

MEDIUM TERM FINANCIAL PLAN

Focusing on our Priorities - Budget Recommendations

2009-2014
Council Budget



South Tyneside Council

26th February 2009

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إذا أردت هذه الوثيقة بلغة أخرى أو بطريقة أخرى، أو إذا كنت بحاجة إلى خدمات مترجم، فنرجو أن نقوم بالاتصال بنا.

Arabic

যদি আপনি এই ডকুমেন্ট অন্য ভাষায় বা ফরমেটে চান অথবা যদি আপনার একজন ইন্টারপ্রেটারের প্রয়োজন হয়, তাহলে দয়া করে আমাদের সাথে যোগাযোগ করুন।

Bengali

ਜੇ ਇਹ ਦਸਤਾਵੇਜ਼ ਤੁਹਾਨੂੰ ਕਿਸੇ ਹੋਰ ਭਾਸ਼ਾ ਵਿਚ ਜਾਂ ਕਿਸੇ ਹੋਰ ਰੂਪ ਵਿਚ ਚਾਹੀਦਾ ਹੈ, ਜਾਂ ਜੇ ਤੁਹਾਨੂੰ ਗੱਲਬਾਤ ਸਮਝਾਉਣ ਲਈ ਕਿਸੇ ਫਿਟਰਪੀਟਰ ਦੀ ਲੋੜ ਹੈ, ਤਾਂ ਤੁਸੀਂ ਸਾਨੂੰ ਸੱਸੋ।

Punjabi

यह दस्तावेज़ यदि आपको किसी अन्य भाषा या अन्य रूप में चाहिये, या आपको आनुवाद-सेवाओं की आवश्यकता हो तो हमसे संपर्क करें

Hindi

یہ دستاویز اگر آپ کو کسی دیگر زبان یا دیگر شکل میں درکار ہو، یا اگر آپ کو ترجمان کی خدمات چاہئیں تو برائے مہربانی ہم سے رابطہ کیجئے۔

Urdu

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I am proud South Tyneside Council continues to be one of the top performing councils in the country. In 2008 we were one of the only 26 councils nationally and the only council

Council Budget 2009 – 2014 ***“Focusing on our Priorities”***

Foreword by the Leader of the Council

in Tyne and Wear to achieve the maximum “4 star, excellent and improving strongly” rating in the Audit Commission Comprehensive Performance assessment (CPA).

As Leader of the Council, I was particularly pleased inspectors found that excellent partnership working, supported by challenging ambitions for the area, robust local intelligence and strong performance management were all contributing factors in improving outcomes for local people in South Tyneside.

It is only through focusing our resources on our priorities that we can continue to deliver on the achievements that are really important for the people of South Tyneside. This plan sets out how we will allocate our financial resources over the next five years.



Tai Madson.

**Councillor Iain Malcolm
Leader of the Council**

Foreword

To be a high performing organisation we need to ensure everything we do is fully focused around our customers to continually improve services for the people of our borough.

Our task now is to continue to deliver in what are difficult times for individuals and organisations alike.... the credit crunch, increased energy prices and increased costs of social care, combined with another low budget settlement for councils, mean that retaining services at their present level is a real challenge.

Knowing where we are going, being clear about what needs to be done most urgently and taking tough decisions when we have to, mean that we and our partners focus strongly on our priorities.

In the last year we have seen further excellent achievements and improvements to services, performance and resident satisfaction. They include:

Children and young people

We continue to improve outcomes for children and

young people.

- The Annual Performance Assessment produced by Ofsted said “South Tyneside makes a good contribution to improving outcomes for children and young people and has made good progress in responding to the recommendations made in its 2007 report”.
- Educational attainment has improved at all stages and closed the gap compared to the national average, with the 2008 GCSE and A-Level results being the best ever achieved within the area.
- Department for Children, Schools and Families (DCSF) has provisionally approved our Primary Strategy for Change, releasing £3m of capital investment in 2009/10, which will enable us to begin work on our Transforming our Primary Schools (TOPS) project.
- Safeguarding our vulnerable groups remains a top priority so we have invested in our fostering arrangements and social work teams as well as focusing on early intervention services, which improves support to families and young people.
- Teenage pregnancy rates have reduced significantly with latest figures showing a 40% reduction since 1998,

the second highest reduction in the country. Our rate is the best in the region, and is now below the national average.

- In partnership with North Tyneside Council and the Customs House Theatre, we have achieved £1.2m funding to launch the 'Finding Your Talent Programme'

that will deliver 5 hours of cultural activities per week for young people.

- We are seeing the start of our significant investment in our schools across the borough. We have already delivered a range of new schools - Boldon School, Seaview Primary, Bamburgh School and Holy Trinity Primary. This year the newly built Jarrow School will open as will the significantly refurbished Mortimer School. Work has also began at St Joseph's School and St Wilfrid's School followed by the remainder of the Building Schools for the Future programme for our secondary estate. A major transformation of our primary schools through the Transforming our Primary Schools (TOPS) project is progressing, supported by Primary Capital Funding from Central Government.

Independent and healthy lives

We are committed to making South Tyneside a place where people enjoy independent and healthy lives.

- Improving the health and well-being of older people and reducing smoking, obesity and alcohol harm are

among our top 10 Priority Objectives. Good progress is being made, with both male and female life expectancy increasing and the gap with national averages closing for men in South Tyneside.

- A state of the art one-stop shop for health and social care has opened at Flagg Court in South Shields and Glen Street Primary Care Centre has been opened in Hebburn. Another new health centre is under development in Cleadon Park as part of the major regeneration programme for the area.
- We have secured £3.5m of Department of Health funding for new extra care development in Horsley Hill which will provide 46 extra care tenancies including 42 two-bed flats and 4 two-bed bungalows for older people and people with dementia. The development is being delivered in partnership with Hanover Housing and will be operational from August 2010.
- We have established a partnership approach to benefits and finance issues and can demonstrate that older people's incomes have risen substantially as a result. Our Welfare Rights Unit and partners have been particularly successful in increasing benefit take up,

with £4.2m of benefit gains for people in South
Tyneside during 2007/08 alone.



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Foreword

Safer and stronger communities

This is extremely important to our residents - they tell us community safety, crime reduction and anti-social behaviour are among their top priorities.

- Crime levels remain low and continue to fall faster than both the Northumbria Force and the England and Wales average. During 2007/2008 there was a reduction in crime across most categories: Domestic burglaries reduced by 22%, theft of a vehicle reduced by 10% and criminal damage reduced by 15%. In this period total crime in South Tyneside reduced by 11.6%.
- Our strong emphasis on tackling anti-social behaviour is continuing to make a positive difference across the borough. During the first half of the 2008/09 financial year (April 2008 – September 2008) the Council's Anti-Social Behaviour Unit saw a 50% increase in enforcement actions taken against perpetrators of anti-social behaviour, compared to the same period during 2007/08.
- We are continuing our commitment to promoting Area Wellbeing by delivering Community Area

Planning and Neighbourhood Working.

Environment, housing and transport

We are determined to provide our residents with a clean, safe and tidy environment, decent housing and excellent transport links.

- In June 2008 South Tyneside Homes achieved a 'two star' rating, releasing £167m of Decent Homes funding. Added to other financial resources available, this means that a total of £252m will be invested in nearly 18,400 homes managed by South Tyneside Homes over the next five years. Between April and December 2008, 744 homes have been made decent. South Tyneside Homes are expected to exceed the target of 1,232 properties for 2008/09.
- We have increased our recycling and composting rates from 23.9% in 2006/07 to 28.2% in 2007/08 and we continue to extend the availability of kerbside collections for different types of materials. Schemes for plastic and cardboard collection have been trialled across the borough, whilst our expanded Recycling Village won "Civic Amenity Site of the Year" in national

awards.

- Improved maintenance of streets and open spaces linked to community involvement has led to 13 awards being presented by Northumbria in Bloom judges.

Jobs and enterprise

We are committed to helping people into jobs, expanding businesses and encouraging enterprise.

- The number of residents in employment has grown steadily up to March 2008 when 70.8% of working age population were working. Figures for June 2008 show a slight decline to 70.6%. We know the number of residents who are unemployed is now starting to rise sharply as economic issues have an impact. Job Seekers Allowance claimant figures for December show one of the highest month-on-month increases ever.
- Our employment rates have been showing up well against the regional average. Three years ago the regional gap was more than 3 percentage points. The gap for June 2008 was only 0.2 percentage points. South Tyneside traditionally felt the effects of an economic downturn first and hardest. However, for the period up to December 2008 we have performed in line with the rest of the region.
- In October 2008 we joined forces with BT in a £184m strategic partnership contract. Around 400 Council staff from professional and administrative areas such as information technology, human resources, procurement and financial services, transferred over to BT. The partnership will not only create a guaranteed 750 quality jobs but will also kick-start a major regeneration programme. The number of jobs could peak at 1,250 over the 10 year period.
- BT has pledged to set up its UK local government headquarters on the Harton Staithes site within three years, with a guarantee that 250 new jobs will be created in the first year.
- In November 2008, with One North East we announced that telecommunications software giant Tech Mahindra had chosen South Tyneside as the base to service its expanding European and North American client base, bringing with it up to 500 new jobs.
- Our £16.2m Local Enterprise Growth Initiative programme has been working to promote a cultural shift in attitudes towards enterprise and business growth. Our financial business growth package is already making a real difference.
- Our £6.4m 'Supporting People into Work' programme

has recorded over 3,000 job entries. It has targeted 34 areas in the borough that have the highest levels of key benefit claimants for the longest period of time.

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Culture and wellbeing

It is important South Tyneside promotes a sense of place, cultural opportunities and wellbeing.

- Tourism was worth around £207 million to the local South Tyneside economy in 2007, a 1% increase on the previous year. In 2007 South Tyneside received around 5.68 million visitors (day and overnight visitors), a 1% increase on 2006. There were approximately 3,852 full time equivalent tourism related jobs in the borough (direct and indirect) in 2007, again a 1% increase on 2006.
- A wide range of facilities and activities are encouraging people to participate in physical activity, such as our exercise referral scheme. The figures to date for 2008/09 show that there have been 411 referrals with a year end estimate of 822. Attendance on the Sports Development Programmes is 40,000 up to December 2008 with an estimated year end figure of 54,000.
- The restoration of South Marine Park to its former Victorian glory is almost complete. A public opening event has been scheduled for the beginning of April

2009.

- The figures for December 2008 show junior library membership has risen to 11,445 demonstrating the growing popularity of all our early years activities and the Summer Holiday Reading Challenge.

Regeneration

Strong progress continues to be made to ensure we have the correct physical infrastructure in place to support the transformation our borough deserves.

- The regeneration of Hebburn Town Centre remains a high priority for the Council. In March 2008 a consortium of Spennhill (Tesco's regeneration/property development subsidiary), Bellway and Gentoo was appointed as preferred developer. The Spennhill proposal includes the development of 200 new homes (50 being social rented), new retail and commercial units, a Tesco store, a community hub including a new library and Council customer service centre and family restaurant/public

house.

- The Cleadon Park regeneration continues with 94 social rented properties now in occupation and 80 reservations taken for owner occupation. Construction work has also started on the new health centre.

- We have continued to work with One North East to bring forward a 30hectare brownfield site at South Shields Riverside for a mix of employment, residential and leisure uses.

Resources

We have worked hard to improve our Value for Money by making the best possible use of our limited resources.

- In our 2008 Comprehensive Performance Assessment the Audit Commission stated, “The Council uses procurement effectively. It has an open approach to procurement and is willing to do things differently. It has made over £3m of procurement savings and entered into partnerships with both the private sector and neighbouring councils, in areas such as street lighting, waste collection, treatment and disposal and Building Schools for the Future”.
- We deliver good Value for Money, scoring 3 out of 4 in our Use of Resources annual assessment. We have maintained a clear focus on the efficiency agenda. The last 3 years we have made £15.2m of

- savings, which is 44 % above our agreed national target.
- We have introduced an ‘Invest to Save’ fund as a mechanism for releasing potential financial savings, making them available for redirection to priorities.
- Our partnership with BT South Tyneside will not only bring additional jobs to South Tyneside but it will also play a key role in improving the efficiency and effectiveness of services within the borough.

This year the Council faces significant financial challenges due to increased demand for our services, especially in adult care, and means that we need to spend more money just to carry on providing the services we currently offer. To continue to deliver our current services in the way that we do now we need to spend an extra £13.5m next year.

South Tyneside Council has a good track record of delivering value for money, attracting investment and improving services. However, there is always more that can be done and we are totally committed to improving performance whilst making savings and further embedding value for money. We listen to what our residents say about how we spend our money and

have a strong record of keeping Council Tax increases as low as possible.

Foreword

This budget for 2009 to 2014 focuses on how we can use our limited resources as efficiently as possible to redirect spending to our priority areas, those areas that you tell us matter most to you. In preparing the budget we have consulted extensively with all stakeholders and have listened very carefully to what people have told us - this has helped us to focus on what is most important to our communities.

During December to February, we held a series of consultation events with communities across the whole of South Tyneside as well as with members and our partners.

As in previous years we have had a strong response from residents to the consultation with nearly 250 people completing our budget questionnaire and around 100 attending meetings about the budget. We started our consultation earlier than in previous years to allow residents' views on priorities to inform our draft spending proposals and, for the first time, used electronic voting technology at consultation events to allow residents to give their views on our draft spending proposals. The excellent

feedback received from residents has helped us to develop and refine our spending proposals for 2009/10.

Our stakeholders expressed strong support for our priority led initiatives relating to improving Quality Assurance in Safeguarding Children and our Homelessness Prevention Service. We also know from extensive consultation with the community that our Tyne Gateway and Riverside Regeneration plans for the borough have strong support, and further significant investment is planned over the next 5 years to ensure these come to fruition.

The **business sector** asked for our support where possible in the current economic climate and were interested in joint opportunities for sponsorship and promotion.

The **voluntary sector** is concerned at their continuing ability to access funds during the 'credit crunch'. They recognised the need for further investment in services such as Homelessness Prevention and Citizens Advice Bureau.

Our **trade union** colleagues encouraged us to manage

change through redeployment of staff wherever possible, rather than potential job losses. They are keen to be involved in projects for transforming services.

Residents have asked us to keep Council Tax increases to a minimum. We therefore propose a 2.9% increase in Council Tax for 2009/10. This represents a weekly increase for Band A Council Tax payers of just 45p.

As we continually work to deliver high quality services for the people of South Tyneside, we recognise that the economic climate that we currently find ourselves in will present a significant challenge over the coming year. Achieving value for money in our services will be more important than ever. We will continue to focus our attention on the things that matter most to ensure that we support our families, our businesses and our communities through the months and years ahead.

Councillor Iain Malcolm

Leader of the Council

Introduction

Everything we do...

1. Everything we do is focused around delivering our ambitious vision for South Tyneside:

“Our young people will have new hope because they will have a bright future.

People of all ages will have high aspirations, great confidence and the skills and opportunities they need to succeed. People will be healthy, able to find work and will enjoy living here.

Our reputation for excellence in service to communities will be widely recognised and South Tyneside will be playing a full role in contributing to a thriving and prosperous region.”

2. Realising our vision cannot be achieved in isolation and as we move forward, we recognise that service planning,

commissioning and delivery must be planned, consistent and joined-up. All of our services must remain focused on improving outcomes for all of our communities.

What is the Medium Term Financial Plan?

3. We are committed to providing the best possible services for **everyone** in South Tyneside. This Medium Term Financial Plan outlines our approach to setting out the Council's medium term strategic plan in monetary terms. This document also sets the Council's budget for 2009/10.
4. The Council's medium term financial strategy, budgets and capital programme are soundly based and designed to deliver our strategic priorities.
5. The Council's Medium Term Financial Plan is one of the 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

- **Our Cultural Revolution** (which incorporates our People Management Strategy and Workforce

Development Plan) – this is our approach to ensure we are business like, highly effective, with clear objectives and priorities and that everyone knows what is expected of them and are valued.

6. These strategic planning documents are fully integrated and flow from 'the Spirit of South Tyneside', our joint Sustainable Community Strategy, Local Area Agreement and Regeneration Strategy.
7. Budget setting is at the core of the financial process within a local authority. CIPFA's (Chartered Institute of Public Finance and Accountancy) Standards of Professional Practice set out the key principles and objectives that should underpin each aspect of the budget planning process:
 - To help elected members to determine priorities and their timing
 - To forecast the changes in demand for services
 - To show the likely implications of changes in legislation on spending

- To show the future costs of alternative policies
- To match demand with likely resources
 - To provide a framework for programming activities by individual services.

Our Financial Strategy

8. The Council has adopted an overall strategy, which commits us to a number of guiding principals. These are:
 - Council Tax should be affordable for our residents;
 - Increases in Council Tax should be kept as low as possible;
 - Spending should be allocated to our priorities;
 - Resources should be prioritised to our statutory duties;
 - Value for Money is achieved for all our spending;
 - Members make real choices about investments.

The National Financial and Economic Context

9. The Council is dependant for a significant part of its funding

upon the allocation of resources from Government (67%
in 2009/10).



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10. The Government carried out a Comprehensive Spending Review (CSR) in 2007 which set the spending priorities for the next three years. Local Authorities received indicative funding allocations for the years 2008/09 to 2010/11 to allow longer term planning. At the time, the Local Government Association stated that this was the worst settlement for a decade.
11. Under this settlement, the national average increase in funding for 2009/10 is 4.2%. South Tyneside, however, is at the minimum or “floor” of funding so our 2009/10 cash increase is only 1.75% and our 2010/11 cash increase will be 1.5%.
12. We do not have indications of the funding levels in the next CSR which will cover 2011/12 to 2013/14. The Government has already announced that there will be a further £5bn of efficiency targets for the public sector from 2010/11. With the high levels of Government borrowings, our planning has to assume that there will be a significant reduction in funding, either through a reduction in the Revenue Support

Grant or reductions in grants we receive such as the Area Based Grant.

13. The Council receives 33% of its income from Council Tax payers. There are Government restrictions on the level that Council Tax can increase by, called “capping”. In 2008/09, this capping level was estimated at 5%. For 2009/10 this is expected to be 4%.
14. The economic downturn has impacted on the standstill pressures for the Council. Utility prices have increased way in excess of inflation and interest rates on our balances are expected to fall from 5% in early 2008/09 to 1% or less in 2009/10.
15. The next valuation of the Tyne & Wear Pension Fund will be in 2011/12 and any financial pressure from this review will coincide with a 0.5% increase in Employer National Insurance Rates already announced by Government.

16. These are some of the major challenges that we know we will have to deal with. However, the economic environment has changed so much in the space of less than one year that we know we will have to be prepared for much more.

The regional picture

17. In establishing our strategic and financial plans, we need to consider regional policies, plans and strategies. These include the following:

- The Regional Economic Strategy
- The Tyne Wear City Region Business Case
- One North East Regional Development Agency Business Support Review
- Business Link Tyne and Wear
- National Efficiency and Improvement Strategy
- National Procurement Strategy.

The local picture

18. The Medium Term Financial Plan is central to achieving our vision of a “better future for South Tyneside’s people”. Our plans for delivering this ambitious vision are set out in **“Spirit of South Tyneside”**, our combined **Local Area Agreement and Sustainable Community Regeneration Strategy**.

19. Spirit of South Tyneside sets out how South Tyneside’s Local Strategic Partnership (LSP) will deliver the community’s

vision, how we will tackle community leadership and the regeneration of our most deprived neighbourhoods.

20. To develop the Medium Term Financial Plan it is important to understand the characteristics of the borough and our communities.

21. South Tyneside is part of the Tyne and Wear conurbation, on the coast next to the River Tyne. Created in 1974 under local government reorganisation, covering 64 square kilometres with 6 areas – South Shields, Jarrow, Hebburn, Whitburn, Boldon and Cleadon.

22. South Tyneside’s place in world history is visible through the presence of one World Heritage Site, Arbeia, and another to be the UK’s nomination in 2010 – Wearmouth-Jarrow, an 8th century European centre of learning and culture.

23. The more recent history of the borough is characterised by heavy industries such as shipbuilding and engineering. South Tyneside suffered industrial decline in the 1970s and 1980s with severe social and economic consequences. As a result, deprivation remains widespread in South Tyneside.

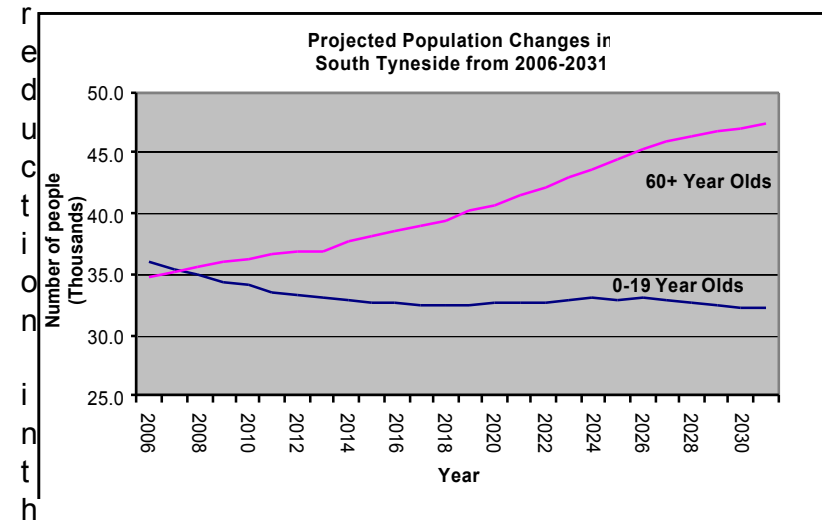
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24. The population is now projected to increase overall, but decrease amongst those under 65. The falling numbers of children and young people and rising numbers of older people in South Tyneside will have a significant impact on how we provide services, and represents a major challenge for the future.

