

Council Budget 2006 - 2009



“Focusing on our Priorities” Budget Recommendations

South Tyneside Council

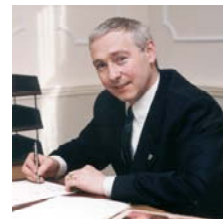
24th February 2006



South Tyneside Council

Council Budget 2006 – 2009

“Focusing on our Priorities”



Councillor Paul Waggott

Foreword by the Leader of the Council

We're Improving Well!

South Tyneside Council is Improving Well. And that's not just our opinion. That was the verdict of the Audit Commission, the independent watchdog, in its recent harder test for local authorities, which saw our Council awarded three stars overall for its services and the 'Improving Well' assessment as recognition of the significant improvements made in priority areas.

The Audit Commission said in their assessment:

“The local economy is strengthening with more people in employment and improved use of brownfield sites for regeneration and housing development. Communities are more inclusive, with levels of crime reducing and more older people being helped to live at home. Life expectancy is improving and there are fewer teenage pregnancies. Education, adults and children and young people services are improving well and Environment services have improved significantly. Access to services has improved with more electronic access and multilingual information.”

Our record of achievement in our priority areas, those that matter most to you, is clear. Here are just a few:

- In 2005 we achieved our best-recorded exam results ever. 52% of pupils sitting GCSE or equivalent exams achieved at least 5 top grade A-C passes.
- South Tyneside was crowned the Regional Capital of Enterprise 2005 and at the end of the year saw the opening of the new Waterloo Square shopping development, which created over 200 new jobs. In fact we have achieved significantly higher increases in employment than regional and national averages (+3.3% South Tyneside, +1% North East, +0.1% National)
- Our “Blitz It” and “Do Your Bit” campaigns have made our Borough cleaner and tidier. Independent monitoring of our litter and graffiti levels has shown an 11% improvement in performance.
- Crime in the Borough is falling. Burglary is down by 23.6%, vehicle theft is down by 13.6%, violent crime is down by 9%, and overall crime by 10.6%.
- We have achieved Level 2 of the ‘Hear by Right’ standard for young people and held a successful Older Peoples’ Festival.
- We have continued to use information technology to improve public services via our online IT kiosks, SMS text messaging, interactive digital TV and the development of our award winning website. The number of e-services available via the council website has increased to 156 from 118 last year, a 32% rise.

- Phase 1 of Westoe Crown Village is complete and includes 195 new dwellings, eight shared equity properties and the new school.
- We ran a great summer programme of events including the Zapcats power boat competition, the Cookson Festival and the Tall Ships, as well as the 25th Great North Run. Our Cultural Services were awarded the maximum possible 4 out of 4 score by the Audit Commission.

We want to achieve more to make the future brighter for all our residents. We can do this by working together and maintaining our focus on delivering what really matters to people within South Tyneside. Just as importantly we need to ensure we use our resources effectively and achieve value for money in the services we deliver.

This budget for 2006 to 2009 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. We have consulted extensively on our budget proposals during January and February, and not just because we have to. We consult because it means we really can focus on what is most important to our communities. During January, we held a series of consultation events with communities across the whole of South Tyneside, and in February we undertook our statutory consultation, which told us that:

- The **business sector** wants us to demonstrate our efficiency and value for money in providing services. They would like to see reduced levels of sickness absence, improved efficiency and a keener focus on the numbers of staff we employ. We have agreed to continue to robustly manage and review all staffing vacancies as they arise and will continue to tackle the issue of high sickness levels.
- The **voluntary sector** were concerned at proposals to reduce grants to voluntary organisations. In response, we have agreed to work with them to ensure that voluntary organisations provide services and deliver outputs which are more closely aligned to our community's priorities. We have also agreed to work with the sector on specific issues.
- Our **trades union** colleagues are concerned about potential job losses and questioned the need, at this time, for us to pursue a Strategic Partnership with a partner organisation to deliver a range of our support services. As a result of this consultation, we have agreed to halve our spend on this project in 2006/07 and have increased the amount set aside to meet the cost of redundancies.

We have recognised the concerns of those that matter most - the **residents** of South Tyneside. Residents asked us to keep Council Tax down to a minimum. We therefore propose a 3.7% increase in Council Tax for 2006/07. This represents a weekly increase for Band A Council Tax payers of just under 60p per week.

We have shown we've listened, and we will continue to listen. I am confident that this budget identifies the right resources in the right places to deliver the best possible services for the people of South Tyneside. We aim to continue to improve, and to deliver the highest possible quality of service.

Paul Waggott

Leader of the Council

Cabinet Recommendations to the Borough Council

On the 15th February 2006, Cabinet agreed the following budget recommendations for the Borough Council to consider and agree on Friday 24th February 2006. Council is asked today to agree the Medium Term Financial Plan and budget for 2006/07. Council will be asked to agree Performing Together, the Council's Master Service Plan, and Workforce Development Plan on 24th March 2006.

Budget Recommendation 1

That the Council's Medium Term Financial Plan for 2006 to 2009 as described in this document be approved.

Budget Recommendation 2

That the following Council budgets be approved: -

- a. The Council's **revenue** budget for the year 2006/07 is agreed as **£216.365m**;
- b. The Council's **revenue** spending limit, for planning purposes, for the year 2007/08 is agreed as **£223.056m** and for the year 2008/09 is agreed as **£230.041m**;
- c. That **£0.171m** surplus on the Council Tax collection fund be distributed to support revenue spending;
- d. The Council's **capital** budget (including the Housing Programme) for the year 2006/07 is agreed as **£60.755m**;
- e. The Council's provisional **capital** budget (including the Housing Programme) for the year 2007/08 is agreed as **£83.771m**, for the year 2008/09 is agreed as **£97.817m**, for the year 2009/10 is agreed as **£90.564m** and for the year 2010/11 is agreed as **£60.476m**;
- f. The Council's **housing revenue** budget for the year 2006/07 is agreed as **-£0.020m**;
- g. The Council's **housing revenue** budget, for planning purposes, for the year 2007/08 is agreed as **-£0.681m** and for the year 2008/09 is agreed as **£0.042m**;
- h. The **detailed 2006/07 revenue and capital budgets** identified in appendix 1, 2 and 3 of the Medium Term Financial Plan are agreed;
- i. The **Tyne and Wear Pension Fund** budget for the year 2006/07 is agreed as **£15.655m**;
- j. The **Tyne and Wear Pension Fund** budget, for planning purposes, for the year 2007/08 is agreed as **£17.095m** and for the year 2008/09 is agreed as **£18.125m**.

Budget Recommendation 3

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

- a. Individual Council house dwelling rents for 2006/07 to be set in accordance with government rent restructuring guidance to achieve an average increase across all dwellings of 5% with effect from Monday 3rd April 2006. This is in line with government guidelines on rent increases and restructuring;

- b. Garage rents to increase by 2.7% with effect from Monday 3rd April 2006.
- c. Landlord service, guest room charges, and temporary accommodation charges for 2006/07 increase by 2.7% with effect from Monday 3rd April 2006;
- d. Heating Charges for Jarrow and Hebburn Newtown increase in line with national inflation on energy prices with effect from Monday 3rd April 2006;
- e. A reduction of 2.8% in Community Alarms and Sheltered Scheme housing related support charges for the financial year 2006/07.

Budget Recommendation 4

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

Budget Recommendation 5

That it be noted that at its meeting on 26th January 2006 the Council calculated the amount 43,977 as its Council Tax Base for the year 2006/07.

Budget Recommendation 6

That the following amounts be now calculated by the Council for the year 2006/07: -

- a. **£375,829,250** being the Council's total revenue expenditure for 2006/07;
- b. **£159,464,320** being the Council's total revenue income for 2006/07;
- c. **£216,364,930** being the Council's revenue cash limit budget for 2006/07 (a-b);
- d. **£3,190,000** being the amount of Council reserves to be used in 2006/07;
- e. **£213,174,930** being the Council's revenue budget requirement for 2006/07 (c-d);
- f. **£162,682,919** being the sum payable for 2006/07 into the Council's General Fund in respect of redistributed non-domestic rates, revenue support grant, dedicated schools grant and transfer from the collection fund;
- g. **£50,492,011** being the sum to be met from South Tyneside MBC council tax in 2006/07 (e-f);
- h. The South Tyneside MBC council tax for the year 2006/07 for each category of dwelling shown as follows.

2006/07 BOROUGH COUNCIL TAX	Band Weighting	South Tyneside Council 2005/06	South Tyneside Council 2006/07
Band A Properties	6/9	£737.60	£765.40
<i>Percentage increase</i>			3.77%
<i>Annual Increase</i>			£27.80
<i>Weekly Increase</i>			£0.53
Band B Properties	7/9	£860.54	£892.96
<i>Percentage increase</i>			3.77%
<i>Annual Increase</i>			£32.42
<i>Weekly Increase</i>			£0.62
Band C Properties	8/9	£983.47	£1,020.54
<i>Percentage increase</i>			3.77%
<i>Annual Increase</i>			£37.07
<i>Weekly Increase</i>			£0.71
Band D Properties	1	£1,106.41	£1,148.10
<i>Percentage increase</i>			3.77%
<i>Annual Increase</i>			£41.69
<i>Weekly Increase</i>			£0.80
Band E Properties	11/9	£1,352.28	£1,403.23
<i>Percentage increase</i>			3.77%
<i>Annual Increase</i>			£50.95
<i>Weekly Increase</i>			£0.98
Band F Properties	13/9	£1,598.15	£1,658.37
<i>Percentage increase</i>			3.77%
<i>Annual Increase</i>			£60.22
<i>Weekly Increase</i>			£1.16
Band G Properties	15/9	£1,844.02	£1,913.50
<i>Percentage increase</i>			3.77%
<i>Annual Increase</i>			£69.48
<i>Weekly Increase</i>			£1.34
Band H Properties	18/9	£2,212.82	£2,296.20
<i>Percentage increase</i>			3.77%
<i>Annual Increase</i>			£83.38
<i>Weekly Increase</i>			£1.60

Budget Recommendation 7

That it be noted that for the year 2006/07 the Northumbria Police Authority and the Tyne and Wear Fire and Civil Defence Authority have stated the following amounts in precepts issued to the Council for each of the following categories of the dwellings: -

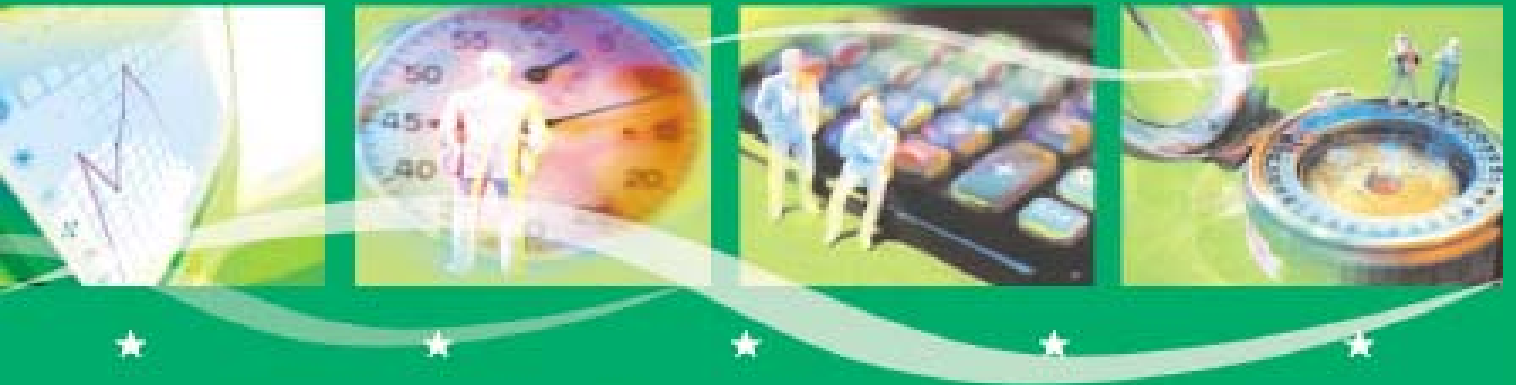
2006/07 BOROUGH COUNCIL TAX	Band Weighting	Fire Authority 2005/06	Fire Authority 2006/07	Police Authority 2005/06	Police Authority 2006/07
Band A Properties	6/9	£43.59	£45.53	£46.69	£47.85
<i>Annual Increase</i>			£1.94		£1.16
<i>Weekly Increase</i>			£0.04		£0.02
Band B Properties	7/9	£50.85	£53.12	£54.47	£55.83
<i>Annual Increase</i>			£2.27		£1.36
<i>Weekly Increase</i>			£0.04		£0.03
Band C Properties	8/9	£58.12	£60.70	£62.25	£63.80
<i>Annual Increase</i>			£2.58		£1.55
<i>Weekly Increase</i>			£0.05		£0.03
Band D Properties	1	£65.38	£68.29	£70.03	£71.78
<i>Annual Increase</i>			£2.91		£1.75
<i>Weekly Increase</i>			£0.06		£0.03
Band E Properties	11/9	£79.91	£83.47	£85.59	£87.73
<i>Annual Increase</i>			£3.56		£2.14
<i>Weekly Increase</i>			£0.07		£0.04
Band F Properties	13/9	£94.44	£98.64	£101.15	£103.68
<i>Annual Increase</i>			£4.20		£2.53
<i>Weekly Increase</i>			£0.08		£0.05
Band G Properties	15/9	£108.97	£113.82	£116.71	£119.63
<i>Annual Increase</i>			£4.85		£2.92
<i>Weekly Increase</i>			£0.09		£0.06
Band H Properties	18/9	£130.76	£136.58	£140.06	£143.56
<i>Annual Increase</i>			£5.82		£3.50
<i>Weekly Increase</i>			£0.11		£0.07

Budget Recommendation 8

That, having calculated the council tax for South Tyneside Council, Northumbria Police Authority and Tyne and Wear Fire and Civil Defence Authority, the Council hereby sets the following amounts as the amount of Council Tax for the year 2006/07 for each category of dwelling shown below: -

2006/07 BOROUGH COUNCIL TAX	% of Properties in Each Band	% of Properties Receiving Benefit	Band Weighting	Borough Council Tax 2005/06	Borough Council Tax 2006/07
Band A Properties	67.2%	42.7%	6/9	£827.88	£858.78
<i>Percentage increase</i>					3.7%
<i>Annual Increase</i>					£30.90
<i>Weekly Increase</i>					£0.59
Band B Properties	12.6%	17.5%	7/9	£965.86	£1,001.91
<i>Percentage increase</i>					3.7%
<i>Annual Increase</i>					£36.05
<i>Weekly Increase</i>					£0.69
Band C Properties	10.6%	8.2%	8/9	£1,103.84	£1,145.04
<i>Percentage increase</i>					3.7%
<i>Annual Increase</i>					£41.20
<i>Weekly Increase</i>					£0.79
Band D Properties	5.7%	5.3%	1	£1,241.82	£1,288.17
<i>Percentage increase</i>					3.7%
<i>Annual Increase</i>					£46.35
<i>Weekly Increase</i>					£0.89
Band E Properties	2.3%	3.4%	11/9	£1,517.78	£1,574.43
<i>Percentage increase</i>					3.7%
<i>Annual Increase</i>					£56.65
<i>Weekly Increase</i>					£1.09
Band F Properties	1.0%	0.7%	13/9	£1,793.74	£1,860.69
<i>Percentage increase</i>					3.7%
<i>Annual Increase</i>					£66.95
<i>Weekly Increase</i>					£1.29
Band G Properties	0.5%	1.2%	15/9	£2,069.70	£2,146.95
<i>Percentage increase</i>					3.7%
<i>Annual Increase</i>					£77.25
<i>Weekly Increase</i>					£1.49
Band H Properties	0.1%	-	18/9	£2,483.64	£2,576.34
<i>Percentage increase</i>					3.7%
<i>Annual Increase</i>					£92.70
<i>Weekly Increase</i>					£1.78

“Focusing on our Priorities”



Medium Term Financial Plan

2006 – 2009



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1. Introduction

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

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

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

The Head of Finance confirms to Council (as required by the Local Government Act 2003) that the spending plans identified in this medium term financial plan and the council tax calculation for 2006/07 are robust estimates that:

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

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

2. What are the Council's spending plans?

5. The tables below summarise our revenue spending plans for 2006/07 and provisional spending plans for 2007/08 and 2008/09.

