

REGENERATION, COMMUNITY AND CULTURE OVERVIEW AND SCRUTINY COMMITTEE

13 JANUARY 2009

DRAFT CAPITAL AND REVENUE BUDGET PROPOSALS 2009/2010

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Summary

This report presents for consideration, the Cabinet's draft capital and revenue budgets for 2009/2010.

1. Budget and Policy Framework

- 1.1 In accordance with the constitution, Cabinet is required to develop initial budget proposals' approximately three months before finalising the budget and setting council tax levels in February 2009. These proposals should be submitted to Overview and Scrutiny Committees for their views.
- 1.2 It is proposed that the Council Plan is added to the Council's Policy Framework, as set out in the constitution. A completed draft of the plan will therefore be submitted to Business Support Overview and Scrutiny Committee on 3 February 2009, prior to consideration by Cabinet and approval by Council.

2. Background

- 2.1 Cabinet's proposals, as agreed at the meeting on 25 November 2008, were reported in full to Business Support Overview and Scrutiny Committee on 9 December who agreed to pass the proposals on to the relevant overview and scrutiny committees, with comments to be channelled back through that committee on 3 February 2009.
- 2.2 As in previous years Cabinet's presentation is very much a 'work-in-progress' position with a revenue funding gap of some £14.3 million and some incomplete information in relation to capital funding opportunities. The Government's Comprehensive Spending Review in 2007 introduced three

year indicative settlements for both capital and revenue thus removing a considerable amount of funding uncertainty.

- 2.3 The report to Business Support Overview and Scrutiny Committee on 9 December was a re-statement of the Cabinet report and identified the position for the Council as a whole as presented by Cabinet. This report moves the process on and concentrates on the impact upon the Regeneration, Community and Culture Directorate. However in doing so the opportunity is taken to update the overall position in respect of the capital and revenue announcements that have occurred subsequent to the meetings of Cabinet and Business Support Overview and Scrutiny in November and December.

3. Draft Capital Programme 2009/2010 and Beyond

- 3.1 The current forecast shows that almost £48 million of the current approved programme of £124 million will be delivered in future years and capital resources will either roll forward or new allocations become available. The majority of capital resources to support investment for the current financial year are part of the three year settlement announced in 2007 following the Government's Comprehensive Review (CSR 2007).
- 3.2 The provisional capital programme for 2009/2010 and future years incorporates schemes which are fully supported by borrowing, grant or other external contributions.
- 3.3 In addition to the supported programme there are commitments from the current capital programme and ongoing support of annual schemes which represent a demand for capital receipts in excess of £20 million by the end of 2010/2011 to provide funding for unsupported schemes.
- 3.4 In considering schemes for inclusion within the programme the revenue implications of new investment must always be assessed. This information forms a component of the prudential indicators of affordability. Consequently, individual schemes will be considered in detail before submission to Members for formal approval.
- 3.5 Schemes which require a draw on reserves or revenue funds cannot be considered due to severe budget constraints. Uncommitted general reserves were only £1.7 million at the end of March 2008 and over £1 million of this balance is committed to fund currently approved schemes as can be seen from Table 1.
- 3.6 In setting a programme of investment in the capital programme, Members must consider all financing options available and have regard to option appraisal, asset management planning, strategic planning and achievability of the Council's forward plan.
- 3.7 Table 1 lists currently approved schemes, funded from capital receipts or reserves that will continue into future years to the extent of the unused amount of the approval. Shaded figures relate to this committee.

Table 1 Unsupported existing approved Capital Schemes for 2008/2009

Scheme funded from Capital Receipts and Reserves (General Fund)	Total Scheme Approval £000s	Forecast Spend to 31/03/09 £000s	Future Years to 2010/2011 £000s
Regeneration Community & Culture			
Medway Park (Black Lion)	2,102	0	2,102
Strood Riverside Land Compensation	1,797	1,797	0
Member's Priorities	1,194	853	341
Highways	1,627	1,627	0
Medway Innovation Centre	793	793	0
Eastgate House Improvements	579	19	560
Townscape Heritage Initiatives	544	210	334
Watermill Wharf	347	0	347
EH Local Management Agreement	199	41	158
Hard Landscaping within GM Contract	105	35	70
Gillingham Park	103	0	103
Ranscombe Farm Country Park	97	0	97
Local Development Framework	59	59	0
Echoes Extension Strood	44	44	0
Chatham Centre and Waterfront	40	40	0
Floodlighting	28	15	13
Strood Environmental Enhancements	26	6	20
Directorate Total	9,684	5,539	4,145
Other Directorates			
Business Support	1,861	1,451	410
Children & Adults	351	279	72
Total	11,896	7,269	4,627
Funding			
Reserves	1,044	941	103
Capital Receipts	10,852	6,328	4,524

