

# Overview and Scrutiny Committee

Mon 16 Feb  
2009  
7.00 pm

Committee Room Two  
Town Hall  
Redditch



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- Access to a summary of the rights of the public to attend meetings of the Council and its Committees etc. and to inspect and copy documents.
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**If you have any queries on this Agenda or any of the decisions taken or wish to exercise any of the above rights of access to information, please contact**

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**Minicom: 595528**

# Welcome to today's meeting.

## Guidance for the Public

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### **Agenda Papers**

The **Agenda List** at the front of the Agenda summarises the issues to be discussed and is followed by the Officers' full supporting **Reports**.

### **Chair**

The Chair is responsible for the proper conduct of the meeting. Generally to one side of the Chair is the Committee Support Officer who gives advice on the proper conduct of the meeting and ensures that the debate and the decisions are properly recorded. On the Chair's other side are the relevant Council Officers. The Councillors ("Members") of the Committee occupy the remaining seats around the table.

### **Running Order**

Items will normally be taken in the order printed but, in particular circumstances, the Chair may agree to vary the order.

**Refreshments** : tea, coffee and water are normally available at meetings - please serve yourself.

### **Decisions**

Decisions at the meeting will be taken by the **Councillors** who are the democratically elected representatives. They are advised by **Officers** who are paid professionals and do not have a vote.

### **Members of the Public**

Members of the public may, by prior arrangement, speak at meetings of the Council or its Committees. Specific procedures exist for Appeals Hearings or for meetings involving Licence or Planning Applications. For further information on this point, please speak to the Committee Support Officer.

### **Special Arrangements**

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### **Fire/ Emergency instructions**

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**If you discover a fire, inform a member of staff or operate the nearest alarm call point (wall mounted red rectangular box). In the event of the fire alarm sounding, leave the building immediately following the fire exit signs. Officers have been appointed with responsibility to ensure that all visitors are escorted from the building.**

**Do Not stop to collect personal belongings.**

**Do Not use lifts.**

**Do Not re-enter the building until told to do so.**

**The emergency Assembly Area is on the Ringway Car Park.**

# Declaration of Interests: Guidance for Councillors

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DO I HAVE A "PERSONAL INTEREST" ?

- Where the item relates or is likely to affect your **registered interests** (what you have declared on the formal Register of Interests)

**OR**

- Where a decision in relation to the item might reasonably be regarded as affecting **your own** well-being or financial position, or that of your **family**, or your **close associates** more than most other people affected by the issue,

you have a personal interest.

WHAT MUST I DO? **Declare the existence, and nature, of your interest and stay**

- The declaration must relate to specific business being decided - a general scattergun approach is not needed
- **Exception** - where interest arises only because of your membership of another **public body**, there is no need to declare unless you **speak** on the matter.
- You **can vote** on the matter.

IS IT A "PREJUDICIAL INTEREST" ?

In general only if:-

- It is a personal interest **and**
  - The item affects your **financial position** (or conveys other benefits), or the position of your **family, close associates** or bodies through which you have a **registered interest** (or relates to the exercise of **regulatory functions** in relation to these groups)
- and**
- A member of public, with knowledge of the relevant facts, would reasonably believe the interest was likely to **prejudice** your judgement of the public interest.

WHAT MUST I DO? **Declare and Withdraw**

BUT you may make representations to the meeting before withdrawing, **if** the public have similar rights (such as the right to speak at Planning Committee).



# Overview and Scrutiny

## Committee

Monday, 16 February 2009

7.00 pm

Committee Room 2 Town Hall

### Agenda

#### Membership:

Cllrs:	P Mould (Chair)	R King
	D Smith (Vice-Chair)	W Norton
	K Banks	D Taylor
	M Chalk	D Thomas
	W Hartnett	

#### 8. Initial Estimates 2009/10 (Pages 1 - 60)

To consider the Initial Estimates for 2009/10 and any recommendations for the consideration of the Executive Committee.

(Report to follow).

**All Wards**



# Executive Committee

No Direct Ward Relevance

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## GENERAL FUND REVENUE BUDGETS AND CAPITAL BIDS 2009/10 – 2011/12

(Report of the Head of Financial, Revenues and Benefits Services)

### 1. Purpose of Report

This report presents the Estimates at directorate level for 2009/10 prepared in accordance with the Budget Guidelines approved at the meeting of the Council on the 15 September 2008. Also to provide information to enable the Executive Committee to approve the medium term financial plan (revenue & capital budgets) for 2009/10 - 2011/12 including a range of proposals to address the budget gap.

### 2. Recommendations

The Committee is asked to **RECOMMEND** that

- 1) **subject to any comments, the Initial Estimates for 2009/10 be approved;**
- 2) **the Revenue Bids categorised as unavoidable and high detailed in Appendix 14 be approved as follows:**

2009/10	£465,000
2010/11	£367,000
2011/12	£280,000;
- 3) **the General Fund bids for capital resources categorised as unavoidable and high set out in Appendix 15 be approved as follows:**

2009/10	£1,127,200
2010/11	£ 920,000
2011/12	£ 820,000;
- 4) **the Housing Revenue Account bids for capital resources categorised as high set out in Appendix 17 be approved as follows:**

2009/10	£1,090,000
2010/11	£ 570,000
2011/12	£ 570,000;

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- 5) **the savings / additional as identified in Appendix 17 and below be approved for consultation:**

2009/10	£ 960,700
2010/11	£1,478,500
2011/12	£1,585,300;

- 6) **the balance of the set up costs for Civil Enforcement Parking funded by the Council from future income streams;**
- 7) **potential redundancy costs of £35.1,000 be funded from balances;**
- 8) **Officers be asked to do further work with regard to**
- a) **Arrow Valley Countryside Centre**
  - b) **Forge Mill Museum**
  - c) **Shopmobility**
  - d) **Dial A Ride.**

3. **Financial, Legal, Policy and Risk Implications**

Financial

- 3.1 The estimates prepared for this Committee will form part of the Council's General Fund revenue budget requirement for 2009/10.

Legal

- 3.2 A statutory framework exists to ensure that local authorities set a balanced budget. The annual budget brings together the Council's expenditure plans and the ways in which income is to be raised to finance that spending. Local authorities are not able to approve a budget in which anticipated sources of income are less than the proposed expenditure levels.

Local Government Act 2003

- 3.3 There are a number of requirements that the Council's Section 151 Officer (the Council's designated senior finance Officer) has to include in the budget report. These are set out below, together with S.151 comments on each of the issues:



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- i) The level and use of reserves to be formally determined by the Council must be informed by the judgement and advice of the Chief Financial Officer (CFO).

*Section 151 Officer's comments: Review of general fund balances included in report.*

- ii) The CFO to report the factors that have influenced his/her judgement in the context of the key financial assumptions underpinning the budget, and ensure that his/her advice is formally recorded. Where that advice is not accepted, this should be formally recorded in the minutes of the meeting.

*Section 151 Officer's comments: The main assumptions included in the calculation of the budget are included within the report.*

- iii) The report should include a statement showing the estimated opening balance on general fund reserves for the year ahead, any contribution to/from the fund, and the estimated closing balance.

*Section 151 Officer's comments: statement included in this report.*

- iv) The report should show the extent to which reserves are financing ongoing expenditure.

*Section 151 Officer's comments: included in the report*

- v) The report should include a statement from the CFO on the adequacy of general reserves and provisions both for the forthcoming year and in the context of the medium term financial plan.

*Section 151 Officer comments: the Council holds a minimal level of reserves.*

- vi) The report should include a statement on the annual review of earmarked reserves showing:

- 1) list of earmarked reserves
- 2) purpose of reserve
- 3) advice on appropriate levels
- 4) estimated opening / closing balances
- 5) planned additions / withdrawals

- 6) Section 151 officer's comments: The current reserves were reported to Members as part of the Medium- Term Financial Strategy.

vii) Prudential indicators and related matters

*Section 151 Officer's comments: This will be covered by the Treasury Management Strategy which is elsewhere on the agenda.*

Policy

- 3.4 There are no direct policy implications arising from this report.

Risk

- 3.5 The Council will not be fulfilling its legal obligations if it fails to prepare a balanced budget for the forthcoming financial year. The risks of implementing the proposed savings have been identified as far as possible within the appendices.

Report

**4. Background**

- 4.1 At the 17 December 2008 meeting of the Executive Committee Members considered the Medium Term Financial Strategy and Plan that identified a budget gap of £630k for 2009/10, a further gap of £720k for 2010/11 and £130k in 2011/12. The report also presented Members with a number of revenue and capital bids for consideration.
- 4.2. Members deferred consideration of the revenue and capital bids in lieu of a decision regarding their funding. Members also requested a further report with options for meeting the budgetary gap. This report details the proposed options for addressing the budget gap.
- 4.3. The Estimated Outturn for 2008/09 has now been concluded and the estimated requirement to support the budget from General Fund balances has reduced from £605.6k to £45.6k. This means that there is more money in balances to fund expenditure in 2009/10. In addition the Council was notified on the 5 February 2009 that it can expect to receive, subject to any challenges to the overall distribution, £123,066 in LAGBI monies. This is from the distribution of the contingency fund held by central government in respect of Year 3 of the outgoing scheme.