2005/06 Budget £m	Revenue Spending Forecast	2006/07 Budget £m	2007/08 Provisional £m	2008/09 Spending £m
Directorate Revenue Budgets				
16.039	Corporate Development	16.268	16.741	16.701
95.797	Lifelong Learning	102.250	106.036	109.927
26.748	Neighbourhood Services	29.289	29.854	30.429
3.457	Resources	4.603	5.314	5.882
6.680	Resources - Corporate Finance	6.107	4.413	3.490
53.588	Social Care & Health	57.848	60.698	63.612
202.309	TOTAL Directorate Revenue Budgets	216.365	223.056	230.041

2005/06 Budget £m	Revenue Spending Forecast	2006/07 Budget £m	2007/08 Provisional £m	2008/09 Spending £m
193.127	Base Budget	202.309	216.365	223.056
9.978	Standstill Pressures	23.823	10.835	10.074
4.932	Priority Led initiatives	1.486	0.150	0.425
-	5.728 Redirection of Current Spending	-	11.253	-
			3.994	2.664
202.309	TOTAL Revenue Spending Plans	216.365	223.056	230.041
4.75%	Percentage increase in Council budget	6.95%	3.09%	3.13%

6. Appendix 1 details the 2006/07 revenue budgets for each service and names the budget holder responsible for managing the budget. Appendix 2 details the 2006/07 capital budgets for each service.
7. The plans outlined are based on our current Council Directorate structure. With effect from 1 April 2006, a new three-Directorate structure will be operational and a revised Medium Term Financial Plan document will be published to reflect this.
8. The table below summarises our capital spending plans for 2006/07 and provisional spending plans for 2007/08 to 2010/11.

Revised 2005/06 £m	Council Capital Programme	Budget 2006/7 £m	2007/8 £m	Provisional Capital Programme 2008/9 £m	2009/10 £m	2010/11 £m	Programme TOTAL £m
10.540	Planned Maintenance Programme	8.105	6.027	7.862	6.477	5.667	34.138
48.635	Capital Priority Schemes	21.014	24.995	37.497	30.063	8.557	122.126
17.566	Housing Programme	14.359	14.214	14.070	13.912	13.865	70.420
-	South Tyneside Homes-Decent Homes Programme	17.277	38.535	38.388	40.112	32.387	166.699
76.741	TOTAL Council Capital Spending Plans	60.755	83.771	97.817	90.564	60.476	393.383

9. In 2006/07, we plan to spend £216.365m (an increase of £14.056m or 6.95%) on our services and £60.755m on capital priorities and maintenance programmes. Our capital plans for later years reflect funding for the Building Schools for the Future programme to modernise and upgrade our secondary school buildings. The plans also reflect investment to meet the Decent Homes standard across all our council housing stock. The funding of £166.699m is reliant upon our achievement of a minimum 2-star inspection rating for our Housing Service in 2006.
10. Our spending plans are explained in the following sections.

Spending on Current Services

11. 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 £23.823m or 11.8% next year, a further £10.835m in 2007/08 and a further £10.074m in 2008/09.

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

Standstill Pressures	2006/07	2007/08	2008/09
	£m	£m	£m
Inflation			
Pay Inflation	3.595	2.870	2.936
Pay Changes and Increments (staff not yet at top of scale)	1.069	0.415	0.188
Net inflation on prices and income	2.631	1.322	0.958
Pension deficit payments	0.663	0.662	0.500
Increase in PTA levy	1.946	0.475	0.480
Inflation on Individual Schools Budgets	3.021	2.906	2.883
Increase in Landfill Tax	0.228	0.239	0.251
Increase in Insurance Premiums	0.164	-	-
Implementation of Single Status / Job Evaluation	1.500	1.545	0.091
	14.816	10.434	8.287
Demand Led			
Reduced demand for Market's Service	0.137	-	-
Increased demand for Homelessness Service	0.050	-	-
Contractual agreement - CCTV additional operators	0.075	-	-
Reduced demand for Local Land Charges	0.145	-	-
Increased demand - Out of Borough Placements	0.350	-	-
Increased demand for Special Education Transport	0.295	-	-
Increased demand - Older people in Residential Care	0.550	0.578	0.606
Increased demand - Learning Disabilities - Residential and Home Care	0.278	-	-
Increased demand - Mental Health - Residential Care	0.150	-	-
	2.030	0.578	0.606
Statutory / Legislative			
New operator licence in line with CCTV legislation	0.018	-	-
Implementation of Decriminalised Parking Enforcement	0.050	0.050	-
Purchase of Landfill Allowance Tax Permits	0.100	-	-
Implementation of Traffic Management Act	0.065	-	-
Implementation of Local Unitary Development Plan	0.114	0.016	0.157
Staffing in relation to Gaming Act Legislation	0.050	-	-
Staffing in relation to Housing Act Legislation	0.100	-	-
Move to postal and polling elections	0.080	-	-
Best Value Performance Indicator Survey	0.045	-	-
Teacher Learning Responsibility Increments	0.025	-	-
	0.647	0.034	0.157
Other Standstill Pressures			
Council restructure plans	- 0.444	-	-
Movement in debt charges	1.189	0.939	0.850
Removal of one year budget funding for Xplus	- 0.020	-	-
Removal of one year budget for Tall Ships Event	- 0.489	-	-
Teacher and Other Redundancy Costs	1.572	1.572	-
Private and Voluntary Nursery Provision	0.039	-	-
Removal of one year budget for ALMO set up costs	- 0.354	-	-
Removal of Trading Account surplus	1.020	-	-
Ending of Contribution towards BSF Costs	-	-	0.050
Removal of Business Growth Incentive Scheme Budget	-	0.200	-
Completion of Single Status Project	-	-	0.187
Removal of One off Schools Funding	-	0.125	-
Placement care fees (minimum wage increase)	0.440	-	-
	2.953	0.308	0.713
Changes to Funding			
Movement in grant income	1.159	0.060	0.173
Movement in grant expenditure	3.607	0.255	0.482
Reduction in LSC income for Community Education	0.910	-	-
Increase in Schools Delegated Buyback	- 0.049	-	-
Reduction in LEA contributions to Standards Fund	- 1.881	-	-
Movement in recharges	- 0.369	0.030	0.031
	3.377	0.165	0.624
TOTAL STANDSTILL PRESSURES	23.823	10.835	10.074

13. The Council, like all local authorities, is party to a national agreement to implement a new pay and grading structure for the workforce. This new pay and grading structure will ensure fairness and equality in pay for men and women employed by local authorities. The new arrangements will be implemented by January 2007.
14. Our standstill pressures provide for the estimated borrowing costs to fund the cost of equal pay and the additional costs over the next three years as a result of implementing this national agreement.

Spending on Planned Maintenance

15. The Council also needs to spend money to maintain our assets and meet estimated capital commitments carried forward from 2005/06. In common with all our capital spending plans we have used a simple colour coding system to assess each scheme's state of readiness to proceed.

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

16. We plan to spend £8.105m on planned capital maintenance in 2006/07. The detailed programme is shown in the table below.

Capital Planned Maintenance Programme	Budget	Provisional Programme				TOTAL	Scheme Status
	2006/07 £m	2007/8 £m	2008/9 £m	2009/10 £m	2010/11 £m		
Council Assets Maintenance Programme							
RESC01 Energy Efficiency Improvements	0.045	0.045	0.045	0.045	0.045	0.225	Green
RESC02 Boiler replacement - spend to save scheme	0.400	-	-	-	-	0.400	Green
RESC03 Social Care & Health Facilities	0.450	0.150	0.705	0.405	-	1.710	Green
RESC04 Improve Access to Building (DDA Programme)	0.315	0.225	0.090	0.090	-	0.720	Green
RESC05 Health & Safety Works to Asset Portfolio	0.225	0.225	0.135	0.135	0.045	0.765	Green
RESC06 Community Centre Repair Programme	-	-	0.225	-	-	0.225	Green
RESC07 Front Line Buildings / Civic Buildings Maintenance	0.315	0.200	0.430	0.270	0.180	1.395	Green
RESC08 Riverside Maintenance	0.225	0.180	0.180	0.180	0.045	0.810	Green
RESC09 Estate Shops Maintenance	-	-	0.250	-	-	0.250	Green
RESC10 Industrial Units Maintenance	-	-	0.200	-	-	0.200	Green
	1.975	1.025	2.260	1.125	0.315	6.700	
Neighbourhood Services Maintenance Programme							
Contractual Commitments from 2004/05							
NSC01 Adoption of Back Lanes	0.100	0.100	0.100	0.100	0.100	0.500	Green
NSC02 Improving the Quality of Footpaths	0.225	0.225	0.225	0.225	0.225	1.125	Green
NSC03 Memorial Health & Safety Works	0.050	0.050	0.050	0.050	0.050	0.250	Green
NSC04 Maintain and Improve Subways	-	-	0.100	0.100	0.100	0.300	Green
NSC05 Integrated Transport Programme (LTP)	1.291	1.148	1.148	1.148	1.148	5.883	Green
NSC06 Highways Maintenance Programme	1.415	1.259	1.259	1.259	1.259	6.451	Green
NSC07 Highways Infrastructure Improvements	0.200	0.200	0.200	0.200	0.200	1.000	Green
	3.281	2.982	3.082	3.082	3.082	15.509	
School Assets Maintenance Programme							
Contractual Commitments from 2004/05							
LLLC01 School Asset Condition and Suitability	0.450	0.200	0.700	0.450	0.450	2.250	Green
LLLC02 Schools Devolved Capital Spending	2.309	1.730	1.730	1.730	1.730	9.229	Green
	2.759	1.930	2.430	2.180	2.180	11.479	
Design and Feasibility - New schemes	0.090	0.090	0.090	0.090	0.090	0.450	Green
TOTAL Council Planned Maintenance Programme	8.105	6.027	7.862	6.477	5.667	34.138	

Spending on Council Priorities

17. We also need to spend money to deliver our vision for South Tyneside by progressing with our Council priorities. The following sections outline our spending priorities and why we believe we need to spend money on these actions.
18. As can be seen from the following paragraphs, we have identified many priorities for which we need to allocate resources towards over the medium term. To add further focus in setting our priorities, we have ranked our 10 top priority projects for 2006/07 as follows. These are our “3* plus” projects.

- ❑ Value for Money
- ❑ Improve Housing Service
- ❑ Equality and Diversity
- ❑ Improving Areas and Neighbourhoods
- ❑ Improve Community Education
- ❑ Supporting People
- ❑ Human Resources / Finance System Replacement
- ❑ Single Status
- ❑ Hebburn Town Centre
- ❑ Promoting Enterprise and Jobs



Economic Development and Enterprise

19. We have continued to make real progress towards our vision of making **South Tyneside a centre for enterprise and innovation where new and existing businesses can realise their full potential and people can find jobs.**
- We now work in partnership with the private sector and other Local Authorities as the Lead Authority for Newcastle's very successful International Airport which brings a substantial dividend each year to local people
 - Over 30% reduction in the number of people unemployed over last 5 years – in excess of regional and national rates
 - Retail opportunities in Waterloo Square – new shops with over 200 new jobs
 - Improved engagement with the business community – The number of business events has increased and South Tyneside now leads Tyne and Wear Business Week. We also saw 33% more employers and 25% more unemployed job seekers attending our Jobsfair in 2005
 - 3,000 people received job related training over the last 5 years
 - We are developing major new regeneration proposals to bring jobs and houses to the Borough, with significant regional funding support
20. We have identified the following priority led initiatives which will help to promote the Borough.

Revenue Priority Led Initiatives		2006/07	2007/08	2008/09
		£m	£m	£m
Economic Development and Enterprise				
CDR03	Culture 10 Mouth of the Tyne Festival	0.050	-	-
CDR04	Bedesworld Heritage Site Bid	0.015	-	-
CDR05	Support to Bedesworld	0.015	-	-
		0.080	-	-

21. As we still have significant numbers of people in South Tyneside who are not working, training or in further education, this is one of our top priorities over the next few years. We believe that if we want to make substantial improvements we need to invest in the following key capital priorities.

Capital Priority Schemes	Budget	Provisional Programme				TOTAL	Scheme Status
	2006/07	2007/8	2008/9	2009/10	2010/11		
	£m	£m	£m	£m	£m	£m	
Economic Development and Enterprise							
E2	Promoting the growth and sustainability of business						
CDC04	Business Support Fund	0.400	0.400	0.400	0.400	0.400	2.000 Green
CDC05	Completion of Quadras Building	0.073	-	-	-	-	0.073 Green
CDC06	A19 Jobslink Corridor	2.130	1.330	-	-	-	3.460 Amber
		2.603	1.730	0.400	0.400	0.400	5.533

Healthy Communities and Older People

22. We have been working towards making South Tyneside **a place where people are healthy, and live longer because of the changes they have made to their lifestyles.** Some of the successes we have achieved this year include:

- Improving female life expectancy – life expectancy has increased on average from 78.6 years to 79.8 years
- A good record on delayed discharges from hospital due to joint multi-link service
- Successful inspection of our Employment Service from Adult Learning Inspection
- Developed four local day bases for adults with learning disabilities and working towards a fifth

23. To continue our success, we believe that we need to spend more on the priority action shown in the following table.

Revenue Priority Led Initiatives		2006/7	2007/08	2008/09
		£m	£m	£m
Healthy Communities and Older People				
SCHR01	Improve Learning Disability Service	0.200	-	-
		0.200	-	-

24. The table overleaf shows the key capital priorities for Healthy Communities and Older People over the next five years.

Capital Priority Schemes	Budget	Provisional Programme				TOTAL	Scheme Status
	2006/07	2007/8	2008/9	2009/10	2010/11		
	£m	£m	£m	£m	£m		
Healthy Communities and Older People							
H3 Improving the quality of life NSC08 Disabled Facilities in Private Housing	1.125	1.125	1.125	1.125	1.125	5.625	Amber
H5 Maximising choice and control SCH001 Social Care & Health ICT System upgrade	0.115	0.115	0.115	0.115	0.115	0.575	Green
	1.240	1.240	1.240	1.240	1.240	6.200	

Safer and Stronger Communities

25. South Tyneside is recognised as a great community by those who should know – local people. Over four fifths of respondents in the Residents Survey are satisfied with South Tyneside as a place to live. We know that we can make South Tyneside **a place where people can feel involved and included in a way that suits them**. Over the past year we have:
- Established a Young People’s Parliament and Forum 50 (formerly the Older People’s Parliament)
 - Helped people with tax related debt problems through the joint “Money Matters” scheme
 - Encouraged the growth of Credit Unions
 - Worked with local residents to develop area action plans. We want to ensure that all our residents have the opportunity to access services and be part of South Tyneside’s success
 - Continued our commitment to the national Equality and Diversity agenda. In June 2005 we hosted a successful national disability conference and are working closely with disabled people to involve them in service design, access and delivery
26. We know from consultation that many local people don’t feel safe after dark. This year we have been working hard with our Crime and Reduction Partners to reduce crime across the borough:
- Overall crime is reducing – crime is now below both the national and Tyne & Wear average
 - Our Youth Offending Service is rated as one of the top ten in the country
 - We have low crime rates for house burglaries and thefts from vehicles
27. Although crime continues to reduce, local people are still concerned about crime in their area. Our consultation has shown that fear of crime and anti-social behaviour remains a top priority for our residents.
28. Every year we try to improve our knowledge of local neighbourhoods so that we can target our resources in the most disadvantaged areas. We are trying to focus on “narrowing the gaps” that exist between our most disadvantaged neighbourhoods and other parts of the borough. One of the ways we can do that is by tackling deprivation.

