

Budget 2003/04



Foreword

Welcome to the 2003/04 edition of the Hertfordshire County Council Budget Book, setting out the planned use of resources to achieve its policy objectives. It brings together core budget data and highlights key issues facing the authority in the 2003/04 financial year.

The preparation of the budget for 2003/04 has not been easy, particularly as it had to deal with the outcome of the government's review of the system used to distribute revenue grant funding to local authorities. The government has made a number of significant changes, which are being introduced this year. Under the new arrangements, we have received around £19 million less in grant than we would have received under the previous arrangements and clearly this has had an impact on council tax where a one per cent change is equivalent to £3 million of budget.

However, we received some good news when the government classed Hertfordshire County Council as 'excellent', following a review by a group of independent assessors, including members of the Audit Commission. The assessment looked at both how the authority is run and how our services perform. The report stated that "The council provides strong services for local people, particularly in education and social care. It uses its resources well and operates within a sound financial framework."

As in previous years, the 2003/04 budget process has been closely linked to the production of the council's Best Value Performance Plan (BVPP). The BVPP details how we expect to meet our targets and provides information about the county council's services and performance improvement. At the heart of the Plan are the county council's promises to the public:

- To make Hertfordshire a better place to live and work
- To offer children a better future
- To help people to help themselves
- To give the public value for money by getting more cost efficient every year

We have consulted with the public and used the views of Hertfordshire residents on what our priorities should be in order to help us develop our promises. These included tackling crime and disorder, improving care for the elderly and boosting education.

This budget book is written in plain English, however the use of some accountancy terms has been unavoidable and so a glossary of terms has been included at page 95.

This publication, together with the Best Value Performance Plan, can be found on Hertfordshire County Council's website www.hertsdirect.org. Alternatively, copies can be obtained by contacting Hazel Stuart on 01992 555337.



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Abbreviations

ACA	Area Cost Adjustment	HO	Home Office
ACS	Adult Care Services	HR	Human Resources
AMRA	Asset Management Revenue Account	HPT	Hertfordshire Partnership NHS Trust
BVACOP	Best Value Accounting Code of Practice	IB	Intervention Board
BVPP	Best Value Performance Plan	ICT	Information & Communications Technology
CA	Countryside Agency	JCE	Justices' Chief Executive
CIPFA	Chartered Institute of Public Finance & Accountancy	LCD	Lord Chancellor's Department
CSCS	County Supplies & Contract Services	LEA	Local Education Authority
CSF	Children, Schools & Families	LSC	Learning & Skills Council
DDA	Disability Discrimination Act	LTP	Local Transport Plan
DfES	Department for Education and Skills	MAU	Money Advice Unit
DfT	Department for Transport	NDS	New Deal for Schools
DoH	Department of Health	NHS	National Health Service
EAB	Eastern Arts Board	NNDR	National Non-domestic Rates
EBD	Educational Behavioural Difficulties	NOF	New Opportunities Fund
EELPF	East of England Learning Partnership Fund	ODPM	Office of the Deputy Prime Minister
FSS	Formula Spending Share	PCT	Primary Care Trust
HALS	Hertfordshire Archives and Local Studies	RSG	Revenue Support Grant
HEFC	Higher Education Funding Council	SLS	Schools Library Service
		SRB	Single Regeneration Budget
		SSA	Standard Spending Assessment
		WTE	Whole Time Equivalent

Budget Background and Process

Background

The budget is the financial statement of the council's policies and priorities. It is the annual plan for the provision of services to the people of Hertfordshire.

The level of funding provided by the Government is a major influence on the decision making process and the county council has to balance the demands and expectations of services and the effect of pay and price increases against the burden placed upon the council tax payer. This is one of the major issues for councillors and officers.

Process

The process for setting the 2003/04 budget was policy driven, reflecting the authority's strategic priorities. The process started in September 2002 with the production of a Medium Term Financial Forecast, bringing together spending and resource forecasts to enable members to consider early budget options.

The level of central Government funding for revenue expenditure is crucial in setting the authority's budget. In July 2002, the Government issued a consultation document covering the reform of the system used to distribute general revenue grant to English local authorities. The consultation period ran until 30 September. Cabinet approved the County Council's response to the Government's proposals on 16 September. The first indication of the outcome of the grant system review was the announcement of the provisional Local Government Finance Settlement on 5 December 2002.

Also in December, the Government notified the authority of its borrowing limit for capital expenditure and capital grants for schools. The financing of the authority's capital programme is shown in Appendix 2, page 63.

In December 2002, the Cabinet set out its revenue budget and capital programme proposals and these were considered by Scrutiny Committees during January 2003. The proposals were shaped by the provisional Local Government Finance Settlement together with the latest projections of budget pressures. Scrutiny Committees' comments were reported back to the January Cabinet meeting, together with final taxbase and collection fund figures, before the Cabinet's proposals were passed on for consideration by the full council.

Finally, following announcement of the final Local Government Finance Settlement and the teachers' pay award, the County Council met on 13 February 2003 and approved the budget and council tax for the financial year 2003/04. The final budgets for each service are shown in the summary revenue budget, on page 13.

Net Revenue Budget

The table below shows the net revenue budget for 2002/03 and analyses the movements to get to the 2003/04 net revenue budget, which has been set at £957.117 million.

County Council Net Revenue Budget 2003/04	£'000
Net Revenue Budget 2002/03 (supported by £3.3 million of capital resources)	857,168
Movements:	
Technical adjustments	23,660
Inflation	39,317
Base Budget 2003/04	920,145
Pressures for change	27,991
Service improvements	10,464
Efficiency savings	(1,483)
Net Revenue Budget 2003/04	957,117

Inflation

Inflation affects the county council the same way as anybody else – by increasing its costs.

An inflation rate of 2.4% for non-pay items has been allowed for in the 2003/04 budget (2.75% after adjusting for under provision in previous years). The inflation provision allowed for pay awards is an average of 3.1% for teachers, 4.11% for schools, 4.0% for firefighters and 3.54% for all other staff. A breakdown of the £39.3 million inflation total is provided below:

Inflation	£m	% of adjusted revenue budget 2002/03
Prices (non pay items)	16.9	1.9
Pay Awards 2002/03	2.4	0.3
Pay Awards 2003/04	20.0	2.3
Total Inflation	39.3	4.5

Revenue Budget Changes

A net increase of £37.0 million was made on the 2003/04 base budget of £920.1 million. This figure is made up of service improvements of £10.5 million, pressures for change of £28.0 million and efficiency savings of £1.5 million. The major items are listed below and full details are given in Appendix 6, page 79.

Pressures for change	£m
Across all services	
Employer pension contributions	1.6
Increments	0.7
Single Status – assimilation of manual worker grades	0.5
Revenue effects of capital	0.5
Capital payback	0.4
Service specific	
ACS – Elderly	2.3
ACS – Full year effect of placements	2.0
ACS – Learning Disability	1.2
CSF – Support for discontinued standards fund grant	8.2
CSF – Looked after children	2.0
CSF – Pupil numbers in schools	1.8
CSF – Home to school transport (volume increases)	0.9
CSF – Childcare litigation legal fees	0.2
CSF – Maternity cover	0.2
CSF – Revenue effects of capital (rates)	0.2
CSF – Home to school transport (changing travel patterns)	0.2
CSF – Change in number of school days	(0.2)
CSF – New CSF worker qualification 02/03 only	(0.4)
Environment – Local Transport Plan shortfall	2.7
Corporate Services – Retendering property services contract 02/03 only	(0.2)
Community Information – Annual Library Plan (People’s Network)	0.2

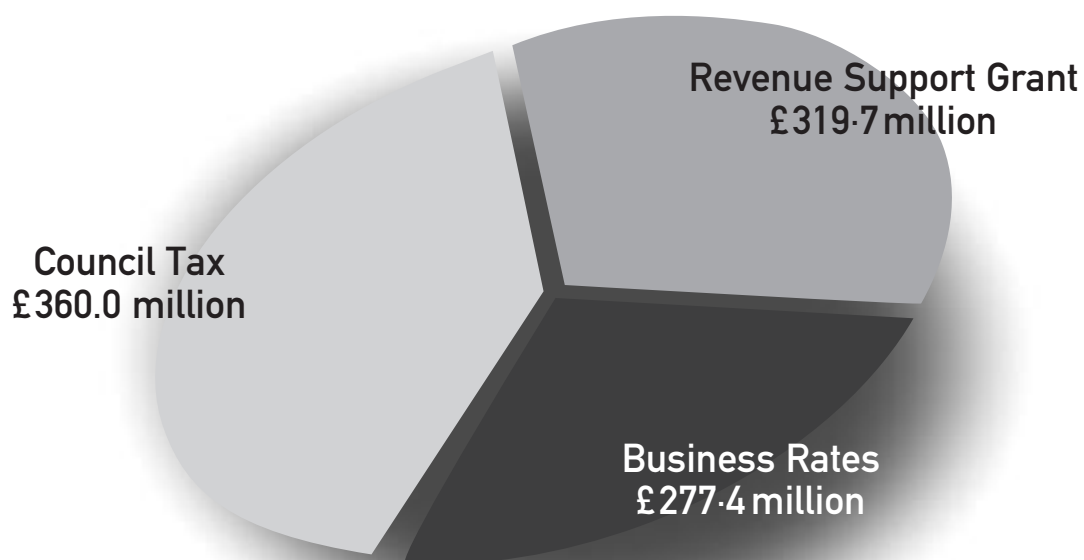
Pressures for change	£m
Central Items	
Capital Financing	3.1
Interest on balances	(2.0)
Environment Agency flood defence levy	0.2
Service Improvements	
ACS – Intermediate, residential and nursing care to cut waiting lists	2.0
ACS – Practical housekeeping support for older people	1.0
CSF – Implementing CSF behavioural strategy	2.0
CSF – Increase in delegated schools budgets	1.5
CSF – Support for families with vulnerable children	0.5
Environment – Road & footway maintenance and improvement	1.7
Environment – Road lighting improvements	0.8
Corporate Services – Crime prevention	0.9
Efficiency Savings	
(including the full year effect of previous efficiencies)	
ACS – Home care externalisation	0.2
CSF – Social Care contracts	0.1
CSF – School amalgamations	0.1
CSF – School Standards & Curriculum Best Value Review	0.1
CSF – Dual use	0.1
Environment – New highways contract	0.2
Environment – Household waste sites efficiencies	0.1
Across all services: Single Status	0.2

Reserves

The county council estimates its balance of general reserves to be £14.1 million at 31 March 2003.

Where the money comes from

Where the money comes from – Total £957.1million



Government Funding

The annual Local Government Finance Settlement is concerned with the distribution of Formula Grant, covering revenue support grant and redistributed business rates.

Following the recent major review of the revenue grant distribution system, the government has made a significant number of changes. The main changes are:

- Resource equalisation at a higher level of spending;
- New formulae for each service block;
- An increase in the number of authorities receiving an Area Cost Adjustment and a change in the way it is calculated;
- An allowance for the fixed costs of being in business.

Formula Spending Share (formerly Standard Spending Assessment)

Formula Spending Share (FSS) has replaced the Standard Spending Assessment (SSA). The FSS is one factor used by the Government to work out each council's share of Formula Grant (Revenue Support Grant and Business Rates). FSS is based on a series of formulae, which take account of authorities' relative circumstances by using information such as population, social structure and other characteristics of the authority. Further details are given in Appendix 5, page 77.

FSS figures are not spending targets nor do they imply any judgement about the spending levels of individual councils but represent a way of dividing up the resources that the Spending Review has made available.

The Government does not expect to make further formula changes at least for 2004/05 or 2005/06. However, data changes may still influence the distribution of FSS between authorities.

Hertfordshire County Council's Finance Settlement 2003/04

The 2003/04 Local Government Finance Settlement provided Hertfordshire with a formula grant of £597.1 million, an increase of £22.5 million after taking account of changes in function and funding. The increase for Hertfordshire was one of the lowest of all county councils at 3.9% compared to an average of 5.4% for county councils and 5.9% for all authorities in England.

Floor and ceiling arrangements still apply to the levels of increase in Formula Grant, on a like-for-like basis. Hertfordshire was just above the 3.5% floor and as a result this

reduced the amount of Revenue Support Grant we would otherwise have received by £49,000 to contribute to the floor.

This year damping for the Education FSS was introduced which provides for a minimum per pupil increase of 3.2%. Hertfordshire's Education FSS includes a £9.1 million adjustment to bring it to this level.

July 2002 Comprehensive Spending Review

In its Spending Reviews, the Government decides how much it can afford to spend, reviews its expenditure priorities and sets targets for the improvements which are to be delivered from additional funding. Spending Reviews show the Government's assumptions about local authority revenue spending, and includes details of FSS control totals.

On 15 July 2002 the Chancellor of the Exchequer announced the outcome of the 2002 Spending Review, setting out the Government's spending plans for the following three years (2003/04-2005/06). The next Comprehensive Spending Review will be in July 2004.

Area Cost Adjustment (ACA)

The ACA, which is built into the FSS calculation, provides some authorities with additional resources to meet the extra cost of providing an equivalent level of service because of the higher labour and locality costs which they face, when compared with other authorities in the country.

In the 2003/04 settlement the element of ACA included in the FSS was £83 million (9.0% of total FSS). In 2002/03 the ACA included in the SSA was £88 million (11.5% of total SSA).

Capping

The Government still has a reserve power to tell councils to set a lower budget requirement if it considers the budget requirement and council tax have gone up by too much. No precise guideline is given prior to councils setting their budget requirements as to what level of council tax increase is acceptable.

Council Tax

The band D council tax for the county council was set at £849.74, which represents an increase of 18.2%. This is higher than the 3.7% increase that the Government built into this year's Local Government Finance settlement. The level of council tax is largely determined by the level at which the budget is set in relation to FSS. For every £1 million increase above FSS the band D council tax increases by £2.38. During 2002/03 the district councils collected more money in council tax than they expected and the county council's share of this surplus on the collection fund is £2.4 million.