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- 4.4 Since Members considered the report on the Medium Term Financial Strategy on 17 December 2008 officers have undertaken further work with regard to establishing a baseline budget for 2009/10 to 2011/12. The table below shows the reasons for the changes to the figures as presented to Members in December.

	<b>2009/10 £'000</b>	<b>2010/11 £'000</b>	<b>2011/12 £'000</b>
Budget savings required in December	630.0	1,350.0	1,480.0
Revised estimate variations (see item 5 Executive Agenda 28 Jan 2009)	(217.4)	(217.4)	(217.4)
Other changes	17.6	(55.9)	7.3
LAGBI	(123.1)		
<b>Revised budget savings required (base budget)</b>	<b>307.1</b>	<b>1,076.7</b>	<b>1,269.9</b>

- 4.5 In addition to reviewing the baseline budget, Officers have been continuing to review the budget bids and to identify potential savings/additional income. The approved priorities have been used to drive the budget process as follows:
- a) Budget bids have only been proposed to Members by senior management if they have been identified as unavoidable / or they are fundamental in achieving the Council's priorities.
  - b) Financial savings have been focused on more efficient working practices and alternative methods of service delivery
  - c) Disinvesting in non priority areas.
  - d) Capital Projects to be proposed only if they meet the priorities of the Council

## 5. Key Issues

- 5.1 The Appendices to this report set out the initial estimates for 2009/10 and projections for 2010/11 and 2011/12. The net expenditure is:
- i) Base Budget for 2009/10 £13,179,550
  - ii) Base Budget for 2010/11 £13,456,235
  - iii) Base Budget for 2011/12 £13,921,349.
- 5.2. Appendices 1 - 13 show the 2009/10 revenue estimates for the services delivered by the Heads of Service.

These can be summarised as follows:-

	<b>2009/10 Initial Estimate £'000</b>
<b>Head of Service</b>	
Directors	0.0
Head of Financial, Revenues & Benefits	1,736.8
Head of Legal, Democratic & Property	360.3
Head of Strategy & Partnerships	1,586.2
Head of Environment	2,912.1
Head of Operations	1,845.9
Head of Planning & Building Control	966.2
Head of Asset and Maintenance	346.1
Head of Leisure & Art	3,403.4
Head of Housing & Community	697.6
Head of Customer and IT	54.6
Head of HR & Communications	123.7
<b>Total</b>	<b>14,032.9</b>

### Budget Assumptions

- 5.3 The estimates have been calculated in line with the Budget Preparation Guidelines approved by the Council at their meeting on the 15 September 2008. In preparing the draft budget for 2009/10 the following assumptions have been made for the main elements of the budget:

<b>Assumptions:</b>	<b>%</b>
Pay awards	3.0
Gas	100.0
Electricity	70.0
Business Rates	2.0
Pension fund increases (note 1)	20.8
Vacancy/turnover savings (note 2)	2.0
Investment interest (note 3)	4.0
Short-term borrowing (note 3)	2.0

Notes:

- Following the presentation of the 2007 Pension Fund Valuation the actuaries have assessed that in order to move toward a fully funded pension scheme the rate needs to increase in

incremental steps to a maximum of 23.9% by 2013/14. The applicable rate for 2009/10 is 20.8%.

The rate payable from 1 April 2011 will be further revised following the next valuation of the Pension Fund on 31 March 2010.

2. Savings of £200k each year on the pay bill have been assumed through vacancy management. These savings will also be used to cover the costs of recruitment.
3. Another important factor within the overall medium term financial plan is Interest rates. This will be particularly relevant during 2009/10 when the Council's investments that are earning in excess of 6% mature. However, as the Council is in a net borrowing position it continues to benefit from the current low rates for short term borrowing.

### General Fund Balances

- 5.4 General Fund balances are estimated to be £1.538m as at the 31 March 2009. The table below set out the impact on General Fund Revenue balances on the estimated budget for 2009/10 to 2011/12 and the savings required following a review of the budget for 2008/09.

	2009/10
	£'000
<b>Balance b/f 1st April 2008</b>	<b>1,461.0</b>
2008/09 estimated use of balances	(45.6)
LAGBI Year 3 Contingency Dist.	123.1
<b>Estimated balance as at 31<sup>st</sup> March 2009</b>	<b>1,538.5</b>

- 5.5 The Local Government Act 2003 requires the Chief Finance Officer to report on the adequacy of financial reserves when consideration is given to the General Fund budget requirement for the year.
- 5.6 In February 2003 CIPFA published a guidance document on Local Authority Reserves and Balances. The guidance does not prescribe the minimum level of balances to be held but recommends that consideration is given to the strategic, operational and financial risks facing the authority. During the consultation on this document it was suggested that the recommended minimum should be 5% of net expenditure and this has been followed by a number of authorities.
- 5.7 5% for Redditch would mean maintaining balances at or around £650k. However, just a 1% variation in gross income and gross

expenditure is equivalent to £746k which would result in a significant reduction in balances. The increased pressures on limited resources as demonstrated by the projected increases in formula grant, the increases in utility costs, and the fluctuations in income receipts and interest rates together with the impact of the economy on increased service demand may impact on the delivery of services within existing budgets over the 3 year period. In addition, there will be initial costs associated with the delivery of the longer term savings as a result of joint or shared service working. These costs could be funded from general fund balances if sufficient funds were available.

- 5.8 It is therefore considered, taking the above issues into account that a general fund revenue balance of £750k is a prudent minimum level.

### Government Grant

- 5.9 The Council has notified of the final formula grant settlement for 2009/10. The main elements of the grant settlement are (2008/09 figures provided for information):

	<b>2008/09</b> <b>£</b>	<b>2009/10</b> <b>£</b>	<b>Variance</b> <b>£</b>	<b>Variance</b> <b>%</b>
Revenue Support Grant	781,308	1,205,022	423,714	54.2
Redistributed business rates	5,612,519	5,220,774	(391,745)	(7.0)
<b>Formula Grant (FG)</b>	<b>6,393,827</b>	<b>6,425,796</b>	<b>31,969</b>	<b>0.5</b>

- 5.10 The Council has been advised that it will receive a further increase of 0.5% 2010/11, the final year of CSR07. It has been assumed that the increase for 2011/12 will also be 0.5%.

### Council Tax

- 5.11 On the 7 January 2009 the Executive Committee approved the Council Tax Base for 2009/10 as 27,270.10. Based on a 4.5% increase in Council Tax for 2009/10 this would result in a demand on the Collection Fund of £5,573,345, an increase of £289,382 from 2008/09.
- 5.12 Given that the Government has given strong indications that it will cap any authority that imposes an increase in Council Tax of more than 5% it is felt that any rise needs to be carefully considered. It is therefore recommended that the Council Tax is increased by 4.5% across the 3 years of the Medium Term Financial Plan. The demand

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on the Collection Fund for 2010/11 and 2011/12 has assumed an increase in the Council Tax base of 0.9%.

- 5.13 The impact of this increase will be an additional £8.80 on Band D with a revised charge of £204.08. This will be formally considered by Council on the 23rd February as part of the Council Tax resolutions which cannot be considered until details of the Feckenham Parish Council precept and those of the other precepting bodies' have been notified to the Council.
- 5.14 It may be useful for Members to know the effects of differing increases in Council Tax. For each ½% increase this would result in additional council tax income of £26k.

### Collection Fund

- 5.15 Every year the Council has to estimate the surplus or deficit on the Collection Fund. The surplus as at the 31 March 2009 has been estimated in accordance with statutory requirements. The surplus was calculated as £99,646. This is then distributed to the major precepting authorities pro rata to their Band D charge, thus the surplus will be distributed as follows:

<b>Precepting Authority</b>	<b>£</b>
Worcestershire County Council	69,397
West Mercia Police Authority	11,660
Hereford & Worcester Fire & Rescue Authority	6,807
Redditch Borough Council	13,782
<b>Totals</b>	<b>99,646</b>

- 5.16 This means that the Council will receive £13,782 in 2009/10 to help fund the revenue budget.
- 5.17 The main way in which the Collection Fund generates a surplus is if the Council collects more council tax, in percentage terms, than was assumed when setting the Council Tax base. When setting the Council Tax base for 2009/10 the collection rate was set at 99%. At this level it is not considered that any further surplus will be generated in the period covered by the Medium Term Financial Plan 2009/10 to 2011/12.

### Revenue Budget Pressures

- 5.18 Officers have identified a number of budget pressures that have either been deemed "unavoidable" or "high" priority. Unavoidable

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includes the ongoing effects of pressures during 2008/09 together with any emerging pressures. A high priority is something that is in direct pursuit of the Council's priorities. Each unavoidable and high pressure has a specific "funding request" schedule completed which reflects how the funding required meets the Council objectives.

