

Budget 2005/06



Corporate Finance
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Foreword

Welcome to the 2005/06 edition of the Hertfordshire County Council budget book, setting out the planned use of resources to achieve the council's policy objectives. It brings together core budget data and highlights key issues facing the authority in the 2005/06 financial year.

Government influences the level of council tax by the way it allocates grant to local authorities and the budget for 2005/06 has been set in the context of receiving one of the lowest grant settlements of those shire counties with fire responsibilities. However, the County Council continues with its efficiency drive identifying further £8.5 million, which after allowing for service improvements of £1.9 million results in a council tax increase below 5 per cent.

The 2005/06 budget supports the council's promises to the public and takes account of the community strategy and improvement plan and reflects the responses from the public consultation on the budget.

The county council's promises are:


- To make Hertfordshire a better place to live and work.
- To offer children a better future.
- To help people to help themselves.
- To continue to be a top performing council by:
 - (i) giving the public value for money by getting more cost efficient every year
 - (ii) managing the organisation effectively with a diverse and capable workforce

Further information on these promises and our commitment to improvement can be found in the Best Value Performance Plan.

The public were consulted on budget options and spending priorities, as part of the budget process. The most popular option was for council tax to be set at a level that would allow some service improvements, with top priorities for any increased spending being reducing crime, maintaining roads, supporting the elderly and children at risk of harm as well as maintaining high standards of education. These findings were considered by county councillors and informed their budget and council tax decisions for the 2005/06 financial year.

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 101. Some of the financial information we present can be complex so we strive to ensure that it is explained as simply as possible. With this in mind, we would like to receive your suggestions and/or comments on the book - you can contact me by letter at County Hall, by telephone on 01992 555303, by fax on 01992 555307 or by email: chris.sweeney@hertscc.gov.uk.

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



Chris Sweeney
Finance Director



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Abbreviation

ACA	Area Cost Adjustment	HR	Human Resources
ACL	Adult & Community Learning	IB	Intervention Board
ACPO	Association of Chief Police Officers	ICT	Information & Communications Technology
ACS	Adult Care Services	IT	Information Technology
AMRA	Asset Management Revenue Account	LAC	Looked After Children
BVACOP	Best Value Accounting Code of Practice	LEA	Local Education Authority
BVPP	Best Value Performance Plan	LGA	Local Government Association
CDSU	Crime & Drugs Strategy Unit	LGOL	Local Government On-line
CSF	Children, Schools & Families	LSC	Learning & Skills Council
DDA	Disability Discrimination Act	LTP	Local Transport Plan
DEFRA	Department for Environment Food & Rural Affairs	NDS	New Deal for Schools
DfES	Department for Education & Skills	NHS	National Health Service
DfT	Department for Transport	NNDR	National Non-Domestic Rates
DoH	Department of Health	NOF	New Opportunities Fund
EPCS	Environment, Protective & Cultural Services	ODPM	Office of the Deputy Prime Minister
EU	European Union	PCSO	Police Community Support Officers
FRS	Financial Reporting Standard	RSG	Revenue Support Grant
FSS	Formula Spending Share	SCE	Supported Capital Expenditure
HALS	Hertfordshire Archives & Local Studies	SEN	Special Educational Needs
HBS	Hertfordshire Business Services	SHARP	Simplifying Hertfordshire's Accounting & Resource Processes
HEFC	Higher Education Funding Council	SLS	Schools Library Service
HO	Home Office	SMB	Strategic Management Board
		SRB	Single Regeneration Budget
		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 county councillors and officers.

Process

The process for setting the 2005/06 budget was policy driven, reflecting the authority's strategic priorities as well as the consideration of the risks that could deflect services from delivering their objectives. The process started in early summer with service reviews of costs, pressures and the identification of efficiency savings. This culminated in a report to the Cabinet in December.

The level of central Government funding for revenue expenditure is crucial in setting the authority's budget and the first indication was notified to the council on 2 December 2004 with the announcement of the Provisional Local Government Finance Settlement.

The Government also announced the level of support for local authority capital investment during December. The financing of the authority's capital programme is shown in Appendix 7, page 81.

Also in December 2004, the Cabinet set out its revenue and capital programme proposals and these were considered by Scrutiny Committees during January 2005. 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 February Cabinet meeting, together with final taxbase and collection fund figures, before the Cabinet's proposals were passed on for consideration by full council.

Following announcement of the Final Local Government Finance Settlement the county council met on 10 February 2005 and approved the budget and council tax for the financial year 2005/06. 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 2004/05 and analyses the movements to get to the 2005/06 net revenue budget, which has been set at £1,089.002 million. This includes £14.5 million of expenditure funded from general reserves.

County Council Net Revenue Budget 2005/06

	£'000
Net Revenue Budget 2004/05	1,019,180
Movements:	
Technical adjustments	3,990
Inflation	36,471
Base Budget 2004/05	1,059,641
Pressures for change	37,378
Grant funding	(1,495)
Service improvements	1,964
Efficiency savings	(8,486)
Net Revenue Budget 2005/06	1,089,002

Inflation

Inflation affects the county council the same way as it does anybody else - by increasing its costs.

An inflation rate of 1.95% for non-pay items has been allowed for in the 2005/06 budget (1.45% after adjusting for over provision in previous years). The inflation provision allowed for pay awards is an average of 2.95% for all staff. A breakdown of the £36.5 million inflation total is provided below:

Inflation	£m	% of Adjusted Revenue Budget 2004/05
Prices (non pay items)	18.1	1.8
Pay Awards 2004/05	0.8	0.1
Pay Awards 2005/06	17.6	1.7
Total Inflation	36.5	3.6

Revenue Budget Changes

A net increase of £29.4 million was made on the 2005/06 base budget of £1,059.6 million. This figure is made up of pressures for change of £37.4 million, service improvements and resources to meet schools passporting of £2.0 million, and off-set by grant funding of £1.5 million and efficiency savings of £8.5 million. The major items are listed below and full details are given in Appendix 2, page 63.

Pressures for change	£m
Service specific:	
ACS - Elderly demography	2.2
ACS - Learning disability demography	1.9
ACS - Physical disability demography	0.8
ACS - Mental Health demography	0.5
CSF - Workforce reform	2.1
CSF - Recruitment & retention of qualified social workers	1.5
CSF - Operation of schools minimum funding guarantee	1.2
CSF - Looked after children strategy	1.2
CSF - Change in number of school days	0.6
CSF - Direct payments to care leavers	0.6
CSF - Home to school transport (volume increases)	0.6
CSF - School kitchens repairs & maintenance	0.3
CSF - Autism	0.2
CSF - Provision for excluded pupils	0.2
CSF - Care leavers	0.2
CSF - Reduction in schools contingency	(0.5)
CSF - Change in pupil numbers	(1.2)
Environment - Domestic waste volumes	0.5
Fire & Rescue - Pensions deficit	0.2
Central Items:	
Additional capital programme support	12.2
Capital financing	11.7
Office rationalisation project	2.3
Impact of amending report (2003/04)	0.8
Loss of interest through use of reserves	0.4
Interest on balances	(8.5)

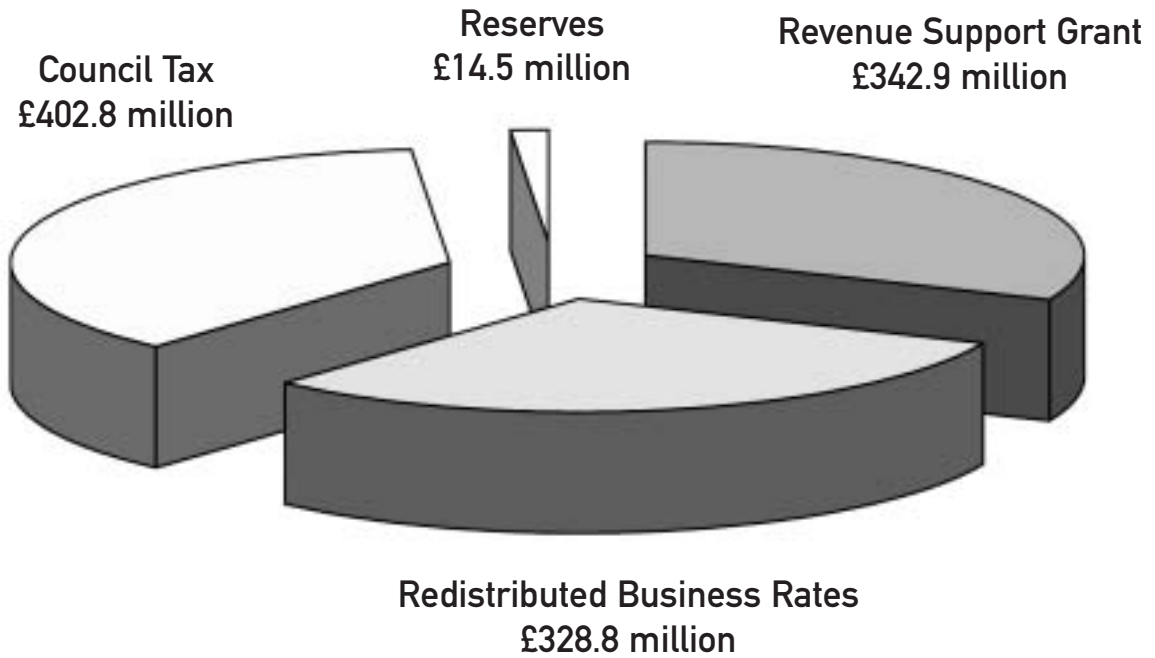
Pressures for change	£m
Across all services:	
Capital payback	1.1
Business rates	0.9
Increments	0.3
Revenue effects of capital	0.5
Service Improvements	£m
CSF - Additional resource to meet passporting requirement in 2005/06	1.6
CDSU - Police Community Support Officers	0.2
Other	0.2
Efficiency Savings (including the full year effect of previous efficiencies)	£m
CSF - LAC "invest to save" strategy	1.3
CSF - Long term efficiency gains	1.2
CSF - Capital expenditure funded from revenue	0.6
CSF - Further savings from school amalgamations	0.3
CSF - Wrixon Care - replacement of spot purchasing	0.3
CSF - Family support centre	0.2
ACS - Home care externalisation	0.2
Environment - Waste volumes & recycling	0.6
Environment - Hertfordshire Highways	0.5
Environment - Section 74 income	0.4
Information Technology - Customer Service Centre set-up costs	0.3
Fire & Rescue - Modernisation	0.3
Across all services:	
SHARP - Business process review	1.0
Lease cars insurance	0.3

Reserves

The county council estimates its balance of general reserves to be £29.6 million at 31 March 2005, of which £14.5 million will be used to support the 2005/06 budget.

Where the Money Comes from

Total £1,089.0 million



Government Funding

Spending Reviews

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. Each Spending Review covers a rolling three-year period, with the final year of Spending Review becoming the first year of the next. Spending Reviews show the Government's assumptions about local authority revenue spending, and includes details of Formula Spending Share control totals.

In July 2004, the Government announced the results of its latest Spending Review for the financial years 2005/06, 2006/07 and 2007/08.

Local Government Finance Settlement

The annual Local Government Finance Settlement is concerned with the distribution of Formula Grant, made up of Revenue Support Grant and Redistributed Business Rates.

Formula Spending Share

The Formula Spending Share (FSS) is one factor used by the Government to work out each council's share of Formula Grant (Revenue Support Grant and Redistributed Business Rates). The 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 area. Further details are given in Appendix 3, page 71.

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

The Government has not made any formula changes in 2005/06, although a review of methodology will take place before the 2006/07 FSS is announced.

An authority's FSS can vary from one year to the next resulting from changes in the authority's data and in the overall national total of FSS as well as formula changes.

Hertfordshire County Council's Finance Settlement 2005/06

The 2005/06 Local Government Finance Settlement provided Hertfordshire with a Formula Grant of £671.1 million, an increase of £49.7 million over 2004/05 on a like-for-like basis (after taking account of changes in function and funding).

Each year, the Government guarantees a minimum increase in Formula Grant for all authorities. This is known as the 'floor' grant increase. In 2005/06 the grant floor is paid for by scaling back the grant increase of all authorities above the floor. Hertfordshire is £4.4 million above the floor, and the authority's Revenue Support Grant has been reduced by £0.513 million as a result.

There is also a separate set of floors and ceilings for both sub-blocks within the Education FSS. The floor guarantees all authorities a minimum increase of 5.5 per cent and a maximum increase of 8.75 per cent per pupil in their Schools FSS block. Whilst, the LEA block has a floor and ceiling of 3.5 per cent and 4.95 per cent respectively, but this is not on a per pupil basis. Hertfordshire County Council's Education FSS has been uplifted by £1.8 million through this mechanism (£1.1 million for the Schools block and £0.7 million for the LEA block).

Area Cost Adjustment (ACA)

The ACA, which is built into the Formula Spending Share (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 2005/06 settlement the element of ACA included in the county council's FSS was £88 million (8.6 per cent of total FSS). In 2004/05 the ACA included in the FSS was £85 million (8.7 per cent of total FSS).

Council Tax Limitation - Capping

The Government has a reserve power to tell councils to set a lower budget requirement if it considers the budget requirement and council tax have been increased excessively. No guidance is given prior to councils setting their budget requirements as to what level of council tax increase is acceptable. At the end of March the Government announced that nine authorities had been identified for budget capping this year. This has not affected Hertfordshire for 2005/06.