29. We will continue to act to make South Tyneside a place where **crime is the exception rather than the rule**.

30. The table below shows the key Safer and Stronger Communities Capital Priorities over the next five years.

Capital Priority Schemes	Budget 2006/07	Provisional Programme				TOTAL	Scheme Status
	£m	2007/8	2008/9	2009/10	2010/11		
Safer and Stronger Communities							
S1 Reducing crime across the borough and in our most deprived wards							
CDC01 Burglary Reduction Scheme	0.150	0.150	0.150	0.150	0.150	0.750	Amber
S3 Improving the quality of life for people in the most disadvantaged neighbourhoods							
CDC02 Included Communities Fund	0.700	-	-	-	-	0.700	Amber
CDC03 Community Area Forums Grant	0.100	0.100	0.100	0.100	0.100	0.500	Green
	0.950	0.250	0.250	0.250	0.250	1.950	

Children and Young People

31. Achieving a **brighter future for all children and young people in South Tyneside** is fundamental to the future of the borough. This year our school results are showing real improvement at almost all key stages and we have made progress across the board:

- We achieved our highest exam results ever recorded this year and OfSTED has highlighted the quality of education offered in our schools
- We achieved our best ever GCSE results and exceeded the national average improvement by 5%
- We secured over £100million funding for Building Schools for the Future, in partnership with Gateshead Council
- We have high family placement and adoption rates, with all over 10 year olds placed in a family setting
- Our results for looked after children are the best in the region
- We achieved level 2 of the Hear by Right standard for young people

32. We believe that helping children and young people to succeed enriches all our lives. To achieve our vision for South Tyneside we want to spend money on:

Revenue Priority Led Initiatives		2006/07	2007/08	2008/09
		£m	£m	£m
Children and Young People				
LLR01	Resources to manage the change to Children Services	0.150	0.150	-
SCHR02	Local Authority Contribution to annual costs of Safeguarding Board	0.053	-	-
RESR01	Create Child Care Solicitor post	0.060	-	-
		0.263	0.150	-

33. Our key capital priorities for Children and Young People include the use of our funding for Building Schools for the Future. We plan to spend over £70m in capital schemes to support Children and Young People as shown in the table on the next page.

Capital Priority Schemes	Budget	Provisional Programme				TOTAL	Scheme Status
	2006/07	2007/8	2008/9	2009/10	2010/11		
	£m	£m	£m	£m	£m	£m	
Children & Young People							
c3 Helping children to enjoy and achieve							
LLC03 Horsley Hill School	2.846	0.604	-	-	-	3.450	Green
LLC04 Building Schools for the future	1.375	11.245	25.645	25.145	3.665	67.075	Amber
LLC05 Primary School Reorganisation	0.200	0.400	0.400	-	-	1.000	Amber
LLC06 Accommodation Review	0.150	0.150	-	-	-	0.300	Green
LLC07 Demolition of Downhill School	0.250	-	-	-	-	0.250	Green
LLC08 Asbestos Removal Schools	0.300	-	-	-	-	0.300	Green
	5.121	12.399	26.045	25.145	3.665	72.375	

Environment, Housing and Transport

34. In every survey across the borough local people tell us that they want a cleaner, greener environment. That is why we want our Borough to be **a clean and attractive place that people choose to live in, work in and visit.**

35. We have introduced kerbside recycling across the Borough and the response from residents has been tremendous. Over 10,000 tonnes of glass, paper, cans and garden waste have been recycled or composted in the past year, exceeding the targets set for us by the government. Our new composting facility in Middlefields ensures that our waste is turned into valuable soil conditioner and compost and reused to make the borough greener. 'Blitz It' is ensuring that our streets are cleaner than ever.

36. The environment strategy and "Do Your Bit" campaign has been a phenomenal success. Our enforcement actions have dramatically increased in the last year and our arson task force and "Quick Lift" campaign helped remove 1,300 abandoned cars from our streets.

37. The table below shows the key Environment, Housing and Transport priority led initiatives which we believe we should spend money on.

Revenue Priority Led Initiatives	2006/07 £m	2007/08 £m	2008/09 £m
Environment Housing and Transport			
CDR02 Arboricultural Work	0.060	-	-
NSR01 Mainstream funding for Blitz-It	0.285	-	-
NSR02 Recycling Village	0.098	-	-
	0.443	-	-

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

Capital Priority Schemes	Budget	Provisional Programme				TOTAL	Scheme Status
	2006/07	2007/8	2008/9	2009/10	2010/11		
	£m	£m	£m	£m	£m	£m	
Environment, Housing and Transport							
A1 Developing Cleaner, Greener and Safer Public Places							
NSC09 Crematorium - mercury emissions legislation	-	-	0.475	-	-	0.475	Green
CDC07 South Marine Park	0.247	0.788	3.612	0.133	0.261	5.041	Amber
A2 Improving Housing Conditions in the most Deprived Neighbourhoods							
NSC10 Cleadon Park	3.500	3.000	1.000	0.220	-	7.720	Green
NSC11 Improve Private Housing in the Borough	0.829	0.869	0.750	0.750	0.750	3.948	Green
A3 Protecting the Environment							
NSC12 Coastal Project Appraisal	0.720	0.370	-	-	-	1.090	Amber
NSC13 Coastal Protection Infrastructure	-	1.750	1.750	-	-	3.500	Amber
NSC14 Grant to NE Fisheries Committee	0.023	-	-	-	-	0.023	Green
	5.319	6.777	7.587	1.103	1.011	21.797	

39. In addition to these Council capital priorities, the table below shows the investment priorities for our Council Housing portfolio over the next five years.

Housing Capital Programme	Budget 2006/07 £m	Provisional Housing Programme				Programme TOTAL £m
		2007/8 £m	2008/9 £m	2009/10 £m	2010/11 £m	
Secured Resources						
Delivering Decent Homes	9.469	7.284	7.140	8.482	8.435	40.810
High Priority Essential Work	3.400	4.900	4.900	3.400	3.400	20.000
TOTAL South Tyneside Homes Secured	12.869	12.184	12.040	11.882	11.835	60.810
Council Retained						
Special Adaptations Dwellings	1.200	1.200	1.200	1.200	1.200	6.000
Area Redevelopment Support	0.290	0.830	0.830	0.830	0.830	3.610
TOTAL Council Secured	1.490	2.030	2.030	2.030	2.030	9.610
TOTAL SECURED PROGRAMME	14.359	14.214	14.070	13.912	13.865	70.420
SOUTH TYNESIDE HOMES - ALMO FUNDING	17.277	38.535	38.388	40.112	32.387	166.699
TOTAL Housing Capital Programme (with ALMO)	31.636	52.749	52.458	54.024	46.252	237.119

40. From 1 April 2006, the Council will set up a new company, South Tyneside Homes Ltd, to provide over 19,000 customers with excellent housing services and to maintain and improve their homes. South Tyneside Homes Ltd will be responsible for delivering our Decent Homes Investment Programme.

41. The funding above of £166.699m reflects our planned investment to meet the Decent Homes standard across all our council housing stock. The receipt of funding is reliant upon our achievement of a minimum 2-star rating for our Housing Service in 2006.

Transformation and Modernisation

42. The Council is a major contributor in making South Tyneside a prosperous and vibrant place where people will want to live, work and visit. To achieve this, the Council must be prepared to change the way it works to become more effective and must let local people speak and also listen to what they have to say. That is why we are committed to becoming a **modern, effective and responsive local authority**.

43. We have invested in our Members and employees and gained Investors in People status. Our Management Development Programme and "Impact" training scheme for managers has improved our capacity to deliver. Investing in our consultation team and launching a web based information guide about the Borough, Intelligence Online, mean that we have better information about what local people want and what will work best for South Tyneside.

44. The Residents Survey shows that local people are generally satisfied with what the Council is doing for South Tyneside. However, people want to see more evidence of how conditions and prospects for people in South Tyneside are being transformed.

45. Our Regeneration Strategy identifies what we need to do to unlock that potential. We have made a huge start through the development of a new urban village and primary school at Westoe and work has begun on the **£90m** regeneration of Cleadon Park. Our Building Schools for the Future programme will transform local secondary schools providing state of the art facilities in the next few years. We are investing with partners, in Hebburn Town Centre, the creation of a new Eco-Business Park in Jarrow, and at a number of sites on South Shields Riverside. We also have a potential prestige Regional

employment site in the Borough. We have completed the Quadrus building in Boldon, and we have put forward a proposal for an Info Store at Harton Staithes for Lottery funding.

46. The table below shows the key Transformation and Modernisation Priority Led Initiatives for us in the next 3 years.

Revenue Priority Led Initiatives		2006/07	2007/08	2008/09
		£m	£m	£m
Transformation and Modernisation				
RESR02	Strategic Partnership	0.425	-	- 0.425
CRD01	MORI Residents Survey	0.025	-	-
NSR03	External Funding Officer	0.050	-	-
		0.500	-	- 0.425

47. The following table shows the key Transformation and Modernisation Capital Priorities over the next 5 years.

Capital Priority Schemes	Budget	Provisional Programme				TOTAL	Scheme Status	
	2006/07	2007/8	2008/9	2009/10	2010/11			
	£m	£m	£m	£m	£m	£m		
Transformation & Modernisation								
T5	Embed a Culture of Excellence							
CDC08	Lottery Development Fund	0.100	0.100	-	-	-	0.200	Green
CDC09	Tyne Gateway	1.330	1.330	1.000	1.000	1.000	5.660	Green
RESC11	Gordon House Covenant Agreement	0.111	-	-	-	-	0.111	Green
RESC12	ICT Systems Replacement Programme	0.825	-	-	-	-	0.825	Green
RESC13	Implementation of E:Government	-	0.569	-	-	-	0.569	Green
RESC14	Single Status Compensatory Payments	1.680	-	-	-	-	1.680	Green
CDC10	Regeneration of Land Purchases	0.300	0.250	0.250	0.250	0.250	1.300	Green
CDC11	Regeneration & Transformation Fund	0.250	0.250	0.250	0.250	0.250	1.250	Green
CDC12	South Shields Info-store	-	0.100	0.100	0.050	-	0.250	Amber
CDC13	South Shields Registry Office	1.100	-	-	-	-	1.100	Amber
CDC14	Replacement Printing Equipment	0.085	-	-	-	-	0.085	Green
NSC15	Customer Service Strategy	-	-	0.375	0.375	0.491	1.241	Green
		5.781	2.599	1.975	1.925	1.991	14.271	

Redirecting Current Revenue Spending

48. Increasing and new demands for our services and a disappointing financial settlement from government, have led to significant pressures on our budget. To make sure we can continue to focus our spending on our priorities, we have identified proposals for reducing spending and increasing efficiency across all of the Council's services both in the short and medium term.

49. 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. We have kept new priorities to a minimum and only reflected those which were essential in delivering our priorities. 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.

50. The Council is required to demonstrate 2.5% efficiency savings each year in line with the government's Value for Money agenda. As part of our budget planning process, we have examined how we can deliver better Value for Money in the services we deliver.

51. Proposals for reducing spending and increasing efficiency for each Council directorate are shown in the following table:

Redirection of Current Spending		2006/07	2007/08	2008/09
		£m	£m	£m
Corporate Development				
CDS01	Grounds Maintenance review specification	-0.080	0.000	0.000
CDS02	Cease Flower Show	-0.006	0.000	0.000
CDS03	Do not open Cleadon Village Library Access Point	-0.015	0.000	0.000
CDS04	Cease City Sight Seeing & Other Tourism Exp	-0.010	0.000	0.000
CDS05	Pass on efficiency savings to supported organisations	-0.009	0.000	0.000
CDS06	Reduce Museum Service Level Agreement	-0.018	0.000	0.000
CDS07	Cease grants to Talented Young Sportspersons	-0.005	0.000	0.000
CDS08	Library Efficiency Services	-0.040	0.000	0.000
CDS09	Review opening hours at Monkton Stadium	-0.078	0.000	0.000
CDS10	Increase Local Strategic Partnership Team external funding	-0.055	0.000	0.000
CDS11	Deletion of vacant posts	-0.226	0.000	0.000
CDS12	Deletion of filled posts	-0.181	0.000	0.000
		-0.723	0.000	0.000
Lifelong Learning				
LLLS01	Transport Efficiencies	-0.195	0.000	0.000
LLLS02	Review Alternative Education Service funding	-0.100	0.000	0.000
LLLS03	Review Simonside Youth Centre Staffing	-0.050	0.000	0.000
LLLS04	Cessation of Clothing Vouchers for pupils	-0.050	0.000	0.000
LLLS05	Reduce spending on exchange visits programme	-0.005	0.000	0.000
LLLS06	School Improvement Programme - increase CPD recharges	-0.015	0.000	0.000
LLLS07	Increase Recharges to Externally Funded Services	-0.150	0.000	0.000
LLLS08	Workforce Reform Savings	-0.008	0.000	0.000
LLLS09	Rationalised Management of Chuter Ede	-0.080	0.000	0.000
LLLS10	Reduce spending on EFQM and staff training	-0.020	0.000	0.000
LLLS11	Reduce spending on LEA Initiatives	-0.040	0.000	0.000
LLLS12	Review Student Finance Honorarium scheme	-0.048	0.000	0.000
LLLS13	Reduction of activities in Community Facilities	-0.400	0.000	0.000
LLLS14	Review non-core grants to voluntary organisations	-0.060	0.000	0.000
LLLS15	Increase outdoor education income from SLA with schools	-0.064	0.000	0.000
LLLS16	Integrating services Early Years Managers	-0.040	0.000	0.000
LLLS17	Reduce spending on printing and equipment	-0.040	0.000	0.000
LLLS18	Reduce spending on staff allowances	-0.005	0.000	0.000
LLLS19	Review of admin support services	-0.060	0.000	0.000
LLLS20	School subscriptions	-0.028	0.000	0.000
LLLS21	Review of Asset Management, Personnel and Policy	-0.085	0.000	0.000
LLLS22	Deletion of vacant posts	-0.398	0.000	0.000
LLLS23	Deletion of filled posts	-0.429	0.000	0.000
		-2.370	0.000	0.000
Neighbourhood Services				
NSS01	Review of waste management	-0.050	0.000	0.000
NSS02	Environmental health group savings	-0.040	0.000	0.000
NSS03	Savings on housing studies	-0.021	0.000	0.000
NSS04	Savings on transport study work	-0.013	0.000	0.000
NSS05	Sponsorship of roundabouts	-0.025	0.000	0.000
NSS06	Income generation from new External funding officer post	-0.050	0.000	0.000
NSS07	Additional waste efficiency grant	-0.150	0.000	0.000
NSS08	Use of Planning delivery grant	-0.065	0.000	0.000
NSS09	Environmental health - Reduce contaminated land consultancy fees	-0.016	0.000	0.000
NSS10	Maximise highways recoveries from capital	-0.150	0.000	0.000
NSS11	Charging for bulky household waste collection	-0.100	0.000	0.000
NSS12	Increase trade waste charges	-0.050	0.000	0.000
NSS13	Increase bereavement charges	-0.055	0.000	0.000
NSS14	Increase car parking charges	-0.119	0.000	0.000
NSS15	Review weighbridge charges	-0.010	0.000	0.000
NSS16	Increased licensing income	-0.039	0.000	0.000
NSS17	Increase building control charges by 6%	-0.023	0.000	0.000
NSS18	Introduce enforcement fines	-0.020	0.000	0.000
NSS19	Value for Money Reviews	-0.281	0.000	0.000
NSS20	Deletion of vacant posts	-0.420	0.000	0.000
NSS21	Deletion of filled posts	-0.520	0.000	0.000
		-2.217	0.000	0.000

Redirection of Current Spending		2006/07 £m	2007/08 £m	2008/09 £m
Resources				
RESS01	Establish budget for airport dividend	-0.200	0.000	0.000
RESS02	Capitalise finance systems project staff	-0.307	0.000	0.000
RESS03	Establish budget for fraud subsidy grant income	-0.050	0.000	0.000
RESS04	Establish budget for recovery of benefits overpayment grant	-0.100	0.000	0.000
RESS05	Increased recovery costs - Council Tax	-0.065	0.000	0.000
RESS06	Reduction of By Election budget	-0.034	0.000	0.000
RESS07	Reduce IT hardware costs	-0.110	0.000	0.000
RESS08	Reduce Finance team supplies and services expenditure	-0.010	0.000	0.000
RESS09	Reduce mobile phones contract cost	-0.020	0.000	0.000
RESS10	Capitalise Valuation Surveyor cost	-0.034	0.000	0.000
RESS11	Deletion of vacant posts	-0.393	0.000	0.000
RESS12	Deletion of filled posts	-0.187	0.000	0.000
RESS13	Value For Money Reviews	0.000	-3.994	-2.664
		-1.510	-3.994	-2.664
Social Care and Health				
SCHS01	Review learning disabilities service	-0.078	0.000	0.000
SCHS02	Full year impact of new eligibility criteria on home care	-0.100	0.000	0.000
SCHS03	Full year effect on the review of high cost packages	-0.650	0.000	0.000
SCHS04	Reduce in-house home care staffing costs	-0.130	0.000	0.000
SCHS05	Create efficiencies by amalgamating home care services	-0.020	0.000	0.000
SCHS06	Full year effect on the closure of Murtaugh Diamond House	-0.400	0.000	0.000
SCHS07	Additional income from Primary Care Trust	-0.160	0.000	0.000
SCHS08	Review staffing at Wilfred Street Day Centre	-0.050	0.000	0.000
SCHS09	Review day services for people with physical disabilities at John Wright	-0.100	0.000	0.000
SCHS10	Reduce costs in learning disabilities day service	-0.100	0.000	0.000
SCHS11	Reduce transport costs	-0.025	0.000	0.000
SCHS12	Increase Recharges to Externally Funded Services	-0.187	0.000	0.000
SCHS13	Generation of Adoption Fee income	-0.040	0.000	0.000
SCHS14	Approved Social Worker - transfer of responsibility	-0.045	0.000	0.000
SCHS15	Reduce Children's Centre funding - Jane Fry Centre	-0.100	0.000	0.000
SCHS16	Reduce contribution to Voluntary Sector	-0.030	0.000	0.000
SCHS17	Review staffing - Curriculum Co-ordination	-0.030	0.000	0.000
SCHS18	Deletion of vacant posts	-1.339	0.000	0.000
SCHS19	Deletion of filled posts	-0.849	0.000	0.000
		-4.433	0.000	0.000
TOTAL Redirection of Spending		-11.253	-3.994	-2.664

The Council's Financial Position over the Medium Term

52. Over the medium term the Council faces continuing financial pressures and has built in challenging savings targets into the above spending plans for 2007/08 and 2008/09 to ensure they remain affordable.
53. The following table identifies key financial risks to the Council's financial position over the medium term, the actions taken (within this financial plan) and the actions proposed to reduce the impact of these risks on the Council's future financial position.
54. These medium term financial risks support our current approach to protecting our reserves position and limiting the use of these reserves to support on-going spending.

