

# WARWICKSHIRE COUNTY COUNCIL

## Minutes of the Meeting of Warwickshire County Council held on 6 February 2007

### Present:

Councillor Chris Davis (Chair)

Councillors John Appleton, George Atkinson, Peter Barnes, Sarah Boad, David Booth, Ken Browne, John Burton, Les Caborn, Tom Cavanagh, Richard Chattaway, Alan Cockburn, Gordon Collett, Jose Compton, Jill Dill-Russell, Richard Dodd, Michael Doody, Alan Farnell, Peter Fowler, Eithne Goode, Richard Grant, Colin Hayfield, John Haynes, Marion Haywood, Martin Heatley, Pat Henry, Bob Hicks, Richard Hobbs, Richard Hyde, Mick Jones, Katherine King, Nina Knapman, Joan Lea, Bryan Levy, Barry Longden, Susan Main, Frank McCarney, Helen McCarthy, Phillip Morris-Jones, Tim Naylor, Mike Perry, Raj Randev, Jerry Roodhouse, John Ross, Chris Saint, Izzi Seccombe, Dave Shilton, Kam Singh, Mota Singh, Ian Smith, Mick Stanley, Bob Stevens, Ray Sweet .B.E.M., June Tandy, Heather Timms, Sid Tooth, John Vereker, C.B.E., John Wells and John Whitehouse.

### 1. General

#### (1) Apologies

Apologies for absence were received on behalf of Councillors Anne Forwood, Bernard Kirton and Brian Moss.

#### (2) Members' Disclosures of Personal and Prejudicial Interests

##### ***District/borough memberships***

The following councillors disclosed a personal interest as members of the district or borough council indicated.

##### North Warwickshire Borough Council

Councillors: Peter Fowler, Colin Hayfield, Joan Lea, Mick Stanley, Ray Sweet and Sid Tooth.

##### Nuneaton and Bedworth Borough Council

Councillors Pat Henry and John Ross.

##### Rugby Borough Council

Councillors: Tom Cavanagh, Gordon Collett, Richard Dodd, Jerry Roodhouse and Heather Timms.

##### Stratford on Avon District Council

Councillors: John Appleton, Peter Barnes, Richard Hobbs, Susan Main, Mike Perry, Chris Saint, Izzi Seccombe and Bob Stevens.

Warwick District Council

Councillors: Les Caborn, Alan Cockburn, Jose Compton, Chris Davis, Michael Doody, Eithne Goode and Dave Shilton.

***Other interests***

Councillor Jose Compton declared a personal interest in any discussion regarding the NHS, as an associate member of the Coventry and Warwickshire Primary Care Trust.

Councillor Colin Hayfield declared a personal interest in any discussion regarding the NHS, as non-executive member of North Warwickshire Primary Care Trust.

Councillor Richard Hyde declared a personal interest in any discussion relating to issues concerning AWM, as a member of the board of AWM.

Councillor Richard Hobbs declared a personal interest in any discussion relating to West Midlands Regional Fire Management Board issues, as a member of that Board.

Councillor Helen McCarthy declared a personal interest in any discussion regarding Post –16 schooling as governor of Stratford College.

Councillor Jerry Roodhouse declared a personal interest in any discussion regarding voluntary services, as a member of Rugby Council for Voluntary Services.

**(3) Minutes of Previous Meetings**

Resolved:

That the meetings of the Council held on 12 December 2006 and 23 January 2007 be approved as correct records and signed by the Chair.

**(4) Petitions**

Councillor Richard Grant submitted a petition from pupils, parents, friends and residents regarding speed limit of traffic outside Queen Elizabeth School. The Chair announced that the petition would be passed to the North Warwickshire Area Committee for consideration.

Councillor Peter Fowler submitted a petition from Friends of Woodlands Cemetery requesting a pedestrian crossing on the road outside the cemetery to enable safer access. The Chair announced that this would be passed to officers for consideration and reply.

## **2. Member Question Time**

There were no questions.

## **3. Treasury Management Strategy 2007/2008**

The Council considered the report of the Strategic Director of Resources and endorsed the recommendations proposed by Cabinet at its meeting on 1 February.

Councillor Alan Cockburn moved the recommendations in the report (and was seconded by Councillor Bob Stevens).

The Council agreed as set out below:

Resolved

- (1) That the Treasury Management Strategy and Investment Strategy for 2007/08 be approved.
- (2) That the Council delegates authority to the Strategic Director of Resources to undertake the activities listed in paragraph 10 of the report.
- (3) That the Prudential Indicators be approved as set out at Annex B of Appendix D of minute 4.

## **4. County Council Budget 2007/08**

The County Council considered a report from the Strategic Director of Resources that had been presented to Cabinet on 1 February 2007.

The Cabinet had noted the resources available for 2007/08 and the associated spending proposals identified by directorates and had recommended that the Council take account of the 2007/08 framework budget resolutions set out in the report.

The leaders of the groups paid tribute and gave their thanks to the Strategic Director of Resources and his team of officers, and to the assistants to the political groups, for their work on the budget proposals.

The following budget recommendations (Revenue and Capital) were proposed:

- A. Councillor Alan Farnell moved the Conservative Group's proposed budget as set out at Appendix A (blue paper). This was seconded by Councillor Bob Stevens.

- B. Councillor June Tandy moved the Labour Group's proposed budget as set out at Appendix B (pink paper). This was seconded by Councillor Tim Naylor.
- C. Councillor Jerry Roodhouse moved the Liberal Democrat Group's proposed budget as set out at Appendix C (yellow paper). This was seconded by Councillor Sarah Boad.

Following a debate, votes were taken as set out below.

The Liberal Democrat Group Budget proposals at Appendix C were put to the vote and were LOST, the vote being 11 for and more against.

The Labour Group Budget proposals at Appendix B were put to the vote and were LOST, the vote being 21 for and more against.

The Conservative Group Budget proposals at Appendix A were put to the vote and were LOST, the vote being 26 for and more against.

*The meeting adjourned at 11.43 a.m. and reconvened at 7.25 p.m.*

Revised budget proposals were circulated.

- D. Councillor Alan Farnell moved the budget proposals set out at Appendix D (1) and D (2) (white paper) and was seconded by Councillor June Tandy and Councillor Jerry Roodhouse.

The Chair and the three Group Leaders thanked the Council for their attendance throughout the day and for the support to them in arriving at the revised budget proposals.

The budget proposals at D were put to the vote and were agreed with no one voting against and no abstentions.

**The agreed Budget for 2007/08 is attached as Appendix D (1) and D (2) to these minutes.**

## **5. Items of Urgent Business**

There were no items of urgent business.

The meeting rose at 7.29 p.m.

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Chair

## **Formal 2007/08 Conservative Revenue Budget Recommendations to County Council**

**The County Council is recommended to adopt the following as its budget framework for 2007/08:**

### **1 Service Objectives**

1.1 This budget proposal will support the corporate vision of Warwickshire County Council:

- Giving every child and family the best opportunities in life and raising levels of Educational Attainment
- Improving Community Safety and reducing fear of Crime
- Promoting Healthy Lifestyles
- Supporting Older People to live independently
- Strengthening the Warwickshire Economy
- Improving and Sustaining our Environment
- Strengthening our Communities and celebrating our Heritage
- Raising standards of Customer Service and Access to our Services

1.2 This budget aims to ensure value for money for the people of Warwickshire whilst continuing to modernise and improve the standard of services. It will build upon last year's investment into Modernisation, which is continuing to bring long-term benefits to all areas of service provision. This includes investing in the roll out of an improved customer contact and access service along with a New Ways of Working programme that we will continue to monitor to ensure that it is providing greater efficiencies.

1.3 The key theme of this year's budget is to improve the quality of life for the residents of Warwickshire and improve wellbeing through promoting individual independence, improving health and reducing inequalities. We will work in partnership with other agencies to deliver the best possible services. By investing £5.2million in Adult Social Care in real terms we will improve the level of services received and address the demand issues surrounding growing dependent population in Warwickshire. We expect this additional investment to maximise the quality of life for service users across the county and reduce inequalities. Effective performance management will be crucial to this process. We will expect the County Council's key actions for the "supporting older people to live independently" priority, as set down in the corporate business plan, to be delivered and the areas of concern as identified in the Commission for Social Care Inspection report to be tackled.