Current Funding Issues

- The Balance of Funding report was published in July 2004, which looked at the balance between central and local funding of council services. The report concluded that there were strong arguments for shifting the balance of funding towards more local funding and that council tax should be retained but reformed. Following this report, an independent inquiry, known as the Lyons Review, was announced which will report to the Government by the end of 2005. It will make recommendations on how best to reform council tax, taking into account the revaluation of domestic property due to come into effect in 2007, assess the case for providing local authorities with increased flexibility to raise additional revenue and for making a significant shift in the current balance of funding.
- The Government has launched a consultation on proposals for the implementation of three-year revenue and capital settlements for local government in England with effect from 2006/07. The purpose is to give authorities greater certainty and stability in funding.
- The Government is also consulting on a change to the way it provides funding for schools to local authorities. The proposals to be introduced in April 2006 include three-year budgets for all maintained schools geared to pupil numbers with a guaranteed minimum increase each year for every school and a new ring-fenced Dedicated Schools Grant for school funding from the Department for Education and Skills to local authorities.

Council Tax

The band D council tax for the county council was set at £938.47, which represents an increase of 4.9 per cent. This takes account of the 4.8 per cent increase that the Government built into this year's finance settlement. The level at which the budget is set in relation to FSS largely determines the level of council tax. For every £1 million increase in the council's budget above FSS the band D council tax increases by £2.35. During 2004/05 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 £2.8 million.

Council Tax Bands & Amounts

Band	Property Value at April 1991	£
A	£40,000 or less	625.65
B	£40,001 - £52,000	729.92
C	£52,001 - £68,000	834.20
D	£68,001 - £88,000	938.47
E	£88,001 - £120,000	1,147.02
F	£120,001 - £160,000	1,355.57
G	£160,001 - £320,000	1,564.12
H	£320,001 or greater	1,876.94

Calculation of Band D Council Tax 2005/06

Tax base	426,192.09
	£m
Budget Requirement 2005/06	1,074.502
Less:	
Revenue Support Grant	(342.890)
Redistributed Business Rates	(328.840)
Surplus on Collection Fund	(2.803)
Met by council taxpayers	399.969
Band D Council Tax 2005/06	938.47

Summary Revenue Budget 2005/06 - Where the Money Goes

2003/04 Actual £'000		2004/05 Original Budget £'000	2004/05 Revised Budget £'000	2005/06 Original Budget £'000
172,921	Adult Care Services	185,683	187,007	204,152
674,603	Children, Schools & Families	723,629	724,896	760,652
	Community Services:			
28,599	Fire & Rescue	29,817	29,865	31,412
4,402	Fire Pensions	4,280	4,280	4,793
21,549	Libraries, HALS, Arts & Trading Standards	22,042	22,123	22,924
901	Crime & Drugs Strategy Unit	2,354	2,390	2,685
759	Coroners Service	813	814	839
696	Registration	734	802	860
301	Emergency Planning	296	359	629
57,207	Community Services Total	60,336	60,633	64,142
11,863	Corporate Services	10,784	11,340	11,397
99,811	Environment	100,510	100,507	109,743
(380)	Information Technology	317	784	1,163
1,943	Magistrates' Courts Committee	2,088	2,130	-
-	Contingency	3,192	2,545	935
-	Special Provision	5,300	4,440	5,300
7,501	Precepts	1,877	1,877	2,012
12,885	Capital Financing & Interest on Balances	19,436	19,303	22,962
-	Additional Capital Programme Support	-	-	12,200
-	Office Rationalisation Project	-	-	2,300
7,404	Non distributed costs	5,568	5,568	6,797
(109,607)	Asset Management Revenue Account	(107,536)	(107,536)	(108,538)
22,640	Pensions Interest Cost & Expected Return on Assets	22,154	22,154	22,569
(10,375)	Pension Reserve Appropriation	(14,158)	(14,158)	(28,784)
948,416	Net Revenue Budget	1,019,180	1,021,490	1,089,002
(2,447)	Funded from Reserves	(2,500)	(2,500)	(14,500)
945,969	Budget Requirement	1,016,680	1,018,990	1,074,502

See notes on next page

Notes:

1. The Magistrates' Courts Service transferred to the Unified Courts Administration, a new single government funded executive agency from 1st April 2005. This brings together the administration of all courts below the House of Lords. Local authorities are no longer involved in the funding of this service from 2005/06.
2. The service budget figures include capital charges and overheads. The figures are shown in Appendix 4 excluding capital charges and the FRS17 pension adjustment.

Summary of Average Staff Numbers (WTE)

2003/04 Actual		2004/05 Original Estimate	2004/05 Revised Estimate	2005/06 Original Estimate
1,852	Adult Care Services	2,064	2,064	1,971
15,905	Children, Schools & Families	16,210	15,976	16,044
	Community Services:			
928	Fire & Rescue	929	929	931
501	Libraries, HALS, Arts & Trading Standards	550	550	550
7	Crime & Drugs Strategy Unit	7	7	10
13	Coroners Service	13	13	13
33	Registration	33	33	39
12	Emergency Planning	12	12	14
1,494	Total Community Services	1,544	1,544	1,557
597	Corporate Services	606	597	577
636	Environment	656	650	670
92	Information Technology	92	112	115
20,576	Subtotal	21,172	20,943	20,934
177	Magistrates' Courts Committee	179	181	-
20,753	TOTAL	21,351	21,124	20,934

Capital Programme

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

The capital programme includes expenditure on both major capital schemes and minor capital works, such as repairs and refurbishment schemes (annual provisions).

This year the county council has approved a capital programme of £174.924 million of which £89.793 million is financed by central Government in the form of supported borrowing and capital grants. The balance of £85.131 million is financed by the county council through its capital receipts, revenue budget, capital reserves and contributions from third parties.

The programme is planned over a three-year period but only the first year (2005/06) 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).

In 2005/06 our borrowing is not financed entirely by central government as the county council makes use of the greater freedom to set our own borrowing levels within a system of 'prudential limits', following the introduction of the new Prudential Capital Finance System last year.

Further details of the capital programme and how it is funded are given in Appendices 7 - 9.

County Council Capital Programme 2005/06 to 2007/08

	2005/06 £'000	2006/07 £'000	2007/08 £'000
Adult Care Services	7,777	9,053	2,850
Children, Schools and Families	83,656	62,358	53,414
Community Services	7,195	2,955	1,323
Corporate Services	23,240	1,929	1,929
Environment	52,533	12,434	11,355
Information Technology	523	373	373
TOTAL CAPITAL PROGRAMME	174,924	89,102	71,244

Adult Care Services

The vast majority of elderly and disabled people and people with mental health problems want to live independently. They and/or their families turn to social care services for support when frailty, disability or ill health mean that independence may be lost, or they feel there is a risk of harm.

The Adult Care Services department works closely with health services, district councils, and the private and voluntary sector, using 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. The council also funds mental health services provided by Hertfordshire Partnership NHS Trust, with a transferred budget of £16.3 million.

Adult Social Care Services are under tremendous pressure faced with rising demand, increasing needs, high expectations and set budgets. For example the number of referrals each month is now 2,170 a 0.5% increase on 2002/03 and there has been a 6% increase in the demand for home care services.

With the emphasis more on rehabilitation it is often necessary to spend more on services for a short period so that an individual can start to manage more on their own. We have introduced improvements so that packages of care such as home care are giving value for money. With over 85% of the services we arranged provided by the private and voluntary

sector, our close monitoring of their quality continues to be a high priority.

As well as providing services during the day there is an emergency social care service operating outside office hours for children and adults 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 and their carers who are struggling to cope with everyday life.

Some services (mental health, learning disability, child and adolescent mental health, drug and alcohol services) are jointly commissioned from a pooled budget, hosted by the county council. This budget is formed with contributions from all partners (primary care trusts and ourselves) for each of the care groups covering health and social care and relating to the whole county. Decision making in relation to the pooled commissioning budgets takes place at the Joint Commissioning Partnership Board. Membership of this Board comprises eight county councillors, including four executive members and eight primary care trust non-executive directors or chairs as well as up to four co-opted members including the Bedfordshire & Hertfordshire Strategic Health Authority and some formal observers from the voluntary sector.

The total budget for Adult Care Services is £204,152,000



Key Issues for 2005/06

- Where possible we will offer a choice in care services and how they are delivered.
- The care services we arrange or provide will be geared towards enabling people to manage as far as possible without extra help and towards their rehabilitation.
- We will provide information and advice through a wide range of channels and funding.
- Where appropriate we will pass requests for help to community support services and preventative services, which are accessible without the need for a formal assessment. This year we will provide £8.5 million to the voluntary sector to provide local services on our behalf.
- Assessments of need will be centred on the individual and their personal circumstances. The information, care and support offered will be tailored to meet individual needs and recognise personal preferences.
- We want more people to arrange their own care or support through our Direct Payment scheme which is another way of ensuring personal choice.
- We are considering how we can introduce an on line system for personal needs assessments.
- We are continuing to modernise our day services in line with the national agenda (Valuing People: rights, independence, choice, inclusion) which broadly aims to ensure that people with learning disabilities lead full and rewarding lives. A person-centred approach to planning services is an essential part of this.
- We will continue to create 40 more accommodation places a year for people with learning disabilities. The types of accommodation and support will vary depending on the needs of those concerned.
- We will continue to work with district councils, primary care trusts and housing associations to create more extra care Sheltered Housing so that residents can access 24 hour home care services, tailored to meet their own individual circumstances.
- Our commissioning section will work closely with operational colleagues to ensure that a full range of service solutions are in place locally including services to meet the needs of minority ethnic groups.
- We will respond to the forthcoming Green Paper on a Vision for Adult Social Care.
- We are working with care home organisations to ensure that there will be care home places in the right location to meet the demands of those aged 75+ bearing in mind the predicted rise of 12% between 2000-2011.
- We will continue to develop support and services for carers so that they can continue in their role and respond to the requirements of the Carers Act which comes into force April 2005 by providing carers with an assessment of their needs.
- Working with home care agencies to tailor new services that will focus on rehabilitation and enabling, that are flexible and able to meet the requirements of the individual and specialist services for people who are mentally infirm.
- Working with health colleagues on prevention and easy access to services, streamlining assessment and overall package of services.

Direct Services £307,834,000

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 8 people in the county aged 65+ receives either community care or other residential care arranged by Adult Care Services (we arrange 49,000 home care hours in a 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 services for 3,590 people, home care services for 7,900 people and residential or nursing care for 5,220 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

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 2,917 adults with learning disabilities are known to care services. We provide accommodation for 785 people, day care for 1,550 people. The average net cost of providing a years residential care for a person with moderate learning disabilities is £40,500.

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. 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 250 residential placements and day care for 570 adults with a physical disability. In addition, our Sensory Services team provides support to over 1,200 people and our Employment Direct service supports around 400 people in a year in securing and remaining in work.

Direct Payments

We are increasing the number of people who are able to arrange to purchase their own care directly with providers. The numbers involved have grown from 175 in April 2004 to 318 at the moment. It is expected that there will be 400 in the group by the end of the financial year.

Supporting users and their carers

There are an estimated 117,000 carers in Hertfordshire of whom 27,000 are caring for more 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

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

Support Services £21,890,000

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
- Planning and commissioning new or changing services
- Planning, commissioning and reviewing Supported Housing
- Developing and managing purchasing and contracting arrangements
- HR services of recruitment, employee relations, staff development and training
- Supporting and developing information systems and technology

Summary Service Revenue Budget

2003/04 Actual £'000		2004/05 Original Budget £'000	2004/05 Revised Budget £'000	2005/06 Original Budget £'000
DIRECT SERVICES				
Older People				
10,600	Care management & assessment	9,912	9,938	10,697
99,210	Purchased services	107,376	107,376	111,309
3,925	Services provided in-house	3,508	3,510	3,727
113,735	Older People Subtotal	120,796	120,824	125,733
People with a Physical Disability				
2,650	Care management & assessment	2,743	2,749	2,857
18,155	Purchased services	22,650	22,650	23,180
3,045	Services provided in-house	3,395	3,399	3,600
23,850	People with a Physical Disability Subtotal	28,788	28,798	29,637
People with a Learning Disability				
4,022	Care management & assessment	3,924	3,933	4,243
58,284	Purchased services	64,499	64,499	68,445
24,388	Services provided in-house	25,039	25,088	26,158
86,694	People with a Physical Disability Subtotal	93,462	93,520	98,846
27,036	People with a Mental Health Problem (including contributions to the JCPB)	29,625	29,626	31,576
869	Gypsy Services	666	667	700
20,947	Supporting People	22,454	22,454	21,342
273,131	TOTAL DIRECT SERVICES	295,791	295,889	307,834
SUPPORT SERVICES				
11,943	Strategic centre & support services	14,768	15,994	17,251
2,544	Recharges from central departments	2,439	2,439	2,512
2,550	Budgets held centrally	2,065	2,065	2,127
17,037	TOTAL SUPPORT SERVICES	19,272	20,498	21,890
290,168	TOTAL DIRECT & SUPPORT SERVICES	315,063	316,387	329,724
(42,032)	Special & specific grants	(56,214)	(56,214)	(55,014)
(77,713)	Other Income	(75,704)	(75,704)	(76,624)
170,423	Subtotal	183,145	184,469	198,086
4,810	Capital Charges	4,514	4,514	5,127
(363)	Corporate & Democratic Core Recharges	(363)	(363)	(427)
(1,949)	Pensions Charge under FRS17	(1,613)	(1,613)	1,366
172,921	SERVICE TOTAL	185,683	187,007	204,152

Note: The Original Budget for 2004/05 incorporated income within Direct Services. This is now being shown separately and the expenditure is shown gross.