3.8 In addition to the current commitments detailed in Table 1, there are a number of schemes, although uncommitted at this stage, which have been ongoing programmes in the past and are considered essential to maintain service levels across the Council and these will also present a draw on capital receipts yet to be realised. These schemes include highways planned maintenance and Strood Riverside land compensation and are summarised in Table 2.

Table 2 Unsupported Programmes. Requirement for Future Years

Scheme currently unfunded (General Fund)	Total £000s	2009/2010 £000s	2010/2011 £000s
Existing Commitments from Table 1	4,627	3,936	691
Strood Riverside Land Compensation	3,100	3,100	0
Highways Planned Maintenance	3,000	1,500	1,500
Building Maintenance Programmes	2,000	1,000	1,000
ICT Strategic Fund	554	190	364
Transformation Programme	202	101	101
Ward Improvement Fund	330	165	165
Total	13,813	9,992	3,821

- 3.9 For Member's information, the following table lists all approved schemes to date, funded from unsupported borrowing with the revenue costs met from existing resources.

Table 3 Unsupported Existing Approved Capital Schemes for 2007/2008

Scheme funded from Unsupported Borrowing	Total Scheme Approval £000s	Forecast Spend to 31/03/2009 £000s	Future Years to 2010/2011 £000s
Medway Innovation Centre Phase II	4,150	4,150	0
Library management System	300	300	0
Strood SC Football Academy	292	292	0
Gun Wharf	21,300	21,300	0
Customer First	776	776	0
Mercury Abatement	686	0	686
Total	27,504	26,818	686

- 3.10 As indicated in paragraph 3.1, CSR 2007 has introduced a three year funding settlement for local authorities. The following table, although incomplete, will give Members an indication of those major schemes or programmes which are externally funded or funded by borrowing backed by Central government support. Comparative figures for 2008/2009, where appropriate, are shown for information.

Table 4 Summary of External Funding for 2008/2011 Programme

Directorate/Scheme	2008/2009 £000s	2009/2010 £000s	2010/2011 £000s
Regeneration, Community & Culture			
Transport – Integrated Transport	2,841	3,163	3,494
Transport – Maintenance	1,946	2,140	2,462
Road Safety	68	72	71
Waste Infrastructure Capital Fund	447	447	165
Safer Stronger Communities	75	75	75
Business Support			
Housing Maintenance Programme (MRA)	2,156	2,212	tba
Decent Homes	735	735	tba
Housing (General Fund)	649	985	904
Children and Adults			
Disabled facilities Grant	570	tba	tba
Devolved Formula Capital	4,870	4,820	4,820
Modernisation	3,276	3,069	3,070
Basic Need	2,745	2,744	2,745
Primary Strategy for Change (Indicative)	0	3,404	5,782
School's Access Initiative (SCE(R))	620	620	620
Extended Schools	432	457	236
Pathfinder Short Breaks	0	168	392
Harnessing Technology Grant	947	940	965
Youth Capital Fund	130	130	130
Targeted Capital Fund	0	2,000	6,000
Sure Start, Early Years & Childcare	1,666	2,200	1,784
ICT Mobile Technology for Social Workers	39	0	0
Children's Social Services	51	51	50
Mental Health	115	115	115
Social Care	138	138	138
Total	24,516	30,685	34,018
Government Grant	13,241	19,217	25,523
Supported Borrowing	11,275	11,468	8,495

- 3.11 In addition to the external funding indicated in Table 4, Communities and Local Government (CLG) have allocated the following amounts through the Thames Gateway Delivery Plan. However, allocations for 2009/2010 and beyond are subject to CLG receiving the necessary funds from Parliament and are therefore indicative at this stage. In addition, for those items marked with an asterisk, no funding agreements are yet in place.