- 5.19 Revenue bids totally £649,200 have been proposed in respect of the 2009/10 financial year, of which £49,000 relates to one-off bids. The impact of these bids in 2010/11 reduces to £532,800 and to £445,700 because of the variations in the amounts required each year and the duration of each proposal. The bids have been categorised into unavoidable, high, medium and low. Only those classified as unavoidable and high are included in the budget proposed as follows:

	<b>2009/10 £'000</b>	<b>2010/11 £'000</b>	<b>2011/12 £'000</b>
Unavoidable	124.0	129.0	112.0
High	341.0	238.0	168.0
<b>Total Budget Pressures</b>	<b>465.0</b>	<b>367.0</b>	<b>280.0</b>

- 5.20 The details of the bids are included at Appendix 14 – this includes the details of the bids categorised as medium or low for Members information.
- 5.21 If Members were to approve the budget pressures categorised as unavoidable and high this would increase the budget gap as identified at 4.4 to:

- 1) 2009/10      £ 772,100
- 2) 2010/11      £1,443,700
- 3) 2011/12      £1,549,900.

## Capital Bids

### General Fund Capital Bids

- 5.22 In addition to the revenue bids detailed in Appendix 14 there are 17 bids for General Fund capital resources (see Appendix 15). These have also been categorised into unavoidable, high, medium and low. The bids for 2009/10 total £1,492,200. There is a further requirement for £977,000 in 2010/11 and £877,000 in 2011/12. The table below set out the impact on General Fund Revenue balances



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of the estimated budget for 2009/10 to 2011/12 and the savings required following a review of the budget for 2008/09.

- 5.23 Only those bids classified as unavoidable and high are included in the budget proposed as follows:

Capital Bids	2009/10 £'000	2010/11 £'000	2011/12 £'000
Unavoidable	555.0	250.0	250.0
High	572.2	670.0	570.0
<b>Total Budget Pressures</b>	<b>1,127.2</b>	<b>920.0</b>	<b>820.0</b>

- 5.24 The Council does not have sufficient capital receipts available to fund these and therefore, if approved, there will be a direct impact on the General Fund Revenue Account in terms of borrowing costs over the beneficial life of the individual schemes.

Revenue implications	2009/10 £'000	2010/11 £'000	2011/12 £'000
Unavoidable	10.6	110.8	138.2
High	10.9	88.8	168.9
<b>Total Budget Pressures</b>	<b>21.5</b>	<b>199.6</b>	<b>307.1</b>

- 5.25 The detailed revenue implications of the bids categorised as either unavoidable or high have been included at Appendix 16.

### Housing Revenue Account (HRA)

- 5.26 Appendix 17 details 3 bids for HRA capital resources totalling £1,150m for 2009/10, £570k for both 2010/11 and 2011/12. These have also been categorised into unavoidable, high, medium and low.

	2009/10 £'000	2010/11 £'000	2011/12 £'000
High	1,090.0	570.0	570.0
<b>Total Budget Pressures</b>	<b>1,090.0</b>	<b>570.0</b>	<b>570.0</b>

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- 5.27 The above bids will need to be funded from borrowing. The estimated cost to the HRA is as follows:

	2009/10 £'000	2010/11 £'000	2011/12 £'000
High	21.8	55.0	77.8
<b>Total Budget Pressures</b>	<b>21.8</b>	<b>55.0</b>	<b>77.8</b>

- 5.28 Should Members approve the high HRA capital bids the implications shown above would be in addition to those associated with the Decent Homes 5 year Capital Programme recommended for approval by the Executive Committee on the 28 January 2009.

### Summary

- 5.29 Based on the assumptions, the impact of funding the Capital Programme and the proposed pressures and savings the estimated position for each of the three years is as follows:

	2009/10 £'000	2010/11 £'000	2011/12 £'000
Revised budget savings required (base budget)	307.1	1,076.7	1,269.9
<b>Pressures</b>			
Unavoidable and High revenue	465.0	367.0	280.0
Revenue implications of Unavoidable and High GF capital bids	21.5	199.6	307.1
<b>Overall Shortfall</b>	<b>793.6</b>	<b>1,643.3</b>	<b>1,857.0</b>

### Budget Reductions

- 5.30 In order to start the process of addressing the budget deficit in the medium term officers have produced a schedule of potential savings for consideration by Members. The savings have been proposed by Corporate Management Team who have sought to identify areas which could demonstrate:

- Additional income generation
- Reduction to costs with no impact on service delivery

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- Alternative methods of service delivery / more efficient working practices / shared / collaborative working to realise savings
  - Reduction in cost of services which do not directly impact on the Councils priorities
- 5.31 The Corporate Management Team have identified a “basket” of savings for Members consideration. This is attached at Appendix 17. The overall basket totals:
- 2009/10 £ 960,700
  - 2010/11 £1,478,500
  - 2011/12 £1,585,300.
- 5.32 Officers have included as part of the review of the Financial Plan proposals to generate efficiency savings through joint working or alternative ways of providing our services over the next 3 years. There is a target of £40k in 2009/10, £290k saving in 2010/11 with a further £100k in 2011/12. The plans to deliver these savings will be reported to Members during 2009/10 as updates on joint working arrangements. These savings are in addition to the savings arising from the Acting Joint Chief Executive arrangements of £40k that are included within the base budget proposals.
- 5.33 If agreed by Members full consultation will need to be undertaken with the staff and then reported back to full Council in March. As a result of the need to undertake full and proper consultation the full year impact of some of the savings will not be achieved in 2009/10 and the savings have been reduced to reflect that.
- 5.34 There are potential redundancy implications as a result of the proposed savings. These total £35.1k.

	2009/10 £'000	2010/11 £'000	2011/12 £'000
<b>Overall Shortfall</b>	<b>793.6</b>	<b>1,643.3</b>	<b>1,857.0</b>
Recommended Savings	(960.7)	(1,478.5)	(1,585.3)
Revenue Implications of Recommended Savings	35.1	0.0	0.0
<b>Balance</b>	<b>(132.0)</b>	<b>164.8</b>	<b>274.9</b>

## Civil Parking Enforcement

- 5.35 The original proposal for the implementation of Civil Parking Enforcement within the Borough was based on Wychavon District Council making available to the Council a loan to fund some of the initial set up costs for the Scheme. During recent discussions with Wychavon District Council it has become apparent that it would be more beneficial for Redditch Borough Council to meet the balance of the set up costs and charge them against future income streams rather than take up the loan offer from Wychavon District Council.
- 5.36 Members are asked to agree to a change to the arrangement included in the original proposal.

## **6. Other Implications**

Any Community Safety, Human Resources, Social Inclusion and Sustainability implications have been highlighted in the Appendices.

## **7. Conclusion**

- 7.1 As reported above the net position for the three years is as follows:
- |            |            |
|------------|------------|
| a) 2009/10 | (£132,000) |
| b) 2010/11 | £ 164,800  |
| c) 2011/12 | £ 274,900  |
| d) Overall | £ 307,700. |
- 7.2 Obviously additional savings need to be made in order to balance the three year plan. It is suggested therefore that as part of Member deliberation into future service provision within the Borough, the following services/areas be subject to separate Officer reports for consideration during 2009:-
- i) Arrow Valley Countryside Centre and Forge Mill Museum - Reports outlining the options and potential for alternative management arrangements and/or transfer to alternative provider(s).
  - ii) Shopmobility and Dial A Ride - Business cases to be developed to consider revised arrangements/options to deliver long term sustainability within both schemes."
- 7.3 It is suggested that this work be undertaken alongside the shared services work in order that a report be brought back by the end of July.

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### 8. Background Papers

Budget Guidelines Report (Council 15 September 2008).  
 Medium Term Financial Strategy and Plan 2009/10 to 2011/12  
 (Executive Committee 17 December 2008)  
 Estimate working papers held by Financial Services.

### 9. Consultation

There has been no consultation other than with relevant Borough Council Officers and Members however, it is suggested that wider consultation take place on any additional savings that are brought forward for Members consideration.

### 10. Authors of Report

The author of this report is Sam Morgan (Financial Services Manager) and Teresa Kristunas (Head of Financial, Revenues and Benefits Services) who can be contacted on extension 3790 (e-mail [sam.morgan@redditchbc.gov.uk](mailto:sam.morgan@redditchbc.gov.uk)) and extension 3295 (e-mail [teresa.kristunas@redditchbc.gov.uk](mailto:teresa.kristunas@redditchbc.gov.uk)) for more information.

### 11. Appendices

- Appendix 1 - Projections 2010/11 & 2011/12
- Appendix 2 - Directors
- Appendix 3 - Head of Finance, Revenues & Benefits
- Appendix 4 - Head of Legal Democratic & Property
- Appendix 5 - Head of Strategy & Partnership
- Appendix 6 - Head of Environmental Services
- Appendix 7 - Head of Operations
- Appendix 8 - Head of Planning & Building Control
- Appendix 9 - Head of Asset and Maintenance
- Appendix 10 - Head of Leisure
- Appendix 11 - Head of Housing & Community
- Appendix 12 - Head of Customer and IT
- Appendix 13 - Head of HR & Communications
- Appendix 14 - Revenue Bids 2009/10 – 2011/12
- Appendix 15 - Capital Bids – 2009/10 – 2011/12
- Appendix 16 - Revenue Implications of the Unavoidable and High Capital Bids.