Average Staffing Numbers (WTE)

2003/04 Actual		2004/05 Original Estimate	2004/05 Revised Estimate	2005/06 Original Estimate
946	In-house services	1,173	1,173	1,032
629	Areas & localities	590	590	584
277	Support Services	301	301	355
1,852	SERVICE TOTAL	2,064	2,064	1,971

Notes:

1. Actual staff numbers for 2003/04 exclude agency staff.
2. The original and revised estimates for 2004/05 include mental health that transferred to Hertfordshire Partnership Trust on 1st May 2004.

Children, Schools & Families

The total budget for Children, Schools & Families is £760,652,000

Key Issues for 2005/06

- Provide a unified casework service to children and families whose needs cannot be met by universal services and require more specialist support.
- To invest in staff and ICT systems to ensure consistency in referral, assessment and long-term casework.
- Working with partners to develop local preventative strategies to stop children failing in schools or living in an unsupportive family or community environment.
- To identify additional resources to increase investment in preventative community based services. The 2005/06 budget includes “invest to save” projects which release resource to be invested in preventative strategies for Children in Need.
- Promoting the capacity of schools and other universal services to ensure that children succeed.
- To meet our funding obligations to schools - to fully passport the increase in schools FSS, to fund schools at the level of the DfES minimum guarantee and to help schools in difficulty assisted by the Targeted Transitional Support Grant.



Schools Related

Nursery Schools £16,622,000

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 Schools £243,934,000

To provide for the education of 91,700 pupils (including pupils in nursery classes) in 413 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 Schools £231,231,000

To provide education for 80,600 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 Schools £38,906,000

To provide education for 2,300 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 £152,905,000

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

2003/04 Actual £'000		2004/05 Original Budget £'000	2004/05 Revised Budget £'000	2005/06 Original Budget £'000
8,690	Nursery	14,373	14,373	16,622
217,447	Primary Education	236,133	236,133	243,934
200,631	Secondary Education	220,007	220,007	231,231
36,780	Special Education	37,446	37,446	38,906
144,719	Other Children, Schools & Families	145,809	147,076	152,905
608,267	Subtotal	653,768	655,035	683,598
75,011	Capital Charges	74,172	74,172	73,440
(310)	Corporate & Democratic Core Recharges	(319)	(319)	(327)
(8,365)	Pensions Charge under FRS17	(3,992)	(3,992)	3,941
674,603	SERVICE TOTAL	723,629	724,896	760,652

Average Staffing Numbers (WTE)

2003/04 Actual		2004/05 Original Estimate	2004/05 Revised Estimate	2005/06 Original Estimate
9,658	Teachers	9,904	9,802	9,795
6,247	Other Staff	6,306	6,174	6,249
15,905	SERVICE TOTAL	16,210	15,976	16,044

Community Services

The Community Services portfolio consists of a range of services which support and protect the people of Hertfordshire. Services within this portfolio include:

- Fire & Rescue
- Community Information (incorporating Libraries, Schools Library Service, Hertfordshire Archives & Local Studies and Trading Standards)
- Crime & Drugs Strategy Unit
- Registration Service
- Coroners Service
- Emergency Planning

The total budget for Community Services is £64,142,000



Fire & Rescue £36,205,000

Operating from 32 fire stations situated throughout Hertfordshire, the Fire and Rescue Service is dedicated to saving life and property from fires and other emergencies - be they road traffic accidents, chemical spillages, and 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 services 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 2005, the Fire and Rescue Service consisted of 557 wholetime personnel, 272 retained personnel, 30 fire control staff and 131 non-uniformed support staff.

The services 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 2005/06

- Reducing fires and related deaths, injuries, property and environmental damage in Hertfordshire through proactive fire safety activities.
- Reducing other emergencies through proactive safety measures.
- Ensuring that the service is fully equipped and staff trained to the relevant standards.
- Responding to emergencies in an effective and efficient manner when they occur.
- A service committed to engaging with the community and reflecting the community in its workforce.
- Working in partnership with other agencies and fire authorities to provide efficient and cost effective solutions.
- Continuing development of our Integrated Risk Management Plan.
- Developing processes and systems in working towards the electronic delivery of services.

Community Information

The Community Information department aims to ensure that everyone in Hertfordshire has good access to information and advice when they need it.

The department provides specific services such as Library Services, the Schools Library Service, Hertfordshire Archives & Local Studies (HALS) and Trading Standards, all of which are part of the Community Services portfolio, and their budgets are shown here. It also provides a number of authority-wide services relating to the operation of our Gateway (Customer Services Centre and web site), as well as information technology and information services, all of which make up the Information Technology Portfolio (see page 53).

Key issues for 2005/06

- Provision of a new storage area for Hertfordshire Archives & Local Studies.
- Remaining an effective enforcer of statutory responsibilities relating to Trading Standards especially those contained in the Food Service Plan and National Performance Framework Plan.
- Modernising Library Service provision.

Libraries £16,247,000

The council provides 52 libraries, 13 mobile and trailer vehicles with more than 1,000 stops across the county covering every settlement, including outreach services to more than 400 centres e.g. sheltered accommodation and one prison library. In 2003/2004 staff answered nearly 2 million enquiries and issued over 7.5 million books, videos and music recordings. Just over 5.4 million visits were made to use libraries for study, reading newspapers and journals, attending reading groups or baby rhyme times, IT taster sessions etc. 369 free access public computer terminals were available for using the Internet, the on-line catalogue, CD-ROM databases or Microsoft Office applications.

Schools Library Service (SLS) £240,000

Schools Library Service is a traded service, which in 2004/05 had contracts with 60% of Primary schools and 48% of Secondary schools. It also had contracts with a further 17 Independent schools. Throughout the year SLS provided 69,974 books to 263 Primary schools through 424 mobile library visits. A further 152,620 books were provided to schools in projects and fiction packs.

SLS also gives advice to staff in schools on how to develop effective school libraries. SLS librarians delivered over 1,075 hours of advisory time in schools and, additionally, delegates from Hertfordshire schools and from schools in other authorities attended INSET courses.

Hertfordshire Archives & Local Studies £1,182,000

Hertfordshire Archives & Local Studies preserves and promotes archive and local studies resources for the discovery and enjoyment of Hertfordshire's heritage. Collections include over 6,000 archive collections, 30,000 books, 30,000 photographs and 10,000 maps. Use of these resources is promoted through open days, courses, events and exhibitions.

In 2004/05 HALS staff dealt with around 43,000 enquiries, retrieved over 15,000 archive documents for readers, and fulfilled around 30,000 requests for photocopies and prints.

Trading Standards £2,631,000

Trading Standards safeguards the interests of consumers by enforcing fair trading laws and advises manufacturers, importers, retailers and service providers on how to comply with the law by working with them to ensure they 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. It investigates unfair and illegal business practices and deals with over 30,000 complaints and enquiries by members of the public or the business community.

Trading Standards aims to provide information for all, protect consumers against poor quality goods and services, and uphold fair trading laws.

Crime & Drugs Strategy Unit £2,685,000

The Crime and Drugs Strategy Unit is responsible for the council's statutory responsibility to reduce crime and disorder and the effects of drug and alcohol misuse. The unit works closely with the ten district councils, Hertfordshire Constabulary and a range of other agencies, implementing a variety of projects to deliver the key objectives, some of which are detailed below.

Frequently Hertfordshire residents have confirmed that crime and substance misuse levels, the fear of crime and concerns around the level of anti-social behaviour are high priority issues for the council to focus on and reduce.

Key issues for 2005/06

- Continuing to roll out the Police Community Support Officer (PCSO) initiative to provide high visibility reassurance to our residents, by tackling anti-social behaviour and reducing the fear of crime for individuals and communities.
- Co-ordinate intervention programmes that support problematic drug users, in order to implement the Drug Intervention Programme.
- Work with partner agencies to deliver the four strands: young people, treatment, supply and communities, of the National Drugs Strategy.
- Support the 10 Crime & Disorder Reduction Partnerships by ensuring that projects are delivered effectively and that relevant services are co-ordinated to support the work of partner agencies.

- Alcohol Harm Minimisation Strategy aimed at reducing the negative effects of alcohol misuse, with particular emphasis on young people and the effects alcohol misuse can have on crime and disorder, especially anti-social behaviour.
- Continuing to expand the county wide Home Security Service. This service aims to provide reassurance and peace of mind to residents of Hertfordshire by providing a high quality, free of charge, home security service. This includes the installation of home security devices, such as locks, spy-holes and key chains and offering expert advice on how to stay safe in your home.

Registration Service £860,000

This is a front line customer service. During the period April 2003 to March 2004 10,860 births and 8,416 deaths were registered. In the same period, 9,581 notices of marriages were taken with 3,624 marriages occurring in the county. A total of 13,787 copy certificates were issued. A new service commenced in 2004/05, Civil Citizenship Ceremonies, of which 1,436 took place. Registration is a statutory service.

Key issues for 2005/06

- The introduction of the Partnership Register.
- Restructuring of the Service to reflect the new responsibilities of the service.

Coroners Service £839,000

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 Coroner service in the county. In Hertfordshire there is one Coroner's District, with a part time Coroner.

In the year ended 31 December 2004 the Coroner service processed 3,233 cases of which approximately 400 were inquest cases. It is a statutory service.

Key issues for 2005/06

- The Potters Bar derailment inquest.
- Expected legislative change.
- Successful ISO 9002:2000 accreditation.

Emergency Planning £629,000

The Emergency Planning service exists to promote and develop emergency response arrangements both within the authority and throughout the county. It supports Hertfordshire County Council departments in the development of their own emergency response arrangements, identifies hazards, co-ordinates planning, training and exercises and also supports the county council in responding to actual emergencies. It 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 2005/06

- Supporting the county council in meeting the new statutory requirements of the Civil Contingencies Act.
- Continuing to enhance the county council's own resilience and capacity to withstand major disruptions to services.
- Working with other agencies to develop countywide, emergency planning arrangements to ensure that Hertfordshire can respond to a 'catastrophic incident'.

Summary Service Revenue Budget

2003/04 Actual £'000		2004/05 Original Budget £'000	2004/05 Revised Budget £'000	2005/06 Original Budget £'000
	Fire & Rescue Service:			
26,443	Fire & Rescue	27,747	27,795	29,197
4,836	Fire Pensions	5,126	5,126	5,427
31,279	subtotal	32,873	32,921	34,624
2,330	Capital Charges	2,223	2,223	2,185
(61)	Corporate & Democratic Core Recharges	(65)	(65)	(70)
(547)	Pensions Charge under FRS17	(934)	(934)	(534)
33,001	Total Fire & Rescue Service	34,097	34,145	36,205
	Libraries, HALS, Arts & Trading Standards:			
16,115	Libraries	16,310	16,283	16,247
241	Schools Library Service	235	237	240
1,048	Hertfordshire Archives & Local Studies	1,022	1,037	1,182
2,472	Trading Standards	2,624	2,649	2,631
(1)	Support Services	5	71	45
19,875	subtotal	20,196	20,277	20,345
2,320	Capital Charges	2,274	2,274	2,246
(62)	Corporate & Democratic Core Recharges	(71)	(71)	(74)
(584)	Pensions Charge under FRS17	(357)	(357)	407
21,549	Total Libraries, HALS, Arts & Trading Standards	22,042	22,123	22,924

2003/04 Actual £'000		2004/05 Original Budget £'000	2004/05 Revised Budget £'000	2005/06 Original Budget £'000
	Crime & Drugs Strategy Unit:			
901	Crime & Drugs Strategy Unit	2,354	2,390	2,673
-	Capital Charges	5	5	6
(4)	Pensions Charge under FRS17	(5)	(5)	6
897	Total Crime & Drugs Strategy Unit	2,354	2,390	2,685
	Registration:			
689	Registration	710	778	762
58	Capital Charges	53	53	63
(51)	Pensions Charge under FRS17	(29)	(29)	35
696	Total Registration	734	802	860
	Coroners:			
769	Coroners	821	822	828
3	Capital Charges	-	-	2
(13)	Pensions Charge under FRS17	(8)	(8)	9
759	Total Coroners	813	814	839
	Emergency Planning:			
314	Emergency Planning	307	370	607
-	Capital Charges	-	-	10
(13)	Pensions Charge under FRS17	(11)	(11)	12
301	Total Emergency Planning	296	359	629
57,203	TOTAL COMMUNITY SERVICES	60,336	60,633	64,142

Average Staff Numbers (WTE)

2003/04 Actual		2004/05 Original Estimate	2004/05 Revised Estimate	2005/06 Original Estimate
928	Fire & Rescue Service	929	929	931
501	Libraries, HALS, Arts & Trading Standards	550	550	550
7	Crime & Drugs Strategy Unit	7	7	10
13	Coroners	13	13	13
33	Registration	33	33	39
12	Emergency Planning	12	12	14
1,494	SERVICE TOTAL	1,544	1,544	1,557

Corporate Services

The Corporate Services department provides support for the strategic management of the council. The work of Corporate Services, and the county council as a whole, is driven by the 'Promises for Hertfordshire' (see below).

The total budget for Corporate Services is £11,397,000



Key issues for 2005/06

- To make Hertfordshire a better place to live and work
- To offer children a better future
- To help people to help themselves
- To continue to be a top performing council by:
 - (i) giving the public value for money by getting more cost efficient every year
 - (ii) managing the organisation more effectively with a diverse and capable workforce

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 £12,471,000

The Chief Executive's section £1,185,000

- Leads on the development of effective arrangements for performance management and monitoring improvement. This includes the Best Value Performance Plan (BVPP), which 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.
- Supports diversity and equality of access to all county council services and engagement and consultation with the public.
- Delivers efficient management support to the council's decision-making processes.