South Tyneside – population facts

- The majority of our population is white British.
- 5.0% of South Tyneside’s total population and 5.5% of under-18s are from black or ethnic minority communities, mainly Indian and Bangladeshi.
- Our total population has fallen from 156,847 in 1993 to 151,000 today but indications are that it may grow as high as c.154,000 by 2031.
- Over half our residents (56%) live in neighbourhoods ranked in the 25% most deprived in England.

25. The following graph shows the results from population projections from the Office of National Statistics (ONS 2006) predicting a rise in the number of older people and a



e number of children and young people in South Tyneside over the next 25 years:

26. The results show that the numbers of 60+ year olds in South Tyneside are anticipated to increase by 12,700 from 34,800 in 2006 to 47,500 in 2031, which is an overall increase of 31.43%. The numbers of 0-19 year olds are anticipated to reduce by 3,800 from 2006 to 2028, which is an overall reduction of 10.6%. The implications of this ageing population and our approach for supporting older people is set out in our Older People's Plan. These implications pose significant challenges to our overall budget and service delivery.

27. In general there is a steady decline of 0-19 year olds, particularly among the 15-19 year olds. However, the 0-4s are currently increasing, although they will start to decline in about 2020.

28. While these trends may change by 2032, a predicted fall of 3,800 is equivalent to over 90 school classes (assuming a class size of 30 pupils). The falling numbers of children and young people and the rising older population in South Tyneside will have a significant impact on how we provide services.

29. These trends and projections have been factored into our Medium Term Financial Planning.

Equality and cohesion

30. Equality and cohesion are embedded throughout all of our services. It is not an extra piece of work, but part of everything we do. Our aim is to make South Tyneside a place where everyone feels accepted as part of our community. This means ensuring our communities are treated fairly and can easily access our services.

31. We value the views of the people of South Tyneside and want everyone who lives, works or visits to realise their full potential and be the best that they can be.

32. Actions to address any gaps in our services are in **Performing Together** and supporting Theme and Service plans. They are monitored as part of our robust approach to performance management.

Value for Money

33. Improving value for money is at the heart of everything we do. We feel the aim of the local government Value for Money agenda is straightforward – we must use our resources in the best possible way to deliver better

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public services for the best price, in line with the priorities of local people.

34. In South Tyneside, we work hard to ensure that we achieve high value for money. We always challenge ourselves to make sure our costs compare well with others by identifying and challenging areas of high spend. Our overall aim is to make sure that the money we spend results in high quality services that meet and satisfy local needs, ensuring we achieve the best value possible from every pound we spend.

35. As well as generating redirection proposals in order to ensure our spending plans are affordable, we also use our budget process to examine how we can deliver better value for money in the services we offer. Many of the redirection proposals within our budget for 2009/10, will make us work more efficiently and will mean that council tax payers get more for their money.

36. We are required to report to Central Government about our planned and actual cash releasing efficiencies through the

new National Indicator N179. The planned efficiencies we will report to Government for 2009/10 will include many of the redirection proposals included in our Medium Term Financial Plan. The crosscutting value for money projects and many of the other redirection proposals will directly tackle many of our services which seem to be high spending when we compare ourselves with other similar authorities.

37. There are no specific targets for individual Councils, but across local government, there is an expectation that 3% cash releasing efficiencies will be delivered each year.

What are the Council's revenue spending plans?

Revenue Spending Plans

38. Each year, we have to identify what we need to spend on Council services in the coming year, and also have to identify our provisional spending plans for future years. In previous years we have planned ahead for 3 years. This year we have extended our planning period to a 5-year period so we ensure that our spending plans are affordable and match the money we expect to receive from government and council taxpayers over a longer period. More of the financial risks we face cover longer periods eg demand on services from ageing population, pension realuations, waste disposal costs, so it is prudent to extend our planning period.
39. The table below summarises our revenue spending plans for 2009/10 and provisional spending plans for 2010/11 to 2013/14 and how this is allocated across the Council's Directorates.

2008/09 Budget £m	Revenue Spending Plans	2009/10 Budget £m	2010/11 £m	2011/12 Provisional Spending £m	2012/13 £m	2013/14 £m
135.153	Base Budget	162.419	165.907	173.728	176.795	179.933
32.095	Standstill Pressures	13.536	18.142	15.449	6.670	6.891
0.632	Priority Led initiatives	0.165	0.200	0.000	0.000	0.000
(5.461)	Redirection of Current Spending	(10.213)	(10.521)	(12.382)	(3.532)	(3.679)
162.419	TOTAL Revenue Spending Plans	165.907	173.728	176.795	179.933	183.145
2.17%	Percentage increase in Council budget	2.15%	4.71%	1.77%	1.77%	1.79%
	Directorate Revenue Budgets					
36.591	Children and Young People	41.975	44.235	46.601	48.856	50.968
85.756	Neighbourhood Services	93.616	106.333	109.871	112.918	116.180
39.759	Regeneration and Resources	26.656	19.404	16.507	14.283	12.061
0.313	Chief Executive's Office	3.660	3.756	3.816	3.876	3.936
162.419	TOTAL Directorate Revenue Budgets	165.907	173.728	176.795	179.933	183.145

What are the Council's revenue spending plans?

40. Appendices 1A and 1B provide more detail on the 2009/10 revenue budgets for each service and name the budget holder responsible for managing each budget area.

Standstill Pressures

41. The Council needs to spend money to keep services at their current level. Just to standstill and continue to deliver our current services we will need to spend an extra £13.5m next year, a further £18.1m in 2010/11 and a further £15.4m in 2011/12. Full details of these standstill pressures are set out in Appendix 1C to this report.
42. The Council, like many other Local Authorities, faces significant financial challenges due to employment legislation which works to ensure fairness and equality in pay for men and women employed by the Public Sector. The arrangements have resulted in increased employment costs for the Council.
43. As well as this, demand for our services, especially adult care and looked after children, continues to increase and means that we need to spend more money just to carry on providing the services we currently offer.
44. The current economic environment has impacted on our revenue budget with significant inflation rises to supplies and services, particularly for utilities. The fall in interest rates has significantly reduced our income on invested balances and whilst the uncertainty in the banking sector continues, has limited the banks that we would use to invest our balances.

What are the Council's revenue spending plans?

Priority-Led Initiatives

45. We also need to spend money to deliver our vision for South Tyneside by progressing with our Council priorities. The table below shows the planned new growth by priority theme, which is essential to meet our priorities over the five years. This is in addition to the redirection of existing resources to meet our priorities:

Priority-Led Initiatives	2009/10 £m	2010/11 £m	2011/12 £m	2012/13 £m	2013/14 £m
Children and Young People					
CYP01: Increase in adoption allowances	0.000	0.075	0.000	0.000	0.000
CYP02: Safeguarding - quality assurance	0.107	0.000	0.000	0.000	0.000
CYP03: Looked After Children accessing Children's Centres	0.000	0.100	0.000	0.000	0.000
Environment, Housing and Transport					
EHT01: Shopper service	0.000	0.025	0.000	0.000	0.000
EHT02: Investment in Homelessness prevention service	0.058	0.000	0.000	0.000	0.000
TOTAL Priority-Led Initiatives	0.165	0.200	0.000	0.000	0.000

What are the Council's revenue spending plans?

Redirection of current spending

46. The funding we will receive from government and from council taxpayers over the next five years, is not sufficient to cover our current level of spend plus our new standstill spending pressures and priority-led growth. Therefore, to make sure we can continue to focus 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. This will mean that our spending plans are affordable, and match the money we expect to receive from the government and council taxpayers.
47. 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 service delivery. Where possible, we have identified where we can reduce spending on support functions by working more efficiently so that we can protect front line services.
48. Beyond 2009/10, we have significant financial pressures to face, which mean that we must fundamentally transform the way we deliver some of our services. Our target savings from transformation projects total £24m over the period 2010/11 and 2011/12 alone.
49. Proposals for reducing spending and increasing efficiency for each Council priority theme are shown in the following table.

What are the Council's revenue spending plans?

Redirection of Current Spending	2009/10	2010/11	2011/12	2012/13	2013/14
	£m	£m	£m	£m	£m
Children and Young People					
CYP01: Information and data management	0.015	0.000	0.000	0.000	0.000
CYP02: Office administration	0.030	0.000	0.000	0.000	0.000
CYP03: Policy support	0.015	0.000	0.000	0.000	0.000
CYP04: Community Support Team	0.030	0.000	0.000	0.000	0.000
CYP05: Chuter Ede site management	0.015	0.000	0.000	0.000	0.000
CYP06: Adult and community learning	0.070	0.000	0.000	0.000	0.000
CYP07: Sure Start central teams	0.020	0.000	0.000	0.000	0.000
CYP08: Connexions	0.034	0.000	0.000	0.000	0.000
Culture and Wellbeing					
CW01: Reduce events and tourism budget	0.028	0.000	0.000	0.000	0.000
CW02: Reductions to library service provision	0.074	0.000	0.000	0.000	0.000
Environment, Housing and Transport					
EHT01: Area planning restructure	0.020	0.000	0.000	0.000	0.000
EHT02: Pest control contract income	0.015	0.000	0.000	0.000	0.000
EHT03: Rationalisation of fleet stores management	0.040	0.000	0.000	0.000	0.000
EHT04: Carry out STH drain maintenance	0.080	0.000	0.000	0.000	0.000
EHT05: Increase to bulky waste charges	0.013	0.000	0.000	0.000	0.000
EHT06: Streamline waste collection services	0.040	0.000	0.000	0.000	0.000
EHT07: Increase trade refuse charges 5%	0.030	0.000	0.000	0.000	0.000
EHT08: Revision of green waste summer season	0.010	0.000	0.000	0.000	0.000
EHT09: Creation of car park on market site	0.042	0.000	0.000	0.000	0.000
EHT10: Road Safety - improved parking enforcement around schools and bus lanes	0.050	0.000	0.000	0.000	0.000
EHT11: Additional income in transport fleet	0.020	0.000	0.000	0.000	0.000
EHT12: Redution in overtime expenditure	0.075	0.000	0.000	0.000	0.000

What are the Council's revenue spending plans?

Redirection of Current Spending	2009/10	2010/11	2011/12	2012/13	2013/14
	£m	£m	£m	£m	£m
EHT13: Housing futures restructure	0.062	0.000	0.000	0.000	0.000
EHT14: Review of building cleaning services	0.050	0.000	0.000	0.000	0.000
EHT15: Revision of labour pool within streetscroe	0.054	0.000	0.000	0.000	0.000
EHT16: Increase crematorium/cemetries fees by 5%	0.060	0.000	0.000	0.000	0.000
EHT17: Rationalisation of community wardens	0.100	0.000	0.000	0.000	0.000
EHT18: Review provision of road safety at schools	0.060	0.000	0.000	0.000	0.000
Independent and Healthy Lives					
IHL01: Increase meal charges	0.028	0.000	0.000	0.000	0.000
IHL02: Increase home care charges	0.050	0.000	0.000	0.000	0.000
IHL03: Charge rent to Northumberland T&W trust for accomodation	0.060	0.000	0.000	0.000	0.000
IHL04: Additional income from PCT in respect of S117 packages	0.350	0.000	0.000	0.000	0.000
IHL05: Modernisation of Adult Services	0.866	0.000	0.000	0.000	0.000
IHL06: Review of management posts	0.062	0.000	0.000	0.000	0.000
IHL07: Use of Social Care Reform Grant	0.150	0.000	0.000	0.000	0.000
Jobs and Enterprise					
JE01: ERDF funding for enterprise programme	0.400	0.000	(0.400)	0.000	0.000
JE02: Deletion of vacant post - employment team	0.035	0.000	(0.035)	0.000	0.000
Resources					
RES01: BT Procurement savings guarantee	2.001	0.000	(1.595)	0.049	0.139
RES02: BT Efficiency savings guarantee	0.167	0.402	0.460	0.374	0.149
RES03: Revision of design team recoveries	0.117	0.000	0.000	0.000	0.000

What are the Council's revenue spending plans?

Redirection of Current Spending	2009/10	2010/11	2011/12	2012/13	2013/14
	£m	£m	£m	£m	£m
RES04: Reduce Council funding for On View to 4 editions	0.040	0.000	0.000	0.000	0.000
RES05: Budget provision for LABGI funds	0.100	0.100	(0.200)	0.000	0.000
RES06: Remove election budget (1 year only)	0.250	(0.250)	0.000	0.000	0.000
RES07: Disband temporary equal pay legal support	0.021	0.000	0.000	0.000	0.000
RES08: Insurance fund review (1 year only)	0.250	(0.250)	0.000	0.000	0.000
RES09: Head of service review	0.100	0.000	0.000	0.000	0.000
RES10: Reduction in policy, performance and communications staff	0.029	0.000	0.000	0.000	0.000
RES11: Rationalisation of middlefields security	0.100	0.000	0.000	0.000	0.000
RES12: Reduction in supplies and services across Chief Executive's office	0.052	0.000	0.000	0.000	0.000
RES13: Review staffing in Chief Executive's office	0.136	(0.036)	0.000	0.000	0.000
RES14: Value for money review of overtime and use of agency staff	0.500	0.000	0.000	0.000	0.000
RES15: Reduction in non-statutory supply and service cost budgets	2.489	0.000	0.000	0.000	0.000
RES16: Review our use of external grants	0.538	0.000	0.000	0.000	0.000
RES17: Transformation projects	0.000	10.578	14.152	3.109	3.391
Safer and Stronger Communities					
SSC01: Redirection of SSCF Neighbourhood and project funding	0.060	0.000	0.000	0.000	0.000
SSC02: Management fee for external projects	0.035	(0.008)	0.000	0.000	0.000
SSC03: Achieve efficiencies from local involvement network	0.020	0.000	0.000	0.000	0.000
SSC04: Community involvement strategy enabling rationalisation of consultation excersies	0.015	(0.015)	0.000	0.000	0.000
SSC05: Review of community centres (phase 2)	0.040	0.000	0.000	0.000	0.000
TOTAL Redirection of Current Spending	10.213	10.521	12.382	3.532	3.679

What are the Council's revenue spending plans?

Revenue Funding

50. The table below summarises the estimated resources we have available to fund our revenue spending:

2008/09		2009/10	2010/11	2011/12	2012/13	2013/14
Budget £m	Revenue Funding Forecast	Budget £m	£m	Provisional Funding £m	£m	£m
87.484	Revenue Support Grant and Business Rates	88.968	90.285	91.640	93.014	94.410
20.629	Area Based Grant	21.306	26.374	26.374	26.374	26.374
0.251	Council General Reserves	0.251	0.000	0.000	0.000	0.000
0.000	Collection Fund Contribution	(0.025)	0.000	0.000	0.000	0.000
54.055	Council Tax Income	55.407	57.069	58.781	60.544	62.361
162.420	TOTAL Revenue Funding Forecast	165.907	173.728	176.795	179.933	183.145
87.718	Dedicated Schools Grant	89.472	91.261	93.086	94.948	96.847

51. In 2009/10 we will receive 67% of our revenue from central government and 33% from Council Tax. 2009/10 is the second year of a three-year funding period and as such, we received an indicative allocation for the third year, 2010/11. The cash increases in Revenue Support Grant (RSG) are 1.75% in 2009/10 and 1.5% in 2010/11. This is at the minimum or "floor" of funding increases in Local Government.
52. 2011/12 to 2013/14 allocations from central government will be part of the next three-year funding period. Our only indications at this time are that the next funding period will be even more difficult than the current one. For this reason, we have assumed an increase of

1.5% for future years.

What are the Council's revenue spending plans?

53. Area Based Grant is an unringfenced grant which brought together many of our former specific grants when it was created in 2008/09. The funding has been confirmed for the three year funding period to 2010/11 with limited inflationary increases in the grant. We have assumed a nil inflationary increase in Area Based Grant beyond 31st March 2011.
54. The table at paragraph 50 shows the amount of Council Tax we will collect in 2009/10 with an increase of 2.9%. **For planning purposes only**, we have included the estimated income in 2010/11 to 2013/14, based on a Council Tax increase of 3.0%.
55. The actual increases in council tax income in 2010/11 to 2013/14 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. At our current Council Tax Base, a 1% increase in the level of Council Tax level will generate an additional £0.540m of income.
56. Schools expenditure is funded from a specific Dedicated Schools Grant (DSG). We have indicative allocations of funding up to 2010/11 with a 2% cash increase each year. Again, this is on the "floor" of funding increases. The income from DSG is shown within the budget for Children & Young People's Directorate as this is a ring-fenced grant. For later years, we have assumed the continued increase of 2% per year.
57. The following section provides further information on our Council tax levels from 1st April 2009.

What are the Council's revenue spending plans?

Council Tax Income

South Tyneside Council's Council Tax Requirement

58. To fund our spending plans, we need to increase **our proportion of the Borough's Council Tax by 2.9%** in 2009/10 to raise **£55.407m**. The table below identifies the effect of this 2.9% increase in council tax for each property band.

2009/10 Borough Council Tax	Band Weighting	South Tyneside Council 2008/09	South Tyneside Council 2009/10
Band A Properties	6/9	£814.01	£837.60
Percentage increase			2.90%
Annual Increase			£23.59
Weekly Increase			£0.45
Band B Properties	7/9	£949.67	£977.19
Percentage increase			2.90%
Annual Increase			£27.52
Weekly Increase			£0.53
Band C Properties	8/9	£1,085.34	£1,116.80
Percentage increase			2.90%
Annual Increase			£31.46
Weekly Increase			£0.60

What are the Council's revenue spending plans?

2009/10 Borough Council Tax	Band Weighting	South Tyneside Council 2008/09	South Tyneside Council 2009/10
Band D Properties	1	£1,221.00	£1,256.39
Percentage increase			2.90%
Annual Increase			£35.39
Weekly Increase			£0.68
Band E Properties	11/9	£1,492.34	£1,535.59
Percentage increase			2.90%
Annual Increase			£43.25
Weekly Increase			£0.83
Band F Properties	13/9	£1,763.66	£1,814.79
Percentage increase			2.90%
Annual Increase			£51.13
Weekly Increase			£0.98
Band G Properties	15/9	£2,035.01	£2,093.99
Percentage increase			2.90%
Annual Increase			£58.98
Weekly Increase			£1.13
Band H Properties	18/9	£2,442.00	£2,512.78
Percentage increase			2.90%
Annual Increase			£70.78
Weekly Increase			£1.36

What are the Council's revenue spending plans?

Fire and Police Authority Council Tax Precepts

59. The overall council tax level set for the borough includes precepts for the Tyne & Wear Fire and Civil Defence Authority and Northumbria Police Authority. Northumbria Police have confirmed a precept increase of 3.9%. Tyne & Wear Fire and Civil Defence Authority have confirmed a precept increase of 1.24%.

2009/10 Borough Council Tax					
	Band Weighting	Fire Authority 2008/09	Fire Authority 2009/10	Police Authority 2008/09	Police Authority 2009/10
Band A Properties	6/9	£47.74	£48.33	£52.17	£54.21
Percentage increase			1.24%		3.90%
Annual Increase			£0.59		£2.04
Weekly Increase			£0.01		£0.04
Band B Properties	7/9	£55.70	£56.39	£60.88	£63.25
Percentage increase			1.24%		3.90%
Annual Increase			£0.69		£2.37
Weekly Increase			£0.01		£0.05
Band C Properties	8/9	£63.65	£64.44	£69.57	£72.28
Percentage increase			1.24%		3.90%
Annual Increase			£0.79		£2.71
Weekly Increase			£0.02		£0.05

What are the Council's revenue spending plans?

2009/10 Borough Council Tax	Band Weighting	Fire Authority 2008/09	Fire Authority 2009/10	Police Authority 2008/09	Police Authority 2009/10
Band D Properties	1	£71.61	£72.50	£78.27	£81.32
Percentage increase			1.24%		3.90%
Annual Increase			£0.89		£3.05
Weekly Increase			£0.02		£0.06
Band E Properties	11/9	£87.52	£88.61	£95.66	£99.39
Percentage increase			1.24%		3.90%
Annual Increase			£1.09		£3.73
Weekly Increase			£0.02		£0.07
Band F Properties	13/9	£103.44	£104.72	£113.06	£117.46
Percentage increase			1.24%		3.90%
Annual Increase			£1.28		£4.40
Weekly Increase			£0.02		£0.08
Band G Properties	15/9	£119.35	£120.83	£130.45	£135.53
Percentage increase			1.24%		3.90%
Annual Increase			£1.48		£5.08
Weekly Increase			£0.03		£0.10
Band H Properties	18/9	£143.22	£145.00	£156.54	£162.64
Percentage increase			1.24%		3.90%
Annual Increase			£1.78		£6.10
Weekly Increase			£0.03		£0.12

What are the Council's revenue spending plans?

South Tyneside Council Tax for 2009/10

60. The overall council tax increase for the borough is shown in the table below.

2008/09 Band D	Council Tax Increase	2009/10 Band D	Increase in Band D	
			£	%
£1,221.00	South Tyneside Council	£1,256.39	£35.39	2.90%
£71.61	Fire Authority	£72.50	£0.89	1.24%
£78.27	Police Authority	£81.32	£3.05	3.90%
£1,370.88	Borough Band D Council Tax	£1,410.21	£39.33	2.87%

61. The tables below identify the Borough's Council Tax for each property for 2009/10.

2009/10 Borough Council Tax	% of Properties in Each Band	% of Properties Receiving Benefit	Band Weighting	Borough Council Tax 2008/09	Borough Council Tax 2009/10
Band A Properties	66.8%	42.5%	6/9	£913.92	£940.14
Percentage increase					2.87%
Annual Increase					£26.22
Weekly Increase					£0.50

What are the Council's revenue spending plans?