County Council Tax

Band	Property value at April 1991	£
A	£40,000 or less	566.49
B	£40,001 – £52,000	660.91
C	£52,001 – £68,000	755.32
D	£68,001 – £88,000	849.74
E	£88,001 – £120,000	1,038.57
F	£120,001 – £160,000	1,227.40
G	£160,001 – £320,000	1,416.23
H	£320,001 or greater	1,699.48

Calculation of Band D Council Tax 2003/04

Tax base	420,796.82
	£m
Budget Requirement 2003/04	957.117
Less:	
Revenue Support Grant	(319.726)
Business Rates	(277.381)
Surplus on Collection Fund	(2.441)
Met by taxpayers	357.569
Band D Council Tax 2003/04	849.74

Summary Revenue Budget 2003/04 - Where the Money Goes

2001/02 Actual £'000		2002/03 Original Budget £'000	2002/03 Revised Budget £'000	2003/04 Original Budget £'000
142,740	Adult Care Services	154,682	153,082	176,278
721,902	Children, Schools & Families	708,573	655,148	674,637
21,364	Community Information	20,622	19,873	19,304
14,677	Corporate Services	12,411	13,283	11,917
83,716	Environment	84,986	89,896	95,816
	Protection Services			
29,908	Fire & Rescue	29,960	28,607	28,270
3,970	Fire Pensions	4,809	4,809	4,977
2,194	Trading Standards	2,205	2,324	2,439
719	Coroners Service	740	791	808
704	Registration	709	708	720
213	Emergency Planning	267	336	276
37,708	Protection Services Total	38,690	37,575	37,490
3,028	Magistrates' Courts Committee	3,009	2,392	2,051
-	Contingency	2,348	2,176	2,372
-	Special Provision	5,300	5,100	5,300
7,156	Precepts	7,324	7,324	7,501
5,741	Capital Financing & Interest on Balances	16,538	16,175	17,684
12,176	Unapportionable Central Overheads	12,783	11,529	8,788
(217,148)	Asset Management Revenue Account	(210,098)	(154,375)	(102,021)
833,060	Net Revenue Budget	857,168	859,178	957,117
(3,645)	Funded from Reserves	-	-	-
-	Funded from Capital Resources	(3,300)	(3,300)	-
829,415	Budget Requirement	853,868	855,878	957,117
1,851	Council Tax Benefit Subsidy	-	-	-
831,266	Budget for Council Tax Purposes	853,868	855,878	957,117

See notes on next page.

NOTES

1. The service budget figures include capital charges and overheads. The figures are shown in Appendix 9 excluding capital charges. The reduction in capital charges between 2001/02 and 2002/03 is due to a change in the depreciation policy for buildings. The reduction in capital charges between 2002/03 and 2003/04 is due to a change in the prescribed notional interest rate.
2. The 2002/03 Children, Schools & Families budget includes a reduction of £46.3 million to reflect the transfer of funding for sixth forms to the Learning & Skills Council.

Summary of Average Staff Numbers (WTE)

2001/02 actual £'000		2002/03 original estimate £'000	2002/03 revised estimate £'000	2003/04 original estimate £'000
2,008	Adult Care Services	2,007	2,007	2,057
15,355	Children, Schools & Families	15,568	16,077	16,125
468	Community Information	530	512	592
690	Corporate Services	683	689	618
572	Environment	580	580	620
	Protection Services			
919	Fire & Rescue	922	922	928
44	Trading Standards	53	53	57
13	Coroners Service	13	13	13
43	Registration	33	33	33
14	Emergency Planning	12	12	12
1,033	Total Protection Services	1,033	1,033	1,043
20,126	Subtotal	20,401	20,898	21,055
167	Magistrates' Courts Committee	167	167	174
20,293	TOTAL	20,568	21,065	21,229

Capital Programme

The capital programme is the county council's spending plan for investment in land, building projects and information technology.

The capital programme includes expenditure on both major capital schemes and minor capital works of a non-routine nature, such as repairs and refurbishment schemes (annual provisions).

This year the county council has approved a capital programme of £106.259 million of which £63.457 million is financed by central Government in the form of borrowing approvals and grants. The balance of £42.802 million is financed by the county council through its capital receipts, revenue budget and capital reserves.

The programme is planned over a three-year period but only the first year (2003/04) carries the spending approval of the county council. The size of the programme for the second and third years will eventually depend on the availability of resources, which has yet to be determined. The important feature being the Government's annual capital settlement.

Further details of the capital programme are given in Appendices 2 – 4.

County Council Capital Programme 2003/04 TO 2005/06

	2003/04 £'000	2004/05 £'000	2005/06 £'000
Adult Care Services	5,035	1,424	1,734
Children, Schools & Families	61,412	21,118	12,226
Community Information	753	645	595
Protection Services – Fire & Rescue Service/ Trading Standards	3,938	4,113	593
Environment	31,563	24,099	22,356
Corporate Services	3,558	2,266	1,804
Total Capital Programme	106,259	53,665	39,308



Adult Care Services

The Adult Care Service department, works closely with health services, district councils and other agencies and uses its resources to arrange, develop and provide care and support in the community for older people and adults who have learning disabilities, sensory loss or physical disabilities. As well as handling emergency situations during the day we have an emergency social care service which operates outside office hours for adults and children at risk.

About 1 in 20 people ask for our help each year. Our aim is to help people to live as independently as possible and to do this we provide information, advice and support to people who are struggling to cope with everyday life.

There is a Joint Commissioning Partnership Board, made up of county councillors and chairmen or non-executive directors of each of the eight Primary Care Trusts. The entirety of the budgets held by the PCTs and the county council for mental health, learning disability, child and adolescent mental health and drug and alcohol services are pooled to form a single budget for each care group across the county for both health and social care services.

As part of the pooling arrangements the council's Mental Health and Drug and Alcohol services are now provided by the Hertfordshire Partnership NHS Trust.

The total budget for Adult Care Services is £176,278,000

Key Issues for 2003/04

- Introducing the new Fair Access to Care policy, based on national guidance, which sets out the circumstances when we can arrange and fund support for adults.
- Implement changes to the direct payments scheme to improve accessibility and flexibility so that more disabled people can make their own care arrangements.
- Improving services for disabled and older people through integrating the equipment service.
- Working with Primary Care Trusts on joint assessments and integrated services to older people.
- Developing extra care sheltered accommodation.
- Arranging and providing more preventative and rehabilitation services.
- Continuing to provide up to 40 new accommodation places a year for people with learning disabilities.
- Increasing carers' services including short breaks.
- Promoting preparation for work courses and employment opportunities for people with learning disabilities.
- Reviewing our range of day services.
- Helping to promote the recruitment and retention of disabled employees in Hertfordshire organisations
- Improving access to information for people with sensory loss or physical disabilities by establishing an information gateway that links all the agencies and the public and a network of resource centres based at four day centres.
- Continuing to extend web based information and transactions.
- More information leaflets being distributed within the community.

Direct Services £192,027,000

These resources are used to arrange and provide care and support such as home care, day services, and residential care either directly through our in-house services or through contracts with the independent sector. Resources are also used to give information and advice, assess needs and arrange help. We encourage adults who need extra care and support to consider taking advantage of the Direct Payments scheme so that they can arrange their own care.

Services for older people

The number of older people aged 65+ in the county is set to rise by 10 per cent between 2001-2011. Older people are much more likely than any other group to need social care support. One in every 12 people in the county aged 65+ receives either home care or residential care arranged by Adult Care Services (we arrange 53,000 home care hours in an average week). In future more older people will be living alone and less support may be available from family carers. Together with the increasing numbers of older people and longer life expectancy this has significant resource implications for social care and health services in Hertfordshire.

Services in this budget include assessment and care management, day care for 4,000 older people, home care and residential or nursing care for 13,500 older people. The budget also provides equipment to older people who need help with daily living skills and provides occupational therapy assessment and support to people who need major housing adaptations.

We continue to work with district councils and Primary Care Trusts and the private and voluntary sector to develop alternatives to residential and nursing care.

People with learning disability

The White Paper 'Valuing People, a new strategy for learning disability for 21st century' is providing the way forward. Hertfordshire has an incidence of learning disability per 1,000 of population of 6.61 – significantly higher than the national average. The life expectancy of people with learning disabilities is increasing and there is an increased survival rate to adulthood of children with severe and complex needs.

There are about 6,700 people with learning disabilities in the county and 2,600 adults with learning disabilities are known to care services. We provide accommodation for 750 people and day care for 1,400 people. The average net cost of providing a year's residential care for a person with moderate learning disabilities is £26,000.

We aim to enable people with learning disabilities to access mainstream services and lead as independent lives as possible. However for some people with severe and complex needs highly intensive 24 hour care must be provided, with access to specialist assessment and therapeutic services.

People with physical disability and sensory loss

We aim to enable adults assessed as needing social care support to live as safe, full and as normal a life as possible, preferably in their own home. Service improvements identified in a best value review of the services for these users will continue to be introduced during the year. We are also supporting various Welfare to Work initiatives to improve support for disabled people in the workplace.

Services for this group of people include; assessment and care management, funding of 240 residential placements and day care for 520 adults with a physical disability. In addition our Employment Direct service supports over 240 people at any one time in securing and remaining in work.

Supporting users and their carers

There are an estimated 117,000 carers in Hertfordshire of whom 27,000 are caring for more than 20 hours a week. Of these, research indicates 10,000 plus will cease to be carers and 10,000 will take on new caring roles each year.

To promote carers' own health and well being and support them to continue in their caring role we use the Carers' Grant to increase the flexibility and range of breaks that are available and improve carers' access to financial advice.

Gypsy Services

The unit manages the county council's gypsy sites and, where appropriate, deals with unauthorised encampments of gypsies and travellers.

Support Services £18,121,000

These resources are used to:

- Develop and implement countywide strategies and policies
- Support centrally managed functions
- Support county wide services

These functions integrate the department's responsibilities for purchasing and providing services, assessing people's needs and managing care packages. For example:

- providing policy advice to members and staff
- measuring overall community need and allocation of resources
- ensuring services operate in accordance with legislation
- setting standards, monitoring performance and investigating complaints
- financial management and support
- developing and managing purchasing and contracting arrangements
- HR services of recruitment, employee relations, staff development and training
- supporting and developing information systems and technology
- developing and managing purchasing and contracting arrangements

Summary Service Revenue Budget

2001/02 Actual £'000		2002/03 Original Budget £'000	2002/03 Revised Budget £'000	2003/04 Original Budget £'000
	Direct Services			
	Older People			
7,616	Care Management & Assessment	8,409	8,443	9,171
55,619	Purchased services	65,758	65,758	74,773
2,184	Services provided in-house	2,358	2,366	2,653
65,419	Older People sub-total	76,525	76,567	86,597
	People with a Physical Disability			
2,001	Care Management & Assessment	2,250	2,260	2,530
10,720	Purchased services	13,200	13,200	15,349
2,111	Services provided in-house	2,238	2,246	2,573
14,832	People with a Physical Disability sub-total	17,688	17,706	20,452
	People with a Learning Disability			
1,873	Care Management & Assessment	2,192	2,218	2,595
19,739	Purchased services	23,903	23,903	28,848
15,516	Services provided in-house	15,959	16,037	17,953
37,128	People with a Learning Disability sub-total	42,054	42,158	49,396
	People with Mental Health Problems			
4,733	Care Management & Assessment	5,778	5,793	6,618
6,771	Purchased services	8,240	8,240	8,735
2,161	Services provided in-house	2,691	2,698	2,890
13,665	People with Mental Health Problems sub-total	16,709	16,731	18,243
(44)	Gypsy Services	(104)	(104)	(107)
-	Supporting People	-	-	17,446
131,000	TOTAL DIRECT SERVICES	152,872	153,058	192,027

continued over >

2001/02 Actual £'000		2002/03 Original Budget £'000	2002/03 Revised Budget £'000	2003/04 Original Budget £'000
	Support Services			
11,659	Strategic centre & support services	11,613	10,898	13,027
2,472	Recharges from central departments	2,561	2,561	2,544
2,455	Budgets held centrally	2,494	2,494	2,550
16,586	TOTAL SUPPORT SERVICES	16,668	15,953	18,121
(11,513)	Special & Specific Grants	(21,067)	(21,067)	(36,486)
136,073	Sub-total	148,473	147,944	173,662
7,988	Capital Charges	7,583	6,512	4,193
(495)	Corporate & Democratic Core	(495)	(495)	(363)
(826)	Pension Costs Charged Centrally	(879)	(879)	(1,214)
142,740	SERVICE TOTAL	154,682	153,082	176,278

Average staff numbers (WTE)

2001/02 Actual £'000		2002/03 Original Estimate £'000	2002/03 Revised Estimate £'000	2003/04 Original Estimate £'000
1,073	In-house services	1,100	1,100	1,164
613	Areas and localities	625	625	599
322	Support services	282	282	294
2,008	SERVICE TOTAL	2,007	2,007	2,057

Children, Schools & Families

The total budget for Children, Schools & Families is £674,637,000



Key Issues for 2003/04

- To maximise additional funding available to the service through external sources of funding (including Quality Protects and the Standards Fund) by meeting matched funding requirements.
- To maintain the level of school funding in real terms, and provide protection for the Government's removal of substantial amounts of Standards Fund Grant.
- To passport funded Schools Block increases and spend at least at Education FSS on Education services.
- To set spending priorities in line with the CSF strategic plan, including the provision of additional resources for implementing the CSF behavioural strategy and support for families with vulnerable children.

Schools Related

Nursery Education £10,527,000

To provide for the education of 1,400 nursery pupils in nursery schools and also grant-funded pupils in private voluntary and independent nursery schools.

Primary Education £228,459,000

To provide for the education of 94,500 pupils (including pupils in nursery classes) in 420 primary schools by ensuring access to the full National Curriculum for all primary-aged children. The vast majority of the budget is controlled by school governing bodies under Local Management of Schools, including provision for non-statemented or statemented special educational needs of pupils in mainstream primary schools.

Secondary Education £208,398,000

To provide education for 79,600 pupils in 6 middle schools and 76 secondary schools by ensuring access to the full National Curriculum for all secondary aged children. As with primary education most of the budget is controlled by school governing bodies, including provision for non-statemented or statemented special educational needs of pupils in mainstream secondary schools. The sixth form element of schools delegated budgets is grant funded by the Learning & Skills Council.

Special Education £35,309,000

To provide education for 2,200 pupils in 26 special schools. Also provides for pupils receiving education in independent schools or in schools maintained by other local authorities as well as for pupils who experience learning difficulties for which suitable provision cannot be made in a “mainstream” educational setting.

Non-Schools Related

Other Children, Schools & Families £121,119,000

This includes expenditure on looked after children, including residential and fostering and other placements, as well as family support and other social work expenditure. It also includes budgets for support services such as advisory, education welfare and psychology services; home to school transport; awards; the Youth Service; costs of dual use agreements and provision for community use of schools.

