

DARLINGTON BOROUGH COUNCIL

BUDGET BOOK 2010-11

INTRODUCTION

The purpose of this book is to provide a single reference document containing key information relating to the Council's budgets for 2010-11 and medium term financial plans for 2010-11 to 2013-14.

There are two sections in the book:-

- 1. General Fund Revenue and Capital Budget**
- 2. Housing Revenue Account**

The book contains the following documents:-

Section 1

- Medium Term Corporate Plan (incorporating The Revenue and Capital Medium Term Financial Plans 2010-11 to 2013-14) and Revenue Budget 2010-11 – report of Corporate Management Team to Council 25th February 2010.
- Setting the Council Tax for 2010-11 – report to Council 25th February 2010.

Section 2

- Housing Revenue Account - Revenue Budget 2010-11
– Report to Cabinet 16th February 2010 and Council 25th February 2010.

General Fund Revenue Budget

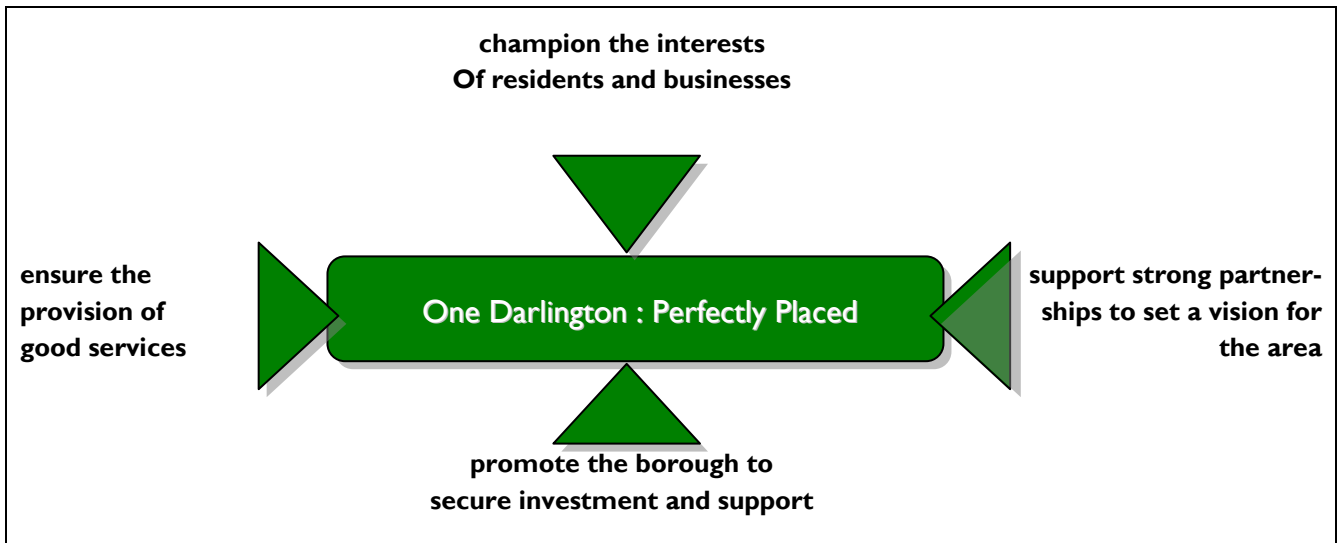
The Council's Medium Term Financial Plan (MTFP) is now incorporated into the Medium Term Corporate Plan (MTCP). The Council has a long established process of operating a medium term approach to its financial planning and in line with this it reviews the plan at least on an annual basis when it firms up the following year, by approving a detailed budget and Council Tax level for the year. In doing this, the Council also takes due consideration of future year demands on its resources and establishes its firm proposals for the coming year with due regard to prudent financial management in the medium term. The Council has a successful track record of managing its resources in this way.

Taking account of the above as well as the headroom needed over the life of the MTFP the Council's General Fund balance at 1st April 2010 is projected to be £11.560M with a planned reduction to £10.438M by 31st March 2014. This is however, dependant on achieving significant savings in the period to 31/03/2014. With this year's revision to the uncertainty surrounding future local government funding, prudent estimates have been made, undoubtedly however, changes in estimated income will occur in the coming years but the robustness of our financial planning will ensure we can deal with such changes.

'One Darlington : Perfectly Placed' is the Sustainable Community Strategy (SCS) for Darlington's Local Strategic Partnership and it identifies the Council's overall policy priorities which balance national and local priorities for Darlington. Due to the need to respond to the changing financial context for Local Government, the Council agreed a new business model to transform itself into a Council fit for the future environment. The plan marks an important transition towards new ways of working, and aims to transform the role of the Council, to one of leadership and co-ordination ensuring that high quality services continue to be provided and that quality of life for everybody in the borough continues to improve, whilst living within its means as an organization.

These new ways of working revolve around four key functions: -

- **Champion the interests of citizens and business**, listening, understanding and acting on the needs and aspirations of everybody in the borough;
- **Promote the borough**, and secure the best possible outcomes for Darlington within the sub-region, region, nationally and in Europe;
- **Ensure the provision of high quality services**, acting to ensure that what is provided is right but being more flexible about how it is provided and by whom – the Council's role as a direct service provider will reduce in favour of commissioning and procuring services from the best possible provider.
- **Supporting strong partnerships to set a vision and direction for the borough and for public services**, steering provision across the public, private and voluntary sectors in response to our understanding of local needs and aspirations.



As well as describing what will be delivered through the four functions, the Business Model establishes three strategic strands pointing to how the Council will support delivery. These are:

- Continue to focus on securing efficiency in every aspect of business and activity through business reviews, and process re-engineering.
- Ensure that service and investment planning and prioritisation is directed at delivering the outcomes set by One Darlington: Perfectly Placed; our planning focus and methodology, coordinated with partner agencies, needs to direct resources to where they will be most effective in addressing local issues and needs.
- Develop a more mixed economy in terms of the arrangements for the delivery of services, based upon whatever vehicle – Council, partnership, contractor – can best release savings and secure quality service delivery.

The Council has set a revenue budget of £78.582 million for 2009-10 which is summarised at departmental level below:-

	£M
Children's Services	12.090
Community Services	46.571
Chief Executive	5.949
Corporate Services	9.349
Joint Bodies & Levies	0.650
Financing costs	3.794
Change Fund	0.500
Contribution to/(from) revenue balances	(0.321)
Total net revenue budget	78.582

The budget is funded by:-

	£M
Formula Grant	38.831
Council Tax	39.751
Total	78.582

Note: The above budget for Children's Services includes an amount of £60.960M for Dedicated School Grant.

A detailed report prepared by the Corporate Management Team (CMT) was presented to Cabinet on 12th January 2010. Resources Scrutiny Committee and the Budget Management and Efficiency Review Group examined the draft budget and Medium Term Corporate Plan. On 3rd February, 2010, Resources Scrutiny Committee supported Cabinet's proposals regarding the MTFP, Council Tax, Directors' revenue budget proposals and schedule of charges. There was extensive public consultation on the draft proposals and this was fed back to Cabinet when they reconsidered the report again, together with the views of Resources Scrutiny Committee, on 16th February, 2010. The results of the consultation and other updates were considered at the meeting and amendments were made to the budget that was recommended to Council.

Capital Programme

As with the revenue budget in recent years the Council has developed a medium term financial plan for Capital. Local authorities' new freedoms in capital investment and borrowing came into force on 1st April 2004 and under this system councils are able to borrow subject to affordable and prudent limits. This has ensured that there is even closer linkage between capital and revenue financial planning.

The MTFP includes planned capital investment of £143M from 2010-14

The capital investment requirements of Housing, Transport and Education services are largely funded by government programmes, which typically have a system of bids and/or assessments. The plans of these services are reviewed and updated on an annual basis and they both contribute to the longer term view on financial planning for capital investment. The capital report also includes indicative allocations of future funding for the main areas of the capital programme, the majority of these being funded by either capital grants or supported capital expenditure.

Included in the MTFP are financial pressures based on the inability to achieve planned asset disposals at this time. Provision for prudential borrowing has been planned to fund essential capital schemes. The report details those schemes, which have been approved by Council, which are to be financed from these corporate resources. Generally such schemes have no call on funding other than the Council's own capital resources but in the 2010-14 MTFP £1.8M of prudential borrowing is planned to support delivery of the Government grant-funded Building Schools for the Future programme. In approving those schemes the Council had regard to corporate priorities, consultation with stakeholders, and to criteria contained within the Capital Strategy and the Asset Management Plan.

Borrowing to fund capital expenditure and the investment of money that the Council holds to meet future costs is managed in accordance with a Treasury Management Strategy, which is approved annually by the Council. The Strategy for 2010 to 13 was approved at the Council meeting on 25 February 2010. The management of the Council's borrowing and investments is an integral part of the MTFP for both revenue and capital.

Council Tax

In setting the budget the Council has regard to public expectations and demands for services and the impact on Council Tax. Government support in the form of Formula Grant (Revenue Support Grant and non-Domestic Rates) is determined by national formulae and does not vary with local spending decisions. In this way, nearly half of the Councils non-schools net budget funding is fixed which means that the Council's expenditure decisions impact very significantly on Council Tax.

Council Tax is calculated by dividing the part of the net budget requirement to be met from Council Tax by the tax base (the number of Band D equivalent dwellings):-

$$\frac{\pounds 39,751,396}{34,535.50} = \pounds 1,151.03$$

This is the amount paid to the Borough Council for band D properties. For 2010/11 Council Tax was set at the same level as 2009/10.

Properties are categorized in eight valuation bands (based on estimated market values as at 1st April 1991). The Council Tax for each band is calculated as a proportion of Band D.

Band	Valuation range £	Proportion of Band D	Darlington Borough Council Council Tax 2010-11 £
A	Up to 40,000	6/9	767.35
B	40,001 to 52,000	7/9	895.25
C	52,001 to 68,000	8/9	1023.14
D	68,001 to 88,000	9/9	1,151.03
E	88,001 to 120,000	11/9	1,406.81
F	120,001 to 160,000	13/9	1,662.60
G	160,001 to 320,000	15/9	1,918.38
H	More than 320,000	18/9	2,302.06

In addition to the Council's own requirements, Council Tax bills include the Police Authority precept (£153.41 for Band D), Durham and Darlington Fire and Rescue Authority precept (£87.84 for Band D) and in parish areas the Parish Council's precept (ranging from £2.41 to £27.82 for Band D).

The report to Council on 25th February 2010 in Section 1 of this book contains the following key information:-

- **Review of the Council's overall financial position and prospects** - pages 1 to 23
- **Draft Medium Term Corporate Plan (Appendix 1)** - pages 24 to 105
- **Financial Strategy (Appendix 2)** - pages 106 to 108
- **Reserves Policy (Appendix 3)** - pages 109 to 111
- **Latest 2009-10 Revenue budget outturn projections** - page 112
- **Risk Assessment for minimum reserves (Appendix 5)** - pages 113 to 115
- **Key assumptions in MTFP (Appendix 6)** - page 116
- **Pressures included in MTFP (Appendix 7)** - pages 117 to 119
- **Efficiency Savings in MTFP (Appendix 8)** - pages 120 to 129
- **Priority Based Budgeting (Appendix 9)** - page 130
- **Efficiency Programme 2009-13 (Appendix 10)** - page 131 to 132
- **Children's Services Departmental Review (Appendix 11)** - pages 133 to 149
- **Community Services Departmental Review (Appendix 12)** - pages 150 to 176
- **Chief Executives Departmental Review (Appendix 13)** - pages 177 to 186
- **Corporate Services Departmental Review (Appendix 14)** - pages 187 to 217
- **Capital Programme 2010 – 2014 (Appendix 15)** - pages 218 to 219
- **Departmental budgets 2009-10 (Appendix 16)** - pages 220 to 226
- **Medium Term Financial Plan (Appendix 17)** - page 227
- **Consultation on the MTFP – Town Crier Article** - page 228

Housing Revenue Account

Local authorities are required to maintain a Housing Revenue Account (HRA) which records revenue expenditure and income relating to an authority's own council housing stock. The main items of expenditure in the HRA are loan charges and management and maintenance costs and the main items of income are from tenants in the form of rents and from central government in the form of HRA subsidy.

The HRA is ring-fenced to ensure that rents paid by local authority tenants accurately and realistically reflect the cost of providing the housing service and thus is required to carry its own working balance. The balance at 31st March 2010 is projected to be £0.500m.

Forward planning for Housing in service and financial terms is important and is carried out via the Housing Business Plan process which projects demands and resources up to 30 years ahead. Quite obviously, there is greater uncertainty as projections reach further into the future but the process is valuable to anticipate and plan future needs and ensure the sustainability of the service.

The main objective of the Government's policy on rent restructuring is that rents should be fair and affordable for tenants in the social rented sector. The policy sets out a common basis on which all rents in the social sector should be set. This means that the rent for a house or flat is linked to its capital value, size, location, condition and local earnings so that tenants can make a proper choice between how much they pay and the size and quality of the property they live in. The Council has determined rents for 2010-11 in accordance with this system.

**Paul Wildsmith Director of Corporate Services
April 2010**

Section 1

General Fund Revenue & Capital Budget

Section 1

General Fund Revenue & Capital Budget

Draft Medium Term Corporate Plan (incorporating the Revenue & Capital Medium Term Financial Plan 2010/11 – 2013/14) and Revenue Budget 2010/11

- report of Corporate Management Team to Council
25th February 2010

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**MEDIUM TERM CORPORATE PLAN
INCORPORATING THE MEDIUM TERM FINANCIAL PLAN 2010 TO 2014
AND REVENUE BUDGET 2010-11**

Responsible Cabinet Member – Councillor Williams, Leader and all Cabinet Members

Responsible Director – Corporate Management Team

SUMMARY REPORT

Purpose of the Report

1. To approve the Medium Term Corporate Plan for 2010 to 2014 and to agree the Council's budget requirement for 2010-11.

Summary

2. The Council faces its most significant financial challenge since becoming a Unitary Council in 1997 due to potential reduction in grant and Council Tax income.
3. Future budget gaps at this stage are based on judgements, as certainty will not be available until the Government announces the Comprehensive Spending Review in November 2010. However, it is widely accepted that although accuracy cannot be achieved at the present time, reductions in funding will be significant. Current judgements suggest that including existing cost reduction proposals the Council may need to reduce its non-schools budgets by £21.5M (11%) by 2013/2014.
4. The 2010/2011 budget proposed within this report is fully funded after making efficiency and prioritisation decisions. Beyond 2010/2011 there are increasing potential budget gaps and the report suggests how these may be bridged by reference to the three strands of the business model namely:
 - (a) Focus upon securing efficiency in every aspect of business and activity through business reviews, and process re-engineering.
 - (b) Reliance upon One Darlington Perfectly Placed to support the process of prioritisation for service delivery and investment.
 - (c) The development of a more mixed economy in terms of the arrangements for the delivery of services, based upon what vehicle; Council, partnership, contractor, can release savings and secure quality service delivery.

5. 2010/2011 will need to be a period dedicated to reviewing services against the business model to develop options for Members to consider as part of future revisions to the MTFP.
6. Cabinet are proposing a freeze in Council Tax for 2010/11.
7. The Council is required by the Local Government Act 1992 to agree its budget for the following financial year. Regulations require the Budget Requirement to be calculated as: -

	£
Total Net Expenditure for 2010-11	78,403,000
Add Contribution to Reserves	179,699
Less Contribution from Reserves for Collection Fund Deficit	-675,000
Darlington Borough Council Budget Requirement 2010-11	77,907,699
Add Parish Precepts	73,303
Budget Requirement	77,981,002

Recommendation

8. Council are asked to: -
 - (a) Approve the Corporate Plan at **Appendix 1** with delegation given to the Chief Executive in consultation with the Leader to make any minor amendments to enable the Plan to be completed and published by 31st March 2010
 - (b) Approve the schedules of charges detailed in **Appendices 11 to 14**
 - (c) Approve the Capital Medium Term Plan detailed in **Appendix 15**.
 - (d) Approve the revenue Medium Term Financial Plan for 2010 to 2014 detailed in **Appendix 17**
 - (e) Approve the Budget Requirement for 2010-11 of £77,981,002, including parish precepts
 - (f) Note that: -
 - (i) Budget proposals with workforce implications in terms of redundancy and changes to terms and conditions are subject to ongoing consultation in accordance with statutory requirements and that under delegated powers relevant officers will continue to seek to reach agreement on the proposed changes. Any financial impact of changes agreed as part of the ongoing consultation process will be reported back to Cabinet.
 - (ii) If agreement after the statutory consultation period agreement cannot be reached on changes to terms and conditions then a report on the position will be presented to Council.

Reasons

9. The recommendations are supported to enable Council to:
- (a) Continue to plan services and finances over the medium term
 - (b) Set a revenue budget for 2010-11 in compliance with statutory requirements and the Council's Constitution

Corporate Management Team

Background Papers

No Background papers were used in the preparation of this report.

Paul Wildsmith : Extension 2301

S17 Crime and Disorder	The report contains proposals that support the Council's Crime and Disorder responsibilities
Health and Well Being	The report contains proposals to improve the health and wellbeing of residents
Sustainability	Proposals in the report support sustainability
Diversity	Proposals in the report support the promotion of diversity
Wards Affected	All Wards are affected
Groups Affected	All Groups are affected
Budget and Policy Framework	This report must be considered by Council
Key Decision	This report must be considered by Council
Urgent Decision	The Council's Medium Term Financial Plan, Budget and Council Tax require approval by full Council
One Darlington: Perfectly Placed	The report specifically addresses key issues involved in the Council's contribution to delivering the Sustainable Community Strategy
Efficiency	The proposals in this report build on the Business Model agreed by Cabinet in November 2009. This report contains specific proposals for increasing efficiency and proposes development of further efficiency and spending reduction proposals during 2010-11.

MAIN REPORT

Information and Analysis

10. The Council is a multi faceted complex, multi million pound business that provides services to the public of Darlington and the sub region and together with partners provides leadership for the Borough of Darlington. The long-term vision for the borough is contained in the Community Strategy One Darlington Perfectly Placed. Within the overall aims of the Community Strategy the Council sets its corporate and financial plans which set out what it will do in the short to medium term to deliver longer term objectives and to satisfy the service demands and needs of the public of the Borough.
11. The main challenge for the Council when setting its plans is to balance between providing services and delivering longer-term aspirations against the level of resources available and the levels of local taxation. This is a key issue for the Council and every other Council in the Country and it is at the very heart of this report.

Economic Context

12. When Council agreed the current Medium Term Financial Plan (MTFP) in February last year, it was done against a background of great economic uncertainty. Things had happened in the previous 12 months that most of the population had never experienced for example, the near collapse of the national and worldwide banking system. In February 2009 interventions had been made by the Government and more were to follow, a recession was upon us but no one knew how long it would last and how deep it would go. Twelve months on it would appear there is more certainty about the economy; indications suggest the worst may be over and the economy is starting to grow. However, it is anticipated that it will take some time for employment levels to improve. It is fair to say that the economic context is different to previous years. It is unlikely that the economy will emerge from the recession in a similar form to before as individuals adjust their life styles to live within a financial sector where credit and in particular mortgages are more difficult to get. In summary, we seem to be in a better place in terms of understanding the economy and a better place in terms of the economy itself than this time last year.
13. Moving from the economy to public sector finances, the picture is different. Uncertainty is a key word at the moment for all those in the public sector. The Government has invested heavily during the recession and now must repay its significant debt. To do this it must either raise taxes, reduce public expenditure or a mixture of both. All commentators and political parties accept this is the case. However due to where we sit in the electoral cycle, i.e. with a general election due this year, there are no agreed plans for how quickly the debt will be repaid or what source of funding will be used to repay the debt. The lack of certainty means that local authorities must plan against a background of immense uncertainty around their funding.
14. Despite the uncertainty most would agree that the amount of grant payable to local Government will not increase at the same levels as the last decade, after that there is little if no agreement on what will actually happen. Our current MTFP assumes an annual rise in grant of 2% per annum, again it is fair to assume that most would agree this is now seen as optimistic. Commentators have talked about real term reductions in grant, cash freezes in grant and 10% reductions in grant and many variables in between.

15. Members will appreciate that revising the MTFP is always a challenge; this year will be more challenging than others given uncertainty and the potential loss of income. The key to revising the MTFP this year will be judgement. Members will need to ensure that given the uncertainty they are prudent enough to ensure the medium to long-term sustainability of the Council whilst at the same time ensuring they are not over pessimistic leading to actions being taken now that at a later date may be deemed unnecessary. This will certainly be a significant challenge given the desire to do the best for the public of Darlington and against this background the recommendations in this report are made.

Strategic Context

16. Corporate, department and service plans for the 2010-14 planning cycle are being developed to directly address the outcomes required to deliver the vision of One Darlington: Perfectly Placed (the Sustainable Community Strategy (SCS)). The focus on outcomes is being sharpened by the introduction this year of a new planning methodology, Outcome Based Accountability (OBA), as outlined in paragraphs 28-32.
17. The need to focus on delivering outcomes, in order to meet the local challenges reflected in the SCS, is reinforced by evolving national policy initiatives. Three key national strands set the direction for the future development of local public services:
 - (a) The Total Place initiative, currently being piloted in 13 Local Authority areas, dovetails with Comprehensive Area Assessment (CAA) by promoting a ‘whole area’ approach to delivering better services at less cost. The economic recession is reinforcing the need for the public sector to work collectively to find radical solutions that will deliver better services tailored to local needs within the constraints of limited public sector funding.
 - (b) Strengthening Local Democracy – the Government recently completed its consultation on draft proposals to strengthen the role of democratically elected Councils, notably in being empowered to scrutinise, challenge, influence and shape other public services, placing Councils and elected Councillors at the centre of decision-making in the community across all public services.
 - (c) CAA assesses the effectiveness of public services in delivering locally determined outcomes, and of the Council in working with its partners to meet the needs of local people. The Council is no longer assessed in isolation, but for its effectiveness in leading the delivery of outcomes across all delivery organisations.
18. These three components – whole area assessment framework, piloting of an expanded whole area management role for Councils, and legislative proposals to empower Council’s to perform that role effectively – summarise the emerging role envisaged by Government for local authorities. The Future Business Model, recently approved by Cabinet and outlined elsewhere in this report, sets out proposals for reshaping the Council organisationally around this emerging role, and at the same time adapting to a radically different financial climate.
19. The adoption of Outcome Based Accountability, with the intention of rolling the methodology out across the Partnership, will provide an approach to action planning that complements and supports this ‘whole area’ approach to outcome delivery.

Developing the Corporate Plan

20. The SCS incorporates 15 long-term outcomes, spread across the five delivery themes, that action planning across Darlington Partnership is seeking to achieve. However, for the reasons outlined in paragraphs 28-32, these original SCS outcomes have been refreshed and consolidated, to enable OBA to be applied effectively, into five simple statements of well-being, satisfying the definition of an outcome required by OBA, as follows:
 - (a) Everybody in Darlington is able to enjoy the borough's prosperity and quality of life.
 - (b) Everybody in Darlington aspires and is able to achieve their full potential and maximise their life chances.
 - (c) People in Darlington live long, healthy, active and independent lives.
 - (d) People in Darlington enjoy an attractive, clean, green and sustainable environment.
 - (e) All people feel safe and live in a crime-free environment.
21. These five outcomes provide the framework for the initial proposals for inclusion in the 2010-14 Corporate Plan set out in Section 1 of **Appendix 1**. The Corporate Plan provides a high level overview of the Council's contribution to delivering SCS outcomes and drives the development of more detailed delivery proposals in department and service plans. This contribution is expressed in Section 1 of Appendix 1 as a series of 'Corporate Themes' within which more detailed proposals are being developed. The themes are summarised below under the two priorities of 'One Darlington' and 'Perfectly Placed'.
22. Departmental actions are also shown in Appendix 1, linked to the Corporate Themes. All departments have staged their initial service planning sessions, applying the OBA method to focus on the actions that need to be taken to contribute to SCS outcomes. However, these actions are at an early stage of development and will be refined, filtered and added to as we progress with the preparation of department and service plans.
23. Appendix 1 also outlines the proposed contents of the Corporate Plan and, in Section 2, non-outcome focused proposals for organisational improvement. This section is outlined in paragraph 28 below.

One Darlington

24. One Darlington embraces our approach to people, and specifically the need to narrow the gaps in prosperity, attainment, health and well-being, making sure that people are not disadvantaged by their income, where they live or by any other potential disadvantage that could cause them to miss out on the opportunities that will be created by realising our vision for Darlington.
25. In summary the main themes incorporated in Appendix 1 as a framework for the Council's contribution to the One Darlington priority are:
 - (a) Developing a strategic approach to reducing child poverty.
 - (b) Tackling barriers to employability and financial inclusion, and skills development to both enable people to access high quality/higher paid jobs.
 - (c) Ensuring fair treatment and social inclusion for everybody.

- (d) Addressing issues of affordability to ensure people can satisfy basic needs.
- (e) Encouraging and supporting people to develop and fulfil their aspirations.
- (f) Ensuring all children and young people receive the best possible education.
- (g) Developing choices and opportunities for the positive engagement of young people in the community.
- (h) Supporting independent living for all adults.
- (i) Ensuring that everybody has the life chances that support health and well-being.
- (j) Reducing mortality rates in Darlington.
- (k) Reinforcing early interventions to support healthy living for all, and tackling high risk behaviours.
- (l) Increasing the life expectancy rates for men and for women.
- (m) Enabling everybody to feel safe in Darlington.
- (n) Tackling local priority crime categories.
- (o) Tackling the factors that cause people to offend and re-offend, or engage in anti-social behaviour.
- (p) Tackling fuel poverty to support affordability and healthy living.

Perfectly Placed

26. The Perfectly Placed priority focuses on Darlington as a place, on helping to shape investment decisions, spatial planning and environmental management, and on attracting inward investment. It is concerned with reinforcing the qualities that make Darlington a place of distinctive character where people want to live and work.

27. In summary the main themes incorporated in Appendix 1 as a framework for the Council's contribution to the Perfectly Placed priority are:
 - (a) Attracting and supporting sustainable investment in business and high quality jobs
 - (b) Continuing to build the infrastructure required for a thriving economy, and promoting the key drivers of the local economy
 - (c) Enhancing Darlington as a place that inspires aspiration and achievement, and provides people with opportunities and choices to develop their potential
 - (d) Making sure Darlington is a place with good access to health, cultural and leisure facilities and services to support healthy living
 - (e) Ensuring Darlington develops as an attractive, accessible and sustainable place that retains its distinctive character
 - (f) Maintaining the local environment to the best possible standards, in partnership with citizens and businesses
 - (g) Tackling climate change and reducing CO₂ emissions
 - (h) Addressing the social and environmental factors that detract from people feeling safe

28. Section 2 of Appendix 1 presents proposals for organisational improvement and development. Such proposals support the delivery of outcomes but are not directly linked to them. In due course it is envisaged that the OBA methodology could be applied across all service planning but, for the current service planning round, the four functions of the Council set out in the Future Business Model, recently approved by Cabinet, have been adopted as a framework for capturing and presenting non-outcome focused proposals.

Outcome Based Accountability

29. OBA is being introduced in the current round of service planning. It is gaining widespread recognition as good practice, and sharply focuses action planning on the delivery of required local outcomes, rather than spreading attention more thinly across a wide range of 'change drivers' as in the methodology used previously. The current planning cycle will see a partial transition to OBA, with full adoption proposed for next year.
30. Service planning priorities have previously been developed and organised around the five SCS themes (Aspiring, Greener, Healthy, Prosperous and Safer Darlington). However OBA brings a fresh clarity to the way action planning needs to address the SCS. The two priorities of 'One Darlington' and 'Perfectly Placed' set the scene for what needs to be delivered, and therefore should lead and drive our planning, whereas the five themes provide the framework for how actions will be delivered.
31. The full adoption of OBA will require the agreement of a refreshed set of outcomes across the Partnership. That process has commenced with a recent report to the LSP Executive, and will be followed up early in 2010. An outcome is defined in OBA as, "a condition of well-being for children, adults, families or communities". Some of the outcomes incorporated into the SCS when it was written do not fall within this definition, and this further development work is therefore needed.
32. As a transitional measure, for internal use within the Council to allow the partial adoption of OBA in this current service planning round, the outcomes in the SCS have been condensed into the five refreshed outcomes set out in paragraph 19, to meet the OBA definition and allow the methodology to be applied.
33. OBA involves the definition of outcomes (as desired states of well-being), and the attachment to the outcomes of key indicators or measures of the state of well-being. Action planning then focuses on analysis of the current position and trajectory of the key indicators, the desired trajectory and the actions required to shift to the desired trajectory. The five outcomes and the key indicators attached to each outcome provide the framework for the Corporate Themes and proposals set out in Section 1 of Appendix 1.

Community Survey Feedback

34. The Council has recently completed its annual community survey which asks a statistically representative number of residents a range of questions around their quality of life, perceptions on key aspects of the local community and satisfaction with Council services. The responses and resultant analysis help the Council in shaping its short to medium term delivery plans. The key outcomes that are relevant to this report are:
 - (a) Overall satisfaction with the Council has risen to 66.9% from 62.0% in 2008.
 - (b) The percentage of people thinking that Darlington Borough Council has got worse at running the Borough has dropped to 15.8% from 20.9% in 2008.
 - (c) Satisfaction of their neighbourhood as a place to live has remained virtually the same for residents at around 80% for the past three years.
 - (d) The percentage of people thinking that their neighbourhood had got worse has dropped to 23.7% from 26.6% in 2008.
 - (e) Feeling safe in the borough at night rose to 51.1% from 47.3%.
 - (f) Feeling safe in the borough during the day has remained consistent at 95% for the past three years.

- (g) Highest service priorities for the public were road maintenance and repairs, pavement maintenance and youth clubs and other facilities for young people. This is the same as last year.
- (h) The main services that the public have identified as a priority continue to be supported within the MTFP and have all secured additional funding in previous years.
- (i) Recycling was last year fourth priority, but has dropped significantly this year, possibly as a result of the publicity relating to the new waste contract. CCTV measures and street cleaning also reduced in priority, as did car parking in the town centre, although car parking in other areas rose as a priority.
- (j) 48.5% of people agreed that the Council provides value for money, compared to 34.0% in the 2008 Place Survey.

Financial Context

- 35. The remainder of the report considers how the financial plan can be matched to the corporate plan aspirations and considers what aspects need to be reviewed/amended.
- 36. The preparation of the MTFP and the Corporate Plan has been done in consultation with Cabinet who are charged with the responsibility of preparing a draft corporate and financial plan for consultation and following consultation making final recommendations to Council. The draft plans have therefore been prepared based on Cabinet's priorities following officer advice. The preparation of the budget has been carried out taking full account of the statutory responsibilities of the Director of Corporate Services as the Council's Statutory Financial Officer.
- 37. The MTFP is reviewed and revised annually within the context of a financial strategy, which is the longer-term framework for key decisions about the Council's finances. The outlook for public finances has changed significantly since Council approved the current Financial Strategy in March 2007. The Strategy has, therefore, been reviewed and a proposed revised Financial Strategy is attached at **Appendix 2**. Officers have reviewed the Reserves Policy approved by Council in March 2006. With some minor drafting changes to improve clarity the existing Policy remains appropriate and is attached at **Appendix 3**.

2009/10 Projected Outturn

- 38. The starting point for revising the MTFP is to project the outturn for 2009/10. This gives an understanding of the impact on revenue balances and underlying trends that are emerging in 2009/10 in respect of such things as demand for and cost of services in so far as they impact on future years. Attached at **Appendix 4** is the latest revenue budget monitoring position. The key points are:
 - (a) The projected outturn is £4.472M better than the agreed MTFP therefore available revenue balances at 01/04/2010 are £4.472M greater than anticipated.
 - (b) The most significant item in the improved projected outturn for 2009-10 is the receipt in late January 2010 of a refund of VAT amounting to £2.814M. A further refund of £340,000 is also expected to be received. These refunds relate to periods 1985 to 1997 and do not have any effect on future income or expenditure levels.
 - (c) The outturn masks some underlying budget pressures due to some significant one off injections of funds, these are:

- (i) Looked after Children external placements
- (ii) Adults Services shortfall of budgeted savings
- (iii) Parking – Shortfall in income

These with others are factored into the initial draft budget identified later in this report

(d) Conversely, there are two significant on-going reductions in costs:

- (i) Financing costs have been reduced by using maturing investments to repay some debt and replacing some loans at lower interest rates
- (ii) Employee costs are below budget as a result of the 2009 pay award

Revenue Balances

- 39. Having ascertained the projected level the next stage in revising the MTFP is to assess the availability of revenue balances to assist in funding services. The Council has legitimately used balances over a number of years to bridge the gap between expenditure and income within the medium term strategy of reducing expenditure to income levels. The existing MTFP achieved this strategy.
- 40. Projected balances at 31/03/2010 are £11.560M. Members will recall from previous reports that a minimum level of balances must be retained to cover potential future financial risks. Last year, this amount was raised from £4.5M to £6M given the increased risks the Council faced, this was done on the basis of a risk assessment. A similar risk assessment has been undertaken this year and is attached at **Appendix 5**. This supports retaining the existing level of balances at £6M, therefore £5.560M are available if needed to support services.
- 41. Given the great uncertainty surrounding the Council's future income, it would be prudent to avoid using balances in the short term and retain or even increase them to give greater flexibility in responding to income reductions in future years should they prove to be greater than anticipated.

Developing an Initial Draft Budget

- 42. As in previous years, officers have prepared budgets based on existing Council policy and service levels. To do otherwise would clearly undermine the role of elected Members in determining such matters. Account has been taken of key assumptions as set out in **Appendix 6** and budget pressures that have arisen for various reasons, which are outlined below.
- 43. The pressures are listed in **Appendix 7**. They tend to fall into a number of distinct categories:
 - (a) Increasing demand for statutory services that the Council must provide, principally Children's Services external placements, Adults Services learning disability and concessionary travel - £1.7M.
 - (b) Reductions in income from service users and specific Government grants, most significantly parking and Building Control income but also a range of other charged-for services. Income is forecast to recover from 2011 as the economy improves (separate provision is made for forecast reductions in grants in the following paragraphs) - £1.1M.

- (c) Shortfall in previously projected savings and costs of delivering change, primarily Adults Services and accommodation - £0.4M.
 - (d) Other essential expenditure, mainly ICT - £0.1M.
44. The Council has an excellent track record of efficiency as externally validated and the current MTFP has a significant ongoing efficiency programme which totalled £6.5M in addition to savings made prior to 2009/10. When drafting budgets officers have clearly been examining them closely looking for further efficiencies and have built them into the initial draft as the efficiencies do not impact on either policy or service levels. Details of the new efficiencies which total £4.6M together with the ongoing efficiency programme are attached at **Appendix 8** showing a total for the efficiency programme of £11.1M.
 45. As explained in paragraph 60b, Priority Based Budgeting Reviews will be a key strand of the new business model and will bring a more systematic approach to reviewing policy and services standards. Given the significant budget gaps going forward, Cabinet has undertaken reviews of service levels and policy issues and are proposing a number of amendments as part of this MTFP review in advance of any major PBBR decisions to be considered next year. These proposed changes for 2010-11 are detailed in **Appendix 9**.
 46. Savings included in the 2009-13 MTFP that are to be delivered in 2010-13 are summarised in **Appendix 10**.
 47. Based on the above criteria the initial draft budgets produce the following totals as compared with the existing MTFP:

	2009/10		2010/11		2011/12		2012/13		2013/14
	Original	Projected Outturn	Original	Revised	Original	Revised	Original	Revised	Revised
	£M	£M	£M	£M	£M	£M	£M	£M	£M
Children's Services	12.718	13.592	12.598	12.090	12.893	11.980	13.248	12.113	12.168
Community Services	46.200	44.942	47.178	46.571	48.811	47.746	50.923	49.582	50.326
Chief Executive's	6.911	6.735	6.982	5.949	7.115	6.234	7.250	6.308	6.414
Corporate Services	9.648	10.061	9.083	9.349	9.234	8.687	9.304	8.169	8.244
National Insurance	0	0	0	0	0.300	0.600	0.300	0.600	0.600
Joint Bodies and Levies	0.641	0.687	0.635	0.650	0.605	0.616	0.625	0.631	0.646
Change Fund	0.100	0.100	0	0	0	0	0	0	0
Leading Edge Efficiencies	(0.340)	0	(0.609)	0	(0.629)	0	(0.678)	0	0
Pay award	0.642								
Net Service Expenditure	76.520	76.117	75.867	74.609	78.329	75.863	80.972	77.403	78.398
Financing Costs	3.954	3.099	4.851	3.794	4.984	4.784	4.811	3.979	4.613
Headroom	0	0	0.165	0	0.165	1.000	0.165	1.750	2.000
Total Net Expenditure	80.474	79.216	80.883	78.403	83.478	81.647	85.948	83.132	85.011

2009/2010 original budget has had £0.642M of pay award savings removed from departmental budgets. The 'one-off' VAT refund received in January 2010 is not included in the above table.

48. The draft budget shows significant reductions in expenditure compared with the current MTFP. Net expenditure in 2010-11 is projected to be less than in 2009-10. Members will note the re-establishment of headroom in the plan. The emergence of unknown budget pressures is a feature of medium term financial planning as demonstrated this year. It would be simple to ignore this when making forward projections however its inclusion gives a more realistic picture.

Departmental MTFP Reports

49. This report addresses the Council's overall budget. Attached at **Appendices 11 to 14** are detailed departmental reports that include details referred to in the main report and more including service planning, value-for-money and spending comparisons and detailed fees and charges proposals.

Resourcing the Council's Budget

50. As explained in the introduction to this report judgement will be needed when assessing the potential level of resources going forward, set out below are explanations of the judgements used for each of the key sources of funding.

Fees and Charges

51. The draft budget reflects the current levels of income adjusted going forward for anticipated ups and downs due to projected economic factors. Income is always a risk and this is factored in to our headroom calculation to future years and revenue balances for in year risk. Of all the income streams, this is perhaps the most certain at the present time and although individual budgets will see fluctuations having perhaps experienced the worse of the recession projections included in the draft budget are believed to be relatively sound.

Formula Grant

52. This funds 48% of the non-schools net expenditure, variations in this area will have a significant impact. The current MTFP assumes an annual increase of 2% this was based on a down rating of previous years' projections when it was calculated last year. There is agreement that 2% annual increases for the next few years are optimistic therefore a judgement needs to be made. Each 1% reduction equates to a £400,000 annual loss of income from the existing MTFP.
53. At the current time, we have certainty over the 2010/11 grant. Beyond that we await the next comprehensive spending review (CSR) which is due in November 2010, which should provide grant figures for the period 2011/12 to 2013/14 if it follows current Government policy. There is a school of thought however that suggests it may only provide for grant figures for 2011/12 and not a three year settlement thus allowing the Government more time to plan. The judgement made on formula grants funding is to plan for a 3% year on year reduction from 2011/12 this represents an annual reduction against the existing MTFP of 5% ie reduction of £2M each year. The balance of such a judgement is in no way at the optimistic end of the range and does deliver near to a 10% reduction over the three year period without a "Cliff Edge" of a 10% reduction in year 1 at the CSR. Such an approach one would hope would find favour with the Government as grant withdrawal over a period of years would allow for a more planned adjustment to reduced resources.

Specific Grants and Area Based Grants

54. The Council receives £29.6M from this funding source. The grants are targeted at providing specific services although in many cases the grants are not ring fenced. The removal of ring fencing is only a recent change and in reality grants have continued to fund the purpose for which they were initially intended. These grants are included within detailed estimates and are applied to service expenditure thus reducing net budgets. Examples of the largest grants are listed below: -
- (a) School Standards Grant and Standards Fund - £9.3M
 - (b) Sure Start, Early Years and Childcare Grant - £3.5M
 - (c) Housing and Council Tax Benefit Admin Grant - £1.0M
 - (d) Private Finance Initiative - £3.2M
 - (e) Supporting People Grant - £3.1M
 - (f) Connexions - £1.0M
 - (g) Adults social care, various grants - £2.4M

55. There has been less speculation about this source of funding. Some commentators suggest that individual grants may be significantly reduced or withdrawn altogether to assist in not reducing headline formula grant by as much as has been highlighted. A view could be taken that if grants are withdrawn then the services they fund would automatically be withdrawn, however, reality suggests this would not be the case for all grants as they fund some core priority services. In light of limited knowledge in this area but to ensure prudence a 3% year on year reduction has been applied reducing income by approximately £900,000 per annum.

Council Tax

56. Council Tax levels are a matter for local determination by each Council following the abolition of the presignalled capping regime, however, this has been replaced in recent years by Government guidance. This year the Government has announced that:
- (a) “For 2009/10 the average increase in council tax was 3%.
 - (b) For 2010/11 the Government expect the average increase to be lower than in 2009/10 and at a 16 year low.
 - (c) The capping criteria will be decided later and authorities should not assume the criteria for 2010/11 will be the same as 2009/10”.
57. In deciding on the proposed level of increase, Cabinet have taken this into account and the impact of rises on the local community balanced against the needs of the community for services and support and they have decided not to increase Council Tax in 2010/11.
58. For planning purposes only at this stage, it is assumed that the increase for 2011/12 will be 1% rising to 2% in future years, clearly Members will make final decisions on this in future years.
59. The reduction of the increase from the 4.9% per annum in the existing MTFP removes income year on year, which will be £6M by 2013/14.

A New Business Model for the Future

60. In the November cabinet report an approach to delivering a sustainable Council was agreed by Cabinet and it is that business model that has influenced the preparation of the 2010/11 detailed budget and the strategy for bridging the potential future budget gaps beyond 2010/11. The key strands and proposed timetables are set out below:
- (a) **A Continued Focus on Service Efficiency Within Darlington Borough Council – Ongoing**
This is a key element and one the Council is very familiar with and is achieved by a variety of means including managers initiatives, departmental change projects and transformational change projects. Developed proposals are already included, however, further proposals will be developed over the life of the MTFP.

(b) Priority Based Budgeting Reviews – Rolling Programme – Key Decisions, included in this report and February 2011 and 2012

This element of the business model involves reviewing services and developing different service level options to understand the impact on services of less resources. The purpose is to enable Members to fundamentally review what the Council does to enable them to be well informed when decisions have to be made about the level of services and support the Council provide. Some decisions need to be taken this year and attached at Appendix 9 are proposals totalling £240,000. In future years a more fundamental review will be needed to deliver significant savings. The effectiveness of services/service interventions will need to be assessed to ensure they are having sufficient impact on desired outcomes as articulated in One Darlington Perfectly Placed.

(c) Service Delivery Reviews – Initial service decisions by February 2011 second phase post 2011

The final strand of the model is to consider who should deliver services on behalf of the Council. The Council already has a mixed economy providing services in house and in partnership with Health, other Local Authorities, the voluntary sector and the private sector. The business model outlines a pragmatic approach suggesting that whichever type of delivery is best suited to individual services will be selected, there is not a “one size fits all” approach. What is clear is there will be changes to who delivers the Council’s services as part of the implementation of the business model. The review of service delivery will be an ongoing process and services will be subject to reviews based on the varying criteria. The first services to be reviewed are listed below and have been selected as they are unlikely to be significantly impacted upon by the priority based budgetary reviews (PBBR) it would not be sensible to consider who will deliver a service if the service itself may be subject to change as part of the PBBR. Once a service has been subject to PBBR then who is best placed to deliver that service can be considered.

- (i) Building Control
- (ii) Licensing
- (iii) Environmental Health
- (iv) Trading Standards
- (v) Corporate Landlord
- (vi) Libraries
- (vii) Building and Highways Maintenance and Construction
- (viii) Housing Benefits
- (ix) Local Taxation
- (x) Pupil Referral Unit

During 2010/2011 the above services will be reviewed with a business case being produced, which will identify the most appropriate delivery option.

Resourcing the Business Model

61. The change required within the Council is significant and cannot all be achieved within existing resources and therefore as in previous years a change fund is required to pump prime change. A one off fund of £500,000 is proposed to be taken from revenue balances.

Future Planning for the Potential Budget Gap Resolution

62. Clearly the efficiency programme has assisted considerably in reducing expenditure but the significant challenge faced by the Council in future years will require further substantial savings to be delivered through the new business model.
63. Set out below is a potential plan that will bridge the emerging budget gap based on the business model. There is much uncertainty around local Government finance and the plan below should be taken as such. It is not written in stone but it is aimed at demonstrating to Members and interested parties that the judgement made in this report is measured to ensure plans are deliverable for every eventuality in the future as certainty unfolds in the local Government finance.

		2010-11	2011-12	2012-13	2013-14
		£M	£M	£M	£M
1	Draft Budget Net Expenditure	81.070	85.107	87.031	89.001
2	Less Proposed efficiency savings	(2.297)	(3.010)	(3.447)	(3.538)
3	Net Expenditure after efficiencies	78.773	82.097	83.584	85.463
4	Less Proposed Priority Based Budgeting	(0.160)	(0.240)	(0.240)	(0.240)
5	Less Proposed Increased Income	(0.210)	(0.210)	(0.212)	(0.212)
6	Net Expenditure after proposed savings	78.403	81.647	83.132	85.011
7	Further Efficiency Programme		1.800	2.800	3.800
8	Priority Based Budgeting		2.500	3.800	5.300
9	Service Delivery Options Phase 1			0.300	1.000
10	Service Delivery Options Phase 2				0.300
11	Net Expenditure after further savings programme	78.403	77.347	76.232	74.611
12	Assumed reduction in Specific and Area Based Grants		0.889	1.778	2.667
13	Net Expenditure after assumed Specific and ABG reduction	78.403	78.236	78.010	77.278
14	Projected Resources	78.582	77.815	77.488	77.420
15	Contributions to / (from) reserves	0.179	(0.421)	(0.522)	0.142
16	Business Model resources (paragraph 61)	(0.500)			
17	Projected reserves at year end	11.239	10.818	10.296	10.438

64. The above table demonstrates what the future might hold. It cannot be reinforced enough at this stage that the above figures are a judgement and certainty will not emerge until November 2010 at the earliest. That said, the figures illustrate the words previously used that this will be the largest single challenge the Council has faced since becoming a Unitary Authority. The approved plans include savings totalling £11.1M and these are already built into the net expenditure figures at line 6 in the table. Lines 7 to 10 illustrate how the gap between spending and potential resources may be bridged. This illustrates that by 2013/14 the Council may need to save a further £10.4M from the various strands of the business model. Therefore, in total the Council will be planning to reduce its expenditure by £21.5M by 2013/14, indeed a significant challenge.

65. The year ahead must be dedicated to developing options for consideration as part of next year's MTFP revision, which will involve application of all three strands of the business model. That dedication together with existing plans, level of revenue balances (£11.560M) and the grant certainty in 2010 mean that it is Cabinet's view supported by officer advice that the approach to the preparation of the 2010/2011 detailed revenue budget is appropriate and the medium term approach developed to meet the financial challenge is sound.

Budget 2010-11

66. This report largely focuses on medium to long-term corporate and financial planning, which represents recognised good practice. The Council is legally required to set a budget and Council Tax for the coming financial year. Estimates of departmental and corporate expenditure and income are detailed in **Appendix 16**. The estimates represent the financial implications of Cabinet's proposals and provide the necessary detail for the proposed budget and Council Tax for 2010-11. Planned net expenditure in 2010-11 is £78.403M plus £0.5M to be taken from reserves to resource implementation of the new business model. The cumulative and projected Collection Fund deficit has previously been reported in the 2008-09 outturn report and 2009-10 budget management reports. It has already been deducted from the projected reserves at 31st March 2010 and must now be included in the formal calculation of the budget requirement for 2010-11: -

	£
Total Net Expenditure for 2010-11	78,403,000
Add Contribution to Reserves	179,699
Less Contribution from Reserves for Collection Fund Deficit	-675,000
Darlington Borough Council Budget Requirement 2010-11	77,907,699
Add Parish Precepts	73,303
Budget Requirement	77,981,002

Impact on the Workforce

67. Consultation is ongoing with the trade unions and the workforce on both the potential redundancy proposals and proposed changes to terms and conditions of service, which cover car allowances and premium rates.
68. The detailed proposals contained in this report and the ongoing efficiency agendas will mean the deletion of 61 posts within the Council. Currently, 20 of the posts are vacant, therefore, there are potentially 41 redundancies. However, as the business model is implemented this number may increase. In addition, the report includes changes to terms and conditions of employment in respect of premium pay rates and car allowances that will impact on a significant number of employees.
69. Both the redundancies and the changes to terms and conditions come under statutory collective redundancy consultation provisions and as a result of the number of employees affected by the proposals, a 90 day consultation period is required prior to commencing implementation on any of the proposals. As such consultation will continue until at least the expiry of the full statutory consultation period.
70. Officers will, as part of ongoing consultation, continue to seek to reach agreement on the proposed changes and any financial impact of changes agreed as part of the ongoing consultation process will be reported back to Cabinet.

71. By consultation Officers will seek to arrive at agreement over the proposed changes to terms and conditions. If agreement is not possible or there are no acceptable alternatives to achieving the savings then an imposed change to terms and conditions may need to be considered. If this was the case, it is a decision which could have significant implications in employee relations terms and it is proposed to report back through Council if agreement cannot be reached.

Capital Medium Term Financial Plan

72. The earlier part of this report has concentrated on revenue MTFP, the next section concentrates on the capital MTFP. Whilst the Council's own capital resources have been restricted by the inability to dispose of assets the Council will still have a significant capital MTFP funded by central Government. Over the life of the MTFP it is proposed that £142.7M will be spent on capital schemes.
73. Capital expenditure by its very nature is significant one off expenditure aimed at making improvements to, or acquiring assets that enable the Council to deliver its priorities. The vast majority of capital funding is received from the Government and is allocated to Councils in the main to match national priorities such as Transport, Children's Services and Housing. The allocation of spending within those three key national priorities is subject to ongoing programmes and agreed outcomes. For example within Housing there is an agreed 30 year business plan which sets out how investment should be applied, more details on how expenditure will be applied is set out later in this report. Set out below are details of the levels of Government funding available for 2010/11.

		2010/11 £M
	Children's Services	
1.	Standards Fund	12.461
2.	Devolved Capital	1.299
3.	DCSF	1.664
4.	Building Schools for the Future	*9.600
	Housing	
5.	Major Repairs Allowance	2.586
6.	GONE Disabled Facility Grants	0.282
7.	SHIP 3 Disabled Facility Grants	0.390
8.	SHIP3 Energy Efficiency	0.050
9.	SHIP3 Other	0.103
	Transport	
10.	Local Transport Plan	3.064
	Regeneration	
11.	Single Programme	*4.374
	Community Services	
12.	Adult Services Mental Health	0.052
13.	Carefirst Mental Health	0.083
	Total	36.008

* Denotes indicative figures

74. **Appendix 15** sets out the proposed capital programme with regard to applying the projected resources allocated to the Council, the programmes include ongoing schemes for previous years. Set out in the following paragraphs is a narrative of the major elements of the programme. Scheme specific approvals will be subject to detailed reports to Cabinet.

Children's Services

75. In the 2010/11 financial year it is anticipated that Darlington Children's Services capital investment will be c£30M, funded by 2010/11 resources of £26.9M and carry forward from 2009/10 of £3.1M. The majority of this funding has already been reported and released at Cabinet. However for information further details of the major major capital project streams are detailed below.
76. The Authority has received confirmation that we have been successful in our application to get Building Schools for the Future (BSF) funding. We have been allocated £57.6M to rebuild or substantially remodel Branksome, Hurworth and Longfield and to develop a managed ICT service across the secondary schools. In addition, we will be improving facilities for young people on the Autistic Spectrum and we will be relocating facilities for some pupils on alternative programmes.
77. We expect that the programme will lead to improved community access to facilities and that there will be greater support for early intervention and prevention of difficulties; leading to a reduction in the number of children who go on to initial assessment of need. The work on the three schools will be a major boost to the economy in the Borough and will bring employment and apprenticeships to the community.
78. During 2010/11 Primary Capital Programme of c£9.5M is projected to be expended, to implement the Government's national investment programme aimed at renewing 50% of all primary schools nationally. These projects will focus on the provision of primary schools that are equipped for 21st century teaching and learning with children's services in reach of every family.
79. 14-19 Diplomas/SEN Disabilities, significant expenditure of c£6.3M to provide capital investment for the Secondary Schools within the Authority to enable 14-19 Diplomas to be fully developed. Work is continuing with regard this funding stream with the 14-19 Trust. Linked with this is £0.6M relating to Specialist College capital funding for both Branksome and Longfield Comprehensives.
80. In relation to Children Centres, £0.7M has been allocated to the development of Haughton Children's Centre at Salters Lane and expanding the reach of existing Children's Centres across the town.
81. Four head teachers in the South East locality of Darlington have been successful in their bid for £2.7M from the DCSF Co-location fund. During 2010/11 it is anticipated that c£0.5M will be spent on extending the impact of existing Primary Capital Programme projects to enable the development of an Integrated Centre for Well-Being and three modern accessible Well-Being Satellites (primarily Heathfield Primary, Dodmire Primary, Hurworth Primary and Borough Road Nursery).