2009/10 Borough Council Tax	% of Properties in Each Band	% of Properties Receiving Benefit	Band Weighting	Borough Council Tax 2008/09	Borough Council Tax 2009/10
Band A Properties	66.8%	42.5%	6/9	£913.92	£940.14
Percentage increase					2.87%
Annual Increase					£26.22
Weekly Increase					£0.50
Band B Properties	12.9%	18.3%	7/9	£1,066.25	£1,096.83
Percentage increase					2.87%
Annual Increase					£30.58
Weekly Increase					£0.59
Band C Properties	10.7%	8.6%	8/9	£1,218.56	£1,253.52
Percentage increase					2.87%
Annual Increase					£34.96
Weekly Increase					£0.67
Band D Properties	5.7%	5.2%	1	£1,370.88	£1,410.21
Percentage increase					2.87%
Annual Increase					£39.33
Weekly Increase					£0.76
Band E Properties	2.3%	3.6%	11/9	£1,675.52	£1,723.59
Percentage increase					2.87%
Annual Increase					£48.07
Weekly Increase					£0.92
Band F Properties	1.0%	0.7%	13/9	£1,980.16	£2,036.97
Percentage increase					2.87%
Annual Increase					£56.81
Weekly Increase					£1.09

What are the Council's revenue spending plans?

2009/10 Borough Council Tax	% of Properties in Each Band	% of Properties Receiving Benefit	Band Weighting	Borough Council Tax 2008/09	Borough Council Tax 2009/10
Band G Properties	0.5%	1.3%	15/9	£2,284.81	£2,350.35
Percentage increase					2.87%
Annual Increase					£65.54
Weekly Increase					£1.26
Band H Properties	0.1%	6.3%	18/9	£2,741.76	£2,820.42
Percentage increase					2.87%
Annual Increase					£78.66
Weekly Increase					£1.51

What are the Council's capital spending plans?

Capital Spending Plans

62. The table below summarises our capital spending plans for 2009/10 and provisional spending plans for 2010/11 to 2013/14.

2008/09 £m	Council Capital Programme	2009/10 Budget £m	2010/11 Provisional Capital Spending £m	2011/12 £m	2012/13 £m	2013/14 £m	TOTAL £m
8.636	Planned Maintenance Programme	8.925	9.036	9.141	9.201	9.317	45.620
55.486	Capital Priority Schemes	69.586	60.189	48.690	28.021	12.082	218.568
15.522	Housing Programme	7.273	7.212	7.213	7.137	5.637	34.472
17.398	ALMO Decent Homes Programme	36.577	46.227	48.592	48.838	8.713	188.947
97.042	TOTAL Council Capital Spending Plans	122.361	122.664	113.636	93.197	35.749	487.607

63. The Council spends capital resources in two main areas, maintaining our existing assets and new capital priority schemes. The following tables show the capital priority schemes, planned maintenance schemes and housing capital programme for the next 5 years:

What are the Council's capital spending plans?

Capital Priority Schemes	Provisional Programme					TOTAL £m
	2009/10 £m	2010/11 £m	2011/12 £m	2012/13 £m	2013/14 £m	
Jobs and Enterprise						
R&RC01 A19 Jobslink Corridor	5.240	0.000	0.000	0.000	0.000	5.240
R&RC02 Tyne Gateway/ Riverside Regeneration	3.320	2.990	2.000	0.330	0.330	8.970
R&RC03 Regeneration and Transformation Fund	0.400	0.400	0.400	0.400	0.400	2.000
R&RC04 Achieving regeneration in the borough	2.000	0.250	0.000	0.000	0.000	2.250
R&RC05 Major grants fund	0.408	0.150	0.150	0.150	0.150	1.008
	11.368	3.790	2.550	0.880	0.880	19.468
Independent and Healthy Lives						
NSC01 Disabled facilities in private housing	1.153	1.183	1.183	1.183	1.183	5.885
NSC02 Social Care & Health ICT system upgrade	0.107	0.107	0.107	0.107	0.000	0.428
	1.260	1.290	1.290	1.290	1.183	6.313
Safer and Stronger Communities						
NSC03 CCTV replacement	0.141	0.000	0.000	0.000	0.000	0.141
NSC04 Community Area Forum grants	0.120	0.120	0.120	0.120	0.120	0.600
	0.261	0.120	0.120	0.120	0.120	0.741
Children and Young People						
CYPC01 Building Schools for the Future	24.185	23.275	23.339	16.591	2.391	89.781
CYPC02 Primary School Reorganisation (TOPS)	3.704	9.910	4.034	4.033	4.033	25.714
CYPC03 Extended schools	0.277	0.143	0.143	0.143	0.143	0.849
CYPC04 Accommodation for Alternative Education Service	0.200	0.000	0.000	0.000	0.000	0.200
CYPC05 Asbestos removal in schools	0.200	0.200	0.200	0.200	0.200	1.000
CYPC06 School Access Initiative	0.238	0.238	0.238	0.238	0.238	1.190

What are the Council's capital spending plans?

Capital Priority Schemes	Provisional Programme					TOTAL
	2009/10	2010/11	2011/12	2012/13	2013/14	
	£m	£m	£m	£m	£m	
CYPC07 Harnessing technology	0.495	0.540	0.540	0.540	0.540	2.655
CYPC08 Childrens Centres	0.518	0.520	0.520	0.520	0.520	2.598
CYPC09 Youth Capital Fund	0.096	0.096	0.096	0.096	0.096	0.480
CYPC10 Children's' Homes feasibility	0.065	0.000	0.000	0.000	0.000	0.065
CYPC11 Early Years Grant funding	0.472	0.472	0.000	0.000	0.000	0.944
CYPC12 Replacement of school dining room equipment	0.200	0.000	0.000	0.000	0.000	0.200
CYPC13 Short Break Respite funding	0.084	0.196	0.000	0.000	0.000	0.280
	30.734	35.590	29.110	22.361	8.161	125.956
Environment, Housing and Transport						
NSC05 Alternative Waste collection / recycling project	1.092	0.095	0.000	0.000	0.000	1.187
NSC06 Improvements to waste recycling site	0.050	0.000	0.000	0.000	0.000	0.050
NSC07 Crematorium - compliance with mercury emissions legislation	0.455	0.000	0.000	0.000	0.000	0.455
NSC08 Replacement of Vehicles and Plant Transport Section	2.350	1.400	0.900	0.900	0.900	6.450
R&RC06 Cleadon Park Regeneration	0.500	0.000	0.000	0.000	0.000	0.500
R&RC07 Cleadon Park Community Facilities	0.308	0.000	0.000	0.000	0.000	0.308
R&RC08 Hebburn New Town	0.060	0.060	0.000	0.000	0.000	0.120
R&RC09 Coastal Protection - Trow Quarry	0.100	0.000	0.000	0.000	0.000	0.100
R&RC10 Coastal Protection projects (with approved external funding)	1.520	0.010	0.010	0.010	0.000	1.550
R&RC11 Costal Protection - Littlehaven Sea Wall	0.500	0.000	0.000	0.000	0.000	0.500
R&RC12 Improve private housing in the borough	0.640	0.640	0.640	0.640	0.640	3.200
NSC09 Festive lighting	0.075	0.000	0.000	0.000	0.000	0.075
NSC10 Street lighting replacement programme (non PFI)	0.100	0.100	0.100	0.100	0.050	0.450
NSC11 Public Realm and Street Furniture	0.250	0.100	0.100	0.100	0.100	0.650
	8.000	2.405	1.750	1.750	1.690	15.595

What are the Council's capital spending plans?

Capital Priority Schemes	Provisional Programme					TOTAL
	2009/10	2010/11	2011/12	2012/13	2013/14	
	£m	£m	£m	£m	£m	£m
Culture and Well Being						
NSC12 Bents Park changing rooms refurbishment (The Dragon)	0.976	0.000	0.000	0.000	0.000	0.976
NSC13 Bents Park stage	0.000	0.104	0.750	0.000	0.000	0.854
NSC14 Monkton Stadium artificial turf pitch	0.500	0.000	0.000	0.000	0.000	0.500
NSC15 Cleadon Library fit out	0.000	0.110	0.000	0.000	0.000	0.110
NSC16 21st century leisure facilities	2.650	14.800	12.650	1.200	0.000	31.300
NSC17 Parks Infrastructure	0.050	0.050	0.050	0.000	0.000	0.150
NSC18 South Marine Park	0.143	0.000	0.000	0.000	0.000	0.143
	4.319	15.064	13.450	1.200	0.000	34.033
Resources						
R&RC13 Office accommodation	0.600	0.000	0.000	0.000	0.000	0.600
R&RC14 Maintenance of voice and data infrastructure	0.550	0.190	0.000	0.000	0.000	0.740
R&RC15 ICT system and E-Government	0.379	0.000	0.000	0.000	0.000	0.379
R&RC16 South Shields Registry Office	0.050	0.000	0.000	0.000	0.000	0.050
R&RC17 External Funding Development Fund	0.035	0.000	0.000	0.000	0.000	0.035
R&RC18 Customer Service Strategy	0.200	0.000	0.000	0.000	0.000	0.200
R&RC19 Single Status	9.790	0.000	0.000	0.000	0.000	9.790
R&RC20 Partner capital	2.040	1.740	0.420	0.420	0.048	4.668
	13.644	1.930	0.420	0.420	0.048	16.462
TOTAL Capital Priority Schemes	69.586	60.189	48.690	28.021	12.082	218.568

What are the Council's capital spending plans?

Capital Planned Maintenance Programme	Provisional Programme					TOTAL £m
	2009/10 £m	2010/11 £m	2011/12 £m	2012/13 £m	2013/14 £m	
Council Assets Maintenance Programme						
R&RPM01 Planned Maintenance Programme	2.000	2.100	2.205	2.315	2.431	11.051
R&RPM02 Boiler replacement	0.221	0.000	0.000	0.000	0.000	0.221
	2.221	2.100	2.205	2.315	2.431	11.272
Neighbourhood Services Maintenance Programme						
NSPM01 Highways infrastructure improvements	0.250	0.250	0.250	0.250	0.250	1.250
NSPM02 Highways Maintenance Programme (LTP)	1.479	1.700	1.700	1.700	1.700	8.279
NSPM03 Improving the quality of footpaths	0.250	0.250	0.250	0.250	0.250	1.250
NSPM04 Integrated Transport Programme (LTP)	1.492	1.803	1.803	1.803	1.803	8.704
NSPM05 Maintain and improve footbridges	0.250	0.050	0.050	0.000	0.000	0.350
NSPM06 Maintain and Improve Subways	0.100	0.000	0.000	0.000	0.000	0.100
NSPM07 Public transport highway improvements	0.228	0.228	0.228	0.228	0.228	1.140
	4.049	4.281	4.281	4.231	4.231	21.073
School Assets Maintenance Programme						
CYPPM01 School Asset Condition and Suitability	0.500	0.500	0.500	0.500	0.500	2.500
CYPPM02 Schools Devolved Capital Spending	2.155	2.155	2.155	2.155	2.155	10.775
	2.655	2.655	2.655	2.655	2.655	13.275
TOTAL Capital Planned Maintenance Programme	8.925	9.036	9.141	9.201	9.317	45.620

What are the Council's capital spending plans?

Housing Capital Programme	Provisional Housing Programme					Programme
	2009/10	2010/11	2011/12	2012/13	2013/14	TOTAL
	£m	£m	£m	£m	£m	£m
Secured Resources						
Delivering decent homes	36.577	46.227	48.592	48.838	8.713	188.947
High priority essential work	4.573	4.512	4.513	4.437	3.437	21.472
TOTAL South Tyneside Homes Secured	41.150	50.739	53.105	53.275	12.150	210.419
Council Retained						
Special adaptations dwellings	1.700	1.700	1.700	1.700	1.200	8.000
Area redevelopment support	1.000	1.000	1.000	1.000	1.000	5.000
TOTAL Council Secured	2.700	2.700	2.700	2.700	2.200	13.000
TOTAL Housing Capital Programme (with ALMO)	43.850	53.439	55.805	55.975	14.350	223.419

64. Our capital budget plans for 2009/10 are shown in detail at Appendix 2A with a simple colour coding system to assess each scheme's state of readiness to proceed. Each project has been allocated to a responsible budget holder.

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.

What are the Council's capital spending plans?

Capital Funding

65. The table below summarises our capital funding estimates for 2009/10 and provisional funding estimates for 2010/11 to 2013/14:

2008/09 £m	Council Capital Funding Forecast	Provisional Capital Funding					TOTAL £m
		2009/10 £m	2010/11 £m	2011/12 £m	2012/13 £m	2013/14 £m	
33.499	Supported Borrowing	34.312	43.188	45.788	46.188	4.788	174.264
5.252	Unsupported Borrowing (corporate funding)	17.477	10.548	8.253	4.904	3.780	44.962
0.000	Unsupported Borrowing (directorate funding)	5.103	3.140	1.320	1.320	0.948	11.831
12.196	Housing Major Repairs Allowance	11.924	11.713	11.479	11.249	11.024	57.389
38.920	External Funding (Secured and Bid-for)	47.369	46.069	40.917	23.371	11.209	168.935
2.695	Revenue Contributions	1.123	1.000	1.000	1.000	1.000	5.123
8.141	Council capital receipts	5.053	7.006	4.879	5.165	3.000	25.103
(3.661)	Less prior year commitments	0.000	0.000	0.000	0.000	0.000	0.000
97.042	TOTAL Capital Programme Funding	122.361	122.664	113.636	93.197	35.749	487.607

What are the Council's capital spending plans?

66. The Council's capital programme has been impacted by the downturn in the economic environment with capital receipts being delayed. Our unsupported borrowing has increased as a result to ensure that our regeneration plans can continue and land assets which have reduced in value at this time can be retained until there is an improvement in the economy.
67. A separate table has been included at Appendix 2B providing more detail on the sources of external funding and whether the funding has been secured or is still at bidding stage. Capital schemes dependent on external funding will not proceed until full funding has been secured.
68. From 1st April 2004, a prudential code for capital financing applied 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. The Council's prudential indicators and borrowing requirements are detailed in the following section.

What are the Council's prudential indicators

Prudential Code

69. 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.
70. 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**.
71. 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.
72. 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

73. 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.

What are the Council's prudential indicators?

74. 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.

75. Due to the economic environment, prudential borrowing has been planned for part of the capital programme. This is to allow land assets, whose market value has been affected by the economic downturn, to be held until the markets improve.

Affordability

76. To assess the affordability of prudential borrowing, we review 3 key elements:

- The level of the Council's Capital Financing Requirement, which demonstrates our underlying need to borrow to fund the capital spending plans.
- The estimated ratio of financing costs (debt charges, interest payments and interest received) to the Council's net revenue stream for current and future spending plans.
- The movement in Council Tax and housing rents as a result of our capital spending plans.

What are the Council's prudential indicators

2008/09 £m	Affordability Measures	2009/10 £m	2010/11 £m	2011/12 £m
Capital Spending Plans				
64.122	Council Capital Programme (excluding Housing)	78.511	69.225	57.831
32.920	Housing Capital Programme	43.850	53.439	55.805
97.042	TOTAL Capital Programme	122.361	122.664	113.636
Capital Financing Requirement				
132.156	Council Capital Programme	151.848	160.354	164.110
109.499	Housing Capital Programme	140.425	181.151	224.477
241.655	TOTAL Capital Financing Requirement	292.273	341.505	388.587
Ratio of Financing Costs to Net Revenue Stream				
3.70%	Council Capital Programme	4.79%	5.38%	4.87%
36.25%	Housing Capital Programme	35.18%	36.69%	37.96%
Estimated incremental impact of capital investment decisions				
	For the Band D Council Tax (Annually)	£8.61	£65.87	£52.15
	For Average Weekly Housing Rents	-£0.25	-£0.70	-£0.73

What are the Council's prudential indicators?

77. The increase attributable to housing rents is due to the impact of planned borrowing by the ALMO following the successful 2-star inspection result. In practice, the Council's capital investment decisions will not usually translate into the above council tax and rent increases as the Council is likely to receive increased revenue support grant and housing subsidy to fund planned supported borrowing.

Prudence – Council Treasury Management Practices

78. The Council has an integrated treasury management strategy and has adopted the CIPFA [Code of Practice for Treasury Management in the Public Services](#).
79. 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.
80. The Council's treasury management strategy and annual plan for 2009/10 will be presented to Cabinet for approval on 4th March 2009.

Prudence Indicator - Net Borrowing and Capital Finance Requirement

81. 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”

What are the Council's prudential indicators

82. 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

83. The Council's actual external debt at 31st March 2008 was £226.1m. The Council's debt at 31st March 2009 is estimated to be £241.6m.

84. 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.

85. The following table identifies the **Council's authorised limit for external debt** for 2009/10 to 2011/12. For 2009/10, the authorised limit of £420m is the statutory limit determined under section 3(1) of the Local Government Act 2003.

Council External Debt Authorisation Limit	2009/10	2010/11	2011/12
	Budget	Estimate	Estimate
	£m	£m	£m
External Debt Authorised Limit			
Council Borrowing	418.0	468.0	488.0
Other Council Long Term Liabilities	2.0	2.0	2.0
TOTAL Council External Debt Authorised Limit	420.0	470.0	490.0

What are the Council's prudential indicators?

86. 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.
87. The following table identifies the **Council's operational boundary for external debt** for 2009/10 to 2011/12.

Council External Debt Operational Boundary	2009/10	2010/11	2011/12
	Budget	Estimate	Estimate
	£m	£m	£m
External Debt Operational Boundary			
Council Borrowing	358.0	408.0	453.0
Other Council Long Term Liabilities	2.0	2.0	2.0
TOTAL - Council External Debt Operational Boundary	360.0	410.0	455.0

88. 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.

What are the Council's prudential indicators?

89. As part of the Council's Treasury Management Strategy the Head of Finance, as Section 151 Officer has delegation from Council to operate between the operational boundary for external debt and the authorised limit for external debt shown in the table at paragraph 86.

Prudence – Council Fixed and Variable Interest Rate Exposure

90. The net outstanding principal, or overall net debt, is the difference between the value of the debt portfolio and the value of the investment portfolio.
91. The maximum potential value of the debt portfolio for 2009/10 is £420m, which is the **Council's authorised limit for external debt**, as set out in the table in paragraph 86.
92. In terms of variable rate exposures most of the exposure is usually through the investment portfolio. This is because the vast majority of the Council's investments are for periods of up to one year, in order to cover the Council's cash flow requirements, and any investment under one year is classified as variable. The maximum potential exposure to variable rates would therefore, occur when the investment portfolio was at its largest. This would happen if the level of debt reached the Authorised Limit of £420m. This would result in an overfinancing of the Council's Capital Financing Requirement, with this overfinancing amount being invested along rate terms. Therefore, the upper limit of fixed rate exposure of £420m of debt expressed as a percentage of the overall net debt of £197m, is 213%.
93. Therefore, the Council's net debt position in 2009/10 is estimated to be £197m (£420m less £223m)

What are the Council's prudential indicators

94. 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. These limits are calculated in accordance with the CIPFA Prudential Code Guidance Notes for interest rate exposures.

Fixed and Variable Interest Rate Exposure on Net Outstanding Principal	2009/10 Budget	2010/11 Estimate	2011/12 Estimate
	%	%	%
Fixed rate interest - upper limit	213%	191%	167%
Variable rate interest - upper limit	-113%	-91%	-67%

95. The upper limits as set out above are calculated with reference to the maximum projected amounts of net debt on fixed or variable rate terms. The total of this net figure is then expressed as a percentage of the overall net debt.
96. In 2009/10 for example, the maximum amount of borrowing will be limited to £420m. Consequently, the upper limit for fixed rate exposure assumes that all of this debt can be arranged on fixed rate terms and there will be no investments on fixed rate terms. Therefore, the upper limit of fixed rate exposure of £420m of debt expressed as a percentage of the overall net debt of £197m, is 213%.
97. For the variable rate exposure it is assumed that there is no debt on variable rate terms and all investments are on variable rate terms. This gives an upper limit of variable rate exposure of £223m, which when expressed as a percentage of the net debt figure of £197m, is 113%. In terms of the table this is shown as a negative figure because there is a greater variable rate exposure through the investment portfolio as opposed to the debt portfolio.

What are the Council's prudential indicators?

98. Whilst the fixed and variable rate limits on the net outstanding principal, as calculated in accordance with CIPFA's guidelines produce large exposure amounts, this reflects extreme circumstances.
99. In reality, because the vast majority of the investment portfolio is classified as being on variable terms, it is more appropriate to express the controls over fixed and variable rate exposures as a proportion of the debt portfolio in isolation. The upper limits on the debt portfolio are as follows:

Fixed and Variable Interest Rate Exposure on the Debt Portfolio	2009/10	2010/11	2011/12
	Budget	Estimate	Estimate
	%	%	%
Fixed rate interest - upper limit	100%	100%	100%
Variable rate interest - upper limit	40%	40%	40%

Prudence – Maturity Structure of Council Borrowing

100. The following table sets upper and lower limits for the maturity structure of the Council's borrowing during 2009/10. The limits represent the amount of projected fixed rate borrowing maturing in each period, as a percentage of total projected fixed rate borrowing.

What are the Council's prudential indicators

Maturity Structure of Borrowing for 2008/09	Upper Limit %	Lower Limit %
Under 12 months	40%	0%
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%

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

Prudence - Investments for Periods Longer Than 364 Days

102.The Council is legally allowed to invest for longer than 364 days but less than five years. The maximum amount to be invested for periods above 364 days will be limited to £14m. Within this limit £5m will be available for investment for between 364 days and two years and a further £9m for investment between 364 days and five years. This limit has been set following a review of the Council's reserves and other cash balances, and after taking account of cash flow requirements and future spending plans as set out in the Medium Term Financial Plan.

