87,550
175	1,191,250	Council Tax Collection	T. Oliver, Group Manager Council Tax & Benefits	1,469,330	-533,300	936,030
176	1,210,410	Sub-Total		47,153,270	-46,189,790	963,480
		PENSIONS	S. Moore			
177	0	Investment Office	I. Bainbridge, Investments Manager	8,189,200	-8,189,200	0
178	0	Pensions Office	D. Smith, Pensions Manager	2,084,700	-2,084,700	0
179	0	Sub-Total		10,273,900	-10,273,900	0
		CORPORATE GOVERNANCE	B. Scott			
180	0	Insurances Premiums	B. Dawson, Corporate Assurance Manager	3,623,410	-3,623,410	0
181	0	Corporate Risk Assurance	B. Dawson, Corporate Assurance Manager	1,080,080	-1,080,080	0
182	0	Legal Services - General	C. Broome, Legal Services Manager	1,424,890	-1,424,890	0
183	0	Legal Services - Corporate	C. Broome, Legal Services Manager	402,800	-402,800	0
184	0	Legal Services - Support	C. Broome, Legal Services Manager	833,510	-833,510	0
185	0	Courier	R. Cochrane, Democratic Services Manager	63,170	-63,170	0
186	-292,460	Local Land Charges	C. Broome, Legal Services Manager	124,520	-354,250	-229,730
187	319,130	Elections	V. Stephenson, Elections Officer	207,410	0	207,410
188	142,300	Register of Electors	V. Stephenson, Elections Officer	90,150	-2,270	87,880
189	128,620	Registration Service	V. Stephenson, Elections Officer	277,310	-109,410	167,900
190	490,070	Democratic Support	R. Cochrane, Democratic Services Manager	522,900	0	522,900
191	207,140	Members Support	R. Cochrane, Democratic Services Manager	297,380	0	297,380
192	726,480	Member Allowances and Expenses	R. Cochrane, Democratic Services Manager	747,450	0	747,450
193	82,330	Mayoral Expenses	R. Cochrane, Democratic Services Manager	86,000	0	86,000
194	59,720	Civic Duties	R. Cochrane, Democratic Services Manager	61,510	0	61,510
195	1,863,330	Sub-Total		9,842,490	-7,893,790	1,948,700
		ASSET MGT & PROCUREMENT	C. Clark			
196	-273,000	Asset Management	C. Clark, Head of Asset Management	1,434,270	-1,434,270	0
197	206,890	Property	J. MacDonald, Group Manager Asset Management	1,658,000	-1,708,500	-50,500
198	35,510	Civic Buildings	C. Bell, Civic Buildings Manager	2,437,130	-2,371,710	65,420
199	348,690	Non Operational Assets	C. Bell, Civic Buildings Manager	623,080	-92,510	530,570
200	0	Repairs and Maintenance	J. MacDonald, Group Manager Asset Management	687,750	-687,750	0
201	0	Building Maintenance	C. Clark, Head of Asset Management	238,800	-238,800	0
202	0	Corporate Procurement	T. Ormond, Procurement Manager	418,150	-418,150	0
203	0	Design Team	R. Johnston, Design Team Manager	1,358,190	-1,358,190	0
204	318,090	Sub-Total		8,855,370	-8,309,880	545,490