82. Other major schemes include the final retention payments relating to St Aidan's Academy, Northwood Primary School, further investment at Private, Voluntary and Independent Nurseries, improving short break facilities for families with disabled children, the continuation of the Clervaux Alternative Provision and Children's Play.
83. Beyond the Primary Capital Programme the remaining Modernisation funding and Schools Devolved Formula Capital will be spent in line with the locally agreed asset management plan arrangements in Darlington.

Housing

84. During 2010/11, major works are planned within the Council housing stock of the borough, in a number of locations.
 - (a) The Council plans to carry out internal planned maintenance, including electrical rewiring, replacement kitchens and bathrooms, insulation, and security lighting to approximately 250 dwellings. Work will be undertaken in the following wards; Haughton East, Haughton West, North Road, and Cockerton West. Where small blocks of flats are included, the specifications will include works to the communal areas including upgrading the lighting, flooring and upgrading to digital television aerials.
 - (b) Refurbishment work to Branksome Hall Drive will be completed and refurbishment work will continue at Windsor Court with work due to be completed in 2010-11. The refurbishment work will provide modern facilities which are easily accessible and accommodate a range of older people with some support requirements. Work will commence on refurbishing Rockwell House and is due to be completed in 2011-12.
 - (c) Approximately 200 dwellings throughout the Borough will benefit from new central heating systems located predominantly in the wards of Eastbourne, North Road, Haughton East, Haughton West, and Cockerton West.
 - (d) A range of adaptations will be undertaken for people with disabilities based on their assessed needs and £360K has been set aside for these works.
 - (e) A range of energy efficiency measures will be available for Council owned properties at targeted areas to be determined. Measures will include cavity wall insulation, loft insulation and "top ups" as well as draught exclusion works.
85. A regional Financial Assistance policy will be introduced for private owners and accredited private landlords in order to undertake essential home improvements towards meeting minimum decent homes standards. The financial assistance will be based on loans offered at attractive interest rates of 2% and some will only be repayable at the point at which properties are sold making them more affordable. Private sector grants will be reintroduced should applicants meet specific means tested criteria and not qualify for loan assistance. The programme will be delivered by the Home Improvement Agency, Care and Repair.
86. Disabled Facilities grants will be available on a means tested basis for eligible applicants. Disabled Facilities grants are not offered on a geographical basis but determined by individual assessments and family circumstances.

87. Following receipt of the final Housing Revenue Account Subsidy Determination for 2010/11 further work has been undertaken, which has revised the housing capital programme that was presented to Cabinet on 25 February 2010. The overall medium term bottom line spending plan has not changed, but a number of schemes have been re-prioritised and re-profiled over the 4 year period.

Transport and Highways

88. The following works are proposed for delivery in 2010/11:

Major Scheme Bid

89. The Tees Valley Bus Network Improvement major scheme proposal aims to tackle traffic congestion and improve the reliability of bus services. A number of schemes are planned for implementation in 2010/11. These schemes include a new westbound bus stop on Woodland Road to improve travel to Darlington Memorial Hospital, new bus stops in Glebe Road, Springfield and Minors Crescent areas and verge hardening where required in Branksome. The design and consultation process will continue on schemes planned for subsequent years in the Darlington area; including a major junction improvement at North Road/Whessoe Road and a review of the layout and operation of entire Inner Ring Road with the intention of reducing queuing traffic and incorporate bus priority into new layout.
90. A decision on whether the funding for these proposals will be available is now expected from the Department for Transport in January 2010, following the submission of the final approval business case in November 2009. If the funding is not forthcoming other sources of funding will be pursued to deliver some of the projects from future years Local Transport Plan and developer contributions.

Local Transport Plan

91. As in previous years, work will be focused in line with the strategy to tackle congestion by increasing road capacity at pinch points, further improving the management of the road network to increase traffic flow and providing real travel choices.
92. Casualty reduction and speed management budgets in the LTP and the capital element of the Road Safety Grant will be used where schemes have been identified to address specific sites where there are a significant number of casualties and to review speed limits, including the implementation of more 20mph zones.
93. It is proposed to help bus passengers by investing £125k in various measures of benefit including the installation of real time information displays at more bus stops. The work will encourage people to use the bus more so therefore reducing traffic congestion. This forms part of the match funding for the major scheme.
94. Much of the Council's work relies on evidence to provide the opportunity for meaningful analysis of what action is for the best – be this in setting priorities for maintenance, management of traffic under the Traffic Management Act or making capacity improvements to the highway network. The LTP provides funding for some of the required monitoring programme, including the maintenance, renewal and provision of automatic traffic and cycle counters.

95. The Council funds some of the annual highway maintenance programmes from the 2LTP and a list of schemes will be presented for Cabinet approval in 2010. This programme includes reconstruction of roads, as well as resurfacing and general maintenance. As in previous years, the priorities for this work will be based on the annual condition survey data. A programme of footway and cycle way maintenance schemes will be delivered in the year. The bridge maintenance schemes are also identified from condition survey, which is being collected in 2009/10. Polam Lane Bridge has already been identified as a priority for delivery in 2010/11 and initial feasibility and design work and consultation with the conservation officer has been completed in 2009/10.
96. The Local Motion programme will aim to tackle congestion through changes in travel behaviour will continue to be funded including school travel plans; travel plans with local employers including the Council to include cycle parking and providing information and incentives to support people in their travel choices. The Council still receives external funding to support this work from Europe through the Interreg IVB programme as well as Cycling England. Cycle schemes proposed for delivery in 2010/11 are currently under development, but could contain the construction of a link along Polam Lane, an off road bridal path linking Merrybent to the Hummersknott area and the completion of Radial Route 6 to Harrogate Hill at John Street subject to land acquisition. These links are designed to encourage people to walk or cycle especially for shorter journeys, thus reducing pressure on the road network.
97. The successful Medal Motion campaign with local schools will continue in May and October and resources from the Local Transport Plan (LTP) will provide support through the provision of safer routes to school, 20mph zones and other physical works. Schools already identified for feasibility and then implementation in 2010/11 include Heathfield, Reid Street, Harrogate Hill and Gurney Pease.

Regeneration – Single Programme

98. The indicative figure of £4.374M relates to continuing work on Central Park, the new Teesside University building in Darlington and helping new businesses, funded by Government grant.

Council Funded Schemes

99. The Council has banked capital receipts of £1.064M with anticipated receipts in the remainder of the year of £2.5M, however, as experience has shown there is no certainty that the anticipated receipts will be realised. Given the uncertainty of the major proportion of the receipts it is not proposed to review potential capital schemes in detail, this can be done later in the year when there is more certainty about the level of receipts.
100. Despite the above it is essential that funding is identified by the Council to match fund the BSF programme and £1.8M is required, the phasing of this over the programme of works is not clear at the present time. Also, £400,000 is required to maintain and upgrade ICT and telephone networks, if such expenditure is not made available now there will be a significant risk to the Council's business continuity as the reliability and security of systems could not be guaranteed. The draft Revenue MTFP assumes that this funding will be met from the anticipated capital receipts and prudential borrowing. If anticipated capital receipts are not fully realised prudential borrowing will need to be increased and the Revenue MTFP amended accordingly.

101. Both the schemes will be subject to detailed reports to a future Cabinet meeting.

Consultation

102. The proposals agreed by Cabinet in January have been subject to consultation, with every member of public in Darlington having opportunity to comment on the proposals. The January edition of the *Town Crier* included an article on the proposals and a copy of the article is attached at **Appendix 18**. A Talking Together event was held at the Dolphin Centre on 25 January and an online forum was established. The outcomes of the consultation process were reported to the special Cabinet meeting on 16 February 2010.

103. As a result of public consultation, two changes were made to the proposals in the draft MTFP agreed by Cabinet in January: -

- (a) The projected savings expected from the proposed review of the Early Years Inclusion Practitioners Service have been taken out of the Plan. The Council is committed to finding sustainable ways to extend inclusive provision for children with additional needs, and their families, to 52 weeks of the year and for more hours each day. This should lead to more early years settings being able to include children with more complex needs because staff have developed the necessary skills and it will provide more choice of settings for parents. However, the proposals that were consulted on raised a number of important concerns from the current service users about the impact of the proposed changes on them. Officers will work with current and future service users to develop a revised service design to promote sustainable inclusive practices.
- (b) During consultation discussions took place with the charity involved in supporting the Story Sack / Toy Library. It has been suggested by the charity that the level of savings envisaged in 2011/12 and beyond can be achieved but they would need a transition year to deliver the savings. The proposed savings in 2010/11 have been reduced from £54,000 to £17,000.

Conclusion

104. Cabinet's recommended revenue MTFP, incorporating the revenue impact of the proposed capital programme and including all departmental and corporately managed resources, is summarised in **Appendix 17**.

105. The Council faces its biggest challenge since becoming a Unitary Council due to the impact of the economic downturn on public sector funding. The extent of the challenge is not fully known at this stage but the Council must continue to deliver short-term savings and put in place robust plans over the next financial year to deliver cost reductions in future years.

Darlington Borough Council

Medium Term Corporate Plan 2010-14

One Darlington : Perfectly Placed
The Council's delivery and funding proposals



An inclusive approach

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- Urdu** اگر آپ کو یہ سکا پچھراگریزی کے علاوہ کسی دوسری زبان میں درکار ہو تو براہ مہربانی ٹیلیفون نمبر 01325 388017 پر فون کر کے حوالہ نمبر بتائیں۔
- Punjabi** ਜੇ ਇਹ ਪਰਚਾ ਤੁਹਾਨੂੰ ਅੰਗਰੇਜ਼ੀ ਤੋਂ ਬਿਨਾਂ ਕਿਸੇ ਹੋਰ ਭਾਸ਼ਾ ਵਿਚ ਚਾਹੀਦਾ ਹੈ, ਤਾਂ ਕਿਰਪਾ ਕਰਕੇ ਸਾਨੂੰ ਨੰਬਰ 01325 388017 ਤੇ ਫੋਨ ਕਰੋ ਅਤੇ ਰੈਫਰੈਂਸ (ਹਵਾਲਾ) ਨੰਬਰ ਦੱਸੋ।
- Hindi** यदि आप यह प्रकाशन अंग्रेज़ी के अलावा अन्य भाषा में चाहते हैं तो कृपया संदर्भ नम्बर (रेफरन्स नम्बर) बताकर निम्नलिखित 01325 388017 पर संपर्क करें।
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- Bengali** যদি আপনার ইংরেজী ছাড়া অন্য কোন ভাষায় এই প্রকাশনাটির দরকার থাকে, তাহলে নম্বরে ফোন করুন এবং সূত্র নম্বর উল্লেখ করুন। 01325 388017
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BRAILLE
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Foreword

Welcome to Darlington Borough Council's Corporate Plan for 2010-14. Darlington is a place of distinctive character with a strong sense of identity, a place that local people cherish. It is also a place that has changed significantly in recent years, with ambitious programmes of investment in the local economy, schools, transport, housing and neighbourhood renewal. And, most significantly for this plan, it is a place with a bold vision for the future rooted in a confident, enterprising past.

That bold new vision, 'One Darlington : Perfectly Placed', was adopted by Darlington Partnership 18 months ago. It has proved highly effective in galvanising the partnership working between sectors and agencies needed to continue to deliver quality of life improvements in the borough. This Corporate Plan shows how the Council will contribute to the vision over the next four years.

Our proposals build on the good work of recent years. Since 2003 the local economy has been one of the most improved in the UK; educational achievement is at its highest ever level; crime is falling year-on-year; the revitalised town centre continues to be successful and popular; our community is a cohesive place in which people from different backgrounds get on well together; and overall satisfaction ratings are amongst the top 25% in the country.

This plan marks an important transition towards new ways of working in response to the challenging impact of the economic recession on public sector finances. Our new Business Model aims to transform the role of the Council, to one of leadership and co-ordination across the public sector as a whole, ensuring that high quality services continue to be provided and that quality of life for everybody in the borough continues to improve, whilst living within our means as an organisation.

These new ways of working revolve around four key functions. We will:

- Champion the interests of citizens and business, listening, understanding and acting on the needs and aspirations of everybody in the borough;
- Promote the borough, and secure the best possible outcomes for Darlington within the sub-region, region, nationally and in Europe;
- Ensure the provision of high quality services, acting to ensure that what is provided is right but being more flexible about how it is provided and by whom – the Council's role as a direct service provider will reduce in favour of commissioning and procuring services from the best possible provider
- Supporting strong partnerships to set a vision and direction for the borough and for public services, steering provision across the public, private and voluntary sectors in response to our understanding of local needs and aspirations.

The new business model will drive the next stage of our organisational development, and will be progressively developed and implemented over the next four years (the period covered by this plan). It is described in Section 1 of this document, and is already being developed through a programme of service reviews.

The overall purpose of these changes is to ensure that the Council remains focused on delivering the outcomes set out in One Darlington : Perfectly Placed for the benefit of everybody in Darlington, focusing on the One Darlington priority of narrowing the gaps in prosperity, health, attainment and life chances that exist across the borough. This focus is being sharpened with the introduction of a new planning methodology, Outcome Based Accountability. This is being piloted by the Council in the development of this plan and associated service plans, with the intention of rolling it out fully across Darlington Partnership next year.

We are confident that these changes, set out in this plan, will enable the Council to continue to play its part in creating 'One Darlington : Perfectly Placed'.

Councillor John Williams
Leader of the Council

Ada Burns
Chief Executive

DARLINGTON BOROUGH COUNCIL CORPORATE PLAN 2010-14

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Introducing the Corporate Plan

1. This is Darlington Borough Council's overall delivery and funding plan for the period 2010-2014. It shows how the Council will contribute to the delivery of the long-term vision for the borough, 'One Darlington : Perfectly Placed', over the next four years.
2. The plan has been prepared as we respond to the effects of the most severe economic recession in many years. As this plan is being prepared there is a great deal of uncertainty about recovery and future economic prospects, but what is apparent is the long-term and very challenging impact of the recession on public sector finances, with severe restraints on income streams combined with increasing costs as demand for welfare and support services increases.
3. Last year's Corporate Plan anticipated the need for ever greater efficiency to maintain progress on the vision with fewer resources, whilst acknowledging that Darlington Borough Council is already rated as one of the best in the country for delivering value for money. In the intervening year it has become clear that as a small, high performing organisation, the Council has already achieved most of the available efficiency savings. Continuing to attempt to squeeze more out of less whilst seeking to retain the current organisational and service model is unlikely to match up to the financial challenge.
4. That particular challenge is only part of the changing environment to which the Council must respond. The past year has seen further government policy developments that will consolidate the strategic role of local authorities in leading the improvement of their areas, overseeing and co-ordinating all public service organisations and public spending, to address local needs with integrated strategies and services. These changes, outlined in Section 1 of this document, are aimed at securing improved services, tailored to local needs, at less cost. The important emphasis in these changes is in focusing on how public services co-operate to achieve outcomes for the whole local authority area, instead of focusing on how well individual public service organisations, like the Council, police or health service, work in isolation.
5. Darlington Borough Council is responding to these combined strategic and financial challenges with the development of a new Business Model. The model is also outlined in Section 1 of this document. It is designed to provide a comprehensive and proactive answer to the challenging environment over the next decade. It will enable the Council to ensure that Darlington people continue to receive first class services, and that the improvements envisaged in 'One Darlington : Perfectly Placed' are achieved, whilst operating within the financial constraints anticipated throughout the period covered by this plan.
6. An important development introduced in the preparation of this plan will support the stronger focus on delivering better outcomes for the whole borough. Outcome Based Accountability (OBA) is a planning tool that will focus the attention of the Council and its partners on making sure that detailed actions and improvements contribute to the overall One Darlington : Perfectly Placed outcomes that we want to achieve. OBA will help to eliminate activities that don't make a strong contribution, so that our limited resources can be devoted to those activities that make the greatest contribution to overall outcomes. OBA is outlined in Section 2.

Section 1: Darlington Borough Council

The Council and the Community

7. Like any organisation Darlington Borough Council has its own distinctive character and culture. In Darlington's case these qualities are considerable strengths as it works to fulfil its role in leading and co-ordinating the delivery of One Darlington : Perfectly Placed.
8. The Council was created as a unitary authority on 1st April 1997, but it inherited a culture of service to the community that goes back into the 19th century. The vision of One Darlington : Perfectly Placed recognises the historic legacy of ideas, enterprise, innovation and philanthropy that have created the unique place that is Darlington today, and the Council's own history, culture and ethos are inseparable from that of the place it serves.
9. This long relationship is important today. Whereas many local government units are artificial constructs imposed on the areas they serve, in Darlington the remarkable continuity between the place and its governance arrangements is a strong foundation for the future. The strong sense of community identity, of borough and Council as a cohesive entity, was instrumental in the winning of unitary status in 1997.
10. This heritage is reflected in the closeness of today's Council to the community it serves, strengthened by the development of locality working, working with community partnerships in the most deprived parts of the borough, and in the strong commitment to listening to and learning from local people through effective community engagement. This closeness engenders confidence in policy and decision making, and is also reflected in the passionate commitment and loyalty of Members and staff to the well-being of the borough.
11. Darlington is the third smallest unitary authority in the country in terms of the population it serves and is a compact, lean organisation, but these characteristics seem to reinforce the qualities of cohesion and identity. As a result they become strengths, supporting big ideas, ambitions and achievements, and an enviable record of successful partnership working.
12. These are not just fine words – the record of progress speaks for itself. Some of our recent achievements are headlined in the next section, but they represent just the latest chapter in a story of success going back several years. The local economy has been transformed, with around £450M of private sector investment since 2003, levered in by £54M of public funding; 2000 new jobs have been created and average wage levels increased by 42% from the lowest in the Tees Valley to the highest.
13. Education provides a similar picture of transformational change, with pupil attainment at its highest ever level and huge investment in schools, including £57M secured this year through the Building Schools for the Future programme to invest in Branksome, Longfield and Hurworth Schools. Deprivation has been tackled and reduced despite Darlington not having access to the targeted government funding that similar areas have had. Crime levels have been reduced year-on-year thanks to a partnership with the Police that was acknowledged nationally as a model that others could learn from. And now joint working with the NHS is starting to produce results in tackling obesity and reducing smoking.
14. This plan builds on the close relationship of Council and community. It is inspired and driven by the strong culture of community service running through the organisation. The ethos of 'Team Darlington', a one Council, one team approach, with shared ownership, accountability and a shared desire to do the best possible job for the people of Darlington, is instilled throughout the workforce, and is again a quality that is served by being a small organisation that is close to the community. This is especially important as we face up to difficult economic times and the transition to new ways of working through the new Business Model, described later in this section. The 'can do' mentality, evident in Darlington's history of enterprise and innovation, is at the heart of the Council's commitment to maintain a positive direction of travel and continue to improve quality of life for everyone living and working in Darlington.

Achievements

15. A selection of some of our key achievements and progress since the preparation of the last Corporate Plan is offered below, to provide an overview of what the Council has delivered to contribute to the One Darlington : Perfectly Placed vision. The selection is arranged under the five delivery themes of the vision. The structure of the vision is outlined in Section 2.

Prosperous Darlington

16. Whilst economic circumstances have affected investment plans globally, progress continues on some of the major development projects within the Darlington Gateway Strategy:
- Progress continues on the Central Park project, with £9.8M of One NorthEast funding and £6M from English Partnerships being invested in infrastructure and expected to attract £200M private sector investment in offices, 600 new homes, and conference facilities, in a landmark development alongside the East Coast Mainline.
 - A University campus within Central Park is being progressed with Teesside University, and has now received planning permission, with work planned to begin during the summer of 2010.
 - The first phase (Feethams) of the Town Centre Fringe project has progressed, with an agreement of a development brief and securing of the former bus depot site for incorporation into the project; a contract with DCSF is now in place for development of a new office building as a replacement for DCSF's Mowden Hall premises; a new public square will be delivered as a component of the office development. £117,000 has been secured for the next phase of the Masterplan.
 - Funding of £250,000 has been secured for the final feasibility work for the Tees Valley Metro, and regional funding of £9M has been secured for a new Metro station at Bank Top, and of £5M for a new station at Durham Tees Valley Airport.
 - The Tees Valley Bus Network Improvement project will bring £68M of investment in transport in the Tees Valley, and £11M in Darlington. The project has achieved Programme Entry Status, meaning it is effectively a live project, and approval of the detailed Business Case is expected imminently.
17. Unemployment rates have increased nationally, regionally and locally during the recession. However, Darlington is riding out the recession in much better shape than other parts of the region, and especially other boroughs within the Tees Valley. This may be due to the extent to which the local economy has diversified into a mixed services economy, and is perhaps less dependent on larger and more vulnerable manufacturing industries than some areas. Unemployment has, of course, gone up, but to a significantly lesser extent than elsewhere. On the downside, unemployment has gone up most amongst less skilled workers and in the more deprived neighbourhoods, so that the gap between the wards with the highest and the lowest unemployment rates, which had been halved between 2003 and 2007, has now gone back to its former scale.
- The Job Seekers' Allowance claimant rate was 5.2% in November 2009, compared to 6.3% in the Tees Valley, and 5.6% in Stockton, the borough with which Darlington was most comparable pre-recession.
 - People qualified to NVQ Level 4 or above, at 31.1% in 2007, is above the Tees Valley, regional and national averages, and a 38.8% improvement since 2003 – 50.6% of people have an NVQ3 or 4 qualification, 40.2% more than in 2003.
 - Darlington achieved the largest growth (5.6%) in the region in Gross Value Added per capita between 2006 and 2007 (the latest year for which local data available); Darlington's GVA per capita is 90.6% of the UK average, and second only to Tyneside in the region at 92.0% of UK average.

- Overall economic activity rates are 78% (2008), the highest in the Tees Valley and above regional and national averages.
- Overall employment rate was 73.9% (2008), the highest in the Tees Valley and above regional and national averages.
- £160,000 has been secured through the Single Programme Worklessness Project to support unemployed people back into work.
- The Council played a significant role in the creation of the Darlington Credit Union, including securing £30,000 of funding; the Credit Union was launched in December 2009 to provide savings and affordable credit facilities for local residents and small businesses.
- £370,500 was secured from the Future Jobs Fund to provide 57 jobs for local young people.
- The first Comprehensive Area Assessment, highlighting 'One Darlington' strengths, acknowledged that new jobs have been brought to the area and that 'Into Work' programmes have been effective in improving employment rates in the most deprived areas.

Aspiring Darlington

- The 2009 GCSE results were the best ever in Darlington, with 51.1% of pupils achieving 5 or more A*-C GCSEs including English and Maths, up from 47.7% in 2008.
- Haughton, a National Challenge School, secured an improvement in the proportion of pupils achieving 5+A*-C grades, including English and Maths, from 18.9% in 2008 to 42% in 2009. Not including English and Maths, the proportion gaining 5+A*-C grades at Haughton rose from 61% to 75%.
- In the Early Years Foundation Stage, the number of children achieving 78 points (the Threshold Attainment level) increased by 2.5% (3.2% in Council establishments) to 50.6%; this is better than regional and national averages. The lowest scoring 20% of children have improved by 6.7%.
- Key Stage 2 results showed a significant improvement in Darlington's ranked position against other local authorities. Overall Darlington is ranked 11th against all English authorities and 5th in Maths.
- The first Comprehensive Area Assessment, highlighting 'One Darlington' strengths, recognised that educational standards are improving with better exam results and fewer exclusions.
- The CAA found that exam results for children at age 11 are better than for those of similar authorities, whilst they are as good as the national average for 16 year olds, marking significant improvements over recent years.
- Partners' success in achieving 'outstanding' assessments for two local colleges are complemented by the increasing number of 16 to 18 year olds who are in employment, education or training, with good rates of exam success and qualifications by the age of 19.
- Ofsted's assessment of Darlington's Children's Services found that they are 'performing well'; there are many good schools and outstanding sixth form provision; there is good provision for Safeguarding Children, and the services for Looked After Children and the Council's Fostering Agency are also good.

- £57M has been secured through the Building Schools for the Future programme to invest in improving Branksome, Longfield and Hurworth Schools. Once this investment is completed all the borough's secondary schools will have been improved, with Haughton Education Village and Eastbourne School (now St. Aidan's Academy) completely rebuilt and with significant remodelling of the others, to provide modern learning environments.
- As well as the £57M BSF funding, Darlington was allocated £37.6M for 2008/09 and 2009/10 for capital investment in schools. Darlington was selected as one of 23 regional pathfinders for the Primary Capital Programme, with £6.5M allocated for the replacement of North Road Primary School. A further £12.544M was allocated for the Primary Strategy for Change over the two years, for improvements to 17 primary schools across the borough. All primary schools will then have had significant investment to maintain fitness, with six new primary schools built, plus North Road and the Phoenix Centre (Pupil Referral Unit), and major refurbishment to five other primaries.

Healthy Darlington

The Council works closely with partners across all the themes of One Darlington : Perfectly Placed. This is most apparent, however, in the Healthy and Safer themes, with partners generally leading the delivery of services and outcomes. Nevertheless the Council plays a key role in leading and co-ordinating strategy and action planning, and it is appropriate to note here some of the key successes being achieved through effective partnerships.

- The first Comprehensive Area Assessment, highlighting 'One Darlington' strengths, highlighted the results being achieved from actions to tackle child obesity, including increasing breastfeeding rates.
- Efforts to increase the number of smoking quitters are making progress, and fewer people are now smoking.
- In terms of 'Perfectly Placed' strengths, the Comprehensive Area Assessment highlights the very high standard of Council housing, good services for homeless people, and improvements to facilities for Gypsies and Travellers.
- The Care Quality Commission has assessed Darlington's Adult Social Care Services as 'performing well', with six out of the seven assessment strands also assessed as 'Performing Well'.

Greener Darlington

- The first Comprehensive Area Assessment, highlighting 'Perfectly Placed' strengths, acknowledges that people are happy with the local area, and particularly with parks and open spaces.
- The Local Motion national sustainable travel demonstration project was completed; it has succeeded in encouraging more people to choose sustainable transport modes, and in reducing car journeys, with fewer children travelling to school by car.
- The Council has succeeded in securing European funding to enable work on increasing sustainable travel to continue, and is sharing its expertise on sustainable travel and social marketing techniques, hosting a national conference in May 2009, and delivering a conference paper in Delhi, India.

- A re-tendering exercise for Supported Bus Services secured financial savings whilst extending the range of supported services.
- Over 8,000 local school children were engaged in sustainability issues through two Medal Motion campaigns – ‘Tour of Europe’ and ‘Race to the South Pole’.
- The take over of on-street parking management responsibilities through Civil Parking Enforcement, requiring a local Act of Parliament, has made good progress, and will result in a single, improved regime for managing and enforcing both on-street parking and car parks.
- The Council has successfully used Government funding streams to increase the availability of affordable houses.
- The new Design of Development Supplementary Planning Document, part of the Local Development Framework was adopted in July 2009, and has been recognised by the Woodland Trust as national good practice for its handling of nature conservation issues, and won an award from Durham Wildlife Trust on the same basis.
- £850,000 of Heritage Lottery ‘Parks for the People’ funding has been secured for restoration and improvement of the Denes.

Safer Darlington

As with the Healthy Darlington themes, many of the successes achieved within the Safer Darlington theme result from front line delivery by our partners. The Council has a key role, however, in strategic and action planning through the Crime and Disorder Reduction Partnership. Just a few of the partnership’s successes are summarised below.

- The Summer Nights Campaign, a multi-agency crime reduction and reassurance programme aimed at preventing anti-social behaviour, and alcohol related disturbance in particular, was run successfully. It is being followed-up with the Winter Nights Campaign throughout the winter of 2009//10 to reduce opportunities for burglary and disrupting criminal activity.
- PACT (Partners and Communities Together) has been launched to enable communities to have better contact with their local beat officer or Police Community Support Officer (PCSO), council services, Fire Service and a number of other agencies, to discuss, target and report back on issues of crime, anti-social behaviour and safety that communities are concerned about through monthly meetings. 20 PACTs have been established so far, including two with communities of interest (Darlington Association on Disability, on behalf of disabled people, and the Lesbian, Gay, Transgender and Bisexual Community (LGBT). PACT is being extended to include all 25 wards and all communities of interest.
- The LGBT PACT is a key success, developing effective working relationships with a community that felt it was not receiving an appropriate police response to its concerns. The PACT has resulted in extra policing in the town centre on Monday nights, when Darlington stages one of the largest regular LGBT social events in the region.
- Darlington has also been at the forefront of developing PACT with business communities. We currently have a PACT process aligned with Pub Watch and are currently undertaking a similar initiative with Retail premises within the Town Centre.
- Voice Connect has been introduced, replacing the Crime Ring system, to relay timely and appropriate community safety messages to all Neighbourhood Watch contacts.
- A new CDRP Mobile Unit provides a multi agency high visibility presence and reassurance in areas with high crime and anti social behaviour incidents.
- Operation Belgowin has been running for a year to target issues in the Park East area, with some key successes in targeting drug-related and other categories of crime.
- The Right Tracks scheme is promoting responsible motor cycling by teaching young people how and where in an acceptable and responsible manner.

- Operation Meuse is a multi agency action plan to tackle serious acquisitive crime within the Darlington Area. It is designed to respond to changing crime trends, reducing targets and opportunities, targeting offenders and increasing public reassurance.
- Operation Cheviot Hill is a multi-agency response to Northgate has being identified as a vulnerable locality, working with communities to address issues in the area.
- A paramedic has been deployed to work with the Police in the town centre, particularly at night time, to reduce unnecessary ambulance call-outs and wasted police time in attending A&E.
- The Community Cash Back Fund allows communities to benefit from the monies taken from criminals, with communities nominating projects to receive funds. The Skerne Park Community Centre made a successful bid for £35,000 to upgrade its building.

Organisational Development and Improvement

- In the final round of the Comprehensive Performance Assessment, before it made way for the new Comprehensive Area Assessment, the Audit Commission judged the Council to be a 4 Star authority that was Improving Strongly, the best possible combination of judgements.
- A fundamental review of the Local Area Agreement (the short term agreement with Government for delivery of the long term vision of 'One Darlington : Perfectly Placed') was undertaken, and refreshed targets were agreed with Government Office; no areas of weakness were identified.
- The first Comprehensive Area Assessment resulted in an organisational assessment of 'Performing Well, with score of 3 out of 4 for both Use of Resources and Managing Performance. The outcomes for both the Council and the wider Partnership were successful.
- The first national Place Survey found that people in Darlington are generally happier with the area they live in than their counterparts across the Tees Valley; 79% of survey respondents said they were satisfied with Darlington as a place to live, the highest rating in the Tees Valley and above the average for the region; The response on 11 out of 18 questions was above average for the Tees Valley.
- The Council opted in to the Sustainable Communities Act, and put forward three bids for powers to pursue innovative approaches to sustainability.
- A new Compact has been developed to facilitate effective partnership working between the public and voluntary sectors, to improve the delivery of 'One Darlington : Perfectly Placed' outcomes.
- Already one of the two best Councils nationally for Value for Money, further progress has been made in improving efficiency and making progress towards savings targets; the Financial Management and Efficiency Board (FMEB) has been put in place to monitor and drive progress on planned efficiency savings.
- The Xentrall Shared Services Partnership with Stockton Council has been consolidated and is now delivering the planned savings and service improvements; savings are on target whilst services in areas such as ICT have been reviewed, and improvement proposals are being implemented
- Progress is being made in enhancing the customer experience, with a new contract now in place to deliver an effective and value for money service that is increasing the number of customer requests that are completed at the first point of contact.
- The Council has introduced a range of initiatives to broaden democratic engagement and encourage interest, particularly in young people, in democracy. 'I'm a Councillor, get me out of here' has generated more interaction in Darlington than anywhere else in the country, and schools events such as Town Hall Treasure Hunts have been very successful.

The Changing Context for Corporate and Service Planning

18. Three circumstances are of overriding significance in reshaping the context for corporate and service planning at the present time. These are:
- The challenging prospects for public sector finances arising from the recession;
 - The evolving role for local authorities as 'place shaping' leaders of public sector investment and services in their areas, reinforced by recent government policy initiatives; and
 - The local imperative to respond to the changing financial and national policy environment in ways that sharpen the focus on delivering the key outcomes needed to make progress towards the vision of 'One Darlington : Perfectly Placed'.

The Economic Context

19. Twelve months ago the Council, like the rest of the country, faced the future with great uncertainty as economic recession reached depths that most of the population had never previously experienced. There is a great deal of uncertainty about future economic prospects, and whilst some commentators suggest that the worst may be over it is unlikely that we will return to pre-recession conditions as people adjust to a much more rigorous, risk-averse credit and mortgage environment.
20. There is rather more certainty that the prospects for public sector finances will remain very challenging for the foreseeable future. The Government has invested heavily in shoring up the national banking system during the recession and this debt has to be repaid. The uncertainty lies in the measures that will be adopted to clear the debt, and local authorities must plan for the future against this background of uncertainty. The Chancellor's December 2009 Pre-Budget Report did little to clarify the detail of how public sector savings will be achieved, whilst substantially increasing local government's costs through the changes to National Insurance. Spending on health, education and policing will be protected, but all other areas of central and local government will face substantial cuts in funding, with commentators speculating that they could amount to 15% over the next four years. What is clear is that the assumption built into our previous Medium Term Financial Plan of a 2% annual increase in grant now appears unrealistic.
21. Greater certainty will come with the Government's Comprehensive Spending Review in 2010. In the meantime, our own assessments suggest that the Council may need to reduce its non-schools budgets by 11% (approximately £21.7M) by 2013/14 – this projected reduction includes current cost reduction and efficiency proposals but was postulated before the Pre-Budget Report. The budget proposals summarised in Section 5 of this document represent our staged approach towards achieving this level of spending reduction.

The Strategic Context

22. The evolving national policy context sets a clear direction of travel for the future role of local authorities as strategic leaders, co-ordinating planning and investment across all public sector organisations to achieve agreed outcomes. Recent policy announcements consolidate this future 'place shaping' role as being focused on pursuing the well-being of the whole area. Three key strands of emerging Government policy are of particular significance:
- Strengthening Local Democracy – the Government recently completed its consultation on draft proposals to strengthen the role of democratically elected Councils, notably in being empowered to scrutinise, challenge, influence and shape other public services, placing Councils and elected Councillors at the centre of decision-making in the community across all public services
 - The Total Place initiative, currently being piloted in 13 local authority areas, dovetails with CAA by promoting a 'whole area' approach to delivering better services at less cost. The economic recession is reinforcing the need for the public sector to work collectively to find radical solutions that will deliver better services tailored to local needs within the constraints of limited public sector funding.

- Comprehensive Area Assessment (CAA) assesses the effectiveness of public services in delivering locally determined outcomes, and of the Council in working with its partners to meet the needs of local people. The Council is no longer assessed in isolation, but for its effectiveness in leading the delivery of outcomes across all delivery organisations.
23. These three components – legislative proposals for empowering Councils to be whole area ‘place shapers’, the piloting of models for performing that ‘Total Place’ role focused on co-ordinating investment across the public sector, and the whole area assessment framework – give clear pointers to the way that local authorities are expected to work in future.

Local Priorities

24. The ways of working outlined above will be progressed through Darlington Partnership (the Local Strategic Partnership) which brings together all the key organisations in the borough, across the public, private and third sectors, to address the outcomes that need to be delivered to continue to improve Darlington as a place and to narrow the gaps in prosperity, health, attainment and general well-being that are evident across the borough.
25. This partnership working is guided by the vision for the borough’s long-term future, ‘One Darlington : Perfectly Placed’ (the Sustainable Community Strategy (SCS)). The vision embodies the outcomes that the partners have agreed as necessary for long-term improvement in Darlington.
26. The Council is taking steps in the preparation of this Corporate Plan and its associated service plans to strengthen the focus on delivering the SCS outcomes. A new planning methodology, Outcome Based Accountability (OBA), has been introduced, to support us to embed the outcomes at the heart of our service planning. OBA will be rolled out across the Partnership during 2010, and used to reach agreement amongst partners on the priorities that need to be tackled to make the desired progress. OBA is outlined in more detail in Section 3.
27. The need to strengthen the focus on local outcomes is consolidated by the changes outlined above. The place shaping role can only be fully discharged through such a focus, whilst the squeeze on public sector finance demands that we get the most out of the available resources by investing them on the agreed outcomes. The recession demands that the public sector works collectively to find radical solutions that will deliver better services tailored to local needs within the constraints of limited public sector funding.

Organisational Development Strategy

The Council’s New Business Model

28. Darlington Borough Council is acknowledged as one of the best in the country for value for money, and over recent years has achieved most of the efficiency savings available to it within the existing service and organisational structure, through its ‘Leading Edge’ Organisational Development Strategy (described below). Whilst we will continue to drive forward efficiency savings, the scale of budget savings required over the life time of this Corporate Plan is unlikely to be achieved by this means alone without impacting on the scope and quality of services to the public.
29. The need to achieve more, to maintain delivery against the key local outcomes, with less resource points towards the continuing development of a more strategic leadership role (towards which government policy is anyway leading us), combined with more innovative approaches to service delivery. The future Council is likely to be a very different organisation structured around some key strategic functions. Direct service delivery will be less important than ensuring that what is delivered is of high quality and tailored to local needs, with a flexible approach to how services are commissioned, procured and delivered by the best available providers. The future will undoubtedly see a smaller organisation leading the delivery of outcomes through partnerships. The Council’s roll will be to ensure provision and assure quality.
30. A new business model has been adopted to match these demanding times, as illustrated overleaf. The model is built around four key functions (describing what we will deliver) that together address the vision of One Darlington : Perfectly Placed. This new model will be progressively implemented over the life time of this plan to replace the Council’s previous business model, ‘Leading Edge’, which is described in the next section. The four functions are summarised below.

- **Championing the interests of citizens and business** – this is carried forward from the Leading Edge model as a continuing critical role, but with greater clarity about the need to strengthen our understanding of Darlington and its people, and to specifically refer to business. At the heart of this function is the need for enhanced ‘corporate knowledge’, up to date information, accessible across the organisation and its partners, about the needs and aspirations of local people and how these are changing, engaging with residents and businesses, ensuring they are heard and they know that their views are taken into account, empowering and enabling them to improve their lives and prospects and to contribute to the development of resilient communities that can do more to meet their own needs and provide solutions for what can no longer be publicly funded. There is a particular emphasis on the most vulnerable, and on securing equitable outcomes across the borough.
- **Promoting the borough** – also carried forward from Leading Edge, this function continues to be a critical expression of the place shaping role. It centres on pursuing the best possible outcomes for Darlington from external relationships and partnerships, notably within the regional governance structures and within the Tees Valley City Region. The emerging financial context affords even more importance to this function, in terms of securing resources from external support and funding streams, and from private sector inward investment to underpin vital projects and programmes.
- **Ensuring the provision of high quality services to the public** – where Leading Edge emphasised both direct service provision by the Council and influencing the services provided by others, this distinction is no longer considered material as the Council moves towards guiding and shaping ‘what’ is provided irrespective of whether the Council or another organisation is the provider. The approach is now more flexible in recognising the wide range of ways in which services might be delivered in future. It also reflects the intention embodied in ‘Strengthening Local Democracy (outlined under the Strategic Context heading above) that local authorities’ democratic accountability will be extended to oversee public services delivered by non-elected bodies.
- **Supporting strong partnerships to set a vision and direction for the borough and for public services** – this is a new function not previously recognised in Leading Edge, but a vital one for the strategic local authority, working through partnerships to translate our understanding of local needs and aspirations into long-term vision and service specifications that provide a clear direction of travel for the place and its people.

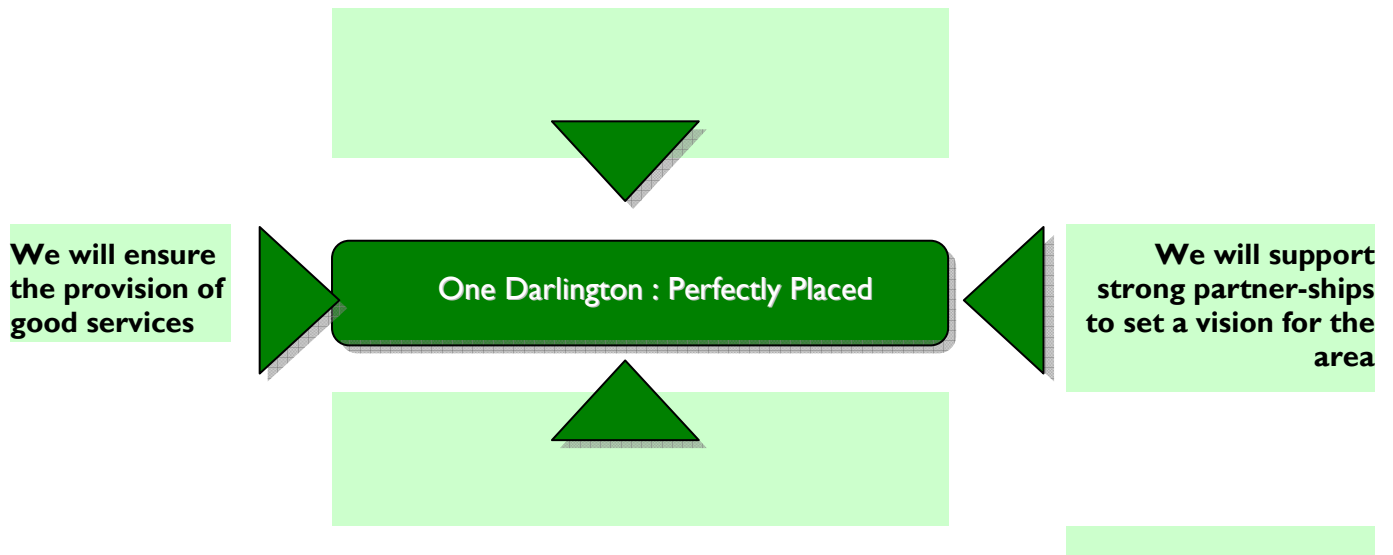
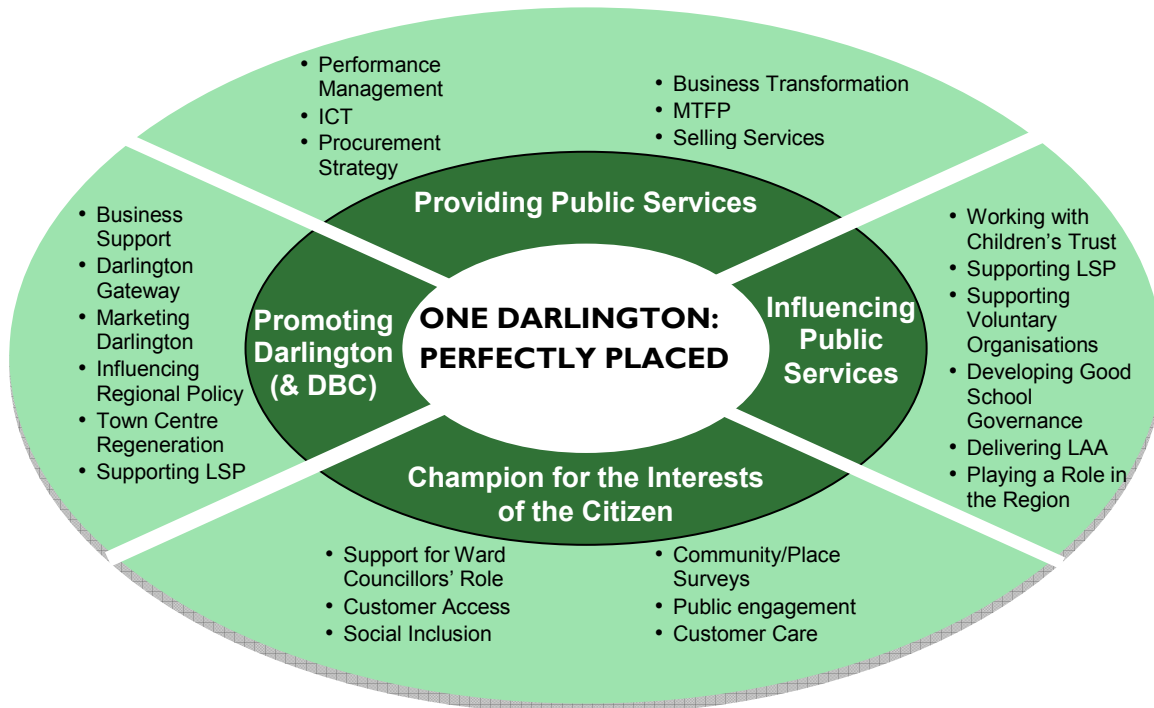


Figure: Darlington Borough Council's Future Business Model

31. As well as describing what we will deliver through the four functions, the Business Model establishes three strategic strands pointing to how we will support delivery. These are:
- Continue to focus on securing efficiency in every aspect of business and activity through business reviews, and process re-engineering.
 - Ensure that service and investment planning and prioritisation is directed at delivering the outcomes set by One Darlington: Perfectly Placed; our planning focus and methodology, co-ordinated with partner agencies, needs to direct resources to where they will be most effective in addressing local issues and needs.
 - Develop a more mixed economy in terms of the arrangements for the delivery of services, based upon whatever vehicle - Council, partnership, contractor - can best release savings and secure quality service delivery.
32. Translating the new business model into a fully functioning business organisation involves far more than simply reshaping our structures to focus on the above ways of working. The model demands new skills and capacities, notably in analytical capability to support our understanding of local communities and their needs, and in service commissioning, procurement and contract management. On the other hand, the existing Council has much experience in strategic planning and visioning, and in securing good outcomes for Darlington by promoting the borough to external audiences.
33. The work of migrating to the new business model has already started through a range of service reviews, notably of the Policy, Performance and Partnerships functions across the Council and of our community engagement and community partnerships, and will continue throughout the life of this plan. Section 4 includes relevant proposals.

The 'Leading Edge' Organisation Development Strategy (ODS)

34. This plan rightly headlines the new Business Model as the focus for the future, but the current 'Leading Edge' ODS is also outlined here because it will continue to provide our organisational development framework through to at least the end of 2010, and will be the strategic framework within which the initial stages of the new Business Model are developed. The new Business Model in its current form, as outlined above, is simply a model of the new ways of working needed to meet the external challenges now coming into focus. The model will be developed into a change programme that will take over from Leading Edge as our organisational development strategy in one to two years.



The 'Egg' illustration of the Leading Edge Business Model

35. Leading Edge was developed four years ago following the successful conclusion of the previous development phase of 'Striving for Excellence'. Leading Edge has taken us forward from the 'Excellent' status conferred through the Comprehensive Performance Assessment, and provided the vehicle for enabling the Council to position itself at the 'leading edge' of local authorities across the country. The programme has focused on business transformation in some key areas of operations whilst driving efficiencies and savings across the whole organisation.
36. Much has been achieved through Leading Edge: for example, the Council has achieved recognition as one of the top two unitary local authorities nationally for value for money; the Xentrall Shared Services Partnership with Stockton Borough Council has been established and is delivering excellent support services whilst planned to achieve savings of £7.4M across both Councils over 10 years; and the foundations of a new approach to community engagement have been laid, incorporating the Talking Together programme.
37. The 'egg' diagram on the previous page illustrates the Leading Edge approach. It appears similar to the structure of the new Business Model, but there are some significant differences. The changing emphasis in service delivery towards strategic leading and quality assurance irrespective of service provider, described above, is the most notable change in the new model. Equally, the Council's leadership of partnerships to set vision and strategic direction is now central to its role, and this will be reinforced by national policy and legislation, but it was not recognised in the Leading Edge Model. The third significant difference is in recognising, in the new model, that the Council needs to specifically champion the interests of business as well as citizens.

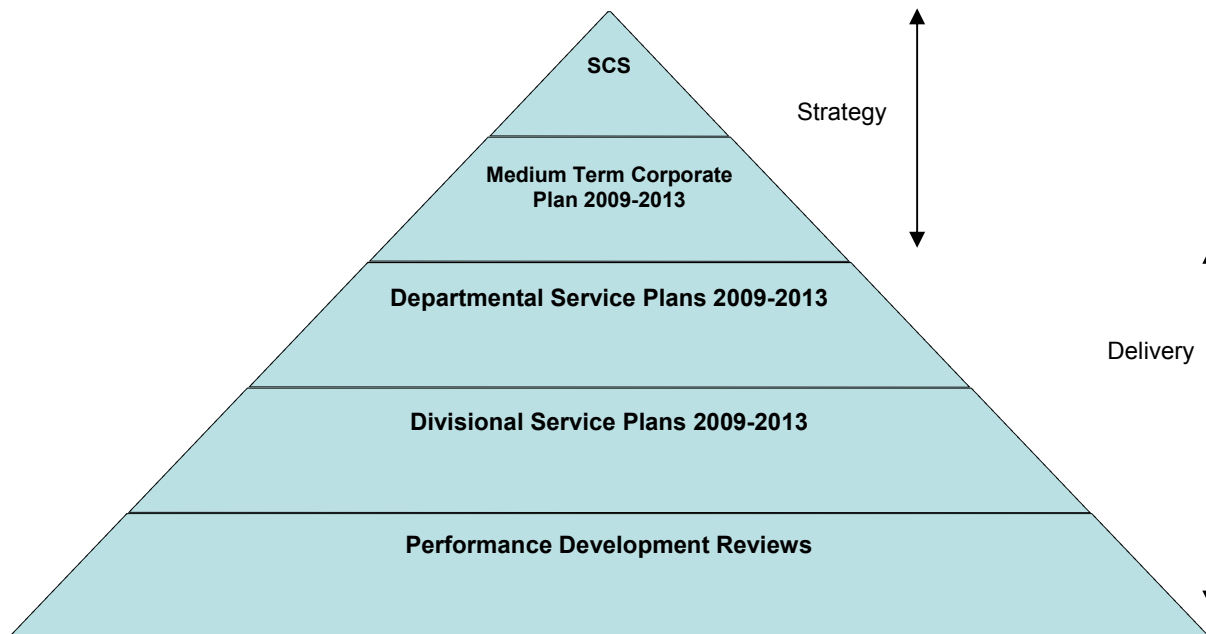
The five Leading Edge ODS strands and their priorities

Communications	Human Resources	ICT	Community Engagement	Business Transformation
Develop and communicate a shared 'identity' or 'unique selling point' for Darlington	Ensure managers manage and leaders lead	Facilitate first rate intelligence through data and knowledge management	Build capacity in the organisation and communities to translate customer needs into action	Maximise the talents of our staff in the support and delivery of projects and design of services
Foster genuine two-way communication internally, externally and with partners	Empower staff to deliver excellent customer service	Support our staff to help customers through maximising mobile working	Ensure customer services become first class	Eliminate waste, duplication and processes that do not add value or are not necessary for the public
Develop a prioritised, resourced and co-ordinated approach to raise Darlington's and DBC's profile regionally and nationally	Develop relationship management as a core competency	Increase opportunities for self service	Engage staff in the development of plans and services	Transform service areas in priority order of potential to improve value for money

38. The 'Egg' diagram simply illustrates the ways of working promoted by Leading Edge, and is the equivalent of the illustration of the new Business Model on page 10. As an organisational development strategy, Leading Edge has five strands of strategy and project development directed at shaping the Council as a business organisation to enable it to work effectively in the ways illustrated in the 'Egg'. The five strands and the main priorities under each of them are shown in the table on page 12. The equivalent strategy development for the new Business Model will take place over the next year.
39. There is regular progress monitoring by Corporate Management Team of work to deliver these priorities. We will continue to maintain and monitor progress work across the five strands, whilst planning for migration to the new ODS that is being developed around the new Business Model.

Service Planning and Performance Management

40. The Council's approach to service planning aligns our corporate strategy and delivery plans with the outcomes and priorities of One Darlington : Perfectly Placed (the SCS in the diagram below). We have adopted a four year planning cycle combining service and financial planning, monitoring and reporting. Our planning hierarchy, linking the work objectives of individual members of staff to the themes of the vision, is illustrated overleaf.



41. Our performance management framework is aligned to the national set of performance indicators. Services and accountable officers have been linked to the 188 indicators. Local performance indicators provide a suite of customer service measures. Our use of performance indicators is currently being transformed into a clear hierarchy of whole population outcome indicators and more localised measures of service performance by the introduction of Outcome Based Accountability (OBA), as outlined in Section 3. The performance management framework is currently being reviewed as part of the wider review of the corporate policy, performance and partnerships functions, and taking account of the introduction of OBA.
42. The planning hierarchy provides clear linkages from the outcomes of the Sustainable Community Strategy, through corporate, department and service levels, to the work objectives of individual members of staff established through their performance development reviews. This acknowledged strength of our approach will be reinforced by the introduction of OBA.
43. The Audit Commission has judged the Council to be 'Performing Well' in the Managing Performance assessment of the new Comprehensive Area Assessment (CAA) outlined in Section 2.

Stronger Communities

44. The Council has a maturing approach to developing, strengthening and engaging with the communities it serves. This work is underpinned by a commitment to equality, which means ensuring that everyone has fair access to services and enjoys fair outcomes. This commitment is especially important for those who are most at risk of discrimination and disadvantage.
45. In recent years work has been underpinned by social inclusion and neighbourhood renewal strategies and this has fed into the setting of a new priority: One Darlington. This priority gives an unprecedented focus on the people who make Darlington the place it is.