# Executive

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Appendix 17 - HRA Capital Bids

Appendix 18 - Proposed Savings/Additional Income

# Executive Committee

# Appendix 1

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Head of Service	2009/10 Initial Budget	2010/11 Projection	2011/12 Projection
	£	£	£
Head of Finance, Revenues & Benefits	1,736.8	1,839.6	1,965.4
Head of Legal, Democratic & Property	360.3	271.7	303.1
Head of Strategy & Partnership	1,586.2	1,596.5	1,587.4
Head of Environment	2,912.1	2,956.5	2,974.9
Head of Operations	1,845.9	1,931.0	2,022.8
Head of Planning & Building Control	966.2	883.7	917.2
Head of Asset and Maintenance	346.1	364.6	379.5
Head of Leisure & Arts	3,403.4	3,472.0	3,498.4
Head of Housing & Community	697.6	718.9	736.8
Head of Customer and IT	54.6	56.1	57.1
Head of HR & Communications	123.7	129.2	130.2
<b>Heads of Service total</b>	<b>14,032.9</b>	<b>14,219.8</b>	<b>14,572.8</b>
Financing Charges	11.3	132.1	155.3
Superannuation scheme	258.0	258.0	258.0
Bad Debt Provision	35.0	35.0	35.0
Planning Grant	(100.0)	(100.0)	(100.0)
Other Adjustments	291.9	260.9	349.8
	14,529.1	14,805.8	15,270.9
less Capital Charges	(1,357.8)	(1,357.8)	(1,357.8)
	13,171.3	13,448.0	13,913.1
Parish Precept	8.2	8.2	8.2
<b>Net Expenditure</b>	<b>13,179.5</b>	<b>13,456.2</b>	<b>13,921.3</b>
Council Tax Payers	(5,587.1)	(5,824.1)	(6,086.2)
Gov't/Other Contributions	(6,496.8)	(6,555.4)	(6,565.2)
<b>Use of Balances</b>	<b>1,095.6</b>	<b>1,076.7</b>	<b>1,269.9</b>





**Directors**

**Initial Estimates 2009/10**

<b>Services Provided</b>	<b>Gross Expenditure £'000</b>	<b>Gross Income £'000</b>	<b>Net Expenditure £'000</b>
These service units provide administrative, technical and professional support to the direct services provided by this and other directorates. Their costs are wholly recharged.			
Joint Chief Executive	96.0		96.0
Deputy Chief Executive	117.9		117.9
Director of Housing, Leisure & Customer Services	101.5		101.5
Director of Environment & Planning	101.6		101.6
PA's & Directorate Support	254.1		254.1
Recharge to Services	(671.1)		(671.1)
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>

<b>SUBJECTIVE ANALYSIS</b>	<b>2009/10 Gross Expenditure £'000</b>	<b>Gross Income £'000</b>	<b>2009/10 Net Expenditure £'000</b>
Employee Expenses	646.3		646.3
Premises			
Transport Related Expenses	0.8		0.8
Supplies and Services	24.0		24.0
Recharges to Services	(671.1)		(671.1)
<b>Total Service Estimate</b>	<b>0</b>	<b>0.0</b>	<b>0</b>



**Head of Financial, Revenues and Benefits Services**  
**Initial Estimates 2009/10**

	<b>Gross Expenditure £'000</b>	<b>Gross Income £'000</b>	<b>Net Expenditure £'000</b>
<b>Services Provided</b>			
These service units provide administrative technical and professional support to the direct services provided by this and other directorates. Their costs are Wholly recharged.			
Head of Service	82.2		82.2
Financial Services	969.1	(19.6)	949.5
Revenue Services	1,127.1	(0.6)	1,126.5
Benefits Services			
Insurance Premiums	629.1		629.1
Recharge to Services	(2,807.5)	20.2	(2,787.3)
Total	0.0	0.0	0.0
<b>Direct Services</b>			
<b>Central Services to the Public</b>			
Council Tax Benefits	5,824.6	(5,721.0)	103.6
Tax Collections	904.9	(328.0)	576.9
<b>Corporate and Democratic Core</b>			
Corporate and Democratic Core	669.0	(0.2)	668.8
<b>Housing Benefit Payments</b>			
Housing Benefit Payments	18,335.0	(17,947.5)	387.5
<b>TOTAL SERVICE ESTIMATE</b>	<b>25,733.5</b>	<b>(23,996.7)</b>	<b>1,736.8</b>

# Executive Committee

# Appendix 3

18 February 2009

<b>SUBJECTIVE ANALYSIS</b>	<b>2009/10 Gross Expenditure £'000</b>	<b>Gross Income £'000</b>	<b>2009/10 Net Expenditure £'000</b>
Employee Expenses	1,882.6		1,882.6
Premises			
Transport Related Expenses	7.8		7.8
Supplies and Services	458.9		458.9
Transfer Payments (Benefits)	23,128.0		23,128.0
Third Party Payments	4.4		4.4
Support Services Costs	2,942.3		2,942.3
Capital Financing Costs	117.0		117.0
Government Grants (Benefit Subsidy)		(23,668.5)	(23,668.5)
Other Income	(20.2)	(348.4)	(348.4)
Recharges to Services	(2,807.5)	20.2	(2,787.3)
<b>Total Service Estimate</b>	<b>25,733.5</b>	<b>(23,996.7)</b>	<b>1,736.8</b>

# Executive Committee

# Appendix 4

18 February 2009

## Head of Legal, Democratic & Property Services

### Initial Estimates 2009/10

<b>Services Provided</b>	<b>Gross Expenditure £'000</b>	<b>Gross Income £'000</b>	<b>Net Expenditure £'000</b>	Notes
These service units provide administrative, technical and professional support to the direct services provided by this and other directorates. Their costs are wholly recharged.				
Head of Service	67.5		67.5	
Legal Services	370.0	(5.1)	364.9	
Member and Committee Services	331.3		331.3	
Electoral Services	60.1		60.1	
Land Charges	31.2		31.2	
Property Services	284.2		284.2	
Audit	173.8		173.8	
Recharge to Services	(1,318.1)	5.1	(1,313.0)	
<b>Total</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	
<b>Direct Services</b>				
<b>Land and Property Holdings</b>				
Civic Suite	41.2	(19.5)	21.7	
Business Centres	432.2	(451.0)	(18.8)	
Investment Properties	387.8	(786.0)	(398.2)	
<b>Cultural, Environmental &amp; Planning</b>				
Neighbourhood Groups	59.8		59.8	
<b>Central Services to the Public</b>				
Register of Electors	127.0	(1.5)	125.5	
Conducting Elections	257.8	(150.9)	106.9	
Land Charges	92.5	(60.0)	32.5	
<b>Corporate and Democratic Core</b>				
Cost of Democracy	356.1		356.1	
Voluntary Land Registration	56.6		56.6	
<b>Highways, Roads &amp; Transport</b>				
Incurtilage Parking	18.2		18.2	
<b>TOTAL SERVICE ESTIMATE</b>	<b>1,829.2</b>	<b>(1,468.9)</b>	<b>360.3</b>	

# Executive Committee

# Appendix 4

18 February 2009

SUBJECTIVE ANALYSIS	2009/10 Gross Expenditure £'000	Gross Income £'000	2009/10 Net Expenditure £'000
Employee Expenses	1,346.3		1,346.3
Premises	446.0		446.0
Transport Related Expenses	8.9		8.9
Supplies and Services	684.1		684.1
Transfer Payments (Benefits)			
Third Party Payments	9.5		9.5
Support Services Costs	647.0.1		647.0
Capital Financing Costs	6.3		6.3
Other Income		(1,449.7)	(1,449.7)
Recharges to Services	(1,338.1)		(1,338.1)
<b>Total Service Estimate</b>	<b>1,810.0</b>	<b>1,449.7</b>	<b>360.3</b>

**Head of Strategy and Partnership**  
**Initial Estimates 2009/10**

<b>Services Provided</b>	<b>Gross Expenditure £'000</b>	<b>Gross Income £'000</b>	<b>Net Expenditure £'000</b>
These service units provide administrative, technical and professional support to the direct services provided by this and other directorates. Their costs are wholly recharged.			
Head of Service	70.8		70.8
Policy Development Team	217.8		217.8
Housing Policy	120.0		120.0
Recharge to Services	(408.6)		(408.6)
<b>Total</b>	<b>0</b>		<b>0</b>
<b>Direct Services</b>			
<b>Public Transport</b>			
Concessionary Fares	1,354.1	(234.0)	1,120.10
<b>Community Safety</b>			
Community Safety	126.8	0.0	126.8
Anti Social Behaviour	62.9	(0.2)	62.7
<b>Corporate Expenses</b>			
Redditch Partnership	31.3	(5.0)	26.3
Grants to Voluntary Sector	250.3	0.0	250.3
<b>TOTAL SERVICE ESTIMATE</b>	<b>1,825.4</b>	<b>(239.2)</b>	<b>1,586.2</b>