1.4 We recognise the need for Warwickshire County Council to take the lead in addressing the important issues surrounding environmental sustainability, and to this end we have included £500,000 of capital funds to enable projects to proceed that will reduce Warwickshire's carbon emissions and overall environmental footprint. This is a key challenge for our era.

- 1.5 We will continue to implement the New Ways of Working and the Modernisation agenda of the County Council, and in particular:
- ◆ The Customer Service Centre will be funded from the redirection of resources;
  - ◆ To increase the pace of improvement, business process re-engineering will receive appropriate funds from the Modernisation Fund (subject to the approval of the business case by the Modernisation Board); and
  - ◆ Directorates will be expected to fund, in a combined approach, the cultural change and people development work within existing resources to push forward the New Ways of Working agenda.
- 1.6 We will implement changes to speed up the implementation of the corporate property strategy and changes to accommodation. The Strategic Director, Resources/Head of Property will be given delegated authority to determine staff accommodation across the authority. This should include the power to relocate staff to ensure the most efficient and cost-effective use of our property portfolio and the subsequent disposal of surplus assets. Any changes should be in consultation with SDMT but with final decisions the responsibility of the Strategic Director, Resources/Head of Property.
- 1.7 The Chief Executive will undertake a complete service analysis for the authority that clearly links policies to activities and the inputs required to deliver outputs and a given performance level, with the aim of ensuring a wider understanding of the services provided by the County Council.
- 1.8 Warwickshire County Council looks forward to future closer partnership working with the five District and Borough councils and other partners and any efficiency that this may generate for the people of Warwickshire.
- 1.9 The County Council expresses its considerable dissatisfaction at the effect the level of the grant settlement, with the County Council being at the grant “floor”, i.e. the minimum level of increase, coupled with increasing legislative burdens and withdrawal of government grants is having upon Warwickshire taxpayers.
- 1.10 Strategic Directors and Portfolio Holders are requested to ensure that all service plans and the documents that make up the Council’s policy framework should reflect the priorities set out.
- 1.11 Strategic Directors will continue to produce quarterly reports on service performance, financial performance and progress on achieved savings.

## **2 Consultations and Thanks to Respondents**

- 2.1 Comments made by our taxpayers and service users as part of our budget consultation processes are noted. All contributors are thanked and assured of our determination to work with them to continue to improve services in Warwickshire.
- 2.2 The County Council notes and welcomes the offer of support given by those business and trade union representatives to lobby the government for additional resources to be made available to Warwickshire in order to meet the needs and realise the aspirations of the people of Warwickshire.

### 3 Revenue Allocations

3.1 Approval is given to the following budget allocations to be applied as directed:

Directorate	Description	Allocation £
Adult, Health and Community Services	An allocation of <b>£7,435,000</b> to the Adult, Health and Community Services Directorate to fund the following:	
	◆ Medium term financial plan allocation.	2,199,000
	◆ An allocation to meet the increased cost from rising client numbers, forecast demographic changes, the loss of government grant and supporting people capacity. £768,000 of the allocation is dependent on the plans for the value for money and cost cutting proposals outlined in paragraph 4.6 being approved and implemented to this level in 2007/08. The allocation to Adult Services will be reduced to the extent the value for money and cost cutting proposals are not delivered.	5,200,000
Children, Young People and Families	◆ An allocation to fund bio-diversity in the Museums Service.	36,000
	An allocation of <b>£3,727,000</b> to the Children, Young People and Families Directorate to fund the following:	
	◆ Medium term financial plan allocation.	2,343,000
	◆ An allocation to meet the cost of the increasing number of children looked after.	415,000
	◆ An allocation for the education social work service.	96,000
	◆ An allocation to meet the Youth Offending Service base budget pressure.	76,000
	◆ An allocation for additional transport costs of both special educational needs and mainstream pupils.	60,000
	◆ Additional funding for the assessment framework for children's services.	146,000
	◆ An allocation to meet the Assessment, Statementing and Review Service base budget pressure.	100,000
	◆ Funding for corporate parenting.	100,000
Community Protection	◆ An allocation to roll-out enhanced professional support across the County.	273,000
	◆ An allocation to fund investment in the integrated disability service.	118,000
	An allocation of <b>£842,000</b> to the Community Protection Directorate to fund the following:	
	◆ Medium term financial plan allocation.	669,000
	◆ An allocation to meet the cost of fire-fighters assessment and development centres.	32,000
	◆ An allocation to provide permanent funding for the firebreak scheme.	12,000
◆ An allocation to enhance the domestic violence and alcohol support services.	92,000	
◆ An allocation to ensure maximum benefit is derived from the investment in the Fire Service's emergency cover tool-kit.	37,000	
<b>Directorate</b>	<b>Description</b>	<b>Allocation</b>

		£
Environment and Economy	An allocation of <b>£2,593,000</b> to the Environment and Economy Directorate to fund the following: <ul style="list-style-type: none"> <li>◆ Medium term financial plan allocation.</li> <li>◆ An allocation to meet the cost of the government's requirement to review speed limits on A and B roads.</li> <li>◆ An allocation to be provided every other year to meet the costs of enhanced planning enquiries.</li> <li>◆ A one-off allocation for Warwickshire Education Business Partnership.</li> <li>◆ An allocation to contribute to the funding of the Building Sustainable Neighbourhoods project.</li> <li>◆ An allocation to enhance tourism development in Warwickshire.</li> </ul>	2,141,000 25,000 180,000 140,000 70,000 37,000
Performance and Development	An allocation of <b>£720,000</b> to the Performance and Development Directorate to fund the following: <ul style="list-style-type: none"> <li>◆ Medium term financial plan allocation.</li> <li>◆ An allocation to fund the customer access strategy including the continued development of the one-stop shop programme.</li> </ul>	265,000 455,000
Resources	An allocation of <b>£1,097,000</b> to the Resources Directorate to fund the following: <ul style="list-style-type: none"> <li>◆ Medium term financial plan allocation.</li> <li>◆ Saltisford offices running costs. The balance of funding for this pressure will be top-sliced from all Directorates.</li> <li>◆ An allocation to fund asbestos and water hygiene surveys and to undertake any remedial work identified.</li> <li>◆ A one-off allocation to fund the catering service deficit whilst the service undergoes a restructuring.</li> </ul>	372,000 200,000 300,000 225,000
Other Services	An allocation of <b>£2,490,000</b> to Other Services to fund the following: <ul style="list-style-type: none"> <li>◆ Medium term financial plan allocation.</li> <li>◆ Borrowing costs of the additional capital spending approved and proposed in our capital programme resolution.</li> <li>◆ An allocation to increase the provision for elections and by-elections.</li> </ul>	2,032,000 444,000 14,000
	<b>Total Allocations</b>	<b>18,904,000</b>

## 4 Funding Sources

4.1 All Directorates, except Community Protection, will be required to achieve 2.5% savings. These savings will be returned to the centre to be re-cycled to meet spending priorities.