Community Development

46. Currently supporting work across eleven priority wards, Council community development workers have delivered financial, social and educational benefits to the communities they serve. This year these benefits have ranged from:
 - Dozens of volunteers attached to organisations the Council supports people receiving training across a range of competencies.
 - Workers helping the community to draw down £123,000 to provide a play project in Albert Hill.
 - The team working with the police in relation to crime and disorder to secured community cash back funding (Home Office) of £35,500 for lighting and cameras at Skerne Park Community Centre.
 - The supported delivery of locally agreed action plans in eleven priority wards.
 - 65 new members joining GOLD (Growing Older Living in Darlington) in the first six months of the year alone. Almost a third of these were in a target age group of under 65.
 - Supporting and working with the Police to run PACTs (Police and Communities Together) in the 11 priority wards in the borough; PACTs are operational in all parts of the borough
47. Work will refocus more clearly on the One Darlington agenda this year, with the Connecting with Communities review providing an improved structure and more focused priorities.

Community Engagement

48. Talking Together programmes have used a range of tools and techniques to engage local people on the issues and decisions that affect them. This year there has been more use of new technology (including on-line forums and instant electronic voting technology) and a renewed emphasis on feeding back the outcomes of engagement to those who were involved. Achievements have included:
 - Several individual programmes securing more than 1,000 views of the on-line forum;
 - 118 people writing to us about the proposed budget for 2009;
 - 106 people responding to proposals about traffic calming in a local village;
 - 89 people attending a Talking Together event about cycling through the town centre.
49. This year a new strategic group will commission Talking Together programmes to ensure that individual programmes are given the correct profile and appropriate amount of corporate support. The group will ensure that the right amount of capacity to be reactive is preserved. Experimental work to reach new audiences in connection with the financial inclusion agenda is planned using regional funding.

Third Sector Engagement

50. A draft Compact has been developed to replace the first Darlington Compact that was adopted in 2004.. Led by eVOLution, and supported by Darlington Borough Council, the Compact sets out principles for effective working between the public and third sectors. A review of the Council's funding of the third sector has suggested improvements for the future. LINK has also set up a Facebook site to encourage younger people to have their say about health and social care services. This has been successful with over 140 hits on the site in the first six months.

Welfare Rights

51. Putting money back into residents' pockets is one of the most powerful actions a Council can take in terms of strengthening its communities and working towards equality of outcome. The Welfare Rights Service puts around an extra £1million in welfare benefits in the pockets of Darlington residents every year. Legal advice services in Darlington will be better focused and further expanded in the coming year with the Council's participation in the £0.45m lottery-funded Local Advice Network Darlington project.

Equalities

52. Our equalities framework is designed to identify the likely positive and negative effects of new policies, proposals and programmes on those who are most at risk of discrimination and disadvantage. A multi-strand impact assessment identifies likely impacts across all communities of identity and interest, whilst the disability equality impact assessment involves disabled people in an identification of impacts which affect them.
53. These assessments are only useful insofar as they facilitate improvement. In the last year or so many changes have been made as a result of completed assessments. These include:
- A staged approach to the introduction of fairer charging for adult social services, which seeks to mitigate the negative effects of this change on vulnerable people;
 - Wider and deeper engagement with people who receive housing-related support in order to structure Supporting People contracts more fairly;
 - Many examples of schools making real their commitment to physical and intellectual accessibility;
 - A revised Council budget which changed to take particular account of the needs of some of the diverse communities the Council serves, in particular children and young people and older people.
54. This year the focus will be on the delivery of a new Single Equality Scheme, which will seek to join up some of our approaches to this agenda whilst carefully working through any issues and tensions that may arise. The Scheme anticipates new legislation in this area and will build on the good practice of the Disability Equality Scheme.
55. The Council's approach to the "stronger communities" agenda in all of the above areas will be revised with the completion of the Connecting with Communities review in early 2010.

Workforce Strategy

56. The current HR Strategy was developed in 2007 as an integral element of the organisational development strategy. Like all local authorities the impact of the economic downturn and related impact in respect of Council's budget situation is influencing the organisation's development and related change programme and this is impacting across all departments. The HR strategy is being revisited to ensure it continues to support the new Business Model. Whilst the strategy is subject to review the six strategic priorities below, with an emphasis on effective leadership are unlikely to vary significantly:
- Supporting Business Transformation and Change
 - Leadership and Capacity Building
 - Workforce planning, development and Diversity.
 - Employee Communication and Engagement
 - Safe and Healthy Workforce
 - Recruitment retention and reward
57. HR will play a pivotal role in supporting the business transformation and change agenda. Particular emphasis will be given to supporting middle managers through the change process as they will play a critical role with their own teams in effectively managing change and minimising the impact on our people and service delivery..
58. As a major local employer the council has always sought to establish a reputation as a good employer. We will, wherever possible, work with Job Centre Plus and look to our recruitment processes in support of the local "worklessness" agenda and to increase the number of apprenticeships available within the Council. This will also support actions to address the age profile of the workforce; over 30% of the Council's employees are aged 50+ and only a small percentage are under 19. The Council also will support other government schemes such as the Future Jobs Fund.
59. We will seek to maximise the Council's people resource by supporting managers with effective wellbeing and absence management strategies and at the same time ensuring that the Personal Development Review (PDR) system is used effectively as a key component of the Council's performance management framework, PDR.
60. There will be a focus on development of key skills in specialist areas such as Adult and Children's Social Care and more generally across the organisation in customer care skills. We will also seek to develop more specialist business skills to support the new Business Model in areas such as business transformation, influencing and negotiation, procurement and contract management, and compliance and data analysis.
61. We are continuing to develop our approach to workforce planning linked to service planning and delivery. Currently each department produces an annual Workforce Plan incorporating workforce needs and effects arising from service improvement action plans, as well as addressing any more strategic issues such as skills shortages within the labour market, succession planning in an ageing workforce and sickness absence. However, we are moving in our current planning round to fully integrating workforce planning within department and service plans, linked to the introduction of Outcome Based Accountability and a new format/template for our plans.
62. Darlington was one of a small number of unitary Council's to achieve level 3 of the Local Government Equality Standard. The standard has now been changed and aligned to the CAA assessment process, and the Council is determining its aims in relation to the new standard and preparing key new policies such as the Single Equalities Scheme.

Section 2: The Local Planning Context

63. Whilst Section 1 of the plan outlined the main factors affecting the future role, functions and structure of the Council as a business organisation, Section 2 focuses on the local planning framework and on the key factors shaping the delivery proposals set out in Sections 3 and 4. Department and Service Plans provide more detail on the factors driving our planning. These are led by the refreshed focus, with the introduction of Outcome Based Accountability into our approach to service planning, on delivering the outcomes promised by 'One Darlington : Perfectly Placed'.

One Darlington : Perfectly Placed

64. 'One Darlington : Perfectly Placed' (the Sustainable Community Strategy (SCS)), was adopted by the Darlington Partnership Board and by the Council in March 2008. It is a vision of Darlington in 2021, and sets the challenge of making progress towards the vision by addressing the two priorities of 'One Darlington' and 'Perfectly Placed'. The vision is 'owned' by Darlington Partnership and all the partner agencies working in the borough have been aligning their plans and delivery programmes to the vision since 1st April 2008.

The Vision

65. The vision was shaped by discussions that took place across the borough throughout the summer of 2007. It is a vision of a community that respects its unique heritage and retains the borough's character and sense of identity, its friendliness and quality of life. At the same time, we want to make the most of our potential to be a place that opens up aspiration and opportunity to everybody. The post-recession prospects for a return to the economic growth of recent years may be uncertain, but the vision is nevertheless one in which everyone is able to share in the borough's prosperity and enjoy its quality of life as citizens in a genuinely sustainable, cohesive and caring borough-wide community.
66. The vision is infused with a sense of pride in Darlington's history and its place within the industrial/technological revolution of the nineteenth century. The vision talks of carrying forward the ethos of innovation and business success combined with social philanthropy that played such a part in shaping the borough, and that spirit is no less relevant today as we face up to the global challenges of social, environmental and economic sustainability at the local level.

The Two Priorities

67. The vision embraces two broad priorities for improving quality of life in Darlington, 'One Darlington' and 'Perfectly Placed'. They set the overall direction for what we are setting out to achieve, as follows:
- One Darlington – embracing our approach to people, and specifically the need to narrow the gaps in prosperity, attainment, health and well-being, making sure that people are not disadvantaged by their income, where they live or by any other potential disadvantage that could cause them to miss out on the opportunities that will be created by realising our vision
 - Perfectly Placed – describing Darlington as a place and helping us shape our investment decisions, spatial planning and care for the environment, and to attract inward investment, reinforcing the qualities that make Darlington a place where people want to live and work.
68. 'One Darlington' and 'Perfectly Placed' are the principal drivers or generators of the proposals in this Corporate Plan. It is the overall expression of what the partners want to create for the people of the borough, and therefore everything in this Corporate Plan is concerned either with delivering outcomes that contribute directly to the vision, or with reinforcing the Council's ability to deliver.

The Five Delivery Themes

69. Whilst the two priorities of One Darlington and Perfectly Placed describe what we are setting out to achieve, the SCS is structured around five themes that provide the framework for how we will work together to develop and deliver action plans that address the priorities. The themes, and main strands of work to be pursued within each theme, are illustrated overleaf.
70. The structure of Darlington Partnership matches this framework of delivery themes, with the partners working together in theme groups, under the guidance and co-ordination of the Partnership Executive and Partnership Board. This structure is also illustrated overleaf.

The Council and Darlington Partnership

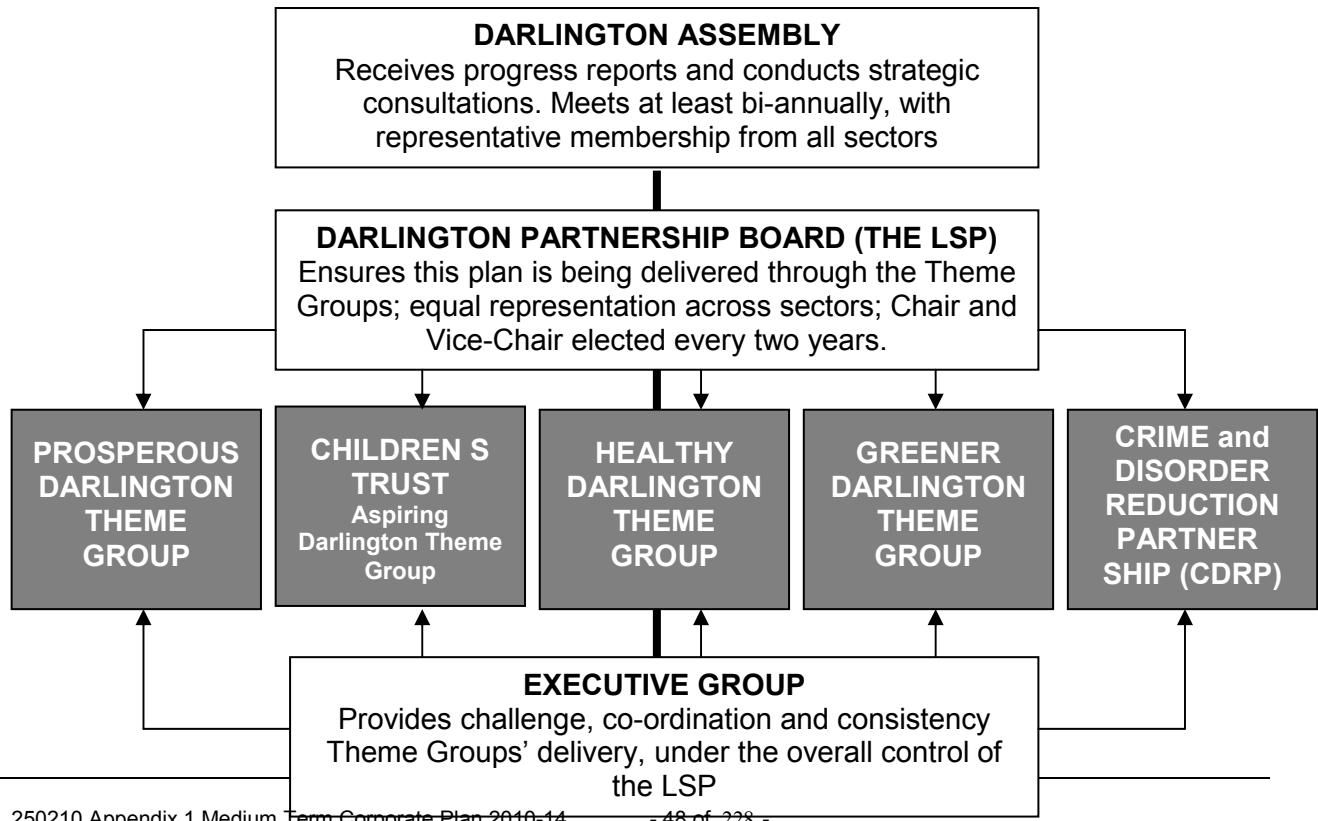
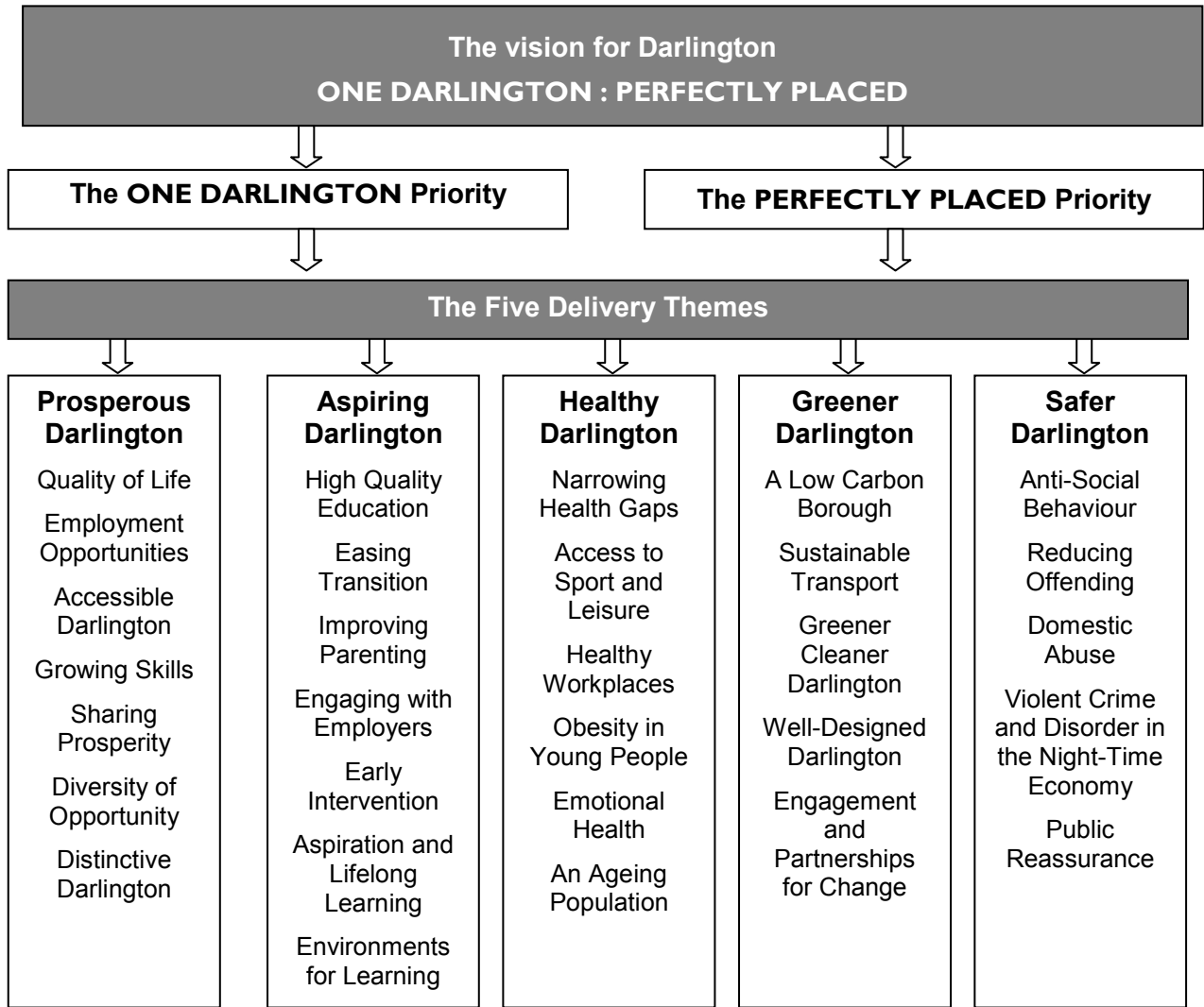
71. Darlington Partnership is recognised and respected as an independent forum of the key public, private and third sector bodies in the borough. A private sector representative chairs the Partnership, and three of the five theme group chairs are not directly connected with the Council - the Director of Public Health, a joint Council/PCT appointment, chairs the Healthy Darlington group whilst the chair of the Children's Trust is a Council Member. The Partnership Director reports both to the Partnership Chair and the Council's Assistant Chief Executive (Policy).
72. It is important, however, that this Corporate Plan recognises the need for the Council to provide both the leadership and support necessary for these arrangements to work effectively. Key to this support are the Theme Group Lead Officers; four out of five are Council staff whilst the fifth is a PCT officer. It is equally important that our delivery proposals align with and help to deliver the theme action plans. Council services particularly need to play their part in achieving the targets set out in the Local Area Agreement (see below); the theme group action plans have been developed around the common focus of securing these targets.

Outcomes

73. The Council has adopted Outcome Based Accountability (OBA) in this year's round of corporate and service planning, with the intention that Darlington Partnership will take-up the methodology during the coming year, so as to establish a common approach across partner agencies to agreeing the outcomes, priorities, targets and organisational responsibilities for delivering the SCS, 'One Darlington : Perfectly Placed'.
74. OBA is being introduced to sharpen the focus on achieving progress against agreed outcomes. OBA is gaining widespread recognition as good practice, and the purpose in adopting it is to secure greater certainty that individual actions delivered by services are making a positive contribution to the high-level, long-term outcomes that we want to achieve through the SCS and partnership working. This is desirable both to ensure that we make progress towards the vision, and to get the best possible return from the available investment resources as we face up to a period of severe financial constraint. The future role of the Council, outlined in Section 1, of leading and co-ordinating investment across public services on a 'whole area' basis, reinforces the need for an outcome-focused approach to planning.
75. The SCS incorporates 15 long-term outcomes, spread across the five delivery themes, and action planning across Darlington Partnership to date has sought to achieve these outcomes. However, the adoption of OBA provided the opportunity to reflect on these outcomes, with the result that they have been refreshed and consolidated into five simple statements of well-being, in accordance with the OBA definition of an outcome. These five statements are:

One Darlington : Perfectly Placed Outcomes

- Everybody in Darlington is able to enjoy the borough's prosperity and quality of life
- Everybody in Darlington aspires and is able to achieve their full potential and maximise their life chances
- People in Darlington live long, healthy, active and independent lives
- People in Darlington enjoy an attractive, clean, green and sustainable environment
- All people feel safe and live in a crime free environment.



76. The five outcomes outlined on page 18 describe the states of well being that we want to achieve through all of our planning and delivery work. They are the focus of our corporate proposals, set out in Section 3, for contributing to the delivery of the SCS. This Corporate Plan provides a high level overview of the Council's contribution, as the basis for the more detailed delivery proposals set out in department and service plans.
77. It is important to emphasise that these five outcome statements have been developed to enable the Council to introduce OBA into its service planning as a transitional arrangement in the current planning cycle. They have no currency outside the Council. It is intended that Darlington Partnership will develop a fully refreshed set of outcomes during 2010/11 as the shared basis for service planning across all partners for the 2011/12 planning cycle

Outcome Based Accountability

78. The adoption of OBA accompanies a key shift in focus in our service planning. Improvement priorities have previously been identified and organised around the five delivery themes, but OBA brings a fresh clarity to the way action planning needs to address the SCS. It helps us to focus on the two priorities of One Darlington and Perfectly Placed as expressions of what needs to be delivered, rather than the five themes as the framework for how actions will be delivered.
79. It will be helpful in examining the proposals set out in Section 3 to be acquainted with the principles of OBA, so a simple summary is provided in Appendix 1. It is enough to set out here the seven questions that lie at the heart of the approach, and designed to get us from talk to action and from strategy to delivery. These seven questions are:
- What are the quality of life conditions or outcomes we want for our community? For this plan these are the five outcomes set out above
 - What would these conditions look like if we could see, feel and experience them?
 - How can we measure if these conditions exist or not (the key indicators in the left hand column of the tables in Section 3 have been selected for this round of service planning as the measures of the five outcomes)? Are the measures getting better or worse (establishing the baseline data)? Where are we heading if we just keep doing what we're doing now (the forecast or trajectory)?
 - Why are these conditions getting better or worse (the story behind the baseline)?
 - Who are the partners that have a potential role to play in doing better?
 - What works to do better? What would it take to 'turn the curve' of the indicator forecast (i.e. shift the forecast measure in the desired direction)? What could we do that is low-cost or no-cost in addition to things that cost money?
 - What do we, as an individual organisation and a group of partners, propose to do (the action plan)?
80. As the summary in Appendix 1 describes, OBA recognises two levels of accountability:
- Whole Population Accountability – being about the well-being of whole populations in the community, whether or not they are in receipt of services. Accountability for improving key indicators of whole population outcomes rests with partnerships rather than individual organisations.
 - Service Performance Accountability – being about the effectiveness of services and the well-being of their client populations or service users. Individual services are accountable for what they can control and influence, the quantity and quality of service provided and the quantity and quality of the service outcome.
81. Appendix 1 includes examples to illustrate the application of this hierarchy of planning focus and lines of accountability.

82. The Department Actions listed in Section 3 were generated at Department Service Planning events using OBA. They represent our contribution to improving the key indicators and progressing outcomes at the whole population level. Our department and service plans will set out the detailed actions to be delivered by services to specific client populations or service users (i.e. at the service performance level) that will contribute to the improvements desired at the whole population outcome level. An example is included in Appendix 1 to illustrate this hierarchy of planning focus and lines of accountability.
83. The Department Actions in Section 3 are the product of an initial, and partial, attempt at applying the methodology. Planning to date will be less than complete without the benefit of input from all of the potential external partners. Of course, the council works closely with partners on a routine basis, and experience of this work and of the partners' contributions will have been brought to bear in the department planning sessions. But full roll-out of the OBA approach over the next year will see partners working together to agree outcomes and key outcome indicators, analyse baselines and future trajectories, and formulating the co-ordinated programmes of actions across the partner organisations required to 'turn the curve' of the trajectories.
84. Section 3 organises Department Actions into a series of 'Corporate Themes', shown in the second column of the tables. These provide a simpler picture of the Council's overall contribution to the SCS, and link together complementary and overlapping proposals from different departments. Key measures have been attached to the Corporate Themes so that overall progress against the themes can be monitored and managed.

Organisational Improvement Proposals

85. Sections 4 of this plan sets out essential proposals for improvement and development of the Council as a business organisation. These proposals are not directly linked to the delivery of SCS outcomes and have not been generated through the OBA methodology. This split between outcome-focused proposals and organisational improvement is a reflection of the transitional state of our approach to OBA, and it will be feasible in future years to develop all proposals through an OBA framework. In the meantime the four functions of the Council's New Business Model, outlined in Section 1, have been adopted as the framework for our organisational improvement proposals; the implementation of the business model is, of course, a major component within these proposals.

Local Area Agreement 2008-11

86. Running parallel with the successful completion of the Pilot Local Area Agreement covering the period 2006-2009, focused on the needs of Children and Young People, the Local Area Agreement (LAA) was signed-off between the Council and central government initially in June 2008, with a partial refresh of targets, primarily to take account of the impact of the recession, signed-off in March 2009. The LAA runs until March 2011, and is the first of a rolling series of three year 'contracts' between Darlington and the government to deliver specific targets that will help to make progress towards the 'One Darlington : Perfectly Placed' vision. The LAA is the principal short-term delivery vehicle for the long-term vision with partner agencies, as well as the Council, playing their part in delivering the actions and targets agreed with government.
87. The LAA consists of 35 targets, spread across the five delivery themes of the vision, negotiated and agreed with government. Additionally, it includes 10 statutory children and early years targets that are included in all LAAs across the country. All LAA targets are set against performance indicators selected from the set of National Indicator (NIs).
88. The Theme Group action plans referred to above are strongly focused on delivering the LAA targets. The Council has a key role in supporting Chairs and Lead Officers with the 'Achievability Planning' process designed to support LAA action planning, and in delivering its own contributions to the targets.

89. Although each of the 35 LAA targets are attached to only one of the five themes, with responsibility for action planning and delivery vested in the 'home' theme group, some of them require action across more than one theme, and by more than one agency, to ensure successful achievement. Examples of such targets include those relating to the participation of the Third Sector in delivering the vision: NI7 – environment for a thriving Third Sector, attached to the Prosperous Darlington theme, and NI6 – participation in regular volunteering, attached to Aspiring Darlington; NI5 – overall satisfaction with the local area, attached to the Greener Darlington theme, will also be achieved only by appropriate action across themes and agencies.
90. These 'cross-cutting' targets are important gauges of overall progress in making the changes Darlington needs. Theme groups have made progress with an 'achievability planning' process, designed to identify cross-cutting links and issues.
91. The Achievability Planning framework for LAA targets will need to dovetail with the roll-out of OBA. They are essentially similar processes and we will work with partners to consolidate them into a co-ordinated approach to delivering progress on SCS outcomes and LAA targets.

External Assessment

Comprehensive Performance Assessment

92. The Corporate Assessment carried out by the Audit Commission was a major inspection of how well the Council engages with and leads its communities, delivers community priorities in partnership and ensures continuous improvement across the full range of Council activities. The assessment was carried out every three years as a key component of the annual Comprehensive Performance Assessment (CPA) The 2008 Corporate Assessment was the last in that form before CPA gave way to CAA.
93. The 2008 assessment conducted by the Audit Commission confirmed that the Council continued to be a top-rated Four Star authority. The report found no significant weaknesses, but identified four areas where performance could be improved. These were:
- To build on the recent initiatives to improve customer access to services with a more ambitious approach utilising the enhanced ICT capacity available through the Stockton/Darlington Partnership
 - To demonstrate how the Council's current initiatives on sustainability and climate change are reducing its own impact on the environment and influencing others, and contributing to the sustainability objectives of the sustainable community strategy
 - To consider how to increase the pace of change in reducing health inequalities across the borough, including improving the health of the Council's own staff and reducing sickness absence
 - To review and evaluate the Talking Together programme to ensure that benefits are being realised in line with the resources expended.
94. Sections 3 and 4 include appropriate proposals to continue to pursue these improvements.
95. In the final annual round of the Comprehensive Performance Assessment (CPA), published in February 2009, and to which the 2008 Corporate Assessment contributed, the Audit Commission confirmed the Council to be a Four Star authority (on a scale of 0 to 4 stars), whilst raising the direction of travel judgement from 'Improving Well' to 'Improving Strongly'. The Council was assessed as 'providing excellent value for money'. The Council therefore emerged from the CPA process with the best possible combination of judgements, and with no significant weaknesses, confirming its reputation as one of the best performing unitary authorities in the country.

Comprehensive Area Assessment

96. The Comprehensive Area Assessment (CAA) replaced CPA from 2009, and consists of organisational assessments of the key public service bodies, and an area assessment of how well the public is being served. The Council's first organisational assessment, published by the Audit Commission in December 2009, is summarised below.
97. The Commission stated that the Council is delivering improvements for local people and is performing well, and went on to say that people who live in Darlington are generally happy with the local area, and in particular its parks and open spaces. Crime levels are reducing, and anti social behaviour is being successfully tackled through joint work with the police. The Commission also said that the Council works well with the local Primary Care Trust; that educational standards are improving; and that the standard of council housing is very high. The Commission noted the impact of the recession, but added that the council has been successful in bringing new employers and jobs into Darlington.

Overall Darlington Borough Council performs well		
Managing performance	3 out of 4	Description of scores: 1. An organisation that does not meet minimum requirements, Performs Poorly 2. An organisation that meets only minimum requirements, Performs Adequately 3. An organisation that exceeds minimum requirements, Performs Well 4. An organisation that significantly exceeds minimum requirements, Performs Excellently
Use of resources	3 out of 4	
Managing finances	3 out of 4	
Governing the business	3 out of 4	
Managing resources	2 out of 4	

98. The Care Quality Commission has assessed Darlington Borough Council's Adult Social Care Services as performing well. Ofsted's assessment of children's services for Darlington Borough Council is that it performs well and there are many good schools and sixth forms. The Audit Commission further stated that:

'The Council provides good leadership across the borough and partnership working with other organisations is strong. It works well with local people to understand their needs, and reflects these in the plans it makes and the way it delivers services. Performance is well managed and the Council provides good value for money.'

99. The key messages raised by the Audit Commission in the Area Assessment were as follows.
- Positive developments in relation to the 'One Darlington' priority include new employers and new jobs being brought into the area. 'Into Work' programmes have improved employment rates in the most deprived areas. Educational standards are improving with better exam results and fewer exclusions. And more mothers are breastfeeding their babies, with action to tackle child obesity having positive results.
 - Positive messages about the 'Perfectly Placed' priority include the very high standard of Council housing, good services for homeless people and improvements to facilities for Gypsies and Travellers. People are happy with the local area, parks and open spaces and Local Motion has succeeded in encouraging people to choose more environmentally friendly transport and travel. Overall crime levels are reducing.
 - The Commission highlighted areas where the Partnership needs to stay focused. These include rising unemployment due to the recession, whilst acknowledging that action is being taken to make sure local people have the right skills to improve job opportunities. Similarly, it commented that health inequalities are a big challenge, with action being taken to tackle the main causes for the gap in life expectancy. The Commission have stressed a need for Partners to be clear on action to reduce the high number of hospital admissions for under 18s, and maintaining action to tackle alcohol abuse, the high numbers of teenage pregnancy and

domestic violence. The Commission state that key challenges in moving forward are focused around improving public health and narrowing the gap in life expectancy, holding on to the economic gains made before the recession and reaping the benefits from Tees-wide joint working.

100. Nationally, of 152 single tier and county councils, only ten authorities received the highest organisational assessment of 'performing excellently, of which six are in London, two in the south east, one from the East Midlands and one from the North West. Ninety one, including Darlington, are 'performing well', 39 are performing adequately, and two are classed as performing poorly. Of the 12 authorities in the north east, one is 'performing adequately', the two new unitaries of Durham and Northumberland were not assessed and the remaining nine are 'performing well'.
101. The CAA area assessment can include the award of green flags, for exceptional performance, improvement or innovation from which others can learn, and attachment of red flags to highlight significant concerns. Of the 74 green flags and sixty two red flags awarded nationally only one and two respectively were in the North East region

Satisfaction Ratings

102. The Council's annual community survey asks a statistically representative sample of residents a range of questions around their quality of life, perceptions on key aspects of the local community, and satisfaction with Council services. The responses and analysis help the Council to shape its short to medium term delivery plans.
103. In 2009, the annual survey was reinforced by the findings of the first Place Survey. This is a new national survey, carried out by local authorities on a biennial cycle and to a common template so that findings across the country are comparable.
104. The key outcomes informing our Corporate and Service Planning include the following:
 - In the Community Survey, 67% of residents are satisfied with the way the Council is running the borough, up from 62% in 2008 and the highest satisfaction rating since 2004.
 - 81% of residents are satisfied with their local neighbourhood, a high level of satisfaction that has been consistent over recent years.
 - People feel safer out and about in Darlington – at night 51.1% feel safe compared to 47.3% in 2007; during daytime 95% of people feel safe when outside, a level that has been consistent for the last 3 years.
 - Highest service priorities for the public are road maintenance and repairs, pavement maintenance, and youth clubs and other facilities for young people, the same priorities as last year.
 - The main services identified as public priorities continue to be supported in the MTFP and all have received additional funding in recent years.
 - Recycling, last year's fourth priority, has dropped significantly in 2009, possibly as a result of the publicity relating to the *To be added* the new waste contract. CCTV measures and street cleaning also reduced in priority, as did car parking in the town centre, although car parking in other areas rose as a priority.
 - 48.5% of people agreed that the Council provides value for money, compared to 34% in the 2008 Place Survey.
 - In the Place Survey, Darlington's results were above average for both the Tees Valley and the region:
 - Residents' overall satisfaction with the local area is, at 79.2%, the highest rating in the Tees Valley
 - 79.7% of residents believe people from different backgrounds get on well together in Darlington

- Areas where Darlington did less well in the Place Survey include:
 - Low levels of participation in civic life – 9.2% of people participate
 - Low levels of participation in regular volunteering – 19.8% of people are volunteers
 - Perceptions of parents taking responsibility for the behaviour of their children were also relatively low at 25.2%

Tees Valley Unlimited and the Multi Area Agreement

105. Tees Valley Unlimited (TVU) is the structure created by the five Tees Valley local authorities to drive forward improvements to the economic infrastructure and performance of the Tees Valley as a whole. The country's first Multi Area Agreement (MAA) was signed between TVU and government in July 2008. The MAA is concerned with the delivery of major capital schemes for economic regeneration, housing and transport, giving us greater freedoms and flexibilities, working with our Tees Valley partners, to determine locally how funding streams from central and regional government should be allocated to address key strategic issues and needs across the Tees Valley City Region.
106. Locally the MAA will have a particular impact on the resources available to stimulate further investment through the Darlington Gateway programme, and is also aimed at improving public transport through the development of the Tees Valley Bus Network and the longer-term potential for a rail-based Tees Valley Metro system. The Council is committed to playing its full part in TVU and the MAA, to secure the best possible outcomes for Darlington through this innovative partnership funding mechanism.

Risk Management

107. Managing risks to the Council's operation, to minimise or eliminate their occurrence or their impact on service delivery and the implementation of projects, programmes and partnerships, is an essential part of effective business planning and management. The Council requirement to have robust risk management arrangements in place is also covered under the Use of Resources judgement within the Comprehensive Area Assessment.
108. Risk management is integrated within the Council's service planning framework. Departments and service units identify and assess risks in their annual service planning cycle, and incorporate management actions in their service plans to minimise those risks that are considered to have an unacceptably significant likelihood of occurring or an unacceptably high impact on the service should they occur (i.e. those risks judged to be 'above the line' in our risk management terminology).
109. Corporate risks – those that have a potential impact across all of the organisation, or more than one department – are assessed annually by the Corporate Management Team (CMT). Corporate risks and management actions are 'owned' by a lead officer who is a CMT member, and monitored by the Corporate Risk Manager.
110. All risks, at corporate, departmental and service level, are subject to continuous monitoring and review. Risk registers are used as active management tools to ensure that we identify and respond to risks that emerge during the year as well as those identified in the annual planning cycle.
111. The chart below is our current Corporate 'Risk Map', showing the degree of 'appetite' for the risks posed. The numbers refer to the risks listed in the table below the chart.

LIKELIHOOD	A Very High				
	B High				
	C Significant			1 2 3 4 5 7 8	
	D Low			6	
	E Very Low				
	F Almost Impossible				
		IV Negligible	III Marginal	II Critical	I Catastrophic
IMPACT					

112. Those risks within the shaded area are 'above the risk appetite line' and require further action planning to reduce the risk. For those 'below the line' adequate risk management actions are considered to be in place.
113. Half yearly reports are presented to the Council's Audit Committee to monitor that appropriate actions taken to ensure that corporate business risks are actively managed.

Ref	Risk Summary	Description and actions	Score/ Status	Lead Officer
1.	Implementation of recommendations from the Capital Process Review is needed to enable an effective capital project methodology to be in place.	<p>Description: We need to ensure effective project management of this process and full implementation across the authority.</p> <p>Actions: The new Capital Process developed to manage Capital projects has now been in place for several months; this process allows a common approach to managing capital schemes and provides 5 control points. Progression beyond each point requires Assistant Director approval and also provides a common platform on which projects can be monitored, using the Project Position Statement (PPS). The PPS is presented and discussed on a monthly basis by the Asset Management and Capital Programme board (AM&CPRB), and quarterly at the Resources Scrutiny Project Management Task and Finish review group. It is also intended to report the PPS to Cabinet on a quarterly basis in the new year.</p>	C2 Above	Cliff Brown
2.	The Council has insufficient skills and capacity to deliver the transformational change agenda whilst maintaining quality of service delivery throughout the process	<p>Description: <i>Leading Edge</i> transformational projects are delivering change, requiring effective communication. Efficiency targets have been identified; achieving these is crucial to financial planning. The Future Business Model will bring significant changes to the Council's functions and structures whilst strengthening the focus on delivery of the SCS. Implementing the FBM will require significant developments in skills and capacity, both to manage change and to deliver the ways of working required in the model.</p> <p>Actions: <i>Leading Edge</i> is managed and monitored via CMT. A refreshed organisational development strategy will be developed over the next year around the Future Business Model, and this is already in progress through a series of service reviews. These are very much focused on identifying and specifying the operational activities needed to deliver the model, and the consequent skills and capacities required for these activities. A new regime of change delivery, management and monitoring will be developed as part of the refreshed ODS.</p>	C2 Above	Paul Wildsmith
3.	A flu pandemic could affect delivery of key services and affect business continuity planning.	<p>Description: Flu pandemic can result in key employees, suppliers, partners, etc. being unavailable. This can affect key service provision such as Adult and Children's Social Care.</p> <p>Actions: Prioritisation planning, and planning for such emergencies as flu pandemic are in place to ensure the authority and its partners are prepared for any eventualities</p>	C2 Above	Paul Wildsmith

4.	The international economic downturn and subsequent impact upon Local Government Funding may adversely affect the Council's ability to deliver its Corporate Plan and Sustainable Community Strategy (SCS)	<p>Description: Recession is likely to continue to affect the Council's revenue and capital resources through reduced income and increased costs; increased demand for welfare and support services; and reduced investment by the private sector in regeneration projects.</p> <p>Actions: A corporate working group has been formed, to seek to minimise the effects of the downturn. Close working with partners will focus on maintaining progress on regeneration projects and maximising resource. The Medium Term Financial Plan has been revised and a new Business Model approved by Cabinet to respond appropriately to potential medium-term challenges.</p>	C2 Above	Paul Wildsmith
5.	Corporate Premises Risks	<p>Description: with over 200 operational premises, there is a need to minimise risks to service delivery arising from the issues relating to the management and maintenance of those risks.</p> <p>Actions: ensuring that every building has a responsible person managing it to agreed corporate protocols and standards, including carrying out all statutory inspections and linked to management of Risk 8 below; establishing a Property Management Working Group and carrying out a property review linked to service delivery needs and Stockton-Darlington Partnership.</p>	C2 Above	Paul Wildsmith
6.	Business Continuity Plans not in place or tested for key critical services	<p>Description: plans are not yet in place for all buildings/services to minimise disruption arising from unforeseen events.</p> <p>Actions: a programme of Business Continuity Planning is being led by Corporate Services with support from the Civil Contingencies Unit.</p>	D2 Below	Paul Wildsmith
7.	Council unable to meet its obligations under the information governance agenda	<p>Description: to ensure that effective strategy, policy, guidance, protocols and processes are in place to ensure that information is managed in an efficient, effective and secure manner within the Council and in its dealings with partnerships.</p> <p>Actions: the Corporate Information Governance Team to oversee delivery of the work programme flowing from the Council's Corporate Information Governance Policy, Strategy and Information Security Policy.</p>	C2 Above	Paul Wildsmith
8.	Potential issues regarding Safeguarding Children arising from difficulties in recruiting Social Workers within Children's Services and in obtaining agreement across Tees Valley for a common approach.	<p>Description: the number of vacancies and consequent case load per social worker could rise above national and regional levels, with knock-on effects into increased staff sickness and consequent deterioration in the timeliness and quality of service, putting children and young people at risk.</p> <p>Actions: this risk is under control at present, with some posts recently filled. The situation is monitored, with regular reports to CMT and Members, and regional and sub-regional working. Working with HR and seeking additional finance, and with Children's Workforce Development Council in relation to the Social Work Task Force on national and regional issues.</p>	C2 Above	Murray Rose

The Economic Recession

114. The most challenging risks to delivery of services and of the Council's contribution to One Darlington : Perfectly Placed are undoubtedly those arising from the current global economic climate. The risk has been assessed alongside other risks, as summarised in the table on the previous page. Whilst at the present time the Council is taking all available steps to seek to minimise the risk it is nevertheless above the 'risk appetite' line in our risk assessment process. Further proposals to address the challenges posed by the downturn are set out in Sections 3 and 4 of the plan, and the financial implications are outlined in Section 5. The impact on the funding of work within each of the five community strategy delivery themes is summarised under the 'Resources' heading for each theme.
115. Sections 1 and 5 outline reality of the financial challenges facing the Council, in common with the public sector throughout the country. We face the prospect of the most difficult economic period, possibly lasting several years, which most of us have lived through, and the Council is anticipating and planning for its effects in three principal areas:
- The impact on the Council's revenue and capital resources through both reduced income and increased costs is outlined in Section 5. This, together with the resource pressures arising in key service areas, has been the dominant factor in the medium-term financial planning cycle.
 - Continuing job losses or even wholesale closures amongst local businesses, whether local companies or multi-national concerns, is leading to increased demand on the resources and capacity of support services such as housing, housing benefits, council tax benefits and welfare advice.
 - Our work to consolidate and continue the transformation of the local economy through the Darlington Gateway Strategy is being affected by the constraints on borrowing facilities, which is limiting the capacity of developers to invest in the major development projects that underpin the long-term regeneration strategy, although there are signs of some recovery in the markets in this regard.
116. As summarised in Section 1, our equalities and social inclusion work is at the heart of the 'One Darlington' perspective. A major concern about the impact of the recession is that, without intervention, it is likely to result in the widening of the gap between the most and least prosperous in the community, with all the concomitant effects on health, well-being and quality of life generally. We will take every available step to seek to avoid the financial climate undermining our 'One Darlington' priority. A Financial Inclusion Strategy has been developed, and is making positive inroads in moderating the impact of recession on our population
117. The overall implications for service planning are two fold:
- We must become even more focused on our key priorities, to direct available resources to where they are most needed to contribute to the vision and our corporate objectives;
 - We must drive forward to achieve even greater efficiencies in our services, despite being acknowledged as being amongst the best nationally for value for money, both to achieve the savings necessary to delivery our budget proposals and to channel additional resources towards our top priorities.

SECTION 3: The Council's contribution to 'One Darlington : Perfectly Placed' outcomes

Outcome Key Indicator	Corporate Action	Corporate Action Key Measure	Department Action	Lead Delivery Department
Outcome: Everybody in Darlington is able to enjoy the borough's prosperity and quality of life				
NI 116 – proportion of children in poverty	Pursuing a strategic approach to reducing child poverty	<p>NI 116 – proportion of children in poverty</p> <p>NI 102 – Achievement gap between pupils eligible for free school meals and their peers at KS 2 and KS4</p> <p>NI 118 – Take up of formal childcare by low-income working families</p>	<ul style="list-style-type: none"> Develop a Child Poverty Strategy linked to the Economic Regeneration Strategy Adopt and implement best practice from the Take Up the Challenge Initiative Further develop and manage the Families Intervention Service Implement the Think Families Programme including risk profiling and targeting tailored support 	Children's Services
	Tackling barriers to employability and financial inclusion	<p>NI 117 – 16 to 18 year olds who are not in education, employment or training</p> <p>NI 153 – Working age people claiming out of work benefits in the worst performing neighbourhoods</p> <p>NI 163 – Working age population qualified to at least Level 2 or higher</p> <p>NI 176 – Working age people with access to employment by public transport</p>	<ul style="list-style-type: none"> Develop the capacity to strengthen our data and reinforce our understanding of the barriers to employment Implement the Financial Inclusion Strategy Increase the take-up of welfare benefits Work with partners to develop and deliver employability (Into Work) projects Implement existing and emerging local transport strategy to ensure good access to employment Work with third sector to develop business models that improve sustainability of the sector and volunteer skills 	<p>Chief Executive's</p> <p>Community Services</p> <p>Children's Services</p>

Outcome Key Indicator	Corporate Action	Corporate Action Key Measure	Department Action	Lead Delivery Department
			<ul style="list-style-type: none"> • Up-skill relevant staff to enable them to carry out basic benefit calculations • Increase Free School Meals take-up and improve links with DWP 	
As above	As above	As above	<ul style="list-style-type: none"> • Support people who use adult services in finding or maintaining employment. • Ensure people who use adult services and carers have income to meet living and support costs. • Ensure all residents are treated equally and fairly in the administration of Housing and Council Tax Benefit. • Enhance signposting skills to services from Children's Centres, Libraries and other points of contact with families • Develop more flexible childcare provision • Enhance numbers of people holding basic skills and Level 2 qualifications 	<p>Community Services</p> <p>Children's Services</p>

Outcome Key Indicator	Corporate Action	Corporate Action Key Measure	Department Action	Lead Delivery Department
NI 151 – overall employment rate	Attracting and supporting sustainable investment in economic infrastructure, businesses and high quality jobs	NI 166 – Median earnings of employees in the area NI 151 – Overall employment rate LI 0003 – Darlington’s share of external funding awarded to Tees Valley Boroughs	<ul style="list-style-type: none"> • Develop Integrated Economic Strategy (based on robust Local Economic Assessment) to guide investment in people (Economic Inclusion), business (Business Development) and place (Local Development Framework) • Implement Darlington Gateway Strategy to attract business investment and jobs <ul style="list-style-type: none"> ○ Maintain and pursue a clear vision of Darlington as a place with a vibrant business culture and sustainable economy 	Chief Executive’s

Outcome Key Indicator	Corporate Action	Corporate Action Key Measure	Department Action	Lead Delivery Department
As above	As above	As above	<ul style="list-style-type: none"> ○ Build a culture of economic partnership and collaboration ● Encourage and support businesses to start-up and grow <ul style="list-style-type: none"> ○ Explore the potential for expanding the social and co-operative enterprises sector ● Implement the programme of major economic development projects ● Promote Darlington's role as gateway to the Tees Valley and the North East and influence regional/sub-regional funding/investment decisions through Tees Valley Unlimited and other appropriate settings ● Promote and facilitate a reliable and efficient transport network, minimising congestion, to support employment and economic activity ● Promote and develop the town centre as a key driver of the local economy ● Promote and support the development of business innovation skills, including working with Darlington College and the University to maximise the opportunities arising from the co-location of the two higher education facilities 	Chief Executive's (continued)

Outcome Key Indicator	Corporate Action	Corporate Action Key Measure	Department Action	Lead Delivery Department
As above	Encouraging and supporting people to improve their employment prospects	NI 163 – Working age people qualifies to at least Level 2 or higher NI 174 – Skills gap in the current workforce reported by employers NI 166 – Median earnings of employees in the area	<ul style="list-style-type: none"> • Implement programmes to enhance peoples’ employability • Encourage employers to up-skill their workforces, and promote skills development to both facilitate the growth of added value in the local economy and to enable people to access higher paid jobs, with focus on: <ul style="list-style-type: none"> ○ Engineering skills ○ Retail skills academy ○ 16-19 Trust ○ Encouraging self-employment • Promote targeted training and recruitment provision in building projects and procurement contracts • Enhance the number of people holding basic skills and Level 2 qualifications • Implement the Aiming High programme and promote gifted and talented programmes • Extend mentoring programmes • Improve information, advice and guidance • Further develop work on Transitions • Support and encourage the support of a more resilient low carbon local economy • Promote responses to the economic opportunities offered by the shift to low carbon technologies 	<p>Chief Executive’s</p> <p>Children’s Services</p>

Outcome Key Indicator	Corporate Action	Corporate Action Key Measure	Department Action	Lead Delivery Department
As above	Addressing issues of affordability in the local economy to ensure people can satisfy their basic needs.	(New LI to be considered – disposable income net of housing costs for; <ul style="list-style-type: none"> • All households • Households over retirement age) NI 187 – Tackling fuel poverty	<ul style="list-style-type: none"> • Provide a balanced and sustainable housing market providing multi tenure housing options, accessible and affordable to all local people. <ul style="list-style-type: none"> ○ Ensure that planning policy secures high quality, energy efficient development • Work collaboratively with residents, private landlords and key stakeholder partners to maximise inward investment for Darlington supporting housing and economic growth. 	Community Services Chief Executive's Community Services/Chief Executive's
Outcome: Everybody in Darlington aspires and is able to achieve their full potential and maximise their life chances				
NI 075 – Achievement of 5 or more A*-C grades at GCSE or equivalent including English and Maths	Encouraging people to aspire to achieve their potential	NI 106 – Young people from low income backgrounds progressing to higher education NI 50 – Emotional health of children	<ul style="list-style-type: none"> • Extend choice and diversity by examining all curriculum options, including 14-19 diplomas • Improve delivery of information, advice and guidance (IAG) • Reinforce the emphasis on improving reading ages of children and adults • Continue to implement the Aiming High programme • Promote good design and quality of place as aspirational values 	Children's Services Chief Executive's

Outcome Key Indicator	Corporate Action	Corporate Action Key Measure	Department Action	Lead Delivery Department
NI 110 – Young people’s participation in positive activities	Providing the widest possible range of opportunities and choices for positive involvement in the community	NI 110 – Young people’s participation in positive activities	<ul style="list-style-type: none"> • Engage with children and young people, with particular emphasis on hard to reach groups to identify and target needs • Improve and extend the range of positive activities available 	Children’s Services
As above	As above	As above	<ul style="list-style-type: none"> • Research barriers to participation including issues of affordability and pricing • Promote and develop opportunities for volunteering • Increase and develop the range of extended services through deployment of the extended services disadvantage subsidy 	Children’s Services

Outcome Key Indicator	Corporate Action	Corporate Action Key Measure	Department Action	Lead Delivery Department
NI 163 – Working age population qualified to at least Level 2	Encouraging and supporting employers to train and up-skill their work-forces	NI 164 – Working age people qualified to at least Level 3 or higher NI 165 – Working age population qualified to at least Level 4 or higher	<ul style="list-style-type: none"> • Engage with employers to develop and progress the skills agenda <ul style="list-style-type: none"> ○ Maximise the funding coming into the borough for training ○ Recognise and promote good practice by businesses • Encourage employers to provide time-off for training • Expand work-based learning opportunities 	Chief Executive's Children's Services

Outcome Key Indicator	Corporate Action	Corporate Action Key Measure	Department Action	Lead Delivery Department
As above	Promoting the widest possible range of training and learning opportunities	NI 079 – Achievement of a Level 2 qualification by the age of 19 NI 091 Participation of 17 year olds in education or training	<ul style="list-style-type: none"> • Explore the potential for offering skills incentives for people in greatest need, such as free NVQ courses • Ensure programmes are tailored to Darlington’s specific needs • Develop more opportunities for apprenticeships • Commission a wider range of adult learning opportunities • Continue to focus on supporting people who are not in employment, education or training (NEET) to take up the opportunities available to them 	Children’s Services
Outcome: People in Darlington live long, healthy, active and independent lives				
NI 119 – Self-reported measure of people’s overall health and well-being	Supporting and enabling independent living	NI 124 – People with a long-term condition supported to be independent and in control of their condition NI 130 – Social care clients receiving Self Directed Support (Direct Payments and Individual Budgets)	<ul style="list-style-type: none"> • Provide support to people who are new into work to achieve successful transition to working life • Enable people who use Adult Services to exercise choice and control over the services they receive – they can design what, how and when they are delivered to match their needs 	Community Services

Outcome Key Indicator	Corporate Action	Corporate Action Key Measure	Department Action	Lead Delivery Department
As above	As above	As above	<ul style="list-style-type: none"> • People who have long-term needs and their carers are supported to live as independently as they choose, and have well timed, well-coordinated treatment and support. • Personal care maintains service users' human rights, preserving dignity and respect, helps them to be comfortable in their environment, and supports family and social life. • Support people to live independently through Supporting People services • Ensure that the implementation of regulatory services supports the Health Agenda 	<p>Community Services</p> <p>Corporate Services</p>
	Supporting people's well-being by promoting social inclusion and tackling all forms of harassment and abuse	NI 140 – Fair treatment by local services	<ul style="list-style-type: none"> • Ensure social care service users and their carers have fair access to services and that their entitlements to health and care services are upheld. • Safeguard people from discrimination or harassment in their living environments and neighbourhoods • Ensure people who use services and their carers are safeguarded from all forms of abuse. 	Community Services

Outcome Key Indicator	Corporate Action	Corporate Action Key Measure	Department Action	Lead Delivery Department
NI 120 – All-age all-cause mortality rate	Increasing life expectancy rates: <ul style="list-style-type: none"> ○ for men; and ○ for women 	NI 120 – All-age all-cause mortality rate NI 121 – Mortality rate from all circulatory diseases at ages under 75 NI 122 – Mortality rate from all cancers at ages under 75 NI 137 Healthy life expectancy at age 65	<ul style="list-style-type: none"> • Narrow the inequalities gaps in life chances and opportunity that lead to ill-health <ul style="list-style-type: none"> ○ Further develop our understanding of ill-health and mortality profiles by ward, age, employment, etc ○ Draw down data and evidence from Health Determinant Workshops • Reduce smoking <ul style="list-style-type: none"> ○ Increase number of smoking quitters ○ Focus on smokers in routine and manual occupations 	Chief Executive's