# Executive Committee

# Appendix 5

18 February 2009

<b>SUBJECTIVE ANALYSIS</b>	<b>2009/10 Gross Expenditure £'000</b>	<b>Gross Income £'000</b>	<b>2009/10 Net Expenditure £'000</b>
Employee Expenses	683.9		683.9
Premises	0		0
Transport Related Expenses	10.0		10.0
Supplies and Services	306.0		306.0
Third Party Payments	1,248.80		1,248.80
Support Services Costs	222.4		222.4
Capital Financing Costs	0.0		0
Government Grants		(233.0)	(233.0)
Other Income		(6.2)	(6.2)
Recharges to Services	(408.6)		(408.6)
Recharge to HRA	(237.1)		(237.1)
<b>Total Service Estimate</b>	<b>1,825.4</b>	<b>(239.2)</b>	<b>1,586.2</b>



**Head of Environment**
**Initial Estimates 2009/10**

<b>Services Provided</b>	<b>Gross Expenditure £'000</b>	<b>Gross Income £'000</b>	<b>Net Expenditure £'000</b>
These service units provide administrative, technical and professional support to the direct services provided by this and other directorates. Their costs are wholly recharged.			
Head of Service	73.1		73.1
Landscape & Countryside/Waste M'mnt	543.4		543.4
Project M'mnt-Landscape Imp/Estate Enhancement	79.3		79.3
Environmental Health Licensing	483.0	(0.4)	482.6
	146.3		146.3
Recharge to Services	(1,325.1)	0.4	(1,324.7)
Total	0.0	0.0	0.0
<b>Direct Services</b>			
<b>Open Spaces</b>			
Open Spaces	1,198.4	(77.6)	1,120.8
Allotments	47.9	(22.3)	25.6
<b>Environmental Health</b>			
Public Health	646.2	(24.6)	621.6
Dog Wardens	58.5	(1.5)	57.0
Hackney Carriage & Private Hire Licensing	131.2	(113.9)	17.3
	93.5	(49.6)	43.9
Pest control	38.2	(1.0)	37.2
Abandoned Vehicles	18.7	(11.4)	7.3
<b>Waste Collection</b>			
Waste Collection General	215.7	(68.7)	147.0
<b>Street Cleansing</b>			
Street Cleansing	744.8		744.8
Travellers and Unauthorised Campers	34.5		34.5
<b>Environmental Initiatives</b>			
Climate Change	28.4		28.4

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Committee

18 February 2009

**Housing General Fund**

Improvement Grants	26.7	26.7
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<b>TOTAL SERVICE ESTIMATE</b>	<b>3,282.7</b>	<b>(370.6)</b>	<b>2,912.1</b>
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**SUBJECTIVE ANALYSIS**

	<b>2009/10 Gross Expenditure £'000</b>	<b>Gross Income £'000</b>	<b>2009/10 Net Expenditure £'000</b>
Employee Expenses	1,300.3		1,300.3
Premises	1,009.4		1,009.4
Transport Related Expenses	46.2		46.2
Supplies and Services	140.8		140.8
Third Party Payments	1,172.4		1,172.4
Support Services Costs	1,435.9		1,435.9
Capital Financing Costs	13.2		13.2
Other Income	(0.4)	(370.6)	(371.0)
Recharges to Services	(1,835.1)		(1,835.1)
<b>Total Service Estimate</b>	<b>3,282.7</b>	<b>(370.6)</b>	<b>2,912.1</b>

# Executive Committee

# Appendix 7

18 February 2009

## Head of Operations

### Initial Estimates 2009/10

<b>Services Provided</b>	<b>Gross Expenditure £'000</b>	<b>Gross Income £'000</b>	<b>Net Expenditure £'000</b>
These service units provide administrative, technical and professional support to the direct services provided by this and other directorates. Their costs are wholly recharged.			
Head of Service	70.1		70.1
Environmental Services Management	449.3		449.3
Cleansing Team	989.3	(84.3)	905.0
Landscape Team	1,682.9	(246.2)	1,436.7
Waste Collection Management & Supervision	128.8		128.8
Stores Unit	114.2	(0.1)	114.1
Mechanics Oncost	305.6		305.6
Recharge to Services	(3,740.2)	330.6	(3,409.6)
Total	0.0	0.0	0.0
<b>Direct Services</b>			
<b>Land &amp; Property Holdings</b>			
Outdoor Market	142.7	(109.1)	33.6
<b>Public Transport</b>			
Dial-a-ride	374.8	(112.3)	262.5
Shopmobility	151.3	(40.2)	111.1
<b>Cemeteries and Crematorium</b>			
Cemeteries and Crematorium	520.7	(682.4)	(161.7)
<b>Waste Collection</b>			
Waste Collection and Recycling	1,655.2	(54.8)	1,600.4
<b>TOTAL SERVICE ESTIMATE</b>	<b>2,844.7</b>	<b>(998.8)</b>	<b>1,845.9</b>

# Executive Committee

# Appendix 7

18 February 2009

SUBJECTIVE ANALYSIS	2009/10		2009/10
	Gross Expenditure £'000	Gross Income £'000	Net Expenditure £'000
Employee Expenses	3,971.2		3,971.2
Premises	259.3		259.3
Transport Related Expenses	1,007.0		1,007.0
Supplies and Services	439.9		439.9
Third Party Payments	97.4		97.4
Support Services Costs	1,525.0		1,525.0
Capital Financing Costs	459.3		459.3
Other Income	(370.7)	(998.8)	(1,369.5)
Recharges to Services	(4,543.7)		(4,543.7)
<b>Total Service Estimate</b>	<b>2,844.7</b>	<b>(998.8)</b>	<b>1,845.9</b>

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Committee

18 February 2009

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**Head of Planning & Building Control  
Initial Estimates 2009/10**

<b>Services Provided</b>	<b>Gross Expenditure £'000</b>	<b>Gross Income £'000</b>	<b>Net Expenditure £'000</b>
These service units provide administrative, technical and professional support to the direct services provided by this and other directorates. Their costs are wholly recharged.			
Head of Service	72.9		72.9
Planning Services	677.9	(13.0)	664.9
Building Control Team	235.4		235.4
Recharge to Services	(986.2)	13.0	(973.2)
Total	0.0	0.0	0.0
<b>Direct Services</b>			
<b>Economic Development</b>			
Economic Development	83.3		83.3
<b>Planning</b>			
Development Plans	351.2		351.2
<b>Development Control</b>			
Development Control	558.1	(150.3)	407.8
<b>Building Control</b>			
Building Control Service	233.9	(113.8)	120.1
Disabled Access	3.8		3.8
<b>TOTAL SERVICE ESTIMATE</b>	<b>1,230.3</b>	<b>(264.1)</b>	<b>966.2</b>

# Executive Committee

# Appendix 8

18 February 2009

<b>SUBJECTIVE ANALYSIS</b>	<b>2009/10 Gross Expenditure £'000</b>	<b>Gross Income £'000</b>	<b>2009/10 Net Expenditure £'000</b>
Employee Expenses	999.1		999.1
Premises	0.0		0.0
Transport Related Expenses	11.1		11.1
Supplies and Services	89.9		89.9
Third Party Payments	0.0		0.0
Support Services Costs	1,116.3		1,116.3
Capital Financing Costs	0.1		0.1
Other Income	(13.1)	(264.1)	(277.2)
Recharges to Services	(973.1)		(973.1)
<b>Total Service Estimate</b>	<b>1,230.3</b>	<b>(264.1)</b>	<b>966.2</b>

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**Head of Asset & Maintenance Services**
**Initial Estimates 2009/10**

<b>Services Provided</b>	<b>Gross Expenditure £'000</b>	<b>Gross Income £'000</b>	<b>Net Expenditure £'000</b>	Notes
These service units provide administrative, technical and professional support to the direct services provided by this and other directorates. Their costs are wholly recharged.				
Head of Service	70.0		70.0	
Public Buildings	304.5		304.5	
Housing Capital	431.8	(0.2)	431.6	
Housing Maintenance Teams	2,564.8	(0.3)	2,564.5	
Cleaners	156.5		156.5	
Asset Maintenance	207.4	(0.2)	207.2	
Administrative Buildings	1,009.1	(75.9)	933.2	
Recharge to Services	(4,738.1)	76.6	(4,661.5)	
<b>Total</b>	<b>6.0</b>	<b>0.0</b>	<b>6.0</b>	
<b>Direct Services</b>				
<b>Cultural, Environment &amp; Planning</b>				
Land Drainage General	165.6	(16.0)	149.6	
Street Naming & Numbering	25.2		25.2	
<b>Highways, Roads &amp; Transport</b>				
Parking	24.9	(0.7)	24.2	
Bus Shelters	21.5		21.5	
Street Lighting	0.9		0.9	
Non Adopted H'ways Inspection	37.5		37.5	
Information Signs	0.2		0.2	
<b>Private Sector Housing Renewal</b>				
Care & Repair	402.7	(321.7)	81.0	
<b>TOTAL SERVICE ESTIMATE</b>	<b>684.5</b>	<b>(338.4)</b>	<b>346.1</b>	