Financial Risk	Risk	Action Taken / Proposed
Council Spending Plans		
1. Increase in costs from implementing single status.	Medium	<ul style="list-style-type: none"> Financial Plan provides for future estimated costs Government permission to capitalise compensatory payment has been requested
2. Large financial penalties if landfill waste reduction targets are not achieved.	Low	<ul style="list-style-type: none"> Cabinet will keep position under review £0.228m funding provided in 2006/07 Position continues to be monitored and managed by Neighbourhood Services to reduce risk of penalties in future years use of the Landfill Allowance Trading Scheme in operation
3. Value for Money reviews do not deliver savings options	Medium	<ul style="list-style-type: none"> Value for Money embedded into Council business practice Regular monitoring of Value for Money reviews by Executive Team and Cabinet Accountability for achievement of savings targets determined

Financial Risk	Risk	Action Taken / Proposed
4. Council overspends	Medium	<ul style="list-style-type: none"> Action Plan being implemented to improve Council's Financial Control Environment Revised monthly budget monitoring controls developed New financial systems being implemented Robust monitoring of major investment schemes (Building Schools for the Future, Cleadon Park, Decent Homes)
Council Funding Plans		
1. Reduced levels of future government funding increases (e.g. through formula changes)	Medium	<ul style="list-style-type: none"> Forecasts within Medium Term Financial Plan reflect known funding changes. (2007/08 allocations already notified) Developing regional case for reform of government funding with other North East councils
2. Increased investment to meet Decent Homes standard is not received	Low	<ul style="list-style-type: none"> ALMO Project on target. Service improvement plan is resourced to deliver 2 star rating Regular monitoring of improvement plan

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

55. The table below summarises our capital funding plans for 2006/07 and provisional funding plans for 2007/08 to 2010/11.

Council Capital Funding Forecast	Funding	Provisional Capital Funding				Funding
	2006/07 £m	2007/8 £m	2008/9 £m	2009/10 £m	2010/11 £m	TOTAL £m
Supported Borrowing	24.779	55.733	58.320	46.917	39.192	224.941
Unsupported Borrowing	6.845	0.045	0.045	0.045	0.045	7.025
Housing Major Repairs Allowance	11.033	10.988	10.844	10.686	10.639	54.190
Housing Major Repairs Reserve						
Mainstream Government Grants	1.745	1.672	0.353	0.353	0.353	4.476
External Funding (secured and bid for)	8.016	6.805	20.467	28.415	7.053	70.756
Revenue Contributions	1.000	0.900	0.900	0.900	0.900	4.600
Council Capital Receipts	7.337	7.628	6.888	3.248	2.294	27.395
TOTAL Council Capital Programme Funding	60.755	83.771	97.817	90.564	60.476	393.383

56. 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.

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

Capital External Funding Forecast

58. The table below identifies the external funding we have bid for and the external funding we have secured over the coming five years.

External Capital Funding Forecast	Funding 2006/7 £m	Provisional External Funding				Funding TOTAL £m
		2007/8 £m	2008/9 £m	2009/10 £m	2010/11 £m	
Capital Grant from central government						
Single Programme	3.500	2.000	0.670	0.670	0.660	7.500
Neighbourhood Renewal Funding	0.150	0.150	0.150	0.150	0.150	0.750
DfES BSF Grant	-	-	12.518	25.145	3.665	41.328
DfES Schools Devolved Formula Capital Grant	2.309	1.730	1.730	1.730	1.730	9.229
ODPM Disabled Facilities Capital Grant	0.472	0.472	0.472	0.472	0.472	2.360
DEFRA Coastal Protection Capital Grant	0.520	1.780	1.500	-	-	3.800
Other Central Government Capital Grant	1.005	0.234	0.115	0.140	0.115	1.609
Capital Grants and Contributions from other sources						
European Regional Development Fund	0.023	-	-	-	-	0.023
Heritage Lottery Fund	0.037	0.439	2.999	0.108	0.261	3.844
Other Funding	-	-	0.313	-	-	0.313
TOTAL External Capital Funding Forecast	8.016	6.805	20.467	28.415	7.053	70.756
External Funding Secured	3.095	0.439	15.547	25.253	3.926	48.260
External Funding Bid For	4.921	6.366	4.920	3.162	3.127	22.496
TOTAL External Capital Funding Forecast	8.016	6.805	20.467	28.415	7.053	70.756

59. 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.

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

60. The table below summarises our revenue funding plans for 2006/07 and provisional funding plans for 2007/08 and 2008/09.

2005/06 Budget £m	Revenue Funding Forecast	2006/07 Budget £m	2007/08 Provisional Funding £m	2008/09 £m
152.610	Revenue Support Grant and Business Rates	79.630	82.087	84.140
0.000	Dedicated Schools Grant	82.912	86.392	89.848
0.515	Council General Reserves	3.003	1.270	0.336
0.536	Forward Planning Reserve	0.187	0.193	0.000
48.648	Council Tax Income	50.633	53.114	55.717
202.309	TOTAL Revenue Funding Forecast	216.365	223.056	230.041

61. In 2006/07, we will receive 75% of our revenue income from central government, and 23.5% from council tax. We will fund the remaining 1.5% from council reserves.

Revenue Support Grant and Business Rates

62. The government has changed the way in which local authority funding is allocated. Relative Needs Formulae (RNF) has replaced Formula Spending Shares (FSS) to determine what funding we will receive each year. In addition indicative allocations of funding for 2007/08 have also been announced as an interim step towards the introduction of three-year allocations. On 30th January 2006, the government told us we would receive **£79.63m revenue support grant** in 2006/07, a decrease of £72.98m compared with the previous year. The reason for this decrease is that the government has decided to fund schools expenditure with effect from 2006/07 using a specific **dedicated schools grant**. Our indicative **revenue support grant** allocation for 2007/08 is **£82.087m**.

63. The table below identifies the revenue support grant and business rate income we will receive from government in 2006/07 and 2007/08 and our forecast for 2008/09, which is based upon an inflation only increase.

2005/06 Budget £m	Revenue Funding Forecast	2006/07 Budget £m	2007/08 Provisional Funding £m	2008/09 Provisional Funding £m
152.610	Revenue Support Grant and Business Rates	79.630	82.087	84.140

Dedicated Schools Grant

64. Schools expenditure is now funded from a new specific **dedicated schools grant**, the money for which has been top sliced from our **revenue support grant** allocation.

65. The table below identifies the **dedicated schools grant** income we will receive from government in 2006/07 and 2007/08 and our forecast for 2008/09, which assumes a 4% increase.

2005/06 Budget £m	Revenue Funding Forecast	2006/07 Budget £m	2007/08 Provisional Funding £m	2008/09 Provisional Funding £m
-	Dedicated Schools Grant	82.912	86.392	89.848

Use of Council Reserves

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

- **Strategic Reserve** - to cover emergency events such as unforeseen financial liabilities or natural disasters. This reserve currently equals 2% of the Council's net revenue budget (gross of dedicated schools grant) and is the recommended **minimum** amount of reserves that should be retained by the Council as a contingency
- **General Reserve** - to support future spending plans and one-off spending.
- **Forward Planning Reserve** - to help offset medium term spending pressures facing the Council.
- **Directorate Earmarked Reserve** – held for specific commitments and principally include cash balances held on behalf of schools.

67. The table below forecasts that the total Council cash reserves at 31st March 2006 will be £16.998m.

Council Reserves	Strategic Reserve £m	General Reserves £m	F Planning Reserve £m	Earmarked Reserves £m	TOTAL RESERVES £m
Balance as at 31st March 2005	3.863	1.519	0.743	7.833	13.958
Planned Use of Reserves in 2005/06					
Single Status Implementation Costs	-	-	0.170	-	0.170
Contribution to ALMO set up costs	-	-	0.354	-	0.354
Planned Use of Earmarked Reserves	-	-	-	0.806	0.806
Planned Use of General Reserves in 2005/06	-	0.515	-	-	0.515
Planned Use of Reserves in 2005/06	-	0.515	0.524	0.806	1.845
Planned Contribution to Reserves in 2005/06					
Business Rate Refunds received	-	0.585	-	-	0.585
Transfer from Planning to Strategic Reserve (2% level maintained)	0.186	-	0.186	-	-
Budget Recovery Actions	-	-	4.300	-	4.300
Planned Contribution to Reserves in 2005/06	0.186	0.585	4.114	-	4.885
Estimated Balance as at 31st March 2006	4.049	1.589	4.333	7.027	16.998

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

South Tyneside Council - Use of Council Reserves Policy

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

South Tyneside Council - Carry Forward Policy

1. Any **overspending** by a directorate will be carried forward by the directorate (subject to Cabinet approval).
2. Each directorate is encouraged to plan for and achieve **a minimum 1% underspending** through good financial management. To encourage this, 25% of any revenue underspending declared by 31st December each year will be available to the directorate to help meet spending pressures in subsequent years (subject to Cabinet approval).
3. Cabinet approvals will only be given after consideration of the year-end statement of accounts and the overall financial position of the Council.

70. The table below identifies the planned use of Council reserves during 2006/07 to 2008/09.

Council Reserves	Strategic Reserve £m	General Reserves £m	F Planning Reserve £m	Earmarked Reserves £m	TOTAL RESERVES £m
Estimated Balance as at 31st March 2006	4.049	1.589	4.333	7.027	16.998
Planned Use of Reserves in 2006/07					
Single Status Implementation Costs	-	-	0.187	-	0.187
Planned Use of Earmarked Reserves	-	-	-	0.040	0.040
Planned Use of General Reserves in 2006/07	-	3.003	-	-	3.003
Planned Use of Reserves in 2006/07	-	3.003	0.187	0.040	3.230
Planned Contribution to Reserves in 2006/07					
Transfer from Planning to General Reserves	-	3.356	3.356	-	-
Transfer from Planning to Strategic Reserve (2% level maintained)	0.278	-	0.278	-	-
Planned Contribution to Reserves in 2006/07	0.278	3.356	3.634	-	-
Estimated Balance as at 31st March 2007	4.327	1.942	0.512	6.987	13.768
Planned Use of Reserves in 2007/08					
Planned Use of Earmarked Reserves	-	-	-	-	-
Single Status Implementation Costs	-	-	0.193	-	0.193
Planned Use of General Reserves in 2007/08	-	1.270	-	-	1.270
Planned Use of Reserves in 2007/08	-	1.270	0.193	-	1.463
Planned Contribution to Reserves in 2007/08					
Transfer from Planning to General Reserves	-	-	-	-	-
Transfer from Planning to Strategic Reserve (2% level maintained)	0.134	-	0.134	-	-
Planned Contribution to Reserves in 2007/08	0.134	-	0.134	-	-
Estimated Balance as at 31st March 2008	4.461	0.672	0.185	6.987	12.305
Planned Use of Reserves in 2008/09					
Planned Use of Earmarked Reserves	-	-	-	-	-
Planned Use of General Reserves in 2008/09	-	0.336	-	-	0.336
Planned Use of Reserves in 2008/09	-	0.336	-	-	0.336
Planned Contribution to Reserves in 2008/09					
Transfer from Planning to General Reserves	-	0.045	0.045	-	0.000
Transfer from Planning to Strategic Reserve (2% level maintained)	0.140	-	0.140	-	-
Planned Contribution to Reserves in 2008/09	0.140	0.045	0.185	-	0.000
Estimated Balance as at 31st March 2009	4.601	0.381	0.000	6.987	11.969

71. For 2006/07 we plan to use £3.003m general reserves and £0.187m forward planning reserve to support our spending plans. By 31st March 2009, we forecast that our strategic reserve will still be maintained at its current 2% level and that £0.381m general reserves will be available to support future spending plans.

Increased Council Tax Income

72. The table below identifies the amount of income we need to raise from council tax in 2006/07 and, **for planning purposes only**, what income we may need in 2007/08 and 2008/09 to balance our spending plans.

2005/06 Budget £m	Revenue Funding Forecast	2006/07 Budget £m	2007/08 Provisional Funding £m	2008/09 Provisional Funding £m
48.648	Council Tax Income	50.633	53.114	55.717

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

5. What will be the Borough's Council Tax for 2006/07?

74. The Borough's Council Tax pays for services provided by South Tyneside Council, Northumbria Police Authority and the Tyne and Wear Fire and Civil Defence Authority.
75. The Council Tax for each property band is based on a proportion of the band D council tax. The band D council tax is calculated by dividing the amount of income required by the Council Tax Base.
76. The Council agreed a **Council Tax Base of 43,977 for 2006/07** at its meeting on 26th January 2006.

South Tyneside Council Tax Collection Fund

77. Each year the Council sets the Borough's Council Tax and collects the money due from council taxpayers. The money we receive is paid into a separate 'Collection Fund'. Payments are made from this fund to South Tyneside Council, Northumbria Police Authority and the Tyne and Wear Fire and Civil Defence Authority.
78. As the billing authority we are required to keep this fund in balance. When Cabinet considered the report on the taxbase on 4th January we expected the Collection Fund to be in balance at 31st March 2006. However our external auditors have now advised that the surplus generated at 31st March 2005 should be distributed in 2006/07. This report therefore seeks recommendation to distribute the small surplus of £171,000 between the organisations as follows:

South Tyneside Council	£152,354
Northumbria Police Authority	£ 9,643
Tyne & Wear Fire and Civil Defence Authority	£ 9,003
Total	£171,000

South Tyneside Council's Council Tax Requirement

79. To fund our spending plans, we need to increase **our proportion of the Borough's Council Tax by 3.77%** in 2006/07 to raise **£50.492m**. The table on the next page identifies the effect of this **3.77%** increase in council tax for each property band.