Table 5 Summary of Indicative CLG Funding for Regeneration Schemes

Scheme	2008/2009 £000s	2009/2010 £000s	2010/2011 £000s
Medway Renaissance Partnership	1,400	*1,200	*1,200
Rochester Riverside	558	377	565
Chatham Road Network Phases 2 & 3	1,439	3,376	3,235
Chatham Development Briefs	200	200	0
Queen Street Chatham	200	250	0
Chatham Bus facility	458	2,097	3,945
Chatham Waterfront	500	750	1,000
Chatham Public Realm	105	250	1,500
Chatham Cultural Project	0	0	400
Strood Centre and Infrastructure	400	2,300	2,300
Corporation Street Rochester	40	130	130
Eastgate House Rochester	0	0	*1,000
Great Lines City Park	99	941	1,086
Medway Park (Black Lion)	2,750	1,500	0
A228 Main Road to Ropers Lane	59	0	10,521
Quality Bus Corridor	205	1,798	10,997
Gillingham Station	100	200	1,200
Total	8,513	15,369	39,079

- 3.12 Apart from those schemes listed in the tables above, there are no new proposals for inclusion in the capital programme for 2009/2010 and future years at this stage. A sizeable amount of the anticipated funding will be allocated to ongoing programmes e.g. MRA and Local Transport Plan (LTP) resources. Almost £48 million has been allocated to Children and Adult Services. Of this allocation, over £9 million is devolved to schools and £19 million earmarked for specific programmes and future years commitments from the current capital programme. Some £20 million is therefore available to fund to future projects.

- 3.13 New schemes proposed for inclusion in the capital programme have the potential to be included at any time, subject to full Council approval. The approval process for such schemes will need to have regard to their priority and funding mechanism and any impact on the revenue accounts.
- 3.14 It is clear that outside of existent approvals and future supported projects, there is little scope for adding to the programme at this time. Reserves are no longer available and the existing programme already stretches potential capital receipts against the current state of the property market.

4. Funding the Approved Programme

4.1 The capital programme is funded by several sources:

- Supported Borrowing (SCE(R));
- Government Grant (SCE(C));
- Other Capital Grants;
- Major Repairs Allowance;
- Capital receipts and
- Developer Funds/Specific Reserves.

Confirmation of the indicative allocations was published throughout December, and any additional allocations announced over the winter and throughout the beginning of next year.

- 4.2 Most central government support is allocated through the Single Capital Pot which comprises two components: Supported Capital Expenditure (Revenue), known as SCE(R) and Supported Capital Expenditure (Capital Grant), known as SCE(C). SCE(R) is the amount of expenditure towards which revenue support grant (RSG) will be paid to a local authority to reflect the costs of borrowing.
- 4.3 The majority of capital grants are current year allocations. However, school modernisation grants and some targeted capital funding has to be spent in 17 months aligned to the school year. Local transport plan (LTP) grants are allocated for the current year with indicative figures of a second year allocation. Devolved formula capital grants must be spent within three years. The CSR has demonstrated that there is a marked shift from SCE(R) to capital grant over the three year life.
- 4.4 Although, according to CLG, the individual elements of SCE(R) and some specific grants are not ringfenced, the Council has always applied this funding to relevant services as there is an expectation from individual Government departments that the full funding will be allocated appropriately. There is a risk that future funding could be jeopardised if this policy is not continued.
- 4.5 In keeping with the Council's clear policy objectives, further developer contributions will be secured throughout 2009/2010. These contributions will be applied to secure investment to match the objectives set out in the Community Plan, and other planning and development priorities