Corporate Communications £671,000

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

- communications guidance, advice and training
- media relations
- publicity and promotions
- e-communications

Corporate Finance £1,624,000

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
- providing investment services, taxation services and day-to-day financial management
- managing the pension fund, financial input to contract management, risk management and insurance
- providing a range of finance and accountancy functions on behalf of smaller departments

County Personnel £2,170,000

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 £200,000 of the department's budget is used for training and the development of corporate initiatives.

Hertfordshire Property £2,774,000

Responsible for getting the best value from property assets and all the council's 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 £150 million per year.

County Secretary £1,662,000

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 three front line services: Registration of Births, Deaths & Marriages, Coroners, and the Crime & Drugs Strategy Unit.

Internal Audit £900,000

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

Business Support Unit £333,000

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 and Consultancy £162,000

- Provides charge management support to major county council projects.
- The work of the unit is directed by SMB through an annual work programme.

Safety, Emergency and Risk Management £280,000

This covers corporate Health & Safety, Occupational Health, Emergency Planning and Risk Management. It supports county council 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 £617,000

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 £93,000

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

Members Services £1,691,000

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 £8,173,000**Money Advice Unit £869,000**

The Money Advice Unit encourages the take-up of benefits by Hertfordshire residents and promotes benefits and money advice across the county. It does this by supporting and advising front-line staff in Adult Care Services and Children, Schools and Families, voluntary organisations and partners such as district and borough councils. It also works directly with disadvantaged individuals and groups, such as older people, carers and children with additional needs. The unit works to increase and maintain people's capacity to lead independent lives. It supplies training, consultancy, information and policy guidance on social security and personal debt matters in addition to direct and indirect advice.

Civic Building - Property Management £3,399,000

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

Bank and Audit Charges £823,000

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

Hertfordshire Business Services (HBS) £111,000**Hertfordshire Purchasing and Supplies**

HBS 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. HBS acts as client manager for the school meals service, vehicle maintenance and all three SERCO contracts. The catalogue service has a turnover in excess of £30 million serving more than 8,000 customers. HBS 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.

Hertfordshire Reprographics

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.

Corporate Training Centre

Provides a professionally serviced, value for money day training centre to the county council at the New Barnfield Centre in Hatfield.

Courier Service

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

County Hall Catering

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

Hertfordshire Catering

With a turnover in excess of £15 million per annum, Hertfordshire Catering provides 41,000 meals a day to 415 primary schools and 45 secondary and middle schools.

Corporate Managed Properties £1,856,000

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

Staff Housing £119,000 (Contribution)

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

Other Services £1,234,000

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

Summary Service Revenue Budget

2003/04 Actual £'000		2004/05 Original Budget £'000	2004/05 Revised Budget £'000	2005/06 Original Budget £'000
	Central Services:			
932	Chief Executive	881	1,114	1,185
582	Corporate Communications	621	627	671
3,911	Corporate Finance	2,495	1,604	1,624
1,747	County Personnel	1,767	2,005	2,170
2,617	Hertfordshire Property	2,570	2,606	2,774
1,544	County Secretary	1,544	1,561	1,662
810	Internal Audit	843	859	900
292	Business Support Unit	309	315	333
246	Strategy & Consultancy	215	298	162
168	Safety, Emergency and Risk Management	228	239	280
590	Corporate Property Fees	609	609	617
55	Other Corporate Charges	154	140	93
13,494	Total Spending on Central Services	12,236	11,977	12,471
(8,561)	Less: Recharges to other Services	(9,334)	(8,669)	(9,041)
4,933	Central Services Recharge to Corporate & Democratic Core	2,902	3,308	3,430
1,662	Corporate & Democratic Core (from other services)	1,728	1,728	1,854
1,682	Members' Services	1,621	1,630	1,691
8,277	Total Corporate & Democratic Core	6,251	6,666	6,975

2003/04 Actual £'000		2004/05 Original Budget £'000	2004/05 Revised Budget £'000	2005/06 Original Budget £'000
	Other Corporate Services:			
740	Money Advice Unit	781	787	869
2,954	Civic Buildings - Property Management	3,004	3,000	3,399
834	Bank & Audit Charges	826	826	823
226	Hertfordshire Business Services	171	187	111
1,970	Corporate Managed Properties	1,998	2,197	1,856
(234)	Staff Housing	(144)	(144)	(119)
1,373	Other services	1,125	1,049	1,234
7,863	Total Spending on Other Corporate Services	7,761	7,902	8,173
(4,214)	Less: Recharges to other Services	(3,972)	(3,972)	(4,551)
3,649	Total Other Corporate Services	3,789	3,930	3,622
11,926	Subtotal	10,040	10,596	10,597
1,012	Capital Charges	1,087	1,087	482
(1,075)	Pensions Charge under FRS17	(343)	(343)	318
11,863	SERVICE TOTAL	10,784	11,340	11,397

Average Staff Numbers (WTE)

2003/04 Actual		2004/05 Original Estimate	2004/05 Revised Estimate	2005/06 Original Estimate
	Central Services:			
11	Chief Executive	11	11	16
11	Corporate Communications	11	11	12
50	Corporate Finance	51	50	45
35	County Personnel	40	35	35
70	Hertfordshire Property	70	70	62
60	County Secretary	62	60	54
22	Internal Audit	20	22	21
9	Business Support Unit	9	9	9
14	Strategy & Consultancy	15	14	5
2	Safety, Emergency and Risk Management	2	2	5
3	Members' Services	3	3	3
287	Total Central Services	294	287	267
	Other Corporate Services:			
26	Money Advice Unit	26	26	24
284	Hertfordshire Business Services	286	284	286
310	Total Other Corporate Services	312	310	310
597	SERVICE TOTAL	606	597	577

Notes:

Strategy and Consultancy - in reinforcing the work some staff have taken up substantive roles elsewhere in the council resulting in a much reduced headcount.

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 £109,743,000



Key Issues for 2005/06

- Ensuring that Hertfordshire Highways continues to deliver the service standards expected of it.
- Implementing an extensive and ambitious integrated works programme to address the road maintenance backlog, improve safety and help reduce congestion.
- Encouraging more people to use public transport through the county's second Bus Strategy.
- Continuing work on the Baldock Bypass.
- Responding to major planning applications.
- Continuing work to develop a minerals and waste development framework including a statement of community involvement.
- Ensuring Hertfordshire's voice is heard in the new planning system.
- Contributing to Regional Planning Guidance for the East of England to ensure that our concerns and aspirations are fully expressed in the Regional Planning Process, with a view to securing a more sustainable approach to development in the county.
- Working with district councils to raise the standards of design and sustainability of all new development in the county.
- Ensuring new duties and responsibilities under the Countryside and Rights of Way Act are successfully implemented.
- Working with all district councils to pursue Hertfordshire's Waste Strategy.
- Leading on the Rural Innovation Strategy to support regeneration in rural areas.
- Continuing the ongoing operation of the Hertfordshire Safety Camera Partnership.
- Continuing to develop HERMIS, our advanced computerised management system, enabling us to improve our highways service.

The Role of the Environment department

The purpose of the Environment department is to work with local people to create a better living, working and travelling environment and 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. Our department does 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. We are 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 our limited financial resources and by working in partnership with other organisations, we aim 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, 700,000 tonnes of household waste a year, 4.5 million journeys every day and thousands more new homes needed, our work touches on everyone's life.

Maintenance £35,796,000

Structural Maintenance £15,306,000

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 £8.596m in supported capital expenditure via the Local Transport Plan process for structural maintenance of the road network and bridges.

Routine Maintenance £13,582,000

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 £2,095,000

Expenditure on winter maintenance is vital to maintaining the safety and freedom of movement of the county's busier highways during the most inhospitable time of year. Most of the budget is spent on precautionary salting but provision is also made for the emergency clearance of snow and ice.

Road Lighting £4,813,000

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 as well as encouraging better relationships with our energy supplier to speed up repairs of supply related faults.

Safety £6,573,000

Traffic Management and Safety £4,674,000

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 £1,051,000

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.

School Crossing Patrols £848,000

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

Sustainable Transport Policies £15,915,000

Sustainable Transport Policies £1,192,000

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.

Passenger Transport £10,747,000

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 and 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 £5 million.

Transport Planning Policy and Strategy £2,302,000

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 (Local Transport Plan). It also undertakes development control for major development in terms of transportation requirements.

Advance Preparation and Consultation £1,674,000

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

Waste Management £23,110,000

The county council has a duty to make disposal arrangements for waste from district council collections (c 550,000 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. Since October 1996 the county council has been obliged to pay tax on every tonne of waste it disposes of in this way, with the rate of Landfill Tax being set at £18 per tonne from 1st April 2005. The government has given notice that this will rise by at least £3 every year until it reaches £35 per tonne.

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 in implementing a fully co-ordinated 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 £5,434,000

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 £4,194,000

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

2003/04 Actual £'000		2004/05 Original Budget £'000	2004/05 Revised Budget £'000	2005/06 Original Budget £'000
17,700	Structural Maintenance	15,056	12,991	15,306
12,025	Routine Maintenance	13,021	15,452	13,582
2,410	Winter Maintenance	1,903	1,918	2,095
4,685	Road Lighting	4,015	4,040	4,813
36,820	Total Maintenance	33,995	34,401	35,796
4,033	Traffic Management and Safety	4,202	3,573	4,674
941	Road Safety Education and Training	997	1,007	1,051
696	School Crossing Patrols	775	770	848
5,670	Total Safety	5,974	5,350	6,573
901	Sustainable Transport Policies	938	1,073	1,192
9,313	Passenger Transport	10,498	10,545	10,747
2,541	Transport Planning Policy and Strategy	2,339	1,922	2,302
1,395	Advance Preparation and Consultation	1,431	1,484	1,674
14,150	Total Sustainable Transport Policies	15,206	15,024	15,915
19,418	Waste Management	21,350	21,229	23,110
4,265	Strategy Planning and Information	4,418	5,091	5,434
3,811	Environmental Management	4,083	3,928	4,194
84,134	Subtotal	85,026	85,023	91,022
17,159	Capital Charges	16,823	16,823	18,945
(739)	Corporate & Democratic Core Recharges	(739)	(739)	(761)
(743)	Pensions Charge under FRS17	(600)	(600)	537
99,811	SERVICE TOTAL	100,510	100,507	109,743

Average Staffing Numbers (WTE)

2003/04 Actual		2004/05 Original Estimate	2004/05 Revised Estimate	2005/06 Original Estimate
636	SERVICE TOTAL	656	650	670

Information Technology

The Information Technology Portfolio consists of a range of services provided to the authority by Community Information, including voice and data networks, the Gateway, information systems, security, and information and project management. This enables and enhances service delivery and is key to more efficient working in the future.

The total budget for Information Technology is £1,163,000



Key Issues for 2005/06

- The re-tender of the Customer Service Centre contract.
- Phase 2 of implementing the new corporate resource management system - Finance, Purchasing, Human Resources (HR) and Payroll.
- Supporting the office project and new ways of working.

Corporate ICT Infrastructure £6,169,000

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 and E-Government £2,594,000

Corporately responsible for Information Systems, Information/Knowledge Management, and e-Business activity. Working in partnership with districts and other organisations to deliver joined up e-government for Hertfordshire. Managing the development of key corporate systems such as Finance and HR/Pay via the SHARP (Simplifying Hertfordshire's Accounting and Resource Processes) project.

Customer Service Centre £2,434,000

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

2003/04 Actual £'000		2004/05 Original Budget £'000	2004/05 Revised Budget £'000	2005/06 Original Budget £'000
7,217	Corporate ICT Infrastructure	3,322	6,332	6,169
1,846	Corporate Information Systems & E-Government	2,064	2,251	2,594
2,491	Customer Service Centre	2,726	2,726	2,434
(11,817)	Less: Recharged to other services	(7,658)	(10,388)	(10,094)
(263)	Subtotal	454	921	1,103
81	Capital Charges	54	54	58
(71)	Corporate & Democratic Core Recharges	(87)	(87)	(116)
(127)	Pensions Charge under FRS17	(104)	(104)	118
(380)	SERVICE TOTAL	317	784	1,163

Average Staffing Numbers (WTE)

2003/04 Actual		2004/05 Original Estimate	2004/05 Revised Estimate	2005/06 Original Estimate
92	SERVICE TOTAL	92	112	115

Note: The increase in staff numbers reflects the transfer into Community Information of the SHARP project team.

1. That the County Council deplores and regrets the continued interference to the local budgetary process and threats to intervene through capping from Central Government contained in Minister Raynsford's unwarranted letter of 28 January 2005, especially as it (and other subsequent local political comments) were based on inaccurate press comments and preliminary budget documents which were clearly conditional on receipt of final numbers, not least the final Government grant data (which incidentally further reduced grant by £400,000), collection fund and the impact of major office consolidation proposals.

2. That the Council endorses the Cabinet's concern that once again Hertfordshire has received a significantly below average settlement, that the grant formula has again been used to the county's disadvantage, that Government has failed again to use 2001 census data in calculating grant, and that overall Hertfordshire has received up to £13 million less than it might have expected in net grant for 2005/06 (in addition to the £0.6m reduction in highways capital funding through the LTP) which is equivalent to 3.3% on Council tax requirements.