2006/07 BOROUGH COUNCIL TAX	Band Weighting	South Tyneside Council 2005/06	South Tyneside Council 2006/07
Band A Properties	6/9	£737.60	£765.40
Annual Increase			£27.80
Weekly Increase			£0.53
Band B Properties	7/9	£860.54	£892.96
Annual Increase			£32.42
Weekly Increase			£0.62
Band C Properties	8/9	£983.47	£1,020.54
Annual Increase			£37.07
Weekly Increase			£0.71
Band D Properties	1	£1,106.41	£1,148.10
Annual Increase			£41.69
Weekly Increase			£0.80
Band E Properties	11/9	£1,352.28	£1,403.23
Annual Increase			£50.95
Weekly Increase			£0.98
Band F Properties	13/9	£1,598.15	£1,658.37
Annual Increase			£60.22
Weekly Increase			£1.16
Band G Properties	15/9	£1,844.02	£1,913.50
Annual Increase			£69.48
Weekly Increase			£1.34
Band H Properties	18/9	£2,212.82	£2,296.20
Annual Increase			£83.38
Weekly Increase			£1.60

Fire and Police Authority Council Tax Precepts

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

2006/07 BOROUGH COUNCIL TAX	Band Weighting	Fire Authority 2005/06	Fire Authority 2006/07	Police Authority 2005/06	Police Authority 2006/07
Band A Properties	6/9	£43.59	£45.53	£46.69	£47.85
Annual Increase			£1.94		£1.16
Weekly Increase			£0.04		£0.02
Band B Properties	7/9	£50.85	£53.12	£54.47	£55.83
Annual Increase			£2.27		£1.36
Weekly Increase			£0.04		£0.03
Band C Properties	8/9	£58.12	£60.70	£62.25	£63.80
Annual Increase			£2.58		£1.55
Weekly Increase			£0.05		£0.03
Band D Properties	1	£65.38	£68.29	£70.03	£71.78
Annual Increase			£2.91		£1.75
Weekly Increase			£0.06		£0.03
Band E Properties	11/9	£79.91	£83.47	£85.59	£87.73
Annual Increase			£3.56		£2.14
Weekly Increase			£0.07		£0.04
Band F Properties	13/9	£94.44	£98.64	£101.15	£103.68
Annual Increase			£4.20		£2.53
Weekly Increase			£0.08		£0.05
Band G Properties	15/9	£108.97	£113.82	£116.71	£119.63
Annual Increase			£4.85		£2.92
Weekly Increase			£0.09		£0.06
Band H Properties	18/9	£130.76	£136.58	£140.06	£143.56
Annual Increase			£5.82		£3.50
Weekly Increase			£0.11		£0.07

South Tyneside Council Tax for 2006/07

81. After taking account of the council tax requirements of South Tyneside Council and allowing for a 4.4% and a 2.5% increase in Fire and Police precepts respectively, the table below shows that a 3.7% increase in Borough's Council Tax for 2006/07 is required to meet these commitments.

2005/06 Band D	Council Tax Increase	2006/07 Band D	Increase in Band D	
			£	%
£1,106.41	South Tyneside Council	£1,148.10	£41.69	3.77%
£65.38	Fire Authority	£68.29	£2.91	4.45%
£70.03	Police Authority	£71.78	£1.75	2.50%
£1,241.82	Borough Band D Council Tax	£1,288.17	£46.35	3.73%

82. The table below identifies the Borough's Council Tax for each property band for 2006/07.

2006/07 BOROUGH COUNCIL TAX	% of Properties in Each Band	% of Properties Receiving Benefit	Band Weighting	Borough Council Tax 2005/06	Borough Council Tax 2006/07
Band A Properties	67.2%	42.7%	6/9	£827.88	£858.78
<i>Percentage increase</i>					3.7%
<i>Annual Increase</i>					£30.90
<i>Weekly Increase</i>					£0.59
Band B Properties	12.6%	17.5%	7/9	£965.86	£1,001.91
<i>Percentage increase</i>					3.7%
<i>Annual Increase</i>					£36.05
<i>Weekly Increase</i>					£0.69
Band C Properties	10.6%	8.2%	8/9	£1,103.84	£1,145.04
<i>Percentage increase</i>					3.7%
<i>Annual Increase</i>					£41.20
<i>Weekly Increase</i>					£0.79
Band D Properties	5.7%	5.3%	1	£1,241.82	£1,288.17
<i>Percentage increase</i>					3.7%
<i>Annual Increase</i>					£46.35
<i>Weekly Increase</i>					£0.89
Band E Properties	2.3%	3.4%	11/9	£1,517.78	£1,574.43
<i>Percentage increase</i>					3.7%
<i>Annual Increase</i>					£56.65
<i>Weekly Increase</i>					£1.09
Band F Properties	1.0%	0.7%	13/9	£1,793.74	£1,860.69
<i>Percentage increase</i>					3.7%
<i>Annual Increase</i>					£66.95
<i>Weekly Increase</i>					£1.29
Band G Properties	0.5%	1.2%	15/9	£2,069.70	£2,146.95
<i>Percentage increase</i>					3.7%
<i>Annual Increase</i>					£77.25
<i>Weekly Increase</i>					£1.49
Band H Properties	0.1%	-	18/9	£2,483.64	£2,576.34
<i>Percentage increase</i>					3.7%
<i>Annual Increase</i>					£92.70
<i>Weekly Increase</i>					£1.78

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

83. From April 2006 the Council will set up a new company, South Tyneside Homes Ltd, to provide over 19,000 customers with excellent housing services and to maintain and improve their homes.
84. The company will operate in partnership with the Council under a management agreement and delivery plan.
85. The table below summarises the overall position on the Housing Revenue Account for the next three years.

Housing Revenue Account	2006/07	2007/08	2008/09
	Budget £m	Provisional Budget £m	Budget £m
Expenditure	45.594	46.002	46.215
Income	-45.614	-46.683	-46.173
TOTAL Surplus (-) / Deficit (+)	- 0.020	- 0.681	0.042

Housing Revenue Account Reserves	2006/07	2007/08	2008/09
	£m	£m	£m
Estimated Balance (brought forward)	- 2.464	- 2.484	- 3.165
Surplus (-) / Deficit (+) for year	- 0.020	- 0.681	0.042
Estimated Balance (carried forward)	- 2.484	- 3.165	3.123
Housing Reserves			
Strategic Reserve	- 1.000	- 1.000	- 1.000
General Balances	- 1.484	- 2.165	- 2.123

86. A strategic reserve of £1.0m is maintained over the medium term as this is considered the minimum balance necessary to give stability to the financial position on the account.

Housing Revenue Expenditure Plans for 2006/07

87. The table below details the HRA planned expenditure for 2006/07.

Housing Revenue Account Expenditure	2005/06	2006/07	Change	
	Budget £m	Budget £m	£m	%
Management	13.349	13.974	0.625	4.7%
Repairs	12.793	13.100	0.307	2.4%
Capital Charges	17.054	16.852	- 0.202	-1.2%
Other Expenditure	1.355	1.418	0.063	4.6%
Consultation / Stock Options	0.500	0.250	- 0.250	-50.0%
TOTAL Housing Revenue Expenditure	45.051	45.594	0.543	1.2%

88. Overall spending is set to increase by 1.2% in 2006/07. The growth in repairs and management expenditure relates to the investment in improving front line services to be provided through South Tyneside Homes.

Housing Revenue Income Plans for 2006/07

89. The table below details the HRA income for 2006/07.

Housing Revenue Account Income	2005/06	2006/07	Change	
	Budget £m	Budget £m	£m	%
Dwelling Rents	- 41.638	- 43.122	1.484	3.6%
Other Services / Property Income	- 1.434	- 1.509	0.075	5.2%
Support Services Income	- 0.992	- 0.956	0.036	-3.6%
Other Contributions	- 1.586	- 1.356	0.230	-14.5%
Housing Subsidy Recovery	0.109	1.329	1.220	1119.3%
TOTAL Housing Revenue Income	- 45.541	- 45.614	0.073	0.2%

90. The key area of change is the increase in housing subsidy recovery due to a major change by central government in the level of rent income which has been assumed in the subsidy calculation.

Housing Revenue Priority Led Initiatives

91. The key shared objectives for the Council and South Tyneside Homes are to ensure provision of an excellent housing service and to secure resources for and plan and achieve an investment programme of around **£237m** in our customers' homes during 2006/07 to 2010/11.

92. The table below details the priority spending for 2006/07.

Revenue Priority Led Initiatives	2006/07 £m
Housing and Environment	
Deliver Excellence in our Repairs Service	0.235
Deliver Excellence in our Management Service	0.413
TOTAL Housing Revenue Priority Led Initiatives	0.648

93. By October 2006, South Tyneside Homes will be required to demonstrate to the Housing Inspectorate that a minimum "2 star" (good) service is being provided for its customers.

94. To achieve that standard and deliver an excellent housing service, the Council has put in place a service improvement plan – "Housing Matters – it's at the heart of South Tyneside".

Dwelling Rents and Service Charges for 2006/07

95. As in previous years we have to set our rents and service charges in accordance with the government guidelines. The budget plans for 2006/07 are:-

□ Dwelling Rents

Individual dwelling rents to be set, in accordance with Government rent restructuring guidelines, **to achieve an average rent increase of 5% across all stock**. Average rents are anticipated to be £49.75 per week (48 week collection) - an average rent rise of around £2.35 per week (5.0%);

□ **Service Charges**

- 2.7% increase** in garage rents;
- 2.7% increase** in service charges for landlord services-wardens & communal facilities;
- 2.7% increase** in sheltered accommodation-guest room charges;

□ **Heating Charges – High Rise District Heating Schemes**

To recover increased energy costs, in particular significant increases in gas prices, a rise of 50% is necessary. This is in line with national inflation on energy costs and with increased charges for other council tenants within the Borough who settle their energy bills directly.

□ **Temporary furnished accommodation**

- 2.7% increase** in temporary furnished accommodation charges;

□ **Supporting People Charges**

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

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

96. 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 on the Council Tax payer.
97. The table below summarises the spending plans for the Fund for 2006/07 and provisional spending plans for 2007/08 and 2008/09. The Pension Committee has considered and agreed these spending plans on 6th February 2006.

2005/06 Budget £m	Tyne and Wear Pension Fund	2006/07 Budget £m	2007/08 Provisional Budgets £m	2008/09 Provisional Budgets £m
	Investment Office			
7.272	Investment Management Fees	12.477	13.877	14.924
0.199	Property Portfolio	0.194	0.194	0.194
0.727	Direct Costs and Recharges	0.704	0.602	0.595
2.155	Pensions Office	2.280	2.422	2.412
10.353	TOTAL Tyne and Wear Pension Fund Budgets	15.655	17.095	18.125
	Percentage increase in Pension budget	51.2%	9.2%	6.0%

98. The largest single influence on the Pension Fund's spending plans is the increase in investment management fees. The increase is particularly significant in 2006/07 for two reasons:
- Most fees are calculated on an ad valorem basis, which means that they are based on the value of assets under management. As the value of the Fund has increased by an amount greater than that assumed when setting the budget for 2005/06, the management fees have also increased by a greater amount than budgeted for. This has to be seen as good news. This accounts for £1.411m of the increase in the fund budget

- During 2005/06 the Fund initiated new investments into currency funds and made a number of additional commitments to the private equity programme. Further new commitments to the private equity programme have also been budgeted for in 2006/07. Both currency management and private equity fall into the category of alternative investments, as opposed to the more traditional investments in quoted equities and bonds. Typically, these alternative investments attract a higher fee than the more traditional asset classes. As part of the decision to make any new investment, the fees and the forecast performance net of fees are considered. It is believed that these alternative investments can achieve a more attractive investment return net of fees. The impact on the budget of these new investment opportunities is £3.794 million.

99. Excluding investment management fees the spending plans for 2006/07 show an overall increase of £0.097 million (from £3.081m in 2005/06 to £3.178m). This represents an increase of 3.2%, broken down as follows:

Pensions Spending Plans	2006/07 £m	Change %
Base Budget - Excluding Management Fees	3.081	
Standstill Pressures	0.159	5.20%
Budget Growth/New Initiatives	0.084	2.70%
Redirection of Current Spending	-0.146	-4.70%
Revised Budget - Excluding Management Fees	3.178	

8. What are the Council's prudential indicators?

Prudential Code

100. 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.
101. 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**.
102. 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.
103. 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

104. 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.

105. In calculating the prudential indicators, potential ALMO investment in the Housing Programme resulting from a “2 Star” inspection result has been excluded until the outcome of the inspection is known. The one exception is the calculation of the 2006/07 external debt authorised limit which has been set to allow borrowing for the ALMO to be undertaken should this be allowed to progress.

106. 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.

107. Our capital budgets include prudential borrowing in 2006/07 relating to compensatory payments arising from the implementation of single status. In addition, prudential borrowing is necessary in 2006/7 to fund cash flow issues relating to Cleadon Park. The Cleadon Park scheme is cost neutral in the medium term and hence these costs will be offset by reduced supported borrowing in 2008/09 when the majority of capital receipts arising from the scheme are expected. A small amount of borrowing is also included for spend to save schemes. The cost of this borrowing will be financed from revenue savings arising as a result of this investment.

108. Cabinet will be asked to review the Council's capital programme and planned borrowing once the final compensatory payment costs and the government's views are known.

Affordability - Council Capital Financing Requirement

109. The Council's Capital Financing Requirement measures the Council's underlying need to borrow money to fund its capital programme.

110. The following table summarises the Council's capital programme for 2006/07 to 2008/09 (excluding potential ALMO investment).

2004/05 Actual £m	2005/6 Revised £m	Capital Spending Plans	2006/7 Budget £m	2007/08 Provisional Spending £m	2008/09 £m	Total Capital £m
39.431	59.175	Council Capital Programme	29.119	31.022	45.359	105.500
14.859	17.566	Housing Capital Programme	14.359	14.214	14.070	42.643
54.290	76.741	TOTAL - Council Capital Programme	43.478	45.236	59.429	148.143

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

2004/05 Actual £m	2005/06 Revised £m	Capital Financing Requirement (CFR)	2006/07 Budget £m	2007/08 Estimate £m	2008/09 Estimate £m
93.121	110.063	Council Capital Programme	117.423	127.819	135.809
81.759	84.455	Housing Capital Programme	86.814	89.140	91.466
174.880	194.518	TOTAL - Council Capital Financing Requirement	204.237	216.959	227.275

Affordability - Ratio of Financing to Council's Net Revenue Stream

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

2004/05 Actual £m	2005/06 Revised %	Ratio of Financing Costs to Net Revenue Stream	2006/07 Budget %	2007/08 Estimate %	2008/09 Estimate %
3.00%	3.80%	Council Capital Programme	4.40%	4.50%	4.70%
35.57%	36.91%	Housing Capital Programme	37.21%	36.07%	35.59%

Affordability – Estimated Impact of Capital Investment Decisions

113. A key measure of affordability is the incremental impact on the Council Tax and the Council rent levels of capital investment decisions.

114. The following table identifies the estimated incremental impact of capital investment decisions in this budget report, compared to capital investment decisions agreed in last years Medium Term Financial Plan, on future council tax and housing rent levels.

Estimated Incremental Impact of Capital Investment Decisions	2006/07	2007/08	2008/09
For the Band D Council Tax	£11.76	-£34.12	£36.93
For Average Weekly Housing Rents	£0.00	-£0.12	£1.21

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

Prudence – Council Treasury Management Practices

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

117. 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.

118. The Council's treasury management strategy and annual plan for 2006/07 will be presented to Cabinet for approval on Wednesday 15th March 2006.

Prudence Indicator - Net Borrowing and Capital Finance Requirement

119. 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”

120. 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

121. The Council's actual external debt at 31st March 2005 was £162.8m comprising £162.6m borrowing and £0.2m other long-term liabilities such as finance leases. The Council's debt at 31st March 2006 is estimated to be £201.6m.
122. 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.
123. The following table identifies the **Council's authorised limit for external debt** for 2006/07 to 2008/09. For 2006/07, the authorised limit of £280m is the statutory limit determined under section 3(1) of the Local Government Act 2003.

Council External Debt	2006/07 Budget £m	2007/08 Estimate £m	2008/09 Estimate £m
External Debt Authorised Limit			
Council Borrowing	275.0	290.0	340.0
Other Council Long Term Liabilities	5.0	5.0	5.0
TOTAL - Council External Debt Authorised Limit	280.0	295.0	345.0

124. 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.
125. The following table identifies the **Council's operational boundary for external debt** for 2006/07 to 2008/09.

Council External Debt	2006/07 Budget £m	2007/08 Estimate £m	2008/09 Estimate £m
External Debt Operational Boundary			
Council Borrowing	228.0	258.0	308.0
Other Council Long Term Liabilities	2.0	2.0	2.0
TOTAL - Council External Debt Operational Boundary	230.0	260.0	310.0

126. 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.
127. Council has delegated authority to the Head of Finance, as Section 151 Officer, to effect movement between the separately agreed authorised and operational boundary limits for borrowing and other long-term liabilities. This would be done in accordance with option appraisal and best value for the authority, within the total limit for any individual year. Any use made of this delegation will be reported to the Council at its next meeting.