Summary Service Revenue Budget

2001/02 Actual £'000		2002/03 Original Budget £'000	2002/03 Revised Budget £'000	2003/04 Original Budget £'000
6,863	Nursery	7,418	7,418	10,527
197,499	Primary Education	210,341	210,341	228,459
215,968	Secondary Education	189,487	189,487	208,398
33,105	Special Education	32,174	32,174	35,309
99,131	Other Children, Schools & Families	103,819	104,774	121,119
552,566	Subtotal	543,239	544,194	603,812
169,872	Capital Charges	166,142	111,762	71,878
(286)	Corporate & Democratic Core	(298)	(298)	(310)
(1,792)	Pension Costs Charged Centrally	(2,502)	(2,502)	(3,445)
1,542	Contribution to unapportioned central overheads in respect of Education past service pension costs	1,992	1,992	2,702
721,902	SERVICE TOTAL	708,573	655,148	674,637

Average staff numbers (WTE)

2001/02 Actual £'000		2002/03 Original Estimate £'000	2002/03 Revised Estimate £'000	2003/04 Original Estimate £'000
9,410	Teachers	9,559	9,920	9,954
5,945	Other Staff	6,009	6,157	6,171
15,355	SERVICE TOTAL	15,568	16,077	16,125

Note

Teacher and other staff numbers have increased during 2002/03 as additional staff are recruited to support school workforce reform and in line with post 16 pupil numbers. Improved recruitment and retention has also led to fewer vacancies.

Community Information

Community Information aims to ensure that everyone in Hertfordshire has access to all information and advice they need to function effectively as citizens and consumers.

It provides the following services: access to all services through the Gateway, information, libraries, archives and records, cultural services, together with corporate technology support.

The total budget for Community Information is £19,304,000

Key Issues for 2003/04

- To help people to continue learning throughout their lives by improving lifelong learning facilities in libraries.
- To further increase public access provision to the Internet and other electronic advice and information services.
- To further explore and pilot alternative methods of service provision.
- To promote equality and improve access to services and buildings by achieving Disability Discrimination Act (DDA) compliance of buildings by 2005.
- To implement increased library hours across the county.



Community Information provides and develops quality information and advice services for the public and business sector. The department is committed to developing closer links with community groups and local authorities to ensure its services are tailored to the needs of local people.

Libraries £15,982,000

The council provides 53 libraries, 13 mobile and trailer vehicles with more than 1,000 stops across the county covering every settlement, including outreach services to more than 1,100 centres e.g. sheltered accommodation and one prison library. In 2001/2002 staff answered over 2 million enquiries and issued over 8 million books, videos and music recordings. In addition to the lending and information services, nearly 6 million visitors used libraries to study, read, and attend reading groups or children's storytimes. 244 public access computer terminals were available for accessing the Internet, the on-line catalogue, CD-ROM databases or Microsoft Office applications.

Schools Library Service £231,000

Schools Library Service is a Traded Service, which has contracts with 74% of Hertfordshire Schools across all phases. Last year, SLS provided 300,350 books to 312 primary schools through 495 mobile library visits and 15,000 projects. 657 hours were spent in schools by SLS staff helping them to develop effective school libraries. The SLS Inset programme attracts participants from schools without contracts and from schools in other authorities.

Hertfordshire Archives and Local Studies (HALS) £914,000

HALS preserves and provides access to unique archive and local studies material relating to Hertfordshire. This includes over 6,000 archive collections, 30,000 books, 30,000 photographs and 10,000 maps. In 2001/02 HALS staff dealt with 33,798 enquiries and 23,249 requests for photocopies/prints. HALS also provides a records management service to county council departments.

IT Management & Development, E-government and Securing Unified Access to Services £5,573,000

Corporate ICT Infrastructure

The Corporate ICT function is responsible for planning and implementing the IT and telecommunications infrastructure across the authority. The group develops policy and guidance on the use of ICT, technical strategies and standards and acts as corporate client for IT support arrangements and the provision of telephone services.

Corporate Information Systems

Responsible for managing the development and application of corporate information systems and delivery of the corporate information strategy, including e-business.

Customer Service Centre

The objective of the Gateway is to provide unified public access to all of the county council's services. The interactive web presence at www.hertsdirect.org provides an extensive range of information and the ability to complete transactions with the county council, such as renewing library books or reporting highways faults. The Customer Service Centre in Stevenage operates for 67 hours per week and handles more than 1 million telephone, email and postal contacts per annum, with more than 90% of callers expressing their satisfaction with the way their call is handled.

Costs are recharged out to services based on their use of the Gateway.

Summary Service Revenue Budget

2001/02 Actual £'000		2002/03 Original Budget £'000	2002/03 Revised Budget £'000	2003/04 Original Budget £'000
15,258	Libraries	15,067	15,563	15,982
240	Schools Library Service	227	243	231
748	HALS	786	830	914
3,265	IT Management & Development, E-government and Securing Unified Access to Services	2,958	3,368	5,573
40	Support Services	95	114	81
(2,172)	Less: recharged to other services	(2,202)	(2,448)	(4,975)
17,379	Subtotal	16,931	17,670	17,806
4,232	Capital Charges	3,983	2,495	1,931
(68)	Corporate & Democratic Core	(82)	(82)	(128)
(179)	Pension Costs Charged Centrally	(210)	(210)	(305)
21,364	SERVICE TOTAL	20,622	19,873	19,304

Average staff numbers (WTE)

2001/02 Actual £'000		2002/03 Original Estimate £'000	2002/03 Revised Estimate £'000	2003/04 Original Estimate £'000
468	SERVICE TOTAL	530	512	592

NOTE: From 2003/04 Corporate ICT and Corporate Information Systems have transferred from Corporate Services.

Corporate Services

The Corporate Services department provides support for the strategic management of the council as a whole, including long-term financial planning and the allocation of overall resources between services.

The total budget for Corporate Services is £11,917,000

The work of Corporate Services, and the county council as a whole, is driven by the “Promises for Hertfordshire”.

Key issues for 2003/04

- To make Hertfordshire a better place to live and a prosperous place to work.
- To improve education to give children a better future.
- To help people to lead independent lives and involve and serve the public.
- To give the public value for money by getting more cost efficient every year.



The aims of the Corporate Services Department are to:

- develop and communicate the strategic direction of the county council as a whole;
- support the leadership role of the Strategic Management Board (SMB) in achieving its objectives;
- promote the authority to the outside world;
- help members achieve their objectives;
- maximise the authority's resources;
- help the organisation learn by promoting and supporting links between activities in different services;
- set standards and frameworks and ensure they are observed;
- ensure probity and propriety, and provide independent scrutiny of proposals from service departments;
- provide support services where we are the most cost-effective providers.

These aims are achieved through the work of the groups listed on the following pages.

Central Services £12,847,000

Chief Executive & Assistant Executives' Section £865,000

This Section contributes to meeting these aims as follows:

Strategy and Executive Support – Providing the corporate planning and performance measurement and improvement framework for the authority and the county-wide local strategic partnership. Supporting the Chief Executive and Assistant Chief Executives with the strategic management of the authority and co-ordinating the Council's programme of public consultation. Undertaking the council's economic and community development functions; ensuring all fair access to services and their delivery and maximising benefits take up. Providing secretarial and administrative services to the Lord Lieutenant and the Chairman of the Council.

Best Value – Best Value is the collective name for a number of activities that enable us to plan what the council should be doing and check that we are performing effectively. The Best Value Performance Plan sets out the council's objectives and expected performance for the coming year and reports on performance indicators that show how we have performed in the past. Best Value Reviews provides an opportunity to look at particular areas of service and check that they are being provided in the most effective way. As the name suggests Best Value Reviews check the cost effectiveness of services and produce proposals for increasing value for money.

Corporate Communications £552,000

Works to maintain the goodwill and mutual understanding between Hertfordshire County Council and its public through deliberate, planned and sustained communication activities including:

- communications guidance, advice and training
- media relations
- publicity and promotions
- electronic communications.

Corporate Finance £2,251,000

Gives strategic advice and support to key financial processes. This includes the preparation of the annual revenue and capital budgets and accounts, setting and monitoring financial standards, investment services, taxation services, day-to-day financial and systems management including the development of financial systems, management of the pension fund, financial input to contract management, risk management and insurance. The department also provides a range of finance and accountancy functions on behalf of smaller departments.

County Personnel £1,600,000

This small central personnel team provides advice, policy guidance, strategic direction and practical assistance to the county council and its departments to enable the

organisation to maximise one of its major assets – its staff. The principal responsibilities of County Personnel include the management of change, development of corporate personnel policies and strategies, development and maintenance of pay practice and recruitment and retention initiatives, identification of training needs and staff development and strategies to meet these requirements, corporate guardianship of the Performance Management Scheme. In the region of £250,000 of the department's budget is used for training and the development of corporate initiatives.

Hertfordshire Property £2,618,000

Responsible for getting the best value from property assets and all the councils' property services. The division gives strategic advice and support to key land, buildings and other asset processes.

Hertfordshire Property staff provide professional services and consultancy in all aspects of property and accommodation services including asset management planning, managing central accommodation services, managing land and buildings and providing project and programme management services. They also provide management of the Property Services contracts. The annual turnover of property expenditure and capital receipts exceeds £90 million per year.

County Secretary £2,661,000

Provides high quality legal and administrative services to enable the county council to carry out its policies and statutory obligations within the law and the council's own procedures in a cost effective manner. It also manages two front line services: Registration of Births, Deaths & Marriages and Coroners.

Crime Reduction Unit – To work with District Councils and the Police to reduce crime and disorder in the county.

Internal Audit £842,000

Provides audit coverage for all financial systems and arrangements, advice on controls, contracts and information technology, and investigation of frauds.

Business Support Unit £312,000

Provides business support services to the departments within Corporate Services including Personnel & Training, Purchasing and Office Services, Financial Administration and support for departmental and corporate initiatives including Health & Safety, Equalities Action Planning and Business Continuity Support.

Strategy & Consultancy £228,000

Incorporates the strategy function, which enables forward planning for the authority, research and policy development, and provides management consultancy, which supports county council managers in the achievement of their objectives through the use of change management disciplines and techniques. Supports the development of Best Value in the county council. This unit partly operates on a trading basis.

Safety, Emergency and Risk Management £249,000

This covers corporate Health & Safety, Occupational Health, Emergency Planning and Risk Management. It supports HCC departments in the provision of safe, healthy and continuous services. The unit also helps to facilitate a coherent, co-ordinated and effective multi-agency response in the event of a major emergency affecting Hertfordshire.

Corporate Property Fees £586,000

This budget is used to meet the cost of providing professional property services for the corporate management of the estate and to support corporate property strategies.

Other Corporate Charges £83,000

This represents the cost of the annual subscription to the Local Government Association (LGA) and costs relating to other small corporate services.

Members Services £1,599,000

This budget helps county councillors to carry out their function and includes the provision of comprehensive secretarial services. Approximately 70% of the budget is for expenses and allowances to members of the county council.

Other Corporate Services £8,218,000

Economic and Community Development Unit £1,313,000

The purpose of this unit is to maximise the prosperity of the county, combat poverty and build stronger, sustainable communities. The Unit's work is reflected in the four key strategic objectives of the Hertfordshire Prosperity Forum to:

- Create a learning environment for all
- Develop a business-friendly environment (and actively promote economic growth in selected activities)
- Strike a balance between the built and natural environment
- Promote social inclusion

And the strategic themes of Herts Together:

- Creating a prosperous, inclusive society with a robust and adaptable economy
- Creating healthy, safe and sustainable communities enjoying a good quality of life
- Promoting environmental sustainability
- Investing in young people

The priorities for the unit are to work with our regional and local partners, the Districts' Local Strategic Partnerships on community development, regeneration and economic development matters. Examples of this work include key employment and key housing sites, the successor to Single Regeneration Budget, European funded projects, community planning, welfare to work initiatives and the development of the overall approach to prosperity in Hertfordshire.

Money Advice Unit (MAU) £740,000

The purpose of this unit is to encourage the take-up of benefits by Hertfordshire residents and promote benefits & money advice across the county. By both supporting front-line staff in ACS, CSF and the voluntary sector, and working directly with disadvantaged individuals and groups, the Unit works to increase and maintain people's capacity to lead independent lives. The MAU supplies training, consultancy, information and policy guidance on social security matters in addition to direct and indirect advice.

Civic Building – Property Management £3,097,000

This budget comprises the facilities management and running costs for all shared buildings (County Hall, Mount Pleasant, New Barnfield and other divisional offices etc.) throughout the county. It is managed by Hertfordshire Property and all costs are recovered by recharges to the building occupiers.

Annual Provisions £167,000

This budget relates to expenditure on feasibility studies and rationalisation schemes to facilitate property disposals and better use of the county's assets, health and safety, energy conservation, the Development Opportunities Fund, County Hall repairs and maintenance and corporate information technology and communications.

Bank and Audit Charges £962,000

This budget relates to the payment of charges on banking transactions and external audit fees.

County Supplies and Contract Services and Business Units £228,000**County Supplies and Contract Services (CSCS)**

CSCS offers a professional purchasing, supply and contract management service to the county council. The organisation operates on a trading basis and recovers its operating costs predominantly through both pay-as-you-purchase arrangements and by negotiated Service Level Agreements. CSCS acts as client manager for the school meals service, vehicle maintenance and all three ITNet contracts. The catalogue service has a turnover in excess of £30 million serving more than 8,000 customers. CSCS is a leading member of the Central Buying Consortium consisting of 17 local authorities and negotiates both joint contracts and county council specific contracts with an annual value of approximately £100 million.

Corporate Training Centres

Provide professionally serviced, value for money residential and day training centres to the county council at two sites, Hatfield (New Barnfield Centre) and at Hitchin (Offley Place).

County Graphics

This is the county council's in-house graphic design unit. The unit provides advice and design services around the corporate identity and designs publications, stationery, exhibitions, web pages, signs and presentations in a cost effective and timely manner.

County Hall Catering

This service provides, at a subsidy of £127,000, the staff and member restaurant facilities at County Hall.

Courier Service

This service provides a daily courier service between 115 county council administrative centres.

Impressions

This is the county council's in-house print unit. It provides a range of reprographic services including printing, fast print, plan print and photocopying. Its objective is to provide a cost effective, fast and confidential facility for all county council services.

Shire Catering

With a turnover in excess of £16 million per annum, Shire Catering provides 41,000 meals a day to 420 primary schools and 45 secondary and middle schools.