4.2 The allocations to be returned to the centre by each service are as follows:

	£
Adult, Health and Community Services	2,393,000
Children, Young People and Families	1,585,000
Environment and Economy	922,000
Performance and Development	232,000
Resources	397,000
<b>Total</b>	<b>5,529,000</b>

- 4.3 The Chief Executive, along with SDMT will bring a report to Cabinet in April 2006, identifying plans for 2.5% savings for the medium term (2006/07 to 2008/09) as part of approving the Annual Efficiency Statement. Cabinet and Overview and Scrutiny Committees should also receive a report on progress to date to the autumn cycle of meetings.
- 4.4 An external review be commissioned to consider the modernisation of the Warwickshire Fire and Rescue Service and the allocation of resources to ensure that Warwickshire County Council continues to provide an effective and modernised Fire and Rescue Service that provides value for money. This review will cover all appropriate methods of securing value for money, including collaborative working with neighbouring authorities. The findings of the review are to be reported to Cabinet in June 2007, with a view to the implementation programme and timescales being agreed by December 2007.
- 4.5 In addition to the 2.5% efficiency savings outlined in paragraph 4.2, a further £1 million saving will be required to reduce the impact of the Council's activities on the environment including the use of paper, publications etc. These savings will also be returned to the centre to be re-cycled to meet spending priorities. The allocations to be returned to the centre by each service are as follows:

	£
Adult, Health and Community Services	169,000
Children, Young People and Families	348,000
Community Protection	29,000
Environment and Economy	254,000
Performance and Development	111,000
Resources	89,000
<b>Total</b>	<b>1,000,000</b>

- 4.6 Our programme of value for money and cost-cutting reviews will, over the next three years, deliver savings of £6.750 million. To do this we will require the relevant Strategic Directors to identify where the savings outlined below can be delivered in the following service areas:

	Saving Required in 2007/08 £	Total Saving Required £
Adult, Health and Community Services		
◆ Libraries	240,000	1,300,000
◆ Trading Standards	28,000	150,000
Children, Young People and Families		
◆ Children's Social Services	-	900,000
◆ Non-School Education	250,000	3,050,000
Environment and Economy		
◆ Economic Development	167,000	900,000
Performance and Development		
◆ Community Development	83,000	450,000
<b>Total</b>	<b>768,000</b>	<b>6,750,000</b>

4.7 Strategic Directors will report on their plans for delivering savings of this level to the Modernisation Board and then on to Cabinet by the end of May 2007. Council will then consider any proposals requiring their specific approval in June 2007. These savings are in addition to the funding strategies outlined in paragraphs 4.2 and 4.5 above. In 2007/08 these savings will represent a corporate contribution to the development of adult services within Warwickshire. As such £0.768 million of the 2007/08 allocation for Adult Social Care in the budget will be released in a phased approach dependent on members agreeing the implementation plans and delivery timescales of the savings proposals and the monitoring of their delivery.

4.8 The council tax will be increased by 4.99%, which, together with other funding resources identified, will fund the budget proposals contained within this resolution.

## 5 Medium Term Financial Planning Framework

5.1 Over the medium term the County Council will plan on the basis that:

- Inflation and the corporate costs of capital will be funded from government grant and council tax income.
- Subsequent to this the corporate costs of funding a base capital programme to ensure the long-term maintenance of our asset infrastructure will be funded from council tax income.
- Any other unavoidable pressure members wish to meet will be funded from the balance of council tax income and reducing investment in low priority services.
- Spending on schools and pupil-related services is guaranteed to the level of the Dedicated Schools Grant.
- New developments will be funded from efficiency savings (with a minimum of 2.5% cash savings generated each year) and any further reduced investment in low priority services.

5.2 We will continue to focus our efforts in the medium term to ensure the delivery of value for money across the authority and the provision of cost-effective services. Our aim is to ensure value for money (through a cost to performance comparison) is

upper quartile for all services. In addition to the savings proposals laid out in paragraph 4.6 above and in preparation for the 2008/09 budget:

- All Strategic Directors should come forward with proposals for the further transfer of services into the Customer Service Centre.
- The Strategic Directors of Resources and Performance and Development, for the respective support services for which they act as head of profession, should come forward with proposals to reduce the cost of those support services across the whole County Council by 2.5%. (Again this is above the 2.5% efficiency savings target included elsewhere in the resolution).
- A corporate charging policy and review of all income streams is completed for implementation of any changes for 2008/09.
- Reviews of the following service areas should be completed:
  - the long-term future of the courts part of Shire Hall.
  - The longer-term prospects for revenue energy savings over and above meeting the capital financing costs of any investments with a view to developing energy targets for future years.
  - The provision of training and development across the authority and the hire of rooms for training, conferences and away-days with a view to streamlining and rationalising the service and costs over the medium term.

Strategic Directors will report on their plans for delivering these savings to the Modernisation Board and then on to Cabinet by the end of October 2007. Council will then consider any proposals requiring their specific approval in November 2007

5.3 The County Council will continue to modernise the organisation whilst ensuring value for money. We will ensure that current resources are continually assessed to deliver the Council's objectives and priorities. Our key priorities for the coming years will be the continuing improvement of adult social care, to make this a four star service. And, secondly our commitment to a sustainable development programme, reducing Warwickshire's overall carbon footprint and in return reducing Warwickshire's energy costs. We will, wherever possible, consider "invest-to-save" programmes that will generate long-term savings for the authority.

5.4 We will continue to work closely with partners, in particular our district and borough councils, where we are committed to increased effectiveness and efficiency by exploring shared services.

## **6 Strategic Director, Resources Statement**

6.1 That the following statement from the Strategic Director, Resources be noted.

*"The Local Government Act 2003 requires me as "Chief Finance Officer" to report on:*

- ◆ *The robustness of the revenue estimates made for the purposes of the budget calculations; and*
- ◆ *The adequacy of the proposed financial reserves.*

The budget information used in preparing this revenue budget resolution has undergone extensive scrutiny by:

- ◆ Strategic Directors and their staff;
- ◆ Myself and staff within the Resources Directorate;
- ◆ Strategic Directors Management Team;
- ◆ Overview and Scrutiny Committees;

In addition to this I have worked closely with the Party Group in preparing this budget resolution. In overall terms I am of the view that this revenue budget has been prepared on realistic assumptions and that it represents a robust budget.

There is a full-year effect of some allocations both in this resolution and the accompanying capital resolution. The Party Group needs to be mindful of the fact that, overall, an additional revenue impact of £0.418 million will need to form part of the Group's consideration of the budget in future years.

I have also undertaken a risk analysis of the adequacy of financial reserves. This highlighted the need to increase the level of general reserves to £10.0 million. A requirement of this level is in line with the latest projection reported to members as part of the corporate budget monitoring process. I am therefore of the view that this budget does provide for an adequate level of reserves."

## 7 Summary of Service Estimates

7.1 Approval be given to the estimates set out below which include provision for capital expenditure to be charged to the revenue account, financed from the Capital Fund, consistent with the 2007/08 to 2009/10 capital programme.

7.2 Individual Service net revenue estimates of:

	Base Budget	Additions	Funding Sources/ Re-cycling	Total
	£	£	£	£
Adult, Health and Community Services	107,116,896	7,435,000	(2,830,000)	111,721,896
Children, Young People and Families	98,393,401	3,727,000	(2,183,000)	99,937,401
Community Protection	23,251,522	842,000	(29,000)	24,064,522
Environment and Economy	48,299,335	2,593,000	(1,343,000)	49,549,335
Performance and Development	2,555,139	720,000	(426,000)	2,849,139
Resources	2,146,159	1,097,000	(486,000)	2,757,159
Other Services	29,073,777	2,490,000	0	31,563,777
Less: Notional Capital Charges	(41,958,677)	0	0	(41,958,677)
	<b>268,877,552</b>	<b>18,904,000</b>	<b>(7,297,000)</b>	<b>280,484,552</b>
Contributions to/(from) reserves:				
• General Reserves	0	34,551	0	34,551
• Service/earmarked savings	136,300	0	0	136,300
• Virtual Bank	496,200	0	0	496,200
• Capital Fund	(300,000)	0	0	(300,000)

## 8 Budget Requirements

### 8.1

	Base Budget	Additions	Funding Sources/ Re-cycling	Total
	£	£	£	£
Approval to be given to a budget requirement for the general expenses of the County Council for the year ending 31 March 2008 of	269,210,052	18,938,551	(7,297,000)	280,851,603

### 8.2

The basic amount of the Council Tax for a Band D property, for the year ending 31 March 2008 be calculated as follows:	£
Budget Requirement	280,851,603.00
Less Redistributed National Non-Domestic Rates	(64,929,677.00)
Less Revenue Support Grant	(10,896,539.00)
Less Council Tax Surplus on Collection	(34,551.00)
	204,990,836.00
Divided by aggregate Council Tax Base for the County Area	195,977.10
<b>Basic amount of Council Tax (Band D)</b>	<b>1,045.99</b>