Prudence – Council Fixed and Variable Interest Rate Exposure

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

Fixed and Variable Interest Rate Exposure	2006/07 Budget %	2007/08 Estimate %	2008/09 Estimate %
Fixed rate interest - upper limit	100%	100%	100%
Variable rate interest - upper limit	35%	35%	35%

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

Prudence - Maturity Structure of Council Borrowing

130. The following table sets upper and lower limits for the maturity structure of the Council's borrowing during 2006/07. The limits represent the amount of projected fixed rate borrowing maturing in each period, as a percentage of total projected fixed rate borrowing.

Maturity Structure of Borrowing for 2006/07	Upper Limit %	Lower Limit %
Under 12 months	35%	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%

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

Prudence - Investments for Periods Longer Than 364 Days

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

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

Budget Monitoring

133. Regular budget monitoring is an important financial control to ensure that spending during the year is in line with budgets agreed by Council. Each service budget has a named budget holder responsible for managing the budget.

134. During 2006/07, revenue and capital budgets will be monitored on a monthly basis at a budget holder and directorate level. Each month, the Council's Executive Team will consider each directorate's budget monitoring reported position and agree actions, if required, to ensure spending remains in line with agreed budgets.

135. Each quarter, the Council's Cabinet and Resources Scrutiny Committee will be asked to consider a report detailing spending for the previous quarter and projected spending for the full year.

Budget Transfers

136. During the year budget holders may need to transfer budgets from one service area to another to reflect changed service needs or priorities. A budget transfer is defined as a movement of budget between any budget service line identified in Appendix 1 and 2 of this report.
137. 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.
138. Budget transfers greater than £100,000 require the approval of the Cabinet.
139. Budget transfers greater than £500,000 require the approval of the full Council and must be proposed by the Cabinet.

2006/07 Council Revenue Budget

Line Ref	2005/06 Budget £	Council Revenue Budget	Budget Holder	Total Cost £	Total Income £	2006/07 Budget £
		CORPORATE DEVELOPMENT				
		PERFORMANCE AND INNOVATION	K. Harcus, Head of Performance and Innovation			
1	0	Performance Team	K. Harcus, Head of Performance and Innovation	502,880	-502,880	0
2	20,090	Innovation Team	K. Harcus, Head of Performance and Innovation	378,500	-378,500	0
3	20,090	Sub-Total		881,380	-881,380	0
		CORPORATE GROWTH AND FOCUS	D. Wood, Head of Corporate Growth and Focus			
4	0	Policy Team	D. Wood, Head of Corporate Growth and Focus	572,340	-572,340	0
5	211,220	LSP Team	D. Wood, Head of Corporate Growth and Focus	304,500	-178,180	126,320
6	0	Information Team	D. Wood, Head of Corporate Growth and Focus	882,750	-882,750	0
7	211,220	Sub-Total		1,759,590	-1,633,270	126,320
		ECONOMIC DEVELOPMENT	R. O'Farrell Head of Economic Development			
8	1,551,280	Economic Development	R. O'Farrell Head of Economic Development	1,690,740	0	1,690,740
9	1,551,280	Sub-Total		1,690,740	0	1,690,740
		COMMUNICATIONS	L. Fothergill, Head of Corporate Communications			
10	0	Communications	L. Fothergill, Head of Corporate Communications	1,475,000	-1,475,000	0
11	0	Sub-Total		1,475,000	-1,475,000	0
		BUILDING STRONG COMMUNITIES	S. Brown, Head of Building Stronger Communities			
12	410,710	Partnership Team	S. Brown, Head of Building Stronger Communities	818,270	-389,430	428,840
13	735,130	Regeneration Team	S. Brown, Head of Building Stronger Communities	1,423,740	-353,140	1,070,600
14	587,780	Grants	S. Brown, Head of Building Stronger Communities	1,405,150	-1,056,070	349,080
15	0	Youth Choice	S. Brown, Head of Building Stronger Communities	384,654	-380,654	4,000
16	648,910	Community Health and Safety	S. Brown, Head of Building Stronger Communities	722,563	-16,343	706,220
17	2,382,530	Sub-Total		4,754,377	-2,195,637	2,558,740
		CULTURAL & COMMUNITY SERVICES	T Duggan, Head of Cultural and Community Services			
18	2,694,950	Indoor Sport & Recreation Facilities	R Jago, Cultural Operations Manager	5,024,680	-2,054,950	2,969,730
19	48,680	School Swimming	R Jago, Cultural Operations Manager	485,670	-403,860	81,810
20	6,360	Caravan Sites	R Jago, Cultural Operations Manager	196,650	-192,070	4,580
21	204,810	Outdoor Sport & Recreation Facilities	R Jago, Cultural Operations Manager	207,750	-22,720	185,030
22	1,693,340	Community Parks & Open Spaces	R Jago, Cultural Operations Manager	1,991,300	-239,090	1,752,210
23	30,260	Allotments	R Jago, Cultural Operations Manager	118,710	-89,040	29,670
24	193,100	Children's Play	B Atkinson, Cultural Development Manager	272,620	-98,100	174,520
25	262,100	Foreshore	R Jago, Cultural Operations Manager	411,500	-136,140	275,360
26	366,260	EPA Cleansing Duties	R Jago, Cultural Operations Manager	371,700	0	371,700
27	630,370	Sports Development	B Atkinson, Cultural Development Manager	744,480	-38,370	706,110
28	145,910	Great North Run	B Atkinson, Cultural Development Manager	166,990	-50,630	116,360
29	230,200	Cookson Festival	B Atkinson, Cultural Development Manager	284,720	-43,460	241,260
30	420,000	Tall Ships and Other New Events	B Atkinson, Cultural Development Manager	50,000	0	50,000
31	313,970	Tourism	B Atkinson, Cultural Development Manager	328,910	-10,930	317,980
32	492,810	Arts Development and Support	B Atkinson, Cultural Development Manager	518,400	0	518,400
33	2,708,510	Archive Service	B Atkinson, Cultural Development Manager	92,220	0	92,220
34	90,930	Museum and Galleries	B Atkinson, Cultural Development Manager	1,317,450	-28,730	1,288,720
34	1,273,910	Public Library Service	M Freeman, Libraries Manager	3,219,580	-323,040	2,896,540
35	87,540	Cultural & Community Services Administration	B Atkinson, Cultural Development Manager	951,490	-951,490	0
36	11,894,010	Sub-Total		16,754,820	-4,682,620	12,072,200
		SERVICE MANAGEMENT & SUPPORT	D. Slater, Executive Director Corporate Development			
37	0	Management	D. Slater, Executive Director Corporate Development	596,450	-596,450	0
38	0	Support Services	K. Harcus, Head of Performance and Innovation	128,870	-128,870	0
39	0	Redirection, Efficiency Savings	D. Slater, Executive Director Corporate Development	-180,500	0	-180,500
40	0	Sub-Total		544,820	-725,320	-180,500

2006/07 Council Revenue Budget

Line Ref	2005/06 Budget £	Council Revenue Budget	Budget Holder	Total Cost £	Total Income £	2006/07 Budget £
41	0	CHIEF EXECUTIVE OFFICE	I. Lucas, Chief Executive	305,380	-305,380	0
42	16,059,130	TOTAL CORPORATE DEVELOPMENT REVENUE BUDGET		28,166,107	-11,898,607	16,267,500
		LIFELONG LEARNING				
		SCHOOLS DELEGATED	G Rollings, Head of Strategy and Resources			
43	71,071,710	Delegated Schools Budget	J. Allison, Finance Manager	75,962,600	-1,770,340	74,192,260
44	0	Schools Standard Grant	J. Allison, Finance Manager	3,008,010	-3,008,010	0
45	2,425,740	Standards Fund	M Dillon, Head of School Improvement	7,407,950	-7,407,950	0
46	0	Teachers Threshold Pay	M Grady, Personnel Manager	3,545,380	0	3,545,380
47	73,497,450	Sub-Total		89,923,940	-12,186,300	77,737,640
		SCHOOL IMPROVEMENT	M Dillon, Head of School Improvement			
48	20,190	Education Business Partnership	M Riches, EBP Partnership Director	328,690	-316,750	11,940
49	279,110	Chuter Ede Education Centre	L Freer, Support Services Officer	525,770	-335,080	190,690
50	-370	Library Service	K Hall, Library Service Manager	99,660	-94,660	5,000
51	175,300	LEA Initiatives	M Dillon, Head of School Improvement	158,060	-20,480	137,580
52	692,400	School Improvement Team	M Dillon, Head of School Improvement	563,620	-50,000	513,620
53	71,870	Governor Support	A Locklan, Governors Support Manager	226,790	-160,810	65,980
54	174,030	EDIC	Vacant, Information Manager	169,640	0	169,640
55	0	Standards Fund Non Devolved	M Dillon, Head of School Improvement	3,908,640	-3,291,060	617,580
56	115,650	Central Support Charges	J. Allison, Finance Manager	253,390	0	253,390
57	4,532,820	Capital Charges	J. Allison, Finance Manager	4,937,320	0	4,937,320
58	0	Redirection, Efficiency and Turnover Savings	M Dillon, Head of School Improvement	0	-140,150	-140,150
59	6,061,000	Sub-Total		11,171,580	-4,408,990	6,762,590
		ACCESS AND INCLUSION	A Bradley, Head of Access and Inclusion			
60	89,220	Home to College Transport	T Reynolds, SEN Transport Manager	49,220	0	49,220
61	719,270	Special Education Transport	T Reynolds, SEN Transport Manager	926,820	-45,000	881,820
62	65,360	Inter LEA Recoupment	S Makin, Pupil Services Manager	194,730	-127,410	67,320
63	448,120	Independent School Fees	S Makin, Pupil Services Manager	1,605,760	-780,970	824,790
64	483,980	Education Welfare Officers	J Soulsby, E.W.O. Manager	509,840	0	509,840
65	44,630	Clothing Grants	J Soulsby, E.W.O. Manager	0	0	0
66	575,130	Education Psychology	M Walsh, SEN Assessment Manager	710,430	-152,320	558,110
67	802,070	Alternative Education Service	C Marchant, Manager AEN Service	1,585,470	-826,720	758,750
68	157,480	Visually Impaired Service	S Hemley, Head of Visually Impaired Service	206,070	-24,300	181,770
69	382,350	Hearing Impaired Service	E Raynor, Head of Hearing Impaired Service	443,470	-67,430	376,040
70	171,930	Portage and Preschool	V Davies, Portage Manager	178,260	-35,830	142,430
71	146,310	English Second Language Service	J Braithwaite, Ethnic Minority Service Manager	147,090	0	147,090
72	0	Ethnic Minority Achievement	J Braithwaite, Ethnic Minority Service Manager	20,650	-20,650	0
73	453,970	Learning Support Service	W Larmont, Learning Support Manager	465,540	0	465,540
74	202,260	Other SEN Support	S Makin, Pupil Services Manager	266,510	-34,510	232,000
75	155,970	Schools Admission	L Rodgers, School Services Manager	172,780	0	172,780
76	307,100	Pupil Services	S Makin, Pupil Services Manager	423,550	0	423,550
77	8,280	Other Exchange Visits	L Rodgers, School Services Manager	3,280	0	3,280
78	597,670	Central Support Services	J. Allison, Finance Manager	551,850	0	551,850
79	46,150	Home to School Transport	T Reynolds, SEN Transport Manager	46,150	0	46,150
80	0	Redirection, Efficiency and Turnover Savings	A Bradley, Head of Access and Inclusion	0	-290,190	-290,190
81	5,857,250	Sub-Total		8,507,470	-2,405,330	6,102,140

2006/07 Council Revenue Budget

Line Ref	2005/06 Budget £	Council Revenue Budget	Budget Holder	Total Cost £	Total Income £	2006/07 Budget £
		LIFELONG LEARNING	C Smith, Head of Lifelong Learning			
82	446,980	Nursery Education	A Tennet, Early Years Manager	348,280	0	348,280
83	0	Early Years External Projects	A Tennet, Early Years Manager	937,320	-982,320	-45,000
84	254,390	Early Years Excellence Centre	J Bennett, Manager Early Excellence Centre	463,670	-269,880	193,790
85	0	Children's Fund and NRF Projects	J Watson, Extended Schools Officer	871,390	-871,390	0
86	0	Foundation Stage	A Tennet, Early Years Manager	200,310	0	200,310
87	2,547,550	Community Education	S Chilton, Community Development Manager	3,469,710	-357,300	3,112,410
88	124,650	Adult and Community Learning	S Chopra, Adult and Community Learning Manager	4,225,040	-3,994,070	230,970
89	945,290	Youth Service	V High, Youth Services Manager	1,013,460	-44,820	968,640
90	0	Youth Service External Projects	V High, Youth Services Manager	189,510	-189,510	0
91	43,380	Student Support	D Morgan, Student Finance Officer	288,310	-151,400	136,910
92	264,880	Outdoor Education Service	V High, Youth Services Manager	644,880	-422,110	222,770
93	352,610	Youth Support Staffing	V High, Youth Services Manager	189,640	0	189,640
94	0	Community Education Support Staffing	S Chilton, Community Development Manager	60,630	0	60,630
95	277,690	Children's Play	B Atkinson, Cultural Development Manager	287,440	-2,760	284,680
96	0	Redirection, Efficiency and Turnover Savings	C Smith, Head of Lifelong Learning	0	-59,940	-59,940
97	5,257,420	Sub-Total		13,189,590	-7,345,500	5,844,090
		STRATEGY AND RESOURCES	G Rollings, Head of Strategy and Resources			
98	3,360	School Meals and Milk	E Luke, Catering Manager	5,614,480	-5,461,230	153,250
99	35,080	Maintenance of Land and Buildings	T Renwick, Asset Manager	47,870	-90	47,780
100	299,460	Schools Non Delegated	J. Allison, Finance Manager	487,690	-178,300	309,390
101	424,390	Finance and Administration	J. Allison, Finance Manager	755,470	-360,620	394,850
102	214,420	Personnel	M Grady, Personnel Manager	697,500	-428,840	268,660
103	219,890	Asset Management	T Renwick, Asset Manager	193,540	-50,000	143,540
104	34,980	Client Services	K Goode, Purchasing Advisory Services for Schools	56,290	-13,140	43,150
105	130,720	Policy	T Welsh, Policy and Planning Manager	124,070	0	124,070
106	285,040	Strategic Management	J. Allison, Finance Manager	679,190	-137,120	542,070
107	1,174,510	Residual Pensions	J. Allison, Finance Manager	1,209,160	0	1,209,160
108	1,023,560	Valuation Lump Sum	J. Allison, Finance Manager	1,023,560	0	1,023,560
109	0	ST College Pensions	J. Allison, Finance Manager	109,340	-109,340	0
110	1,257,940	Central Support Charges	J. Allison, Finance Manager	1,677,040	0	1,677,040
111	0	Redirection, Efficiency and Turnover Savings	G Rollings, Head of Strategy and Resources	0	-132,700	-132,700
112	5,103,350	Sub-Total		12,675,200	-6,871,380	5,803,820
113	95,776,470	TOTAL LIFELONG LEARNING REVENUE BUDGET		135,467,780	-33,217,500	102,250,280