2005/06 Council Revenue Budget

Line Ref	2004/05 Budget £	Council Revenue Budget	Budget Holder	Total Cost £	Total Income £	2005/06 Budget £
ICT AND E-GOVERNMENT						
A. Holt						
205	0	Management	A. Holt, Head of ICT and E-Government	122,350	-122,350	0
206	0	Telephones	A. Holt, Head of ICT and E-Government	174,040	-174,040	0
207	0	Support	A. Holt, Head of ICT and E-Government	2,027,460	-2,027,460	0
208	0	Development	A. Holt, Head of ICT and E-Government	2,051,100	-2,051,100	0
209	0	Operations	A. Holt, Head of ICT and E-Government	514,090	-514,090	0
210	0	Sub-Total		4,889,040	-4,889,040	0
HUMAN RESOURCES						
S Moir						
211	-17,000	Human Resources	S. Moir, Head of Human Resources	602,260	-602,260	0
212	0	Organisation Development	P. Fanning, Organisational Development Manager	619,280	-619,280	0
213	0	Health and Safety	C. Irving, Health and Safety Manager	281,620	-281,620	0
214	0	Occupational Health	C. Irving, Health and Safety Manager	144,150	-144,150	0
215	-17,000	Sub-Total		1,647,310	-1,647,310	0
SERVICE MANAGEMENT & SUPPORT						
J. Alderson						
216	0	Management	J. Alderson, Executive Director Resources	206,760	-206,760	0
217	0	Support Services	R. Cochrane, Democratic Services Manager	231,100	-231,100	0
218	0	Sub-Total		437,860	-437,860	0
219	3,374,830	TOTAL RESOURCES SERVICES		83,099,240	-79,641,570	3,457,670
CORPORATE FINANCE						
J. Hayes						
220	148,750	Coroners Service	S. Haley, Group Manager Financial Management	391,110	-217,420	173,690
221	567,130	Magistrates Courts	S. Haley, Group Manager Financial Management	300,034	0	300,034
222	455,400	Audit Commission Costs	S. Haley, Group Manager Financial Management	416,005	-54,480	361,525
223	2,645,870	Corporate & Democratic Costs	S. Haley, Group Manager Financial Management	3,384,143	-333,200	3,050,943
224	4,356,290	Central Pension Costs	S. Haley, Group Manager Financial Management	5,237,762	-2,338,776	2,898,986
225	7,065,020	Precepts and Levies	S. Haley, Group Manager Financial Management	7,182,117	0	7,182,117
226	103,240	Banking & Cash Collection	S. Haley, Group Manager Financial Management	243,477	-64,260	179,217
227	37,280	Debt Administration Expenses	A. Wallage, Capital Finance Manager	76,748	-55,256	21,492
228	9,412,400	Debt Charges	A. Wallage, Capital Finance Manager	10,444,390	0	10,444,390
229	-13,798,620	Capital Recharges	A. Wallage, Capital Finance Manager	0	-16,117,897	-16,117,897
230	-1,895,830	Investment Income	A. Wallage, Capital Finance Manager	0	-2,050,987	-2,050,987
231	0	Implementation of Single Status	J. Hayes, Head of Finance / S. Moir, Head of HR	182,000	0	182,000
232	0	Contribution to ALMO set up costs	J. Hayes, Head of Finance	354,000	0	354,000
233	0	Business Rate Growth Incentive Scheme	J. Hayes, Head of Finance	0	-200,000	-200,000
234	0	Review of Fees and Charges	J. Hayes, Head of Finance	0	-100,000	-100,000
235	9,096,930	TOTAL RESOURCES CORPORATE FINANCE		28,211,786	-21,532,276	6,679,510
236	12,471,760	TOTAL RESOURCES REVENUE BUDGET		111,311,026	-101,173,846	10,137,180
SOCIAL CARE AND HEALTH						
J. Wilson						
SERVICE STRATEGY						
J. Wilson						
237	146,440	Strategic Management	W. Green, Finance Manager	163,400	-65,080	98,320
238	215,400	Performance Management	M. Thompson, Policy and Performance Manager	380,140	0	380,140
239	53,640	Complaints Procedures	M. Thompson, Policy and Performance Manager	56,040	0	56,040
240	415,480	Sub-Total		599,580	-65,080	534,500
CHILDREN'S SERVICES						
E. Dunn						
241	5,048,735	Assessment	A. Scott, Child Care Manager	6,572,550	-663,930	5,908,620
242	2,098,685	Commissioning	P. Jackson, Child Care Manager	3,410,610	-953,300	2,457,310