5. Draft Revenue Budget 2009/2010

- 5.1 The revenue budget monitoring report for September highlighted a forecast overspending on services, before management action, of approximately £2.4 million. The forecast overspend encompasses all directorates of the Council with the main pressures from children and adult services compounded by hyper inflation on energy costs affecting all the Council's premises and highways etc. A number of actions have been taken to reduce this overspending and attempt to achieve a break-even position by the end of the financial year, although it is largely the case that these are once-off measures that will need to be replaced by more sustainable actions in 2009/2010. An examination of service pressures highlighted later in this report reveals the ongoing impact of these spending needs in the context of setting a sustainable budget for 2009/2010.
- 5.2 The budget proposals for 2009/2010 are built using the current year's budget and spending as a starting point. Appendix 1 shows a forecast budget gap of £14.3 million that is largely driven by pressures already experienced and the continued growth in those pressures.
- 5.3 CSR2007 introduced three year funding allocations and therefore the overall level of formula grant increase for 2009/2010 and 2010/2011 are already known at 4% and 3.6% respectively. Forecast DSG spending will increase by 3.6% and 4.1% per pupil over the same period albeit falling pupil numbers will reduce the actual year on year cash increase.
- 5.4 The Provisional Local Government Finance Settlement was announced on 26 November and launched the consultation period on the proposals that will end on 7 January 2009.
The headline figures for Medway for 2009/2010 are as follows:
- Formula Grant £ 82.225m, being an increase of 4.03%;
 - DSG £167.254m, a cash increase of 2.1% above the final DSG for 2008/09 (representing £4,179 per pupil, an increase of 3.6%).
- 5.5 The total allocation of DSG at £167.254m includes additional funding of £1.127m for personalised learning and SEN. The indicative allocation for 2009-2010 will be adjusted in due course to reflect the actual pupil numbers in January 2009 and the early years headcount. The final pupil numbers are normally verified by the DCSF in May and the final DSG allocation will not be known until then.
- 5.6 Unsurprisingly, the settlement does little to further the relatively poor funding position of the council in comparison to peer authorities with like authorities also receiving similarly beneficial increases. In addition, John Healey the Local Government Minister stated: "For 2009/10 the Government again expects the average council tax increase in England to be **substantially below 5%**. And again, we will not hesitate to use our capping power as necessary to protect council tax payers from excessive increases."

5.7 The formula grant summary is set out in the table below:

Table 6 Formula Grant Summary

	Actual	Provisional Settlement Amounts		
	2008/2009	2009/2010	2010/2011	2011/2012
Relative Needs Amount	59.025	60.545	62.013	Assumed increase
Relative Resource Amount	-22.194	-22.789	-23.362	
Central allocation	47.790	49.326	50,800	
Floor Damping	-5.502	-4.857	-4.321	
Formula Grant	79.120	82.225	85.130	88.110
% Increase		4.03%	3.5%	3.5%
DSG	159.684	167.254	172.277	179.340
% Increase per pupil		3.6%	4.1%	4.1%

NB. The 4.03% increase in formula grant for 2009/2010 is based on an adjusted 2008/2009 figure of £79.038 million reflecting a notional transfer of £82,000 in respect of Student Finances funding away from local authorities.

- 5.8 The floor damping deduction is the contribution Medway is having to make to ensure that other authorities have a minimum level of increased funding following the implementation of the new formula changes, on a national basis this is a nil sum equation.
- 5.9 As indicated earlier, there is a shortfall compared to the anticipated resources of approximately £14.3 million. Appendix 1 summarises the overall Council requirement and highlights a £16 million growth in budget demand and any savings identified to date to constrain this demand. The overall growth in budget requirement is influenced by the following
- Care for the elderly;
 - Looked after children;
 - Additional placements in independent and non-maintained schools;
 - Increase in unsubsidized housing benefit payments;
 - Reduced income from land charges;
 - Reduced income from Council property, additional maintenance and unprecedented increase in energy costs;
 - New waste contract and
 - Reduction in investment returns and increased borrowing costs.
- 5.10 Appendix 2 provides an analysis of the Regeneration, Community and Culture Directorate's requirement with Appendix 3 providing more detail on budget pressures.