Outcome Key Indicator	Corporate Action	Corporate Action Key Measure	Department Action	Lead Delivery Department
As above	As above	As above	<ul style="list-style-type: none"> ○ Reduce smoking rates for pregnant women ● Implement the Darlington Alcohol Harm Reduction Strategy ● Reducing mortality rates from cancer and from cardiovascular diseases ● Narrow the gap in rates for death from suicide and undetermined injuries between Darlington and England 	Chief Executive's
	Reinforcing early interventions to support healthy living, and tackling behaviours that pose a risk to health	NI 123 – Stopping smoking NI 039 Alcohol harm related hospital admission rates NI 112 – Change in the rate of under 18 conceptions	<ul style="list-style-type: none"> ● Refocus early interventions to strengthen intervention programmes through: <ul style="list-style-type: none"> ○ Further developing antenatal and postnatal services, including breastfeeding, immunisation and vaccination ○ Continuation of the Family Nurse Partnership ○ Healthy Schools and Healthy Early Years settings ○ Extended Schools activities ○ Parenting support ● Tackle risk taking behaviour, including drinking, drug-taking, smoking and high risk actions impacting on sexual health 	Children's Services

Outcome Key Indicator	Corporate Action	Corporate Action Key Measure	Department Action	Lead Delivery Department
As above	As above	As above	<ul style="list-style-type: none"> • Implement actions from the obesity strategy, including promotion of: <ul style="list-style-type: none"> ○ Healthy Schools programme ○ Take-up of school lunches ○ Extended schools activities • High quality sport and PE • Develop Social Marketing techniques related to health and risk taking behaviour • Encourage more people to choose active sustainable travel to benefit health and well-being • Improve the health of the Council's workforce by implementing the Workforce Health Improvement Strategy 	<p>Children's Services</p> <p>Chief Executive's</p> <p>Corporate Services</p>

Outcome Key Indicator	Corporate Action	Corporate Action Key Measure	Department Action	Lead Delivery Department
Outcome: People in Darlington enjoy an attractive, clean, green and sustainable environment				
NI 005 – Overall/ general satisfaction with the local area	Developing Darlington as an attractive, accessible, distinctive and sustainable place	NI 005 – Overall/general satisfaction with the local area NI 175 – Access to services and facilities by public transport, walking and cycling	<ul style="list-style-type: none"> • Implement the Local Development Framework to ensure Darlington develops as a distinctive, attractive and sustainable place • Minimise the negative impacts of transport such as noise, severance, air pollution and accidents on the natural environment, heritage, landscape and people 	Chief Executive's

Outcome Key Indicator	Corporate Action	Corporate Action Key Measure	Department Action	Lead Delivery Department
As above	As above	As above	<ul style="list-style-type: none"> • Develop capacity to identify risks and adapt/respond to potential threats and opportunities presented by future climate change • Deliver the allotments strategy • Develop the Green Infrastructure Strategy • Develop community engagement, intelligence-led approaches and social marketing techniques to promote environmental care by residents and businesses • Provide and maintain high quality parks and open spaces • Provide a range of inclusive leisure activities in parks • Continue to look for opportunities for biodiversity gain from a range of developments in rural areas • Ensure that all strategies and plans incorporate measures to protect and enhance biodiversity and local spaces • Implement the Building Schools for the Future (BSF) programme 	<p>Chief Executive's</p> <p>Community Services</p> <p>Children's Services</p>

Outcome Key Indicator	Corporate Action	Corporate Action Key Measure	Department Action	Lead Delivery Department
As above	Maintaining the local environment to the best possible standards	<i>To be added</i>	<ul style="list-style-type: none"> • Engage with service users to shape environmental services delivery • Continue to increase community capacity through Street Scene • Ensure that residents are aware of service delivery improvements • Carry out the environmental enforcement role • Ensure youth work participation in the local environment through PACT meetings • Provide high quality, effective and value for money environmental and waste management services • Increase residents participation in recycling 	Community Services
NI 186 – Per capita reductions in CO ₂ emissions	Pursuing reductions in CO ₂ emissions across all sectors and activities in the borough	NI 186 – Per capita reductions in CO ₂ emissions NI 185 – CO ₂ reduction from local authority operations	<ul style="list-style-type: none"> • Implement the Climate Change Action Plan • Promote awareness and understanding of climate change issues, and develop local programmes to bring about behavioural change • Promote low carbon business opportunities within the local economy 	Chief Executive's

Outcome Key Indicator	Corporate Action	Corporate Action Key Measure	Department Action	Lead Delivery Department
As above	As above	As above	<ul style="list-style-type: none"> • Ensure that planning policy delivers sustainable development <ul style="list-style-type: none"> ○ Seek to facilitate renewable energy development • Deliver quantified reductions in greenhouse gas emissions from transport to tackle climate change <ul style="list-style-type: none"> ○ Continue Local Motion ○ Promote employers' and schools travel planning • Progress work on Tees Valley Bus Network Improvement and TV Metro • Develop the 3rd Local Transport Plan and deliver local transport strategy • Review fuel usage and type of fuel used in Council vehicles • Continue to improve highway networks to assist in reducing congestion • Implement the Local Authority Carbon Management Scheme to secure reductions in CO₂ emissions from Council properties and activities • Promote the Carbon Trust's SALIX energy efficiency loan scheme to schools • Promote a greener emphasis in the Local Asset Management Partnership Agreement (LAMPA) 	<p>Chief Executive's</p> <p>Community Services</p> <p>Chief Executive's</p> <p>Children's Services</p>

Outcome Key Indicator	Corporate Action	Corporate Action Key Measure	Department Action	Lead Delivery Department
As above	As above	As above	<ul style="list-style-type: none"> • Encourage participation in the Greener Schools programme • Develop Eco-Schools Initiative and promote Eco-School Committees • Review School Transport policy • Use commissioning and procurement to contribute to CO2 reductions • Promote sustainable travel to school through school travel planning and provision of facilities 	<p>Children's Services</p> <p>Chief Executive's</p>

Outcome Key Indicator	Corporate Action	Corporate Action Key Measure	Department Action	Lead Delivery Department
NI 187 – Tackling fuel poverty; percentage of people receiving income based benefits living in homes with a low energy efficiency rating	Promoting and supporting partner agencies to deliver energy efficiency programmes and measures	NI 187 – Tackling fuel poverty – people receiving income based benefits living in homes with a low energy efficiency rating	<ul style="list-style-type: none"> • Reduce the carbon footprint on all Housing • Work with partners to implement the HEAT programme to enhance the energy efficiency of dwellings, giving priority to low income households • Ensure that planning policy secures high quality, energy efficient development • Explore ways of working with housing agencies and relevant financial institutions to ensure affordable access to energy efficient housing and adaptations <ul style="list-style-type: none"> ○ Explore opportunities for sustained investment in older housing • Explore the potential for Combined Heat and Power schemes to deliver affordable heating to dwellings 	<p>Community Services</p> <p>Chief Executive's</p> <p>Community Services</p> <p>Chief Executive's</p>

Outcome Key Indicator	Corporate Action	Corporate Action Key Measure	Department Action	Lead Delivery Department
Outcome: All people feel safe and live in a crime free environment				
<p>Important Note: As this plan is being prepared, all Community Safety Action Plans are being renewed by the Crime and Disorder Reduction Partnership, to set new priorities and action proposals for 2010/11. The five new priorities established for 2010/11 have been adopted as Corporate Actions, below, but at this stage the Department Actions are in outline only and reflect the overall scope of the Action Plans. This Corporate Plan will be updated to include key actions for the Council once these have been set in the refreshed Community Safety Plan.</p> <p>Improving public confidence is the main overriding priority for our Community Safety work. It overarches the other Corporate Actions, each of which will include proposals for prevention and early intervention, enforcement, rehabilitation and support, and improving public confidence.</p> <p>Reducing harm caused by illegal drugs and alcohol underpin all of the priorities and will be addressed by Darlington Drug and Alcohol Team (and therefore outside the scope of the Council's Corporate Plan) working closely alongside the Crime and Disorder Reduction Partnership</p>				
People feeling safe: <ul style="list-style-type: none"> • LI 0702 – At night • LI 0703 – During the day 	Improving public confidence	People feeling safe: <ul style="list-style-type: none"> LI 0702 – at night; LI 0703 – during the day. NI 017 – People's perceptions of anti-social behaviour NI 035 – Building resilience to violent extremism 	Actions will address the following areas: <ul style="list-style-type: none"> • Ensure the Crime and Disorder Reduction Partnership and Local Criminal Justice Board continue to build on their current approach to communication and engagement so that communities become better informed and more knowledgeable • Develop a CDRP Communications and Engagement Plan • Tackle and reduce hate crime, and address other issues that undermine public confidence • Encourage and support communities to develop community cohesion and infrastructure to enable people to live free from tension, crime and the fear of crime 	Chief Executive's

Outcome Key Indicator	Corporate Action	Corporate Action Key Measure	Department Action	Lead Delivery Department
As above	As above	As above	<ul style="list-style-type: none"> • Address issues of physical, emotional, material and financial abuse across all settings where they occur, including in victim's own homes and in the care system. • Focus on safeguarding the particularly vulnerable group of older people, living alone, with some form of physical or mental impairment, including from fires and bogus official distraction offences • Address concerns about young people in care going missing • Address as priorities for action issue in vulnerable communities including Park East, Central, North Road, Northgate, Bank Top and Eastbourne 	
As above	Reducing offending and re-offending	NI 016 – Serious acquisitive crime NI 030 – Reoffending rate of prolific and priority offenders NI 040 – Numbers of people in drug treatment	Actions will address the following areas: <ul style="list-style-type: none"> • Reduce offending by working with partners to manage the 'critical pathways' that are factors in both young people's and adults' offending, including: accommodation; education; training and employment; health; drugs and alcohol; finance; benefit and debt; children and families; attitudes; and thinking and behaviour 	Chief Executive's

Outcome Key Indicator	Corporate Action	Corporate Action Key Measure	Department Action	Lead Delivery Department
As above	As above	As above	<ul style="list-style-type: none"> • Manage the offenders who pose the greatest risk to ensure communities are protected, including through the Multi-Agency Public Protection Arrangement (MAPPA) for those who engage in serious violence and sex offending; and the Change Track Group for those who pose a greater risk to communities because they commit the highest volume of crime. • Carry out a range of programmes and measures to address some of the critical pathways within young people's settings, including: <ul style="list-style-type: none"> ○ Implement the schools Behaviour Review ○ Encouraging participation in diversionary activities and extended schools ○ Ensure youth work participation through local PACT meetings ○ Carry out Targeted Youth Support Review 	Children's Services

Outcome Key Indicator	Corporate Action	Corporate Action Key Measure	Department Action	Lead Delivery Department
NI 017 – Perceptions of anti-social behaviour	Reducing anti-social behaviour	NI 017 – Perceptions of anti-social behaviour	<p>Actions will address the following areas:</p> <ul style="list-style-type: none"> • Ensure effective communication of positive messages and actions taken through a range of media • Progress and evaluate the Safer Streets initiative ensuring communities suffering ASB receive support and visible action • Build a visible presence within communities around Anti-Social Behaviour with locality-based working and engagement, linking with Children’s Centres and Police Beat Offices, and utilising the CDRP mobile unit • Tackle the misuse of alcohol as a cause of rowdy behaviour and a factor in people’s feelings of safety • Encourage the development of strong, vibrant and cohesive communities and neighbourhoods that promote positive behaviour and address issues of inter-generational and inter-community tolerance. 	Chief Executive’s

Outcome Key Indicator	Corporate Action	Corporate Action Key Measure	Department Action	Lead Delivery Department
As above	As above	As above	<ul style="list-style-type: none"> • Strengthen our approach to tackling anti social behaviour • Implement and review the new Archouse Plus Nuisance and Anti-social behaviour module in partnership with Community Safety 	Community Services

Corporate Function Key Indicator	Corporate Action	Corporate Action Indicator	Department Action	Lead Delivery Department
As above	As above	As above	<ul style="list-style-type: none"> ○ Ensure that service delivery is built around an inclusive approach to meeting the needs of all communities • Deliver fair and robust Parliamentary and Local Elections 	<p>Community Services</p> <p>Corporate Services</p>
Corporate function 2: Promoting the borough as an active player within local, sub-regional, regional and national governance frameworks				
LI 0003 – Darlington’s share of external funding awarded to the Tees Valley	Secure the best possible outcomes for Darlington within sub-regional, regional and national settings and programmes.	LI 0003 – Darlington’s share of external funding awarded to the Tees valley	<ul style="list-style-type: none"> • Contribute to the continuing development of Tees Valley Unlimited, and the Multi Area Agreement, and represent Darlington’s interests in sub-regional and regional governance • Promote Darlington to local, regional, national and European audiences as a place to live and invest <ul style="list-style-type: none"> ○ Develop effective communications strategies ○ Develop Destination Branding ○ Promote the Borough’s tourism and cultural offer to attract investment • Maintain a clear vision and identity that positions the borough and Council effectively in the region in relation to other areas and Councils 	<p>Chief Executive’s</p> <p>All Departments</p> <p>Chief Executive’s</p> <p>Community Services</p>

Corporate Function Key Indicator	Corporate Action	Corporate Action Indicator	Department Action	Lead Delivery Department
	Ensure the Council's reputation as a high performing organisation is maintained	LI 0406 – Number of service assessments with a score below 3	<ul style="list-style-type: none"> • Lead and co-ordinate the response to external assessments of Darlington and the Council, and provide corporate support to service inspections 	Chief Executive's
As above	As above	As above	<ul style="list-style-type: none"> ○ Carry forward the Council's reputation as a high performing organisation in external assessments into the emerging framework of whole area assessments • Ensure the Council and Darlington has a strong and effective presence on the Web 	Corporate Services
Corporate function 3: Ensuring the provision of good quality public services				
LI 0400 – Satisfaction with the overall service provided by the Council NI 005 – overall/ general satisfaction with the local area	Ensure provision of the services required to meet local needs, utilising the most appropriate and cost effective means of provision	NI 005 – overall/ general satisfaction with the local area NI 014 – Reducing avoidable contact: minimising the proportion of customer contact that is of low or no value to the customer	<ul style="list-style-type: none"> • Work with partners to deliver funding into Darlington from external sources to support delivery of services and projects • New Business Model: develop capacity and expertise for service commissioning, including exploring the opportunities for sharing commissioning skills and resources with other public sector service providers • Develop capacity and skills for contract management and programme evaluation to support the Future Business Model direction towards wider procurement of services from external providers 	Chief Executive's

Outcome Key Indicator	Corporate Action	Corporate Action Key Measure	Department Action	Lead Delivery Department
	Ensure that services are maintained to a sufficient standard in terms of performance, value for money and fair access.	NI 140 – Fair treatment by local services LI 0400 – Percentage of citizens satisfied with the overall service provided by the authority LI 0412 – Overall percentage improvement in National Performance Indicators	<ul style="list-style-type: none"> • Lead and co-ordinate the corporate framework for performance monitoring, management and reporting <ul style="list-style-type: none"> ○ Develop the capacity for effective performance analysis and management ○ Ensure performance management focuses on outcome delivery and commissioning of good services 	Chief Executive's/ All Departments

Corporate Function Key Indicator	Corporate Action	Corporate Action Indicator	Department Action	Lead Delivery Department
As above	As above	As above	<ul style="list-style-type: none"> ○ Further develop the performance management framework to be responsive to outcomes, with simplified outcome based reporting • *Develop the Single Equalities Scheme and ensure best practice in equalities impact assessments to ensure fair, accessible provision across all channels and modes of provision • Address / evidence requirements of new Use of Resources methodology under the Governing the Business Theme for relevant and reliable data; principles and values of good governance; and risk and a sound system of internal control. • Progress the Council's Corporate Information Governance Action Plan arrangements in liaison with Xentrall • Deliver HR Strategy priorities to support change management • Maximise Council Tax collection rates • Manage the Medium Term Financial Plan to predict and respond rapidly to changing financial circumstances and support effective business management 	<p>Chief Executive's</p> <p>Corporate Services</p>

Corporate Function Key Indicator	Corporate Action	Corporate Action Indicator	Department Action	Lead Delivery Department
Corporate function 4: Promoting strong partnerships to ensure there is a vision and direction for the borough and for public services				
LI 0407 – Percentage of local partnerships meeting governance standards	Lead and support the development of effective and resilient partnerships focused on contributing to the vision and outcomes for Darlington.	LI 0407 – Percentage of local partnerships meeting governance standards	<ul style="list-style-type: none"> • Identify and respond to opportunities to secure benefits for Darlington from emerging guidance, legislation and innovations • Establish and maintain effective governance and performance arrangements for strategic partnerships • Support the delivery of the Darlington Compact to promote effective multi-sectoral working relationships and partnerships 	Chief Executive's
			<ul style="list-style-type: none"> • New Business Model: co-ordinate and support the implementation of the model, linked to the delivery of One Darlington : Perfectly Placed • Work with Xentrall Shared Services to deliver Business Case Savings 	Chief Executive's Corporate Services
	Ensure that up-to-date strategy and policy is in place to guide progress towards the overall vision and outcomes for Darlington	<i>New LI required related to achievement of strategy development milestones</i>	<ul style="list-style-type: none"> • Provide leadership and support to the LSP to work with partners on continuing development of the SCS and LAA, and on delivering high level SCS outcomes. <ul style="list-style-type: none"> ○ Carry out a Strategic Needs Assessment of the borough, as the basis for review and ongoing development of the SCS and LAA ○ Fully implement Outcome Based Accountability (OBA) as a planning tool within the Council, and work with partners to agree refreshed SCS outcomes and to promote the use of OBA by partners 	Chief Executive's

Corporate Function Key Indicator	Corporate Action	Corporate Action Indicator	Department Action	Lead Delivery Department
			<ul style="list-style-type: none"> • Develop and implement Economic Regeneration strategy and policy • Influence the Tees Valley Business Case to ensure fair outcomes for Darlington • Deliver the programme for the ongoing progress of the Local Development Framework • Develop Local Transport Plan 3 • Continue to lead the development of the CDRP's work to ensure effective delivery at strategic and operational levels • Complete refresh of the Joint Strategic Intelligence Assessment, Community Safety Plan and Domestic Abuse Strategy and Action Plan 	

Section 5: Resourcing Our Services

The Medium Term Financial Plan

118. This section of the Plan presents our Medium Term Financial Plan (MTFP) for 2010-14. It sets out the financial resources that might be available to the Council and their planned allocation to support delivery of the Corporate Plan and Sustainable Community Strategy. The MTFP includes our revenue expenditure allocations and income projections for the many on-going services that the Council provides, and capital funding proposals for programmes and projects such as new schools and improvements to roads and housing.

Revenue Income and Expenditure

119. The draft MTFP is prepared by the Council's Corporate Management Team (CMT) in consultation with Cabinet. Following consultation, Cabinet makes final recommendations on the MTFP for 2010-14, and on the budget and Council Tax for 2010-11. Final decisions are made by the full Council of 53 Members in February.

120. Councils receive income to fund service provision from three principle sources, all of which are expected to be affected by the changing national economic context:

- Government grants – around £130M each year
- Council Tax – around £40M each year
- Charges for services – around £30M each year

Government Grants

121. The changing economic and strategic circumstances within which the Corporate Plan has been produced, described in Section 1, is the context in which the MTFP has been reviewed and revised. Following the Government's extensive investment to mitigate the impact of the recession, the substantial debt incurred must be reduced. Consequently, there is considerable uncertainty around future funding for local authorities, which rely heavily on Government grants. In November 2009 the Government confirmed the Council's main grants for 2010-11 but beyond 2011 there is currently much speculation regarding the timing and extent of reductions in Government grants to councils.

122. The MTFP for 2010-14 has been prepared using an assumption that Government grants will reduce by 3% each year from 2011-12 to 2013-14. This reduces the resources available to the Council by £8.6M each year by 2014. The level of funding that the Council will actually receive over that period will not be known until November 2010 at the earliest.

Council Tax

123. There is widespread expectation that Council Tax increases in coming years will be lower than those in recent years. The Government has stated that:

- For 2009/10 the average increase in council tax was 3%.
- For 2010/11 the Government expect the average increase to be lower than in 2009/10 and at a 16 year low.
- The capping criteria will be decided later and authorities should not assume the criteria for 2010/11 will be the same as 2009/10.

124. The MTFP for 2010-14 assumes a Council Tax freeze in 2010-11 and increases of 1% in 2011-12 and 2% in 2012-13 and 2013-14. Compared with the previous MTFP, this reduces the resources available by £6M each year by 2014.

Charges for Services

125. Income from service users has already been hit by the economic downturn and is expected to continue below levels previously seen for 2010-11, with some recover thereafter. The Council will continue to review the charges that it makes for services, but it is unlikely that significant extra resource can be made available from charges. Simply increasing charges could in many cases be directly contrary to the priorities of the Sustainable Community Strategy, particularly with regard to equality and access to services.

Expenditure

126. At the same time that its income is reducing, the Council faces increasing demand for many of its services. The 2010-14 MTFP includes pressures for increased spending, particularly in social care, where an additional £1.4M is allocated.
127. Despite these pressures, the draft budget for 2010-11 is around £0.9M less than the budget for 2009-10. This has been achieved by the continuing focus on improving efficiency across the Council's activities.
128. The corporate and service planning processes described in Sections 1 and 2 inform the allocation of resources in line with priorities and needs.

Response – The Councils New Business Model

129. The new Business Model, described in detail in Section 1, forms the basis of the Council's response to the major challenge of continuing to deliver its priorities for 'One Darlington: Perfectly Placed' in the context of forecast reductions in funding. There are three key strands to the Business Model:
 - A continued focus on service efficiency within the Council – on-going improvements in efficiency, which has saved £3.5M in 2009-10
 - Priority based budgeting reviews – reviewing priorities to decide which can be reduced or withdrawn
 - Service delivery reviews – considering who should deliver services
130. The Council has a very good track record of providing value-for-money, which has been independently verified by the Audit Commission's regular assessments. It is vital that improvements continue, but it is unlikely that efficiency improvements alone will be sufficient to successfully meet the challenges ahead, which is why the three strands of the new Business Model are necessary. The factors described above produce a draft MTFP for 2010-14:

		2010-11	2011-12	2012-13	2013-14
		£M	£M	£M	£M
1	Draft Budget Net Expenditure	81.070	85.107	87.031	89.001
2	Less Proposed efficiency savings	(2.334)	(3.010)	(3.447)	(3.538)
3	Net Expenditure after efficiencies	78.736	82.097	83.584	85.463
4	Less Proposed Priority Based Budgeting	(0.160)	(0.240)	(0.240)	(0.240)
5	Less Proposed Increased Income	(0.210)	(0.210)	(0.212)	(0.212)
6	Net Expenditure after proposed savings	78.366	81.647	83.132	85.011
7	Further Efficiency Programme		1.800	2.800	3.800
8	Priority Based Budgeting		2.500	3.800	5.300
9	Service Delivery Options Phase 1			0.300	1.000
10	Service Delivery Options Phase 2				0.300
11	Net Expenditure after further savings programme	78.366	77.347	76.232	74.611
12	Assumed reduction in Specific and Area Based Grants		0.889	1.778	2.667
13	Net Expenditure after assumed Specific and ABG reduction	78.366	78.236	78.010	77.278
14	Projected Resources	78.582	77.815	77.488	77.420
15	Contributions to / (from) reserves	0.216	(0.421)	(0.522)	0.142
16	Business Model resources (paragraph 61)	(0.500)			
17	Projected reserves at year end	11.276	10.855	10.333	10.475

MEDIUM TERM FINANCIAL PLAN 2010 TO 2014

The allocation of resources to services is as follows:

	2010/11	2011/12	2012/13	2013/14
Net Expenditure	£M	£M	£M	£M
Children's Services	12.053	11.980	12.113	12.168
Community Services	46.571	47.746	49.582	50.326
Chief Executive	5.924	6.209	6.308	6.414
Corporate Services	9.349	8.687	8.169	8.244
Pre Budget Report National Insurance	0.000	0.600	0.600	0.600
Joint bodies and levies	0.650	0.616	0.631	0.646
Financing costs	3.794	4.784	3.979	4.613
Headroom	0.000	1.000	1.750	2.000
Net Expenditure	78.366	81.647	83.132	85.011
Assumed Reduction in Specific Grant		0.889	1.778	2.667
Future efficiency and savings programme		(4.300)	(6.900)	(10.800)
Total Net Expenditure	78.366	78.236	78.010	77.278
Resources - Projected and Assumed				
Formula Grant	38.831	37.666	36.536	35.440
Council Tax	39.751	40.149	40.952	41.980
Total Resources	78.582	77.815	77.488	77.420
Contribution to/(from) revenue balances (Total Resources less Total Net Expenditure)	0.216	(0.421)	(0.522)	0.142
Balances				
Opening balance	11.560	11.276	10.855	10.333
Contribution to/(from) balances	0.216	(0.421)	(0.522)	0.142
Less Change Fund	(0.500)			
Closing balance	11.276	10.855	10.333	10.475
Council Tax				
Planned and Indicative Increases	0%	1%	2%	2%
Weekly Band A Increase	Nil	15p	30p	30p

Capital MTFP

131. This section of the plan sets out our proposals for one-off investment in assets (for example, school buildings or road infrastructure) to enable the Council to deliver its contributions to 'One Darlington : Perfectly Placed' more effectively.
132. The economic recession, referred to extensively in this plan, has impacted on capital investment at least as severely as on revenue spending because of the constraints on borrowing arising from the credit crunch. There are signs now that credit restraints may ease over the coming year, but there is great uncertainty about if and when private sector investment will return to pre-recession levels. The local impact, in relation to the delivery of our vision for Darlington, is complex and multi-faceted. Particularly serious for our capital investment programme has been the collapse of the property market, and the consequent inability to generate capital receipts from asset sales to reinvest in capital projects.
133. The sale of land and property is also a vital component in our economic regeneration strategy to facilitate major infrastructure development projects. Looking at the bigger picture of capital investment in Darlington over the last five years, beyond the Council's own programme, this has been by far the biggest component. In the current climate there is considerable uncertainty about the extent to which such investment will continue in the short-to-medium term, although the Council is doing all it can to minimise adverse trends.
134. However, despite effects of the recession, and the uncertainties around the overall picture of capital investment in the borough, this Corporate Plan includes a significant Capital MTFP funded by central government. Our recent success in securing £57M Building Schools for the Future funding demonstrates that there continues to be opportunities for significant capital investment in One Darlington : Perfectly Placed. The full details of our plans are set out in the Council's Capital Strategy and in the Departmental Budget Reports incorporated in the MTFP annexe/Budget Book
135. Most of the Council's capital funding comes from government for investment in specific assets, mainly in accordance with national priorities such as Transport, Children's Services and Housing. Funding is allocated in line with agreed local programmes and subject to the delivery of outcomes. Our programmes and targets are put forward to government through such planning processes as the Local Transport Plan, Schools Asset Management Plan and the Housing Business Plan.
136. The following table summarises allocation of the capital resources by community strategy theme.

Heading	2010/11	2011/12	2012/13	2013/14	Total
PROSPEROUS DARLINGTON	All figures: £'000s				
Highway maintenance	1,530	1,148	1,148	1,148	4,974
Integrated transport	1,534	1,150	1,150	1,150	4,984
Single Programme schemes:					
Town Centre Fringe Feasibility	96				96
Faverdale Logistics Park (Project)		1,825	1,825		3,650
Town Centre Fringe phase 1 (Feethams)	450				450
Town Centre Fringe phase 2 (Parkgate)		2,500	2,500		5,000
Town Centre Fringe phase 3 (Valley Street)				2,000	2,000
Northern Cross			3,350		3,350
Strategic Acquisitions	1,008				1,008
Business Incubator Space feasibility	100				100
Business Incubator full project	1,720	780			2,500
University of Teesside at Central Park	1,000				1,000

ICT and Telephone Networks Upgrade	400				400
Prosperous Darlington Programme Total	7,838	7,403	9,973	4,298	29,512

Northern Housing Growth Point: Government allocated £5.74M of capital (with £446,000 revenue) for schemes within the Tees Valley Housing Growth Point Programme of Delivery in 2009/10 and 2010/11. Out of this sub-regional allocation, Darlington received 443,000 for 2009/10, and this is being used primarily to support affordable housing development on the former Beaumont School site. The local allocation for 2010/11 is currently uncertain; but it will be used to facilitate housing development at Central Park.

Heading	2010/11	2011/12	2012/13	2013/14	Total
ASPIRING DARLINGTON All figures: £'000s					
Schools devolved schemes	295	1,299	1,299	1,299	4,192
Capital improvements to schools					
Access initiative	187	187	187	187	748
Other school improvements	34	661	694	714	2,103
Major Capital Projects					
North Road Primary	153				153
Children's centres	227				227
Private nursery improvements	240				240
Short breaks - families with disabled children	115				115
14-19 diplomas/SEN & disabilities	6,000				6,000
Clervaux Alternative Provision	485				485
Children's Play Programme	398				398
Primary Strategy for Change	8,366				8,366
Building Schools for the Future	10,200	19,800	19,800	9,600	59,400
Schools Planning Team	293	302	311	320	1,226
AMP Support Costs	7	52	52	52	163
Temporary accommodation	71	71	30		172
Aspiring Darlington Programme Total	27,071	22,372	22,373	12,172	83,988
GREENER DARLINGTON All figures: £'000s					
Environmental Works	849	650	1,650	650	3,799
Energy efficiency		600	600	800	2,000
Greener Darlington Programme Total	849	1,250	2,250	1,450	5,799
HEALTHY DARLINGTON All figures: £'000s					
Housing					
Adaptations	360	371	382	393	1,506
Windsor Court IPM	1,600				1,600
Rockwell House	1,500	1,500			3,000
Thorne Court	116	116			116
Ted Fletcher Court		1,400			1,400
Private sector improvements	805	261	261	261	1,588
Lifeline Services	200	100	80	80	460
Council hsg improvements / planned mtnce	4,009	2,248	3,125	3,020	12,402
Professional fees	250	250	250	250	1,000

Carefirst programme	83	83	83	83	332
Healthy Darlington Programme Total	8,923	6,213	4,181	4,087	23,404
COUNCIL CAPITAL PROGRAMME TOTAL	44,680	37,238	38,776	22,007	142,701

137. It is important to emphasise again that the above table shows the Council's planned capital investment, and it is not the complete picture of capital investment in Darlington. Partner agencies have their own investment plans, and these will be particularly significant within the Healthy Darlington and Safer Darlington themes.

138. As has been previously noted, the Council's contributions to the Greener and Safer themes are primarily revenue-based. The limited capital investment proposals included above reflects the nature of the Council's work in these themes rather than a lack of commitment to delivering outcomes.

139. The sources of capital funding for the above programme are summarised in the following table.

Funding Source	2010/11	2011/12	2012/13	2013/14	Total
	All figures are £'000s				
Capital grants	33,128	31,207	33,829	18,529	116,693
Supported borrowing	3,616	2,205	2,205	2,205	10,231
Revenue contributions	1,921	2,013	1,792	873	6,599
Departmental prudential borrowing	4,665	863			5,528
Housing Revenue Account capital receipts	350	350	350	400	1,450
General Fund capital receipts	1,000	600	600		2,200
Total Resources	44,680	37,238	38,776	22,007	142,701

Outcome Based Accountability

Introduction

140. This Corporate Plan refers extensively to Outcome Based Accountability (OBA) as the method adopted to help us to formulate action plans that will be delivered in the short to medium term by public services to specific customer and client groups that we can confidently expect to make a positive contribution to long term outcomes.
141. This Appendix describes OBA, for readers who want to know more about the approach and how it is applied. The content borrows heavily from the web-based material published by David Burnby. David is a consultant working with Outcomes UK and is delivering a programme of training and follow-up work to on OBA to Council staff and staff from partner agencies.

Outcome Based Accountability

142. Outcome Based Accountability was first developed in the early 1990s by Mark Friedman and is now used extensively across the United States and increasingly in eight other countries including the UK. The framework evolved out of Mark's 19 years experience as a state government official. Before establishing the Fiscal Policy Studies Institute in 1996, as a member of a small Washington based think-tank Mark had the opportunity of developing his thinking to draw some fundamental conclusions:
- The starting point for any planning process should be a clear statement of the conditions of well-being desired (the *outcomes*).
 - Progress against achieving outcomes should be measured by the use of appropriate data (*indicators*)
 - Having the data and knowing the historical trends and likely forecast for the chosen indicators is necessary to develop understanding of what is driving them (the '*story behind the baseline*')
 - This in turn is essential to inform what could be done to improve the situation (the *Action Plan*)
 - Any strategy to improve quality of life indicators for people in communities should be simple, based on common sense, written in plain language on the minimum amount of paper and, most importantly of all, be useful.
 - Most public sector plans and programmes don't work this way.
143. Whilst Mark concluded that almost any planning system could be used for straightforward task and finish projects, tackling more complex and pervasive issues such as crime, anti-social behaviour, poverty, health inequalities or poor educational attainment needed a different approach.
144. Much of the emphasis on tackling these issues centres on investment in programmes or service systems of one kind or another. Yet despite billions of pounds of spending on a bewildering array of initiatives and concentration on systems, policies and strategies, in terms of quality of life for poorer communities, little seems to change. Mark recognised that the job of improving quality of life outcomes was bigger than individual programmes, indeed bigger than government itself. The answer lies in partnership working: bringing together *all* the stakeholders with a role to play including the main service providing agencies, service users, voluntary and community organisations and the business community.

Accountability

145. At the heart of this thinking is the understanding that if we hope to make a difference to quality of life outcomes, we must establish the right lines of accountability. The recognition that individual agencies or programmes or even government as a whole cannot by themselves address quality of life outcomes gives rise to two distinct types of accountability:
- **Population Accountability:** Being about the wellbeing of *whole populations*, i.e. all people within a defined community whether they are in receipt of services or not. Accountability for

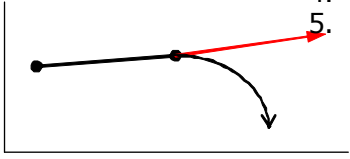
improving indicators of outcomes (e.g. the rate of obesity as an indicator of 'a healthy community') should rest with partnerships, not just individual service providing agencies



- **Performance Accountability:** being about the effectiveness of service providing agencies, programmes or projects and the wellbeing of their *client populations* or service users.
146. Whilst the need for partnership working to address outcomes has been recognised by the UK government for some time (demonstrated for example by the core roles given to Local Strategic Partnerships, Community Safety Partnerships or Children's Trusts), the confusion between the two types of accountability still persists. It is not uncommon to see, for example, the police being held solely accountable for a high crime rate or the NHS being held solely accountable for poor health.
147. The reality is that the police (for example) cannot by themselves eradicate crime: only agencies and individuals working in partnership with the police can make inroads on indicators such as the burglary rate, violent assaults or anti social behaviour. Similarly, the NHS cannot in isolation address poor health indicators such as obesity, low life expectancy or heart disease. To hold individual agencies accountable for these indicators will result in a frustrating process of much talk, many strategies, much blame and little change.
148. This doesn't mean letting agencies off the hook. An equally robust approach to managing service provision by measuring appropriate *performance measures* is central to OBA thinking. Performance measures are determined by answering three simple questions:
- How much did we do? (how much service did we provide – quantity of effort)
 - How well did we do it? (quality of effort)
 - Is anyone better off? (quality of effect or *client outcome*)
149. To preserve clarity of thinking, it is important to recognise the difference between *means* (the agencies or programmes that deliver services) and *ends* (the outcomes we strive for). We should hold agencies accountable for their performance as the *means* (by using appropriate performance measures) and partnerships accountable for the ends (by measuring progress against appropriate *indicators*). The reality is that we often mix up the two as though the difference didn't matter. The result is akin to a dog chasing its tail: considerable effort for no appreciable gain.

Getting from talk to Action – whole population level

150. The challenge then is to get from talk to action, from strategy to delivery. The process starts at the *whole population level*, which means starting by looking at the conditions of wellbeing we want for *all* people (or all children, all young people, all older people etc.) in a defined community. Because we are looking to contribute towards *whole population outcomes* then this process cannot be done by a single agency or service provider. We need to bring together *all* the relevant agencies and organisations together with service users, residents and community representatives with a role to play in addressing the desired outcome. We can then start the journey from talk to action by addressing seven questions:
1. What are the quality of life conditions (*outcomes*) we want for our community and the children and families who live here?
 2. What would these conditions look like if we could see, feel and experience them?
 3. How can we measure if these conditions exist or not? (*indicators*) Are the measures getting better or worse? (*baseline*) Where are we headed if we just keep doing what we're doing now (*forecast*)?
 4. Why are these conditions getting better or worse? (*the story behind the baseline*)
 5. Who are the partners that have a potential role to play in doing better?
 6. What works to do better? What would it take to turn the indicator curve? What can we do that is no-cost or low-cost in addition to things that cost money?
 7. What do we, individually and as a group, propose to do? (*action plan*)

151. This seven step 'journey' is structured around a process that enables participants to contribute their combined skills, knowledge and experiences to inform each step of the way. The process maximises the contribution of all partners and stakeholders and creates shared ownership for the conclusions. The core process (known as "Turning the Curve") has been used extensively to inform strategic plans and actions for a broad range of partnership bodies including Local Strategic Partnerships, Neighbourhood Partnership Boards and Children's Trusts.
152. The Turning the Curve exercise demonstrates the basic process and is structured around the seven questions above. Task groups of (typically) between six and eight partners are briefed to complete a single page report working step by step in a logical sequence from the defined population and outcome to the action plan. The Turning the Curve report which forms the basis for the exercise is illustrated on the following page.

POPULATION	All adults in Darlington
OUTCOME	Skilled, motivated, flexible fulfilled workforce
INDICATORS	Measures of the outcome
BASELINES	<ol style="list-style-type: none"> 1. NI1- % people who get on well 2. NI4- % who influence decisions 3. NI152 - people on benefits 4. NI163 - % population with Level 2 5. NI174 - Skills Gap  <ul style="list-style-type: none"> • Where we've been • Where we're going • Where we want to be
STORY Behind the baselines	<ul style="list-style-type: none"> • The causes, the forces at work • What's driving the baselines?
PARTNERS With a role to play	<ul style="list-style-type: none"> • Public, Private and Voluntary Sector • Community groups • Residents
WHAT WORKS	<ul style="list-style-type: none"> • What would it take to turn the curve? • Best practice • Best hunches
ACTION PLAN	<ul style="list-style-type: none"> • What we propose to do, how and by when

Performance Accountability

153. With the whole population level process completed as above, the next stage is to ensure that the means we are using to deliver against the desired outcomes are effective. The OBA approach to performance management is characterised by the simple, common sense, minimum paper approach used at the whole population planning stage. Fundamentally, the process revolves around answering three questions about the programme or services being provided:

1. How much did we do? (the quantity of service)
2. How well did we do it? (the quality of the service)
3. Is anyone better off? (the quantity and quality of the service outcome)

154. This can be illustrated graphically as four quadrants (see next page):

	Quantity	Quality
Effort	<p>How much did we do? <i>(the quantity of the effort)</i></p>	<p>How well did we do it? <i>(the quality of the effort)</i></p>
Effect	<p>How many customers are better off? <i>(the quantity of the effect)</i></p>	<p>Percentage of customers better off? <i>(the quality of the effect)</i></p>

155. Populating these four quadrants gives us our performance measures. The top left hand quadrant is the easiest to fill (and interestingly, the least important). The performance measures in the top right hand quadrant are more difficult to determine and have a direct bearing on the measures in the bottom quadrants which are of course the most important. There is absolutely no point in delivering services if no one is any better off yet the bottom quadrant performance measures are usually the least defined and are frequently never measured at all. Obviously, if no one is any better off as a result of the service provided then we will make no impact whatsoever on the desired whole population outcomes we want for our communities. Relying on top left quadrant measures as the only means of determining service provision performance is a great recipe for encouraging a large quantity of relatively useless activity. Determining and measuring the bottom quadrant performance measures is seldom straight forwards, but we cannot abdicate responsibility for them if we are serious about wanting to make a positive difference to communities.

Improving Service Delivery

156. Using OBA to improve service delivery is based on the same thinking as the whole population process, but with two important differences. Instead of starting by defining the whole population, because we are looking to performance manage a specific service to a defined group of service users, we start by answering the question “Who are our customers?” By customers, we mean those people whose lives are affected (for better or for worse) by the actions of the service. (Instead of customers, you might want to use the terms service users or clients.) The second important difference is that instead of using population indicators to measure improvement, we are looking to determine performance measures by populating the four quadrants illustrated above to demonstrate the impact of the service with a particular emphasis on the bottom right hand quadrant measures.
157. So the seven performance accountability questions to get from talk to action are:
1. Who are our customers?
 2. How can we measure if our customers are better off? (*bottom right hand quadrant measures*)
 3. How can we measure if we’re delivering our services well (*upper right quadrant measures*)
 4. How are we doing on the most important of these measures? (*creating a baseline and a curve to turn in exactly the same way as with population accountability. Understanding the story behind the baseline is crucial to understanding how to improve performance*)
 5. Who are our partners who have a role to play in doing better? (*this will inevitably include our customers and suppliers*)
 6. What works to do better? (*What would it take to turn the performance measure curve? What can we do that is no-cost or low-cost in addition to things that cost money?*)
 7. What do we propose to do? (*the action plan*)
158. Using this thinking process to improve the performance of services follows an almost identical “Turning the Curve” approach, only defining customers instead of whole populations and performance measures (How Much, How Well, Better Off?) instead of population indicators. We baseline the data we have for our priority performance measures and forecast the future trend. We draw the curve we want to turn and then consult widely to inform the story behind our baseline and the partners we need to work with to improve our services. This in turn informs the answer to the key question “What would it take to improve our performance?” and the basis for our action plan. The Turning the Curve report which forms the basis for this exercise is illustrated [here](#)

The OBA Journey

159. The journey from Talk to Action is shown graphically below, starting with the whole population design process from the Desired Outcome travelling through the seven steps to the Action Plan. Because of the complexity of the problems faced in communities, it is highly unlikely that significant impact on the outcomes will come from a single intervention. The flow chart therefore goes from the Action Plan through a review process referring back to progress against the indicator baseline. The process then repeats itself, reviewing the story behind the baseline, the choice of partners, what works and the action plan. Addressing challenges around social deprivation is rarely a ‘task and finish’ process. Progress against the indicators needs continuous review as the stories behind the baseline change, requiring adjustments to the Action Plan and the delivery mechanism to keep the curve turning in the right direction and at the right pace.

160. The means is illustrated in the graphic as the commissioning process arising out of the Action Plan and the performance measures which enable us to ensure that our chosen delivery method is effective. The graphic demonstrates how the delivery mechanism contributes towards the desired outcome (the ends) at the whole population level. It is vital that the distinction between ends and means is understood otherwise the lines of accountability become blurred, confusion sets in and little changes. We cannot hold individual service providers accountable for changing outcomes single handed: that requires the efforts of a range of stakeholders working in partnership. We can however hold service providers accountable for managing their services effectively and should rightly expect them to evidence how their customers are better off. The OBA framework enables us to understand this contributory relationship between means and ends through a simple thinking process and in doing so, successfully make the journey from talk to action.

FINANCIAL STRATEGY

PURPOSE

1. This Financial Strategy supports the council's core purposes. These were agreed by Cabinet in November 2009 as:
 - a. Championing the interests of Darlington's citizens and businesses
 - b. Supporting strong partnerships to set a vision and direction for the Borough and its services
 - c. Promoting the Borough to secure investment and support
 - d. Ensuring the provision of good quality services to the public

OBJECTIVES

2. The objectives of this Financial Strategy are to support the Councils core purposes by:
 - a. Securing appropriate levels of resources
 - b. Using resources effectively
 - c. Ensuring value for Money
 - d. Maintaining low taxation

TACTICS

3. The objectives will be met by:

Securing Appropriate Levels of Resources

- a. The Council gets its financial resources from external funding, in the form of Government and European Community grants, and locally from Council Tax and charges paid by service users. The Council will secure appropriate levels of resources by:
 - i. Actively lobbying, bidding and applying for grant funding that supports delivery of its core purposes and priorities
 - ii. Setting Council Tax and charges for services to achieve an appropriate balance between revenue-raising and wider corporate priorities
 - iii. Allocating resources in accordance with priorities set in the Corporate Plan
- b. Reducing spending to the levels of forecast resources. Resources, from grants and Council Tax, are expected to be reduced significantly in real terms, compared with those that have been available in recent years. The Council will reduce its spending by:

- i. Using the Community Strategy “One Darlington, Perfectly Placed” to prioritise service delivery and investment,
- ii. Ensuring effective use of resources – detailed below
- iii. Ensuring value for money – detailed below

Using Resources Effectively

- c. The Council will make effective use of resources by:
 - i. Engaging with residents, businesses, service users and visitors to inform decisions about priorities
 - ii. Using a mixed economy – providing leadership and services, through: -
 - 1. Council in-house service delivery
 - 2. Partnerships, with other councils and across sectors
 - 3. The third sector, services provided directly to the public by third sector organisations and services commissioned by the Council
 - 4. The private sector, through contracts awarded by the Council for delivery of services
 - iii. Continuing to manage its finances on a medium-term basis by: -
 - 1. Forecasting resources that will be available from grants
 - 2. Setting Council Tax and charges to balance revenue-raising with corporate priorities
- d. Corporate management – elected Members’ and senior officers’ leadership to ensure that resources are used in accordance with agreed community and Council priorities
- e. Devolved management – consistent with the corporate management principle set out above, financial resources deployed for service delivery will continue to be managed by service managers, so that responsibility for managing physical and financial resources is clear and joined-up.
- f. Managing its assets and capital spending:
 - i. With clear focus on supporting its corporate priorities
 - ii. In accordance with its approved Project Management practice
- g. Managing its treasury activities of borrowing, investments and cash-flow in accordance with codes of practice, prioritising, in order:
 - i. Security – not putting public funds at undue risk
 - ii. Liquidity – having funds available to meet commitments
 - iii. Return – investment income and costs of borrowing are highly important but must not jeopardise security and liquidity

Ensuring Value for Money

- h. The Council has a good record of providing value for money. It will strive to further improve efficiency through:
 - i. Procurement of services in accordance with the mixed economy model, using the most cost-effective sources of service provision
 - ii. Service delivery, where in-house provision is selected, ensuring that services are delivered with an appropriate balance of quality and cost
 - iii. Service reviews, to ensure that procurement decisions and cost / quality balances remain relevant and appropriate

Maintaining Low Taxation

- i. Residents of Darlington currently pay the lowest Council Tax in the North East region whilst having access to Council services that have regularly been externally assessed as being of high quality. The Council will strive to sustain that successful balance through the tactics set out in this strategy.
- j. A focus on low local taxation will be maintained, to support:
 - i. The “One Darlington” priority:
 - 1. The Council is aware of the impact of Council Tax on all households and is particularly aware of the impact on low-income households
 - 2. Striking an appropriate balance between Council Tax and spending on public services is a key responsibility of local government and councils’ financial decision making
 - ii. The “Perfectly Placed” priority:
 - 1. Low Council Tax contributes to the attractiveness of Darlington as a prime location to live, work, invest and visit

LINKS

- 4. This Financial Strategy links to:
 - a. Community Strategy
 - b. Corporate Plan
 - c. Medium Term Financial Plan
 - d. Business Model
 - e. Asset Management and Capital Strategy
 - f. Project Management
 - g. Treasury Management Strategy

RESERVES POLICY

Purpose of Reserves Policy

1. This policy establishes a framework within which decisions will be made regarding the level of reserves held by the Council and the purposes for which they will be maintained.

Definitions

2. Accounting regulations identify two types of reserves: -
 - (a) Usable - funds held by the Council that are available to meet future expenditure
 - (b) Unusable - prescribed in accounting regulations, these do not impact directly upon Medium Term Financial Plan (MTFP), budget or Council Tax decisions. This Policy is not concerned with Unusable Reserves.
3. There are two types of Usable reserve:
 - (a) **General** – called the “*General Fund Balance*”, used to:
 - (i) Meet short-term unforeseeable expenditure and
 - (ii) Enable significant changes in resource or expenditure to be managed over the period of the MTFP
 - (b) **Earmarked** – held for specific purposes, some of which are established by statute, others are established at the discretion of the Council.
4. Statutory earmarked reserves are:
 - (a) Housing Revenue Account (HRA) balance
 - (b) Schools Reserves
5. The principal earmarked reserves created at the Council’s discretion are: -
 - (a) Departmental Reserves – to assist effective service and financial management within departments
 - (b) Insurance Fund – to provide financial cover against specified risks that are not covered by external insurance
 - (c) Usable Capital Receipts – income from sales of assets available to meet future capital expenditure
 - (d) Revenue Contributions to Capital Outlay – charges to previous years revenue accounts available to meet future capital expenditure
6. Details of all reserves, including in-year movements and year-end balances are contained in the Council’s annual Statement of Accounts.

Statement of Policy

General Fund Balance

7. The Council's MTFP will maintain a prudent minimum level of General Fund balance that is adequate to meet short-term unforeseen expenditure. The prudent minimum level will be determined by assessing the financial risks associated with meeting continuing obligations to provide services. The risk assessment will be reviewed annually and will have regard to:
 - (a) Statutory obligations to provide services that over-ride cost considerations.
 - (b) Reasonable public expectation, democratic and practical considerations that may over-ride cost considerations.
 - (c) The volatile nature of elements of some services, which make accurate prediction or close control of expenditure difficult.
 - (d) The likelihood of specified events occurring.
 - (e) The financial impact of events.
8. In exceptional circumstances, the actual level of the Council's General Fund balance may fall below the assessed prudent minimum level. This is consistent with the nature and purpose of a minimum level, which is to meet short-term unforeseen expenditure. Within three months of the actual level of GF balance falling below the prudent minimum level a plan will be agreed by full Council to restore the balance to the minimum prudent level as soon as practicably possible.
9. The Council will maintain a level of General Fund balance that is adequate to meet medium term shortfalls between projected resources available to the Council and planned levels of General Fund net expenditure. The appropriate level of reserves for this purpose will be determined by the Council's MTFP, which will be reviewed annually and will be subject to approval by a meeting of the full Council.
10. The Council will not maintain levels of General Fund balances that are excessive compared with appropriate minimum levels and planned use of reserves. In this context, "excessive" will be assessed and reviewed annually in the MTFP with regard to:
 - (a) The projected level of General Fund balance at the end of the MTFP, less the appropriate minimum level.
 - (b) The annual planned use of reserves in each year of the MTFP.
 - (c) The impact of sudden large changes in annual use of balances on services or Council Tax levels.
11. As a guide, the level of General Fund balance is likely to be regarded as excessive if at the end of the MTFP, it is projected to be:
 - (a) More than double the minimum prudent level *and*
 - (b) More than the minimum level plus the planned use of reserves over the term of the MTFP.

12. The prudent minimum level of General Fund Balance, the planned use of reserves and the planned level of reserves will be approved annually by Council as part of the MTFP.

Earmarked Reserves

13. The purpose of “earmarking” reserves is to distinguish them from general reserves, which are available for use by the Council in its budget and Council Tax setting process. Earmarked reserves are identified as being likely to be required for specific purposes.
14. The Council will maintain earmarked HRA and Schools reserves in accordance with statutory requirements.
15. The Council will maintain discretionary earmarked reserves at appropriate levels, with regard to:
 - (a) Strategic objectives and service planning, particularly regarding events and planned developments that have financial resource implications.
 - (b) Forecast expenditure relating to specific issues, which is significant in the context of the MTFP and is exceptional, i.e. not expected to recur annually.
16. Cabinet will approve the purposes for which earmarked reserves are maintained. The planned level and the use of those reserves will be approved by Council in the MTFP.
17. Transfers between General Fund balance and earmarked reserves may be approved by Cabinet in the annual financial out-turn report, within the limits set in Financial Procedure Rules. Any proposed transfers beyond the limits delegated to Cabinet will be approved by Council.
18. Cabinet may propose transfers between General Fund balance and earmarked reserves in the annual review of the MTFP, which will be approved by Council.

