

HERTFORDSHIRE COUNTY COUNCIL

CABINET

THURSDAY 27 JANUARY 2003 AT 2.00 P.M.

COUNTY COUNCIL PROPOSED RESOURCE BUDGET 2003/04 – 2006/07

Report of the Finance Director

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Executive Member:- David Beatty

1. Purpose of the report

- 1.1 To inform Cabinet of the recommendations and comments from each of the Scrutiny Committees and update it on additional information and budget related issues which have arisen since the Cabinet met on 19 December 2002, to allow Cabinet to recommend a budget to County Council on 13 February.
- 1.2 If more up to date information becomes available, this will be distributed later as an addendum to this report, together with details of the recommendations and comments made by the Scrutiny Committees. However, it is not expected that we will have the final settlement figures until after this meeting.

2. Summary

- 2.1 At its meeting on 19 December 2002 Cabinet made proposals on the revenue budget and capital programme for consideration by Scrutiny Committees in January 2003. These are set out in the minutes. The December Cabinet report contained the assumptions and detail underlying the budget.¹ The proposed reinstatement of the year on year cash reductions in Standards Fund grants for Schools and LTP resources (see Cabinet Minute 13 1(1)), increases the total value of pressures by £10.829 million (£2.279 million of which was already included in the base budget figure as unallocated Education resource). These changes will be reflected in the final budget report to County Council in February. The impact of this is to raise the required council tax increase to 15.7%.

¹ Further copies of the December Cabinet report can be obtained from David Roberts 01992 555562

- 2.2 In recognition of pressures for improvements in public services, Scrutiny Committees were asked to discuss the proposals for additional revenue spending which are detailed in Minute 13 1(2).
- 2.3 The Capital programme approved by Cabinet in December is included in Minute 13, Annex A. Since the December Cabinet meeting, the Government has announced the Education Capital settlement for Hertfordshire. The following table summarises this in respect of the authority's externally funded programme.

	2003/04 £ million
Basic Need (2001/02 to 2003/04)	7.312
New Deal for Schools Modernisation *	6.279
New Deal for Schools Condition Grant *	6.894
Nurseries in disadvantaged areas	0.394
New Deal for Schools Seed Challenge Grant	1.238
New Deal for Schools Devolved Formula Grant *	12.584
Total	34.701

* includes non VA schools and LEA liability for VA schools

In addition, Personal Social Services Capital Grants have been announced for Hertfordshire as follows:

	2003/04 £ million
Personal Social Services Capital Grants	
Children's Services: ICT for Looked After Children	0.135
Improving Information Management	0.386
Total	0.521

The impact of this is to increase the CSF 2003/04 externally funded programme from the estimate of £32.637 million to £34.990 million and the ACS 2003/04 externally funded programme from £486,000 to £718,000. Revised sheets updating the externally funded capital programme for Adult Care Services and Children, Schools and Families are appended.

- 2.4 The capital programme approved by Cabinet in December would leave £400,000 of the estimated available capital resources for 2003/04 unallocated. In addition, the Government has also recently confirmed that it is making available a grant in 2003/04 towards the cost of the closure of Norton School, which will release £1.6 million of resources. The impact of these items on the proposed capital programme will need to be considered.
- 2.5 Proposed annual provisions of £11.774 million are detailed at Appendix 10 of the December Cabinet report.

APPENDIX

**PROPOSED CAPITAL PROGRAMME 2003/04 – 2005/06
ADULT CARE SERVICES**

Scheme	Total Scheme Cost £'000	2003/04 £'000	2004/05 £'000	2005/06 £'000	Subsequent Years £'000
<u>General Programme Schemes</u>					
Jubilee Day Centre, St Albans – Reprovision	1,095		250	750	95
County Wide Learning Disabilities Hostel Reprovision		150			
Enhance Network Links to ACS sites	960	250	265	225	
Gypsy sites (see also external funding)	648	162			
DDA Work	300	150	150		
Marsh Lane Resource Centre, Ware – Reprovision	1,251	125			1,126
Minor Works to support maintenance backlog following condition survey		341	100	100	100
Total General Programme	4,254	1,178	765	1,075	1,321
<u>Self-financing Schemes</u>					
Dacorum Project (inc. Berkhamsted Day Centre) ¹	680	680			
Balmoral Day Centre – Watford ¹	1,800	1,800			
Total Self Financing Programme	2,480	2,480			
<u>Externally Funded Schemes²</u>					
Gypsy Sites (see also general funded schemes)	648	486			
DoH Grant - Improving information Management	232	232			
Total External Programme	880	718			
Total Programme	7,614	4,376	765	1,075	1,321

Note

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

² The externally funded schemes have been revised to include a DoH Capital Grant.

APPENDIX (continued)

**PROPOSED CAPITAL PROGRAMME 2003/04 – 2005/06
CHILDREN, SCHOOLS AND FAMILIES**

Scheme	Total Scheme Cost £'000	2003/04 £'000	2004/05 £'000	2005/06 £'000	Subsequent Years £'000
Externally Funded Schemes¹					
Standards Fund Grants:					
SF604 NDS Devolved Formula ²	12,584	12,584			
SF605 NDS Seed Challenge ²	1,238	1,238			
SF611 NDS Condition Funding ²	6,894	6,894			
SF614 Nurseries in Disadvantaged Areas	394	394			
Letchworth Secondary Reorganisation	1,600	1,600			
DoH Grant					
- IT for Looked After Children	135	135			
- Improving Information Management	154	154			
Earmarked Basic Credit Approvals:					
Schools Access Initiative 2003/04	1,831	1,831			
Basic Need and expansion of popular schools 2003/04 Approvals	3,591	251	1,904	1,436	
Basic Needs 2002/03 Approvals:					
Stevenage Secondaries	1,633	865	653		
Buntingford & Puckeridge Secondaries	774	410	310		
St Albans Secondaries	2,045	1,084	818		
Harpenden Secondaries	261	138	104		
Tring Secondaries	1,876	995	751		
Basic Need 2001/02 Approvals:					
St Albans Secondaries	2,070	828			
Bushy Primaries	531	212			
Cheshunt Secondaries	159	64			
Sandon	114	46			
Harpenden Secondaries	1,471	588			
Specialist Schools Capital³					

Scheme	Total Scheme Cost £'000	2003/04 £'000	2004/05 £'000	2005/06 £'000	Subsequent Years £'000
Supplementary Credit Approvals:					
NDS Modernisation Fund	10,071	6,279			
Total External Programme	49,426	36,590	4,540	1,436	
Total Programme	95,302	53,376	13,656	5,108	402

Notes

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