## 9 Council Tax

9.1 Approval be given to Council Tax amounts for each category of property as follows:

	£
Band A	697.3292
Band B	813.5508
Band C	929.7723
Band D	1,045.9938
Band E	1,278.4369
Band F	1,510.8800
Band G	1,743.3230
Band H	2,091.9876

## 10 Precepts

10.1 The Chief Executive issue 2007/08 precepts on the Warwickshire billing authorities, as follows:

	£
North Warwickshire Borough Council	21,929,448.77
Nuneaton & Bedworth Borough Council	40,036,459.56
Rugby Borough Council	35,540,244.65
Stratford-on-Avon District Council	53,530,407.47
Warwick District Council	53,954,275.55

## **11 Budget Management**

- 11.1 The Chief Executive be directly responsible for the implementation of the budget.
- 11.2 The Chief Executive and Strategic Director, Resources be provided with delegated authority to vire revenue budgets between Directorates where such virements are as a direct consequence of the specific spending allocations, invest-to-save projects and funding strategies contained in this resolution and the accompanying capital budget resolution.
- 11.3 The Chief Executive is instructed to remind all Strategic Directors that budgets must not be overspent and that effective budget management arrangements should be the cornerstone of Directorates' work to secure best value.
- 11.4 Directorates, and also schools, be encouraged to take a medium term view of spending commitments including exercising caution in entering into initiatives which create commitments in future years and developing clear strategies for the utilisation of service reserves.
- 11.5 All member bodies and Strategic Directors are instructed to comply with the prescriptive legal duties placed upon the Council and the Chief Executive and Strategic Directors be instructed to ensure that the implementation of policies complies with legal requirements.
- 11.6 All Directorates are authorised to draw down on Directorate reserves accumulated from previous year's savings, subject to notifying the Strategic Director, Resources.
- 11.7 That authority is given for all necessary tenders to be obtained and contracts to be completed to give effect to this budget.

# County Council – 6 February – Minute 4 APPENDIX A

## Formal 2007/2008 Conservative Capital Budget Recommendations to County Council

It is recommended that:

### 1 Capital Programme

- 1.1 Approval be given to a capital programme of £144,650,900 for new schemes starting in 2007/08 as shown in Annex A.
- 1.2 Of the 2007/08 programme, schemes costing £122,274,900 were already approved for planning purposes. These are reaffirmed as part of this resolution.
- 1.3 In doing so the funding for the following schemes is agreed:
- The shortfall in funding of Rugby Western Relief Road will be met from prudential borrowing.
- 1.4 Additional allocations for new schemes in 2007/08 are also approved as follows:

Directorate	Investment Project	Payments in 2007/08 £	Total Scheme Allocation £
<b>2007/08</b>			
Adult, Health & Community Services	◆ Premises and accommodation small scale reactive works – base programme	200,000	200,000
	◆ Vehicle and equipment replacement – base programme	100,000	100,000
	◆ Waller of Woodcote Archival Collection	400,000	400,000
	◆ Museum Service – digital data storage	50,000	50,000
Children, Young People & Families	◆ Premises and accommodation small scale reactive works – base programme	100,000	100,000
Community Protection	◆ Equipment for fire appliances – base programme	100,000	100,000
	◆ Fire appliances replacement – base programme (self-financing)	600,000	600,000
	◆ Coleshill fire station refurbishment	250,000	250,000
	◆ Expansion of drug and alcohol rehabilitation service (self-financing)	2,000,000	2,000,000

Directorate	Investment Project	Payments in 2007/08 £	Total Scheme Allocation £
Environment & Economy	◆ Highways maintenance – base programme	1,250,000	1,250,000
	◆ Street lighting – base programme	500,000	500,000
	◆ Countryside maintenance – base programme	100,000	100,000
	◆ Implementation of the municipal waste strategy	2,705,000	4,705,000
	◆ Deprived communities environmental improvements	419,000	464,000
	◆ Highways maintenance, improvement and safety – area committees	2,000,000	2,000,000
	◆ World of Rugby football attraction	200,000	500,000
	◆ Centenary business centre – phase 3	632,000	632,000
	◆ Refurbishment of Gypsy and Traveller “settled” site	1,800,000	1,800,000
	◆ Nuneaton and Bedworth Town Centre Masterplan	100,000	200,000
	◆ Masterplanning and Feasibility and Small Scale Improvements	100,000	100,000
	Performance & Development	◆ One-stop shops expansion programme	180,000
Resources	◆ Asbestos – base programme	250,000	250,000
	◆ Safe water – base programme	100,000	100,000
	◆ Major structural maintenance (non schools) – base programme	1,150,000	1,150,000
	◆ Boiler replacement – base programme	350,000	350,000
	◆ Small scale reactive property maintenance – base programme	250,000	250,000
	◆ Fire precautions – base programme	250,000	250,000
	◆ Rewiring – base programme	150,000	150,000
	◆ Improving the customer experience in County Council buildings	575,000	575,000
	◆ DDA works for Warwick county museum and countywide public access	450,000	650,000
	◆ Structural, mechanical and electrical maintenance and fire precautions – backlog reduction	1,320,000	1,320,000
	◆ Human resources management system – replacement server	400,000	400,000
	◆ Climate Change (self financing)	500,000	500,000
	◆ Property Systems Developments	200,000	200,000
<b>2007/08 Total Allocations</b>		<b>19,731,000</b>	<b>22,376,000</b>

1.5 The capital programmes of £25,508,900 and £28,677,900 new schemes starting in 2008/09 and 2009/10 as shown in Annex A, be approved for planning purposes. Of the draft programme, schemes costing £13,698,900 in 2008/09 and £962,900 in 2009/10 were already approved for planning purposes.

1.6 In doing so the following scheme is agreed for planning purposes:

- The integrated transport allocation of £5,490,000 for 2009/10 announced as part of the LTP Settlement in December 2006.

1.7 Additional allocations are also approved as follows:

Directorate	Investment Project	Payments in 2008/09 £	Total Scheme Allocation £
<b>2008/09</b>			
Adult, Health & Community Services	◆ Premises and accommodation small scale reactive works – base programme	210,000	210,000
	◆ Vehicle and equipment replacement – base programme	105,000	105,000
Children, Young People & Families	◆ Premises and accommodation small scale reactive works – base programme	105,000	105,000
Community Protection	◆ Equipment for fire appliances – base programme	105,000	105,000
	◆ Replacement of fire appliances – base programme (self financing)	630,000	630,000
Environment & Economy	◆ Highways maintenance – base programme	1,310,000	1,310,000
	◆ Street lighting – base programme	525,000	525,000
	◆ Countryside maintenance – base programme	105,000	105,000
	◆ Highways maintenance, improvement and safety – area committees	2,000,000	2,000,000
Resources	◆ Asbestos – base programme	265,000	265,000
	◆ Safe water – base programme	105,000	105,000
	◆ Major structural maintenance (non schools) – base programme	1,210,000	1,210,000
	◆ Boiler replacement – base programme	370,000	370,000
	◆ Small scale reactive property maintenance – base programme	265,000	265,000
	◆ Fire precautions – base programme	265,000	265,000
	◆ Rewiring – base programme	160,000	160,000
	◆ Improving the customer experience in County Council buildings	1,575,000	1,575,000
	◆ Structural, mechanical and electrical maintenance and fire precautions – backlog reduction	2,000,000	2,000,000
◆ Climate change (self financing)	500,000	500,000	
	<b>2008/09 Total Allocations</b>	<b>11,810,000</b>	<b>11,810,000</b>

Directorate	Investment Project	Payments in 2009/10 £	Total Scheme Allocation £
<b>2009/10</b> Adult, Health & Community Services	◆ Premises and accommodation small scale reactive works – base programme	220,000	220,000
	◆ Vehicle and equipment replacement – base programme	110,000	110,000
Children, Young People & Families	◆ Premises and accommodation small scale reactive works – base programme	110,000	110,000
Community Protection	◆ Equipment for fire appliances – base programme	110,000	110,000
	◆ Replacement of fire appliances – base programme (self financing)	660,000	660,000
Environment & Economy	◆ Highways maintenance – base programme	11,025,000	11,025,000
	◆ Street lighting – base programme	550,000	550,000
	◆ Countryside maintenance – base programme	110,000	110,000
	◆ Highways maintenance, improvement and safety – area committees	2,000,000	2,000,000
Resources	◆ Asbestos – base programme	275,000	275,000
	◆ Safe water – base programme	110,000	110,000
	◆ Major structural maintenance (non schools) – base programme	1,270,000	1,270,000
	◆ Boiler replacement – base programme	385,000	385,000
	◆ Small scale reactive property maintenance – base programme	275,000	275,000
	◆ Fire precautions – base programme	275,000	275,000
	◆ Rewiring – base programme	165,000	165,000
	◆ Improving the customer experience in County Council buildings	1,575,000	1,575,000
	◆ Structural, mechanical and electrical maintenance and fire precautions – backlog reduction	2,500,000	2,500,000
	◆ Climate change (self financing)	500,000	500,000
	<b>2009/10 Total Allocations</b>	<b>22,225,000</b>	<b>22,225,000</b>

1.8 A deduction is made from Directorate's revenue budgets for the debt charges in respect of the self-financing projects funded from borrowing.