UPDATED REVENUE BUDGET MONITORING –

Medium Term Financial Plan (MTFP):	£000
MTFP Planned Opening Balance 1/4/2009	8,913
Approved net contribution from balances 2007/08	(1,825)
Planned Closing Balance 31/03/10	7,088
Increase in opening balance from 2008-09 results	268
Collection Fund 2009-10 Projected Deficit	(208)
Projected corporate underspends/(overspends):	
Joint Bodies & Levies	(46)
Financing Costs	855
Leading Edge Efficiencies	(340)
Change Fund	0
Pay award	642
Local Authority Business Growth Incentive	(56)
Area Based Grants	55
HRMC VAT Refund	3,155
Revised projection of General Fund Reserve at 31st March 2010	11,413
Planned Balance at 31st March 2010	7,088
Improvement	4,325

Departmental Projected Year-End Balances	Projected Balance at 31st March 2010
	£000
Children Services	(897)
Community Services	1,225
Chief Executive	126
Corporate Services	(307)
TOTAL	147

Summary of Projected Balances at 31st March 2010

	Compared with MTFP £000	Projected Balance £000
Corporate General Fund reserves	+4,325	11,413
Departmental balances	+147	147
Total	+4,472	11,560

MEDIUM TERM FINANCIAL PLAN 2010-14
RISK ASSESSMENT TO DETERMINE MINIMUM PRUDENT GENERAL RESERVE

Type	Risk	Consequence	Scale	Financial loss £M	Likelihood %	Annual risk £M	Period (years)	Where provided	Reserve required £M
Economic	Deeper / longer recession	Lower Council Tax base – NB see “Key Assumptions” Appendix	£0.4M per 1% reduction	0.4	10	0.040	2	Reserves	0.080
	Deeper / longer recession	Lower collection of Council Tax;	£0.4M per 1% reduction	0.4	20	0.080	2	Reserves	0.160
	Deeper / longer recession	Reduced revenue income: - Leisure Parking Planning Property	£0.075M per 1%; assess risk of further 10% (£0.2M reduction in base budget)	0.8	15	0.120	2	Reserves	0.240
	Deeper / longer recession	Failure of significant service-provider contractors	£20M p.a. corporately; assess risk of 5% cost increase	1.0	15	0.150	2	Reserves	0.300
	Adverse changes in interest rates	Higher financing costs	Net debt £70M; 1% = £0.7M	0.7	20	0.140	1	Reserves	0.140
	Break insurance long term agreement	Increase in revenue costs		0.5	50	0.250	2	Reserves	0.500

Type	Risk	Consequence	Scale	Financial loss £M	Likelihood %	Annual risk £M	Period (years)	Where provided	Reserve required £M
	Energy costs significant increases	Higher annual revenue costs		0.4	20	0.080	2	Reserves	0.160
	Reduced Government grants – Formula Grant	Lower annual revenue resources. NB see “Key Assumptions” Appendix	£0.4M per 1%; assess risk of further 5% reduction	2.0	20	0.400	2	Reserves	0.800
	Reduced Government grants – specific and Area Based Grants	Lower annual revenue resources. NB see “Key Assumptions” Appendix	£0.4M per 1%; assess risk of further 5% reduction	2.0	20	0.400	2	Reserves	0.800
Employment	Higher pay settlements	Higher costs across all services;	General Fund exc. Schools £0.5M per 1%	0.5	20	0.100	2	Reserves	0.200
	Single Status potential claims	One-off costs	£10M	10	10	1.000	1	Reserves	1.000
	Flu pandemic or similar event	Increased employee absence requiring cover at extra cost	£0.6M per 1% of employee costs	0.6	25	0.150	1	Reserves	0.150
Services	New Children’s care packages	Higher costs. NB see “Key Assumptions” Appendix	Average £0.1M per case; 5 cases	0.5	20	0.100	2	Reserves	0.200
	Social care increasing demand	Higher annual revenue costs		0.5	20	0.100	2	Reserves	0.200

Type	Risk	Consequence	Scale	Financial loss £M	Likelihood %	Annual risk £M	Period (years)	Where provided	Reserve required £M
	Other services increasing demand	Higher annual revenue costs		0.5	20	0.050	2	Reserves	0.100
	Capital overspends	Fund from revenue (no capital resources available)	One-off	3.0	10	0.300	1	Reserves	0.300
General	Planned savings not achieved	Higher annual revenue costs	£7M; asses risk of 20% shortfall	1.4	20	0.280	2	Reserves	0.560
	Corporate manslaughter	Unlimited fine	Assess risk of £10M fine	10.0	1	0.100	1	Reserves	0.100
Total General Reserve requirement									5.990

The recommended Prudent Minimum General Reserve Required to Meet Assessed Financial Risks is £6M

**KEY ASSUMPTIONS USED IN PROJECTED
RESOURCES, EXPENDITURE & INCOME 2010-14**

Factor	Assumption
Resources	
Council Tax base	Council Tax base for 2010-11 approved by Council 26 January 2010 No growth in Council Tax base in 2011-12 & 2012-13; 0.5% growth 2013-14
Council Tax	2010-11 to be approved by Council 25 February 2010 2011-12 1% increase; 2012-13 and 2013-14 2% increase
Council Tax collection	99% collected
Government Grants	Government grants for 2010-11 as indicated in 3 year settlement, confirmed November 2009
	Reduction in Formula Grant of 3% each year in 2011-12, 2012-13 and 2013-14
	Reduction in specific grants and Area Based Grants of 3% each year in 2011-12, 2012-13 and 2013-14
	Dedicated Schools Grant 2% increase in 2011-12, 2012-13 & 2013-14
Expenditure	
Pay inflation	2010-11 0.5%; 2011-12 1.0%; 2012-13 1.5%; 2013-14 1.5%
Price inflation	Only contractual inflation on running costs
Local Government Pension Scheme	Employers contributions 18.5% of pensionable pay – the current rate
National Insurance	1% increase from April 2011 (Pre Budget Report 9th December 2009)
Financing Costs	
Interest rates payable	Average rate on existing debt 2010-11, 3.63%; 2011-12, 3.84%; 2012-13, 3.85%; 2013-14, 4.07%
Interest rates payable	New debt 4.5%
Interest rates receivable	2010/11, 1.5%; 2011/12, 2.5%; 2012/13 and 2013/14, 4.8%.
Borrowing	£1M per annum capital expenditure financed by prudential borrowing
Income	
Economic forecast	Reduced income from Parking and Building Control, beginning to recover from 2011-12 as the economy improves
Inflationary increases	Various based on individual service considerations
Capital Receipts	No future receipts to be committed to financing capital expenditure

APPENDIX 7

PRESSURES INCLUDED IN DRAFT BUDGET

The following pressures have been identified through the management of services and budgets in 2009-10 and in the preparation of detailed budgets for 2010-14. They are included in the draft budget in paragraph 42 of the main report. Further detailed explanation of each pressure is given in the departmental reports at **Appendices 11 to 14**.

	2010-11 £000	2011-12 £000	2012-13 £000	2013-14 £000
Children's Services				
Home To School Transport - Additional demand for expensive transport needs	80	80	80	80
Pupil Referral Unit – Increased cost relating to provision	240	240	240	240
External Placements – Demand for additional external placements	400	400	400	400
Direct Payments – Increased number of families accessing direct payments	130	130	130	130
Leaving Care – Increased costs attributed to service	50	50	50	50
Additional Social Workers – Additional children's social working team	188	195	203	206
Total Children's Services	1,088	1,095	1,103	1,106
Community Services				
Learning Disability Placements additional 2 packages	203	203	203	203
Adults' Services – reduction in projected savings following contract tendering process	90	120	202	202
Transport – increased cost of children's bus concessions	50	50	50	50
Transport – Rural routes charging	15	15	15	15
Transport – Vehicle borrowing cost increase	60	60	60	60
Eastbourne sports complex loss of pitches income	40	40	40	40
Sponsorship – loss of income	28	28	28	28
CCTV – loss of large external contract	49	49	49	49
Pedestrian and Cycle Training – income reduction	40	40	40	40

	2010-11 £000	2011-12 £000	2012-13 £000	2013-14 £000
Highways – Road Safety Grant ends 2011-12	0	28	28	28
Learning Disability – transition costs of young people moving into Adult Services from Children’s Services	150	150	150	150
Learning Disability – Residential Homes inflation costs	153	203	203	203
Markets – Reduction in Income	18	18	18	18
Highways – Reduction in income	13	13	13	13
Supporting People – Reduction in Admin Grant	19	19	19	19
Housing Benefits – Reduction in Admin Grant	44	44	44	44
Total Community Services	972	1,080	1,162	1,162
Chief Executive				
Reduction in Local Transport Plan fee income to Transport Policy resulting from schemes included within the current plan attracting lower fee levels	0	56	58	60
Loss of Cycle England funding current grant is due to cease in March 2011. This grant is used to fund one post within Transport Policy	0	40	41	42
Climate Change Projects/ Promotion	15	15	15	15
Transport Policy posts previously funded by specific grant	0	89	90	90
To support delivery of the Financial Inclusion strategy	25	25	0	0
Total Chief Executive	40	225	204	207
Corporate Services				
Shortfall in Parking Income	300	200	100	0
Accommodation Review – reduction in projected savings	130	130	130	130
None realization of anticipated income from the PCT for HR	50	50	50	50
Land Charges shortfall in income	30	0	0	0
Building Control reduced fee income	100	0	0	0

	2010-11 £000	2011-12 £000	2012-13 £000	2013-14 £000
Property Services reduced charges to capital - inability to raise income due to reduced sales	50	50	50	50
Centralised telephones - inability to deliver planned savings due to technology and capability – to review after telephony upgrade	30	30	30	30
ICT and telephone networks - revenue consequences of capital bids	75	100	100	100
Legal Services – additional lawyer due to increased workload in children and adult social care	40	42	44	46
Customer Services/Local Taxation review – re-profile of projected savings	200	120	0	0
Total Corporate Services	1,005	722	504	406
Total Pressures	3,105	3,122	2,973	2,881

FURTHER EFFICIENCY SAVINGS PROPOSALS 2010-14

The MTFP for 2009-13, approved by Council on 26 February 2009, contains annual efficiency savings totaling £6.5M.

The draft MTFP for 2010-14 contains new efficiency savings proposals, detailed below, totaling £4.6M per annum. The total planned and proposed efficiency savings in the 2010-14 draft MTFP is, therefore, £11.1M.

	Financial effect 2010/11 £'000s	Financial effect 2011/12 £'000s	Financial effect 2012/13 £'000s	Financial effect 2013/14 £'000s
Children's Services				
School Improvement and Development – Administration Restructure. This will see two posts funded from the core budget deleted from the establishment. These post would be replaced by a similar post funded from specific grant.	35	36	37	38
Deletion of Personal Assistant Post	25	25	25	25
Performance and Policy Review - Currently the Performance and Policy Team is undergoing a Corporate review.	25	25	25	25
Re-commissioning of the Pupil Referral Unit/Behaviour Support Review - this proposal is to ensure that a more effective behaviour service is in place to support schools.	290	290	290	290
Increased Capital Contribution to Children Services Capital Team - Currently £50k of the Capital Services Capital Team, is funded from core budget, the rest £243k is funded via a management charge to capital schemes. It is proposed that this team becomes fully funded from Capital.	50	50	50	50
Resources Team Review - Currently the Schools Finance Team is not 100% funded from the SLA they have with Schools. This proposal would see the review of the existing staffing structure and the level of re-charge to Schools, to ensure that the whole of the team is funded via the SLA with Schools.	10	20	20	20

Children's Services - continued	Financial effect 2010/11 £'000s	Financial effect 2011/12 £'000s	Financial effect 2012/13 £'000s	Financial effect 2013/14 £'000s
Increase in the Schools Central Expenditure Limit to cover additional Transport/External Placement Costs -as both of these elements are within the Local Authority Block of Section 52, it is possible to make an adjustment to the Central Expenditure Limit to accommodate this pressure.	200	200	200	200
Management re-charge for Schools Broadband - currently the Authority received cf£400k grant funding relating to Schools Broadband and ICT infrastructure improvements. The majority of this funding is either pass ported to schools, or equipment purchased on behalf of schools. This proposal would top slice 10% management fee.	40	40	40	40
Ethnic Minority Service Review - this proposal would see a review of the Ethnic Minority Service, with a view of a reduction in the management capacity.	0	53	54	56
Third Tier Restructure of School Improvement and Development - under the current white paper for 21st century schools, the role of Lead Officers will change. This proposal would see the structure made fit for future developments.	0	0	54	138
Special Educational Needs Review - review of the SEN Provision, including management, admin, low incidence needs and monitoring and evaluation.	20	41	42	44
Curriculum Support - cease service if Schools Forum do not choose to continue to fund the service.	0	0	20	20
Review of External Placements/In house foster carer provision - to review the current expenditure on external placements with a view to reducing the cost of external placement whilst increasing in house Foster Carer provision.	100	100	100	100
Adult and Community Learning Fees target - the Adult and Community Learning Service retain all the fees achieved from their courses, to re-invest in the service. This proposal would give the service an additional income target of £20k.	20	20	20	20

Children's Services - continued	Financial effect 2010/11 £'000s	Financial effect 2011/12 £'000s	Financial effect 2012/13 £'000s	Financial effect 2013/14 £'000s
Reduction in management - this proposal relates to a significant reduction in the management costs of Children Services. It is anticipated that this saving can be achieved via natural wastage and the re-charging of management costs towards future external funding.	160	200	200	240
Story Sack/Toy Library - this proposal will result in a new way of providing the Toy Library/Storysacks service. This service employs 5, in the main part time members of staff. The service delivers a toy library and story sacks service to various settings in the Town. The service will be replaced via this being the core offer of service at Children Centres.	17	74	75	75
Allowance for staff turnover	400	400	400	400
Mainstreaming of future grant income	100	100	100	100
Removal of non committed inflation from budget	20	20	20	20
Total Children's Services Efficiency Savings	1,512	1,694	1,772	1,901
Community Services				
Street Scene - promote more bio diversity in a number of large open spaces via wildflower areas.	20	20	20	20
South Park Aviary – work in partnership with Friends of the Park to manage the aviary.	15	15	15	15
Trade Waste – actively market and increase business for trade waste collections both recycling and residual.	10	10	10	10
Waste disposal - waste reduction - reduced waste - there has been a downward trend in waste. Further analysis is ongoing to see if savings could be higher. This may be due to the economic downturn and less waste being produced.	50	50	50	50

	Financial effect 2010/11 £'000s	Financial effect 2011/12 £'000s	Financial effect 2012/13 £'000s	Financial effect 2013/14 £'000s
Community Services - continued				
Countryside – reduce contribution to Groundwork over the next couple of years. This funding was initially provided for consultants work. In future, work will be commissioned on an ad hoc basis as required.	15	30	30	30
ASB equipment rationalization – when the equipment contract ends next year.	8	8	8	8
CCTV - technology efficiencies - Reduce the number of tapes in operations as we move away from video recording.	7	7	7	7
Street Scene - lower maintenance planting - Move to more sustainable planting where appropriate	10	10	10	10
Tree team - increase turnover and partnership working - embark on a partnership approach to tree management with the Tees Valley Authorities.	33	50	60	60
Environmental Crime – increase enforcement for environmental crime to improve the area for all residents.	10	10	10	10
Transport - driver training initiative - driver training to reduce fuel consumption as research has shown consumption can be improved. We are looking to do this with other Tees valley authorities.	10	20	20	20
Housing review of exempt accommodation cases - Housing Rent Allowance - through the review of exempt accommodation cases it is predicted the housing benefit subsidy the Council is currently paying will reduce by £150k.	150	150	150	150
Administration - PA restructure - delete a part time Support Assistant post from the structure.	11	11	11	11
Restructure in Quality section when the current manager retires in 2011/12.	-	40	40	40
Finance section restructure - delete a senior finance officer post	35	35	35	35
Increased use of electronic tendering - reduction in postage and stationery	2	2	2	2
Building design increased turnover - A one off increase in turnover and profit due to additional work via the Primary Capital Programme.	20	-	-	-
Engineering - reduce development control engineer hours - downturn in the economy and DC enquiries plus employment of dedicated Traffic Manager will allow for reduction in hours.	9	9	9	9
Delete a Road safety assistant post - which has been vacant for a year without a detrimental impact on service delivery.	21	21	21	21

	Financial effect 2010/11 £'000s	Financial effect 2011/12 £'000s	Financial effect 2012/13 £'000s	Financial effect 2013/14 £'000s
Community Services - continued				
Delete a traffic technician post, facilitated by a reduction in workload. Remaining duties will be dissipated amongst teams within Highways as part of the full review of the structure.	23	23	23	23
Engineers – employ direct staff and reduce agency costs - a full review, consolidated staffing structure and market forces have enabled us to now recruit to posts.	36	36	36	36
Delete private street works engineer post which is not required due to the reduction in Housing development following the economic downturn.	36	36	36	36
Prudential Borrowing expenditure - profiling of future commitments has reduced.	34	43	43	43
Engineers - provision of specialist structural advice from alternative source rather than using expensive agency. Market forces may enable us to now recruit to posts.	40	40	40	40
Highway staffing review – remainder of the work to be completed on the full review of the Highways and Engineering structure.	-	-	40	40
Winter maintenance - reduce costs via partner working - look at efficiencies of outsourcing or partnering the service delivery.	-	30	30	30
Cease the internal sandwich van and tea trolley service.	(1)	9	9	9
Arts Centre front of house restructure - to facilitate the new business operation it is proposed that the new management structure consist of a single House Manager working to the needs of the service supported by senior stewards.	(4)	60	60	60
Civic Theatre front of house restructure - following a review of FOH operation and ticket control it is proposed that Park Gate entrance and foyer will remain closed and therefore un-manned,	15	15	15	15
Utilise service engineers and reduce R & M - It is proposed that a planned approach to cyclical maintenance is taken across Cultural facilities, using Service Engineers at all sites	15	15	15	15
Markets - waste reduction - reduce the number of 1100 litre 'Euro bins' from 2 to 1	3	3	3	3
It was agreed to defer the speed visor service in 2009/10 and 2010/11 in last year's MTFP and as there has been no negative impact it is proposed to withdraw from the service entirely.	-	12	12	12

	Financial effect 2010/11 £'000s	Financial effect 2011/12 £'000s	Financial effect 2012/13 £'000s	Financial effect 2013/14 £'000s
Community Services - continued				
Arts development restructure - the deletion of the post of Arts Development Officer and Art Spark coordinator, to be replaced with a new position of Arts Engagement Officer.	15	15	15	15
Countryside staffing reduce hours - requests for reduced working hours have been received and their work can be accommodated amongst the other staff.	10	10	10	10
Non Committed Inflation	90	90	90	90
Allowance for staff turnover	278	278	278	278
Total Community Services Efficiency Savings	1,026	1,213	1,263	1,263
Chief Executives				
Policy/CWC, merger of Social Inclusion/Race Equality budget	15	15	15	15
Connecting With Communities, reduction in the Talking Together budget	0	10	10	10
Development Control - removal of vacant admin post	10	10	10	10
Policy - reduction in supplies and services budgets	9	9	9	9
Economic & Planning Strategy - reduction in supplies and services budgets	8	8	8	8
Community Safety - reduction in projects	3	6	9	12
Community Safety - reduce hours for management information post	7	7	7	7
Community Safety - reduction in supplies and services budgets	2	2	2	2
Communications - redesign of Flyer and reduction in printed copies	6	6	6	6
Connecting with Communities - reduction in supplies and services	1	1	1	1
Economic & Environmental Strategy - reduce Council's Single Programme match-funding budget	20	20	20	20
Development Control - increase level of fee income from planning applications and subsequent discharge of planning conditions as economic recovery progresses.	40	10	10	10
Non Committed Inflation	27	27	27	27
Provision for staff turnover	37	37	37	37
Total Chief Executives Efficiency Savings	185	168	171	174

Corporate Services	Financial effect 2010/11 £'000s	Financial effect 2011/12 £'000s	Financial effect 2012/13 £'000s	Financial effect 2013/14 £'000s
Corporate - deletion of essential user allowance across the Council – Employees who are deemed essential users currently receive a monthly lump sum to provide a vehicle for work and an allowance per mile. It is proposed that all employees using their cars for work will be paid on a Casual user mileage rate with no fixed monthly sum. The casual user mileage rate is higher than the essential rate. Pooled cars will be made available should staff no longer be able to provide a vehicle after the deletion of the allowance. This proposal will involve contractual changes for the staff concerned.	50	130	180	180
Corporate - removal of Sunday payments allowance across the Council – Premium rates are paid to employees working on a Sunday, the proposal is to remove such premium rates so employees will receive the same rate of pay on a Sunday as other days. This proposal will require a change to employee contracts.	140	280	280	280
Corporate – Remove all premium payments for overtime – Employees eligible for overtime payments are paid at time and half. This proposal means overtime will be paid at basic pay rates. This proposal will require a change to employee contracts.	70	100	100	100
Audit – reduced consultancy support – Audit Section offers consultancy support to departments in addition to audit work. This proposal limits the amount of support given to departments by reducing employee hours.	17	17	17	17
Archives – reduce the budget in line with the cost of service provided under the archives agreement with Durham CC.	4	4	4	4
Members – delete maintenance of mayor's garden – A budget has been in place for some years to enable Mayors to have their garden maintained during their year of office. The budget has not been used for many years and can therefore be deleted.	1	1	1	1

Corporate Services - continued	Financial effect 2010/11 £'000s	Financial effect 2011/12 £'000s	Financial effect 2012/13 £'000s	Financial effect 2013/14 £'000s
Members – reduce training budget – A number of training events are now held and paid for regionally therefore reducing the pressure on the Council’s budget.	2	2	2	2
Risk Management/Financial Services – restructure – Exact details are to be determined, this proposal involves better use of existing resources by sharing staff between teams.	0	31	31	31
Delete budget for system upgrades - Deletion of the budget for major corporate systems in the future all upgrades will need to be funded from business case savings.	30	30	30	30
Performance – reallocation of non-policy & performance work – This saving is linked to the Policy, Performance and Partnership Review and will mean managers in the department will need to subsume duties currently carried out by the departmental team.	0	30	30	30
Xentrall – speed up business case implementation – The Business Case saved Darlington and Stockton £7.2m over 10 years. This proposal speeds up delivery times giving the Council access to the savings sooner than planned.	0	0	66	25
Xentrall – reduce non staff budgets – Efficiency savings generally across all budgets in Xentrall.	15	15	15	15
Xentrall – reduce management costs – Due to the speeding up of the Business Case management costs can also be removed sooner than planned.	0	0	60	60
Environmental Health – reduce spend on food sampling – This will mean less sampling will be carried out with lower risk items no longer being purchased for sampling.	5	5	5	5

Corporate Services - continued	Financial effect 2010/11 £'000s	Financial effect 2011/12 £'000s	Financial effect 2012/13 £'000s	Financial effect 2013/14 £'000s
General Licensing reduce subsidy – reduce team by one member of staff - It is envisaged that the work of the deleted post can be distributed to the remaining team members.	20	20	20	20
Emergency Planning – reduce expenditure	2	2	2	2
Trading Standards – reduce spending on intellectual property enforcement, work to be prioritised and done within existing resources	7	7	7	7
Building Control – reduce running costs	8	8	8	8
Building Control – to remove currently vacant 0.5 Administrative post	0	0	9	9
HR – reduction in staff hours	2	2	2	2
Democracy – members expenses published only on-line	3	3	3	3
Democracy – reduce printed literature / produce electronic	3	3	3	3
Register of Electors – change Supplier for 'on-line and telephone registrations'	2	2	2	2
Secretarial Support – reduce hours and stationery	4	4	4	4
Post Room – reduction in equipment budget	1	1	1	1
Town Hall – reduce Cleaning Contract	3	3	3	3
Town Hall – retender of lift maintenance contract	8	8	8	8
Financial Services – reduce running costs	4	4	4	4
Furniture lease non renewal – Equipment previously acquired by leasing will not be replaced.	24	24	0	0
Financial Services - restructure	4	4	4	4
Registrars – reduce spending on casual employees	10	10	10	10
Post Room – reduced cost of postage due to retendering, reduced postage generally and less reliance on 1st class post.	50	50	50	50
Corporate Landlord – improved procurement and use of resources – This will involve restructuring of services across the Council.	0	25	50	50

Corporate Services - continued	Financial effect 2010/11 £'000s	Financial effect 2011/12 £'000s	Financial effect 2012/13 £'000s	Financial effect 2013/14 £'000s
Building Control – reduction in staff – Demand for building control work has reduced along with fee income therefore staffing reductions are required.	25	50	50	50
Council Tax/Customer Services/Benefits – Transformation project agreed for procurement by Cabinet. The project will improve performance and reduce costs. Up front investment is required in years 1 and 2 therefore delaying savings until year 3 of the review.	0	0	120	120
Non Committed Inflation – All non staff budgets are cash limited unless contractual inflation applies.	70	70	70	70
Provision for staff turnover – Vacancies within the year will be managed to ensure the savings is achieved.	56	56	56	56
Members – stop Mayoress at home event – This is an annual event where the public are invited to tea with the Mayoress and attendance has reduced over the years.	2	2	2	2
Health & Safety – increase income from the provision of training courses	10	10	10	10
Total Corporate Services Efficiency Savings	652	1,013	1,319	1,278
Total New Efficiency Savings Proposals	3,375	4,088	4,525	4,616

PRIORITY BASED BUDGETING

In addition to the efficiency savings detailed in **Appendix 8**, proposals for priority based budgeting are projected to reduce spending by £240,000. These proposals are detailed below.

Priority Based Budgeting

	Financial effect 2010/11 £'000s	Financial effect 2011/12 £'000s	Financial effect 2012/13 £'000s	Financial effect 2013/14 £'000s
Community Services				
Cease CCTV at bus stops. The system is expensive to monitor and the poor quality of the images and unreliability of the equipment renders it ineffective.	-	10	10	10
Outdoor Events – we have an extensive events budget and the proposal is to reduce this by £100k. Final decisions on which events will be affected will be taken later.	100	100	100	100
Highways maintenance – reduce level of testing but remain within the statutory minimum.	40	40	40	40
Countryside – reduce the maintenance budget and prioritise maintenance on rights of way and local nature reserves.	20	20	20	20
Total - Community Services	160	170	170	170
Corporate Services				
Environmental Health – reduction in inspections – Low risk inspections will no longer be carried out	0	35	35	35
Trading Standards – reduction in inspections – Low risk inspections will no longer be carried out	0	35	35	35
Total - Corporate Services	0	70	70	70
Total Priority Based Budgeting	160	240	240	240

EFFICIENCY PROGRAMME 2009-2013

CHILDREN'S SERVICES

Action	10/11 £000's	11/12 £000's	12/13 £000's
Integrated Working *	136	142	148
Skills Plus **	30	0	0
Anticipated External Grants	100	100	100
Total	266	242	248

*Original target of £206k, remaining balance of £136k expected to be achieved

** Original target of £200k, remaining teaching assistant expected to leave in Sept 2010.

Community Services

Action*	10/11 £000's	11/12 £000's	12/13 £000's
Adults, mobile working in financial assessments	50	50	50
Adults, learning disability external placements	100	100	100
Highways, street lighting structure	40	40	40
Total	190	190	190

* Only includes efficiencies not achieved at all in 2009/10

Chief Executive

Action	10/11 £000's	11/12 £000's	12/13 £000's
Community Engagement, review of service delivery*	15	15	15
Community Partnerships, restructure of team**	15	15	15
Communications, consolidation of marketing and publicity budgets across the Council	30	30	30
Review of performance, Policy & Partnerships across the Council	200	200	200
Introduction of charges for pre planning advice	10	10	10
Total	270	270	270

* Additional saving from 10/11, £30k delivered in 09/10

** Additional saving from 10/11, £20k delivered in 09/10

Corporate Services

Action	10/11 £000's	11/12 £000's	12/13 £000's
Mayors Charity Shop - Vacate and rent out	25	25	25
Secretarial Support - Review of structure	21	21	21
Corporate - Review of workforce development	35	35	35
Corporate - Reduce expenditure on training across the Council	34	34	34
Local Taxation & Customer Services – Review*	200	200	200
Corporate - Procurement Savings**	200	400	600
Corporate - Leading Edge Savings	75	75	75
Total	590	790	990

*Saving has been re-profiled as per tables in paragraph 33 & 34 above

** £34,000 achieved in 09/10 to be carried forward

**CHILDREN'S SERVICES DEPARTMENT BUDGET REVIEW
MEDIUM TERM FINANCIAL PLAN 2010/11**

Purpose of Report

1. To review the Medium Term Financial Plan for the Children's Services Department.

Service Outline

2. To assist Members the following section explains the services provided by the department and shows the proposed budget for 2010/11 for each area.

Service Description	Proposed Budget 2010/11 £000
<p>Individual Schools Budget (net of devolved specific grant income) The aggregate amount of budgets delegated to schools through Darlington Borough Council's Scheme for Financing Schools, funded through the ring-fenced Dedicated Schools Grant (DSG). The DSG and other funding changes are explained in more detail later in this report.</p>	53,296
<p>Children Services Partnership Provider Services This budget covers the staffing management and running of the provider services. This is Darlington Borough Council's contribution towards the cost of integrated early intervention and prevention services, which have been aligned with Darlington Primary Care Trust. Services include the Youth Service, Connexions, Children Centres, Pupil Support and Kids & Co.</p>	5,311
<p>Libraries and Community Learning This budget covers the staffing, management and running costs of the Libraries, Community Learning and Work Based Learning services within Darlington.</p>	2,053
<p>Partnerships This budget relates to the remaining partnerships budgets which are currently being reviewed regarding their role within the integrated development. These budgets include, the Youth Opportunity Fund, Nursery Education Grant, Contact Point, Common Assessment Framework, and Children's Information Service.</p>	2,717
<p>School Improvement & Development This budget covers the staffing, management and running costs of the teams whose prime function is to challenge and support schools in achieving high standards. Additionally it includes the schools commissioning fund, which is the utilisation of Standards Fund grants to commission specific services for schools individual development. The budget also includes the staffing, management and running costs of the Pupil Referral Unit, 14-19 Development and Behaviour Support.</p>	5,758

Service Description	Proposed Budget 2010/11 £000
<p>Children & Families: Children's Commissioning: Included within this budget is the management cost of the children & families service. Additionally this budget covers the staffing and running costs of Harewood Lodge, a short break centre for physically disabled children, and Harewood House, a joint base with Barnardos for family support. Also covered are the Children and Families teams including Leaving Care, Care Planning, Children with a Disability, and the Duty Team.</p>	4,206
<p>Children & Families: Children's Accommodation The budget covers staffing, management and running costs of the children's residential service and the costs of the Fostering, Adoption and Intensive Support Teams. Also included is the provision of in-house Foster Care and the cost of placing children in agency placements e.g. residential, fostering, secure accommodation and special residential schools.</p>	4,406
<p>Children & Families: Special Educational Needs Inclusion Services & Educational Psychology Service This budget covers the staffing, management and running costs of the Special Educational Needs (SEN) service and educational psychology services. In addition to the costs associated with running these services are costs of SEN placements, e.g. in other local authorities and special residential schools.</p>	2,721
<p>Children & Families: Youth Offending Service This budget covers the staffing, management and running costs of the Youth Offending Service.</p>	875
<p>Planning & Resources – Support Services This budget represents the support services within the department, including Directorate, Directorate Support, Finance and Administration, Performance and Policy, Workforce Development, and Capital Project management. .</p>	2,421
<p>Planning & Resources – PFI Included within this budget are the PFI costs relating to the three schools at the Educational Village and Harrowgate Hill Primary.</p>	3,872
<p>Planning & Resources – Transport This budget represents the cost of the children services transport, including home to school transport, transport for out of authority placements and post 16 transport.</p>	1,764
<p>Planning & Resources – Departmental Costs This budget also includes costs such as printing, telephones, postages, equipment and stationery that relate to the function of the department as a whole and which are not charged to individual services for internal budget management purposes.</p>	873
<p>Specific Grant Income (excluding specific grant income devolved to schools)</p>	(17,223)
<p>Total</p>	73,050

Service Planning

3. The Department has undertaken an extensive review of its service plan in line with the MTFP review. This has involved the determination of priorities through the service planning process and linkage to required improvement in performance. The setting of the MTFP has been set aligned to the identified service priorities detailed below.
4. Earlier in 2009 the 2008-11 Children & Young People's Plan was updated. This revision included the completion of a needs analysis, extensive consultation with all Children's Trust partners and young people. The updated CYPP has restated the strategic aims for the Children's Trust and subsequently the Children's Services Department. This review process has recently been praised by Ofsted.
5. The Children & Young People's plan aims to enable all children and young people to enjoy happy, healthy and safe childhoods to be prepared for adult life. It wishes to build on the ambitions set out in every child matters. The five priorities are aligned to both the Sustainable Community Strategy and to Every Child Matters. These are summarised below:
 - (a) Promote positive health and well-being.
 - (b) Ensure the safety of children and young people.
 - (c) Enable children and young people to have fun and maximise their full potential through learning.
 - (d) Enable children and young people to contribute to their communities.
 - (e) Ensure children and young people are prepared for adult life.
6. The revised actions under each theme are stated below:-
 - (a) Promote positive health and well-being.
 - (i) Promote healthy settings for children and young people.
 - (ii) Tackle obesity in children and young people.
 - (iii) Tackle health inequalities, targeting binge drinking particularly in young women, drug, alcohol misuse and smoking.
 - (iv) Improve oral health.
 - (v) Reduce Under 18 conceptions and promote positive sexual health.
 - (vi) Promote positive mental health and emotional well-being.
 - (vii) Improve uptake of ante-natal and post natal services.
 - (b) Ensure the safety of children and young people.
 - (i) Reduce the number of children and young people killed or seriously injured in road traffic accidents by enhancing our approach to accident prevention and road safety.
 - (ii) Improve the stability and safety of looked after children.
 - (iii) Help children, young people and adults to develop positive relationships and not to bully.
 - (iv) Reduce the exposure of children and young people to the prevalence of domestic abuse and repeat abuse.
 - (v) Reassure young people and improve perceptions of anti-social behaviour.

- (vi) Increase the number of local authority foster carers.
 - (vii) Robustly monitor timescales for initial and core assessments to ensure improvements in reaching required timescales.
- (c) Enable children and young people to have fun and maximise their full potential through learning
- (i) Ensure all children and young people including all vulnerable groups receive high quality teaching and learning, improving academic progress and narrowing the gap in performance between schools and phases.
 - (ii) Reduce absence including persistent absence.
 - (iii) Reduce exclusion rates.
 - (iv) Improve transition across all settings, phases and services especially for vulnerable groups.
 - (v) Improve the provision of high quality childcare.
 - (vi) Provide high quality learning environments
 - (vii) Improve opportunities for play and play provision.
 - (viii) Extend opportunities and access to cultural, sports and formal/informal youth activities.
 - (ix) Maximise leisure opportunities for children and young people with additional needs.
 - (x) Improve provision for disabled children, their families and carers across ECM outcomes.
 - (xi) Improve parenting skills to increase parental involvement in their child's development.
- (d) Enable children and young people to contribute to their communities
- (i) Improve and promote opportunities for volunteering.
 - (ii) Increase engagement of children, young people and their families and carers in design and delivery of services.
 - (iii) Support the manifesto commitments of the UK Youth Parliament Member for Darlington.
 - (iv) Work with young people 'at risk' of offending to prevent them entering the criminal justice system.
 - (v) Reduce the number of young people offending and re-offending.
 - (vi) Reduce levels and improve perceptions of anti-social behaviour.
- (e) Ensure children and young people are prepared for adult life
- (i) Impact of the current economic downturn is minimised for children, young people and families by reducing the proportion of children living in poverty.
 - (ii) Accelerate progress with all aspects of the implementation of the 14-19 strategy.
 - (iii) Enhance people's skills in relation to the job market, by tackling the disparities in employment prospects and economic opportunities across Darlington.
 - (iv) Support aspirations through adult learning and skills and opportunities for personal development.

7. In addition to the updated CYPP the department has also updated the Joint Area Review improvement plan. In March 2008, the Council was inspected under the Joint Area Review

(JAR) framework, which resulted in a JAR improvement plan. The JAR improvement plan is a document in its own right, however it also forms part of the annual review of the Children and Young People's plan. The areas for improvement and resulting actions of the JAR improvement plan have also been revised which are detailed below:-

- (a) Ensure that an appropriate way is found for the successful dissemination of the findings of the JAR report to children and young people in Darlington.
- (b) Working in partnership with the local health commissioners to tackle gaps in health service provision for children and young people with disabilities.
- (c) Improve the links with adult services to ensure that all young people with complex needs moving into adult life have good outcomes which meet their needs.
- (d) Ensure that there is sufficient good quality education and training for young people who offend.
- (e) Clarify strategies and implement the actions required to engage more young people with learning difficulties and/or disabilities in education, employment or training post-16.
- (f) Reduce the number of young people who are not involved in education, employment or training at age 18.
- (g) Provide greater opportunities for young people who are looked after and those with learning difficulties and/or disabilities to influence the shape of services they use.
- (h) Implement the Children with Disability Strategy and monitor its impact.
- (i) Implement the 14-19 Strategy fully and monitor its impact.

8. Additionally Darlington's Safeguarding Children Board, (DSCB) is the key statutory mechanism for agreeing how relevant organisations will co-operate to safeguard and promote the welfare of children in Darlington, and for ensuring that this is done effectively. The work plan for the DSCB is as detailed below:-

- (a) Review DSCB Governance Arrangements.
- (b) Monitor the effectiveness of partner agencies and DSCB.
- (c) Agree a clear budget plan for the DSCB.
- (d) Monitor and evaluate the work of the sub-groups.
- (e) Monitor and evaluate the work of the Local Authority Designated Officer.
- (f) Identify, discuss and respond to new issues that result from Government initiatives and national, regional or local events.
- (g) Undertake serious case reviews.
- (h) Monitor the implementations of recommendations of reviews or serious case reviews.

9. As part of the budget setting process and mindful of the above strategic objectives senior managers have met and ensured that resources have been directed towards key improvement priorities and significant savings achieved in non priority areas.

Spend Comparisons

10. The following table illustrates the comparison of spend per head of population for services provided by the Department. The figures included within the table are indicators, prompting questions that may lead to management action rather than definitive answers, commentaries are

provided with particular reference those showing significant variance from the unitary average. Figures included are extracted from the CIPFA 2009/10 Revenue Actual forms, based on budget allocations at the commencement of that year.

Service Area	English Unitary Average per head (£)	DBC Cost per head (£)	Variance between DBC & Unitary average (£)	Variance in spend by DBC to unitary average (£)	Rank out of 55 Authorities
Nursery Schools	14.17	26.46	12.29	1,229,000	31
Primary Schools	318.59	331.75	13.16	1,316,000	34
Secondary Schools	327.90	306.78	(21.12)	(2,112,000)	20
Special Schools	50.51	49.44	(1.07)	(107,000)	27
Non-School Funding	105.93	104.97	(0.96)	(96,000)	26
Children's Social Care Strategy	2.46	1.22	(1.24)	(124,000)	31
Children's and Families – Other Services	108.22	90.92	(17.30)	(1,730,000)	18
Library Service	16.61	14.71	(1.90)	(190,000)	15

11. Providing value for money is a core value for the Department, as can be seen by the majority of financial performance provided above, which are lower than the English Unitary average.
12. The cost position in relation to Nursery schools appears high. This will be partially addressed by the implementation of the Early Years Funding Reform which will be implemented with effect from 1st April 2010. This position is slightly skewed due to the low number of Nursery Schools as Darlington only has two. The position in relation to Primary and Secondary Schools funding confirms that Darlington Funding Formula for schools is more generous towards Primary Schools than the unitary average and less generous for Secondary Schools. Although there are variances between each phase, it needs to be considered that each phase is funded by the ring-fenced Dedicated Schools Grant.
13. With regard to Non-School Funding and Children's Social Care Strategy the costs in Darlington is relatively lower than the unitary average. It has to be recognised that Darlington is one of the smallest Unitary Authorities and therefore does not benefit from the economies of scale and still undertakes all the of same statutory services as much larger Unitary Authorities.
14. The Children's and Families – Other Services, predominately relate to Social Care area of Children's Services. As can be seen above Darlington is currently costing significantly less than the unitary average. This budget in line with other Local Authorities is expecting to overspend within 2009/10 as a direct consequence of the Laming Review. This position has been felt in all Unitary Authorities, and therefore this relative position in likely to continue in the future.

Pressures

15. As detailed above the Department is predominately providing services lower than the English Unitary average, however there are some budgets pressures which have been included in the budget figures in paragraph 2 as unavoidable growth. The pressure areas are described below, with the following table summarising all the pressures.
16. Home to School Transport there is currently significant pressure falling on the Schools Budget due to increased number of children being eligible for Home to School Transport.
17. The additional pressure relating to External Placements relates to the cost of both Special Educational Needs and Social Care external placements. As a direct consequence of the Laming review the number of referrals being experienced by Local Authorities, has increased significantly, which has a direct effect on the requirement for external placements. This pressure is something which has been felt by most Unitary Authorities following the Laming review. This is the highest risk budget of the department, as one additional child could destabilise Departmental budgets
18. Direct Payments can be made to any carer who has been assessed as needing help. Direct payments are used to buy services from organisations, or to employ somebody to provide assistance, for services which have been assessed as needing to support carers in caring role. The current number of parents accessing direct payments has increased significantly which shows parents increased involvement in the provision of care for their child, however this has caused significant pressure on this budget.
19. Leaving Care, is the cost of the service dealing with children who are leaving the care system. This pressure relates to the increased cost of supported lodging, setting up home costs, education costs, personal allowances and rent.
20. In relation to the Pupil Referral Unit, significant overspends have occurred in 2009/10, and without management action significant additional pressures would have been faced by the Authority. However due to work with Schools and Schools Forum, off setting savings have been achieved which are detailed further in the report.
21. In relation to additional Social Workers, as a direct consequence of the baby Peter case and the subsequent Laming Review, there has been a significant increase in referrals from families and friends following the media attention to abuse. This has had the effect of the increased workloads on an already 'slim structure' which does not have the capacity to respond in a timely manner to the standard required. The increase is not a 'blip' but has been maintained for 12 months and shows no sign of a decrease. It is proposed that an additional Social Working team is therefore recruited. This specific issue is being reported to Cabinet on 5 January 2010.

Action	2010/11 £000	2011/12 £000	2012/13 £000	2013/14 £000
Home To School Transport – Additional demand for more expensive transport needs.	80	80	80	80
External Placements – Additional demand for external placements	400	400	400	400
Direct Payments – Increase in number of families accessing Direct Payments.	130	130	130	130
Leaving Care – Increase costs attributed to service	50	50	50	50
Pupil Referral Unit - Increased cost relating to provision.	240	240	240	240
Additional Social Workers – Cost of additional Children’s Social Working Team	188	195	203	206
Total	1088	1095	1103	1106

Efficiency Savings, Service Changes and Additional Income Proposals

22. Proposed efficiency savings are detailed in **Appendix 8**. Changes to services and proposed increased income are detailed in **Appendix 9**.
23. The net budgets included within paragraph 2 balance to the allocated resource for 2010/11. This resource allocation has been revised to take account of budget reductions undertaken to contribute towards Council wide reductions in spending. Given the current economic climate, a detailed review of all Children Services budgets has been undertaken, with a view to produce savings in non-priority areas, whilst still ensuring that areas of priority are sufficiently resourced.
24. The following table summarises the proposed reductions, including efficiencies, reduction in service and proposed increased income. The savings summarised below are in addition to those built into the 09/10 MTFP, a number of savings agreed in that plan are still to be delivered from 2010 onwards. A list of those savings still to be delivered is shown in **Appendix 10**.

	Financial effect 2010/11 £'000s	Financial effect 2011/12 £'000s	Financial effect 2012/13 £'000s	Financial effect 2013/14 £'000s
Actions to Contribute to Corporate Resources				
Efficiency savings	992	1,174	1,252	1,381
Service Changes	0	0	0	0
Additional Income	0	0	0	0
Total savings to contribute to corporate resources	992	1,174	1,252	1,381
Action to balance departmental budget				
Non Committed Inflation	20	20	20	20
Mainstreaming of future grant income	100	100	100	100
Provision for staff turnover	400	400	400	400
Total Departmental Savings	520	520	520	520
Total Savings	1,512	1,694	1,772	1,901

Risk Management

25. Through the service planning process, risks are identified and assessed in terms of probability and potential consequence. Arrangements are made to manage risks within acceptable levels of tolerance with the aims of minimising losses and maximising opportunities. None of the proposed savings present risk to service users.
26. In addition given the current position of public sector funding as a whole, and in readiness of possible future spending cuts, all external grant funding has been risk assessed in terms of the likelihood for reduction and the resulting consequences. Additionally all the staff funded via specific grants have been identified. This should ensure that the department will have sufficient time to accommodate any future spending cuts which may ensue.
27. Currently the following areas present an acceptable risk to the Departments budget over the life of this plan.
 - (a) Assumptions that staff turnover and resulting delays in appointing to vacant posts will achieve savings of £400k per annum.
 - (b) Assumptions that additional grants of £100k will be received and off set against mainstream funding, was approved as part of the MTFP review in 2009/10. This saving could become hard to achieve beyond 2010/11, when significant cuts in public spending as a whole is expected.

- (c) In relation to External Placements, Direct Payments and Leaving Care, work has been undertaken to identify the additional requirements which have been built into the budget for 2010/11. With regard to all of these budgets spend is very volatile and less easy to control, as the budgets are largely reactive.
- (d) The retention of Social Workers is also a risk, as following the Laming Review, their work load has increased significantly. If Social Workers leave, agency Social Workers cost the Authority significantly more than our own employed staff. Work is currently underway to increase the establishment of the Social Working team.
- (e) With regard to the number of Foster Carers, if they reduce, we could be faced with additional expensive external placements. Darlington currently pays one of the lowest levels of payments to Foster Carers, in the North East. Although this is a risk work, is continuing regarding this position.

School Funding

- 28. Schools are funded through the Dedicated Schools Grant (DSG) which is a ring-fenced grant and can only be used in support of the Schools Budget. The Schools Budget contains elements of retained central departmental expenditure on pupils, as well as the amount that is delegated to schools, otherwise known as the Individual Schools' Budget (ISB). Local authorities are responsible for determining the split of the DSG between the centrally retained expenditure and the ISB, and then allocating the ISB to individual schools in accordance with the Authority's Scheme for Financing Schools. If centrally retained expenditure increases faster than the ISB, this must be approved by the Schools Forum.
- 29. The DCSF announced the school funding settlement for 2008-09 to 2010-11 on 12th November 2007.
- 30. Some of the key points to absorb are:
 - (a) A basic per pupil increase of 4.1% for 10/11.
 - (b) Following agreed variations to the Central Expenditure Limit by the Schools Forum this equates to 3.1% per pupil increase passported to Schools.
 - (c) Indicative allocations for DSG for 08/09, 09/10 and 10/11 for all authorities were announced and schools received three year budgets in March 2008, and these were updated again in March 2009. A further update for the 2010/11 budget will be provided to schools in March 2010
 - (d) School budgets for 2010/11 will be based on the January 2010 pupil count
 - (e) This represents headroom of 1% in 2010/11 over the Minimum Funding Guarantee (MFG) of 2.1%
 - (f) The MFG reflects a 1% assumption on schools' efficiencies and is therefore lower than cost pressures.
- 31. The DSG is calculated by multiplying the number of full-time equivalent pupils aged 3-15 by an amount per pupil. Darlington will receive DSG for 2010/11 at £4,255 per pupil (except for pupils registered at St Aidans CE Academy). This equates to an overall 4.14% increase in the amount per pupil. The table below shows increases in DSG for 2010/11 compared to 2009/10.

	2009/10	2010/11
DSG amount per pupil	£4,085	£4,255
DSG annual increase per pupil	3.6%	4.1%
<i>Of which:-</i>		
Basic increase	2.9%	2.9%
Top-up for personalisation	0.7%	1.2%
Top-up for personalisation	£390,000	£717,000
Indicative total DSG	£58.539	£60.960

32. The total DSG used to calculate budgets shown elsewhere in this report is based upon the indicative Department for Children, Schools & Families (DCSF) allocation. The final DSG will be based upon the January 2010 pupil count that will not be finalised by the DCSF until June 2010 at the earliest. Therefore all local authorities have to set school budgets prior to knowing the final DSG allocation.
33. The latest information suggests that actual pupil numbers in the January 2010 count will be slightly higher although the number of three years olds accessing Nursery Education is highly volatile. Therefore, to be prudent, the Department assumes DSG at this level rather than over-estimate the level of resources available to schools.
34. The Department, in consultation with the schools and Schools Forum, will decide on the distribution of the whole of the DSG locally, including the split between centrally retained expenditure and the ISB, subject to meeting the minimum funding guarantee, and taking into account local circumstances as well as the government's priorities.
35. This is the first year of implementing the Early Years Funding Reform, which will see both Maintained and Private, Voluntary and Independent and Nurseries all funded via the same formula. This is a major change to Maintained settings as they will now be funded based on the number of children they have attending at each terms headcount, which adds some additional volatility into Maintained Nursery budgets.

Departmental Budget

36. Detailed estimates have been prepared for the next four years, based on current service levels and in accordance with corporate guidelines. Detailed estimates include: -
- Provision for annual pay awards of 0.5% in 2010/11 and no inflation for general price inflation,
 - Unavoidable pressures;
 - Reductions in net expenditure resulting from management actions to improve efficiency, cost reductions and increased income;
 - Service planning implications, specifically additional resources that have been approved;
 - Additional income generated by proposed increases in charges (these require Member approval)

37. The Department expects to manage any additional pressures within existing resources as additional resources have been allocated to areas of greatest need as detailed above. There maybe further pressures relating to external placements, this position will be monitored closely and reported on a regular basis.

38. The proposed resource allocation and Departmental MTFP is shown in the following table.

	2010/11 £000	2011/12 £000	2012/13 £000	2013/14 £000
Resources				
Resource Allocation for year	72,954	74,239	75,685	77,134
Unavoidable growth (Pressures)	1,088	1,095	1,103	1,106
Corporate budget savings	(992)	(1,174)	(1,252)	(1,381)
Total resources available	73,050	74,160	75,536	76,859
Budgets				
Detailed Estimates	74,562	75,854	77,308	78,760
Less Corporate Savings	(992)	(1,174)	(1,252)	(1,381)
Less Departmental Savings	(520)	(520)	(520)	(520)
Total planned use of resources	73,050	74,160	75,536	76,859

Management Action to Achieve Balanced Budget

39. The table within paragraph 24 above shows proposed efficiency savings tabled to balance the 10/11 Council budget to resource.

40. Additionally a number of efficiencies have been achieved to balance departmental budget to resource as follows.

- (a) Removal of non committed inflation from budget estimates to the value of £20,000.
- (b) Budget allowance for staff turnover, approx £400,000.
- (c) Mainstreaming of external grants £100,000

Proposed Charges

41. The schedule of charges for services provided by the Department has been reviewed, taking account of strategic objectives, efficiency, the cost of services and income generation. The proposed charges for 2010/11 are listed in **Annex 1**. In relation to the Library it is proposed that Library charges are not increased due to the current economic climate. The proposed

increase relating to the Work Place Nursery is c1%. This increase is line with the local private nursery market.

Recommendations

42. Members are requested to approve:

- (a) The detailed estimates for Children's Services department for 2010/11.
- (b) The proposed schedule of charges for Children's Services department for 2010/11 at **Annex 1**.

Murray Rose
Director of Children's Services

Description	Existing Charge	New Charge	Financial Effect
	£	£	£
LIBRARIES			
<u>Fines On Overdue Books & Spoken Word</u>			
Adults – per day	0.15	0.15	
Maximum charge per book	5.00	5.00	
Senior Citizens – per day	0.08	0.08	
Maximum charge per book	3.00	3.00	
Children – per day	No charge	No charge	
<u>Fines On Overdue CDs, DVDs, DAB</u>			
Adults – per day	0.15	0.15	
Senior Citizens – per day	0.08	0.08	
Children – per day	No charge	No charge	
<u>Reservation Fees for books and Audio Materials</u>			
Adults	0.80	0.80	
Senior Citizens	0.40	0.40	
Children/Unemployed	No charge	No charge	
<u>Reservation Fees for Books Obtained from Outside the Authority</u>			
Adults (<i>single charge for all books obtained from other libraries</i>)	4.00	4.00	
Senior Citizens	4.00	4.00	
Children/Unemployed	4.00	4.00	
<u>Repeat Fee for Renewal of Books from Outside the Authority</u>			
Adults (<i>for all books obtained from other libraries</i>)	2.00	2.00	
Senior Citizens	2.00	2.00	
Children/Unemployed	2.00	2.00	
<u>Replacement Tickets</u>			
Adults	1.00	1.00	
Senior Citizens	1.00	1.00	
Children/Unemployed	0.50	0.50	
<u>Loan Charges for Audio Materials (1 week)</u>			
CDs	0.85	0.85	
DVDs	1.50	1.50	

Description	Existing Charge	New Charge	Financial Effect
	£	£	£
<u>Spoken Word and Language Courses</u>			
Cassettes & CDs (3 Week Loan)			
Adults (<i>who are not exempt</i>) each	1.30	1.30	
Children each	No charge	No charge	
Language Courses per element (<i>subscription for whole course to be paid in advance</i>)	1.30	1.30	
<u>Spoken Word and Language Courses</u>			
<u>Local History Research</u>			
Standard charge	2.50	2.50	
Specialist Research – per hour (<i>new service</i>)	22.00	22.00	
<u>Photocopies</u>			
A4 B&W	0.15	0.15	
A3 B&W	0.50	0.50	
A4 colour	0.30	0.30	
A3 colour	1.00	1.00	
<u>Printing</u>			
<u>Text Printouts</u>			
A4 B&W	0.15	0.15	
A3 B&W	0.50	0.50	
A4 colour	0.30	0.30	
A3 colour	1.00	1.00	
<u>Image Printouts</u>			
A4 B&W	0.75	0.75	
A3 B&W	1.50	1.50	
A4 colour	1.50	1.50	
<u>Reproduction of Images from Stock</u>			
Photographic copies for Private/Study purposes	Cost + VAT + 12%	Cost + VAT + 12%	
Photographic copies for commercial use	Cost + VAT + 12% (+ £20 per photo + copy of publication)	Cost + VAT + 12% (+ £20 per photo + copy of publication)	
Digital copies for Private/Study purposes - per photo	5.00	5.00	
Digital copies for local commercial use – per photo	10.00 + copy of book	10.00 + copy of book	
Digital copies for national/international commercial	100.00 (new charge)	100.00 (new charge)	
Copies of oral recordings	5.00	5.00	

Description	Existing Charge		Financial Effect
	£	£	£
<u>Hire of Locker</u>	0.50	0.50	
Internet Use			
First half hour free within one day – per hour 50% discount for Leisuresaver	2.00	2.00	
Computer Consumables			
Floppy disk	N/a	N/a	
CD	Current price	Current price	
CD RW	Current price	Current price	
Memory sticks	Current price	Current price	
Lost & Damaged Items			
	Full current Replacement Cost (non-refundable)	Full current Replacement Cost (non-refundable)	
Fax			
Outgoing Transmission			
United Kingdom – per sheet	1.40	1.40	
Europe – per sheet	2.20	2.20	
USA/Canada – per sheet	2.70	2.70	
Rest of the World – per sheet	3.70	3.70	
Incoming Transmission – per sheet	0.40	0.40	
Fax by Satellite			
Atlantic Ocean/Indian Ocean/Pacific Ocean – per sheet	12.00	12.00	
General (Any postage costs to be recovered in full)			
Total financial effect for Libraries			Nil

Description		Existing Charge	New Charge	Financial Effect
		£	£	£
WORKPLACE NURSERY				
Full-time place – All Users, charges per week				
	Children aged under 2	175.75	177.75	
	Children aged 2-4	160.75	162.75	
Full-time place – extended users, charge per day				
	Provision of mid-day meal (i.e. morning sessions) – this is for information. Meal charges are included within the full time nursery fees above)	1.45	1.45	
	Provision of mid-day meal for staff	1.45	1.50	
	Provision of mid-day dessert for staff	0.35	0.40	
Flexi Childcare (per hour)				
		16.55	16.75	
Total financial effect for Workplace Nursery				Nil
LIFELONG LEARNING				
Adult and Community Learning				
	Adult per hour	2.00	2.00	
	OAP per hour	1.00	1.00	
Reduced rates for the following applies				
	Under 18	2.00	2.00	
	Income Support	2.00	2.00	
	Student over 19	2.00	2.00	
	Council Tax Benefit	2.00	2.00	
	YTS	2.00	2.00	
	Over 60	2.00	2.00	
	Invalidity/Incapacity	2.00	2.00	
	Housing benefit	2.00	2.00	
	WF tax credit	2.00	2.00	
	Disability Tax Credit	2.00	2.00	
	Job Seekers Allowance	2.00	2.00	
	Hire of Community Room – per hour	10.00	10.00	
Total financial effect for Lifelong Learning				Nil

**COMMUNITY SERVICES DEPARTMENT
MEDIUM TERM FINANCIAL PLAN REVIEW**

Purpose of Report

1. To review the Medium Term Financial Plan (MTFP) for the Community Services Department.

Background

2. The department's MTFP enables medium term planning as budgets and indicative resource allocations are pre-signalled three to five years in advance. This report will concentrate on 2010/11 but will also have regard to the following three years.