3. That the revenue budget for 2005/06 be agreed as follows:-

	2005/06 Proposed Budget (excl. capital charges and FRS 17) £m	2005/06 Capital charges and FRS 17 adjustment £m	2005/06 Proposed Budget (incl. capital charges and FRS 17) £m
Adult Care Services	197.659	6.493	204.152
Children, Schools and Families	683.271	77.381	760.652
Community Services			
<i>Libraries, HALS, Arts & Trading Standards</i>	<i>20.271</i>	<i>2.653</i>	<i>22.924</i>
<i>Fire & Rescue</i>	<i>34.554</i>	<i>1.651</i>	<i>36.205</i>
<i>Coroners</i>	<i>0.828</i>	<i>0.011</i>	<i>0.839</i>
<i>Emergency Planning</i>	<i>0.607</i>	<i>0.022</i>	<i>0.629</i>
<i>Registration</i>	<i>0.762</i>	<i>0.098</i>	<i>0.860</i>
<i>Crime Reduction Unit</i>	<i>2.673</i>	<i>0.012</i>	<i>2.685</i>
Total Community Services	59.695	4.447	64.142
Corporate Services	10.597	0.800	11.397
Environment	90.261	19.482	109.743
Information Technology	0.987	0.176	1.163

	2005/06 Proposed Budget (excl. capital charges and FRS 17) £m	2005/06 Capital charges and FRS 17 adjustment £m	2005/06 Proposed Budget (incl. capital charges and FRS 17) £m
Central Items:			
<i>Contingency</i>	0.935		0.935
<i>Special Provision</i>	5.300		5.300
<i>Precepts</i>	2.012		2.012
<i>Capital Financing & Interest on Balances</i>	22.962		22.962
<i>Additional Capital Programme Support</i>	12.200		12.200
<i>One-off spending on the Office Rationalisation Project</i>	2.300		2.300
<i>Other</i>	0.823	28.543	29.366
Total Central Items	46.532	28.543	75.075
Pension Reserve		(28.784)	(28.784)
Asset Management Revenue Account		(108.538)	(108.538)
	1,089.002	0.000	1,089.002
Use of Reserves	(14.5000)		(14.500)
Budget Requirement	1,074.502		1,074.502

[The above budget reflects the following changes made since the preliminary budget was discussed by Cabinet on 13th December 2004:-

- a) updated information relating to inflation and budget pressures, adjustments between service budgets and adjustments to reflect capital charges and the accounting requirements for retirement benefits.
- b) the following service improvements:

	£'000
Additional Police Community Support Officers	150
Additional funding for the Handy Vans service	75
Section 106 resources	50
Additional funding for the Money Advice Unit service	35
Recruitment and retention	<u>100</u>
	410

- c) the application of the £495,000 increase in the Choice Protects and Adoption Grants to offset the following Children, Schools and Families spending pressures:

	£'000
Care Leavers	160
Increased Level of Contact	113
Independent Review Team	125
Care Standards, NSPCC Contracts etc.	<u>97</u>
	495

- d) the application of the £2,530,000 increase in the Access and Systems Capacity Grant as follows:

	£'000
Inflation	270
Adult Care Services demography	1,000
IRIS Implementation and Development	230
Single Assessment Implementation	200
SHARP Business Process Review	100
Nightingale House ñ Assessment and Treatment Unit	140
Capacity to develop homecare and residential care services	150
Establishing integrated health and social care teams	150
Employment Direct	<u>290</u>
	2,530

- e) the inclusion of £2,300,000 funded from reserves to finance revenue costs associated with the office rationalisation project.

- f) a one-off increase in revenue contributions funded from reserves to the capital programme of £12,200,000.

- g) a reduction in interest earned of £400,000 resulting from the use of reserves.]

4. That the proposed schools budget for 2005/06 be agreed as £530.692 million (excluding capital charges) plus £16.999 million in respect of the Teachers Threshold/Performance Related Pay Grant.

5. That the schools contingency allocation be reduced by £500,000 to give £1,554,000 available resource within the passported budget allocated as follows:

	£'000
Additional cost of Standards Fund Contributions	451
Continuation of support for Ethnic Minority Achievement	239
Increase in the delegated schools budgets*	<u>864</u>
	1,554

* To be allocated equally between primary and secondary schools in order to maintain the AWPU differentials. An equivalent approach to be adopted for nursery and special schools.

6. 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 all other staff be delegated to services when the awards are known.
7. That the Council deplores the cut by government in the Ethnic Minority Achievement Grant and welcomes the agreement of the Schools Forum for the continuation of the Council's contribution for the ensuing year.
8. That the Council calls upon the government and Learning & Skills Council to review the funding of post-16 education to ensure that the entire cost of collaborative working and transport is met from funding intended for post-16 education.
9. That the Capital Programme for 2005/06 - 2006/07 proposed by Cabinet on 13 December be agreed subject to:
 - a) the updated information included in the report relating to the Children, Schools and Families externally funded programme.
 - b) the capital budget for Household Waste Centres be increased by £200,000 to £1,200,000 to allow the improvements at Stevenage, Rickmansworth and Royston to be progressed and that the £494,000 Waste Performance and Efficiency Grant for 2005/06 be applied to the funding of this.
 - c) the office reorganisation scheme being included in the Capital Programme and £17 million being included in 2005/06 to provide bridging finance for the project, to be funded by borrowing and to be repaid from capital receipts from the disposal of surplus office accommodation following the moves.
 - d) the addition of the following schemes to the 2005/06 Capital Programme:

	£'000
CSF Family Assessment Centre re-provision	650
Libraries Disabilities Discrimination Act: Lifts for Watford and Hemel Hempstead	215
Education - school musical instruments	100
CSF Schools:	
<i>Southwest Herts Schools</i>	<i>1,500</i>
<i>Breachwood Green</i>	<i>550</i>
<i>Sarratt</i>	<i>200</i>
Conversion to Pilot Key Stage 4 Learning Centre for Youth Programmes Unit in Potters Bar	725
Project fund for Herts Together priority projects on a match-funding basis	<u>200</u>
	4,140

to produce a Capital Programme set out in summary below and in detail in the attached schedules (Annexes 1 and 2 attached).

	2005/06	2006/07	2007/08
	£m	£m	£m
Adult Care Services	7.777	9.053	2.850
Children, Schools and Families	83.656	62.358	53.414
Community Information	7.195	2.955	1.323
Corporate Services	23.240	1.929	1.929
Environment	52.533	12.434	11.355
Information Technology	0.523	0.373	0.373
Total Services	174.924	89.102	71.244

Of this for 2005/06 £33.045 million is funded from capital receipts, £42.560 million from supported borrowing, £29.100 million from unsupported borrowing, £47.768 million from capital grants, £10.544 million from reserves, £8.550 million from revenue contributions and £3.357 million from capital payback.

10. That the balance of £5.1 million on the NNDR revaluation reserve be transferred to general reserves.
11. That to support these expenditure proposals a Council Tax increase of 4.9% be agreed.
12. That a withdrawal from reserves of £14.5 million to support the enhanced capital programme be agreed.
13. That the net general reserves be set at £15.1 million which, together with the £5.3 million special provision, will cover known uncertainties of £20.4 million.
14. That the Band D Council Tax for the County Council in 2005/06 be £938.47 and that the amount of tax calculated for all bands be as follows:

Band A	£625.65
Band B	£729.92
Band C	£834.20
Band D	£938.47
Band E	£1,147.02
Band F	£1,355.57
Band G	£1,564.12
Band H	£1,876.94

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

Broxbourne Borough Council	£33,023,726.98
Dacorum Borough Council	£51,914,283.46
East Hertfordshire District Council	£51,459,425.82
Hertsmere Borough Council	£37,703,970.72
North Hertfordshire District Council	£44,472,028.67
St Albans City & District Council	£55,195,174.58
Stevenage Borough Council	£25,633,566.66
Three Rivers District Council	£34,891,554.44
Watford Borough Council	£28,660,123.02
Welwyn Hatfield District Council	£37,014,636.35
Total	£399,968,490.70

16. That the Chief Executive be authorised to issue the Council Tax leaflets after consultation with the Leader of the Council.

Summary of Growth and Savings by Service

Appendix 2

Adult Care Services

	Growth £'000		Savings £'000
Elderly	2,171	Home care externalisation	189
Learning disability	1,885	Previous policy decisions	189
Physical disability	789	Business rates	3
Mental health	473	Other pressures	3
Demography	5,318	Reduction in sickness	140
Introduction of national minimum standards	40	SHARP / Business Process Review	80
Legislative changes	40	Lease car insurance saving	67
Capital payback	262	Enabling homecare	50
Management fee - registration of hostels	120	Efficiency saving	337
Increments	74		
Revenue effects of telecomms	74		
Revenue effects of capital	50		
Single Status - assimilation of manual worker grades	3		
Other pressures	583		
TOTAL GROWTH	5,941	TOTAL SAVINGS	529
NET GROWTH	5,412		

Children, Schools & Families

	Growth £'000		Savings £'000
Recruitment & retention of qualified social workers	1,500	Family Support Centre service	220
Previous policy decisions	1,500	Borehamwood	124
Direct payments to care leavers	554	Previous policy decisions	344
Autism	230	Changes in pupil numbers	1,198
Provision for excluded pupils	225	Demography	1,198
Care leavers	160	Reduction in schools contingency	500
Alternative provision at key stage	54	Other pressures	500
Advocacy for looked after children and children in need	40	LAC "invest to save" strategy	1,265
Demography	1,263	Long term efficiency gains	1,152
Workforce reform	2,125	Capital expenditure funded from revenue	625
Operation of minimum funding guarantee	1,200	School amalgamations	337
School kitchens - repairs & maintenance	300	Wrixon Care - replacement of spot purchasing	250
Play groups - support for children with additional education needs	131	Charging for services	139
Independent review team	125	Lease car insurance saving	126
New court protocol for increased level of contact	122	Leonard Cheshire contract	100
Support scheme for 3 years olds	120	Childminding	100
Care standards	100	IT equipment & infrastructure costs	75
Co-ordination of admissions arrangements	100	Youth Service	54
Mediation	10	On-line admissions	20
Early closure of accounts	6	Efficiency savings	4,243
Universal provision for all 3 year olds	3		
Legislative changes	4,342		

Children, Schools & Families (cont.)

	Growth £'000	Savings £'000
Looked after children (LAC) strategy	1,200	
Business rates	759	
Change in number of school days	616	
Adult & Community Learning (ACL)	531	
Capital payback	397	
Home to School transport - volume increases: SEN	380	
Home to School transport - volume increases: Mainstream	265	
Joint disability	140	
Single Status - assimilation of manual worker grades	129	
Revenue effects of telecomms	129	
Travel eligibility	100	
Management information contract testing	60	
Care standards in residential homes	60	
Increments	55	
Regrading of transport and admission staff	20	
NSPCC contracts	15	
Other pressures	4,856	
Additional resources to meet passporting requirements	1,554	
Service Improvements	1,554	
TOTAL GROWTH	13,515	
		TOTAL SAVINGS
		6,285
NET GROWTH	7,230	

Community Services:

	Growth £'000		Savings £'000
Fire & Rescue			
Pensions deficit	150	Modernisation	250
Capital payback	142	Lease car insurance saving	15
Business rates	33	Efficiency savings	265
Increments	10		
Other pressures	335		
SUBTOTAL GROWTH	335	SUBTOTAL SAVINGS	265

Libraries, HALS, Arts & Trading Standards

Loss of income (Trading Standards)	5	Libraries Best Value Review:	
Legislative changes	5	Sunday opening pilot	30
Revenue effects of capital	129	Previous policy decisions	30
Business rates	32	Capital payback	214
Increments	25	Other pressures	214
Single Status - assimilation of manual worker grades	11	Trading Standards queries to Consumer Direct instead of Customer Service Centre	90
Arts development: match EDU contribution to Arts/Culture	7	Miscellaneous running costs	32
Other pressures	204	Lease car insurance saving	5
		Efficiency savings	127
SUBTOTAL GROWTH	209	SUBTOTAL SAVINGS	371

Community Services (cont.):

	Growth £'000		Savings £'000
Crime & Drugs Strategy Unit			
Police Community			
Support Officers	150		
Handy vans	75		
Service improvements	225		
SUBTOTAL GROWTH	225		
Coroners			
Press enquiries relating		Staffing	12
to inquests	12	Efficiency savings	12
Increments	2		
Other pressures	14		
SUBTOTAL GROWTH	14	SUBTOTAL SAVINGS	12
Registration			
Business rates	7	Development of	
Increments	5	citizenship ceremonies	13
Other pressures	12	Lease car insurance saving	1
		Efficiency savings	14
SUBTOTAL GROWTH	12	SUBTOTAL SAVINGS	14
Emergency Planning			
Re-grading of Emergency		Equipment & materials	4
Planning Officers' career scheme	15	Lease car insurance saving	1
Increments	2	Postage	1
Other pressures	17	Efficiency savings	6
SUBTOTAL GROWTH	17	SUBTOTAL SAVINGS	6
TOTAL GROWTH	812	TOTAL SAVINGS	668
NET GROWTH	144		

Corporate Services

	Growth £'000		Savings £'000
Business rates	136	Additional contribution due to restructuring in HBS	80
Capital payback	133	Additional income	42
Increments	55	Lease car insurance saving	31
Revenue effects of telecomms	32	Security guard contracts	25
Loss of income from Magistrates	19	Civic Buildings	24
Members allowances	18	Staffing	21
Single Status - assimilation of manual worker grades	1	Subscriptions	15
Other pressures	394	Risk Management	13
Recruitment & retention	100	Internal Audit	6
Section 106 property post	50	Corporate Communications	4
Money Advice Unit	35	Other	29
Service improvements	185	Efficiency savings	290
TOTAL GROWTH	579	TOTAL SAVINGS	290
NET GROWTH	289		

Information Technology

	Growth £'000		Savings £'000
Revenue effects of capital grant expenditure: LGOL	76	Business rates	2
Increments	11	Other pressures	2
Revenue effects of telecomms	7	Customer Service Centre set-up costs	280
Loss of income from Magistrates	5	Lease car insurance saving	8
Other pressures	99	Telecoms	7
		Efficiency savings	295
TOTAL GROWTH	99	TOTAL SAVINGS	297
		NET SAVINGS	198

Environment

	Growth £'000		Savings £'000
Domestic waste volumes	500	Savercard	100
Road length increases	100	Preparation for transfer of	
Demography	600	non-core trunk roads	50
WasteAware funding	100	Business rates	14
Duty to salt	50	Other pressures	164
Traffic Management Act	50	Waste volumes & recycling	600
Countryside & Rights of Way Act	50	Hertfordshire Highways contract	500
Local development frameworks		Section 74 income	375
for minerals & waste	40	Charges	32
Strategic environmental appraisals	40	Lease car insurance saving	31
Legislative changes	330	Staffing efficiencies	30
Capital payback	370	Efficiency savings	1,568
Increments	71		
Revenue effects of capital	50		
Bus routes requiring support	50		
Local Transport Plan 2	47		
ACPO road death investigations	26		
Herts Observatory	20		
Revenue effects of telecomms	9		
Other pressures	643		
TOTAL GROWTH	1,573	TOTAL SAVINGS	1,732
		NET SAVINGS	159

Central Items

	Growth £'000		Savings £'000
Additional capital programme support	12,200	SHARP / Business	
Capital Financing & Interest on Balances	3,276	Process Review	920
Office rationalisation	2,300	Efficiency savings	920
Impact of amending report 03/04	823		
Loss of interest through use of reserves	400		
Precepts	59		
Other pressures	19,058		
TOTAL GROWTH	19,058	TOTAL SAVINGS	920
NET GROWTH	18,138		

Summary of Net Growth / Savings by Service

	Growth £'000	Savings £'000	Net £'000
Adult Care Services	5,941	529	5,412
Children, Schools & Families	13,515	6,285	7,230
Community Services	812	668	144
Corporate Services	579	290	289
Environment	1,573	1,732	(159)
Information Technology	99	297	(198)
Central Items	19,058	920	18,138
TOTAL	41,577	10,721	30,856

General

Each year the Government calculates a Formula Spending Share (FSS) for each local authority. Formula Spending Shares 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. Formula Spending Shares, 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.