Minimum Revenue Provision Statement for 2009/10

103. Minimum Revenue Provision (MRP) represents the minimum amount that a council must set aside from its revenue budget each year to offset its outstanding borrowing liabilities. The calculation of MRP is set out in statutory Government regulations.
104. A change in regulation has meant that the Council now has to produce a Minimum Revenue Provision (MRP) Policy Statement each year, which sets out how it will provide for the repayment of debt. The regulations require that full Council agree a policy each year for the following financial year. Our policy statement will now appear in the Medium Term Financial Plan each year for approval by full Council, in line with the regulations.
105. The Council implemented the new MRP guidance from the 2007/08 financial year, and assessed the MRP for 2007/08 in accordance with the main recommendations contained within the guidance issued by the Secretary of State under Section 21(1A) of the Local Government Act 2003.
106. The major proportion of the MRP at 31st March 2007 related to the historic debt liability from supported borrowing that will continue to be charged at the rate of 4%, in accordance with Option 1 of the guidance. Option 1 continues to use 4% MRP rate and “adjustment A” for supported borrowing.
107. Unsupported borrowing (or prudential borrowing) reflected within the debt liability at 31st March 2007 will under delegated powers be subject to MRP under Option 3. MRP will be charged over a period that is reasonably commensurate with the estimated useful life applicable to the nature of expenditure, using the equal instalment method.
108. Estimated life periods will be determined under delegated powers. To the extent that expenditure is not on the creation of

an asset and is of a type that is subject to estimated life periods that are referred to in the guidance, these periods will generally be adopted by the Council. However, the Council reserves the right to determine useful life periods and prudent MRP in exceptional circumstances

2009/10 Minimum Revenue Provision Policy Statement

where the recommendations of the guidance would not be appropriate. The Council will also continue to make voluntary repayments where appropriate.

109. As some types of capital expenditure incurred by the Council are not capable of being related to an individual asset, asset lives will be assessed on a basis that most reasonably reflects the anticipated period of benefit that arises from the expenditure. The Council has used unsupported borrowing for capitalised equal pay costs. The Council has adopted the recommended maximum MRP of 20 years for this debt.

How will the Council manage financial risk?

Our risk – based reserves policy

110. In deciding how 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.

111. The Council's reserves policy is summarised 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 **minimum 2% of the Council's net revenue budget (gross of dedicated schools grant and Area Based Grant)**.
2. The reserves set aside for **equal pay claims and job evaluation and structural change** are provided for a specific purpose.
3. 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.
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.

How will the Council manage financial risk?

112. The level of Council reserves is reviewed annually in line with CIPFA guidance on Local Authority Reserves and Balances (LAAP Bulletin 77 – November 2008). Our policy identifies six key types of cash reserves that we hold. These are: -

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 (gross of dedicated schools and area based grant) and is the recommended minimum amount of reserves that should be retained by the Council as a contingency;

Specific Reserve for equal pay claims and the additional costs of job evaluation – this reserve will be used to finance the revenue cost of fighting and settling known and potential equal pay claims and the risk that the actual cost of job evaluation is higher than estimated;

Specific Reserve for structural change – this reserve will be used to manage the revenue cost of achieving the structural changes facing the Council. These structural changes are required to ensure that the Council has sufficient funds to achieve its objectives. Some of the specific change proposals approved by the Council may require significant up-front investment to ensure that they are carried out in an effective, planned way. The fund will also be used to finance significant 'invest to save' projects;

Specific Reserve for managing strategic financial risks – this reserve will be used, if required, to support the particularly volatile demand led budgets, especially in the area of adult care and services for children. This reserve will also be used for volatility in budgets as a direct result of the economic downturn;

General Reserve - to support future spending plans and one-off spending;

Earmarked Reserve – held for specific commitments and principally include cash balances held on behalf of schools.

How will the Council manage financial risk?

Planned Use of Reserves 2009-14

113. Just like any other organisation, or even individuals, the Council needs to ensure that it has financial plans in place in case things do not go as planned. To do this, we carefully consider the things that could go wrong and assess whether these are likely to happen. This is part of our risk management strategy, which underpins all that we do, not just our financial plans.
114. We articulate the potential risks to our financial position over the medium term in our risk-based reserves strategy, a summary of which is outlined in this section.
115. Over the medium term the Council faces continuing financial pressures and has built in challenging savings targets into the above spending plans for 2009 to 2014 to ensure they remain affordable. There is a risk that we do not deliver all of these savings as planned.
116. The economic downturn has meant new risks being factored into our 5 year planning period. We have taken into account fluctuating price increases such as utilities, reductions in interest rates, security of deposits in the banking sector and the impact of capital receipts on our capital programme.
117. The table over the page identifies this and other key financial risks to the Council's financial position over the medium term, the actions taken (within this financial plan) and the actions proposed to reduce the impact of these risks on the Council's future financial position.
118. The significant financial risks are identified on the Council's strategic risk register. They have all been assessed as part of the

strategic planning process. These risks are being actively managed and the estimated financial implications have been built into this Medium Term Financial Plan.

How will the Council manage financial risk?

119. Some of the risks have been assessed as particularly uncertain with potentially significant financial impact. These are factored into our reserves. Our policy remains to protect our reserves position and limit the use of reserves to support on-going spending.

120. The key financial risks from our strategy risk register are listed below, along with our strategy for managing them.

Risk Register item: SRR1-A **Risk:** The Council may have insufficient funds to achieve its priorities.

Risk managed by: Our reserves strategy includes £1.5m set aside for funding structural change. This reserve is used to manage the revenue cost of achieving structural changes facing the Council. These structural changes are required to ensure that the Council has sufficient funds to achieve its objectives. Some of the specific change proposals approved by Council may require significant up front investment to ensure that they are carried out in an effective, planned way. Ensuring that we deliver our planned redirection proposals is also imperative in making sufficient funds available. We therefore monitor against each redirection plan every month as part of our performance monitoring process.

Risk register item: SRR1-CA **Risk:** Pensions funding gap.

Risk managed by: The next actuarial valuation is due on 1st April 2011. Our standstill pressures in our Medium Term Financial Plan for 2009/2014 include the estimated spending pressure to fund a resulting pension funding gap. The total included in the plan also takes into account the planned 0.5% increase in employers national insurance contributions that year.

Risk register item: SRR1-A **Risk:** The downturn in the economy has reduced the sale of land and Council houses, resulting in a fall in the level of capital receipts available to support the capital programme.

Risk managed by: Our budget has been set with cautious estimates of capital receipts, taking into account the risks in the current economic environment. Capital receipts are monitored and reported to the Capital Programme Monitoring Group (CPMG) on a monthly basis. The forecast of receipts is included in our quarterly monitoring reports to Members. Any impact on the current year on the future capital programme is highlighted in budget monitoring reports and relevant actions proposed.



How will the Council manage financial risk?

Risk register item: SRR1-A **Risk:** Changes to the balance of funding due to the declining and ageing population issues not being addressed.

Risk managed by: Finance staff play a key role in regional lobbying of government in settlement issues. Our standstill pressures for 2009/2014 include estimated spending pressures resulting from an ageing population.

Risk register item: SRR1-F **Risk:** Finances are reduced due to the necessary purchase of Local Authority Transfer Scheme trading credits.

Risk managed by: The standstill pressures in our Medium Term Financial Plan for 2009/2014 include spending pressures arising from the legislation. We are jointly working with Sunderland and Gateshead Councils in a joint waste partnership to develop waste disposal solutions that will reduce the long term cost to the Council.

Risk register item: SRR1-GB **Risk:** Affordability of equal pay claims and single status.

Risk managed by: Our reserves strategy includes allocations to meet liabilities for equal pay and single status costs. This reserve has been used to finance the revenue cost of settling equal pay claims and meeting some costs of job evaluation. We have settled significant claims for equal pay to date and continue to monitor any further liabilities for the Council and assess our reserves level.

Risk register item: SRR1-G **Risk:** Council budget, particularly the volatile demand led budgets are not rigorously managed.

Risk managed by: Revenue spending is monitored on a monthly basis as part of the Council's corporate performance monitoring framework. Alongside our Medium Term Financial Plan for 2007/2010 Members agreed to set aside a specific reserve for managing strategic financial risks which now stands at £2.7m. As part of our risk based reserves policy, we have added to this reserve in recent years.

Risk register item: SRR1-H **Risk:** The 'credit crunch' has resulted in a risk to investment income due to the fluctuating interest rates and the security of capital sums invested following significant losses elsewhere eg Icelandic banks.

Risk managed by: A prudent approach to the setting of interest rates is adopted to protect the budget against adverse movements in rates. The borrowing and lending strategy is continually reviewed to respond to changing interest rate expectations. We have reviewed the credit rating approach and stress tested our lending list by assuming that each organisation would be downgraded by the credit rating agencies. This exercise has significantly reduced the number of organisations which the Council will lend to. The Council has a risk reserve which could potentially meet any further unexpected fluctuations in this budget that have not already been met from our revised budget.

How will the Council manage financial risk?

Risk managed by: A Value for Money programme will be agreed prior to 1st April 2009. The programme will be managed by the VFM Steering Group. The Steering Group will receive regular progress reports from project leads and these will feed through into the Council's monthly budget monitoring framework. A dedicated VFM team was created in 2008/09 to support services in delivering value for money.

Risk register item: SRR10-B **Risk:** Council facilities: The Councils estate is not fit for purpose. Capital funding is reducing and the maintenance backlog is increasing. The Council occupies more buildings than it requires and can maintain.

Risk managed by: The Council established a Value for Money project to rationalise accommodation and explore Agile Working. This project continues to assess accommodation requirements alongside those of the Strategic Partner. Planned Maintenance capital budgets have been increased in the 2009/14 Medium Term Financial Plan to ensure the condition of our building does not fall behind further.

How will the Council manage financial risk?

121. Our forecast of the total Council cash reserves at 31st March 2009 is £27.961m as shown in the table below.

Council Reserves	Strategic Reserves (minimum) £m	Specific Reserves £m	General Reserves £m	Earmarked Reserves £m	TOTAL RESERVES £m
Balance as at 31st March 2008	2.872	14.417	0.917	20.412	38.618
Planned Use of Reserves in 2008/09					
Single Status Costs	0.000	(7.997)	(0.251)	0.000	(8.248)
Use of Structural Change Reserve (Invest to Save schemes)	0.000	(0.440)	0.000	0.000	(0.440)
Use of reserves	0.000	(0.781)	0.000	(3.373)	(4.154)
Planned Use of Reserves in 2008/09	0.000	(9.218)	(0.251)	(3.373)	(12.842)
Planned Contribution to Reserves in 2008/09					
Transfer from General to Strategic Reserve (2% level maintained)	0.000	0.000	0.000	0.000	0.000
Payback from Invest to Save Schemes	0.000	0.111	0.000	1.454	1.565
Contribution to reserves	0.000	0.000	0.100	0.520	0.620
Planned Contribution to Reserves in 2008/09	0.000	0.111	0.100	1.974	2.185
Estimated Balance as at 31st March 2009	2.872	5.310	0.766	19.013	27.961

How will the Council fund the revenue spending plans?
How will the Council manage financial risk?

122. The table below identifies the planned use of Council reserves during 2009/10 to 2013/14. In 2009/10 we plan to use £0.251m of reserves to support our spending requirements on equal pay.

Council Reserves	Strategic Reserves (minimum)	Specific Reserves	General Reserves	Earmarked Reserves	TOTAL RESERVES
	£m	£m	£m	£m	£m
Estimated Balance as at 31st March 2009	2.872	5.310	0.766	19.013	27.961
Planned Use of Reserves in 2009/10					
Single Status Costs	0.000	(1.089)	0.251	0.000	(0.838)
Use of Structural Change Reserve (Invest to Save schemes)	0.000	(0.239)	0.000	0.000	(0.239)
Use of General Reserve to maintain 2% Strategic Reserve	0.000	0.000	(0.020)	0.000	(0.020)
Use of reserves	0.000	(0.835)	0.000	(0.718)	(1.553)
Planned Use of Reserves in 2009/10	0.000	(2.163)	0.231	(0.718)	(2.650)
Planned Contribution to Reserves in 2009/10					
Payback from Invest to Save Schemes	0.000	0.174	0.000	0.000	0.174
Contribution to reserves	0.020	0.100	0.100	1.270	1.490
Planned Contribution to Reserves in 2009/10	0.020	0.274	0.100	1.270	1.664
Estimated Balance as at 31st March 2010	2.892	3.421	1.097	19.565	26.974

How will the Council manage financial risk?

Council Reserves	Strategic Reserves (minimum)	Specific Reserves	General Reserves	Earmarked Reserves	TOTAL RESERVES
	£m	£m	£m	£m	£m
Planned Use of Reserves in 2010/11					
Single Status Costs	0.000	0.000	0.000	0.000	0.000
Use of Structural Change Reserve (Invest to Save schemes)	0.000	(0.500)	0.000	0.000	(0.500)
Use of General Reserve to maintain 2% Strategic Reserve	0.000	0.000	(0.065)	0.000	(0.065)
Use of reserves	0.000	0.000	0.000	(0.461)	(0.461)
Planned Use of Reserves in 2010/11	0.000	(0.500)	(0.065)	(0.461)	(1.026)
Planned Contribution to Reserves in 2010/11					
Payback from Invest to Save Schemes	0.000	0.000	0.000	0.000	0.000
Contribution to reserves	0.065	0.250	0.100	0.945	1.360
Planned Contribution to Reserves in 2010/11	0.065	0.250	0.100	0.945	1.360
Estimated Balance as at 31st March 2011	2.957	3.171	1.132	20.049	27.308
Planned Use of Reserves in 2011/12					
Single Status Costs	0.000	0.000	0.000	0.000	0.000
Use of Structural Change Reserve (Invest to Save schemes)	0.000	(0.500)	0.000	0.000	(0.500)
Use of General Reserve to maintain 2% Strategic Reserve	0.000	0.000	(0.072)	0.000	(0.072)
Use of reserves	0.000	0.000	0.000	(0.200)	(0.200)
Planned Use of Reserves in 2011/12	0.000	(0.500)	(0.072)	(0.200)	(0.772)
Planned Contribution to Reserves in 2011/12					
Payback from Invest to Save Schemes	0.000	0.000	0.000	0.000	0.000
Contribution to reserves	0.072	0.500	0.000	0.945	1.517
Planned Contribution to Reserves in 2011/12	0.072	0.500	0.000	0.945	1.517
Estimated Balance as at 31st March 2012	3.029	3.171	1.060	20.794	28.053



How will the Council manage financial risk?

Council Reserves	Strategic Reserves (minimum)	Specific Reserves	General Reserves	Earmarked Reserves	TOTAL RESERVES
	£m	£m	£m	£m	£m
Planned Use of Reserves in 2012/13					
Single Status Costs	0.000	0.000	0.000	0.000	0.000
Use of Structural Change Reserve (Invest to Save schemes)	0.000	0.000	0.000	0.000	0.000
Use of General Reserve to maintain 2% Strategic Reserve	0.000	0.000	(0.074)	0.000	(0.074)
Use of reserves	0.000	0.000	0.000	(0.200)	(0.200)
Planned Use of Reserves in 2012/13	0.000	0.000	(0.074)	(0.200)	(0.274)
Planned Contribution to Reserves in 2012/13					
Payback from Invest to Save Schemes	0.000	0.500	0.000	0.000	0.500
Contribution to reserves	0.074	0.500	0.000	0.945	1.519
Planned Contribution to Reserves in 2012/13	0.074	1.000	0.000	0.945	2.019
Estimated Balance as at 31st March 2013	3.103	4.171	0.985	21.539	29.798
Planned Use of Reserves in 2013/14					
Single Status Costs	0.000	0.000	0.000	0.000	0.000
Use of Structural Change Reserve (Invest to Save schemes)	0.000	0.000	0.000	0.000	0.000
Use of General Reserve to maintain 2% Strategic Reserve	0.000	0.000	(0.076)	0.000	(0.076)
Use of reserves	0.000	0.000	0.000	(0.200)	(0.200)
Planned Use of Reserves in 2013/14	0.000	0.000	(0.076)	(0.200)	(0.276)
Planned Contribution to Reserves in 2013/14					
Payback from Invest to Save Schemes	0.000	0.500	0.000	0.000	0.500
Contribution to reserves	0.076	0.500	0.000	0.945	1.521
Planned Contribution to Reserves in 2013/14	0.076	1.000	0.000	0.945	2.021
Estimated Balance as at 31st March 2014	3.180	5.171	0.909	22.284	31.543

What are the Council's housing revenue spending plans?

123. The Housing Revenue Account is required to be maintained by local authorities who provide housing accommodation. It records the income and expenditure in relation to the management and maintenance of homes, and keeps this separate from other Council activity.
124. All rents collected are retained in this separate account, and support the management, day-to-day repairs and maintenance, and a capital investment programme, including planned renewals, improvements to homes and major repairs.
125. South Tyneside Homes Limited have been delegated management of the housing service under the terms of a management agreement with the Council, approved by the Secretary of State under section 27 of the Housing Act 1985.
126. The Council retains a legal duty to set a budget which avoids a deficit on the Housing Revenue Account, a duty which cannot be delegated. The Council also retains ownership of the homes, sets the level of rents and charges and is the landlord under the tenancy agreements.
127. The table below summarises the overall position on the Housing Revenue Account for the next 5 years.

Housing Revenue Account	2009/10	2010/11	2011/12	2012/13	2013/14
	Budget £m	£m	Provisional Budget £m	Provisional Budget £m	Provisional Budget £m
Spending Plans	52.828	54.766	57.032	59.439	60.844
Income Plans	(52.828)	(54.782)	(57.056)	(59.526)	(62.152)
TOTAL Surplus (-) / Deficit (+)	0.000	(0.016)	(0.024)	(0.087)	(1.308)



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What are the Council's housing revenue spending plans?

128. A strategic reserve of £2m is maintained in the Housing Revenue Account over the medium term as this is considered a reasonable balance necessary to give stability to the financial position on the account.

129. The Council has agreed to set a target of £5m for the overall reserves to manage the strategic risks faced by the Housing Revenue Account; it is planned that we will move to this target over the next few years.

Housing Revenue Account Reserves	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14
	£m	£m	£m	£m	£m	£m
Estimated Balance (brought forward)	(3.875)	(2.875)	(3.875)	(4.391)	(5.115)	(5.802)
Surplus (-) / Deficit (+) for year	1.000	(1.000)	(0.516)	(0.724)	(0.687)	(1.858)
Estimated Balance (carried forward)	(2.875)	(3.875)	(4.391)	(5.115)	(5.802)	(7.660)
Housing Reserves						
Strategic Reserve	(2.000)	(3.000)	(2.000)	(2.000)	(2.000)	(2.000)
General Balances	(0.875)	(0.875)	(2.391)	(3.115)	(3.802)	(5.660)

What are the Council's housing revenue spending plans?

Housing Revenue Expenditure Plans for 2009/10

130. This table details the HRA planned expenditure for 2009/10 and shows the change from 2008/09 budget.

Housing Revenue Account Spending Plans	2008/09	2009/10	Change	
	Budget £m	Budget £m	£m	%
Management	15.492	16.631	1.139	7.4%
Repairs and maintenance	13.900	14.596	0.696	5.0%
Rents, Rates, Taxes, Insurance	0.989	1.009	0.020	2.0%
Provision for bad debts	0.548	0.520	(0.028)	-5.1%
Capital charges	17.815	18.905	1.090	6.1%
Developing New Housing Options	0.000	0.167	0.167	0.0%
Total	48.744	51.828	3.084	
Contribution to Reserves	0.000	1.000	1.000	100.0%
TOTAL Housing Revenue Account Spending Plans	48.744	52.828	4.084	8.4%

131. Overall spending is set to increase by 8.4% in 2009/10, this is due high utility costs and the increased cost of repairs and maintenance to the housing stock.

What are the Council's housing revenue spending plans?

132. The following table shows provisional HRA spending plans for future years.

Housing Revenue Account Spending Plans	2010/11	2011/12	2012/13	2013/14
	Provisional Budget £m	Provisional Budget £m	Provisional Budget £m	Provisional Budget £m
Management	17.457	17.976	18.723	19.534
Repairs and maintenance	14.625	14.552	14.481	14.411
Rents, Rates, Taxes, Insurance	1.050	1.094	1.141	1.192
Provision for bad debts	0.544	0.576	0.610	0.714
Capital charges	20.390	21.934	23.684	24.243
Developing new housing options	0.200	0.200	0.200	0.200
Total	54.266	56.332	58.839	60.294
Contribution to Reserves	0.500	0.700	0.600	0.550
TOTAL Housing Revenue Spending	54.766	57.032	59.439	60.844

Housing Revenue Income Plans for 2009/10

133. The following table details the HRA income for 2009/10 and shows the change from 2008/09 budget.

What are the Council's housing revenue spending plans?

Housing Revenue Account Income Plans	2008/09	2009/10	Change	
	Budget £m	Budget £m	£m	%
Rents - Dwellings	(47.781)	(50.329)	(2.548)	5.3%
Income - other services / property	(1.752)	(2.431)	(0.679)	38.8%
Housing related support charges	(0.928)	(0.967)	(0.039)	4.2%
Contributions and interest	(1.468)	(1.509)	(0.041)	2.8%
Total income before subsidy	(51.929)	(55.236)	(3.307)	6.4%
Deduct housing subsidy recovery	3.185	2.408	(0.777)	-24.4%
TOTAL Housing Revenue Income after subsidy	(48.744)	(52.828)	(4.084)	8.4%

134. The key areas of change are the increase in service charge income as the 2nd instalment of the 5 year phased charge is introduced. The reduction in Housing Subsidy payments is as a result of increased income to support borrowing on the Decent Homes refurbishment Programme and is offset by an increase in Capital Charges expenditure incurred as a result of the borrowing.