Service Outline

3. The following service information provides a review of the Department's budget heads with the estimates for 2010/11 for Members information.

SERVICE OR ACTIVITY	DESCRIPTION	PROPOSED BUDGET 2010/11 £000
Art Centre and Civic Theatre	The Arts Centre is a comprehensive facility with a 230-seat theatre/film studio, ballroom, dance studio, bar and cafe. The Civic Theatre has a capacity of 900 and a turnover of around £2.1 million. The budget also includes a significant amount of work in the Community. This budget also includes the Borough Arts Collection	1,274
Building and Design Services	Design and management of building projects for the Council	(71)
Darlington Bowls Club	Premises rental for the Bowls club	24
CCTV	Annual running costs associated with the Council's CCTV service.	365
Cemeteries and Crematoriums	Service to provide for burials at 3 cemeteries and operation of the Crematorium and associated service.	(555)

SERVICE OR ACTIVITY	DESCRIPTION	PROPOSED BUDGET 2010/11 £000
Countryside and Allotments	Costs of administering and maintaining countryside and countryside access and the maintenance of the Council's 14 allotment sites	353
Dolphin Centre	The Dolphin Centre provides a full range of wet and dry sports facilities for the town as well as accommodation for meetings and events.	1,980
Eastbourne Complex	Sports complex providing all-weather track, pitch and gym facilities.	125
Grants / Voluntary Sector Payments.	Grant funding for Voluntary and Community Sector including the Media Workshop and the Community Carnival	34
Highways, Engineering, street lighting and winter maintenance	Management of the highways asset including maintenance of approximately 500km of roads within the borough, highways design and traffic management, maintenance of over 100 bridges and structures, 11,500 street lights and other traffic signals and winter gritting.	4,604
Markets	The Covered and Open Market and the Cattle Market	(146)
Outdoor Events	Net cost of providing outdoor and community events.	207
Performance Development and Service Planning	Management and coordination departmental performance, strategy development and service planning.	125
Public Conveniences	Maintenance and cleaning of public conveniences.	107
Property and Premises Support	Property and Premises support for client departments including guidance for building repairs and maintenance, electrical checks, quality standards etc.	114
Railway Museum	The operation of the Head of Steam Railway Centre and Museum	287

SERVICE OR ACTIVITY	DESCRIPTION	PROPOSED BUDGET 2010/11 £000
Street Scene	Collection of household, clinical and bulky household waste, the cleaning of roads, pavements and precincts, along with gully cleaning, maintenance and cleaning of litter bins and weed killing. Maintenance of all the Council's parks and open spaces, including grounds maintenance, playground equipment, and the upkeep of cemeteries and crematoriums. Environmental Crime enforcement.	5,572
Sports Development	Development of sports provision through out the borough, mainly funded by grants.	138
Control of Stray Dogs	Catching of stray dogs, education, dog fouling enforcement and placing micro-chips.	68
Stressholme	The Council's Golf Course and Driving Range.	43
Tourist Information	The provision of a Tourist Information Service. The standards and logo are a national brand. The service provides information and a booking service for local people and visitors of around 100,000 per annum.	89
Transport	For the management and provision of all transport across the authority.	(424)
Waste Management	The disposal of all household and recycling waste, including the management of the Waste Disposal Contract.	3,268
Works Property & Other Expenses	Early retirement pension payments for past employees.	117
Christmas Lights	Provision and erection of Christmas decorations in the town centre.	31
Anti Social Behaviour Team	The ASB team are actively engaged with other Partnership Agencies in providing support for the local community, including issuing fines and formal warnings for anti-social behaviour.	328

SERVICE OR ACTIVITY	DESCRIPTION	PROPOSED BUDGET 2010/11 £000
Rent Allowance	Housing Benefit rent allowance paid to tenants who are eligible. The surplus is created by proactive action claiming overpayments due to client error or Fraud.	(150)
Improvement Grants Administration	To pay the Home Improvement Agency for the Administration of Renovation Grants and Disabled Facilities Grants to the private sector. DFG's are statutory and renovation grants discretionary but play a key role in meeting BVPI targets in relation to Unfitness and empty homes.	21
Housing Renewal Team	To undertake the Council's regulatory role in relation to the condition of private sector housing.	171
Land Rental/Leasing Income	Income received from the leasing of housing land.	(19)
Housing Benefits Administration/Verification Framework	Administration of Rent Rebates, Rent Allowances and Council Tax Benefit.	358
Community Housing Service	This includes grounds maintenance work to open spaces on Council housing estates and a proportion of the expenditure incurred on general queries not related to Council housing i.e. street lighting, repairs, anti social behaviour.	225
Housing Options	The net cost of placements in bed and breakfast accommodation whilst assessing applications under homeless persons legislation.	129
Welfare Services	The net cost of the care/welfare element of the Housing Warden Service that falls outside the scope of the HRA definition.	164
Northumbria Water Commission	Commission received for collecting water rates on behalf of NWA.	(132)
Service Strategy and Regulation	Providing advice and guidance on strategy and regulation to the private sector.	62
Voluntary Sector Payments	Grant funding to the Citizens Advice Bureau and First Stop.	134

SERVICE OR ACTIVITY	DESCRIPTION	PROPOSED BUDGET 2010/11 £000
Supporting People	Net cost of administration of the Supporting People Programme grant.	55
DLO Profits	Total profits generated by the contracting divisions of Community Services.	(463)
Purchase of External Care	Independent Sector provision of residential, domiciliary and day care services. Also included is the cost of direct payments covering payments made to individuals to purchase their own packages of home and personal care.	17,892
Older People	Commissioning, contracting and reviewing of services for older people with mental health difficulties along with the net cost of providing frozen meals.	820
Learning Disability	Learning Disability Commissioning Team and the costs associated with the staffing, management and maintenance of learning disability day centres, community houses and supported tenancies.	2,453
Mental Health	Covers the commissioning of mental health services.	868
Disability & Intermediate Care Services	Intermediate Care, Occupational Therapy, Physical & Sensory Impairment and the provision of the in-house Home Care Service.	3,465
Service Development and integration	Management and support services to the Adult Social Services provision, including management information, finance, ICT, workforce development and transport.	2,492

Service Planning

4. The Department has undertaken an extensive review of its Service Plan in line with the review of the MTFP. This has involved the determination of priorities through the service planning process and linkages to required improvement in performance.
5. Adopting an outcomes based accountability approach, the Departmental Plan and subsequent service plans have been developed with a focus on achieving the long term vision for the Sustainable Community Strategy 'One Darlington: Perfectly Placed'.

6. The Departmental Plan and service plans are structured around 13 priority outcomes which are the building blocks to achieving the five SCS outcomes and where appropriate this has included alignment to the Adults Social Care Outcomes Framework. The 13 departmental outcomes are:

- (a) People exercise choice and control over the services they receive
- (b) People have access to services which improve health and wellbeing
- (c) People are free from discrimination and harassment and are able to maintain personal dignity and respect
- (d) People are supported to live independently
- (e) People are supported to achieve economic wellbeing
- (f) The built environment supports the prosperity of the Borough
- (g) Residents enjoy a clean environment
- (h) Residents enjoy access to parks and open spaces
- (i) Enhanced and protected biodiversity
- (j) Contribute to making Darlington more sustainable
- (k) Reduce carbon emissions
- (l) People feel safe
- (m) People in the Borough are safe

7. Each of the 13 outcomes are delivered through a series of service delivery priorities:

(a) People exercise choice and control over the services they receive

- (i) People who use Adult Social Care Services, exercise choice and control over the services they receive – they can design what, how and when they are delivered to match their needs

(b) People have access to services which improve health and wellbeing

- (i) People are supported to have good physical and mental health
- (ii) People who have long-term needs and their carers are supported to live as independently as they choose, and have well timed, well-coordinated treatment and support
- (iii) High quality leisure facilities accessible to all residents
- (iv) High quality cultural facilities accessible to all residents

(c) People are free from discrimination and harassment and are able to maintain personal dignity and respect

- (i) People who use services and their carers have fair access to services. Their entitlements to health and care services are upheld
- (ii) People are free from discrimination or harassment in their living environments and neighbourhoods
- (iii) People who use services and their carers are safeguarded from all forms of abuse
- (iv) Personal care maintains service users human rights, preserving dignity and respect, helping them to be comfortable in their environment and supports family and social life

(d) People are supported to live independently

- (i) Support people to live independently through Supporting People services
- (ii) Support people to live independently through Adult Social Care Services

(e) People are supported to achieve economic wellbeing

- (i) People who use Adult Social Care Services are supported in finding or maintaining employment
- (ii) People who use Adult Social Care Services and carers have income to meet living and support needs
- (iii) Ensure all residents are treated equally and fairly in the administration of Housing and Council Tax Benefit

(f) The built environment supports the prosperity of the Borough

- (i) Provide a balanced and sustainable housing market providing multi tenure housing
- (ii) Options are accessible and affordable to all local people
- (iii) Continue to work collaboratively with residents, private landlords and key stakeholder partners to maximise inward investment for Darlington, supporting housing and economic growth

(g) Residents enjoy a clean environment

- (i) Engage with service users to shape Environmental Services delivery
- (ii) Continue to increase community capacity through Street Scene
- (iii) Ensure that residents are aware of service delivery improvements
- (iv) Carry out enforcement role

(h) Residents enjoy access to parks and open spaces

- (i) To provide and maintain high quality parks and open spaces
- (ii) To provide a range of inclusive leisure activities in parks

(i) Enhanced and protected biodiversity

- (i) Continue to look for opportunities for biodiversity gain from a range of developments in rural areas
- (ii) Ensure that all strategies and plans incorporate measures to protect and enhance biodiversity and local spaces

(j) Contribute to making Darlington more sustainable

- (i) To provide high quality Waste Management Services
- (ii) To increase residents participation in recycling

(k) Reduce Carbon Emissions

- (i) Assist in delivery of the Local Transport Plan
- (ii) Continue to improve highway networks to assist in reducing congestion
- (iii) Review fuel usage and type of fuel used in Council vehicles
- (iv) Reduce carbon footprint on all Housing

(l) People Feel Safe

- (i) Continue to develop and strengthen the approach to tackling anti social behaviour

(m) People in the Borough are Safe

- (i) Highways deliver services to reduce road casualties

8. In addition to the Annual Performance Assessment of Adult Social Care, two key functions of the service were subject to a Care Quality Commission Inspection in 2009. The inspection resulted in a number of recommendations to improve the service. A detailed action plan has been produced and will be presented to Cabinet in December.
9. As part of the budget setting process and mindful of the above strategic objectives senior managers have met and ensured that resources have been directed towards key improvement priorities and significant savings achieved in non priority areas

Spend Comparisons and Value for Money (VFM)

10. Providing value for money is a departmental core value, with both spending and performance being reviewed regularly, to ensure VFM is constantly challenged.
11. The following table illustrates a comparison of spend per head of population for services provided by the Department against other English Unitary Authorities. The figures included within the table are indicators, prompting questions and management action where appropriate. Commentaries are provided with particular reference to those showing significant variance from the unitary average.
12. Figures included are extracted from the CIPFA 2009/10 Revenue Actual forms, based on budget allocations at the commencement of that year as oppose to actual spend so will not reflect any new initiatives or changes that have been introduced during the year and where significant these will be picked up in the commentary below.

Service Area	English Unitary Average per head	DBC Cost per head	Variance between DBC & Unitary average per head	Variance between DBC & Unitary average total	Rank out of 55 Authorities
	(£)	(£)	(£)	(£)	
Housing strategy, advice, advances and renewal	6.64	3.57	(3.07)	(307,000)	12
Homelessness	4.62	2.04	(2.58)	(258,000)	11
Housing Benefits, rent allowance, rent rebates	0.34	0.25	(0.09)	(9,000)	9
Housing Benefits administration	9.88	8.00	(1.88)	(188,000)	25
Other Housing welfare services	1.65	0.66	(0.99)	(99,000)	12
Older people 65and over inc mentally ill	141.04	160.54	19.50	1,950,000	45
Adults <65 with a physical disability or sensory impairment	27.13	37.59	10.46	1,046,000	50
Adults <65 with a Learning disability	70.9	76.78	5.88	588,000	39
Adults <65 with mental health needs	20.34	18.31	(2.03)	(203,000)	22
Other Adult Social Care	6.74	0.00	(6.74)	(674,000)	1
Lone Adult Asylum Seekers	0.27	0.05	(0.22)	(22,000)	1
Supported Employment	1.78	0.00	(1.78)	(178,000)	1
Street Scene	58.31	57.89	(0.42)	(42,000)	27
Waste disposal	37.76	29.04	(8.72)	(872,000)	13
Community Safety	9.13	8.91	(0.22)	(22,000)	33
Public conveniences	1.97	1.07	(0.90)	(90,000)	19
Cemeteries and crematoriums	-0.54	-4.38	(3.84)	(384,000)	2
Culture and Heritage	11.08	21.08	10.00	1,000,000	50
Recreation and Sport	17.31	24.87	7.56	756,000	48
Tourism	2.8	0.99	(1.81)	(181,000)	11
Structural Maintenance	9.29	9.51	0.22	22,000	33
Environmental safety and routine maintenance	13.95	17.44	3.49	349,000	42
Street lighting	9.42	13.95	4.53	453,000	48
Traffic Management and Road Safety	6.64	9.43	2.79	279,000	48
Winter Maintenance	2.8	4.13	1.33	133,000	45

13. The Council compares very well with Housing Services being lower than the English Unitary average cost in all General Fund areas and being top quartile in 4 of the 5 areas shown above.
14. The Council spends above average in a number of areas of Adult Social Care Service, in particular on adults over 65. This reflects current policy to provide care and support across all four of the Fair Access to Care bands (FACS), comprising low, moderate, substantial and critical services. Many Councils now only provide services in the higher bands of care. There is also a higher spend on people with a learning disability and those with physical disabilities. Again the provision of care across all 4 FACS bands is a contributing factor. In addition Darlington has a high number of people with learning disabilities in supported living which is more costly than residential placements. This is borne out in the National Performance Indicators which show that Darlington is the top performer of all English Unitary Authorities with regard to adults with learning disabilities in settled accommodation along with being a top performer with adults with learning disabilities in employment.
15. A review of all services is being undertaken to ensure efficiency and reduce costs, this is being directed at back office services to ensure front line provision and performance remains high.
16. The expenditure on Environmental Services are all lower than average reflecting extensive efficiency work that has been undertaken over the last couple of years, in particular with regard to Street Scene Services. The Community Survey also shows an increase in satisfaction with a number of Environmental Services between 2008 and 2009, including Parks and Open Spaces, Local Nature Reserves, the Household Waste Recycling Centre, Refuse Collection and Doorstep Recycling.
17. Culture and Recreation Services are high spend areas in Darlington. This reflects the historic level of provision across a diverse range of high quality facilities. The level of provision is significant for a town the size of Darlington. For instance the Civic Theatre, Head of Steam – Railway Museum and Arts Centre are of sub regional importance and contribute to both economic development and tourism. Efficiencies are continuously being implemented along with changes to services, as previously agreed as part of the current MTFP, reducing overall spending from the previous year.
18. In respect of performance culture and recreation score above average against other English Unitary Authorities when looking at the National Performance indicators, including adult participation in sport, visits to museums and galleries and engagement with the arts.
19. Highways Services overall are above average with regards to cost and a full review of services is taking place to investigate this position during the new financial year. A number of efficiencies totalling over £200,000 have already been identified and are detailed in **Appendix 8**. Public satisfaction with road maintenance has increased from 33.7% to 38.6% since 2005 and satisfaction with pavement maintenance has increased from 34.4% to 45.2% since 2005. Calendar year 2008 also saw the lowest levels of personal injury accidents on Darlington's roads.

Budget Pressures

20. Despite the department undertaking a vigorous analysis of the detailed estimates to ensure there is no inefficiency and implementing a number of in year efficiencies, there remains a number of budget pressures which have been included in the budget figures in paragraph 2 as unavoidable growth. The change in economic climate has increased the pressure on budgets beyond expectation and the pressures that cannot be contained fall into 4 categories:
- (a) Higher Annual Inflation increases on service costs of £0.153m. This pressure is due to residential home inflation being above normal budget provision reflecting the minimum wage costs which are above inflation to meet care providers, 'true cost of care'.
 - (b) Reduced income and cessation of external grants of £0.183m. This pressure is a combination of reduction in grant for Housing Benefits and Supporting People and a general down turn in income. The economic downturn has affected the sponsorship account as businesses previously relied on are under pressure and are reducing funding in this area. There is also pressure on the CCTV income as a large contract is being withdrawn.
 - (c) Increases in demand for services, £0.443m. This pressure relates to Adult Social Care and an increase in demand and costs for young adults with learning difficulties accessing services. Although the figure is high, it only represents a small number of people as individual packages are relatively expensive. For example, individual packages of care can exceed £0.120m per annum.
 - (d) Other, £0.196m. The other pressures are of a varied nature and include growth in leasing costs for transport and provisions for bad debt. Although the recovery of debt is tightly managed it is prudent to provide for bad debt especially in regard to the current economic climate.

Efficiency Savings, Service Changes and Additional Income Proposals

21. Proposed efficiency savings are detailed in **Appendix 8** and changes to services are detailed in **Appendix 9**.
22. The following table summarises the proposed reductions including efficiencies, reductions in service and proposals for increasing income. The savings summarised below are in addition to those built into the 2009/10 MTFP, a number of savings agreed in that plan are still to be delivered from 2010 onwards. A list of those savings still to be delivered is shown in **Appendix 10** of the main report.
23. The department is constantly looking to make efficiency gains and this has been mainstreamed into all operations. To improve efficiency, offset pressures and enable reallocation of resources to areas of increased demand all services are continually reviewed and efficiencies realised on a day to day basis. These efficiencies are over and above those identified in the table above and have already been included in the detailed estimates.

24. The department is continuously reviewing management structures and looks to flatten and remove tiers wherever possible. Senior level management efficiencies identified for 2010/11 and 2011/12 include one second tier and two third tier managers. In recent years structures have been streamlined, for example in last financial year the second tier posts of Assistant Director -Housing and Assistant Director -Adult Care were amalgamated into one post. Significant structural changes were made in Culture and Highways and Environmental Services following the disbanding of the Development and Environment Department where posts such as the Assistant Director -Highways Design and the Head of Arts were removed. There was also an Assistant Director post identified for Project Management which was deleted and incorporated into the Assistant Director -Technical Services role.
25. As with any large organisation there is an element of staff turnover and a gap between a member of staff leaving and the replacement joining, the department has made an allowance for this in the 2010/11 estimates and is shown in the table above along with the value of non-committed inflation.

	Financial effect 2010/11 £'000s	Financial effect 2011/12 £'000s	Financial effect 2012/13 £'000s	Financial effect 2013/14 £'000s
Actions to Contribute to Corporate Resources				
Efficiency savings	658	845	895	895
Service Changes	160	170	170	170
Additional Income	102	102	102	102
Total savings to contribute to corporate resources	920	1,117	1,167	1,167
Action to balance departmental budget				
Non Committed Inflation	90	90	90	90
Provision for staff turnover	278	278	278	278
Total Departmental Savings	368	368	368	368
Total Savings	1,288	1,485	1,535	1,535

Risk Management

26. On a continuous basis and through the service-planning process, risks to the achievement of objectives are identified and assessed in terms of probability and potential consequence. Arrangements are made to manage risks within acceptable levels, for example with the aim of minimising losses and maximising opportunities.
27. In addition given the current position of overall public sector funding and in readiness for possible future spending cuts, all external grant funding has been risk assessed in terms of the likelihood for reduction and the resulting consequences.

28. Where risks are assessed as being above acceptable levels, action plans are put in place to reduce exposure by either reducing the likelihood of an event occurring or lessening the impact. Action plans have been drawn up where the risks are above the acceptable levels to minimise the risk and it is not envisaged that these will impact on resource planning.

Departmental MTFP 2010/11 – 2013/14

29. The department's detailed estimates have been prepared on the basis of existing levels of service taking into account known pressures and savings. The position for the next four years is set out in Table 1 below:

Table 1 : MTFP 2010/11 to 2013/14

Departmental MTFP 2010/11 - 2013/14	10/11	11/12	12/13	13/14
	£000	£000	£000	£000
Resources				
Initial Resource allocation	46,519	47,783	49,587	50,331
Unavoidable Growth - Pressures	972	1,080	1,162	1,162
Corporate budget savings	(920)	(1,117)	(1,167)	(1,167)
Total Resources Available	46,571	47,746	49,582	50,326
Estimates				
Initial Detailed Estimates	47,859	49,231	51,117	51,861
Less Corporate Savings	(920)	(1,117)	(1,167)	(1,167)
Less Departmental Savings	(368)	(368)	(368)	(368)
Total Planned Use of Resources	46,571	47,746	49,582	50,326

N.B. the draft estimates for 2010/11 are net of the corporate savings identified in the main body of the report which are being consulted upon. The draft estimates also include the efficiency savings identified previously in the departmental report.

Charges

30. The schedule of charges for services provided by the Department has been reviewed, taking account of strategic objectives, efficiency, the cost of services and income generation. The proposed charges for 2010/11 are shown in **Annex 1** and include the proposals for efficiencies previously identified.
31. Individual Budgets within Adults Services will be established during 2010/11 and the current charging policy will need to be reviewed to allow for these changes. We will be consulting and proposing to change the current charging policy to a contributions policy, therefore, we will need to review our current proposed charges for 2010/11.

Recommendations

32. Members are asked to approve :-

- (a) The detailed estimates for Community Services Department.
- (b) The proposed schedule of charges for Community Services.

Cliff Brown
Director of Community Services

EJD : Extension 4447

COMMUNITY SERVICES -SCHEDULE OF CHARGES 2010/11

SERVICES	EXISTING CHARGE	NEW CHARGE	FINANCIAL EFFECT
	£	£	£
DOLPHIN CENTRE			
Swimming			
Adult Swim	3.00	3.10	
Concession	2.25	2.35	
Junior Swim	2.15	2.20	
Concession	1.60	1.65	
Family Swim (up to 4 children accompanying 1 adult)	1.60	1.65	
Fitness Areas			
Pulse Suite	3.70	3.80	
Concession	2.85	2.85	
Junior Pulse Suite	2.90	3.00	
Concession	2.20	2.25	
Health & Fitness Classes			
Health & Fitness Classes	3.30	3.40	
Concession	2.45	2.55	
Multi Activity Sessions			
Badminton Daytime Session	3.20	3.30	
Concession	2.40	2.50	
Half Main Hall			
Adult	39.40	40.60	
Junior (1 hour courts only)	26.60	27.40	
Weekday lunchtime	33.00	34.00	
Badminton/ Short -Tennis Court			
Adult	6.70	6.90	
Concession	5.05	5.20	
Junior (1 hour courts only)	3.40	3.50	
Concession (1 hour courts only)	2.60	2.65	
Squash Courts			
Adult	6.00	6.20	
Concession	4.50	4.65	
Junior (up to 5.00pm on weekdays only)	3.20	3.30	

SERVICES	EXISTING CHARGE	NEW CHARGE	FINANCIAL EFFECT
	£	£	£
Concession (up to 5.00pm on weekdays only)	2.40	2.50	
Equipment Hire			
Footballs	FREE	FREE	
Footballs -Deposit	5.00	5.00	
Badminton	2.00	2.00	
Badminton - Deposit	5.00	5.00	
Squash Racquets	2.00	2.00	
Squash Racquets -Deposit	5.00	5.00	
Table Tennis Bats	1.40	1.40	
Table Tennis Bats -Deposit	5.00	5.00	
Pram Lock	FREE	FREE	
Pram Lock – Deposit	5.00	5.00	
Children's Activities			
Crèche	2.15	2.20	
Soft play admissions Monday to Friday	2.95	3.05	
Soft play admissions Weekends	3.20	3.30	
Sensory Room Monday to Friday	2.95	3.05	
Sensory Room Weekends	3.20	3.30	
Parent/toddler (Soft play)	2.95	3.05	
Other Activities			
Climbing Wall	3.90	4.00	
Concession	2.95	3.00	
Junior Climbing Wall	3.10	3.20	
Concession	2.30	2.40	
Showers	1.15	1.20	
Fit 4 Life Packages			
Platinum Package	32.50	32.50	
Swimming Pools			
Main Pool -per hour	70.00	72.20	
Diving Pool -per hour	39.70	40.90	
Teaching Pool -per hour	39.70	40.90	
Gala -per hour.-			
Swimming Galas -whole complex :-			
Normal opening hours -per hour	227.00	234.00	
Outside normal opening hours -per hour	119.00	122.70	
Swimming Galas -Schools, Junior Clubs			

SERVICES	EXISTING CHARGE	NEW CHARGE	FINANCIAL EFFECT
	£	£	£
and Organisations :-			
Main Pool -Peak	162.00	167.00	
Main Pool -Off Peak	110.00	113.40	
Main Pool and Teaching Pool -Peak	226.00	233.00	
Main Pool and Teaching Pool -Off Peak	140.00	144.30	
Electronic Timing	62.00	63.90	
Dry Sports Hall			
Main Sports Hall -per hour	77.50	79.90	
Special Events -per hour Weekends	245.00	252.60	
Preparation - per hour Weekends	132.00	136.10	
Special Events -Schools - per hour off peak	36.00	37.10	
Meeting Room	17.00	17.50	
Seminar Room/Stephenson Suite	25.00	25.80	
Central Hall			
All Events (except commercial, exhibitions and local societies)	80.00	82.50	
Exhibitions -commercial -per hour	105.00	108.20	
Local Societies event -per hour	55.00	56.70	
			34,036
PARKS			
Bowls Season Ticket	24.15	24.90	
Concession	17.85	18.70	
Football -Hire of Hundens Park Pitch			
Seniors' Match	33.00	34.00	
Juniors Match	18.00	19.00	
			Nil
EASTBOURNE SPORTS COMPLEX			
Adult Track	3.10	3.20	
Concession	2.30	2.40	
Junior Track	1.85	1.90	
Concession	1.45	1.45	
Adult Artificial Pitch 1/3 (45 mins)	38.15	39.30	
Junior Artificial Pitch 1/3 (45 mins)	22.70	23.40	
Adult Full Artificial Pitch	68.00	70.10	
Junior Full Artificial Pitch	38.10	39.30	

SERVICES	EXISTING CHARGE	NEW CHARGE	FINANCIAL EFFECT
	£	£	£
Pulse 3	3.70	3.80	
Concession	2.85	2.85	
Junior Pulse Suite	2.90	3.00	
Concession	2.20	2.25	
Function Room/Community Pavilion - per hour	14.00	15.00	
			Nil
STRESSHOLME GOLF CENTRE			
Green Fees			
Monday - Friday	15.50	16.00	
Concession	11.60	12.00	
Junior (up to 18 years)	11.60	12.00	
Concession	8.75	9.00	
Twilight	8.50	8.80	
Twilight Junior	8.50	8.80	
Weekends & Bank Holidays			
Adult	17.50	18.00	
Concession	13.20	13.50	
Junior	13.20	13.50	
Twilight	9.40	9.70	
Twilight Junior	9.40	9.70	
Day Tickets			
Monday - Friday	24.10	24.80	
Concession	18.10	18.60	
Junior	18.10	18.60	
Weekends and Bank Holidays	29.90	30.80	
Concession	22.40	23.10	
Junior	22.40	23.10	
Driving Range			
Large Basket (75 balls)	3.80	3.90	
Medium Basket (50 balls)	3.10	3.20	
Small Basket (25 balls)	1.75	1.80	

SERVICES	EXISTING CHARGE	NEW CHARGE	FINANCIAL EFFECT
	£	£	£
Annual Season Tickets			
7 Days	423.00	423.00	
7 Days Youths (18-21 years)	186.00	186.00	
7 Days Juniors (under 18 years)	100.00	100.00	
5 Days (Monday- Friday)	296.00	296.00	
Couples	789.00	789.00	
Social subject to approval by Durham	29.00	29.90	
Stressholme Board Room – per hour	12.00	13.00	
			Nil
A £5.00 administration fee will be charged in addition to the Green Fees for non-payment.			
REFUSE COLLECTION AND DISPOSAL			
Refuse sacks (per 25) (Exclusive of VAT)	74.60	76.85	
Bulky Household Waste	10.00	15.00	
Garden waste sacks (Non Vatable)	7.10	7.30	
			12,195
CEMETERIES			
Burial fees without exclusive right of burial (these fees will be tripled where the deceased is a non resident of Darlington at time of death).			
Individual foetal remains	No Charge	No Charge	
Stillborn or child not exceeding 12 months	No Charge	No Charge	
Person over 12 mths up to 18 years	150.00	165.00	
Person over 18 years	457.00	502.00	
Burial fees with exclusive right of burial (these fees will be doubled where the deceased is anon resident of Darlington at time of death).			
Individual foetal remains	No Charge	No Charge	
Child not exceeding 12 months	No Charge	No Charge	
Person over 12 mths up to 18 years	150.00	165.00	
Person over 18 years	457.00	502.00	

SERVICES	EXISTING CHARGE	NEW CHARGE	FINANCIAL EFFECT
	£	£	£
Cremated remains	90.00	100.00	
Exclusive burial rights (50 years)	465.00	511.00	
Exclusive burial rights for abricked grave	930.00	1022.00	
Other charges			
Scattering of cremated remains	40.00	40.00	
Indemnity form (to produce duplicate grant)	40.00	40.00	
Use of Cemetery Chapel	60.00	70.00	
After post mortem remains	90.00	100.00	
Evergreens (including grass mats)	60.00	60.00	
Exhumation of abody (excl. re-interment)	810.00	900.00	
Exhumation of cremated remains (excl. re-interment)	173.00	190.00	
Grave Maintenance (inclusive of VAT)			
Initial payment	40.00	40.00	
Annual Maintenance	27.55	30.00	
Memorials (fees will be doubled where the deceased to whom the memorial/inscription refers was non resident of Darlington at time of death)			
Memorial rights including first inscription (30 years)	160.00	170.00	
Provision of kerbs – traditional sites only)	50.00	80.00	
Vases not exceeding 300mm	60.00	65.00	
Additional inscription	60.00	65.00	
Total financial effect for Cemeteries			10,000
CREMATORIUM			
Crematorium fees (inclusive of certificate of cremation, medical referee fees, use of organ and scattering of remains in Gardens of Remembrance at an unreserved time)			
Individual foetal remains	No charge	No charge	
Hospital arrangement – foetal remains	79.00	85.00	

SERVICES	EXISTING CHARGE	NEW CHARGE	FINANCIAL EFFECT
	£	£	£
Stillborn or child not exceeding 12 months	No charge	No charge	
Person over 12 mths up to 18 years	150.00	165.00	
Person over 18 years	457.00	502.00	
After post mortem remains	90.00	100.00	
Other charges			
Environmental Surcharge – New Charge	50.00	50.00	
Postal Carton	12.00	12.00	
Metal Urn	30.00	30.00	
Wooden Casket	40.00	40.00	
Baby Urn	10.00	10.00	
Crematorium Chapel	63.00	70.00	
Scattering of remains at reserved time	40.00	40.00	
Medical Referee Fee	10.00	18.50	
Book of Remembrance (inclusive of VAT)			
Single Entry (2 lines)	51.70	55.00	
Double Entry (3 or 4 lines)	88.60	100.00	
Additional lines	20.00	20.00	
Crest orfloral emblem	95.00	100.00	
Memorial Cards (inclusive ofVAT)			
Single entry card (2 lines)	15.00	15.00	
Double entry card (3 or 4 lines)	22.00	22.00	
Additional lines	5.00	5.00	
Crest of floral emblem	35.00	35.00	
Personal photographs – set up	20.00	20.00	
Additional photographs –after set up	10.00	10.00	
Memorial Books (inclusive of VAT)			
Single entry book (2 lines)	40.00	40.00	
Double entry card (3 or 4 lines)	47.00	47.00	
Additional lines	5.00	5.00	
Crest of floral emblem	35.00	35.00	
Personal photographs – set up	20.00	20.00	
Additional photographs –after set up	10.00	10.00	
Triptych (inclusive of VAT)			
Single entry card (2 lines)	25.00	25.00	
Double entry card (3 or 4 lines)	32.00	32.00	

SERVICES	EXISTING CHARGE	NEW CHARGE	FINANCIAL EFFECT
	£	£	£
	£	£	£
Additional lines	5.00	5.00	
Crest of floral emblem	35.00	35.00	
Personal photographs – set up	20.00	20.00	
Additional photographs –after set up	10.00	10.00	
Other memorial schemes			
Replacement kerb vase plaque	190.00	210.00	
Replacement flower holder	5.00	5.00	
Wall plaques (from)	190.00	210.00	
Planter plaques (from)	285.00	310.00	
Lease of space for memorial plaques (p.a.)	20.00	20.00	
Total financial effect for Crematorium			80,000
MARKETS			
Covered Market			
Butchers stalls	Five year	Five year	
Fruiterers and perishable food stalls }	Lease in	Lease in	
Other Stalls	operation	operation	
Cellars	Three -Five	Three -Five }	
Shops	year leases	year leases }	
Trade Refuse Removal (per week including VAT)	12.00	13.00	
			96
Cattle Market			
Tolls :-			
Cattle	13.30	13.30	
Sheep, pigs, calves	4.35	4.35	
Levies :-			
Cattle	10.64	10.64	
Sheep, pigs, calves	3.48	3.48	
Rent	4,000.00	4,000.00	
			Nil
Other Markets			
West Row – Per 3m x4.5m Gazebo Monday	25.00	25.00	
West Row – Per 3m x4.5m Gazebo	30.00	30.00	

SERVICES	EXISTING CHARGE	NEW CHARGE	FINANCIAL EFFECT
	£	£	£
Saturday			
Tubwell Row– Per 3m x3m Gazebo	20.00	20.00	
Horsemarket– Per 3m x3m Gazebo	20.00	20.00	
Horsemarket– Per 3m x4.5m Gazebo	25.00	25.00	
Blackwellgate Per 3m x3m Gazebo	20.00	20.00	
All the above to include lighting when supplied			
Car Boot Licence (for more than 30 stalls) Per stall	4.00	4.00	
Council operated Car Boot Sale -vehicle entrance fee	10.00	10.00	
Council operated Car Boot Sale - pedestrian entrance fee (10 years & over)	1.00	1.00	
Charitable per day (or part day) (charge per market) - subject to a maximum of 30 stalls	50.00	50.00	
Non Charitable :-			
1 - 10 stalls (minimum charge)	80.00	80.00	
11 - 30 stalls (per stall) - subject to a maximum of 30 stalls	8.00	8.00	
Large scale market events ie Summer Spectacular	Subject to negotiation with the Operator(s)	Subject to negotiation with the Operator(s)	
Craft Market – Per 3m x3m Gazebo	30.00 for abi-monthly offer	30.00 for abi-monthly offer	
Farmers Market – Per 3m x3m Gazebo	25.00	25.00	
Food Fayre – per 3m x3m Gazebo	25.00	25.00	
NB Craft, Food and Farmers Market charges include lighting when supplied + tables			
			Nil
ALLOTMENTS			
Rent per year	45.20	45.70	
Rent per year for Live Darlington savers	22.60	22.85	
			86
Entrance Fees			
Adults	4.95	4.95	
Concessions	3.75	3.75	
Children (6-16 years old)	3.00	3.00	
Children (under 6)	No charge	No charge	

SERVICES	EXISTING CHARGE	NEW CHARGE	FINANCIAL EFFECT
	£	£	£
Single Membership	10.00 per annum	10.00 per annum	
Family Day Pass (2 adults, 2 children)	10.00	10.00	
Family Membership (2 adults, 4 children)	15.00 per annum	15.00 per annum	
Organised School Visits	No charge	No charge	
Lectures	2.50 per person	2.50 per person	
Live Darlington	See note	See note	
Live Darlington - 25% discounts for eligible persons (discount also applies to members of the Friends of Darlington Railway Museum and the Darlington Railway Preservation Society, and FREE admission to their committee members)			
			Nil
Family History Research			
Family/Railway History Research (for personal use only) via letter, email or phone	20.00 (first hour) 20.00 per additional hour Personal Visits to the Ken Hoole Study Centre are at no charge	20.00 (first hour) 20.00 per additional hour Personal Visits to the Ken Hoole Study Centre are at no charge	
Family/Railway History Research Agents	30.00 (first hour) 30.00 per additional hour	30.00 (first hour) 30.00 per additional hour	
			Nil
Historical Research			
Current Affairs and Documentaries	60.00 per hour	60.00 per hour	
TV Dramas and Films	120.00 per hour	120.00 per hour	
			Nil
Photocopying			
A4	20p	20p	
A3	40p	40p	
			Nil
Personal photographic reproduction			

SERVICES	EXISTING CHARGE	NEW CHARGE	FINANCIAL EFFECT
	£	£	£
Photographic reproduction: max size A4	4.50 per hard copy image (exc. Postage)	4.50 per hard copy image (exc. Postage)	
	6.50 for digital copy (exc. postage)	6.50 for digital copy (exc. postage)	
Scans – CD	N/A	N/A	
Image	N/A	N/A	
Photographic Paper Image	N/A	N/A	
Plan Copies	6.00 per metre	6.00 per metre	
			Nil
Commercial photographic reproduction			
Regional newspapers	Free	Free	
National newspapers	35.00 per image	35.00 per image	
Specialist Journals, Newsletters and Magazines	15.00 per image	15.00 per image	
National, Journals, Newsletters and Magazines	25.00 per image	25.00 per image	
Television and Film Productions	50.00 per image	50.00 per image	
Publishing fee –Image for book or magazine	N/A	N/A	
Image for television, on top of copying fees	N/A	N/A	
			Nil
Photographic reproduction in Books			
Less than 6,000 runs	20.00 per image	20.00 per image	
Less than 6,000 runs (cover image)	25.00 per image	25.00 per image	
Over 6,000 runs	40.00 per image	40.00 per image	
Over 6,000 runs (cover image)	60.00 per image	60.00 per image	
Discount for 10 images or more	0.10	0.10	
			Nil
Filming Fees			
Student Productions (interiors/exterior)	Free but donation welcome	Free but donation welcome	

SERVICES	EXISTING CHARGE	NEW CHARGE	FINANCIAL EFFECT
	£	£	£
Small Productions (interiors/exterior) e.g. TV shows and Documentaries	300.00 per day (including setting up and de-rigging days)	300.00 per day (including setting up and de-rigging days)	
Large Productions (interiors/exterior) e.g. Films	500.00 per day (including setting up and de-rigging days)	500.00 per day (including setting up and de-rigging days)	
			Nil
Conference Facilities (use of room and access to facilities but excludes Catering)			
During Opening Hours – per hour (Non Commercial Organisation use only 2008/09)	25.00	25.00	
Outside Opening Hours – per hour (Non Commercial Organisation use only 2008/09)	32.50	32.50	
Use by Commercial Organisations	N/A	N/A	
Use by Museum Friends, DRPS, NELPG, NERA, A1 Trust, DMRC and GLAD – During Opening Hours (with an understanding that paying users have priority booking)	No charge	No charge	
Use by Museum Friends – Outside Opening Hours (providing nominated persons are responsible for securing premises when vacated)	No charge	No charge	
			Nil
Use of Museum Field			
Caravan Users	6.00 per Caravan per night	7.50 per Caravan per night	
Educational Use	No charge	No charge	
Corporate Events	Negotiated on an individual basis	Negotiated on an individual basis	
			Nil
Paranormal Investigation Groups			
Non commercial organisations	200.00	200.00	
Commercial organisations	500.00	500.00	
			Nil
ADULT SERVICES			

SERVICES	EXISTING CHARGE	NEW CHARGE	FINANCIAL EFFECT
	£	£	£
Day Care Charge Per Day	10.00	10.00	
Refreshments at Day Care Facilities			
Lunch, morning and afternoon refreshment	3.60	3.65	
Additional Services -at Residential Establishments			
Breakfast	1.23	1.25	} Minimal
High Tea	1.23	1.25	}
Home Care Service	10.51	11.07	20,000
Frozen Meals	3.09	3.10	
			20,000

**CHIEF EXECUTIVE'S DEPARTMENT
BUDGET REVIEW
MEDIUM TERM FINANCIAL PLAN 2010/11 TO 2013/14**

Purpose of Report

1. To review the medium term financial plan for the Chief Executives department.

Service Outline

2. The Chief Executives department is responsible for the provision of a wide range of services, a description of which and the estimates for 2010/11 are given below.

Budget Area	Proposed budget £000
Chief Executive Head of Service	237
Policy Unit Statutory requirement to publish national indicators. Co-ordination of planning and performance management arrangements within the organisation. LAA management and support to LSP on community planning. Management of CPA and CAA.	419
Communications Unit Coordination and production of information to the public, workforce and partner organisations. Corporate press office and information campaigns	115
Community Partnerships & Engagement Provides development and support to community and voluntary sector and promotes social inclusion and a closer working relationship between residents and the LSP.	569
Welfare Rights Unit This service provides independent advice to the community and promotes the uptake of benefits to residents to ensure they are receiving their full entitlement.	49
Darlington Partnership Darlington's local strategic partnership.	54
Public Health Contribution towards local public health leadership	10
Safer Communities Co-ordination Unit Coordinates and supports the Crime and Disorder Reduction Partnership	116
Assistant Chief Executive Regeneration & Admin Support Management and administration support for the regeneration division	316
Planning & Economic Strategy Planning Policy , economic and climate change strategy, corporate external funding team and management of the Housing & Planning	668

Budget Area	Proposed budget £000
Delivery grant	
Development Provision of development control, development and regeneration projects, design and conservation	280
Economic Regeneration Economic development services, business engagement, economic development projects, marketing, town centre management and town centre projects.	402
Transport Policy Staff engaged in the development, management and delivery of the local transport plan, transport policy, Council travel plan and sustainable travel promotion	204
Supported Transport Services Public transport services that are subsidised for social and economic reasons	323
Concessionary Fares The Council's concessionary scheme	2,305
Shop Mobility Grants to DAD to maintain the premises and to support their shop mobility service.	68
Residual Costs of the Transport Act Costs associated with previous employees who were part of Darlington Transport when it was privatised in 1986	44
Council Wide Savings Savings from efficiencies across the Council led by Chief Executives Department	(230)
TOTAL	5,949

Service Changes

3. A number of changes occurred within the Chief Executives department during 2009/10 with services transferring across to the management of Corporate Services department as follows:
 - (a) Leading Edge Programme
 - (b) Procurement Unit
 - (c) Procurement efficiency savings
 - (d) Complaints management

Service Planning

4. The Chief Executive's department is preparing its service priorities for 2010/14 focused on five high level outcomes and the four functions for the future council set out in the recently approved Future Business Model. Work will continue on refining and focusing priorities into the Departmental Plan. The current position is as follows:

- (a) Everybody in Darlington is able to enjoy the borough's prosperity and quality of life -
 - i. Tackle barriers to employability, financial inclusion and sharing in Darlington's quality of life
 - ii. Attract sustainable investment and high quality jobs
 - iii. Guide and deliver development and regeneration projects.
 - iv. Encourage and support business start-ups and growth
 - v. Provide a reliable and efficient transport network to support employment and economic activity
 - vi. Promote the town centre as a key driver of the local economy

- (b) Everybody in Darlington aspires and is able to achieve their full potential and maximise their life chances -
 - i. Deliver skills training
 - ii. Encourage employers to train and up-skill their workforces
 - iii. Continue to shape Darlington and its facilities as a place that inspires and supports aspiration and attainment

- (c) People in Darlington live long, healthy, active and independent lives -
 - i. Decrease hospital admission rates for alcohol-related harm
 - ii. Decrease under-18s conception rates
 - iii. Promote sustainable travel modes for their health benefits
 - iv. Narrow the gaps in life chances that lead to ill-health
 - v. Reduce mortality rates from cancer and from cardiovascular disease
 - vi. Increase number of smoking quitters
 - vii. Increase breastfeeding rates
 - viii. Tackle and prevent obesity

- (d) People in Darlington enjoy an attractive, clean, green and sustainable environment -
 - i. Ensure Darlington develops as a distinctive, attractive and sustainable place
 - ii. Minimise negative impacts of transport
 - iii. Enhance access to jobs, education, training, health and services for all
 - iv. Implement Climate Change Action Plan
 - v. Implement the Local Authority Carbon Management Scheme
 - vi. Promote and support travel planning with employers and schools
 - vii. Deliver reductions in greenhouse gas emissions from transport

- (e) All people feel safe and live in a crime free environment –
 - i. Improve public reassurance and confidence
 - ii. Enhance security and public reassurance through the location and design of development
 - iii. Reduce violent crime
 - iv. Reduce criminal reoffending rates
 - v. Reduce the domestic violence repeat victim rate
 - vi. Reduce anti social behaviour

- (f) Championing the interests of citizens and business –
 - i. Empowering communities and ensuring citizen views are represented
 - ii. Strengthening social inclusion and narrowing gaps in well-being
 - iii. Future business model: leading the development of a Corporate Knowledge service

- (g) Promoting the borough as an active player within local, sub-regional, regional and national governance frameworks –
 - i. Participate in sub-regional and regional governance arrangements and secure good outcomes for Darlington
 - ii. Lead and manage external assessments of the Council and Darlington

- (h) Ensuring the provision of good quality public services –
 - i. Secure external funding to support projects and service delivery
 - ii. Develop a refreshed corporate performance management framework linked to the future business model and lead/coordinate its operation

- (i) Promoting strong partnerships to ensure there is a vision and direction for the borough and for public services –
 - i. Coordinate and support the development and implementation of the Future Business Model
 - ii. Continue the development of the SCS and LAA
 - iii. Economic Regeneration Strategy and policy
 - iv. Local Development Framework
 - v. Local Transport Plan 3
 - vi. Complete the refresh of the Joint Strategic Intelligence Assessment, Community Safety Plan and Domestic Abuse Strategy and Action Plan
 - vii. Promote and support a thriving third sector, and effective working relationships between the public and third sectors

Spend Comparisons

5. The following table illustrates the comparison of spend per head of population for services provided by the Department.

6. The figures included within the table are indicators, prompting questions that may lead to management action rather than definitive answers, commentaries are provided with particular reference to those showing significant variance from the unitary average. Figures included are extracted from the CIPFA 2009/10 RA forms (revenue budgets), entries are budget allocations at the commencement of the year. The comparisons are indicative only as each local authority has a unique structure, which is reflected in where costs are apportioned and therefore a margin of error exists with the figures based on how each authority allocates budget.

Service Area	English Unitary Average per head (£)	DBC Spend per head (£)	Variance between DBC & Unitary average (£)	Spend by DBC above/under unitary average (£)	Rank out of 55 Authorities
Transport Planning, Policy & Strategy	5.18	4.22	(0.96)	(96,000)	26
Public Transport - Concessionary Fares	18.24	35.68	17.44	1,744,000	51
Public Transport - Support to Operators	8.46	3.77	(4.69)	(469,000)	13
Public Transport - Co-ordination	1.26	1.75	0.49	49,000	29
Community Safety	9.13	8.91	(0.22)	(22,000)	33
Development Control	4.60	8.49	3.89	389,000	42
Planning Policy	5.41	4.17	(1.24)	(124,000)	15
Environmental Initiatives	1.41	0.98	(0.43)	(43,000)	16
Economic Development	11.74	12.67	0.93	93,000	39
Community Development	9.15	7.13	(2.02)	(202,000)	29

7. Public Transport - Concessionary Fares, the higher expenditure here reflects the better than minimum concessionary scheme that operates in the borough providing free all day every day travel for qualifying residents and additionally a taxi voucher scheme. Additional factors also affecting Darlington's spend include, a higher take up of concessionary passes, higher bus usage generally in Darlington and the quality of the bus network. In addition the indicator is based on spend per head rather than pass holders which may result in other areas appearing lower cost.
8. Public Transport - Support to Operators, again this indicator is based on population rather than local variables such as geography and social economic needs for services which means comparison is not always on a like for like basis. The lower than average cost in Darlington also reflects the tender process undertaken during the year.
9. Development Control - Higher costs result from ongoing investment within the service from Planning Delivery grant. Planning costs are more related to development rather than population, Darlington have a higher number of applications per head than other Tees Valley Authorities. Comparisons with other Tees Valley authorities have also indicated that some costs included locally are included within other disciplines in neighbouring authorities. Further work is ongoing to ensure that correct classification of expenditure is

made in future comparators. This may suggest the reason for lower local spend on Planning Policy work. Costs are expected to fall within this indicator in 10/11 in line with efficiencies included within this plan.

Pressures

10. The following pressures have been included in the budget figures in paragraph 2 as unavoidable growth. The major pressure areas are described below, with the following table summarising all the pressures.
11. The Transport Policy function within the department has for a number of years been funded through a number of external income sources. Cycle England and European Interreg (ERDF) funding are due to come to an end during 2011 and in addition the level of fees charged to the LTP built into the current MTFP are unrealistic in line with future work included with the plan that attracts fees. These funding streams have been used to continue the work of staff in the team that were previously funded through Local Motion grant and as a number of the posts are employed in statutory requirements; the transport policy function will become unsustainable without alternative funding of these posts. Those posts that are critical to the delivery of the transport policy function have been identified as a pressure in the budget setting proposals. The Council, as part of the Financial Inclusion Strategy is supporting a funding allocation to give increased access to affordable credit through the third sector.
12. The table below summarises the pressures included.

Budget Area	2010/11 £'000's	2011/12 £'000's	2012/13 £'000's	2013/14 £'000's
Climate Change projects/Promotion	15	15	15	15
Loss of Cycle England Funding	0	40	41	42
Reduction in Local Transport Plan Fees	0	56	58	60
Transport Policy Posts previously funded by specific grant	0	89	90	90
To support the Financial Inclusion Strategy	25	25	0	0
TOTAL	40	225	204	207

Efficiency Savings, Service Changes and Additional Income Proposals

13. The net budgets included within paragraph 2 (of this Appendix) are those proposed to balance to the allocated resource for 2010/11. Proposed efficiency savings are detailed in **Appendix 8**. Changes to services and proposed increased income are detailed in **Appendix 9**.
14. The savings summarised below are in addition to those built into the 2009/10 MTFP, a number of savings agreed in that plan are still to be delivered from 2010 onwards. A list of those savings still to be delivered is shown in **Appendix 10**.