2005/06 Council Revenue Budget

Line Ref	2004/05 Budget £	Council Revenue Budget	Budget Holder	Total Cost £	Total Income £	2005/06 Budget £
243	5,630,400	Business Services	R. Carr, Service Manager (Residential Care)	5,563,050	-121,440	5,441,610
244	1,348,970	Quality Standards	M. McCracken, Child Care Manager	1,626,610	-249,340	1,377,270
245	919,400	Youth Offending	P. Bennett, Youth Offending Team Manager	1,934,480	-1,029,840	904,640
246	0	Sure Start	P. Pick, Acting Sure Start Manager	4,353,620	-4,288,900	64,720
247	15,046,190	Sub-Total		23,460,920	-7,306,750	16,154,170
		COMMUNITY CARE	L. Dean			
248	9,806,700	Business Services	B. Hodgson, Business Services Manager	10,939,800	-2,314,690	8,625,110
249	1,187,220	Quality & Commissioning	S. Woodhouse, Quality & Commissioning Mgr	2,272,490	-529,420	1,743,070
250	12,040,830	Older Persons	L. Simpson, Older Peoples Manager	25,599,260	-11,757,350	13,841,910
251	5,991,660	Learning Disabilities	L. Bradford, Learning Disabilities Manager	11,276,930	-4,730,390	6,546,540
252	2,518,110	Mental health	M. Brown, Mental Health Manager	3,923,060	-1,518,810	2,404,250
253	2,274,900	Physical Disabilities	C. Rowland, Physical Disabilities Manager	5,402,040	-1,783,560	3,618,480
254	33,819,420	Sub-Total		59,413,580	-22,634,220	36,779,360
		RESOURCES & BUSINESS SERVICES	K. Hannah			
255	0	Finance & Business Support	W. Green, Finance Manager	1,138,310	-1,138,310	0
256	0	Central Services	J. Garthwaite, Central Services Manager	2,401,360	-2,401,360	0
257	0	Information Services	A. Gowland, Information Services Manager	1,256,610	-1,256,610	0
258	0	Human Resources	J. Wollaston, Human Resources Manager	1,281,930	-1,281,930	0
259	0	Supporting People	M. Berry, Commissioning Manager	5,645,190	-5,715,190	-70,000
260	0	Welfare Rights Service	M. Peel, Co-ordinating Welfare Rights Officer	813,210	-813,210	0
261	191,420	Unapportioned Central Overheads	W. Green, Finance Manager	190,000	0	190,000
262	191,420	Sub-Total		12,726,610	-12,606,610	120,000
263	49,472,510	TOTAL SOCIAL CARE AND HEALTH REVENUE BUDGET		96,200,690	-42,612,660	53,588,030
264	193,127,310	TOTAL COUNCIL REVENUE BUDGET		441,609,146	-239,299,826	202,309,320

2005/06 Council Revenue Budget (format for external reporting purposes)

Line Ref	Council Revenue Budget (format for external reporting)	Total Cost £m	Total Income £m	2005/06 Budget £m
Central Services				
1	Democratic Representation and Management	2.939 -	0.273	2.666
2	Corporate Management	3.079 -	0.507	2.572
3	Non Distributed Cost	6.412 -	2.731	3.681
4	Central Services to the Public	2.343 -	0.999	1.344
5	Precepts and Levies	7.182	-	7.182
6	Trading Account Surpluses and Deficits	47.819 -	48.986 -	1.167
7	Asset Management Revenue Account Balance	10.444 -	16.118 -	5.674
8	Interest and Investment Income	-	2.051 -	2.051
9	Pensions Costs	24.800 -	24.800	-
10	TOTAL CENTRAL SERVICES	105.018 -	96.465	8.553
Court Services				
11	Coroners Service	0.391 -	0.217	0.174
12	Magistrates Courts	0.300	-	0.300
13	TOTAL COURT SERVICES	0.691 -	0.217	0.474
Cultural, Environmental and Planning Services				
14	Culture and Heritage	2.712 -	0.116	2.596
15	Recreation and Sport	5.947 -	2.325	3.622
16	Opens Spaces	5.128 -	0.763	4.365
17	Tourism	0.512 -	0.171	0.341
18	Library Service	3.032 -	0.315	2.717
19	Cemetery, Cremation and Mortuary Services	1.053 -	0.827	0.226
20	Coast Protection	0.007	-	0.007
21	Environmental Health	2.594 -	0.564	2.030
22	Community Safety (Crime Reduction)	1.584 -	1.168	0.416
23	Consumer Protection	0.603 -	0.003	0.600
24	Street Cleansing	2.759 -	0.535	2.224
25	Waste Collection	2.959 -	0.278	2.681
26	Waste Disposal	4.420 -	0.562	3.858
27	Building Control	0.850 -	0.372	0.478
28	Development Control	1.235 -	0.477	0.758
29	Planning Policy	0.900 -	0.137	0.763
30	Environmental Initiatives	0.654 -	0.621	0.033
31	Economic Development	11.744 -	8.560	3.184
32	Community Development	1.310 -	0.610	0.700
33	TOTAL CULTURAL, ENVIRONMENT AND PLANNING	50.003 -	18.404	31.599
Education Services				
34	Nursery Schools	1.889 -	0.484	1.405
35	Primary Schools	45.084 -	4.986	40.098
36	Secondary Schools	49.138 -	7.602	41.536
37	Special Schools	8.652 -	1.410	7.242
38	Non School Funding	10.221 -	4.926	5.295
39	TOTAL EDUCATION SERVICES	114.984 -	19.408	95.576
Highways, Roads and Transport Services				
40	Transport Planning, Policy and Strategy	0.225	-	0.225
41	Highways Structural	0.772 -	0.007	0.765
42	Construction	2.207	-	2.207
43	Highways Routine	2.897 -	0.070	2.827