Corporate Managed Properties £1,004,000

This service manages all properties that are not being used for direct service delivery by the county council, including those in the property disposal programme. This service is managed by Hertfordshire Property.

Staff Housing £140,000 (Contribution)

The Staff Housing pool is managed by Aldwyck Housing Association and provides affordable housing for county council employees.

Other Services £847,000

Includes car loans and mortgages, grants to voluntary bodies, provisions, local land charges and postal services.

Summary Service Revenue Budget

2001/02 Actual £'000		2002/03 Original Budget £'000	2002/03 Revised Budget £'000	2003/04 Original Budget £'000
Central Services				
1,111	Chief Executive/Assistant Chief Executives	917	798	865
473	Corporate Communications	448	564	552
2,123	Corporate Finance	2,078	2,079	2,251
1,427	County Personnel	1,574	1,665	1,600
1,681	Hertfordshire Property	2,591	2,598	2,618
1,493	County Secretary	1,471	1,822	2,661
801	Internal Audit	798	817	842
270	Business Support Unit	287	288	312
198	Strategy & Consultancy	217	212	228
177	Safety, Emergency & Risk Management	192	283	249
567	Corporate Property Fees	575	575	586
397	Other Corporate Charges	176	226	83
768	Corporate ICT Infrastructure	934	763	0
1,255	Corporate Information Systems	1,317	1,499	0
12,741	Total Spending on Central Services	13,575	14,189	12,847
(11,547)	Less: Recharges to other services	(10,326)	(10,326)	(8,747)
1,194	Central Services recharge to Corporate & Democratic Core	3,249	3,863	4,100
1,650	Corporate & Democratic Core (from other services)	1,741	1,741	1,662
1,474	Members' Services	1,297	1,426	1,599
4,318	Total Corporate & Democratic Core	6,287	7,030	7,361

Continued over >

2001/02 Actual £'000		2002/03 Original Budget £'000	2002/03 Revised Budget £'000	2003/04 Original Budget £'000
	Other Corporate Services			
1,041	Economic & Community Development Unit	1,329	1,158	1,313
657	Money Advice Unit	735	747	740
2,553	Civic buildings – property management	2,842	2,849	3,097
1,607	Annual Provisions	1,075	978	167
603	Bank & Audit charges	783	773	962
101	County Supplies & Contract Services	229	229	228
609	Corporate Managed Properties	730	876	1,004
(118)	Staff housing	(127)	(127)	(140)
814	Other services	577	626	847
7,867	Total spending on Other Corporate Services	8,173	8,109	8,218
0	Less: Recharges to other services	(3,938)	(3,784)	(4,166)
7,867	Total Other Corporate Services	4,235	4,325	4,052
3,036	Capital Charges	2,318	2,357	1,053
(155)	Corporate & Democratic Core	(274)	(274)	(394)
(389)	Pension Costs Charged Centrally	(155)	(155)	(155)
14,677	SERVICE TOTAL	12,411	13,283	11,917

Average staff numbers (WTE)

2001/02 Actual £'000		2002/03 Original Estimate £'000	2002/03 Revised Estimate £'000	2003/04 Original Estimate £'000
Central Services				
13	Chief Executive/Assistant Chief Executives	10	10	13
12	Corporate Communications	5	11	11
38	Corporate Finance	46	46	46
34	County Personnel	31	31	28
51	Hertfordshire Property	45	45	43
65	County Secretary	61	61	64
27	Internal Audit	24	24	21
15	Business Support Unit	11	11	10
19	Strategy & Consultancy	15	15	15
6	Safety, Emergency & Risk Management	4	4	5
43	Corporate ICT Infrastructure	30	30	0
18	Corporate Information Systems	36	36	0
4	Members' Services	3	3	3
345	Total Central Services	321	327	259
Other Corporate Services				
26	Economic & Community Development Unit	25	25	23
36	Money Advice Unit	23	23	23
283	County Supplies & Contract Services	314	314	313
345	Total other Corporate Services	362	362	359
690	SERVICE TOTAL	683	689	618

NOTE: From 2003/04 Corporate ICT and Corporate Information Systems have transferred to Community Information.

Environment

The Environment department is responsible for a wide range of services which affect many aspects of life in Hertfordshire, including roads and rights of way, public transport, strategic planning, waste planning and disposal and conserving and enhancing the natural and built environment.

The total budget for Environment is £95,816,000



Key Issues for 2003/04

- Rolling forward the Structure Plan guiding development in the county to 2016 to achieve the right balance between development in towns and the countryside
- Agreeing an implementation programme for the first county-wide Waste Management Strategy with all the district councils
- Ensuring the new Hertfordshire Highways partnership agreement delivers the service standards expected of it
- Implementing the biggest integrated works programme for over a decade to address the road maintenance backlog
- Encouraging more people to use public transport through the county's first Bus Strategy
- Implementing the Baldock Bypass and the Croxley Rail Link schemes
- Responding to major planning applications at Stansted Airport, West of Stevenage and Leavesdon and preparing a new minerals Local Plan
- Protecting the county council's role as the government reorganises the planning system
- Contributing to Regional Planning Guidance for the East of England
- Ensuring new duties and responsibilities under the Countryside and Rights of Way Act are successfully implemented, including the establishment of a statutory Local Access Forum
- Leading on the production of a Land Management Plan to support regeneration in rural areas
- Ensuring full operation of the Hertfordshire Safety Camera Partnership
- Fully implementing the HERMIS computerised management system
- Delivering key stretched targets in the county's first public service agreement
- Managing the return to county stewardship of trunk roads

The Role of the Environment Department

The purpose of the Environment department is to:

- Work with local people
- Create a better living, working and travelling environment
- Improve the quality of life in Hertfordshire

Now and in the future.

The aim of the Environment department is to make Hertfordshire the most sustainable county in the country. The department is doing this by planning for transport, new housing and mineral extraction, by looking after the road network and public rights of way, by disposing of household waste and by conserving and enhancing the countryside. The department is also responsible for promoting passenger transport, town centre enhancements, cycling schemes, safety measures for roads, road safety education and long-term transport plans for towns.

Within the limited financial resources available and by harnessing resources of its partner organisations, it aims to maintain and where possible improve the environment and infrastructure of Hertfordshire.

With 4,700 km of roads, 5,000 public rights of way, 20 sand and gravel quarries, traffic 25% above national average, 116,000 street lights, 600,000 tonnes of household waste a year, 4.5 million journeys every day and thousands more new homes needed, the work of the department touches on everyone's life.

Maintenance £36,680,000

Structural Maintenance £17,160,000

The need for cost effective solutions which extend the life of roads, bridges etc. is regularly and objectively assessed using data collection and analysis techniques for which Hertfordshire is a market leader. This area of work covers a range of activities from major longer term repairs to measures taken to slow the rate of deterioration on elements of the highway subject to progressive wear and reaction to potentially dangerous circumstances.

The Environment department was awarded £7.939m in Supplementary Credit Approvals via the Local Transport Plan process for structural maintenance of the road network and bridges.

Routine Maintenance £12,186,000

Routine maintenance encompasses work of a cyclic nature required to maintain highway items in a serviceable condition, such as grass cutting, emptying gullies and sign cleaning. Assessment of the need for routine maintenance gives priority to safety such as pothole repair, and surfacing. The environmental maintenance standards adopted are broadly in line with the Local Authorities Code of Good Practice.

Winter Maintenance £2,088,000

Previously part of the Routine Maintenance budget head, winter maintenance has now gained its own heading in recognition of the vital role it plays in maintaining the safety and freedom of movement of the county's highways. Most of the budget is spent on precautionary salting but provision is also made for the emergency clearance of snow and ice.

Road Lighting £5,246,000

This covers all aspects of road lighting including regular maintenance and energy costs. Work to improve the condition of the street lighting stock will continue.

Safety £5,290,000

Traffic Management and Safety £3,515,000

The prime aim of safety engineering measures is to reduce road accident casualties. This means addressing the issues of safety, ease of movement and environmental concerns of all road users – motorists, pedestrians, cyclists and those affected by or living alongside roads. Measures include new pedestrian crossings, new cycle tracks, traffic control systems, improved signing and road markings as well as measures to reduce speed through rural villages.

Road Safety Education and Training £1,000,000

The Department aims to raise the traffic awareness of drivers and all other road users through education, training and publicity. Programmes include the use of drama, design

and provision of educational material, together with training opportunities to enable teachers to incorporate traffic awareness messages into the curriculum. National campaigns are fully supported and the emphasis this year will continue to be on 'Kill Your Speed' and in-car safety.

School Crossing Patrols £775,000

The Road Safety Unit manages the school crossing patrol service within the county for all Hertfordshire schools.

Sustainable Transport Policies £13,563,000

Sustainable Transport Policies £955,000

Our aim is to implement town plans which promote other forms of transport to the car and help create a better environment in town centres and residential areas. These changes are essential to promote sustainable urban areas both in economic and environmental terms. The aim is to promote a change in attitude to car use which will be reinforced by the TravelWise campaign. The figure quoted in the revenue budget has reduced this year due to a strategic corporate decision to finance most of this activity through capital. There has not been a reduction in the overall amount spent on this work.

Passenger Transport £9,152,000

Passenger transport has a fundamental role in implementing the council's TravelWise policies.

The department arranges bus services by direct contract where services are not provided commercially. Home to school/college contracts and passes are managed on behalf of Children, Schools & Families and concessionary fares schemes for elderly and disabled passengers are administered for district councils. Liaison with the rail and other service operators, and the provision of bus stops, station and interchange facilities are an increasing part of the service.

Environment is also responsible for the running of the former Adult Care Services and Youth and Community vehicle fleets under the management of the County Transport Services Group. The rationalisation of transport provision delivers a more efficient service to the users, ensures that the county council can better monitor its adherence to its environmental policies and produces a substantial financial saving. As all the costs are the direct responsibility of other departments, County Transport Services has a net nil budget, but has an annual turnover of approximately £4 million.

Transport Planning Policy and Strategy £1,597,000

The department undertakes the monitoring of transport changes such as traffic flows and accidents and the success of policies. It reviews and develops transport policy, develops transportation plans and programmes and bids to government for grant (LTP). It also undertakes development control for major development in terms of transportation requirements.

Advance Preparation and Consultation £1,859,000

The department is committed to working closely with local communities and consults widely on all transportation schemes.

Waste Management £20,084,000

The county council has a duty to make disposal arrangements for waste from district council collections (c. 450,000 tonnes a year) and from its household waste sites (c. 150,000 tonnes a year), the total figure rising steadily each year. Most goes to landfill sites and the landfilling operation is carried out by private companies. In October 1996 the county council was obliged to pay an extra £7 a tonne to dispose of waste in the form of landfill tax and by April 2002 this had risen to £13 per tonne. This will rise by a further £1 per tonne in April 2003 and the government has given notice of further increases after that.

Under the Environmental Protection Act 1990, the county council pays recycling credits to district councils and other bodies for waste taken out of the waste stream and recycled, as an incentive to recycling.

To address the growing waste problem facing the county, the county council is working in partnership with all the district councils to implement a first ever municipal waste strategy for Hertfordshire. In addition, work continues on the WasteAware campaign, raising awareness about the problem of waste in the county and encouraging residents to minimise their own waste.

Strategy Planning and Information £3,087,000

Strategic planning and information are fundamental to maintain and enhance the high quality of Hertfordshire's physical and economic environment. In particular our aim is to review and maintain planning strategies such that the integration of land use with transportation and other investment strategies for settlements is secured, and to ensure that major greenfield development is kept to a minimum.

As minerals planning authority the county council has a duty to determine planning applications for mineral extraction. It is also charged with preparing a waste local plan and has a duty to determine applications for waste management facilities.

Environmental Management £3,744,000

The department has a long history of working with other sectors, notably district and parish councils, the business community and the voluntary sector, on environmental issues. Much of the work on the ground is carried out by partners in the form of charitable trusts. Key environmental services such as the Countryside Management Service is partly funded by the county council.

The department also has responsibility for maintaining the public rights-of-way network of the county and it manages the rural estate. The department also hosts the Hertfordshire Biological Records Centre which holds over 1 million records on the fauna and flora of the county.

Summary Service Revenue Budget

2001/02 Actual £'000		2002/03 Original Budget £'000	2002/03 Revised Budget £'000	2003/04 Original Budget £'000
-	Structural Maintenance	-	-	17,160
4,059	Long Term Structural Maintenance	4,581	4,704	-
8,058	Short Term Structural Maintenance	8,369	8,590	-
10,759	Routine Maintenance	11,039	10,552	12,186
-	Winter Maintenance	-	-	2,088
6,427	Road Lighting	6,694	6,591	5,246
29,303	Total Maintenance	30,683	30,437	36,680
3,690	Traffic Management and Safety (formerly Safety and Movement Measures)	3,259	3,474	3,515
902	Road Safety Education and Training	962	928	1,000
629	School Crossing Patrols	698	666	775
5,221	Total Safety	4,919	5,068	5,290
2,000	Sustainable Transport Policies	1,701	1,954	955
7,889	Passenger Transport	8,182	8,268	9,152
1,168	Transport Planning Policy and Strategy (formerly Transport Policy Development and Monitoring)	1,207	1,131	1,597
1,610	Advance Preparation and Consultation	1,683	1,758	1,859
12,667	Total Sustainable Transport Policies	12,773	13,111	13,563
16,551	Waste Management	18,203	18,421	20,084
2,856	Strategy Planning and Information	3,062	2,977	3,087
2,924	Environmental Management	3,246	3,319	3,744
69,522	Sub total	72,886	73,333	82,448
15,033	Capital Charges	13,065	17,528	14,450
(564)	Corporate & Democratic Core	(584)	(584)	(584)
(275)	Pension Costs Charged Centrally	(381)	(381)	(498)
83,716	SERVICE TOTAL	84,986	89,896	95,816

NOTE: Due to the nationally adopted Best Value accounting policy, a number of changes have been made to the budget heads for highway maintenance. The changes are purely concerned with the reclassification of elements of expenditure rather than an overall change in the level of total spend.

Average staff numbers (WTE)

2001/02 Actual £'000		2002/03 Original Estimate £'000	2002/03 Revised Estimate £'000	2003/04 Original Estimate £'000
572	SERVICE TOTAL	580	580	620

Protection Services

The Protection portfolio consists of a range of services which support and protect the people of Hertfordshire.

The total budget for Protection Services is £37,490,000

The key issues for each service are shown on the pages that follow.