5.11 In respect of the pressures identified in Appendix 3, to assist in understanding the nature of the identified pressures they have been classified as follows:

1. The current and full year effect of pressures already impacting upon budgets;
2. The anticipated effect of changes to expenditure in 2009/2010 that are not presently felt but will occur in 2009/2010 because of known events;
3. The need for budget provision to cover estimated growth in service to compensate for a present shortfall or a reasonable estimate of future growth;

5.12 In building the budget requirement, due regard has been made to the revenue consequences of proposed capital schemes and, in particular, the impact of additional borrowing requirements. In 2009/2010 it is anticipated that new 'supported' borrowing of some £11.5 million will be required to finance the capital programme predominantly for children's services and highway schemes. This follows on new borrowing undertaken in 2008/2009 of £11.3 million. Both of these sums exclude 'prudential borrowing' on an invest to save basis. There will be a revenue cost associated with all borrowing arising from the interest paid upon the debt and the amount required to be set aside each year for repayment of the debt (MRP – minimum revenue provision). This additional cost, together with the reduction in investment rates, is the cause of the increase in costs for interest and financing shown in Appendix 1.

5.13 By way of an overview the following general comments are applicable to the Regeneration, Community and Culture budgets:

The Director of Regeneration, Community and Culture commented on the proposed budget as follows: the Resource Strategy identified pressures of £4.8 million for the directorate and, with the exception of highways at £1.5 million, where it is assumed that the capital funding will continue into 2009/2010, these have been refined and updated during the detailed budget preparation process and are reflected in the budget build. The anticipated effect of the new waste contract and removal of the LATS target amounts to over £2.5 million. Additional energy inflation of £776,000, excess inflation on highways maintenance contracts of £353,000, increments of £302,000 and loss of Planning Delivery Grant of £300,000 are the more significant contributors to the total pressures of some £5.6 million.

6. Council Plan 2009/2012

The Council Plan, currently draft, replaces the previous Performance Plan as the council's locally relevant medium term business plan. Following a relaxation of the Best Value requirements by central government, the opportunity has been taken to align the budget planning process with the Council Plan process, strengthening the links between resources and the council's priorities. Under each of the six priorities and two core values, key outcomes are being developed which the organisation will deliver over the three year lifetime of the plan. A summary of the draft plan, including draft outcomes, can be found at appendix 4.

7. Financial and Legal Implications

7.1 The financial and legal implications are contained in the attached appendices.

8. Recommendations

8.1 Members are requested to:

- a) consider the initial capital and revenue budgets, proposed by Cabinet on 26 November 2008 insofar as they affect this overview and scrutiny committee;
- b) consider the opportunities and implications of any other efficiencies or revenue generating measures for this committee;
- c) forward to Business Support Overview and Scrutiny Committee on 3 February 2009, comments and suggestions with regard to the preparation of the Council's capital and revenue budget for 2009/2010.

9. Background papers

Resource Strategy and Council Plan 2009/2012 report to Cabinet
23 September 2008.

Capital Programme 2009/2010 and Beyond report to Cabinet 25 November
and Business Support Overview and Scrutiny 9 December 2008.

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Appendices

1. Revenue budget construction 2009/2010
2. Directorate budget construction
3. Directorate budget pressures
4. Summary Draft Council Plan 2009/2012

Draft Revenue Budget Summary 2009/2010

Directorate	Base Budget 2008-09	Inflation	Revised Base	Pressures			Savings	2009/10 Budget Requirement	% Change
				Current Cost of Service	Legislation/ other known costs	Demographic			
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
Childrens and Adults Services	259,138	7,673	266,811	6,163	723	1,716	(1,845)	273,568	5.57
Regeneration, Community and Culture Services	44,916	1,861	46,777	3,381	2,268	0	0	52,426	16.72
Business Support Department	24,855	829	25,684	1,956	163	24	0	27,827	11.96
Public Health	321	25	346	7	20			373	16.20
Interest & financing	12,644		12,644	1,556				14,200	12.31
Levies	879	35	914					914	3.98
Area Based Grant	(10,926)	0	(10,926)		(756)			(11,682)	6.92
Planned Use of Reserves	1,166	0	1,166	(1,166)				0	
TOTAL BUDGET REQUIREMENT	332,993	10,423	343,416	11,897	2,418	1,740	(1,845)	357,626	7.40

Funding Analysis

Formula Grant	79,120
Council Tax (Assuming 5% increase)	88,955
DSG	163,918
Use of Reserves	1,000
	<u>332,993</u>