## 2 Prudential Guidelines and Limits

- 2.1 Approval be given to an Affordable Borrowing Limit consistent with the capital programme approved at Annex A for 2007/08 and the subsequent two years as follows:

	In-Year £ per Band D Council Tax	Cumulative £ per Band D Council Tax
2007/08	13.61	13.61
2008/09	14.10	27.71
2009/10	7.93	35.64

- 2.2 Approval is given to the prudential indicators set out in Annex B, consistent with the approved Capital Programme 2007/08 to 2009/10 and the 2007/08 Treasury Management Strategy considered by Cabinet on 1 February 2007 and included for approval elsewhere on this agenda.

## 3 Strategic Director, Resources' Statement

- 3.1 The following statement from the Strategic Director, Resources is noted:

*"The Local Government Act 2003 requires me as "Chief Finance Officer" to report on the robustness of the estimates made for the purposes of the budget calculations.*

*The capital programme information used in preparing this capital budget resolution has undergone extensive scrutiny by:*

- ◆ *Strategic Directors and their staff;*
- ◆ *Myself and staff within my department;*
- ◆ *Strategic Directors Management Team;*
- ◆ *Overview and Scrutiny Committees and Cabinet.*

*In addition to this I have worked closely with the Party Group in preparing this capital programme resolution. In overall terms I am of the view that this capital programme has been prepared on realistic assumptions and that it represents a robust programme.*

*The draft programme for 2008/09 and 2009/10 includes a significant commitment for further capital investment into future years. The Party Group needs to be mindful that overall the additional revenue costs of the capital programme included in this resolution is £0.963 million in 2008/09 and a further £1.042 million in 2009/10. The financing of these revenue impacts will need to form part of the Group's consideration of the budget in future years."*

## **4 Delegations**

- 4.1 The delegations from Council to Cabinet to allow Cabinet to approve amendments to the capital programme, first agreed by Council on 18 December 2001, be reconfirmed as follows:
- The agreement of any increases or reductions in capital starts/payments totals as part of the capital review process is delegated to Cabinet.
  - The approval of the addition to the capital programme of projects costing less than £1.5 million, which are fully funded from external grants, developer contributions or from revenue, be delegated to Cabinet.
- 4.2 In addition the Strategic Director, Resources be provided with delegated authority to vire capital schemes between directorates where such virements are as a direct consequence of the restructuring of the County Council.

## **5 Budget Management**

- 5.1 The Chief Executive will be directly responsible for the implementation of the capital programme.
- 5.2 The Chief Executive is instructed to remind all Strategic Directors that budgets must not be overspent and that effective budget management arrangements should be the cornerstone of each directorate's work to secure Best Value.
- 5.3 All member bodies and Chief Officers be instructed to comply with the prescriptive legal duties placed upon the Council and the Chief Executive and Strategic Directors be instructed to ensure that the implementation of policies complies with legal requirements.
- 5.4 That authority is given for all necessary tenders to be obtained and contracts to be completed to give effect to this budget.

## ANALYSIS OF CAPITAL PAYMENTS BY STARTS YEAF

Start Year (1)	Payments at November 2006 prices						Total Scheme Cost (7) £000
	Before 31.03.07 (2) £000	2007/08 (3) £000	2008/09 (4) £000	2009/10 (5) £000	2010/11 and later years (6) £000		
	1. Starts in 2006/07 and earlier years	292,756.4	38,466.3	4,309.4	750.1	10.0	
2. 2007/08 Starts	7,395.9	97,178.3	35,788.7	3,048.0	1,240.0	144,650.9	
3. 2008/09 Starts	0.9		25,508.0			25,508.9	
4. 2009/10 Starts				28,677.9		28,677.9	
5. TOTAL PROGRAMME	300,153.2	135,644.6	65,606.1	32,476.0	1,250.0	535,129.9	

**CAPITAL PROGRAMME 2007/08 - 2009/10**
**CONSERVATIVE Appendix A Annex A**

The table below shows the proposed capital programmes split between directorates :-

	Details	Notes	Before 31.03.07	2007/08	2008/09	2009/10	2010/11 and later years	Total Scheme Cost
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
			£000	£000	£000	£000	£000	£000
<b>A.</b>	COMMITMENTS ON SCHEMES STARTED IN 2006/07 AND EARLIER YEARS at November 2006 prices		292,756.4	38,466.3	4,309.4	750.1	10.0	336,292.2
<b>B.</b>	<b>2007/08 Draft Capital Programme</b>							
1.	ADULT, HEALTH AND COMMUNITY SERVICES		10.0	2,810.0	532.7			3,352.7
2.	CHILDREN, YOUNG PEOPLE AND FAMILIES SERVICES		1,039.7	25,353.5	7,904.0	122.0		34,419.2
3.	COMMUNITY PROTECTION			2,950.0				2,950.0
4.	ENVIRONMENT AND ECONOMY		5,590.0	56,177.9	26,819.0	2,876.0	1,240.0	92,702.9
5.	PERFORMANCE & DEVELOPMENT			180.0				180.0
6.	RESOURCES		756.2	9,706.9	533.0	50.0		11,046.1
7.	<b>TOTAL</b>		<b>7,395.9</b>	<b>97,178.3</b>	<b>35,788.7</b>	<b>3,048.0</b>	<b>1,240.0</b>	<b>144,650.9</b>
<b>C.</b>	<b>2008/09 Draft Capital Programme</b>							
1.	ADULT, HEALTH AND COMMUNITY SERVICES				415.0			415.0
2.	CHILDREN, YOUNG PEOPLE AND FAMILIES SERVICES				405.0			405.0
3.	COMMUNITY PROTECTION				735.0			735.0
4.	ENVIRONMENT AND ECONOMY		0.9		16,738.0			16,738.9
5.	RESOURCES				7,215.0			7,215.0
6.	<b>TOTAL</b>		<b>0.9</b>		<b>25,508.0</b>			<b>25,508.9</b>
<b>D.</b>	<b>2009/10 Draft Capital Programme</b>							
1.	ADULT, HEALTH AND COMMUNITY SERVICES					330.0		330
2.	CHILDREN, YOUNG PEOPLE AND FAMILIES SERVICES					110.0		110
3.	COMMUNITY PROTECTION					770.0		770.0
4.	ENVIRONMENT AND ECONOMY					19,637.9		19,637.9
5.	RESOURCES					7,830.0		7,830.0
6.	<b>TOTAL</b>					<b>28,677.9</b>		<b>28,677.9</b>
<b>E.</b>	<b>Council Resolutions</b>		<b>300,153.2</b>	<b>135,644.6</b>	<b>65,606.1</b>	<b>32,476.0</b>	<b>1,250.0</b>	<b>535,129.9</b>

**CAPITAL PROGRAMME 2007/08 - 2009/10**
**CONSERVATIVE Annex A**

The table below summarises how the proposed Capital Programme 2007/08 to 2009/10 has been built up from the joint report to the Cabinet on 1st February 2007 :-

