

IMPLEMENTATION EXECUTIVE
19 March 2008

REVENUE BUDGET BASELINE

Purpose of the Report

1. The report presents a consolidated position for the revenue budget for 2007-08 of all the councils, and the process for updating to the budget for 2008-09 and allocations to service blocks.

Main Considerations for the Implementation Executive

2. The attached appendix brings together the 2007-08 net revenue budgets for district councils with the service blocks for the County Council. This is an initial view of where similar services may sit within the County Council's service blocks, but will be developed as service re-design and integration defines service boundaries more clearly.
3. Adding the net revenue budgets together the new total for 2007-08 is nearly £291 million. The largest additions to service blocks occur in Environmental Services and Resources, with some new service blocks added for services such as Leisure, Housing and Revenues and Benefits.
4. To determine a more accurate picture of service budgets, the detailed analysis of the consolidated budget will be shared with district and county finance officers for clarification. It will also be shared with project areas within the One Council Programme to establish which budget headings are included within which service re-design projects.
5. It is essential that each and every budget heading is reviewed for the 2009-10 budget process, either through the project work streams or within service department budget proposals.
6. The new organisational structure will also require changes to the budget allocations as new Chief Officer responsibilities are clarified.
7. Each of the organisations also present and manage budgets in slightly different ways and there are a number of areas where budgets will need to be thoroughly reviewed and realigned to ensure consistency in presentation; for example capital charges, central support charges and presentation of gross and net spending.
8. Now that the 2008-09 budgets have been set for all the councils, a consolidated position will be prepared shortly, building on this initial work to allocate budgets. Information has been requested from district council finance teams, and it is anticipated that the 2008-09 position will be available by the end of April 2009.

9. It is crucial to ascertain a clear baseline for 2008-09 in advance of the budget preparation for 2009-10 so that changes in costs and service demands can be examined in the budget proposals.
10. A consolidated capital programme will also be prepared for review, incorporating sources of funding and commitments.

Risk Assessment

11. There are no specific risks relating to the consolidation of the budgets.

Equalities Impact of the Proposal

12. There are no equality issues arising from this report.

Financial Implications

13. It is crucial to understand and recast the baseline spending so that budgets for the new council can be prepared on a consistent and accurate basis.

Proposals

14. The Implementation Executive is asked to note the initial view of the consolidated budget for 2007-08 of all the councils, and that the 2008-09 consolidated budget will be presented in May 2009.

Conclusion

15. The baseline revenue budget is a crucial control element in preparing budgets for the new council.

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Unpublished documents relied upon in the preparation of this report:	NONE
Environmental impact of the recommendations contained in this report:	NONE

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ONE COUNCIL
CONSOLIDATED REVENUE ACCOUNT 2007-08 SUMMARY

Council Service	Objective Heading	WCC £m	KDC £m	NWDC £m	WWDC £m	SDC £m	Total £m
DCS	Older People - Physically Impaired	37.266	-	-	-	-	37.266
	Learning Disabilities	24.178	-	-	-	-	24.178
	Mental Health	14.510	-	-	-	-	14.510
	DCS Central Services	6.472	-	-	-	-	6.472
	Miscellaneous	-0.046	-	-	-	-	-0.046
	Development Services (includes area committee costs)	1.247	-	0.528	-	0.284	2.059
	Community Safety (includes partnerships & alliances)	0.129	0.061	0.083	0.093	0.335	0.701
	Libraries & Heritage	6.574	0.206	0.252	0.129	0.433	7.593
	Total	90.330	0.267	0.863	0.222	1.052	92.733
ESD	Highways	16.584	0.077	0.219	0.007	0.003	16.891
	Passenger Transport	13.549	0.462	0.808	0.952	1.340	17.112
	Waste Management	15.556	1.912	3.442	2.472	2.698	26.079
	Planning and Environment	1.877	1.618	3.845	1.896	2.661	11.896
	Trading Standards & Environmental Health	1.252	1.369	1.212	1.354	1.275	6.461
	Other Services (incl Recovery Plans)	5.927	0.016	-	-0.398	-0.181	5.364
	Street Cleansing & Abandoned Vehicles	-	0.591	0.854	0.703	1.099	3.248
	Parking Services	-	-0.892	-0.735	-0.209	-1.816	-3.651
	Direct Labour Organisation	-	-	-	-	0.011	0.011
	ESD - Other items unique to districts	-	0.589	0.006	0.330	-0.285	0.641
	Total	54.745	5.742	9.652	7.108	6.804	84.052
DOR	Chief Executive/ Central Management	0.815	-	1.035	0.871	0.020	2.741
	Corporate & Democratic Core	1.957	1.681	1.924	0.977	2.579	9.118
	Corporate Services	4.297	0.171	0.357	0.482	0.558	5.865
	Finance	22.451	0.091	0.002	-1.482	-2.181	18.882
	Performance & Risk	0.135	0.098	0.167	-	-	0.400
	ICT & Procurement	9.791	-	-	-	0.030	9.821
	Job Evaluation	2.735	0.300	-	-	-	3.035
	Other	0.350	0.422	-	-	0.766	1.538
	Total	42.531	2.763	3.486	0.849	1.772	51.400
DCE	Funding Schools	229.935	-	-	-	-	229.935
	Services to Vulnerable Children	22.398	-	-	-	-	22.398
	Special Needs & Disability	10.670	-	-	-	-	10.670
	Resources & Improvement	4.000	-	-	-	-	4.000
	School Support	3.236	-	-	-	-	3.236
	Youth Development	2.701	0.009	-0.078	0.010	0.028	2.671
	School Buildings & Places	0.695	-	-	-	-	0.695
	DSG Relating to Central Services	-1.688	-	-	-	-	-1.688
	Recovery Actions	-0.108	-	-	-	-	-0.108
	Total	271.839	0.009	- 0.078	0.010	0.028	271.809
	Leisure	0.495	1.409	0.068	1.894	1.584	5.448
	Housing	-	0.857	1.625	2.790	0.874	6.146
	Revenues & Benefits	-	0.960	1.655	0.900	0.820	4.335
	County Parks & Open Spaces	-	0.199	0.742	1.159	0.446	2.545
	SDC City Area Special Levy	-	-	-	-	0.583	0.583
	Other Financing Items						
	Contribution to Earmarked Reserves	1.538	-	-	-	-	1.538
	Amending Report Adjustments	-	-	-	-	-	-
	Contribution to / from General Fund Reserves	0.667	-	-	-0.057	-0.100	0.510
	LABGI Income	-0.400	-	-	-	-	-0.400
	DSG	-229.935	-	-	-	-	-229.935
	Total	-228.130	-	-	-0.057	-0.100	-228.287
Grand Net Total - Net cost of services		231.810	12.205	18.013	14.875	13.862	290.764