135. The following table anticipated HRA income for future years.

Housing Revenue Account Income Plans	20010/11	2011/12	2012/13	2013/14
	£m	Provisional Budget £m	£m	£m
Rents - Dwellings	(53.178)	(56.177)	(59.343)	(63.982)
Income - other services / property	(2.623)	(2.844)	(3.097)	(3.389)
Housing related support charges	(0.967)	(0.967)	(0.967)	(0.967)
Contributions and interest	(1.507)	(1.624)	(1.601)	(1.621)
Total income before subsidy	(58.275)	(61.612)	(65.008)	(69.959)
Deduct housing subsidy recovery	3.493	4.556	5.482	7.807
TOTAL Housing Revenue Income after subsidy	(54.782)	(57.056)	(59.526)	(62.152)

What are the Council's housing revenue spending plans?

Dwelling Rents and Service Charges for 2009/10

136. In line with the Government rent restructuring guidelines, Dwelling Rents have increased on average by 6.84% however; we anticipate that income will be 5.3% higher due to "right to buy" sales and demolitions. Average rents are anticipated to be £58.92 per week (48 week collection) - an average rent rise which will approximate to around £3.76 per week (6.8%) allowing for the effect of service charges introduced in 2008/09; South Tyneside has the lowest average rent of all the Local Authority area within Tyne and Wear.
137. The service charges for tenants introduced in 2008/09 for district heating in sheltered schemes has increased by the 2nd 20% phased increase and a 5% inflation increase.
138. Service charges for leaseholders have also increased by the 2nd 20% phase for caretaking, concierge service and building cleaning and an inflation increase of 3%.
139. The service charge increases for 2009/10 will be based on:
- Garage rents to be increased by 3.0%;
 - Heating charges to be set to recover energy costs. A rise of 5% is necessary for 2009/10 due to increases in energy contract prices.
 - Service charges for landlord charges (Scheme Managers and communal facilities) to be increased by 3.0%;
 - Sheltered accommodation guest room charges to be increased by 3.0%;
 - Temporary furnished accommodation charges to be increased by 3.0%.

140. Further details on specific housing service charges and leaseholder management fee increases at Appendix 3.

What are the Tyne and Wear Pensions Fund's spending plans?

141. 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. The cost of the Pension Fund does not fall directly on the council taxpayer.

142. The table below summarises the spending plans for the Fund for 2009/10 and provisional spending plans for 2010/11 and 2011/12 (as agreed by the Pensions Committee on 9th February 2009).

2008/09 Revised Budget £m	Tyne and Wear Pension Fund	2009/10 Budget £m	2010/11 Provisional Budgets £m	2011/12 Provisional Budgets £m
	Investment Office			
21.648	Investment Management Fees	14.161	18.253	19.144
0.200	Property Portfolio	0.177	0.177	0.177
1.206	Direct Costs and Recharges	1.235	0.777	0.750
2.458	Pensions Office	2.574	2.613	2.602
25.511	TOTAL Tyne and Wear Pension Fund	18.147	21.820	22.673

143. The budget for 2009/10 shows a decrease of £7.364m over the 2008/09 revised budget. Increases of £3.673m and £0.853m are projected for 2009/10 and 2010/11 respectively.

What are the Tyne and Wear Pensions Fund's spending plans?

144. The reason for the initial decrease is a fall in investment management fees. This is due to the fall in the value of the Fund, combined with an assumption that performance fees will not be earned by managers in 2009/10 and that accumulated underperformance will need to be recovered before further performance fees are payable.
145. The increase of £3.673m in the provisional spending plan for 2010/11 reflects a recovery in the value of the Fund and the reinstatement of performance fees.
146. The direct costs and recharges of the Investment Office decrease by £0.458m in 2010/11 because two major projects are expected to be completed in 2009/10.
147. The following table analyses the revised budget proposal for the next three years.

Pensions Spending Plans	2009/10 £m	2010/11 £m	2011/12 £m
Base Budget	25.511	18.147	21.820
Investment Management Fees	(7.487)	4.092	0.891
Standstill Pressures	0.229	0.130	0.013
Budget Growth/New Initiatives	0.077	(0.128)	(0.052)
Redirection of Current Spending	(0.183)	(0.422)	0.002
Increased Income Opportunities	(0.001)	0.000	0.000
TOTAL Pensions Spending Plans	18.147	21.820	22.673

Performing Together

148. With our strategic and financial plans made, we track our performance over the year and compare it with what we planned to do. We do this from the start to ensure that we can take corrective action, if needed, to get back on target.
149. Our framework includes a robust corporate performance monitoring and reporting system. It ensures we regularly and comprehensively monitor performance at service, directorate and corporate level.
150. Directorate Management Teams receive a monthly financial monitoring report from finance teams which reviews capital and revenue spending, and identifies actions, to ensure spending remains within budget.
151. Executive Team and the Head of Finance review the financial reports at a monthly performance, improvement and monitoring meeting.
152. Regular budget monitoring is an important financial control to ensure that spending during the year is in line with budgets agreed by the Council. Each service budget has a named budget holder responsible for managing the budget.

Budget Transfers

153. During the year, budget holders may need to transfer budgets from one service area to another to reflect changed service needs or priorities.

Evaluation and Review

154. A budget transfer is defined as a movement of budget between any budget service line identified in Appendix 1A and 2A of this report.
155. **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.
156. **Budget transfers greater than £100,000** require the approval of Cabinet.
157. **Budget transfers greater than £1,000,000** require the approval of full Council and must be proposed by Cabinet.

Carry Forward Policy

158. Any overspending by a directorate may be carried forward by the directorate (subject to Cabinet approval).
159. 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 may be available to the directorate to help meet spending pressures in subsequent years (subject to Cabinet approval).
160. Cabinet approvals will only be given after consideration of the year-end statement of accounts and the overall financial position of the Council.

Appendix 1A: Council Revenue Budget 2009/10

Line Ref	2008/09 Budget £	Council Revenue Budget	Budget Holder	Total Cost £	Total Income £	2009/10 Budget £
		CHIEF EXECUTIVE	I. Lucas, Chief Executive			
1	97,817	Chief Executive's Office	I. Lucas, Chief Executive	503,011	(425,747)	77,264
	97,817	TOTAL CHIEF EXECUTIVE		503,011	(425,747)	77,264
		ASSISTANT CHIEF EXECUTIVE	P. Robinson, Head of Policy, Performance & Partnerships			
2	3,126	Performance Team	K. Joy, Performance Team Manager	320,595	(327,095)	(6,500)
3	1,676	Value For Money Team	D. Pattersron, Value for Money Manager	384,160	(389,660)	(5,500)
4	3,219	Information Team	K. Joy, Performance Team Manager	442,475	(446,475)	(4,000)
5	4,421	Policy Team	H. McShane, LSP Team Manager	501,476	(504,476)	(3,000)
6	219,779	LSP Team	H. McShane, LSP Team Manager	516,348	(155,370)	360,978
7	2,374,500	Area Based Grant	H. McShane, LSP Team Manager	3,025,653	0	3,025,653
8	219,391	Other Grants	H. McShane, LSP Team Manager	219,391	0	219,391
9	10,352	Strategic Procurement	P. Robinson, Head of Policy, Performance & Partnerships	466,729	(470,734)	(4,005)
	2,836,464	TOTAL ASSISTANT CHIEF EXECUTIVE		5,876,827	(2,293,810)	3,583,017
	2,934,281	TOTAL CHIEF EXECUTIVE'S OFFICE REVENUE BUDGET		6,379,838	(2,719,557)	3,660,281
		FINANCE	S.Reid, Head of Finance			
10	73,734	Financial Management	S.Reid, Head of Finance	953,267	(965,863)	(12,596)
11	0	Neighbourhood Services Finance	T Race, Assistant Head of Finance	85,077	(85,077)	0
12	65,038	Financial Systems	S.Reid, Head of Finance	68,858	0	68,858
13	(44,861)	Payroll	S.Reid, Head of Finance	473,027	(473,027)	0
14	(22,728)	Income	S.Reid, Head of Finance	227,074	(227,074)	0

Appendix 1A: Council Revenue Budget 2009/10

Line Ref	2008/09 Budget £	Council Revenue Budget	Budget Holder	Total Cost £	Total Income £	2009/10 Budget £
15	971	Creditors	S.Reid, Head of Finance	150,154	(150,154)	0
16	(19,386)	Gordon House Cashiers	S.Reid, Head of Finance	104,447	(104,447)	0
17	322,961	Benefits Administration	S.Reid, Head of Finance	2,372,552	(1,907,956)	464,596
18	(446,329)	Housing Benefits Payments	S.Reid, Head of Finance	46,108,373	(46,565,476)	(457,103)
19	1,198,192	Council Tax Collection	S.Reid, Head of Finance	17,046,250	(15,795,746)	1,250,504
	1,127,592	TOTAL FINANCE		67,589,079	(66,274,820)	1,314,259
		PENSIONS	S. Moore, Head of Pensions			
20	0	Pensions	S. Moore, Head of Pensions	18,147,200	(18,147,200)	0
	0	TOTAL PENSIONS		18,147,200	(18,147,200)	0
		CORPORATE GOVERNANCE	B. Scott, Head of Corporate Governance			
21	0	Insurances Premia	B. Dawson, Corporate Risk and Assurance Manager	3,088,665	(3,218,665)	(130,000)
22	3,337	Corporate Risk and Assurance	B. Dawson, Corporate Risk and Assurance Manager	1,275,101	(1,281,101)	(6,000)
23	11,911	Legal Services - General	M. Harding, Legal Services Manager	2,136,458	(2,141,458)	(5,000)
24	687	Legal Services - Support	M. Harding, Legal Services Manager	774,179	(774,179)	0
25	463	Courier	R. Cochrane, Democratic Services Manager	63,971	(63,971)	0
26	739	Admin Support	R. Cochrane, Democratic Services Manager	353,654	(363,654)	(10,000)
27	(39,269)	Local Land Charges	M. Harding, Legal Services Manager	102,060	(100,484)	1,576
28	499,976	Elections	V. Stephenson, Elections Officer	249,507	0	249,507
29	94,376	Register of Electors	V. Stephenson, Elections Officer	98,197	(2,556)	95,641
30	201,361	Registration Service	V. Stephenson, Elections Officer	353,132	(145,505)	207,627

Appendix 1A: Council Revenue Budget 2009/10

Line Ref	2008/09 Budget £	Council Revenue Budget	Budget Holder	Total Cost £	Total Income £	2009/10 Budget £
31	753,049	Democratic Support	R. Cochrane, Democratic Services Manager	685,342	0	685,342
32	215,837	Members Support	R. Cochrane, Democratic Services Manager	260,059	0	260,059
33	968,727	Elected Members	R. Cochrane, Democratic Services Manager	1,010,151	0	1,010,151
34	88,737	Office of the Mayor	R. Cochrane, Democratic Services Manager	113,638	(1,751)	111,887
35	59,454	Civic Duties	R. Cochrane, Democratic Services Manager	59,454	0	59,454
	2,859,385	TOTAL CORPORATE GOVERNANCE		10,623,568	(8,093,324)	2,530,244
		ENTERPRISE AND REGENERATION	R. O'Farrell, Head of Enterprise & Regeneration			
36	110,921	Asset Management	R. O'Farrell, Head of Enterprise & Regeneration	1,783,141	(1,783,141)	0
37	(526,090)	Property	P.Howson, Asset and Capital Manager	1,062,358	(1,723,111)	(660,753)
38	161,709	Civic Buildings	C. Bell, Civic Buildings Manager	2,894,608	(2,957,911)	(63,303)
39	283,178	Non Operational Assets	C. Bell, Civic Buildings Manager	436,899	(78,782)	358,117
40	3,565	Repairs and Maintenance	P.Howson, Asset and Capital Manager	1,947,262	(1,947,262)	0
41	6,645	Building Maintenance	G Whitehead, Education Buildings Team Leader	192,600	(197,600)	(5,000)
42	55,520	Design Team	K Blenkinsopp, Design Team Manager	1,272,859	(1,275,359)	(2,500)
43	1,109,596	Economic Development and Regeneration	G Currey, Economic Development Manager	1,298,854	0	1,298,854
44	4,084,658	Local Enterprise Growth Initiative	J Scott, Local Enterprise Growth Initiative Manager	3,266,744	(772,280)	2,494,464
45	1,208,000	Employment Support Grants	D Crawford, Regeneration Manager	1,175,000	0	1,175,000
	6,497,702	TOTAL ENTERPRISE AND REGENERATION		15,330,325	(10,735,446)	4,594,879
		CUSTOMER SERVICES & ICT	A. Holt, Head of Customer Services & ICT			
46	906	Management	A. Holt, Head of Customer Services and ICT	215,872	(215,872)	0
47	776	Telephones	A. Holt, Head of Customer Services and ICT	164,050	(164,050)	0
48	16,026	Support	A. Holt, Head of Customer Services and ICT	1,983,123	(1,983,123)	0

Appendix 1A: Council Revenue Budget 2009/10

Line Ref	2008/09 Budget £	Council Revenue Budget	Budget Holder	Total Cost £	Total Income £	2009/10 Budget £
49	19,436	Development	A. Holt, Head of Customer Services and ICT	2,466,801	(2,466,801)	0
50	0	Operations	A. Holt, Head of Customer Services and ICT	0	0	0
51	63,246	Call Centre	A. Holt, Head of Customer Services and ICT	475,718	(475,718)	0
52	0	Customer Services	A. Holt, Head of Customer Services and ICT	274,429	(274,429)	0
53	631	Strategic Partnership Client	A. Holt, Head of Customer Services and ICT	100,000	0	100,000
	101,021	TOTAL CUSTOMER SERVICES & ICT		5,679,993	(5,579,993)	100,000
		ORGANISATIONAL DEVELOPMENT & PEOPLE	P Fanning Head of Organisational Development & People			
54	152,573	Human Resources	P Fanning Head of Org Development and People	1,725,576	(1,725,576)	0
55	2,588	Occupational Health	P Fanning Head of Org Development and People	208,947	(208,947)	0
	155,161	TOTAL ORGANISATIONAL DEVELOPMENT & PEOPLE		1,934,523	(1,934,523)	0
		COMMUNICATIONS	L Fothergill, Head of Communications			
56	(14,929)	Marketing Team	A Burgh, Marketing Team Leader	377,323	(377,323)	0
57	(738)	Web Team	R Abbott, Web Team Leader	413,093	(428,093)	(15,000)
58	11,517	Press Team	A Brewis, Press Team Leader	253,182	(267,182)	(14,000)
59	47,504	Printing Section	R Abbott, Web Team Leader	720,311	(720,311)	0
	43,354	TOTAL COMMUNICATIONS		1,763,909	(1,792,909)	(29,000)
		REGULATORY SERVICES	A Wainwright, Interim Head of Regulatory Services			
60	458,388	Contributions to the HRA	Andrew Wainwright, Interim Head of Regulatory Services	469,733	(7,000)	462,733
61	(6,620)	Housing Advances	Andrew Wainwright, Interim Head of Regulatory Services	6,611	(13,824)	(7,213)

Appendix 1A: Council Revenue Budget 2009/10

Line Ref	2008/09 Budget £	Council Revenue Budget	Budget Holder	Total Cost £	Total Income £	2009/10 Budget £
62	640,000	Deferred Charges Written Off	Andrew Wainwright, Interim Head of Regulatory Services	2,365,000	(2,143,000)	222,000
63	299,943	Homelessness	Stephen Hamilton, Homelessness Manager	542,867	(179,163)	363,704
64	(12,084)	Other Council Property	Andrew Wainwright, Interim Head of Regulatory Services	5,968	(24,560)	(18,592)
65	1,769,833	Environmental Health	Andrew Wainwright, Interim Head of Regulatory Services	2,042,697	(274,937)	1,767,760
66	109,688	Coastal Protection	Andrew Wainwright, Interim Head of Regulatory Services	168,246	(16,000)	152,246
67	92,433	Licensing	David Brooks, Trading Standards and Licensing Manager	464,223	(402,185)	62,038
68	567,694	Trading Standards and Consumer Protection	David Brooks, Trading Standards and Licensing Manager	610,302	(3,469)	606,833
69	778,123	Area Planning	Kath Lawless, Area Planning Manager	1,248,041	(390,819)	857,222
70	703,538	Spatial Planning	Kath Lawless, Area Planning Manager	736,043	(26,000)	710,043
71	243,176	Countryside Projects	Kath Lawless, Area Planning Manager	271,734	(19,932)	251,802
72	260,488	Strategic Housing Policy	Melanie Holland, Strategic Housing Manager	491,416	(280,916)	210,500
73	341,111	Strategic Transport Policy	John Edwards, Transport Futures Manager	414,509	(83,169)	331,340
74	46,656	Building Surveying	Ian Wilkinson, Building Control Manager	831,909	(832,999)	(1,090)
75	0	Building Control Charging Account	Ian Wilkinson, Building Control Manager	437,012	(437,012)	0
76	355,038	Building Control Non Fee Earning Account	Ian Wilkinson, Building Control Manager	421,007	0	421,007
77	42,926	Regulatory Services Administration	Ian Wilkinson, Building Control Manager	221,712	(283,726)	(62,014)
	6,690,331	TOTAL REGULATORY SERVICES		11,749,030	(5,418,711)	6,330,319
		SERVICE MANAGEMENT COSTS	P. Melia, Executive Director of Regeneration & Resources			
78	(30,580)	Management	P. Melia, Executive Director of Regeneration & Resources	172,904	(172,904)	0
	(30,580)	TOTAL SERVICE MANAGEMENT COSTS		172,904	(172,904)	0
	17,443,966	TOTAL REGENERATION & RESOURCES REVENUE BUDGET (BEFORE CORPORATE FINANCE)		132,990,531	(118,149,830)	14,840,701

Appendix 1A: Council Revenue Budget 2009/10

Line Ref	2008/09 Budget £	Council Revenue Budget	Budget Holder	Total Cost £	Total Income £	2009/10 Budget £
		CORPORATE FINANCE	S Reid, Head of Finance			
79	219,774	Implementation of Single Status	S Reid, Head of Finance	198,542	0	198,542
80	250,000	Revenue Costs of Equal Pay	S Reid, Head of Finance	394,120	0	394,120
81	(393,923)	Implementation of Job Evaluation	S Reid, Head of Finance	0	0	0
82	0	LABGI Income	S Reid, Head of Finance	0	(100,000)	(100,000)
83	(100,000)	Newcastle Airport Dividend	S Reid, Head of Finance	0	(103,000)	(103,000)
84	246,724	Coroners Service	S Reid, Head of Finance	530,370	(313,409)	216,961
85	112,000	Magistrates Courts	S Reid, Head of Finance	0	0	0
86	325,660	External Audit Costs	S Reid, Head of Finance	302,084	(34,668)	267,416
87	194,140	Banking & Cash Collection	S Reid, Head of Finance	246,035	(54,894)	191,141
88	68,716	Debt Administration Expenses	S Reid, Head of Finance	100,096	(42,576)	57,520
89	2,866,399	Corporate & Democratic Costs	S Reid, Head of Finance	3,283,778	(197,918)	3,085,860
90	2,752,957	Central Pension Costs	S Reid, Head of Finance	40,500,126	(38,549,008)	1,951,118
91	(4,056,958)	Investment Income	S Reid, Head of Finance	0	(1,571,214)	(1,571,214)
92	9,766,331	Precepts and Levies	S Reid, Head of Finance	9,879,077	0	9,879,077
93	14,688,490	Debt Charges	S Reid, Head of Finance	19,223,194	(5,289,448)	13,933,746
94	(9,431,702)	Capital Recharges	S Reid, Head of Finance	9,790,000	(22,486,000)	(12,696,000)
95	(250,000)	Corporate Strategic Property Review	S Reid, Head of Finance	0	(250,000)	(250,000)
96	0	Corporate Strategic Cost Reduction Programme	S Reid, Head of Finance	0	(116,000)	(116,000)
97	0	Review of Strategic Procurement	S Reid, Head of Finance	0	0	0
98	0	BT Procurement Savings Guarantee	P.Morrow, Partnership Accountant	0	(2,001,000)	(2,001,000)