	Details (1)	Notes (2)	Before 31.03.07 (2) £000	2007/08 (3) £000	2008/09 (4) £000	2009/10 (5) £000	2010/11 and later years (6) £000	Total Scheme Cost (7) £000
<b>A.</b>	Grand total for all years following 1st February 2007 report to Cabinet (Agenda Items No. 4 and No.9) including projects arising from Governmt announcements in December 2006		<b>300,153.2</b>	<b>115,913.6</b>	<b>53,301.1</b>	<b>3,851.0</b>	<b>10.0</b>	<b>473,228.9</b>
<b>B.</b>	<b>New Items - gross cost of schemes</b>							
1.	<b>Adult, Health &amp; Community Services</b>							
	Premises and accommodation small scale reactive works - BASE			200.0	210.0	220.0		630.0
	Vehicle and equipment replacement - BASE			100.0	105.0	110.0		315.0
	Waller of Woodcote Archival Collection			400.0				400.0
	Museum Service - digital data storage			50.0				50.0
2.	<b>Children, Young People &amp; Families</b>							
	Premises and accommodation small scale reactive works - BASE			100.0	105.0	110.0		315.0
3.	<b>Community Protection</b>							
	Equipment for fire appliances - BASE			100.0	105.0	110.0		315.0
	Fire appliances replacement - BASE (SF)			600.0	630.0	660.0		1,890.0
	Coleshill fire station refurbishment			250.0				250.0
	Expansion of drug and alcohol rehabilitation service (SF)			2,000.0				2,000.0
4.	<b>Environment &amp; Economy</b>							
	Highways maintenance - BASE			1,250.0	1,310.0	11,025.0		13,585.0
	Street lighting - BASE			500.0	525.0	550.0		1,575.0
	Countryside maintenance - BASE			100.0	105.0	110.0		315.0
	Implementation of the municipal waste strategy			2,705.0		760.0	1,240.0	4,705.0
	Deprived communities environmental improvements			419.0	45.0			464.0
	Masterplanning & feasibility & small scale improvements			100.0				100.0
	Highway maintenance, improvement and safety - area committees			2,000.0	2,000.0	2,000.0		6,000.0
	Nuneaton & Bedworth Town Centre masterplan			100.0	100.0			200.0
	World of Rugby Football attraction			200.0	200.0	100.0		500.0
	Centenary business centre - phase 3			632.0				632.0
	Refurbishment of Gypsy and Traveller "Settled Site"			1,800.0				1,800.0
	Integrated Transport Allocation 2009/10					5,490.0		5,490.0
5.	<b>Performance &amp; Development</b>							
	One-stop shops expansion programme			180.0				180.0
6.	<b>Resources</b>							
	Asbestos - BASE			250.0	265.0	275.0		790.0
	Safe Water - BASE			100.0	105.0	110.0		315.0
	Major structural maince (non schools) - BASE			1,150.0	1,210.0	1,270.0		3,630.0
	Boiler replacement - BASE			350.0	370.0	385.0		1,105.0
	Small scale reactive property maintenance - BASE			250.0	265.0	275.0		790.0
	Fire precautions - BASE			250.0	265.0	275.0		790.0
	Rewiring - BASE			150.0	160.0	165.0		475.0
	Improving the customer experience in			575.0	1,575.0	1,575.0		3,725.0

	<b>Details</b>	<b>Notes</b>	<b>Before 31.03.07</b>	<b>2007/08</b>	<b>2008/09</b>	<b>2009/10</b>	<b>2010/11 and later years</b>	<b>Total Scheme Cost</b>
	<b>(1)</b>	<b>(2)</b>	<b>(2)</b>	<b>(3)</b>	<b>(4)</b>	<b>(5)</b>	<b>(6)</b>	<b>(7)</b>
			<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
	County Council buildings			450.0	150.0	50.0		650.0
	DDA works for Warwick county museum and countywide public access							
	Structural, mechanical and electrical maince and fire precautions - backlog reduction			1,320.0	2,000.0	2,500.0		5,820.0
	Human resources management system - replacement server			400.0				400.0
	Property systems developments			200.0				200.0
	Climate Change (SF)			500.0	500.0	500.0		1,500.0
	<b>TOTAL</b>			<b>19,731.0</b>	<b>12,305.0</b>	<b>28,625.0</b>	<b>1,240.0</b>	<b>61,901.0</b>
<b>C.</b>	<b>Council Resolutions</b>		<b>300,153.2</b>	<b>135,644.6</b>	<b>65,606.1</b>	<b>32,476.0</b>	<b>1,250.0</b>	<b>535,129.9</b>

## PRUDENTIAL BORROWING

## CONSERVATIVE

## Annex A

Details (1)	Notes (2)	Before 31.03.07	2007/08	2008/09	2009/10	2010/11 and later years (7)	Total Scheme Cost (8)
		£000	£000	£000	£000	£000	£000
<b>A.</b> Total for all years following 1st February 2007 report to Cabinet (Agenda Items No.4 and No.9)			<b>31,494.0</b>	<b>8,949.0</b>	<b>(396.0)</b>	<b>10.0</b>	<b>40,057.0</b>
<b>B. New Items</b>							
<b>1. Adult, Health &amp; Community Services</b>							
Premises and accommodation small scale reactive works - BASE			200.0	210.0	220.0		630.0
Vehicle and equipment replacement - BASE			100.0	105.0	110.0		315.0
Waller of Woodcote Archival Collection			15.0				15.0
Museum Service - digital data storage			50.0				50.0
<b>2. Children, Young People &amp; Families</b>							
Premises and accommodation small scale reactive works - BASE			100.0	105.0	110.0		315.0
<b>3. Community Protection</b>							
Equipment for fire appliances - BASE			100.0	105.0	110.0		315.0
Fire appliances replacement - BASE (SF)			600.0	630.0	660.0		1,890.0
Coleshill fire station refurbishment			250.0				250.0
Expansion of drug and alcohol rehabilitation service (SF)			300.0				300.0
<b>4. Environment &amp; Economy</b>							
Highways maintenance - BASE			1,250.0	1,310.0	8,610.0		11,170.0
Street lighting - BASE			500.0	525.0	550.0		1,575.0
Countryside maintenance - BASE			100.0	105.0	110.0		315.0
Implementation of the municipal waste strategy			2,705.0		760.0	1,240.0	4,705.0
Deprived communities environmental improvements			110.0	45.0			155.0
Masterplanning & feasibility & small scale improvements			100.0				100.0
Highways maintenance, improvement and safety area committees			2,000.0	2,000.0	2,000.0		6,000.0
Nuneaton & Bedworth Town Centre masterplan			100.0	100.0			200.0
World of Rugby Football attraction			200.0	200.0	100.0		500.0
Centenary business centre - phase 3			186.0				186.0
Refurbishment of Gypsy and Traveller "Settled Site"			450.0				450.0
Other transport allocations				2,660.0	5,541.0		8,201.0
<b>5. Performance &amp; Development</b>							
One stop shops programme			180.0				180.0
<b>6. Resources</b>							
Asbestos - BASE			250.0	265.0	275.0		790.0
Safe Water - BASE			100.0	105.0	110.0		315.0
Major structural maintnce (non schools) - BASE			1,150.0	1,210.0	1,270.0		3,630.0
Boiler replacement - BASE			350.0	370.0	385.0		1,105.0
Small scale reactive property maintenance - BASE			250.0	265.0	275.0		790.0
Fire precautions - BASE			250.0	265.0	275.0		790.0
Rewiring - BASE			150.0	160.0	165.0		475.0
Improving the customer experience in County Council buildings			575.0	1,575.0	1,575.0		3,725.0
DDA works for Warwick county museum and countywide public access			450.0	150.0	50.0		650.0
Structural, mechanical and electrical maintnce and fire precautions - backlog reduction			1,320.0	2,000.0	2,500.0		5,820.0
Human resources management system - replacement server			400.0				400.0
Property systems developments			200.0				200.0
Climate Change (SF)			475.0	450.0	450.0		1,375.0
<b>Total borrowing for new items</b>			<b>15,516.0</b>	<b>14,915.0</b>	<b>26,211.0</b>	<b>1,240.0</b>	<b>57,882.0</b>
<b>C. TOTAL</b>			<b>47,010.0</b>	<b>23,864.0</b>	<b>25,815.0</b>	<b>1,250.0</b>	<b>97,939.0</b>

**Notes :-**

- In addition to the borrowing above a further £3.85m (self-financing) has been approved for North Leamington School in 2008/09. See Cabinet 1st February 2007 Capital programme 2007/08 to 2009/10 - Table 2.