	82,225
	93,636
	167,458
	<u>0</u>
	<u>343,319</u>

Funding Gap

	<u>0</u>
	<u>14,307</u>

REGENERATION, COMMUNITY AND CULTURE - BUDGET BUILD 2009 - 2010

Service	Base Budget 2008-09	Inflation	Revised Base	Pressures			Savings	2009/10 Budget Requirement
				Current Cost of Service	Legislation/ other known costs	Demographic		
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Highways	6,010	235	6,245	1,037				7,282
Road Safety	494	27	521	(1)				521
Traffic Management	523	19	541	107	50			698
Parking	(2,977)	(124)	(3,101)	80				(3,021)
Waste	16,123	663	16,785	448	2,100			19,333
Safer Communities	3,356	102	3,458	74				3,533
Front Line Support	420	14	434	7				441
Major Projects	168	3	170	(231)				(61)
TOTAL FOR FRONT LINE SERVICES	24,116	939	25,055	1,521	2,150	0	0	28,726
Development & Transport	133	11	144	25				169
Economic Development	444	99	543	(56)				487
Integrated Transport	5,842	286	6,128	154	85			6,367
Local & Regional Planning	1,103	40	1,143	29				1,172
Development Control	467	(35)	432	456	13			901
Social Regeneration and Europe	447	36	483	(18)				465
Tourism	642	16	658	52				710
Building Control	203	8	211	16				227
TOTAL FOR DEVELOPMENT & TRANSPORT	9,282	461	9,743	656	98	0	0	10,497
Medway Renaissance	(68)	10	(58)	(10)				(68)
TOTAL FOR MEDWAY RENAISSANCE	(68)	10	(58)	(10)	0	0	0	(68)
Management Group	180	1	181	(80)				101
Sports Development	259	14	273	5				278
2012 Olympics	436	25	462	2				464
Medway Leisure	1,374	16	1,390	336	20			1,725
Events	544	17	562	(11)				571
The Arts	264	10	273	3				277
Theatres	525	13	537	79				616
Heritage	574	29	604	28				632
Greenspaces	4,021	194	4,215	146				4,361
Civic Archives	123	4	128	7				134
Libraries	3,507	114	3,621	284				3,905
TOTAL FOR LEISURE & CULTURE	11,808	436	12,245	800	20	0	0	13,064
Directorate Support	(223)	16	(207)	415				207
TOTAL FOR DIRECTORATE SUPPORT	(223)	16	(207)	415	0	0	0	207
TOTAL FOR REGENERATION, COMMUNITY AND CULTURE	44,915	1,862	46,777	3,381	2,268	0	0	52,426

REGENERATION, COMMUNITY & CULTURE - 2009/10 MAJOR PRESSURES

Service	Current Cost of Service	Legislation/ other known costs	Demographic	Total
	£000's	£000's	£000's	£000's
ALL SERVICES - Increments	302			302
FRONT LINE SERVICES				
<u>Highways</u>				
Excess inflation on maintenance contracts over 4% base	353			353
Energy inflation over 4% base (inc tunnel)	424			424
<u>Car Parking</u>				
Current NNDR costs	50			50
Energy inflation over 4%	14			14
<u>Road Safety & Traffic Management</u>				
Unrecovered cost of installing disabled bays	17			17
Signs & bollards - energy inflation over 4%	10			10
Urban traffic management system - repair	26	50		76
BT Line - traffic signal control	50			50
<u>Waste</u>				
Effect of new contract		2,100		2,100
Removal of LATS target	440			440
Total Front Line Services	1,384	2,150	0	3,534
DEVELOPMENT, ECONOMY & TRANSPORT				
<u>Development Control</u>				
Loss of Planning Delivery Grant	300			300
Planning & enforcement appeal costs	100			100
<u>Integrated Transport</u>				
Non achieved savings - supported buses	85			85
Enhanced Yellow Bus Service	35			35
LAA congestion target - consultancy		10		10
Kerbside electronic information improvements		75		75
	520	85	0	605