Fire and Rescue £33,247,000

Operating from 32 fire stations situated throughout Hertfordshire, the Fire and Rescue Service is dedicated to saving life and property from fires and other disasters – be they road traffic accidents, chemical spillage, railway and aircraft mishaps to domestic flooding and trapped livestock.

The service headquarters is based at Hertford whilst the Command and Control Centre is at the service's Longfield site in Stevenage. The same location also serves as the Training and Development Centre, including a facility for instructing commercial clients in a wide range of firefighting, first aid and other skills. Longfield is also the location for the Fire Safety Directorate. As of March 2003, the Fire and Rescue Service consisted of 574 wholtime personnel, 248 retained personnel, 27 command and control room personnel and 123 non-uniformed support staff.

The service's key responsibilities are to prevent fires occurring and to respond if they or other emergencies occur to minimise their impact on life and property. Its Fire Safety Officers and operational crews target local communities to ensure that people are aware of the risks of fire and take appropriate action to minimise those risks in homes. This work includes hosting displays, attending public events and exhibitions, schools and other organisations.

They also seek to ensure that all homes in Hertfordshire are fitted with effective means of detecting fire and giving early warning to occupants. Fire Service personnel also inspect commercial and public buildings to ensure they comply with the requirements of various pieces of fire safety legislation.

Key issues for 2003/04

- Reducing fires and related deaths and injuries in Hertfordshire through proactive fire safety activities
- Ensuring that the service is fully equipped and staff trained to the relevant standards
- Working in partnership with other agencies and fire authorities to provide efficient and cost effective solutions
- Continuing development of our equalities initiatives to ensure that the service works towards achieving both local and national targets.
- Developing processes and systems in working towards the electronic delivery of services

Trading Standards £2,439,000

Trading Standards advises manufacturers, importers, retailers and service providers on how to comply with the law and works with them to help them trade fairly. It inspects goods at all stages of production and distribution in factories, warehouses and shops to make sure they meet legal standards and takes samples of food for analysis and other products for safety testing.

Over 30,000 complaints and enquiries by members of the public or the business community were handled and approximately 9,300 inspection visits carried out in 2001/02.

Trading Standards aims to:

- provide information for all
- protect consumers against poor quality goods and services
- uphold fair trading laws

Key Issues for 2003/04

- Remaining an effective enforcer of statutory responsibilities relating to Trading Standards, especially those contained in the Food Service Plan
- Seeking more collaborative and joint working and becoming a key networking partner, locally, regionally and nationally
- Improving the efficiency and quality of information services
- Building upon joint initiatives on proof of age cards and doorstep selling
- Improve the provision of business and consumer information available electronically

Coroners Service £808,000

The Coroner's main function is to investigate sudden or unexplained deaths. Coroners are judicial officers who are independent of both local and central government and are required to act in accordance with the Coroner's Act, Coroner's rules and procedures. The county council is responsible for the provision of the Coroners service in the county. In Hertfordshire there are two Coroners' Districts, each with a part time Coroner.

In the year ended 31 December 2002 the Coroners processed 3,181 cases of which 389 were inquest cases. It is a statutory service.

Key Issue for 2003/04

- A fundamental review of Death Certificate and the Coroner Services in England, Wales and Northern Ireland

Registration Service £720,000

This is a front line customer service. During the period April 2001 – March 2002 some 10,893 births and 8,339 deaths were registered. In the same period 10,305 notices of marriages were taken with 3,433 marriages occurring in the county. Two notices are now required for each marriage. A total of 14,533 copy certificates were issued. Two new services commenced during the period, Civil Namings and Re-affirmation of marriage vows. Twenty seven Civil Namings and five Re-affirmations have taken place. It is a statutory service.

Key Issues for 2003/04

- Maintaining the standards of our Charter Mark, re-awarded to the service in 2002
- The introduction of Citizenship Ceremonies
- The continued development of the two pilot services – Civil Naming and Re-affirmation of Vows together with the Civil Funeral Service introduced in 2002
- White Paper on the future of the Registration Service

Emergency Planning £276,000

The Emergency Planning Service exists to promote an acceptable level of preparedness for major emergencies both within the authority and throughout the county. It identifies hazards, co-ordinates planning, training and exercises and also supports the county council in responding to actual emergencies. It also provides professional assistance to district councils, NHS trusts, emergency services, voluntary agencies and utilities in the development of generic procedures which are supported by site and subject specific plans.

Key Issues for 2003/04

- Enhancing public awareness of 'flood risk' and the self-help measures which can be taken to help mitigate the impact of a flood event
- Promoting the need for a greater public awareness of how individuals can prepare and respond to other emergencies
- Developing enhanced inter-agency arrangements for a 'mass casualty' scenario in the light of the current international situation and recent history
- Implementing the recommendations arising out of reviews of previous incidents, notably the Potters Bar rail accident and recent flood events

Summary Service Revenue Budget

2001/02 actual £'000		2002/03 original budget £'000	2002/03 revised budget £'000	2003/04 original budget £'000
Fire & Rescue Service				
25,216	Fire & Rescue	25,425	25,420	26,157
3,970	Fire Pensions	4,809	4,809	4,977
4,785	Capital Charges	4,640	3,292	2,247
(50)	Corporate & Democratic Core	(54)	(54)	(61)
(43)	Pension Costs Charged Centrally	(51)	(51)	(73)
33,878	Total Fire & Rescue Service	34,769	33,416	33,247
Trading Standards				
2,178	Trading Standards	2,194	2,329	2,450
42	Capital Charges	49	33	41
(2)	Corporate & Democratic Core	(3)	(3)	(4)
(24)	Pension Costs Charged Centrally	(35)	(35)	(48)
2,194	Total Trading Standards	2,205	2,324	2,439
Coroners				
723	Coroners	745	796	815
(4)	Pension Costs Charged Centrally	(5)	(5)	(7)
719	Total Coroners	740	791	808
Registration				
584	Registration	597	625	672
138	Capital Charges	130	101	73
(18)	Pension Costs Charged Centrally	(18)	(18)	(25)
704	Total Registration	709	708	720
Emergency Planning				
209	Emergency Planning	277	346	289
9	Capital Charges	0	0	0
(5)	Pension Costs Charged Centrally	(10)	(10)	(13)
213	Total Emergency Planning	267	336	276
37,708	TOTAL PROTECTION SERVICES	38,690	37,575	37,490

Average staff numbers (WTE)

2001/02 actual £'000		2002/03 original estimate £'000	2002/03 revised estimate £'000	2003/04 original estimate £'000
919	Fire & Rescue	922	922	928
44	Trading Standards	53	53	57
13	Coroners	13	13	13
43	Registration	33	33	33
14	Emergency Planning	12	12	12
1,033	SERVICE TOTAL	1,033	1,033	1,043

Magistrates' Courts Committee

The Magistrates' Courts Committee is an autonomous body not forming part of the county council committee structure. The central administration for the Courts Committee is based in Hertford.

The county council's budget for funding this committee is £2,051,000



Key Issues for 2003/04

- Unification of the Courts Administration – the Courts Bill is making its way through the committee stage in the House of Lords (March 2003). It will, if passed, unify the administration of the Magistrates' Courts Service and the Crown & County Court service nationally in a new agency. The planning assumption is that the new agency will be in place by April 2005, preceded by shadow running. This unification will fundamentally change the way justice is administered nationally.
- Safety cameras – the Magistrates' Courts Service have entered into a partnership agreement with Hertfordshire County Council and Hertfordshire Police and this is likely to lead to an increase in fixed penalties issued and therefore an increase in workload and an increase in staff.
- Grant Formula Review – this review has been undertaken but further work is still required.

The Committee comprises ten Magistrates. The Lord Lieutenant and the Crown Court Liaison Judge can also attend the Committee meetings. The Committee is required by statute to administer and maintain an efficient Magistrates' Courts Service and has responsibility for the training of Magistrates and staff. The Justices' Chief Executive (JCE) is the head of the Magistrates' Courts Service and responsibility for the day to day running of the courts in the four Petty Sessional areas is shared by the JCE and the two Justices' Clerks.

There are approximately 490 Magistrates appointed to the Hertfordshire Commission area and approximately 174 members of staff employed in the service situated across three main administration centres.

The Lord Chancellor's Department is responsible nationally for the Magistrates' Courts Service and allocates a cash limited grant to committees.

Summary Service Revenue Budget

2001/02 Actual £'000		2002/03 Original Budget £'000	2002/03 Revised Budget £'000	2003/04 Original Budget £'000
5,893	Total Spending	6,120	6,230	6,778
(4,715)	Less: LCD Grant	(4,896)	(4,984)	(5,421)
1,178	Subtotal	1,224	1,246	1,357
1,977	Capital Charges	1,785	1,146	694
(127)	Pension Costs Charged Centrally			
3,028	COMMITTEE TOTAL – net of LCD grant	3,009	2,392	2,051

Average staff numbers (WTE)

2001/02 Actual £'000		2002/03 Original Estimate £'000	2002/03 Revised Estimate £'000	2003/04 Original Estimate £'000
167	SERVICE TOTAL	167	167	174

1. That the revenue budget for 2003/04 proposed by Cabinet on 27 January 2003 be agreed subject to:

a) the following changes in the Schools Budget	Increase/(Decrease)
	£'000
Technical adjustment – Teachers Superannuation	(264)
Inflation – Teachers Pay Award	(1,464)
Increase in delegated schools budgets to assist schools in budget management and planning in the light of the likely funding gap that will be faced in 2004/05	1,464

b) a reduction of £11,000 to the central budget for flood defence levies

c) an increase of £185,000 in the budget for members allowances

to produce a budget set out below:

	2003/04 proposed budget £m
Adult Care Services	176.278
Children, Schools & Families	674.637
Community Information	19.304
Corporate Services	11.917
Environment	95.816
Protection	
Fire & Rescue	33.247
Coroners	0.808
Emergency Planning	0.276
Registration	0.720
Trading Standards	2.439
Protection subtotal	37.490
Central Items	43.696
Asset Management Revenue Account	(102.021)
	957.117

2. That the schools budget for 2003/4 be agreed as £534.363 million.

3. That the provision for the cost of teachers and other schools staff pay awards be met from the proposed schools budget and that the provision for pay awards relating to all other staff be delegated to services when the awards are known.

4. That to support the expenditure proposals a council tax increase of 18.2% be agreed.

5. That the Capital Programme, including annual provisions, set out as follows be agreed:

	2003/04 £m	2004/05 £m	2005/06 £m
Adult Care Services	5.035	1.424	1.734
Children, Schools & Families	61.412	21.692	13.144
Community Information	0.753	0.645	0.595
Corporate Services	3.558	2.266	1.804
Environment	29.261	24.081	22.338
Protection	3.938	4.113	0.593
Total	103.957	54.221	40.208

of which for 2003/04 £36.066 million is funded from the Council's general capital resources including capital receipts, £59.417 million from capital grants and earmarked borrowing approvals and £8.474 million from revenue contributions.

6. That the Finance Director be authorised to borrow on behalf of the county council for the year ending 31 March 2004 such amounts as are required to meet approved capital expenditure within the limits of the basic and supplementary credit approvals received; the amounts to be borrowed for periods which will not result in the overall borrowing limit of £250 million being exceeded, and of which no more than £100 million shall be short term and 30% with variable interest rate terms.
7. That vehicles and equipment up to a value of £3.5 million be purchased by the county council in the year ending 31 March 2004, the total cost of which to be financed by entering into operating lease agreements as defined by Regulation 20 of the Local Authorities (Capital Finance) Regulations 1997, with the county council acting as lessee.
8. That the Band D council tax for the county council in 2003/04 be £849.74 and that the amount of tax calculated for all bands be as follows:

Band A	£566.49
Band B	£660.91
Band C	£755.32
Band D	£849.74
Band E	£1,038.57
Band F	£1,227.40
Band G	£1,416.23
Band H	£1,699.48

9. That the precept amounts required from the District Councils be as follows:

Broxbourne Borough Council	£29,691,785.03
Dacorum Borough Council	£46,247,949.24
East Hertfordshire District Council	£46,282,686.61
Hertsmere Borough Council	£33,947,707.82
North Hertfordshire District Council	£39,370,663.52
St Albans City & District Council	£49,130,267.32
Stevenage Borough Council	£23,242,530.34
Three Rivers District Council	£31,425,203.64
Watford Borough Council	£25,761,805.51
Welwyn Hatfield District Council	£32,467,290.79
Total	£357,567,889.82

10. That the Chief Executive be authorised to issue the council tax leaflets after consultation with the Leader of the Council.