<b>SUBJECTIVE ANALYSIS</b>	<b>2009/10 Gross Expenditure £'000</b>	<b>Gross Income £'000</b>	<b>2009/10 Net Expenditure £'000</b>
Employee Expenses	2,892.7		2,892.7
Premises	936.3		936.3
Transport Related Expenses	289.5		289.5
Supplies and Services	558.8		558.8
Transfer Payments (Benefits)	0.0		0.0
Third Party Payments	190.3		190.3
Support Services Costs	402.8		402.8
Capital Financing Costs	145.7		145.7
Government Grants	0.0	(223.4)	(223.4)
Other Income	0.0	(191.6)	(191.6)
Recharges to Services	(4,731.6)	76.6	(4,655.0)
<b>Total Service Estimate</b>	<b>684.5</b>	<b>(338.4)</b>	<b>346.1</b>



# Executive Committee

# Appendix 10

18 February 2009

## Head of Leisure and Arts

### Initial Estimates 2009/10

#### Services Provided

These service units provide administrative, technical and professional support to the direct services provided by this and other directorates. Their costs are wholly recharged.

	Gross Expenditure £'000	Income £'000	Net Expenditure £'000
Head of Service	68.7		68.7
Management Team	150.6		150.6
Recharge to Services	(219.3)		(219.3)
Total	0.0		0.0

#### Direct Services

##### Recreation & Sport

Abbey Stadium	944.1	(422.3)	521.8
Hewell Road Swimming Pool	443.7	(176.6)	276.1
Reddicard	34.2	(66.9)	-32.7
Pitcheroak Golf Course	216.8	(78.2)	138.6
Arrow Vale Sports Centre	383.1	(235.5)	147.6
Kingsley	443.9	(240.2)	203.7
Playing Fields & Changing Rooms	125.0	(20.9)	104.1
Play Areas	250.7	0.0	250.7
Action Sport	254.7	(49.5)	205.2
Meeting Rooms (RBC)	481.3	(80.0)	401.3
Meeting Rooms (Management Cttee)	15.5	0.0	15.5
Community Projects	3.3	(2.2)	1.1

##### Open Spaces

Arrow Valley Countryside Centre	288.7	(61.6)	227.1
Fireworks Extravaganza	22.5	(0.9)	21.6

##### Culture & Heritage

Palace Theatre	476.9	(133.9)	343.0
Arts Strategy	64.5	0.0	64.5
Forge Mill Museum	285.6	(32.7)	252.9

##### Tourism

Tourist Information Centre	72.6	(0.2)	72.4
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Committee

18 February 2009

**Employment & Training Initiatives**

REDI Centre	345.4	(105.2)	240.2
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**Highways, Roads & Transport**

Christmas Lights	41.8	(5.0)	36.8
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Fees and charges additional income		(79.1)	(79.1)
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**TOTAL SERVICE ESTIMATE**

	<b>5,194.3</b>	<b>(1,790.9)</b>	<b>3,403.4</b>
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**SUBJECTIVE ANALYSIS**

Employee Expenses	2,480.6		2,480.6
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Premises	1,039.3		1,039.3
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Transport Related Expenses	27.1		27.1
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Supplies and Services	457.4		457.4
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Third Party Payments	343.7		343.7
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Support Services Costs	598.7		598.7
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Capital Financing Costs	466.8	(1.0)	465.8
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Other Income	0.0	(1,783.8)	(1,783.8)
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Recharges to Services	(219.3)	(6.1)	(225.4)
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<b>Total Service Estimate</b>	<b>5,194.3</b>	<b>(1,790.9)</b>	<b>3,403.4</b>
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# Executive Committee

# Appendix 11

18 February 2009

## Head of Housing & Community Services

### Initial Estimates 2009/10

<b>Services Provided</b>	<b>Gross Expenditure £'000</b>	<b>Gross Income £'000</b>	<b>Net Expenditure £'000</b>	Notes
These service units provide administrative, technical and professional support to the direct services provided by this and other directorates. Their costs are wholly recharged.				
Head of Service	88.1		88.1	
Rent & Welfare	261.5		261.5	
Database & Housing Performance	152.4		152.4	
Tenancy Management	355.6		355.6	
Housing Options	435.9		435.9	
Income & Recovery	189.7		189.7	
Recharge to Services	(1,483.2)		(1,483.2)	
<b>Total</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	
<b>Direct Services</b>				
<b>Supporting People/Social Services</b>				
Community Alarm - Support to Tenants	352.2	(352.2)	0.0	
St.David's House - Support	374.2	(374.2)	0.0	
Wardens - Support Element	843.6	(843.6)	0.0	
<b>Welfare Services</b>				
Community Alarm - Private Sector	151.1	(106.0)	45.1	
Concessionary TV Licences	14.8		14.8	
<b>Community Safety</b>				
CCTV	471.1		471.1	
<b>Community Development</b>				
Surestart	18.8		18.8	
<b>Housing Advances</b>				
Loans to Housing Associations	0.2	(2.9)	(2.7)	
<b>Homelessness</b>				
Bed & Breakfast Payments	47.9	(25.0)	22.9	
<b>Other Council Property</b>				
Leased Dwellings	22.2	(24.8)	(2.6)	
Housing Recharges	130.2		130.2	
<b>TOTAL SERVICE ESTIMATE</b>	<b>2,426.3</b>	<b>(1,728.7)</b>	<b>697.6</b>	

# Executive Committee

# Appendix 11

18 February 2009

<b>SUBJECTIVE ANALYSIS</b>	<b>2009/10 Gross Expenditure £'000</b>	<b>Gross Income £'000</b>	<b>2009/10 Net Expenditure £'000</b>
Employee Expenses	2,954.4		2,954.4
Premises	39.8		39.8
Transport Related Expenses	48.2		48.2
Supplies and Services	368.3		368.3
Transfer Payments (Benefits)	0.0		0.0
Third Party Payments	0.0		0.0
Support Services Costs	395.5		395.5
Capital Financing Costs	103.3		103.3
Government Grants	0.0	(1,134.8)	(1,134.8)
Other Income	0.0	(278.3)	(278.3)
Recharge to HRA	0.0	(315.6)	(315.6)
Recharges to Services	(1,483.2)		(1,483.2)
<b>Total Service Estimate</b>	<b>2,426.3</b>	<b>(1,728.7)</b>	<b>697.6</b>

# Executive Committee

# Appendix 12

18 February 2009

## Head of Customer & IT Services

### Initial Estimates 2009/10

<b>Services Provided</b>	<b>Gross Expenditure £'000</b>	<b>Gross Income £'000</b>	<b>Net Expenditure £'000</b>	Notes
These service units provide administrative, technical and professional support to the direct services provided by this and other directorates. Their costs are wholly recharged.				
Head of Service	68.6		68.6	
Central Switchboard	84.4		84.4	
One Stop Shop	979.0	(194.0)	716.0	
IT Services	680.5		680.5	
Recharge to Services	(1,812.5)	194.0	(1,549.5)	
<b>Total</b>	<b>0.0</b>	<b>(0.0)</b>	<b>0.0</b>	
<b>Direct Services</b>				
<b>Central Services to the Public</b>				
Emergency Planning	54.6		54.6	
<b>TOTAL SERVICE ESTIMATE</b>	<b>54.6</b>	<b>0.0</b>	<b>54.6</b>	

<b>SUBJECTIVE ANALYSIS</b>	<b>2009/10 Gross Expenditure £'000</b>	<b>Gross Income £'000</b>	<b>2009/10 Net Expenditure £'000</b>
Employee Expenses	1,335.0		1,335.0
Premises	1.0		1.0
Transport Related Expenses	8.0		8.0
Supplies and Services	376.3		376.3
Third Party Payments	15.0		15.0
Support Services Costs	103.3		103.3
Capital Financing Costs	26.1		26.1
Other Income		(194.0)	(194.0)
Recharges to Services	(1,810.1)	194.0	(1,616.1)
<b>Total Service Estimate</b>	<b>248.6</b>	<b>0.0</b>	<b>54.6</b>



# Executive Committee

## Appendix 13

18 February 2009

### Head of Human Resources and Communications Initial Estimates 2009/10

<b>Services Provided</b>	<b>Gross Expenditure £'000</b>	<b>Gross Income £'000</b>	<b>Net Expenditure £'000</b>
These service units provide administrative technical and professional support to the direct services provided by this and other directorates. Their costs are Wholly recharged.			
Head of Service	69.9	0	69.9
Human Resources	543.8	(44.8)	499.0
Reprographics	271.2	(5.0)	266.2
Communications	159.0	0.0	159.0
Recharge to Services	(1,043.9)	49.8	(994.1)
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Direct Services</b>			
<b>Human Resources</b>			
Corporate Traineeships	10.9	0	10.9
<b>Corporate Expenses</b>			
Publicity and Promotion	112.7	0	112.7
<b>TOTAL SERVICE ESTIMATE</b>	<b>123.6</b>	<b>0</b>	<b>123.6</b>