2005/06 Council Revenue Budget (format for external reporting purposes)

Line Ref	Council Revenue Budget (format for external reporting)	Total Cost £m	Total Income £m	2005/06 Budget £m
44	Street Lighting	1.828	- 0.036	1.792
45	Winter Maintenance	0.427	-	0.427
46	Traffic Management and Road Safety	1.546	- 0.172	1.374
47	Parking Services	0.800	- 0.693	0.107
48	TOTAL HIGHWAYS, ROADS AND TRANSPORT	10.702	- 0.978	9.724
	Housing Services			
49	Housing Strategy	0.255	- 0.092	0.163
50	Housing Advances	0.028	- 0.026	0.002
51	Private Sector Housing Renewal	1.852	- 0.065	1.787
52	Homelessness	0.169	- 0.115	0.054
53	Housing Benefit Payments	2.337	- 2.222	0.115
54	Housing Benefit Administration	40.954	- 41.042	0.088
55	Contributions to the Housing Revenue Account	0.773	-	0.773
56	Other Council Property	0.011	- 0.022	0.011
57	Supporting People	0.618	- 0.618	-
58	TOTAL HOUSING SERVICES	46.997	- 44.202	2.795
	Social Services			
59	Service Strategy	0.600	- 0.065	0.535
60	Children's Commissioning and Social Work	5.823	- 0.302	5.521
61	Children Looked After	7.266	- 0.348	6.918
62	Family Support Services	5.951	- 4.514	1.437
63	Youth Justice	1.935	- 1.030	0.905
64	Other Children's and Families Services	2.488	- 1.115	1.373
65	Older People (Aged 65 and Over)	37.490	- 13.047	24.443
66	Physically Disabled Adults	5.247	- 1.766	3.481
67	Learning Disabled Adults	9.887	- 4.443	5.444
68	Adults with Mental Health Needs	3.583	- 1.400	2.183
69	Asylum Seekers	0.411	- 0.481	0.070
70	Other Adult Services	0.495	- 0.136	0.359
71	Sheltered Employment	1.390	- 0.331	1.059
72	Supporting People	5.164	- 5.164	-
73	TOTAL SOCIAL SERVICES	87.730	- 34.142	53.588
74	TOTAL COUNCIL NET REVENUE BUDGET			202.309