## Conservative Group

Appendix A

Annex B

PRUDENTIAL INDICATOR	2005/06	2006/07	2007/08	2008/09	2009/10
<b>(1). AFFORDABILITY PRUDENTIAL INDICATORS</b>	<b>actual</b>	<b>estimate</b>	<b>estimate</b>	<b>estimate</b>	<b>estimate</b>
<b>Capital Expenditure</b>	<b>£'000</b> 64,059	<b>£'000</b> 103,354	<b>£'000</b> 135,645	<b>£'000</b> 65,606	<b>£'000</b> 32,476
<b>Ratio of financing costs to net revenue stream</b>	% 3.62	% 6.81	% 8.00	% 8.62	% 8.78
<b>Net borrowing requirement</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
brought forward 1 April	207,881	239,428	262,049	299,100	315,368
carried forward 31 March	239,428	262,049	299,100	315,368	329,737
in year borrowing requirement	31,547	22,621	37,051	16,268	14,369
<b>In year Capital Financing Requirement</b>	<b>£'000</b> 19,051	<b>£'000</b> 39,441	<b>£'000</b> 37,060	<b>£'000</b> 13,618	<b>£'000</b> 12,408
<b>Capital Financing Requirement as at 31 March</b>	<b>£'000</b> 214,073	<b>£'000</b> 253,514	<b>£'000</b> 290,574	<b>£'000</b> 304,193	<b>£'000</b> 316,601
<b>Affordable Borrowing Limit</b>	£	£	£	£	£
<b>Position as agreed at February 2005 Council</b>					
Increase per council tax payer	11.81	12.26	8.03		
<b>Position as agreed at March 2006 Council</b>					
Increase per council tax payer	12.20	11.31	15.74	7.64	
<b>Updated position of Current Capital Programme</b>					
Increase per council tax payer	12.72	8.25	13.61	14.10	7.93
<b>PRUDENTIAL INDICATOR</b>	<b>2005/06</b>	<b>2006/07</b>	<b>2007/08</b>	<b>2008/09</b>	<b>2009/10</b>
<b>(2). TREASURY MANAGEMENT PRUDENTIAL INDICATORS</b>	<b>actual</b>	<b>approved</b>	<b>estimate</b>	<b>estimate</b>	<b>estimate</b>
<b>Authorised limit for external debt -</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Borrowing	267,446	328,495	363,469	381,494	423,833
other long term liabilities	600	600	600	600	600
<b>TOTAL</b>	<b>268,046</b>	<b>329,095</b>	<b>364,069</b>	<b>382,094</b>	<b>424,433</b>
<b>Operational boundary for external debt -</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Borrowing	222,871	273,745	302,891	317,911	353,195
other long term liabilities	500	500	500	500	500
<b>TOTAL</b>	<b>223,371</b>	<b>274,245</b>	<b>303,391</b>	<b>318,411</b>	<b>353,695</b>
<b>Upper limit for fixed interest rate exposure</b>					
Net principal re fixed rate borrowing / investments OR:-	100%	100%	100%	100%	100%
Actual					
<b>Upper limit for variable rate exposure</b>					
Net principal re variable rate borrowing / investments OR:-	25%	25%	25%	25%	25%
Actual					
<b>Upper limit for total principal sums invested for over 364 days</b>	£	£	£	£	£
(per maturity date)	£0	£0	£0	£0	£0
<b>Maturity structure of new fixed rate borrowing during 2005/06</b>	<b>lower limit</b>				
under 12 months	0%				
12 months and within 24 months	0%				
24 months and within 5 years	0%				
5 years and within 10 years	0%				
10 years and above	0%				

# County Council – 6 February 2007 – Minute 4 Appendix B

## Formal 2007/08 Labour Revenue Budget Recommendations to County Council

The County Council is recommended to adopt the following as its budget framework for 2007/08:

### 1 Service Objectives

- 1.1 At the heart of the Labour group priorities and driving the allocations in this budget are the people of Warwickshire and ensuring they receive the services they need. The focus of our allocations is front-line services, especially adults' services and the fire service.
- 1.2 We recognise that in delivering the services that people want we need to ensure, at all times, the services are provided in an efficient and cost-effective way. We will undertake a series of value for money and service reviews and encourage the redirection of resources to develop a more customer-focused organisation.
- 1.3 Strategic Directors and portfolio holders are requested to ensure that all service plans and the documents which comprise the Council's policy framework within the constitution should reflect this priority.
- 1.4 Service plans should address not only the contribution which new resources can make to the advancement of priorities, but also the ways in which existing resources can be used more effectively and, where necessary, re-directed to help deliver the Council's priorities.

### 2 Consultations and Thanks to Respondents

- 2.1 Comments made by our taxpayers, service users, the local business community and trade unions as part of our budget consultation processes are noted. All contributors are thanked and assured of our determination to work with them to continue to improve services in Warwickshire.

### 3 Revenue Allocations

- 3.1 Approval is given to the following budget allocations to be applied as directed:

Directorate	Description	Allocation £
Adult, Health and Community Services	<ul style="list-style-type: none"><li>◆ Medium term financial plan allocation.</li><li>◆ Allocation to support the delivery of adult services across the county. The allocation includes the resources needed to increase the capacity of the supporting people service.</li></ul>	2,199,000 2,394,000

<b>Directorate</b>	<b>Description</b>	<b>Allocation £</b>
Children, Young People and Families	◆ Medium term financial plan allocation.	2,343,000
	◆ An allocation to fund the additional cost of statutory services for looked after children.	250,000
	◆ An allocation towards the cost of the assessment framework for children's services.	140,000
	◆ An allocation to provide sporting excellence bursaries.	10,000
	◆ An allocation to invest in the education psychology service.	70,000
	◆ An allocation to continue the roll-out of enhanced professional support.	400,000
	◆ A one-off allocation for the set-up costs of a residential family assessment centre in Warwickshire, to be funded from the virtual bank and repaid from savings in future years.	375,000
Community Protection	◆ Medium term financial plan allocation.	669,000
	◆ An allocation to provide permanent funding for the firebreak scheme.	13,000
	◆ An allocation to further develop our domestic violence advice and support services.	100,000
Environment and Economy	◆ Medium term financial plan allocation.	2,141,000
	◆ An allocation to meet the increased costs of services for gypsies and travellers. Included in this allocation is the funding to undertake the refurbishment of the gypsy and traveller "settled" site as a self-financing capital scheme.	78,000
	◆ A one-off allocation to continue the support for Warwickshire Education Business Partnership.	100,000
	◆ An allocation to continue the development of the Building Sustainable Neighbourhoods initiative.	139,000
	◆ An allocation to support the running costs of the Opportunities Centres in Warwickshire.	50,000
	◆ An allocation to contribute to the running costs of the Eliot Park Innovation Centre.	100,000
Performance and Development	◆ Medium term financial plan allocation.	265,000
	◆ An allocation to increase the capacity of internal audit.	50,000
	◆ An allocation to increase the level of support for Overview and Scrutiny Committees and members.	50,000
Resources	◆ Medium term financial plan allocation.	372,000
	◆ An allocation towards the Saltisford offices running costs. The balance of funding for this pressure will be top-sliced from all Directorates.	300,000
	◆ A one-off allocation to fund the catering service deficit whilst the service undergoes a restructuring.	200,000
Other Services	◆ Medium term financial plan allocation.	2,032,000
	◆ An allocation to meet the borrowing costs of the additional capital spending proposed in our capital programme resolution.	381,000
	<b>Total Allocations</b>	<b>15,221,000</b>

## 4 Funding Sources

4.1 All Directorates will be required to achieve 2.5% savings. However, the fire service and adult services have, for 2007/08, been exempted from having to return any efficiency savings to the centre. Instead these services will be able to recycle any efficiency savings made.