### SUBJECTIVE ANALYSIS

	<b>2009/10 Gross Expenditure £'000</b>	<b>Gross Income £'000</b>	<b>2009/10 Net Expenditure £'000</b>
Employee Expenses	820.7		820.7
Premises	4.3		4.3
Transport Related Expenses	1.3		1.3
Supplies and Services	147.5		147.5
Third Party Payments	1.0		1.0
Support Services Costs	147.9		147.9
Capital Financing Costs	44.8		44.8
Government Grants			
Other Income	(49.8)	(49.8)	(49.8)
Recharges to Services	(994.1)		(994.1)
<b>Total Service Estimate</b>	<b>123.6</b>	<b>(49.8)</b>	<b>123.6</b>





# Executive Committee

# Appendix 14

18 February 2009

## Revenue Bids 2009/10 – 2011/12

Key Deliverable Bids	2009/10 £000	2010/11 £000	2011/12 £000
<b><u>Unavoidable</u></b>			
Dog Warden - Out of hours	17.0	15.0	15.0
Business Continuity Plan	10.0	0.0	0.0
Wheels Project Annual Maintenance	10.0	10.0	10.0
Play Areas (replacement equipment)	60.0	60.0	60.0
Waste Collection - Charities, etc.	27.0	27.0	27.0
Place Survey	0.0	17.0	0.0
<b>Total Unavoidable</b>	<b>124.0</b>	<b>129.0</b>	<b>112.0</b>
<b><u>High</u></b>			
Resilience - additional budget to improve performance (Benefits Service)	40.0	40.0	40.0
Job Evaluation	130.0	50.0	0.0
Sewer and Drain Maintenance	18.0	18.0	18.0
Structural repairs to non building assets	25.0	25.0	25.0
Minor drainage works	10.0	10.0	10.0
Climate Change	25.0	25.0	25.0
Civic Newspaper (includes £6k advertising income)	18.0	0.0	0.0
Economic Development	20.0	20.0	20.0
Procurement Officer	30.0	30.0	30.0
Asset Disposal Programme – Marketing etc.	25.0	20.0	0.0
<b>Total High</b>	<b>341.0</b>	<b>238.0</b>	<b>168.0</b>
<b><u>Medium</u></b>			
Think Lean ( Invest to Save)	10.0	0.0	0.0
Heritage Access Officer	24.0	31.0	31.0
Play Area Technical Officer	33.0	33.0	33.0
National Play Day Event	10.0	10.0	10.0
Additional staffing - Internal Audit	30.0	30.0	30.0
O & S Grants Officer	22.0	22.0	22.0
Shopmobility	26.0	26.0	26.0
<b>Total Medium</b>	<b>155.0</b>	<b>152.0</b>	<b>152.0</b>

**Executive****Appendix 14**

Committee

18 February 2009

<b>Key Deliverable Bids</b>	<b>2009/10 £000</b>	<b>2010/11 £000</b>	<b>2011/12 £000</b>
<b><u>Low</u></b>			
Security (Countryside Centre)	3.0	0.0	0.0
Winyates Centre – security	0.5	0.0	0.0
District Centres - Provision of Road Signs	4.5	0.1	0.0
District Centres – Shutters What's Your Point	5.0	0.0	0.0
Additional staffing hours (Youth Theatre)	13.7	13.7	13.7
Bus Shelters	2.5	0.0	0.0
<b>Total Low</b>	<b>29.2</b>	<b>13.8</b>	<b>13.7</b>
<b>Total</b>	<b>649.2</b>	<b>532.8</b>	<b>445.7</b>

Capital Bids		2009/10	2010/11	2011/12	Revenue Implications	Commentary
		£'000	£'000	£'000	£'000	
<b><u>Unavoidable</u></b>						
1	Business Continuity & Disaster Recovery	200.0	0.0	0.0	20.0	IT Resilience subject to discussion with Bromsgrove
2	Improvements to Public Buildings	250.0	250.0	250.0		Improvement Works
3	Hewell Road - Filter Replacements	40.0				Necessary works
4	Hewell Road - Heat Exchanger	25.0				Necessary works
5	Abbey Stadium - Hall Floor covering	40.0				Necessary works
<b>Total Unavoidable</b>		<b>555.0</b>	<b>250.0</b>	<b>250.0</b>	<b>20.0</b>	
<b><u>High</u></b>						
6	Land Drainage Works - Old Forge Drive (08/09)	92.0				Alleviation of flooding. Immediate start 2009
7	Land Drainage Works - Dolphin Road	28.0				Alleviation of flooding
8	Mandatory Disabled Facilities Grants*	220.0	220.0	220.0		Mandatory. £260k govt.grant included.
9	Enhancements to Church Green/Town Centre		250.0	150.0		Extension of phased capital works
10	Replacement Programme (IT)	25.0	50.0	50.0		Ongoing upgrading
11	Home Repairs Assistance	150.0	150.0	150.0		Subject to repayment.
12	Sound Desk replacement (Palace Theatre)**	14.0				Ability to hear actors
13	Car Parking (Pay and Display)	43.2				Introduction of car parking charges.
<b>Total High</b>		<b>572.2</b>	<b>670.0</b>	<b>570.0</b>	<b>0.0</b>	
<b><u>Medium</u></b>						
14	Replacement of Energy Management System	100.0				Potential savings from revenue budgets
15	Winyates Centre Improvements	168.0				Task & Finish recommendation
16	Software Enterprise Agreement	57.0	57.0	57.0		Maintenance of business software to enable collaboration with partners
<b>Total Medium</b>		<b>325.0</b>	<b>57.0</b>	<b>57.0</b>	<b>0.0</b>	
<b><u>Low</u></b>						

17	Energy Saving Funding (Invest to Save) + HRA	40.0				Energy saving works. Also *refer to HRA
	<b>Total Low</b>	<b>40.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	
	<b>TOTALS</b>	<b>1,492.2</b>	<b>607.0</b>	<b>507.0</b>	<b>20.0</b>	

Project Appraisals for all Unavoidable and High priority bids are available from Democratic Services.

- \* Proposal for government grant to be distributed via the County Council from 2010/11. Budget will need to be reconsidered for 2010/11.
- \*\* Could potentially be financed from the sale of theatre backcloths

**Revenue Implications (MRP plus interest)**

Capital Bids		2009/10	2010/11	2011/12	Future Years	Total
		£'000	£'000	£'000	£'000	
<b><u>Unavoidable</u></b>						
1	Business Continuity & Disaster Recovery	4.0	61.3	61.3	61.3	328.0
2	Improvements to Public Buildings	4.5	32.0	59.4	82.4	1,133.4
3	Hewell Road – Filter Replacements	0.8	7.3	7.3	7.3	51.2
4	Hewell Road – Heat Exchanger	0.5	4.6	4.6	4.6	32.0
5	Abbey Stadium – Hall Floor Covering	0.8	5.6	5.6	5.6	56.0
<b>Total Unavoidable</b>		<b>10.6</b>	<b>110.8</b>	<b>138.2</b>	<b>161.2</b>	<b>1,600.6</b>
<b><u>High</u></b>						
6	Land Drainage Works - Old Forge Drive (08/09)	1.6	7.2	7.2	7.2	144.0
7	Land Drainage Works - Dolphin Road	0.6	2.5	2.5	2.5	50.4
8	Mandatory Disabled Facilities Grants	4.4	35.2	66.0	92.4	308.0
9	Enhancements to Church Green/Town Centre	0.0	5.0	21.3	29.3	880.0
10	Replacement Programme (IT)	0.5	7.0	19.0	30.0	150.0
11	Home Repairs Assistance	3.0	24.0	45.0	63.0	630.0
12	Sound Desk replacement (Palace Theatre)*	0.0	0.0	0.0	0.0	0.0
13	Car Parking (Pay and Display)	0.8	7.9	7.9	7.9	55.3
<b>Total High</b>		<b>10.9</b>	<b>88.8</b>	<b>168.9</b>	<b>232.3</b>	<b>2,217.7</b>
<b>Total Unavoidable and High</b>		<b>21.5</b>	<b>199.6</b>	<b>307.1</b>	<b>393.5</b>	<b>3,818.3</b>

Annual addition

178.1

107.5

86.4

\* Assumed to be funded from the sale of theatre backcloths.