Appendix 1A: Council Revenue Budget 2009/10

Line Ref	2008/09 Budget £	Council Revenue Budget	Budget Holder	Total Cost £	Total Income £	2009/10 Budget £
99	0	BT Efficiency Savings Guarantee	P.Morrow, Partnership Accountant	0	(167,000)	(167,000)
100	(116,000)	Value for Money Targets	S Reid, Head of Finance	0	(1,058,000)	(1,058,000)
101	0	Inflation for Adult Private Care	S Reid, Head of Finance	526,586	0	526,586
102	0	LAA Reward Grant	S Reid, Head of Finance	0	(825,000)	(825,000)
	17,142,608	TOTAL CORPORATE FINANCE		84,974,008	(73,159,135)	11,814,873
	34,586,574	TOTAL REGENERATION & RESOURCES REVENUE BUDGET		217,964,539	(191,308,965)	26,655,574
		SCHOOLS DELEGATED	G Monument, Assistant Head of Finance			
103	82,082,272	Delegated Schools Budget	G Monument, Assistant Head of Finance	86,284,334	(2,496,650)	83,787,684
104	0	Schools Standards Grant	G Monument, Assistant Head of Finance	3,698,287	(3,698,287)	0
105	0	Standards Fund Devolved	P Cutts, Head of Social Inclusion and Achievement	9,596,409	(9,596,409)	0
	82,082,272	TOTAL SCHOOLS DELEGATED		99,579,030	(15,791,346)	83,787,684
		SOCIAL INCLUSION AND ACHIEVEMENT	P Cutts, Head of Social Inclusion and Achievement			
106	513,392	School Improvement Team	P Cutts, Head of Social Inclusion and Achievement	571,409	(54,636)	516,773
107	123,055	School Improvement External Projects	P Cutts, Head of Social Inclusion and Achievement	486,574	(357,751)	128,823
108	1,720,736	Standards Fund Non Devolved	P Cutts, Head of Social Inclusion and Achievement	8,936,563	(6,749,768)	2,186,795
109	71,073	Inter LEA Recoupment	S Makin, Pupil Services Manager	205,582	(138,544)	67,038
110	872,013	Independent School Fees	S Makin, Pupil Services Manager	1,623,056	(810,587)	812,469
111	384,091	Education Welfare Service	K Rutherford, Education Welfare Officer	491,536	(32,754)	458,782
112	486,123	Alternative Education Service	J Wilson, Manager AEN Service	1,532,387	(1,025,794)	506,593
113	160,504	English Second Language Service	J Braithwaite, Ethnic Minority Service Manager	165,752	0	165,752
114	640,237	Learning Support Service	W Larmont, Learning Support Manager	650,907	0	650,907

Appendix 1A: Council Revenue Budget 2009/10

Line Ref	2008/09 Budget £	Council Revenue Budget	Budget Holder	Total Cost £	Total Income £	2009/10 Budget £
115	95,633	Other SEN Support	S Makin, Pupil Services Manager	64,854	0	64,854
116	306,675	Visually Impaired Service	S Hemley, Head of Visually Impaired Service	324,585	(9,517)	315,068
117	512,075	Hearing Impaired Service	E Rayner, Head of Hearing Impaired Service	568,778	(31,869)	536,909
118	367,624	Pupil Services	S Makin, Pupil Services Manager	341,840		341,840
119	2,551,000	School Capital Charges	G Monument, Assistant Head of Finance	3,113,000	(609,000)	2,504,000
120	360,404	Central Support Charges SIA	G Monument, Assistant Head of Finance	389,234	0	389,234
	9,164,635	TOTAL SOCIAL INCLUSION AND ACHIEVEMENT		19,466,057	(9,820,220)	9,645,837
		EARLY INTERVENTION AND SAFEGUARDING	A Bradley, Head of Early Intervention and Safeguarding			
121	200,354	Head of Service support	A Bradley, Head of Early Intervention & Safeguarding	605,262	(278,159)	327,103
122	314,936	Out of Hours Service	A Scott, AHOS (Intensive Support & Transformation)	333,382	0	333,382
123	61,450	Children's Trainees	A Scott, AHOS (Intensive Support & Transformation)	64,862	0	64,862
124	331,001	CAMHS	A Bradley, Head of Early Intervention & Safeguarding	339,266	0	339,266
125	148,581	Common Assessment Framework	A Bradley, Head of Early Intervention & Safeguarding	299,077	(138,560)	160,517
126	654,253	Community Family Support Service	M. Form, Team Manager (Family Support)	733,060	(107,054)	626,006
127	176,470	Section 17 Assessment Services	A Scott, AHOS (Intensive Support & Transformation)	180,903	0	180,903
128	86,724	Laygate Centre	A Scott, AHOS (Intensive Support & Transformation)	90,980	0	90,980
129	1,159,681	Assessment Teams	S Forster, Team Manager (Assessment)	1,304,745	(5,000)	1,299,745
130	217,158	Children's Grants	A Bradley, Head of Early Intervention & Safeguarding	209,000	(4,000)	205,000
131	2,041,569	Children's Area Teams	A Scott, AHOS (Intensive Support & Transformation)	2,134,736	0	2,134,736
132	862,167	Children With Disability	K. McKee, Team Manager (Children with Disabilities)	891,675	0	891,675
133	29,621	Playschemes	S. Taylorson, AHOS (Independence & Stability)	29,621	0	29,621

Appendix 1A: Council Revenue Budget 2009/10

Line Ref	2008/09 Budget £	Council Revenue Budget	Budget Holder	Total Cost £	Total Income £	2009/10 Budget £
134	626,488	Leaving Care Service	S. Taylorson, AHOS (Independence & Stability)	644,358	0	644,358
135	324,147	Section 17 Commissioning Services	A Scott, AHOS (Intensive Support & Transformation)	430,975	0	430,975
136	1,838,622	Independent Foster Placements	A Scott, AHOS (Intensive Support & Transformation)	2,488,622	0	2,488,622
137	323,544	Thornhill Park	S. Taylorson, AHOS (Independence & Stability)	336,445	0	336,445
138	1,383,793	Out of Borough Placements	A Scott, AHOS (Intensive Support & Transformation)	1,827,296	(411,495)	1,415,801
139	0	Childminder Payments	R Carr, Service Manager (Residential Care)	0	0	0
140	2,397,586	In House Fostering	R Carr, Service Manager (Residential Care)	2,780,950	(57,247)	2,723,703
141	1,200,368	Adoption Service	T. Fitzpatrick, Service Manager (Adoption)	1,276,630	(43,709)	1,232,921
142	996,853	Childrens Homes	R Carr, Service Manager (Residential Care)	1,136,064	(4,000)	1,132,064
143	240,443	Contact Service	C Pharoah, AHOS (Safer & Stronger Families)	249,789	0	249,789
144	335,501	The Place	M. Bettencourt, Education Support Manager (The Place)	351,819	0	351,819
145	570,458	Childrens Standards Unit	P. Dhiraj, Children's Safeguarding Co-ordinator	629,542	(2,000)	627,542
146	190,238	Service Development	C Pharoah, AHOS (Safer & Stronger Families)	193,714	0	193,714
147	112,778	Local Safeguarding Children's Board	S Devine, LSCB Business Manager	156,181	(40,170)	116,011
148	1,627,161	Central Support Charges EIS	G Monument, Assistant Head of Finance	1,691,705	0	1,691,705
	18,451,945	TOTAL EARLY INTERVENTION AND SAFEGUARDING		21,410,659	(1,091,394)	20,319,265
		TRANSITION AND WELLBEING	C Smith, Head of Transition and Wellbeing			
149	274,003	Nursery Education	P. Pick, Integrated Services Manager	279,483	0	279,483
150	(14,877)	Early Years Learning and Development	P. Pick, Integrated Services Manager	561,636	(576,749)	(15,113)
151	41,100	Early Years External Projects	P. Pick, Integrated Services Manager	1,301,943	(1,261,247)	40,696
152	272,827	Children's Fund	J Watson, Extended Schools Officer	268,739	(11,840)	256,899
153	203,173	Foundation Stage	P. Pick, Integrated Services Manager	469,312	(251,584)	217,728
154	27,114	Neighbourhood Nurseries	P. Pick, Integrated Services Manager	2,705,190	(2,604,190)	101,000

Appendix 1A: Council Revenue Budget 2009/10

Line Ref	2008/09 Budget £	Council Revenue Budget	Budget Holder	Total Cost £	Total Income £	2009/10 Budget £
155	(79,035)	Surestart Centres and Nurseries	P. Pick, Integrated Services Manager	3,573,170	(3,573,170)	0
156	249,209	Adult and Community Learning	S Chopra, AHOS Enterprise and Skills	5,596,279	(5,434,301)	161,978
157	838,139	Youth Service	V High, AHOS Participation and Citizenship	895,617	(38,923)	856,694
158	353,760	Youth Service External Projects	V High, AHOS Participation and Citizenship	1,753,610	(1,387,170)	366,440
159	1,965,759	Connexions	P Robertson, AHOS Connexions Manager	2,410,493	(48,616)	2,361,877
160	(10)	Parenting	M Welch, Parenting Commissioner	100,000	(100,000)	0
161	163,358	Outdoor Education Service	V High, AHOS Participation and Citizenship	632,287	(452,480)	179,807
162	586,309	Education Psychology	M Walsh, AHOS Progression and Resilience	690,639	0	690,639
163	189,522	Portage and Pre-school	J Finlay, Portage Manager	264,620	(69,701)	194,919
164	118,993	Children's Play	J Watson, Extended Schools Officer	229,247	(106,013)	123,234
165	761,991	Youth Offending Service - Non-Prevention	V High, AHOS Participation and Citizenship	1,238,406	(458,143)	780,263
166	161,648	Youth Offending Service - Prevention	V High, AHOS Participation and Citizenship	543,174	(382,713)	160,461
167	495,700	Central Support Charges TWB	G Monument, Assistant Head of Finance	587,650	0	587,650
	6,608,683	TOTAL TRANSITION AND WELLBEING		24,101,495	(16,756,840)	7,344,655
		DIRECTORATE SUPPORT	M Conlon, Head of Change Management			
168	480,170	School Meals and Milk	E Luke, Catering Manager	6,444,384	(6,035,389)	408,995
169	50,270	Maintenance of Land and Buildings	T Renwick, Asset Manager	52,881	0	52,881
170	82,411	Schools Non Delegated	G Monument, Assistant Head of Finance	5,299,036	(2,405,155)	2,893,881
171	633,054	Finance and Administration	G Monument, Assistant Head of Finance	887,030	(79,022)	808,008
172	619,807	Personnel	M Grady, Personnel Manager	673,310	(28,410)	644,900
173	121,372	Asset Management	T Renwick, Asset Manager	252,844	0	252,844

Appendix 1A: Council Revenue Budget 2009/10

Line Ref	2008/09 Budget £	Council Revenue Budget	Budget Holder	Total Cost £	Total Income £	2009/10 Budget £
174	39,393	Governor Support	N Longstaff, Governors Support Manager	226,563	(175,717)	50,846
175	131,481	Chuter Ede Education Centre	L Freer, Support Services Officer	475,354	(331,477)	143,877
176	26,729	Client Services	C Toward, Purchasing Advisory Services for Schools	41,461	(13,530)	27,931
177	241,646	Policy	D Jackson, Policy, Performance, Commissioning Manager	254,411	0	254,411
178	158,370	Education Information Centre	C Gardner, Information Manager	141,659	0	141,659
179	133,953	Schools Admission	T Renwick, Asset Manager	135,293	0	135,293
180	2,817	Other Exchange Visits	J Watson, Extended Schools Officer	2,817	0	2,817
181	1,173,925	Pupil Transport	T Reynolds, SEN Transport Manager	1,293,017	(48,245)	1,244,772
182	420,192	Strategic Management	M Conlon, Head of Change Management	579,323	(143,760)	435,563
183	59,889	Joint Area Review	M Conlon, Head of Change Management	0	0	0
184	1,512,176	Teachers Pension Costs	G Monument, Assistant Head of Finance	1,049,602	0	1,049,602
185	2,222,977	Central Support Charges DS	G Monument, Assistant Head of Finance	2,110,446	0	2,110,446
186	(300,000)	Value for Money Savings	M Conlon, Head of Change Management	0	(309,000)	(309,000)
	7,810,632	TOTAL DIRECTORATE SUPPORT		19,919,431	(9,569,705)	10,349,726
	(87,718,000)	DEDICATED SCHOOLS GRANT		0	(89,472,000)	(89,472,000)
	36,400,167	TOTAL CHILDREN AND YOUNG PEOPLE REVENUE BUDGET		184,476,672	(142,501,505)	41,975,167
		NEIGHBOURHOOD SERVICES				
		ADULT SOCIAL CARE	J Old/E Dunn, Senior Assistant Head of Services			
187	1,868,939	Commissioning & Quality	V Barclay, Commissioning & Contracting	2,289,853	(509,666)	1,780,187
188	(461,267)	Head of Adult Social Care	J Old/E Dunn, Senior Assistant Head of Services	(263,342)	(1,881,881)	(2,145,223)

Appendix 1A: Council Revenue Budget 2009/10

Line Ref	2008/09 Budget £	Council Revenue Budget	Budget Holder	Total Cost £	Total Income £	2009/10 Budget £
189	9,441,234	Internal Business Services	B Jewitt, Direct Provision & Regulated Services	12,456,553	(2,244,190)	10,212,363
190	10,130,304	Learning Disability	V Barclay, Commissioning & Contracting	16,331,609	(5,323,760)	11,007,849
191	3,850,153	Mental Health	V Barclay, Commissioning & Contracting	5,065,397	(1,358,626)	3,706,771
192	18,505,462	Older Persons	V Barclay, Commissioning & Contracting	28,199,056	(7,506,677)	20,692,379
193	5,011,863	Physical Disability	V Barclay, Commissioning & Contracting	6,830,810	(1,364,696)	5,466,114
	48,346,688	TOTAL ADULT SOCIAL CARE		70,909,936	(20,189,496)	50,720,440
		HEALTH AND SOCIAL INCLUSION	K Hannah, Head of Health and Social Inclusion			
194	(26,515)	Asset Management	K Hannah, Head of Health and Social Inclusion	1,188,750	(1,188,750)	0
195	500,329	Community Involvement	K Hannah, Head of Health and Social Inclusion	550,281	(31,629)	518,652
196	(32,767)	Directorate Support Administration	K Hannah, Head of Health and Social Inclusion	194,435	(194,435)	0
197	(44,325)	Head of Service	K Hannah, Head of Health and Social Inclusion	103,054	(136,054)	(33,000)
198	31,088	Information Services	K Hannah, Head of Health and Social Inclusion	1,156,788	(1,156,788)	0
199	1,013	Middlefields Site	K Hannah, Head of Health and Social Inclusion	860,368	(860,368)	0
200	15,463	Finance & Financial Assesments	T Race, Assistant Head of Finance	794,629	(794,629)	0
201	383,744	Personnel & Development	K Hannah, Head of Health and Social Inclusion	1,344,869	(1,344,869)	0
202	(12,212)	Performance & Business Group	M Thompson, Policy & Performance Manager	1,175,396	(1,175,396)	0
203	720,833	Strategy	K Hannah, Head of Directorate Support	944,884	(562,971)	381,913
204	(441,192)	Supporting People & Asylum Seekers	K Hannah, Head of Directorate Support	5,641,586	(5,529,550)	112,036
205	456,779	Warden Call	K Hannah, Head of Directorate Support	1,226,216	(730,466)	495,750
206	26,767	Welfare Rights	M Peel, Coordinating Welfare Rights Officer	920,044	(900,803)	19,241
	1,579,005	TOTAL HEALTH AND SOCIAL INCLUSION		16,101,300	(14,606,708)	1,494,592

Appendix 1A: Council Revenue Budget 2009/10

Line Ref	2008/09 Budget £	Council Revenue Budget	Budget Holder	Total Cost £	Total Income £	2009/10 Budget £
		LEISURE AND COMMUNITY SERVICES	T Duggan, Head of Leisure and Community Services			
207	31,802	Allotments	R Jago, Cultural Operations Manager	131,238	(94,461)	36,777
208	92,640	Archives	B Atkinson, Cultural Development Manager	93,139	0	93,139
209	542,338	Arts Development & Support	B Atkinson, Cultural Development Manager	559,571	0	559,571
210	2,000	Caravan Sites	R Jago, Cultural Operations Manager	0	0	0
211	167,339	Childrens Playgrounds	R Jago, Cultural Operations Manager	201,371	(33,000)	168,371
212	1,759,227	Community Parks & Open Spaces	R Jago, Cultural Operations Manager	2,273,385	(392,076)	1,881,309
213	390,717	Community Development	T Duggan, Head of Leisure and Community Services	297,624	0	297,624
214	3,211,295	Community Education	S Chilton, Community Development Manager	3,985,877	(640,119)	3,345,758
215	271,387	Cookson Festival	B Atkinson, Cultural Development Manager	331,869	(46,186)	285,683
216	395,999	EPA Cleansing Duties	R Jago, Cultural Operations Manager	412,493	0	412,493
217	242,775	Foreshore	R Jago, Cultural Operations Manager	403,118	(152,524)	250,594
218	88,058	Great North Run	B Atkinson, Cultural Development Manager	142,695	(58,926)	83,769
219	2,920,330	Indoor Sport & Recreational Facilities	R Jago, Cultural Operations Manager	5,524,142	(2,263,807)	3,260,335
220	45,004	Leisure Administration	B Atkinson, Cultural Development Manager	703,720	(934,720)	(231,000)
221	3,084,034	Libraries	M Freeman, Libraries Manager	3,492,240	(246,345)	3,245,895
222	1,072,617	Museums & Galleries	B Atkinson, Cultural Development Manager	1,849,533	(507,690)	1,341,843
223	991,199	Neighbourhood Working	T Duggan, Head of Leisure and Community Services	1,091,023	(95,000)	996,023
224	77,626	Other Events	B Atkinson, Cultural Development Manager	139,976	0	139,976
225	158,815	Outdoor Sport & Recreational Facilities	R Jago, Cultural Operations Manager	192,855	(24,432)	168,423
226	(1,302)	School Swimming	R Jago, Cultural Operations Manager	505,856	(492,153)	13,703
227	670,278	Sports Development	B Atkinson, Cultural Development Manager	770,412	(80,189)	690,223
228	320,399	Tourism	B Atkinson, Cultural Development Manager	334,609	(24,946)	309,663
	16,534,577	TOTAL LEISURE AND COMMUNITY SERVICES		23,436,746	(6,086,574)	17,350,172

Appendix 1A: Council Revenue Budget 2009/10

Line Ref	2008/09 Budget £	Council Revenue Budget	Budget Holder	Total Cost £	Total Income £	2009/10 Budget £
		SUSTAINABLE COMMUNITIES	B Buckley, Head of Sustainable Communities			
229	232,074	Anti Social Behaviour	B Buckley, Head of Sustainable Communities	635,422	(378,603)	256,819
230	172,354	Bereavement Servs	K Wallace, Environmental Maintenance Manager	1,304,921	(1,127,589)	177,332
231	36,132	Building Cleaning Services	R Weetman, Infrastructure Projects Manager	3,830,634	(3,880,634)	(50,000)
232	(378,071)	Car Parking	D Elliott, Transport Design Manager	1,137,754	(1,580,217)	(442,463)
233	(158,493)	CCTV	B Buckley, Head of Sustainable Communities	591,691	(744,711)	(153,020)
234	551,403	Community Safety & Health	B Buckley, Head of Sustainable Communities	498,838	(27,855)	470,983
235	715,097	Community Wardens	K Wallace, Environmental Maintenance Manager	530,850	0	530,850
236	(126,185)	Engineering Works Highways	R Weetman, Infrastructure Projects Manager	3,475,412	(3,416,658)	58,754
237	275,296	Environmental Projects	R Weetman, Infrastructure Projects Manager	301,465	0	301,465
238	129,000	Festive Lighting	R Weetman, Infrastructure Projects Manager	150,000	(21,630)	128,370
239	(254,980)	Fleet Management	R Hepburn, Fleet Manager	5,273,003	(5,358,003)	(85,000)
240	89,359	Grounds Maintenance	K Wallace, Environmental Maintenance Manager	434,438	(294,035)	140,403
241	33,446	Groundwork Trust	K Wallace, Environmental Maintenance Manager	33,446	0	33,446
242	39,573	Highways & Structures Design	D Elliott, Transport Design Manager	899,813	(899,813)	0
243	1,089,994	Highways Maintenance Dept. Costs	R Weetman, Infrastructure Projects Manager	1,530,567	(434,443)	1,096,124
244	1,258,993	Highways Routine Maintenance	R Weetman, Infrastructure Projects Manager	1,208,771	(2,430)	1,206,341
245	1,816,266	Highways Structural Maintenance	R Weetman, Infrastructure Projects Manager	2,193,616	(280,000)	1,913,616
246	42,806	Landscape Design	R Weetman, Infrastructure Projects Manager	303,327	(303,327)	0
247	37,769	Market	K Wallace, Environmental Maintenance Manager	320,928	(329,147)	(8,219)
248	126,511	Partnership Team & DAT	B Buckley, Head of Sustainable Communities	425,287	(285,825)	139,462
249	440,576	Public Conveniences	R Weetman, Infrastructure Projects Manager	471,166	(594)	470,572

Appendix 1A: Council Revenue Budget 2009/10

Line Ref	2008/09 Budget £	Council Revenue Budget	Budget Holder	Total Cost £	Total Income £	2009/10 Budget £
250	719,472	Recycling Collection	A Whittaker, Waste Services Manager	721,686	0	721,686
251	843,033	Road Safety	D Elliott, Transport Design Manager	879,087	(7,772)	871,315
252	2,477,916	Street Lighting	R Weetman, Infrastructure Projects Manager	4,518,537	(1,727,574)	2,790,963
253	3,422,470	Streetscene & Streetscape	K Wallace, Environmental Maintenance Manager	4,251,623	(502,907)	3,748,716
254	759,679	Traffic Management	D Elliott, Transport Design Manager	895,777	(74,687)	821,090
255	2,496,125	Waste Collection	A Whittaker, Waste Services Manager	5,414,668	(2,674,690)	2,739,978
256	4,746,167	Waste Disposal	A Whittaker, Waste Services Manager	6,436,921	(673,353)	5,763,568
257	404,140	Winter Maintenance	R Weetman, Infrastructure Projects Manager	407,837	0	407,837
	22,037,922	TOTAL SUSTAINABLE COMMUNITIES		49,077,485	(25,026,497)	24,050,988
	88,498,192	TOTAL NEIGHBOURHOOD SERVICES REVENUE BUDGET		159,525,467	(65,909,275)	93,616,192
	162,419,214	TOTAL COUNCIL REVENUE BUDGET		568,346,516	(402,439,302)	165,907,214