	Financial effect 2010/11 £'000s	Financial effect 2011/12 £'000s	Financial effect 2012/13 £'000s	Financial effect 2013/14 £'000s
Actions to Contribute to Corporate Resources				
Efficiency savings	121	104	107	110
Service Changes	0	0	0	0
Additional Income	0	0	0	0
Total Corporate Savings	121	104	107	110
Action to balance departmental budget				
Non Committed Inflation	27	27	27	27
Provision for staff turnover	37	37	37	37
Total Departmental Savings	64	64	64	64
Total Savings	185	168	171	174

Risk Management

15. Through the service-planning process, risks are identified and assessed in terms of probability and potential consequence. Arrangements are made to manage risks within acceptable levels with the aim of minimising losses and maximising opportunities. Currently the following areas present an acceptable risk to the department's budget over the life of this plan.
- (a) Delivery of departmental savings included within the budget.
 - (b) The continuing economic climate affecting demand for services and investment in the borough
 - (c) The department is responsible for delivery of corporate savings across the Council, including a saving requirement of £200,000 from the Policy, Performance and Partnership review. Although plans are well advanced to deliver this saving at the time of writing, as the review is not yet complete a potential risk remains.
16. Where risks are assessed as being above acceptable levels, action plans are put in place to reduce exposure by either reducing the likelihood of an event occurring or lessening the impact. Each action plan is assigned to and managed by a senior officer of the department.
17. Departmental risks that have been assessed as requiring action plans are:
- (a) Additional resources have again been built into the Concessionary Fares budget in 2010/11 as a result of increase patronage and higher expected bus inflation. Uncertainties continue to exist regarding further growth in demand and continuing higher inflation levels within the bus industry, which could create additional pressures on all year's budget provision.
 - (b) Supported Bus service contracts were tendered during 2009/10 with contracts in place. Provision has been made in the 2010/11 budget to cover expected higher inflation

levels in the bus industry, however uncertainties continue in future years over bus inflation which again could create pressures in future year's budgets.

- (c) 4.7 full time equivalent posts within the Development and Strategic Planning teams are currently funded by Planning Delivery grant to deliver mainstream elements of the planning function. Provision has been made within the current plan to fund these posts through accumulated grant until March 2013. Uncertainty exists over the future of this grant stream, therefore, a pressure may be created from April 2013, at which point alternative funding will need to be found or an exit/succession strategy put in place.

Departmental Medium Term Financial Plan

- 18. Detailed estimates have been prepared for the next four years for services of the Chief Executive's Department, in line with corporate guidelines.
- 19. Detailed estimates include:
 - (a) Provision for the annual pay award at 0.5% and specific price inflation where appropriate (1.0% salary inflation 11/12, 1.5% in future years)
 - (b) Unavoidable pressures
 - (c) Reductions in net expenditure resulting from management actions to improve efficiency, cost reductions and increased income
 - (d) Service Planning Implications
- 20. The proposed Medium Term Financial Plan for the Chief Executives Department is summarised in the table below

	2010/11 £000s	2011/12 £000s	2012/13 £000s	2013/14 £000s
Resources				
Resource Allocation for year	6,030	6,113	6,211	6,317
Unavoidable growth (Pressures)	15	200	204	207
Corporate budget savings	(121)	(104)	(107)	(110)
Total resources available	5,924	6,209	6,308	6,414
Budgets				
Detailed Estimates	6,109	6,377	6,479	6,588
Less Corporate Savings	(121)	(104)	(107)	(110)
Less Departmental Savings	(64)	(64)	(64)	(64)
Proposed budget	5,924	6,209	6,308	6,414

Management Action to Achieve Balanced Budget

- 21. The table within paragraph 14 above shows proposed efficiency savings tabled to balance the 2010/11 Council budget to resource.
- 22. The table at paragraph 14 also shows efficiencies achieved to balance the departmental budget to resource. In the departmental budget setting process the following management

actions have been undertaken to achieve a balanced budget

- (a) Continued use of Housing & Planning Delivery Grant (HPDG) accumulated surpluses to continue to fund planning posts
- (b) Continued use of grant funding to offset existing commitments
- (c) Budget allowance for staff turnover
- (d) Removal of non committed inflation

23. The following additional actions have been taken to produce a balanced budget for years 2011/12 to 2013/14 as follows:

- (a) Removal of ex Local Motion funded posts working upon non core transport functions

Proposed Charges

24. The proposed charges for 2010/11 are listed in **Annex 1**.

Recommendation

25. It is recommended that Members approve:

- (a) The detailed estimates for the Chief Executives Department for 2010/11
- (b) The proposed charges for 2010/11

Chris Sivers
Assistant Chief Executive

Richard Alty
Assistant Chief Executive (Regeneration)

Description	Existing Charge	New Charge	Financial Effect
	£	£	£
<u>PLANNING – SUPPLEMENTARY ITEMS</u>			
* Items inclusive of VAT			
Weekly list -yearly *	N/A	No Change	
Decision*/Approval Notice* -Building Control	0.10	No Change	
Letter confirming exemption*	25.00	No Change	
Letter confirming completion*	25.00	No Change	
Letter confirming enforcement action will not be taken *	25.00	No Change	
Site inspection to determine info. *	25.00	No Change	
A4 Photocopy (ex plans) – first page *	0.10 **	No Change	
Subsequent pages *	0.10	No Change	
A3 Photocopy (ex plans) – first page *	0.20 **	No Change	
Subsequent pages *	0.20	No Change	
A2 Photocopy (ex plans) – first page *	1.50	No Change	
A1 Photocopy (ex plans) *	2.00	No Change	
A0 Photocopy (ex plans) *	3.00	No Change	
O.S. Sheets – up to 6 copies	15.00	No Change	
Local plan	18.00	No Change	
Local plan – postage	4.00	No Change	
Local plan – alterations	2.00	No Change	
Invoicing	9.00	No Change	<u>NIL</u>
** Excluding postage			

**CORPORATE SERVICES DEPARTMENT
BUDGET REVIEW
MEDIUM TERM FINANCIAL PLAN 2010/11 TO 2013/14**

Purpose of the report

1. To review the Medium Term Financial Plan for the Corporate Services department.

Service Outline

2. Corporate Services department is responsible for the provision of a wide range of services, a description of which and the estimates for 2010/11 are given below.
3. The department provides, support services to departments across the Council, front line services direct to the public and makes expenditure for costs that relate to the function of the Council as a democratically elected, multi-purpose organisation with community-leadership responsibilities. Support services are recharged to receiving departments. Front line and democratic services are not recharged to individual services but are separately identified as front line and Corporate and Democratic Core costs respectively. During 2009/10 the Department took over management responsibility of the Complaints Management, Leading Edge and Procurement teams.

Budget Area	Proposed net budget £000
Director and Secretarial Support The Director, all secretarial support for the department and some departmental budgets which are held centrally.	471
Financial Services The central accounting functions which deal with the Authority's accounting, budgeting, financial reporting, Capital Programme, Treasury Management, VAT and financial planning. The budget includes the cost of the Corporate Financial and Payroll Systems.	329
Council Tax and National Non Domestic Rates Collection The cost of collecting of £40m of Council Tax from 48,000 properties and £35m NNDR from 3,300 properties in Darlington.	295
Community Grants Grants to Parish Councils; Financial Assistance and Discretionary Rate Relief to individuals and organisations.	94

Budget Area	Proposed net budget £000
Corporate Assurance Ensures the Council's Section 151 Statutory Financial Officer fulfils his duties. The service area conducts audits and provides consultancy support to departments. This area also deals with Risk Management and Insurance and the Archive service.	339
Assistant Director Resources Management of Performance, Property, Leading Edge and Procurement	134
Leading Edge & Procurement Management of corporate procurement and responsible for identification and quantification of efficiencies across the council from procurement and service reengineering.	265
Property Management The Council has a wide range of property and this service undertakes the management of key aspects of its portfolio. The service also acquires land and property (voluntarily or by Compulsory Purchase) for key Council projects.	357
Land and Property Covers the maintenance and operation of the Council's land and property portfolio, including office accommodation (excluding the Town Hall), shops, industrial units, land and farms.	467
Performance and Development Performance and Development management for Corporate Services department.	62
Borough Solicitor & Legal Services The budget includes the Monitoring Officer role, all legal advice, conveyance, contracts, searches and information governance (including freedom of information).	597
Registrars of Births, Deaths and Marriages The cost to the Council of providing the registration service.	0
Town Hall The total cost of operating the Town Hall buildings and telephones.	911
Democratic Administrative support to the Council's democratic decision making processes and the costs of Register of Electors.	442
Corporate Management All elected Members' costs and subscriptions to national and regional associations. Also certain defined expenditure required to be excluded from front-line services, principally external audit and inspection fees and bank charges.	1,787
Customer Services Provides the Council's principle first contact for a range of services	720
Complaints Management Management of complaints across the Council	110

Budget Area	Proposed net budget £000
Assistant Director Public Protection Management of Building Control, Parking, Environmental Health, Licensing and Trading Standards	113
Building Control Service dealing with statutory building control function, dangerous structures, access (disability) issues and provision of advice.	146
Parking The operation and day to day management of the Borough's Pay and Display Car Parks, on-street parking and Resident's Parking Zones.	(1,573)
Environmental Health Staff engaged in pollution control, food hygiene inspections and Health and Safety Enforcement.	565
Pest Control Pest Control and pest eradication.	33
Emergency Planning From the Civil Contingencies Act, new responsibilities on Local Authorities regarding Emergency Planning.	118
Hackney Carriages Licensing and control of standards of taxis and private hire vehicles.	0
Licensing Administering the granting and renewal of all licences (excluding Taxis).	(47)
Trading Standards Weights and measures service, enforcement of product and services standards and consumer advice.	383
Human Resources The cost of the centralised HR service including Health and Safety, the Occupational Health service and the Corporate Training Budget.	494
Proposed Corporate Savings Savings that impact across the Council including, procurement, leading edge, review of Council Tax/Customer Services/Benefits etc.	(589)
Xentrall Services (Darlington & Stockton Partnership) Provision of shared services for Darlington and Stockton Borough Council's. Net budgets (after recharging services to non general fund allocations) are transactional HR £562,000 (recruitment, payroll etc.) transactional finance £239,000 (payment and debtors ledger, systems etc.) ICT £1,601,000, ICT network improvements £75,000 and design & print services £151,000 (net income).	2,326
TOTAL	9,349

Service Planning

4. Planning of the Department's services for 2010/11 onwards commences prior to the compilation of detailed estimates and informs the allocation of resources through the budget setting process. In addition to the departmental plan, there are six service plans covering the Department's major service groupings: -
 - (a) Resources (incorporating Finance & Estates)
 - (b) Legal and Democratic
 - (c) Human Resource Management
 - (d) Xentrall
 - (e) Customer Services
 - (f) Public Protection

5. The following key objectives have been identified for 2010/11 onwards:
 - (a) Financial management through the period of challenging outlook for public finances
 - (b) Support change programme of the Council's new business model through HR, legal, governance and finance
 - (c) Implement changes to deliver savings and efficiency improvements within Corporate Services department
 - (d) Review accommodation, linked to modern ways of working, flexible working and ICT enhancements. Property management project (Corporate Landlord)

Spend Comparisons

6. The following table illustrates the comparison of spend per head of population for services provided by the department.

7. The figures included within the table are indicators, prompting questions that may lead to management action rather than definitive answers, commentaries are provided with particular reference to those showing significant variance from the unitary average. Figures included are extracted from the CIPFA 2009/10 RA forms (revenue budgets), entries are budget allocations at the commencement of that year. The comparisons are indicative only as each local authority has a unique structure, which is reflected in where costs are apportioned and therefore a margin of error exists within the figures based on how each authority allocates budget.

Service Area	English Unitary Average per head (£)	DBC Spend per head (£)	Variance between DBC & Unitary average (£)	Spend by DBC above/(under) unitary average (£)	Rank out of 55 Authorities Lowest Ranking Equals Lowest Spend
Food Safety	2.42	1.26	(1.16)	(116,000)	7
Pollution Reduction	2.08	2.59	0.51	51,000	22
Health & Safety at Work	0.64	1.62	0.98	98,000	30
Pest Control	0.78	0.36	(0.42)	(42,000)	15
Public Health	3.37	1.61	(1.76)	(176,000)	17
Licensing	0.20	1.17	0.97	97,000	47
Trading Standards*	3.84	4.44	0.60	60,000	37
Building Control	2.65	2.31	(0.34)	(34,000)	39
Emergency Planning	1.01	1.48	0.47	47,000	48
Corporate & Democratic Core	27.51	36.97	9.46	946,000	46
Retirement benefits	9.37	11.54	2.17	217,000	33
Local Tax Collection	5.95	7.51	1.56	156,000	38
Other Central services to the Public	4.61	2.45	(2.16)	(216,000)	18

* Adjusted to remove Uniform management included in DBC figures, but not at other Councils

Food Safety

8. This authority is ranked 7th out of 55 unitary authorities which is reflected in the cost being £1.16 below unitary average. The lower cost reflects efficiencies made in 2008/09 where inspections were prioritised towards higher risk premises. Costs will fall further with efficiencies included within this plan.

Health & Safety at Work

9. Darlington are budgeted to spend £0.98 above unitary average during 2009/10 based on spend per head of population. Work in this area is based upon employment levels and employment type within the borough rather than population which reflects investment made in this heading. Costs are expected to fall further within this indicator during 10/11 in line with efficiencies included within this plan.

Pest Control

10. Expenditure for pest control is rated at £0.42 below the English unitary average. The lower costs in this area reflect efficiencies made within budgets in the 2009/10 plan and the use of private contractors to undertake work for domestic properties. The Council currently provides a free service to domestic properties to treat rodents, with all other services being chargeable.

Public Health

11. Below unitary average net expenditure of £1.76 is recorded for Darlington in the 09/10 indicator. This lower cost reflects efficiency savings made within the Environmental Health budgets in 2008/09 and 2009/10. Costs are expected to fall further within this indicator during 10/11 in line with efficiencies included within this plan.

Licensing

12. Licensing net expenditure is rated at £0.97 above the unitary average for this authority in 09/10. The higher cost reflects additional investment in Commercial Licensing and the Council has for a number of years subsidised the cost of general licensing in order to provide a quick turnaround in all applications and thereby minimise disruption to businesses. This increased cost has not been reduced by additional income as the majority of licence fees are set by statute. Efficiencies are proposed within this plan that will reduce the cost of the general licensing service resulting in a lower cost in this area.

Trading Standards

13. Trading Standards services are ranked at £0.60 above the unitary average in 09/10. The calculation of net expenditure in this area includes a cost for animal welfare which sits within Trading Standards in Darlington for management purposes; however these costs are included elsewhere within other authorities. In addition consumer advice is provided as a discretionary service in Darlington where as not all other authorities provide this service. These issues highlight how different structures at authorities can have an affect on the indicators, hence the need for caution when comparing figures in isolation. The costs of the Trading Standards service has been falling with efficiencies made in both the 08/09 & 09/10 MTFP and in addition further savings are proposed within this plan that will further reduce the service cost.

Corporate and Democratic Core

14. The unitary comparator ranks Darlington at £9.46 above the unitary average. This indicator includes all member related expenditure, Policy Unit, subscriptions and corporate activity such as external audit, budget approval etc. These costs vary in line with type of authority (i.e. Unitary, District etc.) rather than based on population which results in higher cost for smaller authorities. Work is ongoing to review expenditure included within this indicator to ensure that like for like comparison is being made with other unitary authorities within the comparator. Budget proposals included in this plan will reduce costs in this area.

Local Tax Collection

15. The unitary comparator ranks Darlington at £1.56 above the average when based upon population. In comparison to this however as local tax is based on domestic and commercial property, comparison by cost per property is more appropriate. The CIPFA VFM benchmarking uses these comparative sets and Darlington's cost for Council Tax collection is rated at 19p per property above the average and business rates at £1.49 per property above average. The combination of these results in a total higher cost of approximately £15,000 for Darlington above the annual average, this appears mainly to be as a result of higher customer contact costs where investment has been made over recent years to improve service and response times. With regard to performance, collection rates are high with Council Tax collection being at 96.8% for 08/09 (unitary average 96.7%) and Business Rates at 98.3% (unitary average 97.5%). The Local Taxation service is currently being reviewed along with Benefits and Customer Services. The implementation of the review findings will reduce service costs.

Benchmarking

16. The above spend comparators are provided for services provided direct to the public, the Department however also provide a number of support services whose financial costs are not captured in isolation through the above spend comparators (the cost of support services are apportioned over the direct services they support). Comparison of these support services is therefore undertaken by benchmarking expenditure with other comparable authorities.

Financial Services

17. Costs and performance are compared using the Chartered Institute of Public Finance and Accountancy (CIPFA) benchmarking service, comparing this Council with other unitary authorities. There are two sets of data for Financial Services,
18. Treasury management – the business critical issues are:
 - (a) Risk management – exceptional global events of 08/09 highlighted this, most critically the Icelandic banks collapse. DBC had no money with Icelandic banks after February 08
 - (b) Compliance with statute and regulations – continuously delivered, externally audited and publicly reported
 - (c) Return on investments and interest payable on debt
 - (d) Liquidity – ensuring sufficient cash is available when needed.
19. For 130 comparator organisations, Darlington is 14 pence above average for debt management and 8 pence below average for investment management. Performance at Darlington is 0.7% better than average for debt management and 0.3% better than average for investment management.

20. Accounting Services costs and performance are compared using the Chartered Institute of Public Finance and Accountancy (CIPFA) benchmarking service, comparing this Council with other unitary authorities. With regard to cost Accounting Services are performing well when compared to other authorities in the group, for cost as a percentage of the organisational running costs Darlington is below the unitary average of 1.3% for 08/09 with a rating of 0.9% (lower quartile rating at 0.7%). This shows an improvement on the 07/08 rating of 1.2% against the unitary average of 1.5%.

Audit Services

21. CIPFA Unitary Authority benchmarking analysis for 2009 identifies Darlington in the top quartile for productive days per auditor, within the second lowest quartile for costs per audit day and at average for audit costs per £ million of expenditure. Client survey results following each audit show an average rating in excess of 4 (out of five), demonstrating the high regard clients have for services provided.

Human Resource Management

22. Costs and performance of the HR service are compared using the Chartered Institute of Public Finance and Accountancy (CIPFA) benchmarking service, comparing this Council with other unitary authorities. With regard to cost, HR is performing well when compared to other authorities in the group, for cost of HR as a percentage of the organisational running costs Darlington is below the unitary average of 1.4% for 08/09 with a rating of 0.9% (lower quartile rating at 0.7%). In addition the costs of HR per employee for Darlington are £402 compared to a unitary average of £996 (lower quartile £400).

Information and Communications Technology

23. Performance of the ICT Service is measured using CIPFA VFM indicators comparing this council with other unitary authorities. Since May 2008 ICT services within Darlington have been delivered through Xentrall Services in partnership with Stockton on Tees borough Council.
24. The latest data set available for Darlington (07/08) shows the costs of the ICT function as a percentage of the overall council spend as 0.9% which sits in the lower quartile (LQ is 1.4%) well below the unitary average of 2.8%. In addition the cost of providing support per end user for Darlington is £149 again in the lower quartile (LQ is £179) well below the unitary average of £672.
25. The Xentrall business case identified a number of efficiencies across both councils as a result of partnership working. These efficiencies are expected to further reduce the costs indicators for Darlington. At the time of writing 08/09 indicators have not been released, therefore at this point this can not be confirmed.

Legal and Democratic Services

26. There is a lack of comparative information about other authorities' costs and performance for legal and democratic services. Work is currently underway amongst the Legal Teams of the Tees Valley Councils to collate and exchange benchmarking data.
27. In 2000 the Legal Services Section in Darlington was the first of the Tees Valley Authorities to gain Lexcel accreditation. Lexcel is the Law Societies Legal Practice Management Standard. From 2005 Darlington has provided legal advice and assistance to other Councils, particularly to Teesdale District Council (with whom we had a contract to deliver legal Services 2005 until April 2009 , when Durham County Council became a new unitary authority) and since 2008 has also undertaken some work for Richmondshire District Council.

Budget Pressures

28. The department is facing a number of budget pressure areas where additional resources have been needed in order to achieve a balanced budget. The major pressures are described below, with the following table summarising all the pressures.

Pressure	2010/11 £'000s	2011/12 £'000s	2012/13 £'000s	2013/14 £'000s
Shortfall in car parking income and additional running costs	300	200	100	0
Accommodation review	130	130	130	130
Non realisation of anticipated income from PCT for HR	50	50	50	50
Land charges shortfall in income	30	0	0	0
Building control reduced fee income	100	0	0	0
Property Services charges to capital	50	50	50	50
Centralised Telephones	30	30	30	30
ICT Networks	75	100	100	100
Legal Services additional lawyer	40	42	44	46
Council Tax/Customer Services/Benefits re-profile of savings agreed 09/10	200	120	0	0
TOTAL	1,005	722	504	406

29. Car parking income has been under pressure for a number of years as a result of the economic downturn with a shortfall in income recorded in 08/09 and predicted in 09/10. A number of measures have been put in place to increase the income, however it is expected that pressures will continue to exist on a declining basis for the next three years.

30. As reported to November Cabinet the Council is undertaking a review of accommodation. A number of properties that are currently rented will be disposed of with staff transferring into space that has become available in Council owned properties. First phase savings generated by accommodation moves are being used to offset rental costs of office space at Lingfield Point. A programme of capital works is required to facilitate these moves that will be funded by borrowing over 25 years. The net costs of the accommodation review have been built into the budget over the life of the plan. The budget pressure represents the fact that the saving achieved will be less than originally estimated.
31. As a result of the current economic climate a number of income budgets have come under pressure. It is expected that as the economy recovers that fee income levels will recover, however in the short term pressures are expected to continue. Assessment has been made regarding the expected position in 2010/11 for fee income shortfalls, with allowance being built into the budget. In addition as a result of the ongoing economic situation it is expected that capital budgets will remain minimal over the life of this plan, allowance has therefore been made for decreased fee income into the revenue budget from capital works.
32. Within the 2009/10 MTFP a proposed saving was put forward to centralise telephone budgets across the Council. A review of the switch board facilities has indicated that there are investment requirements in order to produce efficiencies with telephone systems and reception points, therefore at this point the original planned savings can not be achieved. A full review of access points across the Council is planned to take forward this agenda.
33. As part of the review of existing ICT infrastructure it has been ascertained that a number of vulnerabilities are present within the Councils current telephone systems, internet connectivity, local and wide area networks. Opportunities exist through partnership working with Stockton Council to jointly procure solutions leading to efficiency savings. Additional resources are required to ensure the Councils ICT systems are reliable and secure.
34. Legal services have seen an increasing pressure in workload resulting from adult protection and child protection cases. As a result of this it has been identified that that an additional lawyer post will be required to work on these cases in order that the Council meets its statutory requirement. A growth of one post has been included within the budget estimates.

Efficiency Savings, Service Changes and Additional Income Proposals

35. Proposed efficiency savings are detailed in **Appendix 8**. Since the establishment of the Department in 2000, the Department has made significant efficiency savings which total £3.2M per annum by 2009/10. There have been significant management reductions over that period and the establishment of the innovative partnership, Xentrall with Stockton. The partnership will contribute significant savings in the future with staffing levels in some areas reducing by 30% whilst at the same time providing funding for service improvements in ICT. In the coming year the partnership will have funded a new data centre for both Councils and virtualised all servers in the new data centre. Changes to services and proposed increased income are detailed in **Appendix 9**.

36. The savings summarised below are in addition to those built into the 2009/10 MTFP, a number of savings agreed in that plan are still to be delivered from 2010 onwards. A list of those savings still to be delivered is shown in **Appendix 10**.

	Financial effect 2010/11 £'000s	Financial effect 2011/12 £'000s	Financial effect 2012/13 £'000s	Financial effect 2013/14 £'000s
Actions to Contribute to Corporate Resources				
Efficiency savings	526	887	1,193	1,152
Service Changes	0	70	70	70
Additional Income	22	22	23	24
Total Corporate Savings	548	979	1,286	1,246
Action to balance departmental budget				
Non Committed Inflation	70	70	70	70
Provision for staff turnover	56	56	56	56
Total Departmental Savings	126	126	126	126
Total Savings	674	1,105	1,412	1,372

Risk Management

37. Through the service-planning process, risks are identified and assessed in terms of probability and potential consequence. Arrangements are made to manage risks within acceptable levels with the aims of minimising losses and maximising opportunities.
38. Where risks are assessed as being above acceptable levels, action plans are put in place to reduce exposure by either reducing the likelihood of an event occurring or lessening the impact. Each action plan is assigned to and managed by a senior officer of the Department.
39. Departmental financial risks that have been assessed as requiring action plans are:
- (a) Delivery of efficiencies included within the MTFP
 - (b) Accommodation strategies
 - (c) Receipt of income from demand led services (Building Control, Car parking, Land Charges)

Departmental Medium Term Financial Plan

40. Detailed estimates have been prepared for the next four years for services of the Corporate Services department in line with corporate guidelines.

41. Detailed estimates include:

- (a) Provision for annual pay award at 0.5% and specific price inflation where appropriate (salary inflation of 1% in 11/12 and 1.5% from 2012/13 onwards)
- (b) Unavoidable pressures
- (c) Reductions in net expenditure, resulting from management actions to improve efficiency, cost reductions and increased income
- (d) Service Planning Implications

42. The proposed medium term Financial Plan for Corporate Services department is summarised in the table below

	2010/11 £000's	2011/12 £000's	2012/13 £000's	2013/14 £000's
Resources				
Resource Allocation for the year	8,892	8,944	8,951	9,084
Corporate Savings	(548)	(979)	(1,286)	(1,246)
Unavoidable growth (Pressure)	1,005	722	504	406
Total Resources Available	9,349	8,687	8,169	8,244
Budgets				
Detailed Estimates	10,023	9,792	9,581	9,616
Less Corporate Savings	(548)	(979)	(1,286)	(1,246)
Less Departmental Savings	(126)	(126)	(126)	(126)
Proposed Budget	9,349	8,687	8,169	8,244

Management Action to Achieve Balanced Budget

43. The table within paragraph 36 above shows proposed efficiency savings tabled to balance the 2010/11 Council budget to resource.

44. The table at paragraph 36 also shows efficiencies achieved to balance the departmental budget to resource. In the departmental budget setting process the following management actions have been undertaken to achieve a balanced budget:

- (a) Removal of running costs budgets for properties that are due to come off lease or surplus to Council needs. Where properties are owned by the Council the inclusion of future rental income has also been budgeted for
- (b) Continued use of grant funding
- (c) Ongoing removal of non committed inflation from budgets
- (d) Ongoing budget provision for staff turnover.

Proposed Charges

45. **Annex 1** details the proposed charges for 2010/11 for services provided by Corporate Services for which charges are made. The financial effects of the proposed charges are included in detailed estimates.

Recommendations

46. Members are asked to approve:

- (a) The detailed estimates for Corporate Services Department for 2010/11
- (b) The proposed schedule of charges for Corporate Services for 2010/11.

Paul Wildsmith
Director of Corporate Services

ANNEX 1

CORPORATE SERVICES DEPARTMENT – SCHEDULE OF CHARGES 2010/11

	Existing Charge	New Charge 10/11	Financial Effect
	£	£	£
Cost of Revenue Collection			
<i>Council Tax</i>			
Issue of Summons for Liability Order	33.00	No Change	} £10,000
Issue of Liability Order	39.00	44.00	
Issue of Summons for Committal Hearing	80.00	90.00	
Issue of Statutory Demand	157.50	No Change	
<i>Business Rates (NNDR)</i>			
Issue of Summons for Liability Order	37.00	No Change	} £500
Issue of Liability Order	45.00	50.00	
Issue of Summons for Committal Hearing	80.00	90.00	
Issue of Statutory Demand	157.50	No Change	
Town Hall			
<i>Hire of Committee Rooms per Session</i>			
Voluntary Organisation/Public and Statutory Authorities per session	12.00/80.00	N/A	} £20,000
<i>All rooms are to be charged by the hour rather than by session</i>			
All Committee Rooms per hour		25.80	
Emergency Planning Room per hour		17.50	
Registration of Births, Deaths, Marriages And Civil Partnerships			
<i>Marriages</i>			
Entering a Notice of Marriage or Civil Partnership	30.00	No Change	Nil
For a Registrar to Attend a Marriage at the Register Office	40.00	No Change	Nil
Civil Partnership Registration	40.00	No Change	Nil
Incumbents for every Entry Contained in Quarterly Certified Copies of Entries of Marriage	2.00	No Change	Nil
For a Registrar to Attend a Marriage at a Registered Building or at the Residence of a Housebound or Detained Person	47.00	No Change	Nil
For a Superintendent Registrar to Attend Outside his Office to			

	Existing Charge	New Charge 10/11	Financial Effect
	£	£	£
Attend a Marriage or Civil Partnership at the Residence of a Housebound or Detained Person	47.00	No Change	Nil
<u>Certification for Worship and Registration for Marriages</u>			
Place of Meeting for Religious Worship	28.00	No Change	Nil
Registration of Buildings for Solemnisation of Marriage	120.00	No Change	Nil
<u>Certificates Issued from Local Offices</u>			
Standard Certificate (SR)	7.00	No Change	Nil
Standard Certificate (RBD)	3.50	No Change	Nil
Short Certificate of Birth (SR)	5.50	No Change	Nil
Short Certificate of Birth (RBD)	3.50	No Change	Nil
Certificates of Civil Partnership (at time of ceremony)	3.50	No Change	Nil
Certificates of Civil Partnership (at later date)	7.00	No Change	Nil
General Search Fee	18.00	No Change	Nil
Each Verification	No Charge	No Change	Nil
<u>Register Office</u>			
Civil Partnership / Marriage Ceremony	43.50	No Change	Nil
<u>Citizenship Ceremonies (Private)</u>			
	100.00	No Change	Nil
<u>Civil Funerals</u>			
	150.00	No Change	Nil
<u>All Ceremonies – Backhouse Hall</u>			
Monday to Thursday	85.00	No Change	Nil
Friday	85.00	125.00	Minimal
Saturday	150.00	200.00	Minimal
Sundays and Bank Holidays	225.00	250.00	Minimal
<u>All Ceremonies – Approved Premises</u>			
Application Fee (3 years)	1,600.00	No Change	Nil
Fee for Attendance Monday to Friday	275.00	250.00	Minimal
Fee for Attendance Saturday	325.00	350.00	Minimal
Fee for Attendance Sunday	425.00	450.00	Minimal
Fee for Attendance Bank Holiday	425.00	450.00	Minimal
<u>Certificates</u>			
Walk in Certificates	10.00	No Change	Nil
Total of Registrars			8,000
Register of Electors – Sale			

	Existing Charge	New Charge 10/11	Financial Effect
	£	£	£
Register – Printed Form	10.00	No Change	Nil
Per 1,000 Names - Printed	5.00	No Change	Nil
Register – Data Form	20.00	No Change	Nil
Per 1,000 Names - Data	1.50	No Change	Nil
Land Charges			
<i>Search Fees</i>			
Standard Search (post or DX)	129.00	No Change	Nil
Standard Search (electronic)	127.00	No Change	Nil
<i>Con 29 Required</i>			
One Parcel of Land	123.00	No Change	Nil
Several Parcels of Land – 1 st Parcel	123.00	No Change	Nil
Each Addition	25.00	No Change	Nil
<i>Con 29 Optional</i>			
Each Printed Enquiry	10.00	No Change	Nil
Own Questions	20.00	No Change	Nil
Official Search - LLCI	6.00	No Change	Nil
Official Search – NLIS (National Land Information Service)	4.00	No Change	Nil
Expedited Search	170.00	No Change	Nil
Personal Search	11.00	No Change	Nil
Additional Written Enquiries Received After a Search has			} Nil
Been Completed	20.00	No Change	
Faxing Searches – A4 copy	10p	No Change	
Requesting Photocopy of a Search – A4 copy	10p	No Change	
Copy Documents (each) – A4 copy	10p	No Change	Nil
<i>Land Charges fees are currently under review following legal challenge. Revised charges will be inserted where appropriate prior to submission to Cabinet</i>			
Licensing			
<i>General Licensing</i>			
Pavement Café Licence	160.00	180.00	
Pavement Display Licence	150.00	155.00	
Pet Shops	110.00	115.00	
Animal Boarding	110.00	115.00	
Dog Breeding	110.00	115.00	

	Existing Charge	New Charge 10/11	Financial Effect
	£	£	£
Riding Establishments	220.00	225.00	
Sex Shop Grant	3,500.00	3,600.00	
Sex Shop Renewal	1,100.00	1,150.00	
Sex Shop Transfer	1,100.00	1,150.00	
Skin Piercing (Premises) Grant	270.00	280.00	
Skin Piercing (Personal) Grant	60.00	65.00	
Skin Piercing Variation	60.00	65.00	£1,000
Motor Salvage Operators (3 year)	70.00	No Change	Nil
<u>Street Trading</u>			
November / December – Full Calendar Month	900.00	950.00	Minimal
Week	350.00	375.00	Minimal
Day (minimum 4)	75.00	80.00	Minimal
January / October – Full Calendar Month	600.00	640.00	Minimal
Week	250.00	260.00	Minimal
Day (minimum 4)	50.00	55.00	Minimal
<i>*Note:-The above to apply to itinerant traders. For regular all year round traders the individual days and differential months to be removed and replaced with fees as follows:-</i>			
<i>Annual Consent</i>	6,600.00	6,850.00	Minimal
<i>If Paying Monthly</i>	580.00	605.00	Minimal
<i>If Paying Weekly</i>	150.00	160.00	Minimal
Buskers Selling CDs Half day	25.00	No Change	Nil
Full day	45.00	No Change	Nil
Mobile Vehicles (moving or layby)	240.00	250.00	Minimal
New Vendor Permits	35.00	No Change	Nil
Duplicate Licences	15.00	No Change	Nil
Administration Charge per hour or part thereof	35.00	No Change	Nil
Skip Hire License	15.00	No Change	Nil
Hoarding/Scaffold License	50.00	No Change	Nil
<u>Statutory Fees</u>			
Adult Gaming Centres – Annual Fee	500.00	600.00	
New Application	1,100.00	1,300.00	
Variation	1,100.00	1,300.00	
Transfer	1,100.00	1,200.00	
Provisional Statement	1,100.00	1,300.00	
Licence Re-instatement	1,100.00	1,200.00	Minimal

	Existing Charge	New Charge 10/11	Financial Effect
	£	£	£
Betting Shops -			
Annual Fee	500.00	550.00	
New Application	1,100.00	1,300.00	
Variation	1,100.00	1,300.00	
Transfer	1,100.00	1,200.00	
Provisional Statement	1,100.00	1,300.00	
Licence Re-instatement	1,100.00	1,300.00	Minimal
Bingo Halls -			
Annual Fee	500.00	600.00	
New Application	1,100.00	1,300.00	
Variation	1,100.00	1,300.00	
Transfer	1,100.00	1,200.00	
Provisional Statement	1,100.00	1,300.00	
Licence Re-instatement	1,100.00	1,200.00	Minimal
Family Entertainment Centres (FEC) – Annual Fee	500.00	550.00	
New Application	1,100.00	1,300.00	
Variation	1,000.00	1,300.00	
Transfer	950.00	950.00	
Provisional Statement	1,100.00	1,300.00	
Licence Re-instatement	950.00	950.00	Minimal
Betting (tracks) -			
Annual Fee	500.00	550.00	
New Application	1,100.00	1,300.00	
Variation	1,100.00	1,300.00	
Transfer	950.00	950.00	
Provisional Statement	1,100.00	1,300.00	
Licence Re-instatement	950.00	950.00	Minimal
Gaming Act Statutory Fees			
Permit Type			
FEC gaming machine – Application fee		300.00	Nil
FEC gaming machine – Renewal fee		300.00	Nil
FEC gaming machine – Change of name		25.00	Nil
FEC gaming machine – Copy permit		15.00	Nil
Prize gaming – Application fee		300.00	Nil
Prize gaming – Renewal fee		300.00	Nil
Prize gaming – Change of name		25.00	Nil
Prize gaming – Copy permit		15.00	Nil

	Existing Charge	New Charge 10/11	Financial Effect
	£	£	£
<u>Licensed Premises Gaming Machine permits</u>			
Application fee		100.00	Nil
Variation fee		100.00	Nil
Transfer fee		25.00	Nil
Annual fee		50.00	Nil
Change of name		25.00	Nil
Copy permit		15.00	Nil
Notice of intent to 2 or less gaming machines available		50.00	Nil
<u>Club Gaming & Club Machine Permits</u>			
Club premises cert. (S 72f Licensing Act 2003) application fee		100.00	Nil
Club premises cert. (S 72f Licensing Act 2003) renewal fee		100.00	Nil
Other applicants – application fee		200.00	Nil
Other applicants – renewal fee		200.00	Nil
Variation fee		100.00	Nil
Annual fee		50.00	Nil
Copy permit		15.00	Nil
<u>Small Society Lotteries</u>			
Initial fee		40.00	Nil
Annual fee		20.00	Nil
<u>Temporary Use Notices</u>			
Temporary use notice		500.00	Nil
Copy/replacement/endorsed copy of notice		25.00	Nil
<u>Petroleum Stores</u>			
<2500 litres	39.00	41.00	Minimal
2,500 – 50,000 litres	54.00	57.00	Minimal
>50,000 litres	111.00	118.00	Minimal
Transfer / variation	8.00	No Change	Minimal
<u>Licensing Act 2003</u>			
Band A (RV £0 - £4,300) – Initial Fee	100.00	100.00	Nil
Annual Fee	70.00	70.00	Nil
Band B (RV £4,300 - £33,000) – Initial Fee	190.00	190.00	Nil
Annual Fee	180.00	180.00	Nil
Band C (RV £33,001 - £87,000) – Initial Fee	315.00	315.00	Nil
Annual Fee	295.00	295.00	Nil
Band D (RV £87,000 - £125,000) – Initial Fee	450.00	450.00	Nil
Annual Fee	320.00	320.00	Nil
Band E (RV > £125,00) - Initial Fee	635.00	635.00	Nil

		Existing Charge	New Charge 10/11	Financial Effect
		£	£	£
	Annual Fee	350.00	350.00	Nil
<i>Alcohol Multiplier</i>				
Band D Premises	Initial Fee	900.00	900.00	Nil
	Annual Fee	640.00	640.00	Nil
Band E Premises	Initial Fee	1,905.00	1905.00	Nil
	Annual Fee	1,050.00	1,050.00	Nil
<i>Additional Capacity Fee</i>				
5,000 – 9,999	Initial Fee	1,000.00	1,000.00	Nil
	Annual Fee	500.00	500.00	Nil
10,000 – 14,999	Initial Fee	2,000.00	2,000.00	Nil
	Annual Fee	1,000.00	1,000.00	Nil
15,000 – 19,999	Initial Fee	4,000.00	No Change	Nil
	Annual Fee	2,000.00	No Change	Nil
20,000 – 29,999	Initial Fee	8,000.00	No Change	Nil
	Annual Fee	4,000.00	No Change	Nil
30,000 – 39,999	Initial Fee	16,000.00	No Change	Nil
	Annual Fee	8,000.00	No Change	Nil
40,000 – 49,999	Initial Fee	24,000.00	No Change	Nil
	Annual Fee	12,000.00	No Change	Nil
50,000 – 59,999	Initial Fee	32,000.00	No Change	Nil
	Annual Fee	16,000.00	No Change	Nil
60,000 – 69,000	Initial Fee	40,000.00	No Change	Nil
	Annual Fee	20,000.00	No Change	Nil
70,000 – 79,999	Initial Fee	48,000.00	No Change	Nil
	Annual Fee	24,000.00	No Change	Nil
80,000 – 89,999	Initial Fee	56,000.00	No Change	Nil
	Annual Fee	28,000.00	No Change	Nil
> 90,000	Initial Fee	64,000.00	No Change	Nil
	Annual Fee	32,000.00	No Change	Nil
Personal Licence (10 years)		37.00	No Change	Nil
Provisional Statement		315.00	No Change	Nil
TEN		21.00	No Change	Nil
Theft / Loss of Licence / Notice		10.50	No Change	Nil
Variation of DPS		23.00	No Change	Nil
Transfer of Premises Licence		23.00	No Change	Nil
Interim Authority		23.00	10.50	
Change of Name / Address		10.50	No Change	Nil
Freeholder / Leaseholder Register of Interest		21.00	No Change	Nil
Administration Charge (per hour or part thereof)		35.00	No Change	Nil

	Existing Charge	New Charge 10/11	Financial Effect
	£	£	£
<i>NB – All the statutory charges listed above that are increased (i.e. from Central Government) will be subject to change as soon as they are known.</i>			
Hackney Carriages			
<u>Taxi Licensing</u>			
Driver Licence (single)	70.00	70.00	}
Driver Licence (combined)	110.00	110.00	
Hackney Carriage Vehicle Licence (excluding plate fee)	400.00	410.00	
Private Hire Vehicle Licence (excluding plate fee)	365.00	375.00	
Operator Levy	35.00	35.00	£1,000
Private Hire Operator Licence (operating levy in addition to vehicle licence fee)	275.00	300.00	Minimal
<u>Additional Charges</u>			
Knowledge / Regs Test (re-sits only)	25.00	30.00	Minimal
Taxi Meter test	20.00	No Change	Nil
Plate (rear)	15.00	No Change	Nil
Plate (front)	10.00	No Change	Nil
Door Discs (each)	5.00	No Change	Nil
Tariff Card	2.00	No Change	Nil
Duplicate Driver Badge	10.00	No Change	Nil
Administration Charge (per hour or part - all applicants)	35.00	No Change	Nil
Environmental Health			
<u>Pest Treatment Charges (exclusive of VAT)</u>			
Insects – per treatment	57.00	No Change	Nil
Rodents in Industrial Premises – per treatment	66.06	No Change	Nil
Rodents in Private Premises	No Charge		
<u>Home Safety</u>			
Microwave Testing (exclusive of VAT)			
Domestic	9.13	No Change	Nil
Commercial	18.78	No Change	Nil
Trading Standards			
<u>Measures</u>			
Linear Measures Not Exceeding 3m or 10ft each scale	12.00	12.50	Minimal

	Existing Charge	New Charge 10/11	Financial Effect
	£	£	£
<i><u>Weighing Instruments (instruments calibrated to weigh only in Imperial or metric units)</u></i>			
Not Exceeding 15kg or 34lbs	33.00	34.50	Minimal
Exceeding 15kg (34lb) but not exceeding 100kg (224lb)	48.00	52.50	Minimal
Exceeding 100kg (224lb) but not exceeding 250kg (560lb)	70.00	73.50	Minimal
Exceeding 250kg (560lb) but not exceeding 1 tonne (2,240lb)	119.50	125.50	Minimal
Exceeding 1 tonne (2,240lb) but not exceeding 10 tonne (22,400lb)	193.00	202.50	Minimal
Exceeding 10 tonne (22,400lb) but not exceeding 30 tonne (67,200lb)	404.50	424.50	Minimal
Exceeding 30 tonne (67,200 lb) but not exceeding 60 tonne (134,400lb)	601.50	631.50	Minimal
Charge to cover any additional costs involved in testing instruments calibrated to weigh in both metric and imperial units or incorporating remote display or printing facilities – basic fee plus additional cost per person per hour on site (minimum charge ½ hour)			
	91.50	96.00	Minimal
<i>NB – Additional charge may be made where officers are requested To work outside normal office hours</i>			
<i><u>Measuring Instruments for Intoxicating Liquor</u></i>			
Not Exceeding 5fl oz or 150ml	19.00	20.00	Minimal
Other	22.00	23.00	Minimal
<i><u>Measuring Instruments for Liquid Fuel and Lubricants</u></i>			
Container Type (un- subdivided)			
Multi-grade (with price computing device) – Single Outlets	83.00	87.00	Minimal
Adjustment Solely Price	114.50	120.00	Minimal
Adjustment Otherwise	208.50	219.00	Minimal
Other Types - Single Outlets			
Adjustment Solely Price	91.50	96.00	Minimal
Adjustment Otherwise	124.50	130.50	Minimal
Other Types – Multi-outlets 1 Meter Tested	133.00	139.50	Minimal
2 Meters Tested	218.50	229.50	Minimal
3 Meters Tested	298.50	313.50	Minimal
4 Meters Tested	380.00	399.00	Minimal

	Existing Charge	New Charge 10/11	Financial Effect
	£	£	£
5 Meters Tested	460.00	483.00	Minimal
6 Meters Tested	540.00	567.00	Minimal
7 Meters Tested	610.00	640.50	Minimal
8 Meters Tested	705.50	740.50	Minimal
Charge to cover any additional costs involved in testing ancillary equipment which requires additional testing on site, such as credit card acceptors, will be based on the basic fee plus additional cost per person per hour on site (minimum charge ½ hour)	91.50	96.00	Minimal
<u><i>Special Weighing and Measuring Equipment</i></u>			
For all specialist work undertaken by the department which is not included in lines 99 to 123 a charge per man per hour on site (minimum charge ½ hour) plus cost of provision of testing equipment	91.50	96.00	Minimal
<u><i>Certification and Calibration (Section 74 Weights & Measures Act 1985)</i></u>			
In situ tests – cost of provision of testing equipment, plus a charge per man on site (minimum charge ½ hour)	91.50	96.00	Minimal
<i>NB – Additional charge may be made where officers are requested to work outside office hours</i>			
<u><i>Licensing – VAT Not Applicable</i></u>			
<u>Poisons Act</u>			
Initial Registration	35.50	37.50	Minimal
Re-registration	19.00	20.00	Minimal
Change in Details of Registration	10.50	11.00	Minimal
<u>Explosive Act (Statutory Fee)</u>			
Registration of Premises	31.50	**	Minimal
Licensing of Explosive Stores	63.00	**	Minimal
Sale of Fireworks – Licensing	525.00	**	Minimal
<u>Prosecution Costs</u>			
Hourly Rate for Preparation of Case Reports	34.00	35.50	Minimal

	Existing Charge	New Charge 10/11	Financial Effect
	£	£	£
** these are statutory rates that are set centrally in April.			
<u>Discounts</u>			
Fees from Measures to Certification Calibration will be discounted			
as follows: -			
a) Where more than a single item is submitted on one occasion the second and subsequent fees will be reduced by 25%			
b) Where tests are undertaken using appropriately certified weights and equipment not supplied by the Borough Council the fees will be reduced by 25%			
c) Special rates can be negotiated for multiple submissions or where assistance with equipment or labour is provided			
<i>NB – Where different fees are involved the highest fee will be charged in full and any discounts calculated from the remaining lesser fees</i>			
Parking			
Chesnut Street Lorry Park – per day	2.00	No Change	Nil
- per week	7.50	No Change	Nil
- over night	4.00	No Change	Nil
<u>Car Parks – Premium Rate</u>			
Abbots Yard up to one hour	1.00	No Change	Nil
Abbots Yard each additional hour	1.50	No Change	Nil
<u>Car Parks – Short Stay (per hour)</u>			
Archer Street (Saturday only)	1.00	No Change	Nil
Barnard Street / Winston Street	1.00	No Change	Nil
Beaumont Street	1.00	No Change	Nil
Commercial Street	1.00	No Change	Nil
Garden Street (Saturday only)	1.00	No Change	Nil
Kendrew Street East (Saturday only)	1.00	No Change	Nil
Town Hall	1.00	No Change	Nil
Covered Market (30 minutes only)	1.00	No Change	Nil
<u>Car Parks – Long Stay</u>			

		Existing Charge	New Charge 10/11	Financial Effect
		£	£	£
Park Place East / West	per hour	1.00	No Change	Nil
	per day	4.00	No Change	Nil
	per week	15.00	No Change	Nil
Hird Street	per hour	1.00	No Change	Nil
	per day	4.00	No Change	Nil
	per week	15.00	No Change	Nil
St. Hildas	per hour	1.00	No Change	Nil
	per day	4.00	No Change	Nil
	per week	15.00	No Change	Nil
Archer Street (Monday to Friday)	per day	4.00	No Change	Nil
	per week	15.00	No Change	Nil
Central House (Saturday and Bank Holiday)	per day	4.00	No Change	Nil
Garden Street (Monday to Friday)	per day	4.00	No Change	Nil
	per week	15.00	No Change	Nil
Kendrew Street East (Monday to Friday)	per day	4.00	No Change	Nil
	per week	15.00	No Change	Nil
Kendrew Street West	per day	4.00	No Change	Nil
	per week	15.00	No Change	Nil
Chesnut Street	per day	2.00	No Change	Nil
	per week	7.50	No Change	Nil
<u>Car Parking – On Street</u>				
	per half hour	0.50	No Change	Nil
<u>Car Parks – Daily Charge</u>				
Park Lane		7.00	No Change	Nil
<u>Car Parks – Contract Car Parking</u>				
Per Calendar Month		60.00	No Change	Nil
<u>Car Parks – Staff and Members Passes (per year)</u>				
Central House		173.00	No Change	Nil
Houndgate		173.00	No Change	Nil
Town Hall		173.00	No Change	Nil

Building Regulation Fees – Schedule of Charges 2010/11									
		Existing Fees				New Charges 10/11			
<i>Schedule 1 – Small Domestic Buildings and Connected Work (all fees exclude VAT)</i>									
		Plan fee		Inspection Fee		Plan Fee		Inspection Fee	
	<i>Number of Dwellings</i>	Basic	Additional	Basic	Additional	Basic	Additional	Basic	Additional
	1	162.00		400.00		170.00		420.00	
	2	230.00		548.00		242.00		575.00	
	3	295.00		695.00		310.00		730.00	
	4	355.00		805.00		375.00		845.00	
	5	405.00		890.00		425.00		935.00	
	6	475.00		1,010.00		500.00		1,060.00	
	7	495.00		1,130.00		520.00		1,190.00	
	8	515.00		1,250.00		540.00		1,310.00	
	9	535.00		1,370.00		562.00		1,440.00	
	10	540.00		1,541.00		567.00		1,618.00	
	11	545.00		1,688.00		575.00		1,772.00	
	12	550.00		1,834.00		580.00		1,926.00	
	13	555.00		1,982.00		585.00		2,082.00	
	14	560.00		2,103.00		590.00		2,208.00	
	15	565.00		2,249.00		595.00		2,362.00	
	16	570.00		2,395.00		600.00		2,515.00	
	17	575.00		2,541.00		605.00		2,670.00	
	18	580.00		2,687.00		610.00		2,820.00	
	19	585.00		2,800.00		615.00		2,940.00	
	20	590.00		2,944.00		620.00		3,090.00	
	21 and over	600.00	10.00	3,011.00	102.00	630.00	12.00	3,160.00	107.00
	31 and over	700.00	5.00	3,990.00	75.00	740.00	5.00	4,190.00	80.00

		Existing Fees				New Charges 10/11			
<i>Schedule 2 – Small Buildings, Extensions, Alterations (all fees include VAT)</i>									
		Plan Fee	Inspection Fee	Notice or Reversion	Regularisation Fee	Plan Fee	Inspection Fee	Notice or Reversion	Regularisation Fee
A	Erection – detached garage/carport less than 40m2	150.00		150.00	153.19	158.00		158.00	161.36
B	Erection – detached garage/carport between 40m2– 60m2	150.00	160.00	310.00	316.60	158.00	168.00	326.00	332.94
C	Extension less than 10m2	150.00	160.00	310.00	316.60	158.00	168.00	326.00	332.94
D	Extension between 10m2 – 40m2	150.00	305.00	455.00	464.68	158.00	324.00	482.00	492.24
E	Extension between 40m2 – 60m2	150.00	450.00	600.00	612.77	158.00	485.00	643.00	656.69

Schedule 3- Other Work (fees include VAT)

Minor Works – Applies to new or replacement windows, boilers and cylinders to dwellings and changes to thermal elements of a dwelling by replacement, alteration to, or addition of, an element. Other schedule 3 works are subject to a multiplication factor.