2006/07 Council Revenue Budget

Line Ref	2005/06 Budget £	Council Revenue Budget	Budget Holder	Total Cost £	Total Income £	2006/07 Budget £
		NEIGHBOURHOOD SERVICES				
		STREETSCAPE	T. Collins - Head of Streetscape			
		Special Projects				
114	377,680	Community Wardens Scheme1	T. Collins - Head of Streetscape	212,720	0	212,720
115	0	Community Wardens Scheme2	T. Collins - Head of Streetscape	194,980	0	194,980
116	0	Community Wardens Scheme3	T. Collins - Head of Streetscape	232,230	-217,000	15,230
117	0	Anti Social Behaviour	T. Collins - Head of Streetscape	593,140	-470,710	122,430
		Sustainable Design				
118	0	Sustainable Design	R. Weetman, Sustainable Design Manager	482,850	-482,850	0
119	720,330	Environmental Projects	R. Weetman, Sustainable Design Manager	543,860	0	543,860
120	32,660	Groundwork Trust	R. Weetman, Sustainable Design Manager	32,150	0	32,150
		Infrastructure				
121	765,210	Highways Structural Maintenance	T. Dixon, Infrastructure Manager	769,450	-7,520	761,930
122	2,207,490	Highways Construction (Capital charges)	T. Dixon, Infrastructure Manager	2,583,760	0	2,583,760
123	1,389,360	Highways Routine Maintenance	T. Dixon, Infrastructure Manager	1,248,440	-3,340	1,245,100
124	427,240	Winter Maintenance	T. Dixon, Infrastructure Manager	438,490	0	438,490
125	1,658,900	Street Lighting	T. Dixon, Infrastructure Manager	3,439,680	-1,151,050	2,288,630
126	133,130	Festive Lighting	T. Dixon, Infrastructure Manager	76,130	0	76,130
127	1,437,600	Highways Maintenance Departmental Costs	T. Dixon, Infrastructure Manager	1,633,910	-293,470	1,340,440
128	0	Engineering Works, Highways	T. Dixon, Infrastructure Manager	3,184,870	-3,284,870	-100,000
		Fleet Management				
129	0	Transport Operations	R. Hepburn, Fleet Manager	4,257,590	-4,271,470	-13,880
		Transport Design				
130	0	Highways and Structures Design	D. Elliott, Transport Design Manager	703,110	-703,110	0
131	554,320	Traffic Management	D. Elliott, Transport Design Manager	714,640	-58,580	656,060
132	819,870	Road Safety	D. Elliott, Transport Design Manager	902,430	-58,800	843,630
133	107,420	Car Parking	D. Elliott, Transport Design Manager	858,370	-832,800	25,570
		Environmental Maintenance				
134	2,224,430	Streetscene and Streetscape	K. Wallace, Environmental Maintenance Manager	2,800,920	-259,000	2,541,920
135	-130,630	Market	K. Wallace, Environmental Maintenance Manager	290,630	-352,220	-61,590
136	225,960	Bereavement Services	K. Wallace, Environmental Maintenance Manager	1,074,600	-906,820	167,780
137	454,880	Public Conveniences	K. Wallace, Environmental Maintenance Manager	452,360	-540	451,820
138	595,790	Grounds Maintenance	K. Wallace, Environmental Maintenance Manager	714,530	0	714,530
139	0	Building Cleaning Services	K. Wallace, Environmental Maintenance Manager	2,991,850	-3,011,130	-19,280
140	0	Arson Task Force	K. Wallace, Environmental Maintenance Manager	31,700	-31,700	0
		Waste Management				
141	1,953,840	Waste Collection	A.Whittaker, Waste Services Manager	2,218,200	-361,810	1,856,390
142	727,180	Recycling Collection	A.Whittaker, Waste Services Manager	829,970	-93,580	736,390
143	3,858,230	Waste Disposal	A.Whittaker, Waste Services Manager	4,958,580	-788,890	4,169,690
144	20,540,890	Sub-Total		39,466,140	-17,641,260	21,824,880

2006/07 Council Revenue Budget

Line Ref	2005/06 Budget £	Council Revenue Budget	Budget Holder	Total Cost £	Total Income £	2006/07 Budget £
		STRATEGIC & REGULATORY SERVICES	P.Walker - Head of Strategic & Regulatory Services			
		Housing General Fund Services				
		Contributions to the HRA re items shared by				
145	419,000	the whole community	P.Walker - Head of Strategic & Regulatory Services	428,000	0	428,000
146	1,900	Housing Advances	P.Walker - Head of Strategic & Regulatory Services	42,500	-12,650	29,850
147	1,750,000	Grants-Deferred Charges Written Off	P.Walker - Head of Strategic & Regulatory Services	1,750,000	0	1,750,000
148	53,900	Homelessness	P.Walker - Head of Strategic & Regulatory Services	303,110	-143,130	159,980
149	-10,860	Other Council Property	P.Walker - Head of Strategic & Regulatory Services	11,300	-22,480	-11,180
150	0	South Tyneside Homes Client Monitoring	P.Walker - Head of Strategic & Regulatory Services	150,000	-150,000	0
		Environmental Health				
151	1,578,170	Environmental Health	A. Wainwright, Environmental Services Manager	1,915,010	-173,290	1,741,720
152	0	Coastal Protection	A. Wainwright, Environmental Services Manager	9,000	0	9,000
		Trading Standards and Licensing group				
153	215,640	Licensing	D. Brooks, Trading Standards Manager	547,620	-348,740	198,880
154	600,320	Trading Standards and Consumer Protection	D. Brooks, Trading Standards Manager	662,110	-29,530	632,580
		Development Control				
155	758,330	Development Control	K. Lawless, Development Control Manager	1,344,530	-552,140	792,390
		Strategic Policy and Projects				
156	551,760	Strategic Planning Policy	D. McKenzie, Strategic Policy & Project Service Mgr	749,590	-69,990	679,600
157	248,310	Countryside Projects	D. McKenzie, Strategic Policy & Project Service Mgr	317,270	-38,090	279,180
158	163,040	Strategic Housing Policy	D. McKenzie, Strategic Policy & Project Service Mgr	193,830	-99,300	94,530
159	169,440	Strategic Transport Policy	D. McKenzie, Strategic Policy & Project Service Mgr	199,310	-32,930	166,380
		Building Control				
160	0	Building Surveying	I. Wilkinson, Building Surveying Manager	820,530	-820,530	0
161	0	Building Regulations Charging Account	I. Wilkinson, Building Surveying Manager	396,410	-396,410	0
162	477,820	Building Control Non-Fee Earning Account	I. Wilkinson, Building Surveying Manager	498,510	0	498,510
		Strategic and Regulatory Administration				
163	0	Strategic and Regulatory Administration	A. French, Head of Strategic and Regulatory Services	135,750	-135,750	0
164	6,976,770	Sub-Total		10,474,380	-3,024,960	7,449,420
		BUSINESS INNOVATION	Vacant, Head of Business Innovation			
165	0	Warden Call and CCTV	A. Prescott, Customer Relationship Manager	1,394,620	-1,293,500	101,120
166	38,260	CCTV contribution	A. Prescott, Customer Relationship Manager	159,530	-53,050	106,480
167	0	Customer Advocacy	A. Prescott, Customer Relationship Manager	96,830	-132,000	-35,170
168	212,590	Call Centre	A. Prescott, Customer Relationship Manager	262,040	0	262,040
169	0	Performance and Business Group	Vacant, Head of Business Innovation	1,831,270	-2,451,270	-620,000
170	250,850	Sub-Total		3,744,290	-3,929,820	-185,530
171		PENSION ADJUSTMENT ON TRADING ACCOUNTS		200,000	0	200,000
172	-1,020,000	Note: Building Works moving to South Tyneside Homes		0	0	0
173	26,748,510	TOTAL NEIGHBOURHOOD SERVICES REVENUE BUDGET		53,884,810	-24,596,040	29,288,770

2006/07 Council Revenue Budget

Line Ref	2005/06 Budget £	Council Revenue Budget	Budget Holder	Total Cost £	Total Income £	2006/07 Budget £
		RESOURCES				
		FINANCE	M Brodie, Head of Finance			
174	0	Financial Management	J. Watt, Assistant Head of Finance	598,074	-598,074	0
175	0	Neighbourhood Services Finance	B. Scott, Finance Manager	386,620	-386,620	0
176	0	Financial Planning	A. Hayday, Group Manager Financial Planning	406,850	-406,850	0
177	0	Payroll	A. Hayday, Group Manager Financial Planning	897,420	-897,420	0
178	0	Income	A. Hayday, Group Manager Financial Planning	306,590	-306,590	0
179	0	Creditors	A. Hayday, Group Manager Financial Planning	189,390	-189,390	0
180	0	Gordon House Cashiers	A. Hayday, Group Manager Financial Planning	117,460	-117,460	0
181	55,000	Benefits Administration	T. Oliver, Group Manager Council Tax & Benefits	2,593,820	-2,469,230	124,590
182	-87,550	Housing Benefits Payments	T. Oliver, Group Manager Council Tax & Benefits	40,953,830	-41,141,380	-187,550
183	936,030	Council Tax Collection	T. Oliver, Group Manager Council Tax & Benefits	15,769,300	-14,543,980	1,225,320
184	903,480	Sub-Total		62,219,354	-61,056,994	1,162,360
		PENSIONS	S. Moore, Head of Pensions			
185	0	Pensions	S Moore, Head of Pensions	0	0	0
186	0	Sub-Total		0	0	0
		CORPORATE GOVERNANCE	B. Scott, Head of Corporate Governance			
187	0	Insurances Premiums	B. Dawson, Corporate Assurance Manager	3,787,730	-3,787,730	0
188	0	Corporate Risk Assurance	B. Dawson, Corporate Assurance Manager	1,106,690	-1,106,690	0
189	0	Legal Services - General	C. Broome, Legal Services Manager	1,576,280	-1,576,280	0
190	0	Legal Services - Corporate	C. Broome, Legal Services Manager	419,510	-419,510	0
191	0	Legal Services - Support	C. Broome, Legal Services Manager	747,020	-747,020	0
192	0	Courier	R. Cochrane, Democratic Services Manager	63,500	-63,500	0
193	0	Policy	B McLoughlin, Policy Officer	84,880	-84,880	0
194	0	Admin support	R. Cochrane, Democratic Services Manager	223,670	-223,670	0
193	-229,730	Local Land Charges	C. Broome, Legal Services Manager	102,790	-219,460	-116,670
194	267,410	Elections	V. Stephenson, Elections Officer	389,740	0	389,740
195	87,880	Register of Electors	V. Stephenson, Elections Officer	93,610	-2,340	91,270
196	167,900	Registration Service	V. Stephenson, Elections Officer	305,580	-113,270	192,310
197	522,900	Democratic Support	R. Cochrane, Democratic Services Manager	566,990	0	566,990
198	297,380	Members Support	R. Cochrane, Democratic Services Manager	338,850	0	338,850
199	747,450	Elected Members	R. Cochrane, Democratic Services Manager	769,630	0	769,630
200	86,000	Office of the Mayor	R. Cochrane, Democratic Services Manager	98,120	0	98,120
201	61,510	Civic Duties	R. Cochrane, Democratic Services Manager	61,520	0	61,520
202	2,008,700	Sub-Total		10,736,110	-8,344,350	2,391,760
		ASSET MGT & PROCUREMENT	R. O'Farrell, Head of Asset Management & Economic Development			
203	0	Asset Management	R. O'Farrell, Head of Asset Man & Economic Dev.	1,481,290	-1,481,290	0
204	-50,500	Property	J. MacDonald, Group Manager Asset Management	1,639,510	-1,585,430	54,080
205	65,420	Civic Buildings	C. Bell, Civic Buildings Manager	3,062,270	-3,062,270	0
206	530,570	Non Operational Assets	C. Bell, Civic Buildings Manager	564,660	-77,950	486,710
207	0	Repairs and Maintenance	J. MacDonald, Group Manager Asset Management	956,300	-956,300	0
208	0	Building Maintenance	R. O'Farrell, Head of Asset Man & Economic Dev.	1,360,670	-1,360,670	0
209	0	Corporate Procurement	T. Ormond, Procurement Manager	901,880	-476,880	425,000
210	0	Design Team	R. Johnston, Design Team Manager	1,209,140	-1,126,140	83,000
211	545,490	Sub-Total		11,175,720	-10,126,930	1,048,790
		ICT AND E-GOVERNMENT	A. Holt, Head of ICT and E-Government			
212	122,250	Management	A. Holt, Head of ICT and E-Government	132,230	-132,230	0
213	174,040	Telephones	A. Holt, Head of ICT and E-Government	181,000	-181,000	0

2006/07 Council Revenue Budget

Line Ref	2005/06 Budget £	Council Revenue Budget	Budget Holder	Total Cost £	Total Income £	2006/07 Budget £
214	-761,480	Support	A. Holt, Head of ICT and E-Government	1,948,820	-1,948,820	0
215	-48,900	Development	A. Holt, Head of ICT and E-Government	2,381,170	-2,381,170	0
216	514,090	Operations	A. Holt, Head of ICT and E-Government	500,980	-500,980	0
217	0	Sub-Total		5,144,200	-5,144,200	0
		HUMAN RESOURCES	P. Fanning, Head of Human Resources			
218	0	Human Resources	P. Fanning, Head of Human Resources	614,160	-614,160	0
219	0	Organisation Development	P. Fanning, Head of Human Resources	557,870	-557,870	0
220	0	Health and Safety	C. Irving, Health and Safety Manager	301,350	-301,350	0
221	0	Occupational Health	C. Irving, Health and Safety Manager	158,360	-158,360	0
222	0	Sub-Total		1,631,740	-1,631,740	0
223	3,457,670	TOTAL RESOURCES SERVICES		90,907,124	-86,304,214	4,602,910
		CORPORATE FINANCE	M. Brodie, Head of Finance			
224	182,000	Implementation of Single Status	M. Brodie, Head of Finance	1,678,550	0	1,678,550
225	354,000	Contribution to ALMO set up costs	M. Brodie, Head of Finance	0	0	0
226	-200,000	Business Rate Growth Incentive Scheme	M. Brodie, Head of Finance	0	-200,000	-200,000
227	624,000	Financing Compensatory Payments	M. Brodie, Head of Finance	624,000	0	624,000
228	-100,000	Review of Fees and Charges	M. Brodie, Head of Finance	0	-103,000	-103,000
229	0	Newcastle Airport Dividend	A. Hayday, Group Manager Financial Planning	0	-200,000	-200,000
230	0	Development Initiatives Fund	P. Morrow, Resources Finance Manager	150,000	0	150,000
231	0	Redirection, Efficiency Savings	M. Brodie, Head of Finance	0	-186,500	-186,500
232	0	Other Redundancy Costs	M. Brodie, Head of Finance	1,540,000	0	1,540,000
233	173,690	Coroners Service	J. Watt, Assistant Head of Finance	509,680	-281,570	228,110
234	300,034	Magistrates Courts	J. Watt, Assistant Head of Finance	300,040	0	300,040
235	361,525	District Audit Costs	J. Watt, Assistant Head of Finance	416,000	-48,670	367,330
236	179,217	Banking & Cash Collection	J. Watt, Assistant Head of Finance	251,190	-64,270	186,920
237	21,492	Debt Administration Expenses	A. Wallage, Capital Finance Manager	79,060	-38,020	41,040
238	3,050,943	Corporate & Democratic Costs	J. Watt, Assistant Head of Finance	3,168,000	-308,880	2,859,120
239	2,898,986	Central Pension Costs	J. Watt, Assistant Head of Finance	22,194,900	-31,343,560	-9,148,660
240	-2,050,987	Investment Income	A. Wallage, Capital Finance Manager	23,360,000	-18,131,950	5,228,050
241	7,182,117	Precepts and Levies	J. Watt, Assistant Head of Finance	9,128,260	0	9,128,260
242	9,820,390	Debt Charges	A. Wallage, Capital Finance Manager	11,020,370	0	11,020,370
243	-16,117,897	Capital Recharges	A. Wallage, Capital Finance Manager	51,653,000	-69,059,360	-17,406,360
244	6,679,510	TOTAL RESOURCES CORPORATE FINANCE		126,073,050	-119,965,780	6,107,270
245	10,137,180	TOTAL RESOURCES REVENUE BUDGET		216,980,174	-206,269,994	10,710,180