Capital Bids	2009/2010	2010/2011	2011/2012	Revenue Implications	Commentary	Link to Priorities	Risks of non approval
	£'000	£'000	£'000	£'000			
<b>High</b>							
Digital Aerial installation. Security upgrades. Equipment & Adaptations	520.0						
	570.0	570.0	570.0		Enabling people to stay in their homes	Safe	
<b>Low</b>							
Energy Saving Funding (Invest to Save)	60.0				Clarify basis. *Refer to General Fund	Clean & Green	
<b>Totals</b>	<b>1,150.0</b>	<b>570.0</b>	<b>570.0</b>	<b>0.0</b>			





Description	2009/10	2010/11	2011/12	Revenue Implications	Commentary	Alignment with Priorities	Risks/Impacts
	£'000	£'000	£'000	£'000			
<b>One-off savings</b>							
Planning Service	53.2	53.2	0.0	0.0	Planning Assistant and Receptionist both Sc5 - to be reviewed in light of changes in the housing market. Posts currently vacant.	Enterprising. Clean & Green. Safe.	The number of planning applications may increase sooner than anticipated.
In curtilage parking	10.0	0.0	0.0	0.0	Saving from 2008/09 will be utilised in 2009/10 to support any applications. Low demand at present. To be reviewed for 2010/11.	Safe	Increase in demand.
<b>Ongoing savings</b>							
Pitcheroak Golf Course	64.0	85.0	85.0	30.1	Closure of golf facility. Conversion to Public Park/Open Space. Cost of demolition of Club House included in revenue implications (£10k). Impact on non RBC employees.	Clean & Green.	Savings assume July closure. Risk of not removing Club House due to ongoing liabilities. Loss of local golf facility for existing members (107).

Description	2009/10	2010/11	2011/12	Revenue Implications	Commentary	Alignment with Priorities	Risks/Impacts
	£'000	£'000	£'000	£'000			
REDI	60.0	160.0	160.0	0.0	Option to transfer to alternative provider assessed from July 2009. Will be subject to formal procurement arrangements. Current implications will be subject to TUPE arrangements.	Enterprising	Delays in procurement or potential transfer.
Matchborough West and Batchley Comm. Centres	45.0	61.0	61.0	0.0	Transfer of Matchborough West to WCC during 2009. Transfer of Batchley to Batchley Support Group during 2009. Vacant Assistant Community Development Worker post from 01 April 2009.	Enterprising	No significant risk, however, savings dependent on transfer to alternative provider.
Print Unit	52.0	52.0	52.0	0.0	Following review of print provision, rationalisation of printing and copying arrangements.	Well Managed Organisation	Delay in implementation. Staff resistance.

Description	2009/10	2010/11	2011/12	Revenue Implications	Commentary	Alignment with Priorities	Risks/Impacts
	£'000	£'000	£'000	£'000			
Arrow Valley Countryside Centre	24.0	24.0	24.0	0.0	Deletion of Duty Manager post (currently vacant) and restructuring of existing resources to provide on site management.	Clean & Green.	No significant risk.
Building Control	20.7	20.7	20.7	0.0	Reduction of Admin Officer post currently vacant.	Safe	No significant risk.
Head of Asset	25.0	25.0	25.0	0.0	Deletion of current vacant post of Head of Asset Maintenance and carry out service review to realign resources and create a revised structure. Note: Not full post savings.	Well Managed Organisation	No risk. Post vacant.
Switchboard	3.0	3.0	3.0	0.0	Renegotiation of switchboard maintenance contract.	Well Managed Organisation	No risk. Contract already renegotiated.

Description	2009/10	2010/11	2011/12	Revenue Implications	Commentary	Alignment with Priorities	Risks/Impacts
	£'000	£'000	£'000	£'000			
Committee Services	14.0	14.0	14.0	0.0	Following Exec decision to achieve efficiency savings in circulation of electronic papers via modern.gov	Well Managed Organisation	Savings dependent on cultural change and majority of recipients accepting electronic papers.
Property Services	10.3	10.3	10.3	0.0	Reduction of full time post to part time post due to reduction in Right to Buy sales. Affects 2 part time Officers.	Well Managed Organisation	Limited risk of upturn in the market.
Licensing Officer	13.3	13.3	13.3	0.0	Deletion of post following restructure. No redundancy.	Safe	No risk. Vacant post.
Contaminated Land	10.0	10.0	10.0	0.0	£10k currently built into base budget as need arises. Proposal to remove provision from base budget and use of balances when necessary.	Safe, Environment and Well Managed Organisation. Statutory function.	If there is a serious risk to human health or the environment the authority is required to act immediately. Existing budget may not be sufficient for a detailed site investigation. If required, services/site work costs will need to be met from balances.

Description	2009/10	2010/11	2011/12	Revenue Implications	Commentary	Alignment with Priorities	Risks/Impacts
	£'000	£'000	£'000	£'000			
Corporate Training	50.0	50.0	50.0	0.0	Current Authority budget of £225k to be reduced by £50k and centralised and prioritised linked to Council priorities and staff development.	Well Managed Organisation	No significant impact. Budget not always committed.
Procurement	70.0	70.0	70.0	0.0	Based on projected work programme, anticipate procurement savings as a result of corporate contract arrangements and future procurement projects.	Well Managed Organisation	Economic climate may mean that savings are not so readily achievable.
Benefits Subsidy	40.0	100.0	100.0	0.0	Restrict local authority errors to 0.48% of payments.	Well Managed Organisation and Safe	May not be able to restrict local authority errors to 0.48% of payments.

Description	2009/10	2010/11	2011/12	Revenue Implications	Commentary	Alignment with Priorities	Risks/Impacts
	£'000	£'000	£'000	£'000			
Shared Services	40.0	290.0	390.0	Potential	Anticipate £40k savings as a result of ongoing shared service work. Future years savings dependent on full business case and delivery of shared service arrangements.	Well Managed Organisation	Non delivery of shared service arrangements following consideration of business case.
Vacancy Management	125.0	125.0	125.0	0.0	Increase vacancy management to 3%	Well Managed Organisation	May need to hold posts vacant to achieve savings.
Pay Award	60.0	120.0	180.0	0.0	Reduce provision to 2.5% from 3%	Well Managed Organisation	Pay award may be more than 2.5%
Dial-a-Ride	10.0	10.0	10.0	0.0	Savings. Dispose of spare vehicle and/or reduce number of dispatcher hours	Safe	May be some cancelled bookings due to either vehicle breakdown or reduced capacity within the team of dispatchers.

Description	2009/ 10	2010/11	2011/12	Revenue Implications	Commentary	Alignment with Priorities	Risks/Impacts
	£'000	£'000	£'000	£'000			
Support Service Costs	25.0	25.0	25.0	5.0	Due to overall package of savings, anticipate savings of 1 FTE support services officer (not yet identified).	Well Managed Organisation	Savings may alter dependent on nature of post reduced (both revenue and redundancy savings).
Christmas Lights	35.0	35.0	35.0	Potential	Cease provision. Contract runs for further 2 yrs. May be implications for early termination.	Enterprising	May be a cost associated with the premature termination of contract.
Pest Control*	10.0	10.0	10.0	0.0	Reintroduce charging	Safe	May lead to increase in rat infestations.
Fireworks*	16.5	16.5	16.5	0.0	Not hold Firework Festival Event.	Safe	Negative publicity. If not agreed, additional funding of £15k required to fulfil health and safety obligations.
Neighbourhood Groups	5.5	5.5	5.5	0.0	Reduce number of meetings to 2 pa	Well Managed Organisation	Negative publicity.

Description	2009/10	2010/11	2011/12	Revenue Implications	Commentary	Alignment with Priorities	Risks/Impacts
	£'000	£'000	£'000	£'000			
<b>Income</b>							
Private Sector Lifeline to breakeven	28.4	28.4	28.4	Potential	Service to breakeven. Will require service review.	Safe	Timing of conclusion of negotiations for contracts and terms and conditions.
Car parking (Town Hall/AVCC/District Centres)	20.8	41.6	41.6	0.0	Introduce charging. Capital bid required of £43.2k with annual revenue implication of £7.9k. Effective from 01 August 2009	Clean & Green	Income may not be achievable and any delay in implementation will impact on income levels.
Forge Mill Museum	10.0	10.0	10.0	0.0	Additional income/savings/efficiencies	Enterprising	Uncertainty regarding impact of charges.
Arrow Valley Countryside Centre	10.0	10.0	10.0	0.0	Additional income/savings/efficiencies	Clean & Green	Uncertainty regarding impact of charges.
LABGI	???	???	???	0.0	Currently out to consultation. Proposal of ..... Determination date unknown at present.	Well Managed Organisation	Ongoing uncertainty of actual determination.



Description	2009/10	2010/11	2011/12	Revenue Implications	Commentary	Alignment with Priorities	Risks/Impacts
	£'000	£'000	£'000	£'000			
Benefits Subsidy (2006/7)	???	n/a	n/a	0.0	Awaiting confirmation from DWP regarding retrospective/ withheld benefit subsidy. Precise sum not known.	Well Managed Organisation	Not being notified of potential sum prior to budget setting.
<b>Total</b>	<b>960.7</b>	<b>1478.5</b>	<b>1585.3</b>	<b>35.1</b>			

\*if not agreed as savings then additional revenues bids of £5k Pest Control and £15k Fireworks will be required