REGENERATION, COMMUNITY & CULTURE - 2009/10 MAJOR PRESSURES

Service	Current Cost of Service	Legislation/ other known costs	Demographic	Total
	£000's	£000's	£000's	£000's
LEISURE & CULTURE				
Service manager review less AD	100			100
<u>Medway Leisure</u>				
Energy inflation over 4%	247			247
Non achievement of 4% from fees	84			84
<u>Events</u>				
Match funding for Fuse Festival		20		20
Under Siege	15			15
<u>Heritage</u>				
Energy inflation over 4%	12			12
<u>Theatres</u>				
Energy Inflation over 4% / essential maintenance	25			25
Non achievement of 4% from fees	43			43
<u>Greenspaces</u>				
Tree Officer	30			30
Nursery - energy inflation	14			14
<u>Libraries</u>				
Mobile library - additional maintenance if not replaced	14			14
Energy inflation over 4%	30			30
Essential repair and maintenance	40			40
	654	20	0	674
<u>Director's Office</u>				
Unsustainable vacancy target (currently £440,000 but only £100,000 - £150,000 achieved)	200			200
	200	0	0	200
Miscellaneous Pressures	321	13		334
DIRECTORATE TOTAL	3,381	2,268	0	5,649

Summary DRAFT Council Plan 2009-12

The Council Plan replaces the previous Performance Plan as the council's locally relevant medium term business plan. Central government relaxed the Best Value requirements in the Local Government and Public Involvement in Health Act 2007, and the opportunity has therefore been taken to align the budget planning process with the Council Plan process, strengthening the links between resources and the council priorities.

The draft of the Council Plan is currently being finalised. However, unlike previous years, the opportunity has also been taken to allow Overview and Scrutiny the opportunity to comment on a summary of the plan, so that comments can be incorporated in the final document.

It is proposed that the Council Plan replace the Performance Plan as part of the Council's Policy Framework, as set out in the constitution. A completed draft of the plan will therefore be submitted to Business Support Overview and Scrutiny Committee on 3 February 2009, prior to consideration by Cabinet on 17 February and approval by Council on 26 February.

The Council Plan sets out the six key priorities and two core values that the council seeks to achieve over the period April 2009 to March 2012. In addition it sets the key outcomes that will be delivered under each priority or core value. A summary of these priorities and outcomes is provided below.

Summary of the Plan

1. Achieving our Vision – Delivering Our Priorities

This is our first three year Council Plan setting out how Medway Council will play its part in achieving the vision for Medway agreed with our partners – a city of learning, culture, tourism and enterprise.

In our Annual Report 2007/8 we reviewed our progress toward achieving this vision, and this plan sets out how we will continue our improvement to secure positive outcomes for all Medway's residents.

To play its part in fulfilling this vision, Medway has agreed six priorities that we want to achieve over the three year lifespan of this plan. These are:

- A clean and green environment
- Safer communities
- Children and young people having the best start in life
- Older and vulnerable people maintaining their independence
- People travelling easily and safely in Medway
- Everyone benefiting from the area's regeneration

In addition, we have two core values which set out *how* we will go about achieving these priorities:

- Putting our customers at the centre of everything we do
- Giving value for money

The following sections outline in more detail what we will do to deliver these priorities, and include the specific steps the council will take on its improvement journey. However, we will keep these actions under constant review, ensuring they are the right actions for Medway, and adapting them where necessary. We will measure our progress towards achieving these objectives to make sure we deliver on our promises, and report our findings in at the end of each financial year in our Annual Report.

Partnerships

Working in partnership with other public sector bodies and the voluntary and community sector is critical to our success. We constantly strive to make Medway a better place to live, work and enjoy. We recognise that no one public body can secure this improvement on their own, and therefore we are an active member of Medway's Local Strategic Partnership, and lead the partnership to deliver the Local Area Agreement

Our Priorities

2. A clean and green environment

Our commitment to the environment includes keeping the streets clean, protecting green spaces in urban and rural areas, recycling more rubbish and reducing carbon emissions. We seek to plan and deliver our services in a sustainable way to protect the environment for current and future generations.

Key Outcomes:

- Increase participation in sport for both children and adults, by developing Medway as a regional centre of sporting excellence, with access to good quality leisure facilities for all.
- Make Medway a place where open spaces and outstanding natural beauty are only a step away.
- Manage Medway's waste sustainably, and reduce waste sent to landfill
- Improving the local street scene
- Reduce the carbon footprint in Medway

3. Safer Communities

We want people to feel safe in Medway. Making Medway as safe as possible is important to our plans. We will continue to work in partnership with the police, focussing on tackling serious violence, reducing antisocial behaviour and reducing domestic violence. We want to build safe, strong and cohesive communities.