2006/07 Council Revenue Budget

Line Ref	2005/06 Budget £	Council Revenue Budget	Budget Holder	Total Cost £	Total Income £	2006/07 Budget £
SOCIAL CARE AND HEALTH						
SERVICE STRATEGY						
			A. Skelton, Executive Director Neighbourhood Services			
246	98,320	Strategic Management	B.Scott, Acting Finance Manager	65,080	-65,080	0
247	380,140	Performance Management	M. Thompson, Policy and Performance Manager	398,690	0	398,690
248	56,040	Complaints Procedures	M. Thompson, Policy and Performance Manager	46,640	0	46,640
249	534,500	Sub-Total		510,410	-65,080	445,330
CHILDREN'S SERVICES						
			E. Dunn, Acting Head of Children's			
250	2,457,310	Assessment	P. Jackson, Child Care Manager (Assessment)	3,001,510	-893,930	2,107,580
251	5,908,620	Commissioning	A. Scott, Child Care Manager (Commissioning)	7,909,130	-905,960	7,003,170
252	5,441,610	Business Services	R. Carr, Service Manager (Residential Care)	5,573,340	-628,970	4,944,370
253	1,377,270	Quality Standards	M. McCracken, Child Care Manager	1,651,710	-87,170	1,564,540
254	904,640	Youth Offending	P. Bennett, Youth Offending Team Manager	1,936,760	-1,038,330	898,430
255	64,710	Sure Start	P. Pick, Acting Sure Start Manager	5,189,410	-5,215,690	-26,280
256	16,154,160	Sub-Total		25,261,860	-8,770,050	16,491,810
COMMUNITY CARE						
			L. Dean, Head of Community Care			
257	8,625,110	Business Services	B. Jewitt, Business Services Manager	9,074,640	-2,342,290	6,732,350
258	1,743,070	Quality & Commissioning	S. Woodhouse, Quality & Commissioning Mgr	2,880,020	-1,230,410	1,649,610
259	13,841,930	Older Persons	L. Simpson, Older Peoples Manager	26,697,630	-10,222,990	16,474,640
260	6,546,540	Learning Disabilities	L. Bradford, Learning Disabilities Manager	13,156,740	-5,783,850	7,372,890
261	2,404,240	Mental health	M. Brown, Mental Health Manager	4,003,180	-1,028,890	2,974,290
262	3,618,480	Physical Disabilities	Vacant, Physical Disabilities Manager	5,722,530	-2,114,360	3,608,170
263	36,779,370	Sub-Total		61,534,740	-22,722,790	38,811,950
RESOURCES & BUSINESS SERVICES						
			K. Hannah, Head of Resources & Business Services			
264	0	Finance & Business Support	B.Scott, Acting Finance Manager	989,590	-989,590	0
265	0	Central Services	J. Garthwaite, Central Services Manager	2,454,130	-2,454,130	0
266	0	Information Services	Vacant, Information Services Manager	1,320,960	-1,320,960	0
267	0	Human Resources	J. Wollaston, Human Resources Manager	1,437,610	-1,437,610	0
268	-70,000	Supporting People	M. Berry, Commissioning Manager	5,344,500	-5,418,390	-73,890
269	0	Welfare Rights Service	M. Peel, Co-ordinating Welfare Rights Officer	859,010	-859,010	0
270	190,000	Unapportioned Central Overheads	B. Scott, Acting Finance Manager	2,173,000	0	2,173,000
271	120,000	Sub-Total		14,578,800	-12,479,690	2,099,110
272	53,588,030	TOTAL SOCIAL CARE AND HEALTH REVENUE BUDGET		101,885,810	-44,037,610	57,848,200
273	202,309,320	TOTAL COUNCIL REVENUE BUDGET		536,384,681	-320,019,751	216,364,930

2006/07 Council Revenue Budget (format for external reporting purposes)

Line Ref	Council Revenue Budget (format for external reporting)	Total Cost £m	Total Income £m	2006/07 Budget £m
	Central Services			
1	Democratic Representation and Management	3.058	- 0.305	2.753
2	Corporate Management	2.873	- 0.460	2.413
3	Non Distributed Cost	9.506	- 3.123	6.383
4	Central Services to the Public	16.845	- 14.879	1.966
5	Precepts and Levies	9.279	-	9.279
6	Trading Account Surpluses and Deficits	17.665	- 17.502	0.163
7	Asset Management Revenue Account Balance	63.561	- 69.059	5.498
8	Interest and Investment Income	-	- 2.252	2.252
9	Pensions Costs	39.654	- 44.682	5.028
10	TOTAL CENTRAL SERVICES	162.441	- 152.262	10.179
	Court Services			
11	Coroners Service	0.510	- 0.282	0.228
12	Other Court Services	0.300	-	0.300
13	TOTAL COURT SERVICES	0.810	- 0.282	0.528
	Cultural, Environmental and Planning Services			
14	Culture and Heritage	2.263	- 0.072	2.191
15	Recreation and Sport	6.144	- 2.167	3.977
16	Opens Spaces	5.224	- 0.795	4.429
17	Tourism	0.329	- 0.011	0.318
18	Library Service	3.220	- 0.323	2.897
19	Cemetery, Cremation and Mortuary Services	1.075	- 0.907	0.168
20	Coast Protection	0.009	-	0.009
21	Environmental Health	2.732	- 0.523	2.209
22	Community Safety (Crime Reduction)	1.956	- 1.378	0.578
23	Consumer Protection	0.662	- 0.030	0.632
24	Street Cleansing	2.833	- 0.291	2.542
25	Waste Collection	3.048	- 0.455	2.593
26	Waste Disposal	4.959	- 0.789	4.170
27	Building Control	1.715	- 1.216	0.499
28	Development Control	1.344	- 0.552	0.792
29	Planning Policy	1.114	- 0.248	0.866
30	Environmental Initiatives	0.515	- 0.483	0.032
31	Economic Development	6.658	- 3.355	3.303
32	Community Development	1.158	- 0.397	0.761
33	TOTAL CULTURAL, ENVIRONMENT AND PLANNING	46.958	- 13.992	32.966
	Education Services			
34	Nursery Schools	1.876	- 0.290	1.586
35	Primary Schools	48.953	- 6.772	42.181
36	Secondary Schools	53.915	- 10.101	43.814
37	Special Schools	10.825	- 2.035	8.790
38	Non School Funding	12.319	- 6.801	5.518
39	TOTAL EDUCATION SERVICES	127.888	- 25.999	101.889
	Highways, Roads and Transport Services			
40	Transport Planning, Policy and Strategy	0.199	- 0.033	0.166
41	Highways Structural	0.770	- 0.008	0.762
42	Construction	2.584	-	2.584
43	Highways Routine	2.882	- 0.297	2.585

2006/07 Council Revenue Budget (format for external reporting purposes)

Line Ref	Council Revenue Budget (format for external reporting)	Total Cost £m	Total Income £m	2006/07 Budget £m
44	Street Lighting	3.516	- 1.151	2.365
45	Winter Maintenance	0.438	-	0.438
46	Traffic Management and Road Safety	1.617	- 0.117	1.500
47	Parking Services	0.859	- 0.833	0.026
48	TOTAL HIGHWAYS, ROADS AND TRANSPORT	12.865	- 2.439	10.426
	Housing Services			
49	Housing Strategy	0.193	- 0.099	0.094
50	Housing Advances	0.043	- 0.013	0.030
51	Private Sector Housing Renewal	1.750	-	1.750
52	Homelessness	0.303	- 0.143	0.160
53	Housing Benefit Payments	40.954	- 41.141	0.187
54	Housing Benefit Administration	2.594	- 2.469	0.125
55	Contributions to the Housing Revenue Account	0.428	-	0.428
56	Other Council Property	0.011	- 0.022	0.011
57	Supporting People	0.928	- 0.788	0.140
58	TOTAL HOUSING SERVICES	47.204	- 44.675	2.529
	Social Services			
59	Service Strategy	0.510	- 0.065	0.445
60	Children's Commissioning and Social Work	6.161	- 0.209	5.952
61	Children Looked After	8.142	- 0.999	7.143
62	Family Support Services	7.151	- 5.528	1.623
63	Youth Justice	1.986	- 1.037	0.949
64	Other Children's and Families Services	2.718	- 1.026	1.692
65	Older People (Aged 65 and Over)	39.415	- 13.795	25.620
66	Physically Disabled Adults	5.881	- 2.114	3.767
67	Learning Disabled Adults	12.237	- 5.502	6.735
68	Adults with Mental Health Needs	3.812	- 0.894	2.918
69	Asylum Seekers	0.475	- 0.549	0.074
70	Other Adult Services	0.275	- 0.135	0.140
71	Sheltered Employment	1.220	- 0.282	0.938
72	Supporting People	4.869	- 4.869	-
73	TOTAL SOCIAL SERVICES	94.852	- 37.004	57.848
74	TOTAL COUNCIL NET REVENUE BUDGET			216.365

2006/07 Council Capital Budget

Line Ref	Council Capital Budget	Budget Holder	2006/07 Budget £	External Funding £	Council Funding £	Scheme Status
	CORPORATE DEVELOPMENT	D. Slater, Executive Director				
	BUILDING STRONGER COMMUNITIES	S. Brown, Head of Building Stronger Communities				
1	Community Area Forums Capital Grants	S. Brown, Head of Building Stronger Communities	100,000	0	100,000	Green
2	Lottery Development Fund	S. Brown, Head of Building Stronger Communities	100,000	0	100,000	Green
3	Burglary Reduction Scheme	S. Brown, Head of Building Stronger Communities	150,000	-150,000	0	Amber
4	Included Communities Fund	S. Brown, Head of Building Stronger Communities	700,000	-700,000	0	Amber
5	Sub-Total		1,050,000	-850,000	200,000	
	ECONOMIC DEVELOPMENT	R. O'Farrell, Head of AM & Economic Development				
6	Business Support Fund (retentions, relocations and start-up)	R. O'Farrell, Head of AM & Economic Development	400,000	0	400,000	Green
7	Completion of Quadrus Building	R. O'Farrell, Head of AM & Economic Development	73,000	-73,000	0	Green
8	A19 Jobs link Corridor	R. O'Farrell, Head of AM & Economic Development	2,130,000	-1,800,000	330,000	Amber
9	Regeneration Fund for Land Purchases	R. O'Farrell, Head of AM & Economic Development	300,000	0	300,000	Green
10	Regeneration and Transformation Fund	R. O'Farrell, Head of AM & Economic Development	250,000	0	250,000	Green
11	Tyne Gateway	R. O'Farrell, Head of AM & Economic Development	1,330,000	-1,000,000	330,000	Amber
12	South Shields Registry Office	R. O'Farrell, Head of AM & Economic Development	1,100,000	-700,000	400,000	Amber
13	Sub-Total		5,583,000	-3,573,000	2,010,000	
	CORPORATE COMMUNICATIONS	L. Fothergill, Head of Corporate Communications				
14	Replacement Printing Equipment	L. Fothergill, Head of Corporate Communications	85,000	0	85,000	Green
15	Sub-Total		85,000	0	85,000	
	CULTURE AND COMMUNITIES	Tony Duggan, Head of Culture and Communities				
16	South Marine Park	Tony Duggan, Head of Culture and Communities	247,000	-177,000	70,000	Amber
17	Sub-Total		247,000	-177,000	70,000	
	TOTAL CORPORATE DEVELOPMENT CAPITAL BUDGET		6,965,000	-4,600,000	2,365,000	
	LIFELONG LEARNING					
	STRATEGY AND RESOURCES	G. Rollings, Head of Strategy and Resources				
18	School Asset Condition and Suitability	G. Rollings, Head of Strategy and Resources	450,000	0	450,000	Green
19	Schools Devolved Capital Spending	G. Rollings, Head of Strategy and Resources	2,309,000	-2,309,000	0	Green
20	Primary School Reorganisation	G. Rollings, Head of Strategy and Resources	200,000	0	200,000	
21	Accommodation Review	G. Rollings, Head of Strategy and Resources	150,000	0	150,000	
22	Demolition of Downhill School	G. Rollings, Head of Strategy and Resources	250,000	0	250,000	
23	Asbestos Removal in Schools	G. Rollings, Head of Strategy and Resources	300,000	0	300,000	
24	Horsley Hill Learning Campus	G. Rollings, Head of Strategy and Resources	2,846,000	0	2,846,000	Green
25	New community and school sports facilities	G. Rollings, Head of Strategy and Resources				Amber
25	Building Schools for the Future	G. Rollings, Head of Strategy and Resources	1,375,000	0	1,375,000	Green
26	Sub-Total		7,880,000	-2,309,000	5,571,000	
	TOTAL LIFELONG LEARNING CAPITAL BUDGET		7,880,000	-2,309,000	5,571,000	
	NEIGHBOURHOOD SERVICES DIRECTORATE					
	STRATEGY AND REGULATORY SERVICES	P Walker, Head of Strategic & Regulatory Services				
27	Cleadon Park Regeneration	P Walker, Head of Strategic & Regulatory Services	3,500,000	0	3,500,000	Green
28	Housing Programme	P Walker, Head of Strategic & Regulatory Services	14,359,000	0	14,359,000	Green
29	South Tyneside Homes Decent Homes Programme	P Walker, Head of Strategic & Regulatory Services	17,277,000	0	17,277,000	Green
30	Disabled Facilities in Private Housing	P Walker, Head of Strategic & Regulatory Services	1,125,000	-472,000	653,000	Amber
31	Flood Defence	P Walker, Head of Strategic & Regulatory Services	720,000	-520,000	200,000	Amber
32	Improve Private Housing In the Borough	P Walker, Head of Strategic & Regulatory Services	829,000	0	829,000	Green
33	Sub-Total		37,810,000	-992,000	36,818,000	

2006/07 Council Capital Budget

Line Ref	Council Capital Budget	Budget Holder	2006/07 Budget £	External Funding £	Council Funding £	Scheme Status
	STREETSCAPE	T. Collins, Head of Streetscape				
34	Adoption of Back Lanes	T. Dixon, Infrastructure Manager	100,000	0	100,000	Green
35	Improving the Quality of Footpaths	T. Dixon, Infrastructure Manager	225,000	0	225,000	Green
36	Memorial Health & Safety Works	K. Wallace, Environmental Maintenance Manager	50,000	0	50,000	Green
37	Integrated Transport Programme (LTP)	D. Elliott, Highways and Transportation Design Mgr	1,291,000	0	1,291,000	Green
38	Highways Maintenance Programme (LTP)	T. Dixon, Infrastructure Manager	1,415,000	0	1,415,000	Green
39	Highways Infrastructure Improvements	T. Dixon, Infrastructure Manager	200,000	0	200,000	Green
40	Grant to NE Fisheries Committee	T. Collins, Head of Streetscape	23,000	0	23,000	Green
41	Sub-Total		3,304,000	0	3,304,000	
	TOTAL NEIGHBOURHOOD SERVICES CAPITAL BUDGET		41,114,000	-992,000	40,122,000	
	RESOURCES DIRECTORATE					
	FINANCE	M Brodie, Head of Finance				
42	Gordon House Covenant Payment	M Brodie, Head of Finance	111,000	0	111,000	Green
43	Single Status Capitalisation Costs	M Brodie, Head of Finance	1,680,000	0	1,680,000	Amber
44	Sub-Total		1,791,000	0	1,791,000	
	ASSET MANAGEMENT	R. O'Farrell Head of Asset Management and Economic Development				
45	Design and Feasibility - New schemes	R. O'Farrell, Head of AM & Economic Development	90,000	0	90,000	Green
46	Energy Efficiency Improvements	R. O'Farrell, Head of AM & Economic Development	45,000	0	45,000	Green
47	Social Care & Health Facilities	R. O'Farrell, Head of AM & Economic Development	450,000	0	450,000	Green
48	Improve Access to Building (DDA Programme)	R. O'Farrell, Head of AM & Economic Development	315,000	0	315,000	Green
49	Health & Safety Works to Asset Portfolio	R. O'Farrell, Head of AM & Economic Development	225,000	0	225,000	Green
50	Front Line Buildings / Civic Buildings Maintenance	R. O'Farrell, Head of AM & Economic Development	315,000	0	315,000	Green
51	Riverside Maintenance	R. O'Farrell, Head of AM & Economic Development	225,000	0	225,000	Green
52	Boiler Replacement - Spend to Save Scheme	R. O'Farrell, Head of AM & Economic Development	400,000	0	400,000	Green
53	Sub-Total		2,065,000	0	2,065,000	
	ICT AND E-GOVERNMENT	A. Holt, Head of ICT and E-government				
54	ICT Systems Replacement Programme	A. Holt, Head of ICT and E-government	825,000	0	825,000	Green
55	Sub-Total		825,000	0	825,000	Green
56	TOTAL RESOURCES CAPITAL BUDGET		4,681,000	0	4,681,000	
	SOCIAL CARE AND HEALTH DIRECTORATE	K. Hannah, Head of Resources & Business Services				
57	Social Care and Health System Upgrade	K. Hannah, Head of Resources & Business Services	115,000	-115,000	0	Amber
58	Sub-Total		115,000	-115,000	0	
59	TOTAL SOCIAL CARE AND HEALTH CAPITAL BUDGET		115,000	-115,000	0	
60	TOTAL COUNCIL CAPITAL BUDGET 2005/06		60,755,000	-8,016,000	52,739,000	