2005/06 Council Capital Budget

Line Ref	Council Capital Budget	Budget Holder	2005/06 Budget £	External Funding £	Council Funding £	Scheme Status
	CORPORATE DEVELOPMENT	D. Slater				
	CORPORATE GROWTH AND FOCUS	D. Wood				
1	Local Public Sector Agreement Pump Priming Grant	D. Wood, Head of Corporate Growth and Focus	422,000	-422,000	0	Green
2	Sub-Total		422,000	-422,000	0	
	BUILDING STRONGER COMMUNITIES	S. Brown				
3	Community Area Forums Capital Grant	S. Brown, Head of Building Stronger Communities	100,000	0	100,000	Green
4	Lottery Development Fund	S. Brown, Head of Building Stronger Communities	100,000	0	100,000	Green
5	Burglary reduction scheme	S. Brown, Head of Building Stronger Communities	120,000	-120,000	0	Amber
6	Included Communities Fund	S. Brown, Head of Building Stronger Communities	300,000	-300,000	0	Amber
7	Sub-Total		620,000	-420,000	200,000	
	ECONOMIC DEVELOPMENT AND PROMOTION	R. O'Farrell				
8	Priority Led Initiatives					
9	Business Support Fund (retentions, relocations and start-up)	R. O'Farrell, Head of Economic Development	500,000	0	500,000	Green
10	Completion of Quadrus Building	R. O'Farrell, Head of Economic Development	183,000	-43,000	140,000	Green
11	A19 Jobs link Corridor	R. O'Farrell, Head of Economic Development	1,540,000	-1,200,000	340,000	Amber
12	Regeneration Fund for Land Purchases	R. O'Farrell, Head of Economic Development	600,000	0	600,000	Green
13	Regeneration and Transformation Fund	R. O'Farrell, Head of Economic Development	500,000	0	500,000	Green
14	Tyne Gateway	R. O'Farrell, Head of Economic Development	1,840,000	-1,500,000	340,000	Amber
15	Sub-Total		5,163,000	-2,743,000	2,420,000	
16	TOTAL CORPORATE DEVELOPMENT CAPITAL BUDGET		6,205,000	-3,585,000	2,620,000	
	LIFELONG LEARNING AND LEISURE	J. Potter				
	LIFELONG LEARNING	C. Smith				
17	Children's Centres	C. Smith, Acting Head of Lifelong Learning	1,395,000	-1,395,000	0	Amber
18	Sub-Total		1,395,000	-1,395,000	0	
	STRATEGY AND RESOURCES	G. Rollings				
19	Asset Management Surveys	G. Rollings, Head of Strategy and Resources	50,000	0	50,000	Green
20	School Asset Condition and Suitability	G. Rollings, Head of Strategy and Resources	323,000	0	323,000	Green
21	Schools Devolved Capital Spending	G. Rollings, Head of Strategy and Resources	1,888,000	-1,888,000	0	Green
22	Horsley Hill Learning Campus	G. Rollings, Head of Strategy and Resources	8,374,000	-8,374,000	0	Green
23	New community and school sports facilities	G. Rollings, Head of Strategy and Resources	2,900,000	-2,900,000	0	Amber
24	Building Schools for the Future	G. Rollings, Head of Strategy and Resources	250,000	-250,000	0	Amber
25	Replacement of Dunn Street School	G. Rollings, Head of Strategy and Resources	1,041,000	-1,041,000	0	Amber
26	Sub-Total		14,826,000	-14,453,000	373,000	
27	TOTAL LIFELONG LEARNING AND LEISURE CAPITAL BUDGET		16,221,000	-15,848,000	373,000	
	NEIGHBOURHOOD SERVICES DIRECTORATE					
	HOUSING AND CONSTRUCTION SERVICES	P Hanson				
28	Housing Contractual Commitments from 2004/05	P Hanson, Head of Hsg & Construction	100,000	0	100,000	Green
29	Housing Delivering Decent Homes from 2004/05	P Hanson, Head of Hsg & Construction	750,000	0	750,000	Green
30	Health and Safety Programmes	P Hanson, Head of Hsg & Construction	265,000	0	265,000	Green
31	High Priority Essential Work	P Hanson, Head of Hsg & Construction	6,275,000	0	6,275,000	Green
32	Home Loss / Disturbance Payments	P Hanson, Head of Hsg & Construction	340,000	0	340,000	Green
33	Supporting the Programme	P Hanson, Head of Hsg & Construction	710,000	0	710,000	Green
34	Delivering Decent Homes - Window Programme	P Hanson, Head of Hsg & Construction	1,000,000	0	1,000,000	Green
35	Community Area Forum Investment Programme	P Hanson, Head of Hsg & Construction	1,200,000	0	1,200,000	Green
36	Delivering Decent Homes	P Hanson, Head of Hsg & Construction	4,490,000	0	4,490,000	Green
37	Disabled Facilities in Private Housing	P Hanson, Head of Hsg & Construction	1,000,000	-322,000	678,000	Amber
38	Sub-Total		16,130,000	-322,000	15,808,000	