Key Outcomes:

- Build strong communities by improving community cohesion
- Reduce antisocial behaviour and youth crime
- Reduce the fear of crime

- Reduce violent crime
- Reduce antisocial behaviour, including criminal damage
- Reduce repeat occurrences of crime, such as repeat offenders, location and victims
- Reduce substance misuse
- Improve public confidence

4. Children and Young People having the best start in life

We want children and young people in Medway who are:

- safe and cared for,
- succeed in learning and
- thrive.

This will be championed by a confident and competent workforce and we will have arrangements in place to ensure:

- effective safeguarding
- integrated services and support
- timely and targeted interventions

Key Outcomes:

- Narrow the gap for all vulnerable children and young people to support improved outcomes and life chances for all
- Ensure all children and young people and vulnerable adults are protected and kept safe from harm
- Support Children and young people on the edge of care and improving outcomes for looked after children
- Raise educational attainment at
 - Foundation Stage
 - Key Stage 2
 - GCSE or equivalent
- Improve outcomes for children with special educational needs by creating more provision within Medway
- Reduce teenage conception rates
- Increase the number of places to go and things to do for young people in Medway
- Ensuring young people are appropriately engaged in employment education and training
- Implementing the targeted youth support agenda
- Tackle youth homelessness

5. Older and vulnerable people maintaining their independence

We aim to encourage and support healthy lifestyles and choice for all. We also aim to improve the quality of life for our residents. We have a key role to play in helping older and vulnerable people maintain their independence.

Key Outcomes:

- Transform our services so that social care is personalised and self directed to meet the needs of individuals

- Work in partnership with the PCT where appropriate to provide a seamless service to individuals
- Those with disabilities to achieve economic wellbeing
- Establish the council's role as supervisory body managing deprivation of liberty safeguards
- Make Medway a healthy place to be

6. People travelling easily and safely in Medway

We have a key role to play in supporting the development of a transport system that underpins the planned physical and economic regeneration of Medway. Our focus is on delivering improved access to bus services, delivering on the actions identified in the Local Transport Plan and encouraging alternatives to the car.

Key Outcomes

- Limit the growth of traffic and tackle congestion, responding to the travel demands resulting from regeneration
- Keep people safe on our roads and reduce the number killed & seriously injured in road crashes
- Continue to improve the customer experience at Medway libraries, and position libraries as gateways to public services and the hub of local neighbourhoods

7. Everyone benefiting from the area's regeneration

We remain committed to developing the area so that all residents and visitors can benefit from regeneration, with social and economic regeneration and protection of heritage and the environment accompanying physical change.

Key Outcomes:

- Decent homes for all
- Quality jobs for local people
- Culture & leisure for all
- Realising everyone's potential
- A healthy place to be

Our Core Values

8. Putting our customers at the centre of everything we do

We aim to deliver the services our customers need and want, in the way that they want. Central to achieving this will be improving how we communicate with our customers and listening to their views

Key Outcomes

- Continue to deliver our services in a fair and equal manner, recognising the diversity of our local population

- Customer First will focus on continuing to improve the customer experience and do more for less
- A quality library services

9. Giving Value for Money

Providing high-quality, value-for-money services is central to the council's work. Managing our finances well is essential if we are to achieve that. We are proud that council tax levels are among the lowest nationally. We want to continue to be independently judged as having good budget setting and monitoring systems.

We have been externally assessed as having integrity and probity in the way we manage our financial resources, with the Audit Commission giving us a 3 out of a possible 4 stars for the way in which we manage our finances. This drive for efficiency has clearly not been at the cost of service delivery, with the Commission re-confirming our status as a three star council overall under the final year of CPA.

We will compliment our excellent track record on financial management by strengthening our performance management regime. We want to drive improvement across all services, and achieve outcomes for all our residents. We will continue to strengthen the ways in which we align our resources to achieve our priorities.

10. Measuring our Progress

We will use performance measurement to analyse our progress towards achieving the priorities, objectives and actions laid out in this report. We call these our 'critical success factors' which measure things which we believe are critical to achieving our priorities.