Formula Spending Shares are divided into major service blocks because there are very different factors influencing each service area and one formula could not be devised for local authority services generally. For example, the factors, which appear to explain variations in the cost of providing social services for the elderly, are very different from those that 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 take into account a number of other cost pressures including rural sparsity, density and visitors and commuters.

The relative size of these top-ups varies between services. The Formula Spending Share 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	Schools Block	Primary	192.407641
		Secondary	221.420307
		Under 5	64.396879
		High Cost Pupils	49.042860
		Schools Damping	1.168928
	LEA Block	Youth & Community	8.914883
		LEA	51.309826
		LEA Damping	0.681054
			<u>589.342378</u>

Service Block	Sub-block	FSS £m
Personal Social Services	Children	57.143641
	Older People	118.213825
	Younger Adults	69.954083
		245.311549
Fire		35.571587
Highways		45.335753
Environment, Protective & Cultural Services (divided into five sub-blocks)		77.008309
Capital Financing (divided into three sub-blocks)		34.981244
TOTAL FORMULA SPENDING SHARE		<u>1,027.550820</u>

Individual figures may not add up to the total due to roundings.

2005/06 Settlement

Hertfordshire's Formula Spending Share of £1,027.6 million represents a 5.1% increase on the figure Government has provided for 2004/05 for comparison purposes, taking into account adjustments for changes in function/funding.

2005/06 FSS Main Changes in Function & Funding

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

Personal Social Services FSS

Younger Adults/Older People - the Government has transferred the following specific grants into the Personal Social Services FSS:

- Residential Allowances
- Preserved Rights

This has resulted in an increase in the Personal Social Services FSS of £5.2 million

Environment, Protective & Cultural Services (EPCS) FSS

Magistrates - funding for Magistrates Courts will transfer to the Unified Courts Authority from April 2005 (a reduction to the EPCS FSS of £1.3 million).

Emergency Planning - the Government has transferred specific grant for Civil Defence into the EPCS FSS (an increase in the EPCS FSS of £0.3 million).

Summary Revenue Budget - Excluding Capital Charges & Pension Adjustments

Appendix 4

2003/04 Actual £'000		2004/05 Original Budget £'000	2004/05 Revised Budget £'000	2005/06 Original Budget £'000
170,060	Adult Care Services	182,782	184,106	197,659
607,957	Children, Schools & Families	653,449	654,716	683,271
	Community Services:			
26,382	Fire & Rescue	27,682	27,730	29,127
4,836	Fire Pensions	5,126	5,126	5,427
19,813	Libraries, HALS, Arts & Trading Standards	20,125	20,206	20,271
905	Crime & Drugs Strategy Unit	2,354	2,390	2,673
769	Coroners Service	821	822	828
689	Registration	710	778	762
314	Emergency Planning	307	370	607
53,708	Community Services Total	57,125	57,422	59,695
11,926	Corporate Services	10,040	10,596	10,597
83,395	Environment	84,287	84,284	90,261
(314)	Information Technology	367	834	987
1,318	Magistrates' Courts Committee	1,325	1,367	-
-	Contingency	3,192	2,545	935
-	Special Provision	5,300	4,440	5,300
7,501	Precepts	1,877	1,877	2,012
12,885	Capital Financing & Interest on Balances	19,436	19,303	22,962
-	Additional Capital Programme Support	-	-	12,200
-	Office Rationalisation Project (one-off)	-	-	2,300
-	Non distributed costs	-	-	823
948,416	Net Revenue Budget	1,019,180	1,021,490	1,089,002
(2,447)	Funded from Reserves	(2,500)	(2,500)	(14,500)
945,969	Budget Requirement	1,016,680	1,018,990	1,074,502

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.

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.

2003/04 Actual £'000		2004/05 Original Budget £'000	2005/06 Original Budget £'000
19,509	Central Services	17,045	33,815
2,701	Court Services	2,901	839
48,111	Cultural, Environmental and Planning Services	52,070	56,574
611,117	Education	635,774	667,032
33,809	Fire	34,063	36,166
74,424	Highways, Roads and Transport Services	72,566	78,525
(108)	Housing Services	(144)	(119)
237,800	Social Services	264,938	289,523
1,027,363	Net Cost of Services	1,079,213	1,162,455
(393)	Net (surplus)/deficit on Trading Services	(121)	(185)
(109,607)	Asset Management Revenue Account	(107,536)	(108,538)
6,371	Flood Defence Precepts	713	772
1,130	Lee Valley Regional Park	1,164	1,240
7,851	Interest and investment income	3,004	(5,181)
-	Amending report 2003/04	-	823
22,640	Pension interest cost and expected return on assets	22,154	22,532
-	Contingency	8,492	6,235
955,355	Net Operating Expenditure	1,007,083	1,080,053
	Appropriations:		
3,436	Financing of Capital Expenditure	26,255	37,733
(10,375)	Contribution to/(from) pensions reserve	(14,158)	(28,784)
(2,447)	Contribution to/(from)Reserves	(2,500)	(14,500)
945,969	Budget for Council Tax Purposes	1,016,680	1,074,502

Summary of Specific Grants 2005/06

Appendix 6

Grant	Source	Basis	Budget Provision £'000
Adult Care Services			
Supporting People - Services	DoH	100% reimbursed up to government limit	21,342
Access & System Capacity	DoH	100% reimbursed up to government limit	11,757
Preserved Rights	DoH	100% reimbursed up to government limit	5,403
Residential Care Allowances	DoH	100% reimbursed up to government limit	3,554
Carers	DoH	100% reimbursed up to government limit	2,730
Mental Health	DoH	Qualifying expenditure on improving social care for people with a mental illness	2,376
Delayed Discharges	DoH	100% reimbursed up to government limit	2,013
Children and Adolescents Mental Health	DoH	100% reimbursed up to government limit	1,207
Training Support Programme	DoH	Certain staff groups working in adult community care and child care. 70% of expenditure	1,081
Drug Interventions Programme	DoH	100% reimbursed up to government limit	1,028
Young Persons Substance Mis-use	DoH	100% reimbursed up to government limit	957
Supporting People - Admin	DoH	100% reimbursed up to government limit	750
Human Resources Development Strategy	DoH	100% reimbursed up to government limit	734
Asylum Seeking Adults & Families	HO	100% reimbursed up to government per capita limit	720
AIDS & HIV	DoH	70% of qualifying expenditure on care services for people affected by AIDS / HIV	177
Adult Care Services Total			55,829

**Budget
Provision
£'000**

Grant	Source	Basis	Budget Provision £'000
Children, Schools & Families			
LSC Post 16 - Grant for Sixth Formers	DfES	100% of approved expenditure	64,172
Standards Fund & National Grid for Learning	DfES	Between 50% & 100% of approved gross expenditure	36,190
School Standards Grant	DfES	100% of direct grants to schools	21,313
Teachers Pay Reform Grant	DfES	Contribution towards extra teachers costs resulting from the pay reforms	16,999
Sure Start Grant - various streams	DfES	Contribution towards delivery of Sure Start objectives	5,411
Adult & Community Learning Grant	DfES	100% of approved expenditure	2,676
Safeguarding Children	DoH	Funding for Child Protection Schemes. 100% of approved expenditure	1,280
Choice Protects	DfES	100% of approved expenditure	801
Carers	DoH	100% reimbursed up to government limit	726
Seeking Children	HO	Unaccompanied Asylum 100% reimbursed up to government per capita limit	646
National Training Strategy	DoH	Provision of support, consultancy, learning & development	508
Adoption	DfES	100% of approved expenditure	450
Advanced Further Education	HEFC	Reimbursement of staff liabilities previously charged to the AFE pool	420
Human Resources Development Strategy	DoH	Provision of support, consultancy, learning & development	346
Teenage Pregnancy	DoH	100% of approved expenditure	268
School Access Grant	DfES	100% of approved expenditure	231
Milk Subsidy	IB	75% of net approved expenditure	215
Nursery Milk Subsidy	DfES	100% of approved expenditure	105
Change Fund	DfES		79
Mandatory Student Awards	DfES	100% of approved expenditure	18
Government Milk Grants	DfES	75% of net approved expenditure	1
Children, Schools & Families Total			152,855

Grant	Source	Basis	Budget Provision £'000
Environment			
Road De-Trunking	DfT	100% of approved expenditure	1,911
Rural Bus Services	DfT	100% of approved expenditure	757
Planning Delivery	ODPM	100% of approved expenditure	142
Travel Plan Bursery	DfT	100% of approved expenditure	166
Various	EU/DEFRA	100% of approved expenditure	188
Environment Total			3,164
Libraries, HALS, Arts & Trading Standards Total	SRB	100% of approved expenditure	10
TOTAL SPECIFIC GRANTS			211,858

Capital Programme 2005/06 - 2007/08

Appendix 7

	Total Scheme				
	Cost £'000	2005/06 £'000	2006/07 £'000	2007/08 £'000	Total £'000
PART A : Major Schemes					
General Programme					
Adult Care Services	10,505	3,198	2,903	300	6,401
Children, Schools and Families	46,025	16,795	9,781	3,623	30,199
Community Services - Libraries, HALS, Arts & Trading Standards	2,962	1,972	707	(300)	2,379
Community Services - Fire & Rescue	8,475	600	125	750	1,475
Corporate Services	20,911	18,811	500	500	19,811
Environment	41,723	13,953	7,280	7,230	28,463
Total General Programme Schemes	130,601	55,329	21,296	12,103	88,728
Self-Financing					
Adult Care Services	10,200	2,300	5,300	1,700	9,300
Children, Schools and Families	19,088	9,912	2,289	1,000	13,201
Community Services - Fire & Rescue	8,900	3,750	1,250	-	5,000
Total Self-Financing	38,188	15,962	8,839	2,700	27,501
Externally Funded					
Adult Care Services	1,679	1,429	-	-	1,429
Children, Schools and Families	62,393	49,529	42,868	41,371	133,768
Environment	43,197	37,026	3,600	2,571	43,197
Information Technology	150	150	-	-	150
Total Externally Funded Schemes	107,419	88,134	46,468	43,942	178,544
TOTAL FOR MAJOR SCHEMES	276,208	159,425	76,603	58,745	294,773
PART B: Annual Provisions (Repairs and Refurbishment)					
Adult Care Services		850	850	850	2,550
Children, Schools and Families		7,420	7,420	7,420	22,260
Community Services - Libraries, HALS, Arts & Trading Standards		437	437	437	1,311
Community Services - Fire & Rescue		418	418	418	1,254
Community Services - Registration		18	18	18	54
Corporate Services		4,429	1,429	1,429	7,287
Environment		1,554	1,554	1,554	4,662
Information Technology		373	373	373	1,119
TOTAL ANNUAL PROVISIONS		15,499	12,499	12,499	40,497

	Total Scheme Cost £'000	2005/06 £'000	2006/07 £'000	2007/08 £'000	Total £'000
PART C : Total Capital Programme					
Adult Care Services	22,384	7,777	9,053	2,850	19,680
Children, Schools and Families	127,506	83,656	62,358	53,414	199,428
Community Services - Libraries, HALS, Arts & Trading Standards	2,962	2,409	1,144	137	3,690
Community Services - Fire & Rescue	17,375	4,768	1,793	1,168	7,729
Community Services - Registration	-	18	18	18	54
Corporate Services	20,911	23,240	1,929	1,929	27,098
Environment	84,920	52,533	12,434	11,355	76,322
Information Technology	150	523	373	373	1,269
TOTAL CAPITAL PROGRAMME	276,208	174,924	89,102	71,244	335,270

PART D:**Financed by:****Central Government**

Supported Borrowing	42,556	9,108	8,651	60,315
Capital Grants (see note)	47,237	39,055	36,986	123,278
Sub-total	89,793	48,163	45,637	183,593

County Council

Usable Capital Receipts	27,739	18,139	12,000	57,878
Unsupported Borrowing	29,105	8,305	5	37,415
Use of Reserves	10,544	1,663	100	12,307
Direct Revenue Contributions	8,550	8,550	8,550	25,650
Capital Payback Reserve	3,357	4,282	4,952	12,591
Contributions from third parties	5,836	-	-	5,836
Sub-total	85,131	40,939	25,607	151,677
TOTAL CAPITAL PROGRAMME	174,924	89,102	71,244	335,270

Note: Includes £6.116 million in 2005/06 and £2.820 million in 2006/07 carried forward from 2004/05.