PART A : Major Schemes

	Total Scheme Cost £'000	2003/04 £'000	2004/05 £'000	2005/06 £'000	Total £'000
General Funded					
Adult Care Services	4,459	1,178	765	1,075	3,018
Children, Schools & Families	25,728	5,900	4,320	1,822	12,042
Community Information	5,783	358	250	200	808
Protection – Fire and Rescue Service	7,787	1,474	1,149	329	2,952
Environment	10,226	5,836	1,153	482	7,471
Corporate Services	7,077	2,454	1,162	700	4,316
Total General Funded Schemes	61,060	17,200	8,799	4,608	30,607
Externally Funded					
Adult Care Services	718	718	–	–	718
Children, Schools & Families	47,934	36,590	3,966	518	41,074
Community Information	–	–	–	–	–
Protection – Fire and Rescue Service	–	–	–	–	–
Environment	23,518	23,518	21,612	20,540	65,670
Corporate Services	–	–	–	–	–
Total Externally Funded Schemes	72,170	60,826	25,578	21,058	107,462
Self-Financing					
Adult Care Services	2,480	2,480	–	–	2,480
Children, Schools & Families	20,148	10,886	4,796	1,850	17,532
Community Information	–	–	–	–	–
Protection – Fire and Rescue Service	4,900	2,200	2,700	–	4,900
Environment	875	875	–	–	875
Corporate Services	–	–	–	–	–
Total Self-Financing	28,403	16,441	7,496	1,850	25,787
TOTAL FOR MAJOR SCHEMES	161,633	94,467	41,873	27,516	163,856

PART B: Annual Provisions (Repairs and Refurbishment)

	Total Scheme Cost £'000	2003/04 £'000	2004/05 £'000	2005/06 £'000	Total £'000
Adult Care Services	1,977	659	659	659	1,977
Children, Schools & Families	24,108	8,036	8,036	8,036	24,108
Community Information	1,185	395	395	395	1,185
Protection – Fire and Rescue Service	675	225	225	225	675
Protection – Trading Standards	66	22	22	22	66
Protection – Registration Service	51	17	17	17	51
Environment	4,002	1,334	1,334	1,334	4,002
Corporate Services	3,312	1,104	1,104	1,104	3,312
Total Annual Provisions	35,376	11,792	11,792	11,792	35,376

PART C : Total Capital Programme

Adult Care Services	9,634	5,035	1,424	1,734	8,193
Children, Schools & Families	117,918	61,412	21,118	12,226	94,756
Community Information	6,968	753	645	595	1,993
Protection – Fire, Trading Standards & Registration	13,479	3,938	4,113	593	8,644
Environment	38,621	31,563	24,099	22,356	78,018
Corporate Services	10,389	3,558	2,266	1,804	7,628
Total Capital Programme	197,009	106,259	53,665	39,308	199,232

PART D : Financed by Central Government:

Borrowing Approvals	39,035	23,248	20,734	83,017
Grants	24,422	–	–	24,422
Sub-total	63,457	23,248	20,734	107,439

County Council:

Capital Receipts	32,341	17,909	8,037	58,287
Direct Revenue Contributions	8,492	8,492	8,492	25,476
Education Capital Reserve	277	2,330	324	2,931
Capital Payback Reserve	1,692	1,686	1,721	5,099
Sub-total	42,802	30,417	18,574	91,793
TOTAL CAPITAL PROGRAMME	106,259	53,665	39,308	199,232

List of Major Capital Schemes 2003/04 – 2005/06

Appendix 3

Adult Care Services

	Total Scheme Cost £'000	2003/04 £'000	2004/05 £'000	2005/06 £'000
General Programme Schemes				
Jubilee Day Centre, St Albans – Re-provision	1,095	–	250	750
Countywide Learning Disabilities Hostel – Re-provision	150	150	–	–
Enhance Network Links to ACS sites	960	250	265	225
Gypsy sites (see also external funding)	162	162	–	–
DDA Work	300	150	150	–
Marsh Lane Resource Centre, Ware – Re-provision	1,251	125	–	–
Minor works to support maintenance backlog following condition survey	541	341	100	100
Total General Programme	4,459	1,178	765	1,075
Self-financing Schemes				
Dacorum Project (inc. Berkhamsted Day Centre) ¹	680	680	–	–
Balmoral Day Centre – Watford ¹	1,800	1,800	–	–
Total Self Financing Programme	2,480	2,480	–	–
Externally Funded Schemes				
Gypsy Sites (see also general programme)	486	486	–	–
DoH Grant: Improving information management	232	232	–	–
Total External Programme	718	718	–	–
TOTAL PROGRAMME FOR ACS	7,657	4,376	765	1,075

Note

¹ A Cabinet report will be required to agree the principles and management arrangements of these schemes.

Children, Schools & Families

	Total Scheme Cost £'000	2003/04 £'000	2004/05 £'000	2005/06 £'000
General Programme Schemes				
2000/01 Design Starts:				
Broxbourne Secondary	126	50	–	–
Roundwood Park Secondary	367	146	–	–
William Ransom Primary	252	119	–	–
2001/02 Design Starts:				
Bowmansgreen JMI	893	481	363	–
Bushy Mead Secondary	1,575	646	–	–
Collenswood Secondary	220	88	–	–
Falconer Special	1,550	642	–	–
John Warner Secondary (net cost)	500	240	225	
Woodfield Special	450	263	–	–
2002/03 Design Starts:				
Heathcote Secondary	802	425	321	–
Hitchin Boys Secondary	915	–	485	366
Lakeside Special	326	173	130	–
Presdales Secondary	1,050	73	557	420
Sheredes Secondary	172	92	69	–
St John Lawes Secondary	481	255	193	–
St Albans Primary Provision	480	–	34	254
Verulum Secondary	915	–	430	428
Accommodation needs to comply with legislation:				
South West Herts (contribution to basic need funding)	350	–	186	139
Self-Financing Schemes needing forward funding:				
Round Diamond Primary, Stevenage	4,000	100	–	–
CSF administration requirements:				
ICT Infrastructure	650	160	150	125
Total for Existing Schemes	16,074	3,953	3,143	1,732
New Proposals:				
Letchworth Secondary reorganisation	6,360	130	–	–
Bids to comply with legislation:				
Boxmoor House upgrading residential facilities	430	350	80	–
Lonsdale	210	–	210	–
DDA funding for access to non-school premises	200	100	100	–

	Total Scheme Cost £'000	2003/04 £'000	2004/05 £'000	2005/06 £'000
Expansion of EBD Provision:				
Larwood EBD Primary	175	175	–	–
Boxwood House EBD Primary	138	138	–	–
Batchwood EBD Secondary	66	66	–	–
Learning Support Units	550	550	–	–
Falconer EBD	250	200	50	–
PPP/PFI bid and feasibility costs	180	180	–	–
Bids to Ensure Appropriate Curriculum Delivery:				
Richard Whittington – an additional classroom	195	58	137	–
Holtsmere End Infants – remodel and extend open-plan classroom	300	–	–	90
Richard Hale School – science labs	300	–	300	–
Kings Langley School – science labs	300	–	300	–
Total General Programme	25,728	5,900	4,320	1,822
Self-financing Schemes				
Monks Walk ¹	1,700	715	–	–
Meriden ¹	219	16	–	–
Meridian ¹	810	736	20	–
Squirrels Nursery (Ludwick) ²	920	680	240	–
Oxhey Nursery ^{2,4}	1,438	1,300	–	–
Creswick Relocation ²	3,500	2,891	486	–
Jenyns ²	1,461	400	–	–
Howe Dell ³	750	648	50	–
Cheshunt Reorganisation ³	9,350	3,500	4,000	1,850
Total Self Financing Programme	20,148	10,886	4,796	1,850

Notes

- ¹ These schemes are in the existing programme and already have full Cabinet approval
- ² These schemes have been approved in principle by Cabinet but the detailed budgets are subject to final Chief Officer approval.
- ³ A Cabinet report will be required to agree the principles and management arrangements of these schemes.
- ⁴ This scheme is in three parts, the two smaller of which (Oaklands and St Meryl mobiles) are underway, however the main part of the scheme, the replacement nursery at Eastbury Road, is subject to final approval of detailed budgets and funding.

	Total Scheme Cost £'000	2003/04 £'000	2004/05 £'000	2005/06 £'000
Externally Funded Schemes¹				
Standards Fund Grants:				
SF604 NDS Devolved Formula ²	12,584	12,584	–	–
SF605 NDS Seed Challenge ²	1,238	1,238	–	–
SF611 NDS Condition Funding ²	6,894	6,894	–	–
SF614 Nurseries in Disadvantaged Areas	394	394	–	–
Letchworth Secondary reorganisation	1,600	1,600	–	–
DoH Grants:				
IT for Looked After Children	135	135	–	–
Improving Information Management	154	154	–	–
Earmarked Basic Credit Approvals:				
Schools Access Initiative 2003/04	1,831	1,831	–	–
Basic Need and expansion of popular schools 2003/04 Approvals	2,099	251	1,330	518
Basic Need 2002/03 Approvals:				
Stevenage Secondaries	1,633	865	653	–
Buntingford & Puckeridge Secondaries	774	410	310	–
St Albans Secondaries	2,045	1,084	818	–
Harpenden Secondaries	261	138	104	–
Tring Secondaries	1,876	995	751	–
Basic Need 2001/02 Approvals:				
St Albans Secondaries	2,070	828	–	–
Bushy Primaries	531	212	–	–
Cheshunt Secondaries	159	64	–	–
Sandon	114	46	–	–
Harpenden Secondaries	1,471	588	–	–
Specialist Schools Capital³				
Supplementary Credit Approvals:				
NDS Modernisation Fund	10,071	6,279	–	–
Total External Programme	47,934	36,590	3,966	518
TOTAL PROGRAMME FOR CSF	93,810	53,376	13,082	4,190

Notes

- ¹ All figures shown above, apart from 2001/2002 and 2002/2003 Basic Need Approvals, have been revised in the light of Capital Funding Announcements received after the December 2002 Cabinet Report was written.
- ² Figures shown above include LEA liability for Voluntary Aided (VA) schools but do not include the grant paid directly to them.
- ³ A number of schools are expected to submit bids for specialist school capital funding and each successful school will receive a maximum of £100,000.

Community Information

	Total Scheme Cost £'000	2003/04 £'000	2004/05 £'000	2005/06 £'000
General Programme Schemes				
HALS accommodation improvements – Option2 ¹	4,750	78	–	–
DDA compliance	630	180	200	150
Refurbishment of Hoddesdon Library	103	–	–	–
Minor works – maintenance	300	100	50	50
Total General Programme	5,783	358	250	200
TOTAL PROGRAMME FOR COMMUNITY INFORMATION	5,783	358	250	200

Note

¹ 50% grant funded. Net HCC cost shown here.

Protection

	Total scheme cost £'000	2003/04 £'000	2004/05 £'000	2005/06 £'000
General Programme Schemes				
IT equipment for Command & Control Centre	180	60	60	60
IT Upgrades	165	55	55	55
Road traffic accident equipment	525	170	130	–
Integrated Command & Control System replacement	250	125	–	–
Information management systems	180	180	–	–
Upgrading of Bovingdon Fire Station	1,250	500	750	–
Training Centre development	350	–	–	–
Essential operational equipment	192	64	64	64
Upgrading of Bushey Fire Station	1,250	–	–	–
Replacement radio scheme	1,500	–	–	–
Upgrading of Much Hadham Fire Station	1,250	–	–	–
Purchase of thermal image cameras	320	320	–	–
DDA works	375	–	90	150
Total General Programme	7,787	1,474	1,149	329
Self-financing Schemes				
St Albans Fire Station ¹	2,400	1,200	1,200	–
Watford Fire Station ¹	2,500	1,000	1,500	–
Total Self Financing Programme	4,900	2,200	2,700	–
TOTAL PROGRAMME FOR PROTECTION SERVICES	12,687	3,674	3,849	329

Note

¹ A Cabinet report will be required to agree the principles and management arrangements of these schemes.

Environment

	Total Scheme Cost £'000	2003/04 £'000	2004/05 £'000	2005/06 £'000
General Programme Schemes				
Digitising the highway boundary	95	31	32	32
ICT set up costs of new highways offices	175	175	–	–
Provision of disabled crossing point facilities	150	150	–	–
Household waste recycling centres/ South West Herts ¹	1,600	185	–	–
Rights of Way – maintaining statutory duty	961	200	121	100
Aldenham Dam	220	220	–	–
Structural Maintenance – non-principal roads	5,700	4,400	550	250
Aldenham Country Park – health & safety & DDA improvements	75	75	–	–
Harpenden household waste site	650	300	350	–
Securing major LTP funding	600	100	100	100
Total General Programme	10,226	5,836	1,153	482
Self-financing Schemes				
South Mimms depot	875	875	–	–
Total Self Financing Programme	875	875	–	–
Externally Funded Schemes*				
Baldock Bypass	1,409	1,409	–	–
Local Transport Plan:				
Road refurbishment	7,224	7,224	–	–
Bridge refurbishment	715	715	–	–
Integrated Transport – sustainable projects	10,650	10,650	–	–
Integrated Transport – safety	1,625	1,625	–	–
Integrated Transport – passenger transport	1,895	1,895	–	–
Total External Programme	23,518	23,518	21,612	20,540
TOTAL PROGRAMME FOR ENVIRONMENT	34,619	30,229	22,765	21,022

* Programme has yet to be agreed beyond 2003/04.

Note

¹ This scheme was previously agreed at £735,000. However, the lack of suitable drainage facilities in the area surrounding the site, and poorer than envisaged ground conditions mean that this sum is no longer sufficient. The sum previously approved could be carried forward (subject to member approval) to add to the amount now being bid for to meet the total revised estimated cost.

Corporate Services

	Total Scheme Cost £'000	2003/04 £'000	2004/05 £'000	2005/06 £'000
General Programme Schemes				
Corporate Finance and HR systems	2,043	1,116	142	-
Windows 2000	1,677	-	-	-
County Hall replacement chillers	448	448	-	-
County Hall roof restaurant and E-link	320	-	320	-
County Hall Reception/Logis	-	-	-	-
Central and Shared: DDA	945	300	200	200
Council Chamber sound system	90	90	-	-
Off site storage of paper records	54	-	-	-
Starter home initiative – housing scheme	1,500	500	500	500
Total General Programme	7,077	2,454	1,162	700
TOTAL PROGRAMME FOR CORPORATE SERVICES	7,077	2,454	1,162	700

Capital Programme: Annual Provisions

Appendix 4

Scheme Description and Location	Individual Projects Over £50,000?	2003/04 £'000	2004/05 £'000	2005/06 £'000
Children, Schools & Families				
Minor Works Improvements*				
Two Waters JMI, Apsley	Yes	80		
South Hill, Hemel Hempstead	No	30		
Purwell JMI, Hitchin	Yes	70		
Mandeville Primary, Sawbridgeworth	Yes	60		
Priors Wood, Ware	Yes	50		
Woodside, Goffs Oak	Yes	65		
Oxhey Infants, Watford	Yes	60		
Broadfield JM, Hemel Hempstead	Yes	65		
Mid Herts Arts Education Base, Hatfield	Yes	99		
Barley CE VC First, Royston	No	35		
Manland Primary, Harpenden	No	30		
Greenside, Stevenage	Yes	71		
Wheathampstead Development Centre MECSS	No	35		
Other minor works	No	32		
Subtotal		782	782	782
Minor works reorganisations	No	100	100	100
Mobile Classrooms				
Maximum of 3 doubles and 3 singles	See note 1	389	389	389
Structural Repairs And Maintenance*				
Little Reddings – roofing	Yes	98		
Cowley Hill – roofing	Yes	98		
William Ransom – roofing	Yes	75		
Samuel Lucas – roofing	Yes	74		
Yorke Mead – roofing	Yes	74		

continued >

Scheme Description and Location	Individual Projects Over £50,000?	2003/04 £'000	2004/05 £'000	2005/06 £'000
Bromet Primary – roofing	Yes	74		
Tanners Wood – roofing	Yes	74		
Larwood – roofing	Yes	73		
Valley – roofing	Yes	70		
Giles Junior – roofing	Yes	70		
Hailey Hall – roofing	Yes	52		
Valley – window walling	Yes	65		
Alban Wood – window walling	Yes	60		
Sunny Bank – boilers	Yes	50		
Sunny Bank – re-wiring	Yes	50		
Birchwood High – heating	Yes	50		
Barnwell – roofing	Yes	80		
Sandringham – roofing	Yes	98		
Collingswood – roofing	Yes	99		
Other repairs and maintenance	See note 2	3,994		
Subtotal		5,378	5,378	5,378
Health and safety	No	521	521	521
Feasibility studies	No	21	21	21
Furniture and equipment	No	125	125	125
Education Workshops	No	181	181	181
School meals equipment	No	539	539	539
Service total		8,036	8,036	8,036

* Programme has yet to be agreed beyond 2003/04.