Appendix 1B: Council Revenue Budget 2009/10

Line Ref	Council Revenue Budget (format for external reporting)	Total Cost £m	Total Income £m	2009/10 Budget £m
Central Services				
1	Democratic Representation and Management	2.439	- 0.002	2.437
2	Corporate Management	4.125	- 0.756	3.369
3	Non Distributed Cost - Unused Share of Assets	0.437	- 0.079	0.358
4	Non Distributed Cost - Pensions Past Service	8.120	- 0.346	7.774
5	Central Services to the Public	18.247	- 16.044	2.202
6	Precepts and Levies	9.879	-	9.879
7	Trading Account Surpluses and Deficits	19.703	- 19.415	0.288
8	Trading Services Control Account	-	-	-
9	Emergency Planning	-	-	-
10	Interest and Investment Income	-	- 1.674	1.674
11	Pensions Costs	32.380	- 24.320	8.060
12	Extraordinary Items	0.498	- 4.540	4.042
13	TOTAL CENTRAL SERVICES	95.329	- 67.176	28.652
Court Services				
14	Coroners Service	0.530	- 0.313	0.217
15	TOTAL COURT SERVICES	0.530	- 0.313	0.217
Cultural, Environmental and Planning Services				
16	Culture and Heritage	2.979	- 0.554	2.425
17	Recreation and Sport	10.539	- 3.067	7.472
18	Opens Spaces	5.190	- 0.986	4.204

Appendix 1B: Council Revenue Budget 2009/10

Line Ref	Council Revenue Budget (format for external reporting)	Total Cost £m	Total Income £m	2009/10 Budget £m
19	Tourism	0.335	- 0.025	0.310
20	Library Service	3.492	- 0.246	3.246
21	Cemetery, Cremation and Mortuary Services	1.305	- 1.128	0.177
22	Coast Protection	0.152	-	0.152
23	Environmental Health	2.118	- 0.364	1.754
24	Community Safety (Crime Reduction)	3.283	- 1.882	1.401
25	Trading Standards	0.610	- 0.003	0.607
26	Street Cleansing	4.115	- 0.503	3.612
27	Waste Collection	5.169	- 1.477	3.692
28	Waste Disposal	6.211	- 0.673	5.538
29	Building Control	1.690	- 1.270	0.420
30	Development Control	1.248	- 0.391	0.857
31	Planning Policy	0.736	- 0.026	0.710
32	Environmental Initiatives	0.033	-	0.033
33	Economic Development	9.829	- 2.495	7.333
34	Community Development	2.881	- 0.567	2.313
35	Cultural and related Management and Support Costs	0.703	- 0.935	0.232
36	Planning and Development Management and Support Costs	1.569	- 1.481	0.088
37	Environmental Services Management and Support Costs	2.339	- 2.339	-
38	TOTAL CULTURAL, ENVIRONMENT AND PLANNING	61.915	- 20.413	46.113
	Education Services			
39	Nursery Schools	3.276	- 1.320	1.956
40	Primary Schools	54.732	- 10.198	44.534
41	Secondary Schools	65.133	- 15.796	49.337
42	Special Schools	10.206	- 2.491	7.716

Appendix 1B: Council Revenue Budget 2009/10

Line Ref	Council Revenue Budget (format for external reporting)	Total Cost £m	Total Income £m	2009/10 Budget £m
43	Non School Funding	23.391	- 15.384	8.007
44	Education Departmental Management	2.916	- 2.916	-
	Dedicated Schools Grant	-	- 89.472	89.472
45	TOTAL EDUCATION SERVICES	159.654	- 137.576	22.078
	Highways, Roads and Transport Services			
46	Transport Planning, Policy and Strategy	0.415	- 0.083	0.331
47	Highways Structural	2.119	- 0.205	1.914
48	Construction	-	-	-
49	Highways Routine	2.850	- 0.512	2.338
50	Street Lighting	4.668	- 1.749	2.919
51	Winter Maintenance	0.408	-	0.408
52	Traffic Management and Road Safety	1.770	- 0.082	1.688
53	Parking Services	1.137	- 1.580	0.443
54	Highways Management and Support Services	0.276	- 0.900	0.624
55	TOTAL HIGHWAYS, ROADS AND TRANSPORT	13.367	- 5.111	8.531
	Housing Services			
56	Housing Strategy	0.171	-	0.171
57	Housing Advances	0.007	- 0.014	0.007
58	Private Sector Housing Renewal	0.652	- 0.185	0.468
59	Homelessness	0.543	- 0.179	0.364
60	Housing Benefit Payments	46.108	- 46.565	0.457
61	Housing Benefit Administration	2.373	- 1.908	0.465

Appendix 1B: Council Revenue Budget 2009/10

Line Ref	Council Revenue Budget (format for external reporting)	Total Cost £m	Total Income £m	2009/10 Budget £m
62	Contributions to the Housing Revenue Account	0.470	-	0.007
63	Other Council Property	0.006	-	0.025
64	Housing Management Support Services	0.358	-	0.174
65	TOTAL HOUSING SERVICES	50.330	-	49.056
	Social Services			
66	Service Strategy	-	0.216	-
67	Children's Commissioning and Social Work	6.338	-	0.144
68	Children Looked After	9.067	-	0.614
69	Family Support Services	1.515	-	0.107
70	Youth Justice	1.783	-	0.841
71	Other Children's and Families Services	2.808	-	0.226
72	Older People (Aged 65 and Over)	36.138	-	8.674
73	Physically Disabled Adults	4.841	-	0.627
74	Learning Disabled Adults	15.166	-	5.096
75	Adults with Mental Health Needs	4.763	-	1.276
76	Other Adult Services	15.339	-	7.936
77	Sheltered Employment	1.166	-	0.228
78	Supporting People	-	-	-
79	Adult Management and Support Services	6.552	-	6.279
80	TOTAL SOCIAL SERVICES	98.708	-	33.930
81	TOTAL COUNCIL NET REVENUE BUDGET (BEFORE APPROPRIATIONS)			178.553
82	APPROPRIATIONS (TRANSFERS TO RESERVES)	34.273	-	46.918
83	TOTAL COUNCIL NET REVENUE BUDGET			165.907

Appendix 1C: Standstill Pressures 2009/14

The Council needs to spend money to keep services at their current level. Just to standstill and continue to deliver our current services we will need to spend an extra £13.5m next year, a further £18.1m in 2010/11 and a further £15.4m in 2011/12.

161. The table below details our standstill pressures over the next five years:

Revenue Standstill Pressures	2009/10	2010/11	2011/12	2012/13	2013/14
	£m	£m	£m	£m	£m
Inflation					
Pay increments and cost of living increase	3.950	4.807	4.923	5.037	5.142
Energy inflation	1.036	1.091	1.260	1.461	1.699
Net Inflation on prices and income (excluding energy)	3.028	3.930	1.688	1.807	1.792
Estimated increase in PTA levy (3%)	0.103	0.120	0.120	0.120	0.120
Changes in employer pension and NI contributions	0.174	0.000	2.240	0.000	0.000
	8.291	9.948	10.231	8.425	8.753
Demand Led					
Safeguarding - securing safe placements	1.108	0.000	0.000	0.000	0.000
Landfill allowance trading scheme permits	0.335	(0.335)	0.000	0.000	0.000
	1.443	(0.335)	0.000	0.000	0.000
Statutory / Legislative					
Remove 1 year Joint Area Review budget	(0.100)	0.000	0.000	0.000	0.000
Public law family court fees	0.050	0.000	0.000	0.000	0.000
Provision for job evaluation appeals	0.540	0.000	0.000	0.000	0.000
Local development framework	0.000	0.078	0.000	0.000	0.000
Landfill tax rise	0.520	0.520	0.000	0.000	0.000
Traffic Management Act - planning of works	0.050	0.070	0.000	0.000	0.000
Re-instatement of memorials	0.110	(0.060)	0.000	0.000	0.000
	1.170	0.608	0.000	0.000	0.000

Appendix 1C: Standstill Pressures 2009/14

Revenue Standstill Pressures	2009/10	2010/11	2011/12	2012/13	2013/14
	£m	£m	£m	£m	£m
Other Unavoidable Changes					
Costs arising from review of adult care provision	0.934	0.781	0.083	0.000	0.000
Additional revenue costs of Cleadon Park Library	0.000	0.028	0.000	0.000	0.000
BSF support and client function	0.100	0.000	0.000	0.000	0.000
CYP staff turnover target	0.166	0.167	0.167	0.000	0.000
School improvement partners (SIPs)	0.100	0.000	0.000	0.000	0.000
BSF affordability gap - Jarrow School & South Shields Community School	0.200	0.200	0.200	0.200	0.000
Childrens social care - section 17 payments	0.100	0.000	0.000	0.000	0.000
Interest rate reductions on investment income	2.331	0.969	(1.595)	(0.532)	(0.033)
Remove increased audit costs for CPA Inspection year	(0.099)	0.000	0.000	0.000	0.000
Increase in debt charges	0.000	1.120	0.840	0.420	0.070
Financial services saving	0.000	0.000	(0.300)	0.000	0.000
Members Services Restructure	0.065	0.000	0.000	0.000	0.000
Local Land Charge Income Reduction	0.040	0.000	0.000	0.000	0.000
Reduction in planning fee income	0.080	0.000	0.000	0.000	0.000
Out of hours dog warden service	0.025	0.000	0.000	0.000	0.000
Joint waste partnership strategy	0.088	(0.028)	(0.080)	0.000	0.000
Future waste disposal contract	0.000	1.755	0.000	0.000	0.000
Streetscape - Extension of recycling items	0.000	0.000	0.137	0.000	0.000
Streetscape zero based budget exercise	0.279	0.000	0.000	0.000	0.000
NS Directorate support salary budget alignment	0.152	0.000	0.000	0.000	0.000
Running costs of new Jarrow pool	0.000	0.150	0.000	0.000	0.000
Cleadon Park community facility lease	0.000	0.219	0.109	0.000	0.000

Appendix 1C: Standstill Pressures 2009/14

Revenue Standstill Pressures	2009/10	2010/11	2011/12	2012/13	2013/14
	£m	£m	£m	£m	£m
Decline of audio visual income in libraries	0.045	0.000	0.000	0.000	0.000
Decommission physiotherapy services	(0.048)	0.000	0.000	0.000	0.000
Pension release costs	0.060	0.000	0.000	0.000	0.000
Strategic Partnership	0.100	0.150	0.025	0.000	0.000
	4.718	5.511	(0.414)	0.088	0.037
Changes to External Grant					
Changes in specific grants from government	1.418	0.267	0.000	0.000	0.000
Changes in Area Based Grant	(1.349)	4.669	0.919	0.000	0.000
Increase in Dedicated Schools Grant	(1.754)	(1.789)	(1.825)	(1.861)	(1.899)
Reduction in housing benefit/council tax admin grant	0.141	0.088	0.000	0.000	0.000
LPSA reward grant	(0.825)	(0.825)	1.650	0.000	0.000
Non recovery from capital re project managers	0.120	0.000	0.000	0.000	0.000
Potential loss of LEGI revenue grant	0.000	0.000	4.311	0.000	0.000
Reduction in asylum seekers grant	0.088	0.000	0.000	0.000	0.000
Potential cessation of community services external funding (WNF)	0.000	0.000	0.577	0.018	0.000
Loss of external funding for culture and leisure events	0.075	0.000	0.000	0.000	0.000
	(2.086)	2.410	5.632	(1.843)	(1.899)
TOTAL Revenue Standstill Pressures	13.536	18.142	15.449	6.670	6.891

Appendix 2A: Council Capital Programme 2009/10

Line Ref	Council Capital Budget	Budget Holder	2009/10 Budget £	External Funding £	Council Funding £	Scheme Status
	CHILDREN AND YOUNG PEOPLE	Helen Watson, Executive Director				
	SOCIAL INCLUSION & ACHIEVEMENT	Peter Cutts, Head of Social Inclusion & Achievement				
1	Harnessing Technology	P Cutts, Head Social Inclusion & Achievement	495,000	(495,000)	0	Green
	TOTAL SOCIAL INCLUSION & ACHIEVEMENT		495,000	(495,000)	0	
	CHANGE MANAGEMENT	Mike Conlon, Head of Change Management				
2	Building Schools for the Future	M Conlon, Head of Change Management	24,185,000	(24,185,000)	0	Green
3	Primary School Reorganisation	M Conlon, Head of Change Management	3,704,000	(3,000,000)	704,000	Green
4	Asbestos Removal in Schools	M Conlon, Head of Change Management	200,000	0	200,000	Green
5	Accommodation for Alternative Education Services	M Conlon, Head of Change Management	200,000	0	200,000	Green
6	Schools Access Initiative	M Conlon, Head of Change Management	238,000	0	238,000	Green
7	School Asset Condition and Suitability	M Conlon, Head of Change Management	500,000	0	500,000	Green
8	Schools Devolved Formula	M Conlon, Head of Change Management	2,155,000	(2,155,000)	0	Green
9	School Dining Room Equipment	M Conlon, Head of Change Management	200,000	0	200,000	Amber
	TOTAL CHANGE MANAGEMENT		31,382,000	(29,340,000)	2,042,000	
	TRANSITION & WELLBEING	Christine Smith, Head of Transition & Wellbeing				
10	Children's Centres	C Smith, Head of Transition & Wellbeing	518,000	(518,000)	0	Green
11	Extended Schools	C Smith, Head of Transition & Wellbeing	277,000	(277,000)	0	Green
12	Youth Capital Fund	C Smith, Head of Transition & Wellbeing	96,000	(96,000)	0	Green
13	Short Break Respite Funding	C Smith, Head of Transition & Wellbeing	84,000	(84,000)	0	Green
	TOTAL TRANSITION & WELLBEING		975,000	(975,000)	0	

Appendix 2A: Council Capital Programme 2009/10

Line Ref	Council Capital Budget	Budget Holder	2009/10 Budget £	External Funding £	Council Funding £	Scheme Status
	EARLY INTERVENTION & SAFEGUARDING	Amanda Bradley, Head of Early Intervention & Safeguarding				
14	Children's Homes	A Bradley, Head of Early Intervention & Safeguarding	65,000	0	65,000	Green
15	Early Years Funding	A Bradley, Head of Early Intervention & Safeguarding	472,000	(472,000)	0	Green
	TOTAL EARLY INTERVENTION & SAFEGUARDING					
	TOTAL CHILDREN AND YOUNG PEOPLE CAPITAL BUDGET		33,389,000	(31,282,000)	2,107,000	
	NEIGHBOURHOOD SERVICES DIRECTORATE	Fiona Brown, Executive Director				
	DIRECTORATE SUPPORT	Keith Hannah, Head of Directorate Support				
16	Social Care & Health ICT System Upgrade	K Hannah, Head of Directorate Support	107,000	(107,000)	0	Green
	TOTAL DIRECTORATE SUPPORT		107,000	(107,000)	0	
	STREETSCAPE	Bill Buckley, Head of Streetscape				
17	Festive Lights	B Buckley, Head of Streetscape	75,000	0	75,000	Amber
18	Improving the Quality of Footpaths	B Buckley, Head of Streetscape	250,000	0	250,000	Amber
17	Integrated Transport Programme (LTP)	B Buckley, Head of Streetscape	1,492,000	(1,492,000)	0	Green
18	Highways Maintenance Programme (LTP)	B Buckley, Head of Streetscape	1,479,000	0	1,479,000	Green
19	Highways Infrastructure Improvements	B Buckley, Head of Streetscape	250,000	(200,000)	50,000	Amber
20	Crematorium - Mercury Emissions Legislation	B Buckley, Head of Streetscape	455,000	0	455,000	Amber
21	Maintain and improve footbridges	B Buckley, Head of Streetscape	250,000	0	250,000	Amber
22	Maintain and improve subways	B Buckley, Head of Streetscape	100,000	0	100,000	Amber
23	Street Lighting Replacement Programme (non PFI)	B Buckley, Head of Streetscape	100,000	0	100,000	Amber
24	Replacement Vehicles & Plant Hire	B Buckley, Head of Streetscape	2,350,000	(1,550,000)	800,000	Amber
25	Alternative Waste Collection/Recycling Project	B Buckley, Head of Streetscape	1,092,000	(256,000)	836,000	Amber
26	Public Transport Highway Improvements	B Buckley, Head of Streetscape	228,000	(228,000)	0	Green

Appendix 2A: Council Capital Programme 2009/10

Line Ref	Council Capital Budget	Budget Holder	2009/10 Budget £	External Funding £	Council Funding £	Scheme Status
27	Improve Recycling Site	B Buckley, Head of Streetscape	50,000	0	50,000	Amber
28	CCTV Replacment	B Buckley, Head of Streetscape	141,000	0	141,000	Amber
29	CAF Grants	B Buckley, Head of Streetscape	120,000	0	120,000	Amber
	TOTAL STREETSCAPE		8,432,000	(3,726,000)	4,706,000	
	ADULT SERVICES	Caroline Thomas, Head of Adult Services				
30	Disabled Facilities in Private Housing	C Thomas, Head of Adult Services	1,153,000	(875,000)	278,000	Amber
	TOTAL ADULT SERVICES		1,153,000	(875,000)	278,000	
	CULTURAL SERVICES	Tony Duggan, Head of Cultural Services				
31	South Marine Park	T Duggan, Head of Cultural Services	143,000	(143,000)	0	Green
32	21st Century Leisure Facilities	T Duggan, Head of Cultural Services	1,150,000	(800,000)	350,000	Amber
33	Parks Infrastructure	T Duggan, Head of Cultural Services	50,000	0	50,000	Amber
34	Monkton Stadium Artificial Turf Pitch	T Duggan, Head of Cultural Services	500,000	(500,000)	0	Green
35	Foreshore Development - Public Realm & Street Furniture	T Duggan, Head of Cultural Services	250,000	(150,000)	100,000	Amber
36	Foreshore Development - Bents Park Changing Rooms	T Duggan, Head of Cultural Services	976,000	(426,000)	550,000	Amber
	TOTAL CULTURAL SERVICES		3,069,000	(2,019,000)	1,050,000	
	TOTAL NEIGHBOURHOOD SERVICES CAPITAL BUDGET		12,761,000	(6,727,000)	6,034,000	

Appendix 2A: Council Capital Programme 2009/10

Line Ref	Council Capital Budget	Budget Holder	2009/10 Budget £	External Funding £	Council Funding £	Scheme Status
	RESOURCES AND REGENERATION	Patrick Mellia, Executive Director				
	FINANCE	Stuart Reid, Head of Finance				
37	Single Status	S Reid, Head of Finance	9,790,000	0	9,790,000	Amber
	TOTAL FINANCE		9,790,000	0	9,790,000	
	ENTERPRISE AND REGENERATION	Rick O'Farrell, Head of Enterprise & Regeneration				
	Planned Maintenance					
38	Planned Maintenance	R. O'Farrell, Head of Enterprise & Regeneration	2,000,000	0	2,000,000	Amber
39	Boiler Replacement	R. O'Farrell, Head of Enterprise & Regeneration	221,000	0	221,000	Amber
	TOTAL PLANNED MAINTENANCE ENTERPRISE AND REGENERATION		2,221,000	0	2,221,000	
	ENTERPRISE AND REGENERATION					
40	Office Accommodation	R. O'Farrell, Head of Enterprise & Regeneration	600,000	0	600,000	Amber
41	Major Grants Fund	R. O'Farrell, Head of Enterprise & Regeneration	408,000	0	408,000	Green
42	External Funding Development Fund	R. O'Farrell, Head of Enterprise & Regeneration	35,000	0	35,000	Amber
43	Green Business Park	R. O'Farrell, Head of Enterprise & Regeneration	5,240,000	(5,200,000)	40,000	Green
44	Regeneration and Transformation Fund	R. O'Farrell, Head of Enterprise & Regeneration	400,000	(400,000)	0	Green
45	Achieving Regeneration in the Borough	R. O'Farrell, Head of Enterprise & Regeneration	1,750,000	0	1,750,000	Amber
46	Riverside Regeneration	R. O'Farrell, Head of Enterprise & Regeneration	3,320,000	(2,990,000)	330,000	Amber
47	Frederick Street Acquisitions	A Wainwright, Interim Head of Regulatory Services	250,000	0	250,000	Amber
48	Pier Parade Acquisitions	A Wainwright, Interim Head of Regulatory Services	1,500,000	0	1,500,000	Amber
49	Hebburn New Town	A Wainwright, Interim Head of Regulatory Services	60,000	(60,000)	0	Green
50	Cleadow Park Community Facilities	A Wainwright, Interim Head of Regulatory Services	308,000	0	308,000	Amber
	TOTAL ENTERPRISE AND REGENERATION		13,871,000	(8,650,000)	5,221,000	

Appendix 2A: Council Capital Programme 2009/10

Line Ref	Council Capital Budget	Budget Holder	2009/10 Budget £	External Funding £	Council Funding £	Scheme Status
	REGULATORY SERVICE	Andrew Wainwright, Interim Head of Regulatory Services				
51	Improve Private Housing in the Borough	A Wainwright, Interim Head of Regulatory Services	640,000	(640,000)	0	Green
52	Cleadon Park Regeneration	A Wainwright, Interim Head of Regulatory Services	500,000	0	500,000	Amber
53	South Shields Registry Office	A Wainwright, Interim Head of Regulatory Services	50,000	0	50,000	Amber
54	Coastal Protection - Trow Quarry	A Wainwright, Interim Head of Regulatory Services	100,000	(100,000)	0	Green
55	Coastal Protection - Littlehaven	A Wainwright, Interim Head of Regulatory Services	500,000	0	500,000	Amber
56	Coastal Protection - Infrastructure	A Wainwright, Interim Head of Regulatory Services	1,520,000	(1,520,000)	0	Green
	TOTAL REGULATORY SERVICE		3,310,000	(2,260,000)	1,050,000	
	CUSTOMER SERVICES AND ICT	Alan Holt, Head of Customer Services & ICT				
57	Maintenance of Voice and Data Infrastructure	Alan Holt, Head of Customer Services & ICT	550,000	0	550,000	Amber
58	ICT Replacement	Alan Holt, Head of Customer Services & ICT	73,000	0	73,000	Amber
59	E-Government	Alan Holt, Head of Customer Services & ICT	306,000	0	306,000	Amber
60	Partner capital	Alan Holt, Head of Customer Services & ICT	2,040,000	(2,040,000)	0	Amber
61	Customer Service Strategy	Alan Holt, Head of Customer Services & ICT	200,000	0	200,000	Amber
	TOTAL CUSTOMER SERVICES AND ICT		3,169,000	(2,040,000)	1,129,000	
	TOTAL REGENERATION AND RESOURCES CAPITAL BUDGET		32,361,000	(12,950,000)	19,411,000	
	TOTAL COUNCIL CAPITAL BUDGET 2009/10		78,511,000	(50,959,000)	27,552,000	

Appendix 2B: Council Capital External Funding

162. The table below identifies the external funding we have bid for (but not yet secured) and the external funding we have secured over the coming five years. The full amount of this external funding is not, as yet, secured. Capital schemes dependent on external funding will not proceed until full funding has been secured.