List of Major Capital Schemes 2005/06 - 2007/08

Appendix 8

	Total Scheme Cost £'000	2005/06 £'000	2006/07 £'000	2007/08 £'000
Adult Care Services				
General Programme Schemes				
Existing Programme:				
Lintons	2,570	514	-	-
Marsh Lane day centre	2,700	1,339	513	-
Jubilee day centre	2,800	-	2,050	300
New Items:				
Accommodation improvements for learning disability properties to transfer to Aldwyck	500	250	250	-
Gypsy sites (see also externally funded)	1,000	250	-	-
Older people specialist dementia care	185	95	90	-
Highly supported learning disability independent living unit	700	700	-	-
Holly Lodge - Community mental health centre	50	50	-	-
Total General Programme	10,505	3,198	2,903	300
Self-financing Schemes ¹				
Day centre modernisation (incl. Balmoral, Hornbeams)	4,200	500	2,000	1,700
Dacorum/Berkhamstead Project	1,200	300	-	-
3 Little Bushey Lane	2,800	-	2,800	-
Jupiter Drive, Hemel Hempstead	2,000	1,500	500	-
Total Self Financing Programme	10,200	2,300	5,300	1,700
Externally Funded Schemes				
Gypsy sites (see also general funded schemes)	1,000	750	-	-
Highly supported learning disability independent living unit	450	450	-	-
DoH grant for improving management information	229	229	-	-
Total External Programme	1,679	1,429	-	-
TOTAL PROGRAMME FOR ACS	22,384	6,927	8,203	2,000

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

	Total		
Scheme	2005/06	2006/07	2007/08
Cost	£'000	£'000	£'000

Children, Schools & Families

General Programme Schemes

Existing Programme:

2002/03 Design Starts:

Heathcote Secondary, Stevenage	802	-	321	-
Hitchin Boys Secondary	915	366	-	-
St Albans Primary provision	480	125	-	-
Verulam Secondary, St Albans	915	428	-	-
Westfield, Watford	250	39	-	-
St Clement Danes, Chorleywood (contribution)	2,000	100	-	-
ICT infrastructure	650	125	-	-

2003/04 Design Starts:

Holtsmere End Infants - remodel and extend open-plan classroom	300	90	210	-
DDA funding for access to non-school premises	400	100	-	-

2004/05 Design Starts:

St Clement Danes (contribution)	900	900	-	-
Birchwood High, Bishops Stortford	8,900	2,000	1,977	3,623
Youth Programmes Unit education centre (North Herts)	230	170	-	-
Boxmoor House, Hemel Hempstead	350	300	-	-
Falconer, Bushey	262	82	-	-

Approved Additions to Existing Programme:

St Clement Danes (further contribution)	1,000	-	1,000	-
St George's (further contribution)	2,600	-	300	-
Goffs, Cheshunt	3,183	1,775	1,325	-
Turnford, Cheshunt	5,168	2,527	2,325	-
Wilbury residential home	290	145	-	-
Primary autism base	150	150	-	-

Schemes Slipped from Modernisation Programme:

Grove Junior, Harpenden	250	150	100	-
Bengeo, Hertford	250	150	100	-
Bedmond	275	165	110	-
Tudor, Hemel Hempstead	475	285	190	-

	Total Scheme Cost £'000	2005/06 £'000	2006/07 £'000	2007/08 £'000
Additional Funding for Schemes in Existing Programme:				
Presdales sports hall, Ware ¹	1,975	1,000	900	-
Verulam School sports hall, St Albans	1,338	200	223	-
Falconer, Bushey	262	120	-	-
NOF sports funding - uplift to cover inflation	5,400	128	-	-
PFI development fees	480	300	-	-
New Items:				
Care regulation standards - Lonsdale	550	200	350	-
Care regulation standards - Larwood	350	350	-	-
Youth Programmes Unit, Hemel Hempstead	400	300	100	-
Feasibility for secondary expansion in Bishops Stortford	50	50	-	-
IRIS development	500	250	250	-
CSF family assessment centre	650	650	-	-
Education - school musical instruments	100	100	-	-
CSF Schools:				
<i>Southwest Herts Schools</i>	<i>1,500</i>	<i>1,500</i>	-	-
<i>Breachwood Green</i>	<i>550</i>	<i>550</i>	-	-
<i>Sarratt</i>	<i>200</i>	<i>200</i>	-	-
Conversion to pilot Key Stage 4 learning centre for Youth Programmes Unit in Potters Bar	725	725	-	-
General Programme Total	46,025	16,795	9,781	3,623

Note ¹ This assumes that there will be no cashflow on this scheme in 2004/05

Total Scheme Cost £'000	2005/06 £'000	2006/07 £'000	2007/08 £'000
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Self-Financing Schemes

Schemes in existing programme with full Cabinet approval:

Oxhey Nursery	1,990	25	-	-
Jenyns	1,511	36	-	-
Schemes subject to approval ² :				
St Mary's School, Cheshunt	1,700	850	850	-
Firs & Havers amalgamation	2,609	2,367	39	-
Howe Dell	6,434	6,434	-	-
Watford School of Music :				
<i>Expenditure HCC</i>	<i>2,600</i>	<i>200</i>	<i>1,400</i>	<i>1,000</i>
<i>Expenditure Watford Grammar School for Boys</i>	<i>2,244</i>	<i>-</i>	<i>-</i>	<i>-</i>
Total Self-Financing Programme	19,088	9,912	2,289	1,000

Note² A Cabinet report will be required to agree the principles and management arrangements of these schemes

Externally Funded Schemes

Standards Fund Grants:

NDS devolved formula	14,583	14,583	18,345	19,364
Modernisation [all schools] ³	10,747	10,747	10,609	8,096
Modernisation [primaries] ³	9,090	9,090	8,301	8,241
Other Grants:				
Youth Service Unit grant for SEN disabilities ⁴	136	136	-	-
LSC grant for Adult & Community Learning ⁴	306	306	-	-
DfES Sure Start grant - New childcare places	347	347	-	-
DfES Sure Start grant - Childrens' centres	171	171	-	-
DoH grant for improving management information	152	152	-	-
DoH grant for integrated children services capital IT ⁵	219	219	-	-

	Total Scheme Cost £'000	2005/06 £'000	2006/07 £'000	2007/08 £'000
Supported Capital Expenditure (Revenue):				
Schools access initiative	5,557	1,853	1,852	1,852
New pupil places funding 2005/06 ³	18,986	11,407	3,761	3,818
Basic need and expansion of popular schools 2003/04 approvals	2,099	518	-	-
Total SCE (Revenue) ⁶	26,642	13,778	5,613	5,670
Total External Programme	62,393	49,529	42,868	41,371
TOTAL PROGRAMME FOR CSF	127,506	76,236	54,938	45,994

Notes

³ Figures include the re-profiling adjustment agreed for 2004/05 whereby £8.936 million of externally funded budget has been moved out of 2004/05 and into future years in order to align these budgets with the anticipated cashflows for the individual streams.

⁴ These are indicative figures only

⁵ This is a specific Department of Health grant to support development of information technology systems for children's services, and is an addition to the programme considered by Cabinet on 13 December 2004

⁶ In addition, a number of schools are expected to submit bids for specialist school capital funding (Arts and/or Sports) and each successful school will receive a maximum of £100,000

	Total Scheme Cost £'000	2005/06 £'000	2006/07 £'000	2007/08 £'000
Community Services				
General Programme Schemes				
Libraries, HALS, Arts & Trading Standards:				
Existing Programme:				
HALS new archive - County Hall	1,233	900	-	-
Reprovision of Hertford Library ¹	563	506	507	(450)
Repairs and maintenance - various libraries	700	150	150	150
DDA - various libraries	74	24	50	-
New Items:				
Refurbishment of Hoddesdon Library	127	127	-	-
Contribution to Rhodes Centre	50	50	-	-
Libraries DDA: Lifts for Watford and Hemel	215	215	-	-
Service Total	2,962	1,972	707	(300)
Fire & Rescue:				
Upgrade training centre	350	200	-	-
DDA works	375	150	125	-
Service Headquarters, Hertford	200	200	-	-
Borehamwood Fire Station	2,500	-	-	-
Automatic vehicle location	50	50	-	-
Bovingdon Fire Station	1,500	-	-	750
Bushey Fire Station	2,250	-	-	-
Much Hadham Fire Station	1,250	-	-	-
Service Total	8,475	600	125	750
Total General Programme	11,437	2,572	832	450
Self-Financing Schemes				
Fire and Rescue Service:				
St Albans Fire Station	3,400	1,750	-	-
Watford Fire Station	5,500	2,000	1,250	-
Total Self-Financing Programme	8,900	3,750	1,250	-
TOTAL PROGRAMME FOR COMMUNITY SERVICES	20,337	6,322	2,082	450

Note ¹ The figures for Hertford Library are shown gross, excluding the anticipated receipt from sale of existing library.

	Total Scheme Cost £'000	2005/06 £'000	2006/07 £'000	2007/08 £'000
Corporate Services				
General Programme Schemes				
Existing Programme:				
DDA scheme to continue	961	361	-	-
County Hall structural repairs and maintenance	2,000	500	500	500
New Items:				
Hertfordshire Business Service warehouse	750	750	-	-
Office rationalisation project	17,000	17,000	-	-
Project fund for Herts Together priority projects on a match-funding basis	200	200	-	-
Total General Programme	20,911	18,811	500	500
TOTAL PROGRAMME FOR CORPORATE SERVICES	20,911	18,811	500	500

Environment

General Programme Schemes

Existing Programme:

Structural maintenance - non principal roads	19,650	3,930	3,930	3,930
Structural maintenance - principal roads	7,150	1,430	1,430	1,430
Street lighting refurbishment	2,100	420	420	420
Road marking refurbishment	1,350	270	270	270
Disabled crossing facilities	1,680	210	210	420
Work to secure LTP funding	610	200	310	100
Rights of Way - maintaining statutory duty	800	160	160	160
Digitising the highway boundary	33	33	-	-
Baldock Bypass - contingency	750	-	250	500

New Items:

Household waste recycling	1,200	1,200	-	-
Structural maintenance	5,500	5,500	-	-
Safety at road/rail interfaces	150	150	-	-
Aldenham Dam and Country Park	150	150	-	-
A10 - post bypass works	600	300	300	-
Total General Programme	41,723	13,953	7,280	7,230

	Total Scheme Cost £'000 ¹	2005/06 £'000	2006/07 £'000 ²	2007/08 £'000 ³
Externally Funded Schemes				
Local Transport Plan (LTP) Major Schemes:				
Baldock Bypass	20,371	14,200	3,600	2,571
Other LTP Schemes:				
Northern Herts area plan - LTP	1,150	1,150	-	-
Rural transport	900	900	-	-
Eastern Herts area plan - LTP	480	480	-	-
Eastern Herts area plan - other	150	150	-	-
Lea Valley area plan - LTP	1,295	1,295	-	-
County cycling programme - LTP	750	750	-	-
Local education access route network (LEARN) - LTP	640	640	-	-
Bridge assessment & strengthening	415	415	-	-
Bridge parapet strengthening	300	300	-	-
Safety engineering programme - LTP	1,705	1,705	-	-
Mid Herts area plan - LTP	1,525	1,525	-	-
Mid Herts area plan - other	500	500	-	-
Urban plans - LTP	855	855	-	-
West Herts area plan - LTP	685	685	-	-
West Herts area plan - other	100	100	-	-
SW Herts area plan - LTP	700	700	-	-
SW Herts area plan - other	750	750	-	-
Structural maintenance - principal roads - LTP	3,175	3,175	-	-
Structural maintenance - non-principal roads - LTP	4,050	4,050	-	-
Structural maintenance - LTP	656	656	-	-
Countywide passenger facilities	100	100	-	-
Countywide passenger information	335	335	-	-
Countywide interchange schemes	380	380	-	-

	Total Scheme Cost £'000	2005/06 £'000	2006/07 £'000	2007/08 £'000
Countywide bus priority measures	500	500	-	-
Accessible vehicles & infrastructure	600	600	-	-
Non LTP Schemes:				
National Nature Reserve - accessibility programme	130	130	-	-
Total External Programme	43,197	37,026	3,600	2,571
TOTAL PROGRAMME FOR ENVIRONMENT	84,920	50,979	10,880	9,801

Notes

- ¹ Total scheme cost is total expenditure in this plan period - it excludes expenditure in earlier or later years.
- ² Indicative amounts for the LTP have not yet been issued by the DfT for years beyond 2005/06.