Notes

- 1 There are likely to be 6 mobile schemes in 2003/04, 3 doubles and 3 singles, the doubles will all be over £50,000
- 2 Many individual Repairs and Maintenance Schemes for 2003/04 have yet to be finalised, some of which (such as re-roofing) will probably be over £50,000

Scheme Description and Location	Individual Projects Over £50,000?	2003/04 £'000	2004/05 £'000	2005/06 £'000
Adult Care Services				
Annual Provisions – minor works	No	659	659	659
Service total		659	659	659
Environment				
Sustainable Transport Policies	See note 1	1,133	1,133	1,133
Waste Management – household waste site improvements	See note 2	125	125	125
Environmental Management	No	76	76	76
Service total		1,334	1,334	1,334
Notes				
1 This budget is used to contribute towards larger schemes that are part financed through the Local Transport Plan.				
2 This budget is usually used to fund minor improvements of less than £50,000 each at the county council's 19 Household Waste Sites.				
Fire and Rescue Service				
Repairs and maintenance	No	119	119	119
Health and safety	No	27	27	27
Minor works	No	35	35	35
IT equipment	No	24	24	24
Operational equipment	No	20	20	20
Service total		225	225	225
Corporate Services				
Email resilience and monitoring	Yes	80	80	80
Establish & deploy a single electronic directory	Yes	60	60	60
Centralised server backup	Yes	50	50	50
Predictive analysis software tools	Yes	55	55	55
Server upgrades	Yes	60	60	60
Minor works – Corporate ICT infrastructure	No	52	52	52
Land purchase, feasibility studies and rationalisation schemes	No	235	235	235
Development Opportunities Fund	No	106	106	106
Energy conservation	No	193	193	193
Civic buildings	No	90	90	90
Health and safety	No	123	123	123
Service total		1,104	1,104	1,104

Scheme Description and Location	Individual Projects Over £50,000?	2003/04 £'000	2004/05 £'000	2005/06 £'000
Community Information				
CI automation	No	167	167	167
Libraries refurbishment and equipment	No	10	10	10
Minor improvements programme	No	68	68	68
Enhanced public PC provisions		150	150	150
Service Total		395	395	395
Registration				
Repairs and refurbishment	No	17	17	17
Service total		17	17	17
Trading Standards				
Computer lease	No	16	16	16
IT maintenance	No	6	6	6
Service total		22	22	22
TOTAL ANNUAL PROVISIONS		11,792	11,792	11,792

General

Each year the Government calculates a FSS for each local authority. FSS's are based on a series of formulae which take into account an authority's' relative circumstances by using information such as population and social structure. FSS's, together with the amount of council tax the authority is assumed to raise and damping arrangements, are used to allocate Formula Grant to each local authority.

Since one formula could not be devised for local authority services generally because there are very different factors influencing each service area, FSS's are divided into seven major blocks. For example, the factors, which appear to explain variations in the cost of providing social services for the elderly, are very different from those which appear to explain variations in the cost of maintaining roads. Each of the formulae has the following structure:

- a Basic Amount for each client that is the same for each authority;
- a Deprivation Top-Up, (for formulae other than highways maintenance) that allows for the additional costs of providing services in deprived areas;
- an Area Cost Top-Up, that recognises that wages and business rates vary across the country; and
- other Top-Ups that address a range of cost pressures including rural sparsity, density and visitors and commuters.

The relative size of these top-ups varies between services.

The FSS for Hertfordshire County Council consists of six service blocks, some of which are divided into further sub-blocks. Those relevant to the county council are:

Service Block	Sub-block	FSS £m
Education	Primary	175.230841
	Secondary	196.737079
	Under 5	58.575729
	High Cost Pupils	41.738281
	Schools Damping	8.155834
	Youth & Community	8.198010
	LEA	47.964306
	LEA Damping	0.969867
Education sub total		537.569947

continued >

Service Block	Sub-block	FSS £m
Personal Social Services		
	Children	43.440049
	Elderly (combined)	99.043215
	Other	62.783840
Personal Social Services Sub Total		205.267104
Fire		34.044020
Highways		41.010802
Environment, Protective & Cultural Services		
<i>(divided into seven sub-blocks)</i>		80.255787
Capital Financing <i>(divided into three sub-blocks)</i>		26.048628
TOTAL FSS		924.196288

2003/04 Settlement

Hertfordshire's Formula Spending Share of £924.2 million represents a 5.4% increase on the figure government has provided for 2002/03 for comparison purposes, taking into account adjustments for changes in function/funding. The average increase in FSS for county councils was 7.28%. Of the 34 county councils, Hertfordshire received the 4th lowest increase. The highest increase was Wiltshire at 12.07% and the lowest was East Sussex at 3.71%.

2003/04 FSS Main Changes in Function & Funding

The main adjustments to the authority's FSS as a result of transfers of function and changes in financing are:

Education FSS

Nursery Education Grant - The Government have been paying authorities nursery education grant since 1999/2000 to support the continued expansion of provision for three year olds with levels of grant being accompanied by targets for the percentage of provision that should be made available. The Government has now transferred £2.6 million into the Education FSS.

Class Size grant - the DfES have abolished the Class Size Grant in 2003/04 and transferred £2.9 million into FSS.

Teachers Pensions - the Education FSS has been increased by £13.1 million to reflect the increase in employers' contributions to the teachers' pension scheme.

Personal Social Services FSS

Residential Allowance - from 8 April 2002 people entering residential or nursing homes were no longer eligible for residential allowance. In 2002/03 authorities received a grant in respect of the additional costs. In 2003/04 £4.4 million will be funded through the FSS.

Free Nursing Care - £6.6 million has been deducted from the Personal Social Services FSS because from 1 April 2003 the NHS will take on responsibility for providing all state supported nursing care, including that provided in nursing homes.

Promoting Independence (£3.6 million) and Building Care Capacity (£3.1 million) grants have also ended and the amounts have been rolled into the FSS.

Summary of Growth and Savings by Service

Appendix 6

Adult Care Services		Growth £'000	Savings £'000
Full year effect of previous year's placements		2,000	Home care externalisation 245
Previous policy decisions		2,000	Single status 72
Elderly		2,260	Previous policy decisions 317
Learning disability		1,186	Capital payback 171
Demography		3,446	Other pressures 171
Section 117 Mental Health Act 1983		155	
Fairer charging policies for home care and other non-residential services		100	
Income support thresholds did not increase in April 2001 in line with the increase in capital limits		75	
Introduction of national minimum standards		40	
Legislative Changes		370	
Local Government Pension Scheme		335	
Increments		227	
Single status – assimilation of manual worker grades		126	
Revenue effects of capital		194	
Joint financing taper		70	
Business rates		3	
Other Pressures		955	
Intermediate, residential & nursing care		2,000	
Practical housekeeping support for older people		1,000	
Service improvements		3,000	
TOTAL GROWTH		9,771	TOTAL SAVING 488
NET GROWTH		9,283	

Children, Schools & Families

	Growth £'000	Savings £'000
Home tuition for excluded pupils	89	101
Previous policy decisions	89	65
Looked after children	2,000	56
Pupil numbers	1,800	Previous policy decisions
Increased refugee numbers	30	222
Demography	3,830	New CSF worker qualification 2002/03 only
Special educational needs & Disability Act	150	431
Child witness interviewing	120	Change in number of school days
Legislative changes	270	229
Support for discontinued Standards Fund grant	8,179	Other pressures
Home to school transport – volume increases	910	660
Local Government Pension Scheme	877	Contracts
Single status – assimilation of manual worker grades	295	120
Child Litigation Unit & legal fees	240	Schools standards & curriculum best value review
Capital payback	236	85
Maternity cover	205	Dual use
Revenue effects of capital – rates	200	70
Home to school transport – changing travel patterns	170	Mobile phones
Increments	169	10
Revenue effects of capital	162	Efficiency savings
Emotional and behavioural difficulties increase	120	285
Increase in permanent exclusions	100	
Business rates	90	
Learning support assistants re-grading	79	
Home to school transport – escort training	43	
Criminal Records Bureau	35	
Bus contract increases	25	
Other pressures	12,135	
Implementing behavioural strategy	2,000	
Schools growth	1,464	
Support for families with vulnerable children	500	
Service improvements	3,964	
TOTAL GROWTH	20,288	TOTAL SAVINGS
NET GROWTH	19,121	1,167

Community Information

	Growth £'000		Savings £'000
Annual Library Plan – People's Network	181	Staff restructuring	15
Libraries income – fines	125	Reduce school's library service charge to Community Information	7
Local Government Pension Scheme	78	Lease cars	5
Increments	67	Efficiency savings	27
Revenue effects of capital	96		
Bookstart scheme	39		
Business rates	35		
Capital payback	27		
Single status – assimilation of manual worker grades	24		
Other pressures	672		
TOTAL GROWTH	672	TOTAL SAVINGS	27
NET GROWTH	645		

Corporate Services

	Growth £'000		Savings £'000
Loss of income from Offley Place	42	Re-tendering property services contract	228
Previous policy decisions	42	Revenue effects of capital (Telecomms)	97
Local Government Pension Scheme	117	Business rates	32
Capital payback	105	Single status	4
Increments	97	Previous policy decisions	361
Revenue effects of capital	57	Civic buildings	24
Single status – assimilation of manual worker grades	1	Herts Property	20
Other pressures	377	Generation of additional income	20
Mobile neighbourhood warden teams	400	Corporate Finance	19
Alcohol related violence programme	400	Staff housing	11
Countywide mobile support for victims of crime	100	Staff restructuring	7
Service improvements	900	Other	79
TOTAL GROWTH	1,319	Efficiency savings	180
NET GROWTH	778	TOTAL SAVINGS	541

Environment

	Growth £'000
Rationalise household waste sites	12
Previous policy decisions	12
Road length increases	100
Bus contracts	40
Dial-A-Ride/elderly – increased numbers	6
Demography	146
Countryside Rights of Way Act	174
Government inspection requirements	80
Increased publicity requirements	50
Earlier publication of BVPP	20
Legislative changes	324
Local Transport Plan shortfall	2,650
Capital payback	193
Section 74 income	125
Increments	123
Home to school transport issues	112
Local Government Pension Scheme	103
Revenue effects of capital	34
Highway tree management survey	21
Business rates	6
Single status – assimilation of manual worker grades	2
Other pressures	3,369
Maintenance & improvement – road & footway	1,700
Maintenance & improvement – lighting	800
Service improvements	2,500
TOTAL GROWTH	6,351
NET GROWTH	5,745

	Savings £'000
Single status	11
Previous policy decisions	11
Selby Rail Inquiry – risk assessments	86
Legislative changes	86
Public inquiries – passenger transport	100
Preparation for transfer of non-core trunk roads	29
Other pressures	129
New highways contract	200
Household waste sites efficiencies	100
Replacement waste disposal contract	50
Special waste services	30
Efficiency savings	380
TOTAL SAVINGS	606

Protection		Growth £'000	Savings £'000
Fire & Rescue			
New Roads & Streets Work Act – hydrant inspector	29	East of England best value funding	20
Legislative changes	29	Fire cover review	10
Local Government Pension Scheme	22	Single status	2
Increments	20	Previous policy decisions	32
Revenue effects of capital	14	Capital payback	33
Business rates	5	Extra public holiday	26
Single status – assimilation of manual worker grades	3	Other pressures	59
Other pressures	64	Revised work scheduling	50
Handheld fireground radios	100	Youth policies	15
Service improvements	100	Establishment expenses	10
Registration		Efficiency savings	75
Increments	10	Additional income	11
Local Government Pension Scheme	7	Efficiency savings	11
Revenue effects of capital (Telecomms)	2		
Other pressures	19		
Coroners			
Local Government Pension Scheme	2		
Increments	2		
Revenue effects of capital (Telecomms)	1		
Other pressures	5		
Emergency Planning			
Increments	5	Hesmic website, ECV, and office equipment	5
Local Government Pension Scheme	3	Efficiency savings	5
Revenue effects of capital (Telecomms)	1		
Other pressures	9		

Protection continued

	Growth £'000		Savings £'000
Trading Standards			
Changes to visits to food premises	32	Single status	4
Loss of Income	5	Previous policy decisions	4
Legislative changes	37	Redirect staff resources	23
Loss of income from work for CSCS and nursing agencies	23	Other pressures	23
Increments	16	Staff vacancy factor	10
Local Government Pension Scheme	13	Stationery/postage/miscellaneous	8
Business rates	1	Efficiency savings	18
Other pressures	52		
TOTAL GROWTH	315	TOTAL SAVINGS	227
NET GROWTH	88		

Central Items

	Growth £'000
Financing charges	1,153
Flood Defence Levy	158
Other pressures	1,311
TOTAL GROWTH	1,311

Summary of net growth/savings by service

	Growth £'000	Savings £'000	Net £'000
Adult Care Service	9,771	488	9,283
Children, Schools & Families	20,288	1,167	19,121
Community Information	672	27	645
Corporate Services	1,319	541	778
Environment	6,351	606	5,745
Protection	316	227	89
Central Items	1,311	–	1,311
TOTAL	40,028	3,056	36,972

Summary of Specific Grants 2003/04

Appendix 7

Adult Care Services

Grant	Source	Basis	Budget Provision £'000
Supporting People – Services	ODPM	100% reimbursed up to government limit	17,446
Access & system capacity	DoH	100% reimbursed up to government limit	3,441
Mental Health	DoH	Qualifying expenditure on improving social care for people with a mental illness	2,150
Performance Fund	DoH	100% reimbursed up to government limit	1,935
Asylum Seeking Adults and Families*	HO	100% reimbursed up to government per capita limit	1,750
Carers	DoH	100% reimbursed up to government limit	1,509
Supporting People – Admin	ODPM	100% reimbursed up to government limit	806
Deferred Payments	DoH	100% reimbursed up to government limit	761
Training Support Programme	DoH	Certain staff groups working in adult community care and child care. 70% of expenditure	401
Information Management	DoH	100% reimbursed up to government limit	386
Drugs and Alcohol	DoH	70% of qualifying expenditure on care services for people who are misusers of drugs and/or alcohol	140
AIDS & HIV	DoH	70% of qualifying expenditure on care services for people affected by AIDS/HIV	126
Supported Employment	DfES	100% reimbursed up to government limit	2
Adult Care Services Total			30,853

* This grant income and the corresponding expenditure (net nil effect) has been excluded from the Adult Care Services budget, see page 21, The figure of £1.75 million is an estimate based on the numbers of claims anticipated in 2003/04.