		Plan Fee	Inspection Fee	Notice or Reversion	Regularisation Fee	Plan Fee	Inspection Fee	Notice or Reversion	Regularisation Fee
	Minor Works	73.40		73.40	76.60	80.00		80.00	81.70
	1,000 or less	73.40		73.40	76.60	80.00		80.00	81.70
	1,001 – 2,000	137.02		137.02	142.98	147.00		147.00	150.13
	2,001 – 5,000	225.10		225.10	234.88	242.00		242.00	247.15
	5,001 – 20,000	58.03	169.31	227.34	237.22	61.10	183.30	244.40	249.60
		Existing Fees				New Charges 10/11			
		Plan Fee	Inspection Fee	Notice or Reversion	Regularisation Fee	Plan Fee	Inspection Fee	Notice or Reversion	Regularisation Fee
	Plus every £1,000 or part over £5,000	2.29	7.00	9.29	9.49	2.64	7.93	10.58	10.80
	20,001 – 100,000	93.00	282.00	375.00	382.98	101.64	304.91	406.55	415.20
	Plus every £1,000 or part over £20,000	2.47	7.05	9.52	9.72	2.53	7.58	10.11	10.32
	100,001 – 1,000,000	293.75	857.75	1,151.50	1,176.00	305.50	916.50	1,222.00	1,248.00
	Plus every £1,000 or part over £100,000	1.08	3.28	4.36	4.45	1.18	3.53	4.70	4.80

		Plan Fee	Inspection Fee	Notice or Reversion	Regularisation Fee	Plan Fee	Inspection Fee	Notice or Reversion	Regularisation Fee
	1,000,000 – 10,000,000	1,272.53	3,830.50	5,103.03	5,211.97	1,364.18	4,092.53	5,456.70	5,573.17
	Plus every £1,000 or part over £1,000,000	0.86	2.56	3.42	3.49	0.88	2.64	3.53	3.60
	Over 10,000,000	9,257.24	27,772.00	37,029.24	37,817.01	9,297.78	27,893.33	37,191.10	37,982.40
	Plus every £1,000 or part over £10,000,000	0.59	1.76	2.35	2.40	0.62	1.87	2.49	2.54
		Existing Fees				New Charges 10/11			
		Plan Fee	Inspection Fee	Notice or Reversion	Regularisation Fee	Plan Fee	Inspection Fee	Notice or Reversion	Regularisation Fee

<i>Reduction to Domestic Multiple Works (fees include VAT)</i>									
When building work is carried out on a dwelling at the same time in Schedule 2 and Schedule 3 below £5,000, a reduction of the fee is applicable. Works exceeding £5,000 will be subject to fees as set out in Schedule 3 above. The fee applicable will be the costs incurred in Schedule 2 together with the following:									
	1,000 or less	39.15		39.15	40.85	50.00		50.00	51.06
	1,001 – 2,000	73.40		73.40	76.60	80.00		80.00	81.71
	2,001 – 5,000	117.45		117.45	122.56	130.00		130.00	132.77
						0			
The fees shown on Schedules 2 and 3 only cover the costs incurred for carrying out building work when an electrical certificate is issued by a competent electrician or is registered with an approved body.									
									Financial Effect*
									£14,000

* Financial Effect of all Building Control F

CAPITAL PROGRAMME – PROPOSED FOR 2010-2014

	2010/11	2011/12	2012/13	2013/14	Total
	£'000	£'000	£'000	£'000	£'000
Resources					
Capital Grants	33,128	31,207	33,829	18,529	116,693
Supported Borrowing	3,616	2,205	2,205	2,205	10,231
Revenue Contributions	1,921	2,013	1,792	873	6,599
Departmental Prudential Borrowing	4,665	863	-	-	5,528
HRA Capital Receipts	350	350	350	400	1,450
Corporate Resources -General Fund Capital Receipts	1,000	600	600	-	2,200
Total Resources	44,680	37,238	38,776	22,007	142,701
Commitments - see below	44,679	37,237	38,775	22,006	142,699
Resources Available for Investment	-	-	-	-	-
Children's Services					
Major Capital Developments					
- North Road Primary School	153	-	-	-	153
- Children's Centres	227	-	-	-	227
- Private Nursery Improvements	240	-	-	-	240
- Short breaks for families with disabled children	115	-	-	-	115
- 14-19 Diplomas / SEN & Disabilities	6,000	-	-	-	6,000
- Clervaux Alternative Provision	485	-	-	-	485
- Children's Play Programme	398	-	-	-	398
Primary Strategy for Change	8,366	-	-	-	8,366
Building Schools for the Future*	9,600	19,200	19,200	9,600	57,600
Schools Devolved Schemes					
- DFC Allocation	245	1,299	1,299	1,299	4,140
- Specialist Colleges	50	-	-	-	50
School Capital Improvements					
- Schools Access Initiative	187	187	187	187	749
- Various School Improvements	34	661	694	714	2,104
Other Expenditure					
- School Planning Team	293	302	311	320	1,226
- AMP Support Costs	7	52	52	52	161
- Temporary Accommodation	71	71	30	-	172
	26,469	21,771	21,771	12,171	82,184

*Profile of Building Schools for the Future Funding still to be confirmed					
Housing					
Adaptations	360	371	382	393	1,506
Windsor Court	1,600	-	-	-	1,600
Rockwell House	800	2,200	-	-	3,000
Roxby Court	380	-	-	-	380
Thorne Court	114	-	-	-	114
Ted Fletcher Court	-	1,400	-	-	1,400
Digital Television aerials	50	50	-	-	100
Energy Efficiency Works	-	500	500	551	1,551
Garage Improvements	50	50	50	50	200
Heating Replacement including redecoration	392	429	1,150	850	2,821
Internal Planned Maintenance including redecoration	875	1,299	1,505	1,700	5,379
Internal planned maintenance additions	120	150	150	150	570
Pakside	1,101	2,202	-	-	3,303
Prepaint Joinery	100	100	100	100	400
Roofwork	98	50	50	50	248
Structural Repairs	120	120	120	120	480
Lifeline Services	200	100	80	80	460
Pavement Crossings	25	25	25	25	100
Environmental works	-	650	1,500	500	2,650
Professional Fees	250	250	250	250	1,000
Private Sector grants	826	261	261	261	1,609
	7,461	10,207	6,123	5,080	28,871
Transport					
Highway Maintenance	1,530	1,148	1,148	1,148	4,974
Integrated Transport	1,534	1,150	1,150	1,150	4,984
	3,064	2,298	2,298	2,298	9,958
Other Capital Programmes					
Single Programme Schemes	4,374	5,105	7,675	2,000	19,154
Carefirst Mental Health	83	83	83	83	332
	4,457	5,188	7,758	2,083	19,486
Council Funded Schemes					
Additional Resources Building Schools for the Future	600	600	600		1,800
ICT and Telephone Networks Upgrade	400				400
	1,000	600	600		2,200
Total Spending Plans	44,679	37,237	38,775	22,006	142,699

APPENDIX 16

REVENUE ESTIMATES 2010/11
SUMMARY

	2009/10	2010/11			
	Net Budget	Gross Budget	Income	Grants	Net Budget
	£000	£000	£000	£000	£000
Children's Services	12,718	103,076	(4,796)	(86,190)	12,090
Community Services	46,200	112,132	(22,094)	(43,467)	46,571
Chief Executive	6,911	9,016	(937)	(2,130)	5,949
Corporate Services	9,648	16,580	(7,039)	(192)	9,349
Departmental Total	75,477	240,804	(34,866)	(131,979)	73,959
Joint Bodies & Levies	641	650	0	0	650
Leading Edge Efficiencies	(340)	0	0	0	
Financing Costs	3,954	3,794	0	0	3,794
Change Fund / New Business Model	100	500	0	0	500
Total	79,832	245,748	(34,866)	(131,979)	78,903

Revenue Estimates 2010/11
Children's Services

	2009/10	2010/11			
	Net Budget	Gross Budget	Income	Grants	Net Budget
	£000	£000	£000	£000	£000
Schools Budget	51,533	61,303	0	(8,007)	53,296
School Improvement & Development	7,184	6,392	(634)	(3,270)	2,488
Partnerships Budget	9,779	11,358	(1,276)	(6,737)	3,345
Children's & Families Budget	11,324	13,349	(1,142)	(2,686)	9,521
Planning & Resources	8,333	10,673	(1,744)	(4,530)	4,400
Specific Grants	(16,895)				0
Total	71,257	103,076	(4,796)	(25,230)	73,050
Less Dedicated Schools Grant	(58,539)			(60,960)	(60,960)
Total Children's Services	12,718	103,076	(4,796)	(86,190)	12,090

**Revenue Estimates 2010/11
Community Services**

	2009/10 Revised	Gross Budget	Income	Grants	Net Budget
General	£000	£000	£000	£000	£000
Art Centre, Civic Theatre & Art Collection	1,374	4,508	(3,100)	(134)	1,274
Building Design Services	(56)	512	(583)	0	(71)
Indoor Bowls Club	24	24	0	0	24
CCTV	371	576	(211)	0	365
Cemeteries and Crematorium	(477)	626	(1,181)	0	(555)
Countryside & Allotments	391	451	(45)	(53)	353
Dolphin Centre	2,021	3,657	(1,677)	0	1,980
Eastbourne Sports Complex	105	232	(107)	0	125
Grants	22	34	0	0	34
Highways	4,802	5,223	(457)	(162)	4,604
Markets	(169)	478	(624)	0	(146)
Outdoor Events	326	224	(17)	0	207
Performance Development	119	167	(42)	0	125
Public Conveniences	107	107	0	0	107
Property and Premises support	114	215	(101)	0	114
Railway Museum	312	332	(45)	0	287
Street Scene	5,656	7,105	(1,533)	0	5,572
Sports Development	264	261	(56)	(67)	138
Stray dogs	67	69	(1)	0	68
Stressholme Golf Course and Club House	28	485	(442)	0	43
Tourism	89	113	(24)	0	89
Transport	(310)	(363)	(2)	(59)	(424)
Waste Management	2,904	3,332	0	(64)	3,268
Works Property and Other Expenses	109	117	0	0	117
Christmas Lights	31	31	0	0	31
Anti Social Behaviour Team	335	361	0	(33)	328
Total General	18,559	28,877	(10,248)	(572)	18,057

Community Services - continued	2009/10 Revised	Gross Budget	Income	Grants	Net Budget
	£000	£000	£000	£000	£000
Housing					
Rent Allowances	15	39,129	0	(39,279)	(150)
Improvement Grants Admin.	18	52	(31)		21
Housing Renewal Team	174	171	0		171
Land Rental/Leasing Income & Housing Act advances	(19)	2	(21)		(19)
Housing Benefits Administration	240	1,368	(70)	(940)	358
Community Housing Services	225	225	0		225
Housing Options	122	186	(17)	(40)	129
Welfare Services	165	164	0		164
Northumbrian Water Commission	(130)	0	(131)		(131)
Service Strategy & Regulation	61	62	0		62
Voluntary Sector Payments	132	134	0		134
Key Point of Access	0	70	(70)		0
Asylum Seekers	(8)	455	(455)		0
Supporting People	49	169	0	(114)	55
Total Housing	1,044	42,187	(795)	(40,373)	1,019
DLO profits	(387)		(495)		(495)
Adult Services					
Purchase of External Care	16,678	28,569	(9,438)	(1,239)	17,892
Learning Disability	2,377	2,991	(416)	(122)	2,453
Mental Health	787	1,112	(102)	(142)	868
Older People	789	921	(101)	0	820
Disability and Intermediate Care Services	3,448	3,883	(362)	(56)	3,465
Service Development and Integration	2,905	3,592	(137)	(963)	2,492
Total Adults Services	26,984	41,068	(10,556)	(2,522)	27,990
Total Community Services	46,200	112,132	(22,094)	(43,467)	46,571

Revenue Estimates 2010/11

Chief Executives

	2009/10	2010/11			
	Net Budget	Gross Budget	Income	Grants	Net Budget
	£000	£000	£000	£000	£000
Chief Executive	262	237	0	0	237
Policy Unit	437	419	0	0	419
Communications Unit	135	313	(198)		115
Community Partnership & Engagement	531	689	(15)	(105)	569
Welfare Rights	52	76	0	(27)	49
Darlington Partnership	65	102	(48)	0	54
Safer Communities	150	249	(13)	(120)	116
Assistant Chief Exec. Regeneration	344	316	0	0	316
Planning & Economic Strategy	597	724	(1)	(55)	668
Development	339	870	(488)	(102)	280
Economic Regeneration	414	402	0	0	402
Transport Policy	234	628	(161)	(263)	204
Supported Transport Services	264	447	(13)	(111)	323
Concessionary Fares	2,996	3,652	0	(1,347)	2,305
Shop Mobility	68	68	0	0	68
Residual Costs of Transport Act	43	44	0	0	44
Public Health	0	10	0	0	10
Council Wide Savings	(20)	(230)	0	0	(230)
Total Chief Executives	6,911	9,016	(937)	(2,130)	5,949

Revenue Estimates 2010/11

Corporate Services

	2009/10	2010/11			
	Net Budget	Gross Budget	Income	Grants	Net Budget
	£000	£000	£000	£000	£000
Director and Secretarial Support	450	483	(12)	0	471
Financial Services	431	549	(220)	0	329
Council Tax and NNDR Collection	267	699	(254)	(150)	295
Community Grants	93	94	0	0	94
Corporate Assurance	422	422	(83)	0	339
AD Resources	120	134	0	0	134
Leading Edge & Procurement	261	319	(54)	0	265
Property Management	304	423	(66)	0	357
Land and Property	491	989	(522)	0	467
Performance and Development	63	62	0	0	62
Borough Solicitor and Legal Services	518	866	(269)	0	597
Registrars of births, deaths and marriages	9	192	(192)	0	0
Town Hall	1,016	1,058	(147)	0	911
Democratic	449	446	(4)	0	442
Corporate Management	1,761	1,787	0	0	1,787
Customer Services	723	978	(258)	0	720
Complaints Management	118	110	0	0	110
AD Public Protection	104	113	0	0	113
Building Control	89	440	(294)	0	146
Parking	(1,915)	929	(2,502)	0	(1,573)
Environmental Health	566	596	(31)	0	565
Pest Control	36	46	(13)	0	33
Emergency Planning	118	118	0	0	118
Hackney Carriages	0	144	(144)	0	0
Licensing	(24)	117	(164)	0	(47)
Trading Standards	401	428	(3)	(42)	383
Human Resources	504	1,415	(921)	0	494
Proposed Corporate Savings	(48)	(589)	0	0	(589)
Xentrall Services (D & S Partnership)	2,321	3,212	(886)	0	2,326
Total Corporate Services	9,648	16,580	(7,039)	(192)	9,349

Revenue Estimates 2010/11

Joint Bodies & Levies

	2009/10	2010/11			
	Net Budget	Gross Budget	Income	Grants	Net Budget
	£000	£000	£000	£000	£000
Coroners Service	137	143			143
Environment Agency Levy	66	81			81
Joint Strategy Unit	260	244			244
Tees Valley Regeneration	178	182			182
Total Chief Executives	641	650	0	0	650

MEDIUM TERM FINANCIAL PLAN 2010 TO 2014

	2010/11	2011/12	2012/13	2013/14
Net Expenditure	£M	£M	£M	£M
Children's Services	12.090	11.980	12.113	12.168
Community Services	46.571	47.746	49.582	50.326
Chief Executive	5.949	6.234	6.308	6.414
Corporate Services	9.349	8.687	8.169	8.244
Pre Budget Report National Insurance	0.000	0.600	0.600	0.600
Joint bodies and levies	0.650	0.616	0.631	0.646
Financing costs	3.794	4.784	3.979	4.613
Headroom	0.000	1.000	1.750	2.000
Net Expenditure	78.403	81.647	83.132	85.011
Assumed Reduction in Specific Grant		0.889	1.778	2.667
Future efficiency and savings programme		(4.300)	(6.900)	(10.400)
Total Net Expenditure	78.403	78.236	78.010	77.278
Resources - Projected and Assumed				
Formula Grant	38.831	37.666	36.536	35.440
Council Tax	39.751	40.149	40.952	41.980
Total Resources	78.582	77.815	77.488	77.420
Contribution to/(from) revenue balances (Total Resources less Total Net Expenditure)	0.179	(0.421)	(0.522)	0.142
Balances				
Opening balance	11.560	11.239	10.818	10.296
Contribution to/(from) balances	0.179	(0.421)	(0.522)	0.142
Less Change Fund	(0.500)			
Closing balance	11.239	10.818	10.296	10.438

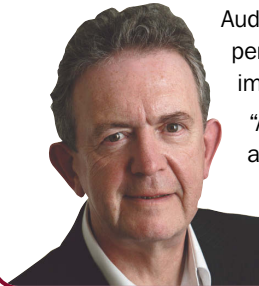
Council Tax				
Planned and Indicative Increases	0%	1%	2%	2%
Weekly Band A Increase	Nil	15p	30p	30p

One Darlington: Perfectly Placed

“Thank you to those who responded to the article in the December edition of the Town Crier which outlined our approach to meeting the funding challenge ahead whilst ensuring we are still in a position to continue delivering on our priorities for ‘One Darlington: Perfectly Placed’.

“As you may have read in the local media, the recent ‘Oneplace’ independent assessment of the Darlington area by the Audit Commission shows that public services are performing well and working together to deliver real improvements for the people of Darlington.

“As part of this on-going commitment to working across the Borough to secure good quality services and value for money for you, we are now inviting your views on our proposed budget plans for 2010/11.



“Your views are very important to us - please take a little time to complete the following questionnaire and return it to us using the instructions provided at the end of this article.

“If you would like to find out more, we are also joining with our partners in health, fire and police to invite you to a ‘Talking Together – planning for the year ahead’ event which will take place from 5.30pm on Monday 25 January 2010 at the Dolphin Centre, Darlington – further information is provided at the end of this article.

“With the funding challenges ahead it is now more important than ever that we hear directly from you what matters to you and I hope you will have the opportunity to join us for this event.”

Councillor John Williams, Leader of the Council

Our approach to budget planning

The Council’s proposed approach to budget planning and reducing expenditure is three-fold - we propose to:

- continue to improve our efficiency in everything we do – we have saved £3.5million in the last 12 months;
- review the Council’s budget in light of the priorities included in the Community Strategy ‘One Darlington: Perfectly Placed’ to determine which services are not a key priority and, therefore, can be reduced or withdrawn;
- review who delivers services to ensure that the most efficient and effective option is selected – this may mean less services being directly delivered by the Council.

Our budget proposals for the coming year

The Cabinet has three proposals it would like to receive your views on – once you have read these proposals, please complete the cut-out slip at the end of this article and return it to the FREEPOST address provided.

Proposal 1: Freeze Council Tax

The Cabinet is very much aware of the financial challenges many residents and businesses in Darlington are facing and, in light of this, proposes NOT to increase Council Tax this year.

People in Darlington pay less Council Tax than other residents in the North-East. However, the Council Tax bill residents receive is made up of three elements: i) money for Darlington Borough Council services ii) money for policing iii) money for fire and rescue services - some residents also pay a Parish Council Tax.

Whilst the Council does not propose to raise its part of the bill, the overall amount residents are asked to pay may rise if the police, fire and rescue authority or Parish Council choose to increase their amounts.

Proposal 2: Balancing the budget

Due to the increasing gap in levels of future funding and the increasing demand in services, members of the Cabinet and officers have developed a number of key proposals to further reduce spending whilst maintaining effective services.

Our plans for balancing the budget are as follows.

- We will invest an additional £1.4million in social care to pay for the increase in demand for services.
- Schools will receive a 3.1% increase in funding in line with an increase in Government grants.
- We will drive efficiencies of £4.7million across the Council and its services.
- The majority of service levels will remain the same. However, it is proposed there will be some reductions in service levels to save a further £240,000.
- We will seek to increase income by £200,000 from charges and sales.

Proposal 3: Invest in Darlington

Whilst the Council must find savings, it is also important to invest in the Borough.

These investments will be made using capital budgets which we compete with other local authorities to secure from Government. A recent example of this approach is our success in securing £57million from the Government’s Building Schools for the Future fund which will be used to rebuild or renew Branksome, Hurworth and Longfield schools.

Over the next four years, the Council proposes to invest £143million through capital schemes, this includes:

- £10million on roads, tackling congestion, improving safety and helping bus passengers.
- £82million on schools.
- £19million on regeneration schemes including Central Park, the new Teesside University building in Darlington and helping new businesses.

Have your say

- Cut out and return the slip below using the FREEPOST address provided.
- E-mail your views to connecting@darlington.gov.uk or telephone (01325) 388527.
- Visit the website www.darlington.gov.uk/budgetconsultation where you can submit your comments via our online questionnaire and forum.
- Join us at ‘Talking Together – planning for the year ahead’ which will take place at the Dolphin Centre, on Monday 25 January from 5.30pm, where councillors, Council officers and representatives from the police, health and fire and rescue services will be on hand to discuss their plans.

To find out more about the Council’s budget plans, or to view a full copy of our proposals, please visit www.darlington.gov.uk/budgetconsultation

What happens next?

The Council’s Cabinet will meet at 5pm on **Tuesday 16 February 2010** to fully consider your feedback before a final budget is proposed.

The final budget will then be considered at a meeting of the full Council which will take place at 6pm on **Thursday 25 February 2010**.

You are welcome to attend both Cabinet or Council meetings – for details, please contact the Democratic Services Team on (01325) 388351 or e-mail democraticservices@darlington.gov.uk

We will also be providing a full report on the feedback you provide and the budget for the coming year in the April edition of the Town Crier.



We need to hear from you by Friday 5 February 2010.

Proposal 1: Freeze Council Tax

Question: Do you agree or disagree with the proposal to freeze Council Tax required by the Council?

Your response (please delete as appropriate): I agree/disagree with the proposal to freeze Council Tax required by the Council.

Proposal 2: Balancing the budget

Do you agree or disagree with the proposals to balance the budget? We would welcome your comments.

Proposal 3: Invest in Darlington

Much of the money we receive to invest in Darlington is already allocated to specific schemes - this is because we had to bid for the money for particular schemes. However, we would welcome your comments on our investment plans.

Please cut out and return to: **FREEPOST, RRBK-JYEX-EHXR, Darlington Borough Council, Public Consultation, Darlington, DL1 5QT** (please add additional sheets as required.)

If you require a copy of the completed feedback report – please provide your details here.

I would like to receive a copy of the feedback report:

by e-mail (please tick and provide e-mail address) _____

by post (please tick and provide postal address) _____

Your details will only be used for the purposes of providing the consultation feedback report to you and will not be retained for any other purpose.

Please return your response by Friday 5 February 2010.

Section 1

General Fund Revenue & Capital Budget

Setting the Council Tax for 2010/11

- report to Council 25th February 2010

SETTING THE COUNCIL TAX FOR 2010/11

**Responsible Cabinet Member – Councillor Chris McEwan,
Efficiency & Resources Portfolio**

Responsible Director – Paul Wildsmith, Director of Corporate Services

SUMMARY REPORT

Purpose of the Report

1. The Local Government Finance Act 1992 (referred to as “the Act” in this report) requires the Council to set its council tax for 2010/11 before 11 March 2010.

Summary

2. The budget recommended to Council by Cabinet on 16 February 2010 will result in Band D council tax of £1,151.03, if approved by Council. County Durham and Darlington Fire and Rescue Authority is expected to set band D council tax of £87.84. Durham Police Authority is expected to set band D council tax of £153.41. There will also be an additional council tax in any parish area where precept has been issued.

Recommendation

3. It is recommended that :-

- (a) the following amounts be calculated by the Council for 2010/11 in accordance with sections 32 to 36 of the Act and relevant regulations:-

- | | | |
|-------|---|--------------|
| (i) | the aggregate of the amount which the Council estimates for the items set out in Section 32(2) (a) to (e) of the Act, which is its expenditure | £245,821,303 |
| (ii) | the aggregate of the amounts which the Council estimates for the items set out in Sections 32(3) (a) to (c) of the Act, which is its income | £167,840,301 |
| (iii) | the amount by which (i) exceeds (ii) calculated by the Council for the year in accordance with Section 32(4) of the Act as its budget requirement | £77,981,002 |
| (iv) | the aggregate of the sums which the Council estimates will be | |
-

- payable into the General Fund in respect of Revenue Support Grant £4,923,699 and redistributed Business Rate Grant £33,907,604, reduced by the amount the Council estimates will be transferred from the General Fund to the Collection Fund as its deficit in respect of Council Tax as at 31st March 2010, £675,000, in accordance with Section 97(4) of the Act
- (v) the amount calculated by the Council in accordance with Section 33 of the Act, as the basic amount of council tax for the year £1,153.15
- (vi) the aggregate amount of all special items referred to in Section 34(1) of the Act £73,303
- (vii) the basic council tax for 2010/11 calculated in accordance with Section 34(2) for dwellings in those areas that have no parish precepts or other special items £1,151.03
- (viii) the basic council tax for 2010/11 calculated in accordance with Section 34(3) for dwellings in those areas that have parish precepts be as set out in **Appendix 2**, column 5.
- (ix) the amounts of council tax at items (vii) and (viii) multiplied by the proportion set out in paragraph 17 which is applicable to each category of dwelling in its area, in accordance with Section 36 of the Act be as set out in **Appendix 3**

- (b) It be noted that for the year 2010/11 Durham Police Authority has stated the following amounts in the precept issued to the Council, in accordance with Section 40 of the Act, for each of the categories of dwellings shown : -

	A	B	C	D	E	F	G	H
	£ p	£ p	£ p	£ p	£ p	£ p	£ p	£ p
Police Authority	102.27	119.32	136.36	153.41	187.50	221.59	255.68	306.82

- (c) It be noted that for the year 2010/11 County Durham and Darlington Fire and Rescue Authority has stated the following amounts in the precept issued to the Council, in accordance with Section 40 of the Act, for each of the categories of dwellings shown: -

	A	B	C	D	E	F	G	H
	£ p	£ p	£ p	£ p	£ p	£ p	£ p	£ p
Fire Authority	58.56	68.32	78.08	87.84	107.36	126.88	146.40	175.68

- (d) The Council, in accordance with Section 30(2) of the Act hereby sets the amounts set out in **Appendix 4** as the amounts of council tax for 2010/11 for each of the categories of dwellings.

Reasons

4. The recommendations are supported to set the Council Tax for the Council's area in accordance with statutory requirements.

Paul Wildsmith
Director of Corporate Services

Background Papers

- (i) Local Government Finance Settlement 2010/11
- (ii) Police Authority Precept notification.
- (iii) Fire Authority Precept notification.
- (iv) Parish Council Precept notification.

David Hall : Extension 2303

S17 Crime and Disorder	The report does not contain any Crime and Disorder implications
Health and Well Being	The report does not contain any proposals relating to the health and well being of residents
Sustainability	There are no sustainability implications in this report
Diversity	There are no diversity implications in this report
Wards Affected	All Wards are affected equally
Groups Affected	All Groups are affected equally
Budget and Policy Framework	This report must be considered by Council
Key Decision	This report must be considered by Council
Urgent Decision	The Council's Medium Term Financial Plan, Budget and Council Tax require approval by full Council
One Darlington: Perfectly Placed	This report follows from the Corporate Plan and Financial Plan and budget reports, which specifically addresses key issues involved in the Council's contribution to delivering the Sustainable Community Strategy vision.
Efficiency	There are no efficiency implications in this report

MAIN REPORT

Information and Analysis

5. In setting the council tax, the Council is required to make certain calculations and to approve a number of resolutions in accordance with the Act. The detailed calculations are set out in **Appendices 1 to 4**. The recommended basic council tax including Fire and Police Precepts for a Band D property is £1,392.28. County Durham and Darlington Fire and Rescue Authority is expected to set a band D council tax of £87.84. Durham Police Authority is expected to set a band D council tax of £153.41. There will also be an additional council tax in any parish area where a precept has been issued.
6. The Act requires authorities to calculate their net budget requirement for the coming financial year and to determine the demand on the Collection Fund, from which council tax levels are calculated. The details of these calculations are set out in **Appendix 1**.
7. Cabinet considered the draft Corporate Plan and Medium Term Financial Plan (MTFP) on 12 January 2010 and approved both plans for consultation. Resources Scrutiny Committee considered those draft plans through a Review Group and approved the Review Group's recommendations on 3 February 2010. Cabinet considered the MTFP again on 16 February 2010.
8. The total budget requirement for 2010/11 is £77,981,002. This figure includes parish precepts of £73,303. The budget is due to be confirmed by this Council meeting prior to the setting of the council tax contained in this report.
9. The Government has announced the level of grant support for 2010/11 and notified the authority that the Revenue Support Grant will be £4,923,699 and the Business Rate Grant will be £33,907,604.
10. The Council also has to determine the estimated surplus or deficit on its Collection Fund at 31st March 2010. The estimated surplus/deficit for the council tax is shared between this Council, the Police Authority and the Fire Authority in proportion to the 2009/10 demands/precepts. It is estimated that the cumulative deficit on the Collection Fund at 31st March 2010 will be £812,000, of which the Council's share is £675,000.
11. The Council's demand on the Collection Fund for council tax purposes for 2010/11, as calculated in accordance with Section 32 of the Act, is £39,824,699.

The Council Tax Calculations

Basic Council Tax

12. The Council set its tax base at 34,535.50 at the meeting on 28 January 2010 along with the tax bases for various parish councils and meetings. These are shown in **Appendix 2** (column 2).

13. The basic council tax must first be calculated by dividing the demand on the Collection Fund by the approved tax base as follows:-

$$\frac{£39,824,699}{34,535.50} = £1,153.15$$

14. From this figure the parish precepts, which the Act refers to as special items, are deducted as follows:-

$$\frac{£73,303}{34,535.50} = £2.12$$

15. The basic council tax for those areas of the Borough Council where there are no special items is, therefore, £1,151.03 (£1,153.15 - £2.12). This also excludes the Police Authority and Fire Authority precepts. It represents a nil increase compared with the council tax in 2009/10.

Parish Council Taxes

16. The calculation of the additional tax for areas where special items, i.e. parish precepts, apply is based on the precepts submitted by each parish council and parish meeting divided by the tax base approved at the Council meeting on 28 January 2010. The council tax in relation to the parish precepts is shown in **Appendix 2** (column 3). When added to the basic council tax, as calculated in paragraph 15, this provides the Billing Authority's council tax for each parish area (**Appendix 2**, column 5).

17. Section 30(1) of the Act requires a council tax to be set for each category of dwelling for its area. This is the Billing Authority's council tax for each parish area and the basic council tax for the rest of the authority's area, multiplied by the ratio of each band using the following: -

Band	A	B	C	D	E	F	G	H
Proportion	6/9	7/9	8/9	9/9	11/9	13/9	15/9	18/9

18. The council tax set will relate to band D which is 9/9 or 1. For other bands the above proportions will apply. For example, band A properties will be charged 6/9 or two thirds of the Band D tax whilst band H will be charged double the Band D tax.
19. The Billing Authority's council taxes for each band of property are shown in **Appendix 3**.

Police and Fire Authority Council Taxes

20. The Durham Police Authority is a separate body responsible for its own financial affairs. Durham Police Authority is expected to increase its Council Tax by 4.00% (£5.90 for a Band D property) compared with 2009/10 and is due to be confirmed on 24 February 2010: -

	A	B	C	D	E	F	G	H
	£ p	£ p	£ p	£ p	£ p	£ p	£ p	£ p
Police Authority	102.27	119.32	136.36	153.41	187.50	221.59	255.68	306.82

21. County Durham and Darlington Fire and Rescue Authority is also a separate body responsible for its own financial affairs. The Fire and Rescue Authority is expected to increase its Council Tax by 2.85% (£2.43 for a Band D property) compared with 2009/10 and is due to be confirmed on 18 February 2010: -

	A	B	C	D	E	F	G	H
	£ p	£ p	£ p	£ p	£ p	£ p	£ p	£ p
Fire Authority	58.56	68.32	78.08	87.84	107.36	126.88	146.40	175.68

Overall Council Tax

22. The total council tax for each of the parish areas and the remaining area of the Borough is calculated by adding the charges for the Billing Authority to those of the Fire and Rescue Authority and the Police Authority. The overall council tax for each category of dwelling in each parish area and the remaining areas of the Borough where there are no parish precepts is set out in **Appendix 4**. The overall increase in council tax next year for a Band D property is £8.33 (or 0.60%), the attribution of the increase is set out below:-

	£'s	%
Darlington Borough Council	0.00	0.00
Durham Police Authority	5.90	0.43
County Durham and Darlington Fire and Rescue Authority	2.43	0.17
Total	8.33	0.60

Consultation

23. The content of this report was not subject to consultation. Extensive consultation has, however, taken place with a wide range of stakeholders, during which all households in the Borough have had the opportunity to comment, in preparing the Corporate Plan and Medium Term Financial Plan. The outcomes of consultation are included in those plans.

DEMAND ON THE COLLECTION FUND 2010/11

	£
(a) Council's Budget Requirement 2010-11	77,907,699
(b) Add Parish Precepts	73,303
(c) Net Budget Requirement	<u>77,981,002</u>
Plus	
(d) Estimated Deficit on Collection Fund	675,000
Deduct	
(e) Revenue Support Grant	4,923,699
(f) Business Rate Grant	33,907,604
(g) DEMAND ON COLLECTION FUND	<u>39,824,699</u>

COUNCIL TAX FOR PARISH AUTHORITIES 2010/11

	Precept	Parish Tax Base	Parish Council Tax	Basic Council Tax	Billing Authority's Council Tax
	(1)	(2)	(3)	(4)	(5)
	£		£ p	£ p	£ p
Archdeacon Newton	909	347.46	2.62	1151.03	1153.65
Bishopton	4,600	165.34	27.82	1151.03	1178.85
Heighington	10,527	925.52	11.37	1151.03	1162.40
High Coniscliffe	269	111.40	2.41	1151.03	1153.44
Hurworth	28,500	1227.52	23.22	1151.03	1174.25
Low Coniscliffe / Merrybent	1,245	289.92	4.29	1151.03	1155.32
Low Dinsdale	2,300	291.30	7.90	1151.03	1158.93
Middleton St. George	19,716	1411.98	13.96	1151.03	1164.99
Neasham	987	160.18	6.16	1151.03	1157.19
Piercebridge	550	62.45	8.81	1151.03	1159.84
Sadberge	1,500	298.71	5.02	1151.03	1156.05
Walworth	-	39.00	0.00	1151.03	1151.03
Whessoe	2,200	569.64	3.86	1151.03	1154.89

APPENDIX 3

BILLING AUTHORITY'S COUNCIL TAXES FOR EACH PROPERTY BAND 2010/11

	A	B	C	D	E	F	G	H
	£ p	£ p	£ p	£ p	£ p	£ p	£ p	£ p
Archdeacon Newton	769.10	897.28	1,025.47	1,153.65	1,410.02	1,666.38	1,922.75	2,307.30
Bishopton	785.90	916.88	1,047.87	1,178.85	1,440.82	1,702.78	1,964.75	2,357.70
Heighington	774.93	904.09	1,033.24	1,162.40	1,420.71	1,679.02	1,937.33	2,324.80
High Coniscliffe	768.96	897.12	1,025.28	1,153.44	1,409.76	1,666.08	1,922.40	2,306.88
Hurworth	782.83	913.31	1,043.78	1,174.25	1,435.19	1,696.14	1,957.08	2,348.50
Low Coniscliffe /								
Merrybent	770.21	898.58	1,026.95	1,155.32	1,412.06	1,668.80	1,925.53	2,310.64
Low Dinsdale	772.62	901.39	1,030.16	1,158.93	1,416.47	1,674.01	1,931.55	2,317.86
Middleton St. George	776.66	906.10	1,035.55	1,164.99	1,423.88	1,682.76	1,941.65	2,329.98
Neasham	771.46	900.04	1,028.61	1,157.19	1,414.34	1,671.50	1,928.65	2,314.38
Piercebridge	773.23	902.10	1,030.97	1,159.84	1,417.58	1,675.32	1,933.07	2,319.68
Sadberge	770.70	899.15	1,027.60	1,156.05	1,412.95	1,669.85	1,926.75	2,312.10
Walworth	767.35	895.25	1,023.14	1,151.03	1,406.81	1,662.60	1,918.38	2,302.06
Whesoe	769.93	898.25	1,026.57	1,154.89	1,411.53	1,668.17	1,924.82	2,309.78
All other parts of the Council's area	767.35	895.25	1,023.14	1,151.03	1,406.81	1,662.60	1,918.38	2,302.06

APPENDIX 4

OVERALL COUNCIL TAX FOR EACH PROPERTY BAND 2010/11

	A	B	C	D	E	F	G	H
	£ p	£ p	£ p	£ p	£ p	£ p	£ p	£ p
Archdeacon Newton	929.93	1,084.92	1,239.91	1,394.90	1,704.88	2,014.86	2,324.83	2,789.80
Bishopton	946.73	1,104.52	1,262.31	1,420.10	1,735.68	2,051.26	2,366.83	2,840.20
Heighington	935.77	1,091.73	1,247.69	1,403.65	1,715.57	2,027.49	2,339.42	2,807.30
High Coniscliffe	929.79	1,084.76	1,239.72	1,394.69	1,704.62	2,014.55	2,324.48	2,789.38
Hurworth	943.67	1,100.94	1,258.22	1,415.50	1,730.06	2,044.61	2,359.17	2,831.00
Low Coniscliffe /								
Merrybent	931.05	1,086.22	1,241.40	1,396.57	1,706.92	2,017.27	2,327.62	2,793.14
Low Dinsdale	933.45	1,089.03	1,244.60	1,400.18	1,711.33	2,022.48	2,333.63	2,800.36
Middleton St. George	937.49	1,093.74	1,249.99	1,406.24	1,718.74	2,031.24	2,343.73	2,812.48
Neasham	932.29	1,087.68	1,243.06	1,398.44	1,709.20	2,019.97	2,330.73	2,796.88
Piercebridge	934.06	1,089.74	1,245.41	1,401.09	1,712.44	2,023.80	2,335.15	2,802.18
Sadberge	931.53	1,086.79	1,242.04	1,397.30	1,707.81	2,018.32	2,328.83	2,794.60
Walworth	928.18	1,082.89	1,237.58	1,392.28	1,701.67	2,011.07	2,320.46	2,784.56
Whesoe	930.76	1,085.89	1,241.01	1,396.14	1,706.39	2,016.65	2,326.90	2,792.28
All other parts of the Council's area	928.18	1,082.89	1,237.58	1,392.28	1,701.67	2,011.07	2,320.46	2,784.56

Section 2

Housing Revenue Account

Section 2

Housing Revenue Account

Housing Revenue Account - Revenue Budget 2010/11

- report to Cabinet 16th February 2010 & Council 25th
February 2010

HOUSING REVENUE ACCOUNT – REVENUE BUDGET 2010/11

**Responsible Cabinet Member - Councillor Bill Dixon,
Neighbourhood Services and Community Safety Portfolio**

Responsible Director - Cliff Brown, Director of Community Services

SUMMARY REPORT

Purpose of the Report

1. To consider Cabinet's proposals for the revenue budget, rent levels and service charges for the Council's Housing Revenue Account (HRA) for the financial year 2010/11.

Summary

2. The report considers in particular the impact of the Government's Rent Restructuring Policy, the HRA Subsidy determination and the proposed increase in rent and service charges.

Recommendation

3. Cabinet has considered these proposals and recommended to Council that:-
 - (a) An average weekly rent increase of 2.00% (£1.10) be implemented in line with the Government rent restructuring model.
 - (b) Service charges are introduced for TV aerials and door entry systems.
 - (c) Garage rents and service charges be increased as shown in Tables 2 and 3.
 - (d) The budget at **Appendix 1** be approved.
 - (e) The report be referred to Council for approval.

Reasons

4. The recommendations are supported by the following reason-
 - (a) To enable the Council to deliver an appropriate level of service to tenants.

Cliff Brown
Director of Community Services

Background Papers

HRA Subsidy Draft Determination for 2010/11 received from CLG

Pauline Mitchell : Extension 2505

bs

S17 Crime and Disorder	The contents of this report have been considered in the context of the requirements placed on the Council by Section 17 of the Crime and Disorder Act 1998, namely, the duty on the Council to exercise its functions with due regard to the likely effect of the exercise of those functions on, and the need to do all that it reasonably can to prevent, crime and disorder in its area. It is not considered that the contents of this report have any such effect.
Health and Well Being	There are no issues relating to health and well-being which this report needs to address
Sustainability	Investing in Council owned housing is helping to create vibrant and sustainable communities
Diversity	There are no diversity issues
Wards Affected	This will have an effect on the majority of the Wards in the Borough.
Groups Affected	All Council Tenants and Lifeline Service Users
Budget and Policy Framework	The issues contained within this report require Council approval and the report will be presented to Council on 18th March 2010.
Key Decision	This is a key decision because agreement to the recommendations will result in the Local Authority incurring expenditure which is significant. There will also be a significant effect on the communities living or working in an area comprising two or more wards within the area of the local authority.
Urgent Decision	For the purpose of the 'Call-in' procedure this does represent an urgent matter as four weeks notice is required for the increased level of charges.
One Darlington: Perfectly Placed	The report has no particular implications for the Sustainable Community Strategy.
Efficiency	As the HRA is a ring fenced budget every effort is made to maximise income and identify savings in order to maintain a high quality service.

MAIN REPORT

Information and Analysis

5. The proposed Housing Revenue Account budget for 2010/11 is shown at **Appendix 1**. The principal factors and key elements taken into account in the draft budget are:-
 - (a) The impact of the Government's Rent Restructuring Policy
 - (b) The HRA Subsidy determination
 - (c) A review of garage rents and service charges
 - (d) The programme of repairs and maintenance detailed in the Housing Business Plan.

Rent Restructuring

6. The main objective of the Government's policy on rent restructuring is that rents should be fair and affordable for tenants in the social rented sector. The policy sets out a common basis on which all rents in the social sector should be set. This means that the rent for a house or flat (known as the formula rent) is linked to its capital value, size, location, condition and local earnings so that tenants can make a proper choice between how much they pay and the size and quality of the property they live in.
7. Rents and service charges have traditionally been considerably lower for local authority housing than for housing associations and these proposals are intended to create greater standardisation of charges throughout the social housing sector. Originally rent convergence for both sectors should have been by 2011/12 but the Government decided to limit increases for 2009/10 and 2010/11, to protect tenants from both high and variable increases due to inflation, while continuing to deliver their rent convergence policy. Therefore the rent convergence date will become fluid depending on the inflation rate. The convergence date in 2010/11 Draft Determination is currently estimated to be 2013/14.
8. The impact on tenants of the continuing implementation of the rent restructuring policy, fixed increases for 2009/10 and 2010/11 and increases to existing service charges have been assessed for all properties to ensure that the impact on individual property rent levels is limited. The increase in weekly rents is notified to local authorities by the Government through the Housing Subsidy determination and the effect of the proposed increase for 2010/11 is that average weekly rents increase by 2.00% (or £1.10) from £54.90 in 2009/10 to £56.00 in 2010/11. The financial impact of the proposed increase in charges is included in the draft budget shown at **Appendix 1**. Examples of the proposed weekly rent increases for 2010/11 are shown at **Appendix 2**.

Housing Subsidy

9. There are no major changes to the way that the HRA Subsidy is calculated. Management has increased by £16.40 per property, maintenance has increased by £20.74 per property while MRA has risen by £14.75 per property. These changes are detailed in Table 1. It should be noted that the substantial fall in Capital Financing is expected due to falling interest rates for borrowing. There will be a corresponding fall in the interest charged to the HRA to compensate for this loss of income. Only the Draft Determination has been received to date so the figures in Table 1 may be liable to change when the Final Determination is released.

Table 1: Housing Subsidy 2010-11

Subsidy Element	2009/10	2010/11	Change	
	£M	£M	£M	%
Management	2.965	3.048	+0.084	+2.8%
Maintenance	5.789	5.891	+0.102	+1.8%
Major Repairs Allowance	3.763	3.836	+0.073	+1.9%
Capital Financing	1.614	1.122	-0.492	-30.5%
Notional Income	-14.818	-15.234	-0.416	-2.8%
Total Subsidy	-0.687	-1.337	-0.649	-94.3%

Garage Rents and Service Charges

10. The budget at **Appendix 1** includes the financial effect of the proposed increases. The proposed service charges for the Lifeline Service, Building Cleaning (flats) and Grounds Maintenance provide for achieving full recovery of costs from tenants of the schemes concerned. Details are shown at Table 2 below.
11. In line with best practice concerning ensuring tenants specifically receiving services are charged for them, rather than costs being met by all tenants, new service charges are being proposed for next year in respect of TV aerials and door entry systems in blocks of flats following a recent review. Whilst ideally the charges should reflect the actual cost of provision at each individual scheme this would penalise tenants living in small blocks of flats where the costs are higher. It is therefore proposed that a standard charge is implemented for both door entry systems and TV aerials for tenants who have these services. It is also proposed that the guest room charges for sheltered housing schemes be increased from £8.50 per night to £10 per night to reflect the much higher standards of the facilities now being provided and to cover the costs of heating, electricity, building and furnishings. This is a valued service for friends and family of residents in sheltered housing schemes and therefore the costs should be reasonable but fair. It is considered that the revised charge is still very reasonable.

Table 2: Garage Rents and Service Charges

Description	Current Weekly Charge	Proposed Weekly Charge
	£	£
Garage Rents	5.76	5.85
Building Cleaning – Flats	1.49	1.50
Grounds Maintenance – General Housing	1.35	1.37
Grounds Maintenance – Blocks of Flats	1.35	1.37
Heating	10.57	10.57
Furnishings and Fittings – Comprehensive Schemes	1.43	1.46
Furnishings and Fittings – Good Neighbour Schemes	0.65	0.66
Lifeline Response	4.57	4.64
Lifeline Premier Response (Sheltered Housing)	10.24	10.82
Pavement Crossings and Hardstandings	3.10	3.14
Mid-day Meal – Extra Care (Residents only)	26.25	27.65
Mid-day Meal – Extra Care (Non-Residents only)	29.40	30.80
Furnished Tenancies - Flat	24.70	25.07
Furnished Tenancies - 2 Bed House	39.83	40.42
Furnished Tenancies - 3 Bed House	41.67	42.30

Furnished Tenancies - White Goods	5.25	5.50
Guest Rooms in Sheltered Schemes	59.50	70.00
Door Entry Systems	N/A	0.50
TV Aerials	N/A	0.14

12. Details of the proposed service charges for individual Extra Care and Sheltered Housing Schemes based on the actual costs of the work undertaken in individual schemes are shown in Table 3 below. The additional costs for Building Cleaning in Extra Care Schemes reflects the additional facilities available

Table 3: Proposed Service Charges for Extra Care and Sheltered Schemes 2010/11

Scheme	Ground Maintenance	Building Cleaning	Lifeline Service	Total Charge	Total Increase
	£	£	£	£	£
Extra Care Housing					
Dalkeith House	1.72	8.26	10.82	20.80	0.66
Oban Court	1.37	9.31	10.82	21.50	0.64
Rosemary Court	1.88	12.55	10.82	25.25	2.11
Sheltered Housing					
Branksome Hall	2.17	1.68	10.82	14.67	0.63
Dinsdale Court	3.98	4.46	10.82	19.26	0.66
Windsor Court	1.37	3.07	10.82	15.26	1.38
Rockwell House	1.37	2.86	10.82	15.05	0.62
Ted Fletcher Court	1.37	2.13	10.82	14.32	0.61
Roxby Court	1.37	5.35	10.82	17.54	0.63
Linden Court	1.37	4.91	10.82	17.10	0.63

13. Almost 70% of tenants claim Housing Benefit, which will cover the additional cleaning and grounds maintenance charges and 61% of the cost of the Lifeline charges. The other Lifeline costs will be covered by Supporting People Grant.

Value for Money

14. Providing value for money is an essential element of departmental management. An assessment has been made of the Housing Performance Indicators for 2007/08 and this shows that the service is once again in the upper threshold for 13 out of 17 indicators. These include key value for money indicators such as the percentage of rent collected and the average relet times. The remaining 4 indicators are in the lower threshold with none in the bottom threshold. This means that the Housing Service will retain its previous score of 4 out of 4 in the CPA Service block.

Budget Pressures

15. The Housing Revenue Account subsidy determination maintained the resources for 2010/11 as was originally anticipated and there are no un-resourced pressures on the account. There are however constant demands on the HRA as it is self-financing which will need to be managed.

Consultation

16. The Tenants Board are very proactive and have had a significant workload during the year in terms of reviewing and improving service delivery within the Housing Revenue Account. The Board oversees a range of Task and Finish Groups, for example:-
- (a) The Repairs and Maintenance Group have reviewed the decoration policy following major works resulting in significant savings, in addition to reviewing the specifications for major works.
 - (b) The Grounds Maintenance Group has developed a revised and improved specification with Streetscene Officers and they received regular monitoring reports for feedback.
 - (c) The Reward and Recognition Scheme 2nd phase commenced with the introduction of the Youth Awards and the Good Neighbour Awards first to be announced at the next AGM in March 2010.
 - (d) The Leaseholder Group have been particularly active in challenging specifications and charges in respect of building cleaning, grounds maintenance and repairs.
 - (e) Board members have received extensive training to further support and develop them and a particular focus has been in respect of mystery shopping. The first mystery shopping exercise was in the Customer Service Centre and a programme of mystery shopping across other key areas is now being taken forward.
 - (f) Strong links have been made to the Youth Service and opportunities sought for intergenerational projects, for example, a Youth Award has been developed as part of the Reward and Recognition Scheme.
17. This report has been considered by the Tenant's Board and obtained their support.

Financial Implications

18. Under Part 2 of the Local Government Act 2003 the Director of Corporate Services as the Council's Responsible Financial Officer is required to inform Members of the robustness of the proposed estimates and the appropriateness of the level of projected Housing Revenue Account balances.
19. The Director of Corporate Services has confirmed that the estimates have been prepared on the most up to date information available and within the guidance he has set out. For 2010/11, he is satisfied that these represent a fair view of the Council's ongoing plans and commitments, although Members will need to appreciate that some budgets more than others are subject to volatility and will, therefore, continue to be monitored closely and remedial action taken when appropriate.
20. He is also satisfied that the level of revenue balances in the Housing Revenue Account projected at 31 March 2010 (£0.5 M) are adequate particularly given the Council's track record in budget management and taking remedial action when necessary to correct variances from approved financial plans.

Conclusion

21. The key issues for consideration are the proposed weekly rent and service charges.

	2009/10		2010/11
	Budget	Projection	Budget
	£000	£000	£000
<u>INCOME</u>			
Rent of HRA Dwellings (Gross)	(15,150)	(15,210)	(15,413)
Sundry Rents (including Garages & Shops)	(370)	(366)	(370)
Charges for Services & Facilities	(1,710)	(1,707)	(1,767)
Contribution towards Expenditure	(417)	(452)	(474)
Interest Receivable	(42)	(32)	(36)
Total Income	(17,689)	(17,767)	(18,060)
<u>EXPENDITURE</u>			
Management	5,128	5,050	5,174
Maintenance - Revenue Repairs	3,509	3,584	3,619
Revenue Contribution to Capital	2,208	2,949	2,109
Housing Subsidy	4,454	4,456	5,174
Capital Financing Costs	2,255	1,855	1,834
Increase in Bad Debt Provision	150	150	150
Contribution to/(from) balance	(15)	(277)	0
Total Expenditure	17,689	17,767	18,060
(Surplus) / Deficit	0	0	0
Opening Balance	500	777	500
Contribution to / (from) balance	(15)	(277)	0
Closing Balance	485	500	500
Estimated Closing Dwelling Numbers	5,386	5,416	5,381
Closing Balance per Dwelling	90.04	92.32	92.92

Examples of Weekly Rent Increases for 2010/11					
Area	Property Type	Rent 2009/10	Proposed Rent 2010/11	Increase between 09/10 & 10/11	Increase between 09/10 & 10/11
		£	£	£	%
<u>Middleston St</u>					
<u>George</u>	1 Bedroom Bungalow	55.41	56.10	0.69	1.25%
	2 Bedroom House	59.68	60.69	1.01	1.69%
	3 Bedroom House	65.86	67.77	1.91	2.90%
<u>Cockerton</u>	1 Bedroom Flat	50.28	50.78	0.50	0.99%
	2 Bedroom House	58.05	58.92	0.87	1.50%
	3 Bedroom House	60.58	62.03	1.45	2.39%
<u>Haughton</u>	1 Bedroom Flat	50.50	51.07	0.57	1.13%
	2 Bedroom Flat	56.43	57.34	0.91	1.61%
	1 Bedroom Bungalow	55.58	56.23	0.65	1.17%
	2 Bedroom House	59.98	60.73	0.75	1.25%
	3 Bedroom House	63.80	65.23	1.43	2.24%
<u>Branksome</u>	1 Bedroom Flat	50.28	50.81	0.53	1.05%
	1 Bedroom Bungalow	55.47	56.10	0.63	1.14%
	2 Bedroom House	57.79	58.35	0.56	0.97%
	3 Bedroom House	63.22	64.65	1.43	2.26%
	4 Bedroom House	66.03	67.44	1.41	2.14%
<u>Lascelles</u>	1 Bedroom Flat	50.20	51.75	1.55	3.09%
	2 Bedroom Flat	52.28	53.81	1.53	2.93%
	2 Bedroom House	54.33	55.80	1.47	2.71%
	3 Bedroom House	58.65	60.12	1.47	2.51%
<u>Bank Top</u>	1 Bedroom Flat	50.52	51.08	0.56	1.11%
	3 Bedroom House	63.18	64.42	1.24	1.96%
<u>Redhall</u>	1 Bedroom Flat	47.13	48.12	0.99	2.10%
	2 Bedroom Flat	51.31	52.57	1.26	2.46%
	1 Bedroom Bungalow	49.88	50.96	1.08	2.17%
	2 Bedroom House	53.93	54.71	0.78	1.45%
	3 Bedroom House	57.58	58.94	1.36	2.36%
<u>Eastbourne</u>	1 Bedroom Flat	45.61	46.81	1.20	2.63%
	2 Bedroom Flat	51.04	52.30	1.26	2.47%
	2 Bedroom House	53.08	54.41	1.33	2.51%
	3 Bedroom House	55.82	57.32	1.50	2.69%
<u>Skerne Park</u>	2 Bed House	52.55	54.08	1.53	2.90%
	3 Bed House	56.15	57.64	1.49	2.70%
<u>Parkside</u>	1 Bedroom Flat	47.92	49.38	1.46	3.0%
	2 Bedroom House	55.71	57.13	1.42	2.5%
	3 Bedroom House	60.95	62.40	1.45	2.4%