Information Technology Externally Funded Schemes

Implementing E-Government	150	150	-	-
Total External Programme	150	150	-	-
TOTAL PROGRAMME FOR INFORMATION TECHNOLOGY	150	150	-	-

Capital Programme: Annual Provisions

Appendix 9

Adult Care Services

Scheme Description and Location	Individual Projects	2005/06	2006/07	2007/08
	Cost £50,000?	£'000	£'000	£'000
Adult Care Services	No	850	850	850
SERVICE TOTAL		850	850	850

Children, Schools & Families

Scheme Description and Location	Individual Projects	2005/06	2006/07	2007/08
	Cost £50,000?	£'000 ³	£'000*	£'000*
Minor Works Improvements				
Aboyne Lodge - primary autism base		50	-	-
Beechfield Primary - classroom remodelling	No	95	-	-
Breachwood Green	No	25	-	-
Breakspeare - post Ofsted issues		75	-	-
Cuffley Camp - contribution to NOF scheme for new kitchen/dining facilities	No	14	-	-
Youth Justice Service - Valley / Dane Cottage		95	-	-
Hudnall Park - conversion of lodge		50	-	-
Lea Farm/Garston - refurbishment of changing facilities		55	-	-
North Herts Education Support Centre - front extension to meet Health & Safety requirements		30	-	-
Ripon Road Children's Home - ground floor extension	Yes	90	-	-
Roselands Primary - courtyard infill	No	80	-	-
Thomas Alleyne - office accommodation		25	-	-
Woodhall Primary - toilet refurbishment	Yes	60	-	-
Youth Programmes Unit, Pin Green - relocation		50	-	-
Other minor works	No	32	-	-
Total Minor Works Improvements		826	826	826
Minor Works Reorganisations	No	106	106	106

Scheme Description and Location	Individual Projects	2005/06	2006/07	2007/08
	Cost £50,000?	£'000	£'000	£'000
Mobile Classrooms				
Maximum of 3 doubles and 3 singles ¹		411	411	411
Structural Repairs and Maintenance ²				
Mechanical:				
Mount Pleasant Lane JMI	Yes	65	-	-
Electrical:				
Hitchin Boys School - rewire power		80	-	-
Hitchin Boys School - rewire lighting		80	-	-
Roofing:				
Bishops Hatfield		90	-	-
Five Oaks Primary		115	-	-
Adeyfield		70	-	-
Burleigh Primary		80	-	-
Cowley Hill		110	-	-
Downfield JMI		60	-	-
Gartson Manor		58	-	-
Giles Junior	Yes	80	-	-
Hailey Hall		52	-	-
Heathlands		55	-	-
Hobbs Hill Wood Primary		70	-	-
Holdbrook School		70	-	-
Knights Templar		70	-	-
Monks Walk		120	-	-
Oxhey Wood Primary		62	-	-
Pixmore Junior		55	-	-
Samuel Lucas		74	-	-
South Hill Primary		70	-	-
Springmead JMI		60	-	-
St Luke's		113	-	-
Tanners Wood JMI		74	-	-
The Heathcote		60	-	-
The Sele - Substantial Areas of Original Asphalt Reaching End of Effective Life		275	-	-
The William Ransom Primary School		75	-	-
Warren Dell Primary		60	-	-
Yorke Mead Primary		74	-	-

Scheme Description and Location	Individual	2005/06	2006/07	2007/08
	Projects Cost £50,000?			
Morgans School - Work to Lower Block Roof		200	-	-
Window Walling:				
Richard Hale		70	-	-
Cowley Hill		75	-	-
Fleetville JM		83	-	-
Grange JM		60	-	-
Havers (The)		125	-	-
Richard Hale		70	-	-
St Peters		74	-	-
Verulam		70	-	-
Verulam - allowance to renew all rotted window walling (asbestos content)		190	-	-
Foundation Schools:				
Rickmansworth - replace boilers		210	-	-
Ashlyns		80	-	-
Bushey Meads		88	-	-
Bushey Meads		83	-	-
Cheshunt		55	-	-
Francis Bacon - repair stress cracking to kerbs and overlay original asphalt		176	-	-
Hockerill Anglo European - partial reroofing		120	-	-
Queen's - replace Crittall type pivot windows		170	-	-
Bishops Stortford High School		60	-	-
Mount Grace		90	-	-
Non Schools:				
Valley School Site roofing works		105	-	-
Stanfield Children's Home - windows and doors		60	-	-
Stevenage North Herts Music School - remedy differential settlement of building		150	-	-
Other structural repairs and maintenance		94	-	-
Total Structural Repairs and Maintenance		4,935	4,935	4,935

Scheme Description and Location	Individual Projects	2005/06	2006/07	2007/08
	Cost £50,000?	£'000	£'000	£'000
Health and safety	No	458	458	458
Feasibility studies	No	22	22	22
Furniture and equipment	No	66	66	66
Technology enhancements	No	139	139	139
School meals equipment	No	457	457	457
SERVICE TOTAL		7,420	7,420	7,420

* Programme has yet to be agreed beyond 2005/06

Notes:

- There are likely to be 6 mobile schemes in 2004/05, 3 doubles and 3 singles, the doubles will all be over £50,000.
- All of the above structural repairs and maintenance projects are generated from the results of the building condition surveys carried out by Mouchel Parkman on a rolling 3 year programme. Every element throughout each of our buildings is given a condition grading ranging from A, for those elements in the best condition, down to D. Those items below A are in need of some maintenance and in total represent the maintenance backlog. The repairs & maintenance budget comprises projects addressing those items in the worst condition. At present all D items have been addressed and the programme is consists of C rated items (Condition column). The projects above £100k reflect works of either a larger nature (a large roof that all needs doing because it was all originally done at the same time), or complexity issues (asbestos content), or technical restrictions (boilers need replacing not maintaining), or a mixture of some or all of these. In the vast majority of cases not carrying out the work risks closure of premises.

It must be stressed that management of the Hertfordshire County Council CSF repairs & maintenance programme operates under the scheme of delegation where schools are concerned. This clearly states what the school and LEA have respective responsibilities for and all of the above are the responsibility of the LEA.

- The 2005/06 Annual Provisions programme includes increased contributions made by schools towards the cost of capital repairs and maintenance.

Scheme Description and Location	Individual Projects Cost £50,000?	2005/06 £'000	2006/07 £'000	2007/08 £'000
Community Services				
Libraries, HALS, Arts & Trading Standards				
CI Automation:				
This budget is used to fund smaller ICT developments which are essential for delivery of the library service. The amount committed to each of these developments is usually under £50,000	No	175	175	175
Public PC provision:				
This budget is used to support and enhance the provision of ICT facilities for public use within libraries. The amount committed to each of these developments is usually under £50,000.	No	157	157	157
Libraries refurbishment & equipment:				
Security and health & safety upgrades	No	10	10	10
Minor refurbishments to a number of libraries & HALS	No	72	72	72
Trading Standards:				
This budget is used for specialist IT maintenance and software enhancement on the Trading Standards services database systems, and for general ICT equipment.	No	23	23	23
Subtotal		437	437	437
Fire & Rescue Service				
Repairs and maintenance	No	126	126	126
Health and safety	No	29	29	29
Minor works	No	37	37	37
IT equipment	No	26	26	26
Operational equipment	No	21	21	21
IT equipment for Command and Control	No	60	60	60
IT upgrades	No	55	55	55
Essential operational equipment	No	64	64	64
Subtotal		418	418	418
Registration				
Annual provisions		18	18	18
Subtotal		18	18	18
SERVICE TOTAL		873	873	873

Scheme Description and Location	Individual Projects	2005/06	2006/07	2007/08
	Cost £50,000?	£'000	£'000	£'000
Corporate Services				
Land Purchase, Feasibility Studies, Rationalisation Schemes & Development Opportunities Fund ¹				
The following scheme is over £50,000:				
Smallford Pit, St Albans	Yes	1,000	1,000	1,000
Borehamwood ²		2,000	-	-
Langleybury		1,000	-	-
Energy conservation	No	204	204	204
Civic buildings	No	95	95	95
Civic buildings - health & safety	No	130	130	130
SERVICE TOTAL		4,429	1,429	1,429

Notes:

- ¹ This budget was £351k in 2004/05. The figure has been increased to £1 million from 2005/06 onwards.
- ² This budget for 05/06 was agreed 13 August 2004.

Environment

Sustainable Transport policies ¹	No	1,336	1,336	1,336
Waste Management - household waste site improvements ²	No	137	137	137
Environmental Management	No	81	81	81
SERVICE TOTAL		1,554	1,554	1,554

Notes:

- ¹ This budget is used to contribute towards larger schemes that are part financed through the Local Transport Plan. Whilst individual projects are often over the £50,000 'limit', contributions from this budget to each scheme are not.
- 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.

However, it is occasionally used to contribute towards more significant developments as and when opportunities arise.

Scheme Description and Location	Individual	2005/06	2006/07	2007/08
	Projects Cost £50,000?			
Information Technology				
This is for core network infrastructure, which underpins and supports the growing demands being placed on the data network to meet service needs. Plans for 2005/06 include the following items exceeding £50,000:				
	Yes	373	373	373
<i>Infobase technology upgrade</i>	£190,000			
<i>Security enhancements package</i>	£ 50,000			
<i>Infobase server refresh</i>	£ 60,000			
SERVICE TOTAL		373	373	373
TOTAL ANNUAL PROVISIONS		15,499	12,499	12,499

Glossary of Terms

Actual Spending 2003/04

The total income and expenditure actually incurred during the financial year April 2003 to March 2004.

Adjusted Budget

When changes in function and funding occur, the previous year's budget is adjusted to enable a like-for-like comparison to be made with the current year.

Annual Provisions

Capital expenditure on minor capital works, of a non-routine nature, such as repairs and refurbishment schemes.

Asset Management Revenue Account (AMRA)

An account the council is required to maintain under the 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 2005/06

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 2005/06 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 Business Rates and Council Tax. It excludes income from fees and charges, certain specific grants and reserves.

Business Rates - see Redistributed Business Rates

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

Council tax is a charge based on the value of the property people live to help pay for local services. The tax is based on property values which are distributed across eight valuation bands (A to H).

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 central government (supported borrowing and capital grants) 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 care.

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.

Floors and Ceilings

A method by which stability in funding is protected through limiting the effect of wide variations in grant increase. A floor guarantees a fixed level of increase in grant and a ceiling results in no authority getting more than a certain level of increase. The grant increases of authorities who are neither at the floor or the ceiling are scaled back by a fixed proportion to help pay for the floor.

Formula Spending Shares (FSSs)

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.

Financial Reporting Standard 17 (FRS17) Retirement Benefits

FRS17 is an accounting standard that requires that an organisation should account for retirement benefits when it is committed to give them, even if the actual giving will be many years into the future.

General Funded Programme

A collective term used to describe those major capital schemes financed by central government through supported borrowing (Single Capital Pot SCE(R)) 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.

Impact of Amending Report

The purpose of an Amending Report is to correct for errors in the data used by government in calculating the grant to individual local authorities in a previous year. The impact is to revise the amount of grant the local authority receives from government in the current year.

Net Expenditure

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

Net Revenue Budget 2005/06

The original estimated cost of services for the financial year from April 2005 to March 2006.

Non-distributed costs (formerly unapportionable central overheads)

This previously included any past service contribution to meet a pension fund deficit, early retirement costs and costs of other long-term unused but unrealisable assets. Following implementation of FRS17 reporting requirements this now includes the costs of other long-term unused but unrealisable assets only.

Original Budget 2004/05

The original estimated cost of services for the financial year from April 2004 to March 2005.

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. This has been superseded by FRS17 reporting requirements from 1 April 2003.

Pensions Charge under Financial Reporting Standard 17 (FRS 17) Retirement Benefits

This adjustment reflects the reporting requirements of FRS17. All defined pension costs, including the amount relating to discretionary awards have been taken out of revenue accounts and replaced with pension entitlement earned in the year as advised by an actuary.

Pensions Interest Cost and Expected Return on Assets

The interest cost is the expected increase during the period in the present value of the pension scheme liabilities because the benefits are one period closer to settlement. The expected return on assets is the average rate of return expected over the remaining life of the related obligation on the actual assets held by the scheme.

Pension Reserve Appropriation

This has been introduced to ensure implementation of FRS17 reporting requirements will not impact on the Budget Requirement.

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.

Prudential Capital Finance System

The new Prudential Capital Finance system introduced from April 2004 is underpinned by the CIPFA Prudential Code for Capital Finance in Local Authorities. The Prudential Code sets out indicators that local authorities must use, and the factors that they must take into account to demonstrate that their capital plans are affordable, prudent and sustainable.

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. For example, the cost of legal work completed by the authority's solicitors in the County Secretary's department for Children, Schools & Families will be recharged to the Children, Schools & Families' budget.

Redistributed Business Rates

People who occupy non-domestic properties (such as shops, factories, offices and warehouses) do not pay council tax on those properties. Instead they pay business rates which is based on a national rate in the pound set by the government, multiplied by the rateable value of the premises they occupy. Business rates are collected by billing authorities (district councils) on behalf of central government and then redistributed among all local authorities, police authorities and fire authorities on the basis of an amount per head of population.

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.

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 a service.

Specific Grants

Government grants to local authorities for particular projects or services. These do not include Formula Grant or Capital Grants.

Supported Borrowing - refer also to Supported Capital Expenditure (SCE)

Supported Capital Expenditure (Revenue) relates to the amount of local authority capital expenditure that the government is prepared to support through borrowing. Support can be either through the Single Capital Pot SCE(R) or Separate Program SCE(R). Local authorities receive funding for supported borrowing through the Formula Spending Share (Capital Financing sub-block) and Formula Grant distribution system.

Supported Capital Expenditure (SCE)

From April 2004, central government support for local authority capital investment takes the form of either Supported Capital Expenditure (Revenue) or Supported Capital Expenditure (Capital Grant), abbreviated to SCE(R) and SCE(C) respectively.

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.

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
Household waste recycling centres

These are only some of our services.
Find out more at www.hertsdirect.org



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Corporate Services
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