NOTE: In addition to the above ACS are expecting to receive an estimated £7.77 million in respect of Preserved Rights. This is not “Specific Grant”, but is income expected from the Government.

Children, Schools & Families

Grant	Source	Basis	Budget Provision £'000
LSC Post 16 – grant for sixth formers	DfES	100% of approved expenditure	52,257
Standards Fund & National Grid for Learning	DfES	Between 50% & 100% of approved gross expenditure	23,744
School Standards Grant	DfES	100% of direct grants to schools	18,944
Teachers Pay Reform Grant	DfES	Contribution towards extra teachers costs resulting from the pay reforms	12,562
Quality Protects Care Leavers	DoH	100% reimbursed up to government limit	4,957
New Opportunities Grant Fund	NOF	100% of approved expenditure	4,428
Adult & Community Learning Grant	LSC	100% of approved expenditure	2,658
Quality Protects	DoH	100% reimbursed up to government limit	2,526
Early Years Partnership	DfES	100% of approved expenditure relating to childcare Action Plan	1,932
Unaccompanied Asylum Seeking Children**	HO	100% reimbursed up to government per capita limit	695
Children and Adolescent Mental Health Services (CAMHS)	DoH	Qualifying expenditure on improving social care for people with a mental illness	631
Advanced Further Education	HEFC	Reimbursement of staff liabilities previously charged to the AFE pool	493
Social Services Training Support	DoH	Certain staff groups working in adult community care and child care. 70% of expenditure	430
Carers	DoH	100% reimbursed up to government limit	376
Milk Subsidy	IB	75% of net approved expenditure	286
Choice Protects	DfES	100% of approved expenditure	282
School Access Grant	DfES	100% of approved expenditure	229
Adoption	DfES	100% of approved expenditure	172
Life-long Learning partnership Funding	EELPF	100% of approved expenditure	161
Nursery Milk Subsidy	DfES	100% of approved expenditure	136
Mandatory Student Awards	DfES	100% of approved expenditure	121
AIDS & HIV	DoH	70% of qualifying expenditure on care services for people affected by AIDS/HIV	3
Children, Schools & Families total			128,023

** This grant income and the corresponding expenditure (net nil effect) have been excluded from the Children, Schools & Families budget, see page 25, The figure of £0.695 million is an estimate based on the numbers of claims anticipated in 2003/04.

Environment

Grant	Source	Basis	Budget Provision £'000
Rural Bus Services	DfT	100% of approved expenditure	710
Various	CA	100% of approved expenditure	290
Environment Total			1,000

Community Information

Grant	Source	Basis	Budget Provision £'000
IT Training	NOF	100% of approved expenditure	84
Homework Clubs	SRB	100% of approved expenditure	67
Art Officer	EAB	100% of approved expenditure	12
Community Information Total			163

Other

Grant	Source	Basis	Budget Provision £'000
Emergency Planning	HO	100% of approved expenditure	219
Magistrates	LCD	80% of net approved expenditure	5,421
TOTAL SPECIFIC GRANTS			165,679

In order to reflect the Best Value initiative the financial accounting requirements for local authorities have been amended with the intention of making the calculation of the total cost of services comparable across all authorities. This includes capital charges and overheads but does not include historic pension costs or the cost of early retirements.

The figures shown in the summary revenue budget on page 13 reflect the county council's departmental structure. However, this appendix presents the information using the service analysis required by the BVACOP.

2001/02 actual £'000		2002/03 original budget £'000	2003/04 original budget £'000
26,764	Central Services	23,664	20,300
3,526	Court Services	3,749	2,859
45,069	Cultural, Environmental and Planning Services	46,522	47,417
673,789	Education	647,308	607,111
34,609	Fire	34,545	33,213
62,760	Highways, Roads and Transport Services	60,702	70,642
242	Housing Services	(127)	(140)
191,696	Social Services	205,828	234,656
1,038,455	Net Cost of Services	1,022,191	1,016,058
61	Net (surplus)/deficit on Trading Services	(115)	(115)
(217,148)	Asset Management Revenue Account	(210,098)	(102,021)
1,851	Council Tax Benefit Subsidy	-	-
6,072	Land Drainage Precepts	6,213	6,371
1,084	Lee Valley Regional Park	1,111	1,130
6,417	Interest and investment income	839	(1,129)
-	Contingency	7,648	7,672
836,792	Net Operating Expenditure	827,729	927,966
	Appropriations:		
(1,881)	Financing of Capital Expenditure	26,079	29,897
(3,645)	Contribution to/(from)Reserves	-	-
831,266	Budget for Council Tax Purposes	853,868	957,117

Summary Revenue Budget - Excluding Capital Charges

Appendix 9

134,752	Adult Care Services	147,099	146,570	172,085
552,030	Children, Schools & Families	542,431	543,386	602,759
17,132	Community Information	16,639	17,378	17,373
11,641	Corporate Services	10,093	10,926	10,864
68,683	Environment	71,921	72,368	81,366
	Protection			
25,123	Fire & Rescue	25,320	25,315	26,023
3,970	Fire Pensions	4,809	4,809	4,977
566	Registration	579	607	647
719	Coroners Service	740	791	808
204	Emergency Planning	267	336	276
2,152	Trading Standards	2,156	2,291	2,398
32,734	Protection Total	33,871	34,149	35,129
1,051	Magistrates	1,224	1,246	1,357
-	Contingency	2,348	2,176	2,372
-	Special Provision	5,300	5,100	5,300
7,156	Precepts	7,324	7,324	7,501
5,741	Capital Financing & Interest on Balances	16,538	16,175	17,684
2,140	Unapportionable Central Overheads	2,380	2,380	3,327
833,060	Net Revenue Budget	857,168	859,178	957,117
(3,645)	Funded from Reserves	-	-	-
-	Funded from Capital Resources	(3,300)	(3,300)	-
829,415	Budget Requirement	853,868	855,878	957,117
1,851	Council Tax Benefit Subsidy	-	-	-
831,266	Budget for Council Tax Purposes	853,868	855,878	957,117

Glossary of Terms

Actual Spending 2001/02

The total income and expenditure actually incurred during the financial year April 2001 to March 2002.

Annual Provisions

Capital expenditure on minor capital works, of a non-routine nature, such as repairs and refurbishment schemes. These are generally funded from the revenue budget.

Asset Management Revenue Account (AMRA)

An account the council is required to maintain under the new capital accounting arrangements which have applied from 1994/95 onwards. It contains the credit for capital charges and government grants deferred contributions, offset by charges for depreciation and external interest payments.

Base Budget 2003/04

The previous year's original budget adjusted for changes in funding, and/or function (technical adjustments) and inflation. These figures are calculated before any changes are made as a result of policy decisions. Once all policy decisions have been made the budget for 2003/04 is set.

Best Value Budget

The budget adjusted to incorporate the requirements of the CIPFA Best Value Accounting Code of Practice (BVACOP), to allow greater consistency between authorities for Best Value comparisons.

Budget Requirement

The approved total net spending of a local authority to be financed from Revenue Support Grant, redistributed Non-Domestic Rates and the council tax. It excludes income from fees & charges, certain specific grants and reserves, together with expenditure on council tax benefit subsidy.

Capital Charges

A charge covering fixed assets used in the provision of the service. The charge comprises depreciation plus notional interest (representing the cost of tying up resources in the asset).

Capital Expenditure (or Capital Spending)

All expenditure on the acquisition, creation or enhancement of (fixed) assets should be treated as capital expenditure. Fixed assets are tangible assets that yield benefits to the local authority for more than one year. Section 40 of the Local Government and Housing Act 1989 defines expenditure for capital purposes. It broadly comprises expenditure on:

- 1 The acquisition of land, buildings, plant, apparatus and vehicles.
- 2 The construction of roads and buildings.
- 3 The enhancement of land, roads and buildings (where it lengthens substantially the useful life of the asset or market value or increases substantially the extent to which the asset can be used).

Expenditure, which does not fall within the definition, must be charged to a revenue account.

Capital Programme

The council's three-year plan for capital expenditure on both major capital schemes and minor capital works.

Capital Receipts

Proceeds from the sale of land, buildings or other capital assets. Capital receipts are used to repay the debt outstanding on assets financed from loans, or to finance new capital expenditure. Receipts however cannot be used to finance revenue expenditure.

Collection fund surplus/deficit

A surplus/deficit arising from either more or less council tax than expected being collected by the district councils.

Corporate and Democratic Core

The costs of support to elected members (e.g. advice, reports, and attendance at meetings) carried out in service departments but charged centrally in the Best Value budget.

Council Tax

A local tax set by local authorities in order to meet their budget requirement. The tax is paid on most residential properties in a local authority's area and properties are valued within eight valuation bands (A-H).

Council Tax Benefit Subsidy

Council tax benefit is assistance provided to adults on low incomes to help them pay their council tax bill. The cost to local authorities is largely met by government grant. Between 1999/2000 and 2001/2002, above a guideline increase in council tax, authorities had to contribute to the additional cost of council tax benefit on a sliding scale up to 100%. The requirement for authorities to contribute towards this was abolished with effect from 1st April 2002.

Credit Approvals

A general term that covers both Basic Credit Approvals (BCAs) and Supplementary Credit Approvals (SCAs). Credit approvals are issued to local authorities by Government departments and define each year the amount of capital expenditure that may be met by borrowing and the level of borrowing itself. BCAs may be used for any capital purpose whilst SCAs are issued for a specific purpose.

Demography

Used in context of pressures for growth on the budget, resulting from changes in the population if the cost of care per person is not changed year on year.

Depreciation

A charge representing that part of a resource (fixed asset) consumed during the year.

Externally Funded

A collective term used to describe those major capital schemes financed principally by specific borrowing approvals (SCAs) and grants issued by government and contributions received from third parties such as property developers.

Fees and Charges

Income raised by charging users of services for the facilities. For example, the supply of school meals and home helps.

Financing Charges

Charges borne by the committee revenue accounts to meet the cost of financing the council's capital expenditure. These charges include the principal and interest elements of loans outstanding, leasing rentals and revenue contributions to capital outlay.

Formula Spending Shares (FSSs)

FSSs have replaced Standard Spending Assessments. Calculated by central government every year for each local authority, as a means of dividing up Total Assumed Spending (not including ring fenced or targeted grant) between local authorities.

General Programme

A collective term used to describe those major capital schemes financed principally by general borrowing approvals (BCAs) issued by government and resources generated by the authority such as proceeds from the sale of council property (general usable capital receipts) as well as revenue budget.

Gross Expenditure

Total expenditure before any income is taken into account.

National Non-Domestic Rates (NNDR)

Payments by non-domestic ratepayers are collected, via district councils, into a single national pool and then redistributed by the Government to all authorities on the basis of

fixed amount per head of population. The NNDR “multiplier”, or rate in the pound, is set by the Government.

Net Expenditure

The result of gross expenditure reduced by income from sales, fees, charges and grants (but not Revenue Support Grant and National Non-domestic Rates).

Net Revenue Budget 2003/04

The original estimated cost of services for the financial year from April 2003 to March 2004.

Original Budget 2002/03

The original estimated cost of services for the financial year from April 2002 to March 2003.

Passporting

A term used to describe when the increase in the government’s FSS for a given service is fully passed on as an increase in the service’s budgeted expenditure.

Pension Costs Charged Centrally

The past service elements of employer’s superannuation and early retirement costs, included in service departments but now charged centrally in the Best Value budget.

Precept

The levying of an amount by one local authority on another. Thus the county council levies a precept on the district council; which is the charging authority. The charging authority must include in the tax it levies a sum sufficient to meet the county council precept.

Pressures for Change

Those items required to achieve the same level of service as last year, including demography, new legislation, increments, and increased employer pension contributions.

Previous Policy Decisions

The additional costs falling on the new budget that arose from decisions taken in previous budgets.

Recharges

The transfer of costs from one account to another. Part of the cost of Central Services is recharged/transferred to the service departments that use them. e.g. The cost of legal work completed by county secretary’s for Children, Schools & Families will be recharged to the Children, Schools & Families budget.

Reserves

Sums set aside to meet general revenue or capital expenditure needs in the future without being earmarked for any particular service or project. Reserves offer scope for greater flexibility in financing future expenditure.

Resource Equalisation

The grant distribution system, through resource equalisation, seeks to equalise for differences in local authorities' need to spend and the relative ability of authorities to raise income from local council taxpayers. Equalisation is achieved by adjusting the Revenue Support Grant.

Revenue Budget

An estimate of annual income and expenditure which sets out the financial implications of the Council's policy for the year.

Revenue Support Grant (RSG)

A grant paid by Central Government in aid of local authority services in general, as opposed to specific grants, which may only be used for a specific purpose.

Self-financing

A collective term used to describe those major capital schemes, which replace an existing asset with a new asset, where the new property is financed principally by proceeds from the sale of the existing ('old') asset.

Service Improvements

Additional expenditure which increases the quality or volume of service.

Specific Grants

Government grants to local authorities for particular projects or services. These grants are usually paid as a percentage of relevant net expenditure.

Tax Base

A measure of the ability to raise council tax in the county. It is the sum of estimates made by finance offices in district councils of the number of Band D equivalent properties on which council tax is expected to be paid.

Technical Adjustments

These refer to changes relating to transfer of function, changes in funding or changes in responsibility between departments.

Total Assumed Spending (TAS)

The amount of spending by local government as a whole which the government assumes in its Spending Review Plan. Formerly known as Total Standard Spending.

Unapportionable Central Overheads

Includes any past service contribution to meet a pension fund deficit, early retirement costs and costs of other long-term unused but unrealisable assets.

Hertfordshire County Council – making Hertfordshire a better place to live by providing:

- Care for older people
- Support for schools, pupils and parents
- Support for carers
- Fire and rescue
- Fostering and adoption
- Support for people with disabilities
- Libraries
- Admission to schools
- Road maintenance and safety
- Protecting adults and children at risk
- Trading standards and consumer protection
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