2005/06 Council Capital Budget

Line Ref	Council Capital Budget	Budget Holder	2005/06 Budget £	External Funding £	Council Funding £	Scheme Status
	STREETSCAPE	T. Collins				
39	Adoption of Back Lanes	T. Dixon, Infrastructure Manager	100,000	0	100,000	Green
40	Improving the Quality of Footpaths	T. Dixon, Infrastructure Manager	250,000	0	250,000	Green
41	Memorial Health & Safety Works	K. Wallace, Environmental Maintenance Manager	50,000	0	50,000	Green
42	Windmill at Middlefield's Depot	T. Collins, Head of Streetscape	50,000	0	50,000	Amber
43	Maintain and Improve Subways	D. Elliott, Highways and Transportation Design Mgr	100,000	0	100,000	Green
44	Integrated Transport Programme (LTP)	D. Elliott, Highways and Transportation Design Mgr	1,702,000	0	1,702,000	Green
45	Highways Maintenance Programme (LTP)	T. Dixon, Infrastructure Manager	1,937,000	0	1,937,000	Green
46	Highways Infrastructure Improvements	T. Dixon, Infrastructure Manager	200,000	0	200,000	Green
47	Improve safety of access to Bede Metro	T. Collins, Head of Streetscape	176,000	-176,000	0	Amber
48	New Recycling Village (Civic Amenities Site)	S. Quinn, Waste Services Manager	800,000	-534,000	266,000	Green
49	Coastal Protection and Flood Defence	T. Collins, Head of Streetscape	360,000	-250,000	110,000	Amber
50	Sub-Total		5,725,000	-960,000	4,765,000	
	STRATEGIC AND REGULATORY SERVICES	A. French				
51	Improve Private Housing In the Borough	A. French, Head of Strategic & Regulatory Services	750,000	0	750,000	Amber
52	Sub-Total		750,000	0	750,000	
53	TOTAL NEIGHBOURHOOD SERVICES CAPITAL BUDGET		22,605,000	-1,282,000	21,323,000	
	RESOURCES DIRECTORATE					
	FINANCE	J. Hayes				
54	Gordon House Covenant Payment	J. Hayes, Head of Finance	100,000	0	100,000	Green
55	Single Status Capitalisation Costs (provisional)	J. Hayes, Head of Finance	6,239,000	0	6,239,000	Amber
56	Sub-Total		6,339,000	0	6,339,000	
	ASSET MANAGEMENT AND PROCUREMENT	C. Clark				
57	Design and Feasibility - New schemes	C. Clark, Head of Asset Mgt and Procurement	100,000	0	100,000	Green
58	Capital Programme Contingency Fund	C. Clark, Head of Asset Mgt and Procurement	200,000	0	200,000	Green
59	Energy Efficiency Improvements	C. Clark, Head of Asset Mgt and Procurement	50,000	0	50,000	Green
60	Social Care & Health Facilities	C. Clark, Head of Asset Mgt and Procurement	350,000	0	350,000	Green
61	Improve Access to Building (DDA Programme)	C. Clark, Head of Asset Mgt and Procurement	250,000	0	250,000	Green
62	Health & Safety Works to Asset Portfolio	C. Clark, Head of Asset Mgt and Procurement	350,000	0	350,000	Green
63	Community Centre Repair Programme	C. Clark, Head of Asset Mgt and Procurement	300,000	0	300,000	Green
64	Care Standard Upgrade for Residential Homes	C. Clark, Head of Asset Mgt and Procurement	250,000	0	250,000	Green
65	Front Line Buildings / Civic Buildings Maintenance	C. Clark, Head of Asset Mgt and Procurement	350,000	0	350,000	Green
66	Riverside Maintenance	C. Clark, Head of Asset Mgt and Procurement	200,000	0	200,000	Green
67	Sub-Total		2,400,000	0	2,400,000	
	ICT AND E-GOVERNMENT	A. Holt				
68	ICT Systems Replacement Programme from 2004/05	A. Holt, Head of ICT and E-government	1,865,000	0	1,865,000	Green
69	ICT system replacement programme	A. Holt, Head of ICT and E-government	835,000	0	835,000	Green
70	Implementation of the Council's E-government Strategy	A. Holt, Head of ICT and E-government	500,000	0	500,000	Green
71	Sub-Total		3,200,000	0	3,200,000	
72	TOTAL RESOURCES CAPITAL BUDGET		11,939,000	0	11,939,000	
	SOCIAL CARE AND HEALTH DIRECTORATE					
	CHILDREN'S SERVICES	E. Dunn				
73	Surestart - Primrose, Biddick Hall, Riverside	E. Dunn, Acting Head of Children's Services	2,279,000	-2,279,000	0	Amber
74	Sub-Total		2,279,000	-2,279,000	0	
	RESOURCES AND BUSINESS SERVICES	K. Hannah				
75	Social Care and Health System Upgrade	K. Hannah, Head of Resources & Business Services	115,000	-115,000	0	Amber
76	Sub-Total		115,000	-115,000	0	
77	TOTAL SOCIAL CARE AND HEALTH CAPITAL BUDGET		2,394,000	-2,394,000	0	
78	TOTAL COUNCIL CAPITAL BUDGET 2005/06		59,364,000	-23,109,000	36,255,000	