External Capital Funding Forecast	Provisional External Funding					Funding
	2009/10 £m	2010/11 £m	2011/12 £m	2012/13 £m	2013/14 £m	TOTAL £m
Capital Grant from central government						
DCSF BSF Grant	24.185	19.722	23.161	12.045	0.000	79.113
DCSF Stds Fund Extended Schools	0.277	0.143	0.143	0.143	0.143	0.849
DCSF Stds Fund Harnessing technology	0.495	0.540	0.540	0.540	0.540	2.655
DCSF Stds Fund Schools Devolved Formula Capital	2.155	2.155	2.155	2.155	2.155	10.775
DCSF Surestart Grant	0.518	0.520	0.520	0.520	0.520	2.598
DCSF Youth Capital Fund	0.096	0.096	0.096	0.096	0.096	0.480
DCSF Transforming Our primary Schools	3.000	5.378	3.000	3.000	3.000	17.378
DCSF Short break respite	0.084	0.196	0.000	0.000	0.000	0.280
DCSF Early Years Capital Grant	0.472	0.472	0.000	0.000	0.000	0.944
DCSF Stds Fund Modernisation grant	0.000	1.209	1.209	1.209	1.209	4.836
DCSF Grant	0.000	3.294	0.000	0.000	0.000	3.294
DCMS Grant	0.800	5.000	3.700	0.000	0.000	9.500
DEFRA Coastal Protection Capital Grant	1.620	0.010	0.010	0.010	0.000	1.650
Single Programme/English partnerships	7.590	2.660	1.670	0.000	0.000	11.920
DCLG - Single Housing Investment Programme	0.700	0.700	0.640	0.640	0.640	3.320
LEGI funding	1.000	0.860	0.860	0.000	0.000	2.720



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Appendix 2B: Council Capital External Funding

External Capital Funding Forecast	Provisional External Funding					Funding
	2009/10 £m	2010/11 £m	2011/12 £m	2012/13 £m	2013/14 £m	TOTAL £m
DoH - IT Grant	0.107	0.107	0.107	0.107	0.000	0.428
DFT Integrated transport Programme	1.920	2.031	2.031	2.031	2.031	10.044
ODPM Disabled Facilities Capital Grant	0.503	0.503	0.503	0.503	0.503	2.515
DCLG - Single Housing Investment Programme	0.372	0.372	0.372	0.372	0.372	1.860
Sport England - Football Foundation	0.926	0.000	0.000	0.000	0.000	0.926
Heritage Lottery Fund	0.143	0.000	0.000	0.000	0.000	0.143
Waste Efficiency Grant	0.256	0.095	0.000	0.000	0.000	0.351
Other external funding	0.150	0.006	0.200	0.000	0.000	0.356
TOTAL External Capital Funding Forecast	47.369	46.069	40.917	23.371	11.209	168.935
External Funding Secured and Bid For						
External Funding Secured	44.096	39.057	27.856	14.210	2.155	127.374
External Funding Bid For	3.273	7.012	13.061	9.161	9.054	41.561
TOTAL External Capital Funding Forecast	47.369	46.069	40.917	23.371	11.209	168.935

Appendix 3: Housing Revenue Account Spending Plans

Landlord Charges - Services and Facilities		No	Current Charge £/wk	Inflation Increase	Proposed Revised Charge
Garage Rents	General	2697	£3.33	3.00%	£3.43
	Lincoln Road	29	£3.36	3.00%	£3.46
Tenant Heating Charges	Newtown 1-bed	25	£5.63	5.00%	£5.91
	Newtown 2-bed	194	£6.76	5.00%	£7.10
	Newtown 3-bed	22	£7.44	5.00%	£7.81
	Jarrow Card Price (exc VAT) (inc VAT)	2000	£13.80 £14.49	5.00% 5.00%	£14.49 £15.21
Sheltered Accommodation-Landlord Charges for Scheme Managers and Communal Facilities					
Service Charges	Purpose built flats with scheme manager & communal facilities within the same complex	770	£10.32	3.00%	£10.63
	Group dwellings with scheme manager & nearby communal facilities	446	£4.47	3.00%	£4.60
Guest Room Charges	Charges for overnight stay or emergency situations per night	500	£9.26	3.00%	£9.54

Tenant Caretaker and Concierge Charges	CareTaker		Concierge	
	Cost per Prop per wk 2008/09	Cost per Prop per wk 2009/10	Cost per Prop per wk 2008/09	Cost per Prop per wk 2009/10
	Durham Court	£2.26	£2.33	£9.71
Westmorland Court	£1.85	£1.91	£9.71	£10.00
Ellen Court	£5.67	£5.84	£9.71	£10.00
Monastery Court	£5.67	£5.84	£9.71	£10.00
Wilkinson Court	£5.67	£5.84	£9.71	£10.00

Appendix 3: Housing Revenue Account Spending Plans

Support Service Charges - Supporting People		No	Current Charge £/wk	Inflation Increase	Proposed Revised Charge
Support Charges 1st April 2005 Full Cost					
Community Alarms - Support					
Council Tenants	Standard - Hardwired or Solo Unit	3456	£2.77	0.00%	£2.77
Council Tenants	Enhanced - Hardwired & Solo Unit	129	£4.21	0.00%	£4.21
Individual Owner/Occupier	Standard		£2.77	0.00%	£2.77
Housing Assoc/Landlords	Standard		£2.77	0.00%	£2.77
Scheme Managers - Support					
Council Tenants	Scheme Managers - Support Services	1220	£10.25	0.00%	£10.25

Protected Users (ie service users at 31st March 2003)		2003/04 Charge	2009/10 Charge	Grant / Protection	2009/10 net max
Scheme Managers - support	Tenants on Benefit	0	£10.25	£10.25	£0.00
	Tenants not on Benefit	0	£10.25	£10.25	£0.00
Community Alarms - support	Tenants not on Benefit				
	Solo - Rent & Monitor	£1.19	£2.77	£1.58	£1.19
	hard-wired'	£1.19	£2.77	£1.58	£1.19
	hard wired' & solo unit	£1.80	£4.21	£2.41	£1.80
	Tenants on Benefit				
	Solo - Rent & Monitor	£1.19	£2.77	£1.58	£1.19
hard-wired'	£1.19	£2.77	£1.58	£1.19	
hard wired' & solo unit	£1.80	£4.21	£2.41	£1.80	

Appendix 3: Housing Revenue Account Spending Plans

External Users Community Alarms		No's	Current Charge £/wk	Inflation Increase	Proposed Revised Charge
Owner/Occupiers	Private including rental of equipment	398	£2.77	0.00%	£2.77
	Private - purchased equipment	224	£1.55	0.00%	£1.55
Housing Associations/Private Landlords Contracts at 31st March 2003	Standard Service		£2.77	0.00%	£2.77
	Monitoring & response (per tenant per week)	386	£1.87	0.00%	£1.87
	Monitoring Only (per tenant per week)		£1.25	0.00%	£1.25
Admin Charges	Board Call		£5.31	0.00%	£5.31
	Admin set-up charge per unit		£13.34	0.00%	£13.34

Other Specific Service Charges		No's	Current Charge £/wk	Inflation Increase	Proposed Revised Charge
Council - HRA Temporary Accommodation - existing					
	1-bed accommodation	7	£20.91	3.00%	£21.54
	2-bed accommodation	2	£29.71	3.00%	£30.60
	3-bed accommodation	7	£42.91	3.00%	£44.20
Charges Collected on behalf of Managing Agents					
Mencap	Supported Housing	1	£92.87	n/a	£92.87

Appendix 3: Housing Revenue Account Spending Plans

Tenants - Sheltered Accommodation Heating Charges	2008/09			2009/10		
	Cost per property per wk - Bed Sit	Cost per property per wk - 1 Bed	Cost per property per wk - 2 Bed	Cost per property per wk - Bed Sit	Cost per property per wk - 1 Bed	Cost per property per wk - 2 Bed
Davies Hall	£0.00	£1.57	£1.89	£0.00	£3.30	£3.97
McIntrye Hall	£0.00	£2.10	£0.00	£0.00	£4.41	£0.00
Birch Grove	£0.00	£1.87	£0.00	£0.00	£3.93	£0.00
Calf Close	£0.00	£1.49	£1.79	£0.00	£3.13	£3.76
Martin Hall	£0.00	£1.83	£0.00	£0.00	£3.84	£0.00
Nolan Hall	£0.00	£2.03	£0.00	£0.00	£4.26	£0.00
Porlock House	£0.00	£1.43	£1.72	£0.00	£3.00	£3.61
Croftside House (Electric)	£1.32	£1.47	£0.00	£2.77	£3.09	£0.00
Bishop Ramsey	£0.00	£1.55	£1.86	£0.00	£3.26	£3.91
Farding Lake	£0.00	£1.47	£0.00	£0.00	£3.09	£0.00
Prince Ed Court	£0.00	£1.32	£1.58	£0.00	£2.77	£3.32
Blenkinsop House	£0.91	£1.01	£0.00	£1.91	£2.12	£0.00
Borrowdale House	£0.00	£1.03	£0.00	£0.00	£2.16	£0.00
Huntcliffe House	£0.00	£1.12	£0.00	£0.00	£2.35	£0.00
Inskip House	£0.00	£1.38	£0.00	£0.00	£2.90	£0.00
Wingrove House	£0.00	£1.37	£1.65	£0.00	£2.88	£3.47
Clayside House	£0.00	£1.18	£0.00	£0.00	£2.48	£0.00
Flat 28 Glenthorpe House	£0.00	£1.54	£1.85	£0.00	£3.23	£3.89
Hallgarth House	£0.00	£1.48	£1.78	£0.00	£3.11	£3.74
Julius Court	£0.00	£1.21	£0.00	£0.00	£2.54	£0.00
Patrick Cain House	£0.00	£1.23	£1.48	£0.00	£2.58	£3.11

Appendix 3: Housing Revenue Account Spending Plans

Tenant Communal Cleaning Charges	Cost per property per week 2008/09	Cost per property per week 2009/10	Sheltered Properties continued	Cost per property per week 2008/09	Cost per property per week 2009/10
High Rise Properties					
Westmoreland	£1.32	£1.36	Davies Hall SA	£6.00	£6.18
Durham Court	£1.15	£1.18	Don Dixon Drive SA	£1.07	£1.10
Mid Rise Properties			Dundee Court SA	£2.32	£2.39
Farding Square	£2.77	£2.85	Euryalus Court SA	£2.54	£2.62
Dean Road	£1.87	£1.93	Farding Lake SA	£4.45	£4.58
Laygate	£1.83	£1.88	Fennyhough Hall SA	£3.48	£3.58
Whiteleas	£1.87	£1.93	Glenthrope House SA	£3.81	£3.92
Green Lake	£3.74	£3.85	Hallgarth House SA	£3.56	£3.67
Tyne Dock	£2.57	£2.65	Henley House SA	£4.63	£4.77
Galsworthy Road	£1.87	£1.93	Huntcliffe House SA	£5.18	£5.34
River Drive	£0.58	£0.60	Inskip House SA	£4.62	£4.76
Mowbray Road	£0.86	£0.89	Jubilee Court SA	£1.72	£1.77
Stewart & Fulwell	£0.50	£0.52	Julius Court SA	£3.56	£3.67
Sheltered Properties			Lakeside Hall SA	£0.79	£0.81
Bamburgh Grove SA	£4.07	£4.19	Lincoln Court SA	£5.34	£5.50
Birch Grove SA	£4.85	£5.00	Martin Hall SA	£3.74	£3.85
Bishop Ramsay SA	£5.34	£5.50	McIntyre Hall SA	£4.78	£4.92
Blenkinsop House SA	£2.60	£2.68	Nolan Hall SA	£3.92	£4.04
Borrowdale House SA	£4.57	£4.71	Patrick Cain House SA	£5.48	£5.64
Byron Ave SA	£1.40	£1.44	Porlock House SA	£3.95	£4.07
Calf Close SA	£3.81	£3.92	Prince Edward Court SA	£5.96	£6.14
Cheviot House SA	£4.20	£4.33	Salem Street SA	£0.53	£0.55
Clayside House SA	£3.80	£3.91	Thomas Bell SA	£4.27	£4.40
Croftside House SA	£3.56	£3.67	Wingrove House SA	£3.56	£3.67
Crusade Walk SA	£0.82	£0.84	Whinship Court Common Room	£1.71	£1.76
Curren House SA	£6.19	£6.38			

Appendix 3: Housing Revenue Account Spending Plans

Leaseholder Charges

Management Fee	Cost per property per wk 2008/09	Cost per property per wk 2009/10
All Lease Holders	£125.00	£128.75

Caretakers and Concierge	Caretaker		Concierge	
	Cost per property per wk 2008/09	Cost per property per wk 2009/10	Cost per property per wk 2008/09	Cost per property per wk 2009/10
High Rise				
Durham Court	£0.45	£0.93	£1.94	£4.00
Westmoreland Court	£0.37	£0.76	£1.94	£4.00
Ellen Court	£1.13	£2.33	£1.94	£4.00
Monastery Court	£1.13	£2.33	£1.94	£4.00
Wilkinson Court	£1.13	£2.33	£1.94	£4.00

Building Cleaning	Cost per property per wk 2008/09	Cost per property per wk 2009/10
Mid Rise		
Farding Square	£0.55	£1.13
Dean Road	£0.37	£0.76
Laygate	£0.37	£0.76
Tyne Dock	£0.51	£1.05
Galsworthy Road	£0.37	£0.76
River Drive	£0.12	£0.25
Mowbray Road	£0.17	£0.35
Stewart & Fulwell	£0.10	£0.21

Leaseholders charges have been phased over five years with effect from 2008/09 therefore actual outturn costs will not impact on the above figures.

Management Fee 2009/10

**ANNEX 1 (TO SIXTH SCHEDULE)
THE SIXTH SCHEDULE
FINANCIAL ARRANGEMENTS 2009/10
(Clause 51)**

Calculation of Management Fee

- 1.1 As the Housing management Agent for the Council STHL will be paid a management fee for the functions delegated under the Management Agreement, and included in the annual delivery plan. The fee arrangements are determined for the forthcoming 12 months in February each year when the Council agree the budget for the HRA, General Fund and Capital Investment Programme. The fee determined will take into account resources available within the limits of the agreed budgets of the Council.
- 1.2 A quarterly review between the Council and STHL shall assess and address any forecast end of year surplus or deficit as a result of the company's activity. The reviews shall also consider the Council's budgetary position in relation to changes in resources resulting from for example increasing "Right to Buy" sales, levels of empty homes, or interest changes. The quarterly reviews shall either agree to confirm the level of Management Fee or make adjustments as appropriate.
- 1.3 To achieve the necessary level of detail for statutory, government and management accounting, the fee will be itemised when set. The following table confirms the fee arrangements for 2009/10 determined by Council at its meeting on 26th February 2009.

Appendix 3: Housing Revenue Account Spending Plans

Special Arrangements 2009/10

Pension Contributions

A triennial actuarial valuation has been carried out for employee's transferred to South Tyneside Homes Limited and determines the employer's pension contribution rate and the share of the pension's deficit annual contribution required from South Tyneside Homes as a scheduled body in the Tyne and Wear Pension Fund. Any additional costs resultant from this revaluation and from the first audit of the Company's Accounts not anticipated will have to be addressed in revised spending plans for South Tyneside Homes Limited, and the Council, and result in potential amendment to the management fee.

Appendix 3: Housing Revenue Account Spending Plans

South Tyneside Homes Limited - Management Fee Schedule 2009/10			
Item	Source	£'000	Basis
South Tyneside Homes - Management Services			
Housing Revenue Account (HRA)			
General Management	STC - HRA	4,251	Agreed Budget
Management Support Services	STC - HRA	3,284	Agreed Budget
Caretaking High Rise	STC - HRA	148	Agreed Budget
Sheltered Housing Management	STC - HRA	1,196	Agreed Budget
Council Support Services - General	STC - HRA	1,446	Agreed Budget
Management Overheads	STC - HRA	387	Agreed Budget
STHL Share of Pension Deficit (HRA)	STC - HRA	357	*Provisional Sum
Total HRA Revenue		11,069	
Efficiency target	STC - HRA	-369	Agreed Budget
Total HRA Revenue		10,700	
South Tyneside Homes - Investment Programme/Repairs Management			
Procurement & Management - Fixed	STC - CAP	2,469	Agreed Budget
Procurement & Management - Variable	STC - CAP	-	Fees on Capital Investment
Repairs Contract Management	STC-HRA Repairs Ac	-	Redirection within repairs account
Total Programme Management		2,469	
South Tyneside Homes - Construction Services			
Total Construction Services	STC - All	29,799	Turnover Target
Total STHL Income		42,968	Budget Estimate

Appendix 4 - Glossary

Arms Length Management Organisation – procurement option whereby a company is created to deliver the housing service on behalf of the Council. Whilst the Council retains some management control, the company is able to pursue additional funding sources and so deliver more regeneration to the borough.

Capital Expenditure – Spending on the acquisition of a tangible or intangible asset, or which enhances the value of an existing asset. Other types of expenditure can be capitalised but only with the express permission of the Secretary of State.

Capital Receipts – These receipts are generated by the disposal of fixed assets. Part of the monies received can be retained by the Authority and used to finance capital expenditure or repay debt. The balance is paid over to central Government.

Council Tax – The Local Government Finance Act 1992 introduced the Council Tax, which replaced the Community Charge, with effect 1st April 1993 and is based upon property values. There are eight valuation bands for chargeable dwellings ranging from band “A” (the lowest valued properties) to band “H” (the highest valued properties). The Council levies the tax based upon Band D properties; the actual charge will depend upon the banding of the individual dwelling – i.e. those properties in Bands A to C will pay less Council Tax whilst those in bands E to H will pay more.

Earmarked Reserves – Amounts set aside by the Council to meet future financial liabilities.

General Fund – The General Fund includes the expenditure and income relating to the services provided by the Authority. The net expenditure on the General Fund is compared to the charge levied upon the Collection Fund and results in a surplus or deficit that will increase or decrease the reserves of the Council. The General Fund’s expenditure includes the Passenger Transport Authority’s levy.



Housing Revenue Account (HRA) – The provision, management and maintenance of Council house accommodation is required by law to be accounted for separately in a Housing Revenue Account. The account records the net cost after specific Government subsidy that needs to be met by Council tenants. In general the Council cannot transfer sums between the General Fund and the Housing Revenue Account.

LSP – Local Strategic Partnership – key representatives of the public, private, voluntary and community sectors who work together to deliver the Community and Neighbourhood Renewal strategies.

Medium Term Financial Plan – The process of identifying and aligning service pressure, corporate priorities and objectives as well as available resources over the medium term (5 years) and budgeting accordingly.

Minimum Revenue Provision – An amount charged to the revenue budget to reflect the cost of repaying debt.

National Non-Domestic Rates – Non-domestic properties must pay these Rates (NNDR) and they are based upon property valuations, as undertaken by the District Valuer, and a nationally set multiplier figure. The Local Authority is responsible for the collection of NNDR although all proceeds are paid into a national pool and redistribution is made to Local Authorities based upon population.

Neighbourhood Renewal – improving deprived areas and neighbourhoods.

Appendix 4 - Glossary

Precept – In the calculation of the Council Tax for a particular year, precepts levied by appropriate bodies must be taken into account. In the case of this Authority, the precepting bodies are Northumbria Police Authority, Tyne and Wear Fire and Civic Defence Authority and the Borough Council itself who all charge the Collection Fund with the estimated sums required to cover their net expenditure, in part or in entirety.

Private Finance Initiative – A method of procuring assets and services over a longer term period, usually 25 years. The financial risks involved are usually shared between the Council and the PFI operator.

Reserves – Amounts set aside for purposes falling outside the definition of Provisions are considered as Reserves – expenditure is not charged direct to any Reserve.

Revenue Expenditure – Money spent on the day to day running costs of providing the various services. It is usually of a constantly recurring nature and produces no permanent asset.

Revenue Support Grant – A Government Grant in aid of Local Authority services generally. It is based upon the Government assessment of how much a Local Authority needs to spend to provide an average level of service.

Vision – a picture of how we want the future to be.