4.2 The efficiency savings allocations to be returned to the centre by each service are as follows:

	£
Adult, Health and Community Services	287,000
Children, Young People and Families	1,585,000
Community Protection	20,000
Environment and Economy	922,000
Performance and Development Resources	232,000
	397,000
<b>Total</b>	<b>3,443,000</b>

4.3 The Chief Executive, along with SDMT will bring a report to Cabinet in April 2007 identifying plans for 2.5% savings for the medium term (2007/08 to 2009/10) as part of approving the Annual Efficiency Statement. Cabinet and Overview and Scrutiny Committees should also receive a report on progress to date to the autumn cycle of meetings.

4.4 The customer service centre will be funded by the redirection of resources from Directorates.

4.5 A £375,000 allocation from the Virtual Bank will fund the set-up costs of a residential family assessment centre in Warwickshire. The loan will then be repaid, over four years, by the Children, Young People and Families Directorate from savings in the service in future years.

4.6 The council tax will be increased by 4.89%, which, together with other funding resources identified, will fund the budget proposals contained within this resolution.

## 5 Medium Term Financial Planning Framework

5.1 Over the medium term the County Council will plan on the basis that:

- ◆ Inflation and the corporate costs of capital (through to the end of the current approved programme) will be funded from government grant and council tax income.
- ◆ Subsequent to this the corporate costs of funding a base capital programme to ensure the long-term maintenance of our asset infrastructure will be funded from council tax income.
- ◆ Any other unavoidable pressures members wish to meet will be funded from the balance of council tax income and reducing investment in low priority services.

- ◆ Spending on schools and pupil related services is guaranteed to the level of the Dedicated Schools Grant.
- ◆ New developments will be funded from efficiency savings (with a minimum of 2.5% cash savings generated each year) and any further reduced investment in low priority services.

5.2 Directorates should seek to improve and maintain value for money across all services. In particular Directorates are instructed to investigate further the services that have been identified as high cost by the Audit Commission value for money profiles. The projects for 2007/08 are:

- Non-school education
- Libraries
- Trading standards
- Economic and community development, and
- Children's and family services

The outcomes of this work should be available for consideration as part of setting the 2008/09 budget.

5.3 In addition to these value for money reviews we would wish to see fundamental service reviews in the following areas:

- The Youth Offending Team, with a focus on the partnership arrangements within which it operates.
- The Fire Service. This should be an independent review of the Chief Fire Officer's medium to long term plans to ensure the delivery of a resilient and cost-effective emergency response service across Warwickshire.

5.4 A corporate charging strategy and review of all income streams is completed for the implementation of any changes for 2008/09.

5.5 Business cases should be prepared for all future investment in services. These should clearly define quantifiable pay back times and benefits from the outset.

## **6 Strategic Director, Resources Statement**

6.1 That the following statement from the Strategic Director, Resources be noted.

*"The Local Government Act 2003 requires me as "Chief Finance Officer" to report on:*

- ◆ *The robustness of the revenue estimates made for the purposes of the budget calculations; and*
- ◆ *The adequacy of the proposed financial reserves.*

*The budget information used in preparing this revenue budget resolution has undergone extensive scrutiny by:*

- ◆ *Strategic Directors and their staff;*
- ◆ *Myself and staff within the Resources Directorate;*
- ◆ *Strategic Directors Management Team;*

◆ *Overview and Scrutiny Committees;*

*In addition to this I have worked closely with the Party Group in preparing this budget resolution. In overall terms I am of the view that this revenue budget has been prepared on realistic assumptions and that it represents a robust budget.*

*There is a full-year effect of some allocations both in this resolution and in the accompanying capital resolution. The Party Group needs to be mindful of the fact that, overall, an additional revenue impact of £0.492 million will need to form part of the Group's consideration of the budget in future years.*

*I have also undertaken a risk analysis of the adequacy of financial reserves. This highlighted the need to increase the level of general reserves to £10.0 million. A requirement of this level is in line with the latest projection reported to members as part of the corporate budget monitoring process. I am therefore of the view that this budget does provide for an adequate level of reserves."*

## 7 Summary of Service Estimates

7.1 Approval be given to the estimates set out below which include provision for capital expenditure to be charged to the revenue account, financed from the Capital Fund, consistent with the 2007/08 to 2009/10 capital programme.

7.2 Individual Service net revenue estimates of:

	Base Budget	Additions	Funding Sources/ Re-cycling	Total
	£	£	£	£
Adults, Health and Community Services	107,116,896	4,593,000	(287,000)	111,422,896
Children, Young People and Families	98,393,401	3,588,000	(1,585,000)	100,396,401
Community Protection	23,251,522	782,000	(20,000)	24,013,522
Environment and Economy	48,299,335	2,608,000	(922,000)	49,985,335
Performance and Development	2,555,139	365,000	(232,000)	2,688,139
Resources	2,146,159	872,000	(397,000)	2,621,159
Other Services	29,073,777	2,413,000	0	31,486,777
Less: Notional Capital Charges	(41,958,677)	0	0	(41,958,677)
	<b>268,877,552</b>	<b>15,221,000</b>	<b>(3,443,000)</b>	<b>280,655,552</b>
Contributions to/(from) reserves:				
• General Reserves	0	34,551	0	34,551
• Service/earmarked savings	136,300	0	0	136,300
• Virtual Bank	496,200	0	(375,000)	121,200
• Capital Fund	(300,000)	0	0	(300,000)

## 8 Budget Requirements

8.1

	Base Budget	Additions	Funding	Total
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	£	£	Sources/ Re-cycling £	£
Approval to be given to a budget requirement for the general expenses of the County Council for the year ending 31 March 2008 of	269,210,052	15,255,551	(3,818,000)	280,647,603

## 8.2

The basic amount of the Council Tax for a Band D property, for the year ending 31 March 2008 be calculated as follows:	£
Budget Requirement	280,647,603.00
Less Redistributed National Non-Domestic Rates	(64,929,677.00)
Less Revenue Support Grant	(10,896,539.00)
Less Council Tax surplus on Collection	(34,551.00)
	204,786,836.00
Divided by aggregate Council Tax Base for the County Area	195,977.10
<b>Basic amount of Council Tax (Band D)</b>	<b>1,044.95</b>

## 9 Council Tax

9.1 Approval be given to Council Tax amounts for each category of property as follows:

	£
Band A	696.6353
Band B	812.7411
Band C	928.8470
Band D	1,044.9529
Band E	1,277.1646
Band F	1,509.3764
Band G	1,741.5881
Band H	2,089.9058

## 10 Precepts

10.1 The Chief Executive issue 2007/08 precepts on the Warwickshire billing authorities, as follows:

	£
North Warwickshire Borough Council	21,907,625.32
Nuneaton & Bedworth Borough Council	39,996,616.62
Rugby Borough Council	35,504,876.20
Stratford-on-Avon District Council	53,477,135.80
Warwick District Council	53,900,582.06

## 11 Budget Management

11.1 The Chief Executive be directly responsible for the implementation of the budget.

- 11.2 The Chief Executive and Strategic Director, Resources be provided with delegated authority to vire revenue budgets between Directorates where such virements are as a direct consequence of the specific funding allocations, invest-to-save projects and funding strategies contained in this resolution and the accompanying capital budget resolution.
- 11.3 The Chief Executive is instructed to remind all Strategic Directors that budgets must not be overspent and that effective budget management arrangements should be the cornerstone of Directorates' work to secure best value.
- 11.4 Directorates, and also schools, be encouraged to take a medium term view of spending commitments including exercising caution in entering into initiatives which create commitments in future years and developing clear strategies for the utilisation of service reserves.
- 11.5 All member bodies and Strategic Directors are instructed to comply with the prescriptive legal duties placed upon the Council and the Chief Executive and Strategic Directors be instructed to ensure that the implementation of policies complies with legal requirements.
- 11.6 All Directorates are authorised to draw down on Directorate reserves accumulated from previous year's savings, subject to notifying the Strategic Director, Resources.
- 11.7 That authority is given for all necessary tenders to be obtained and contracts to be completed to give effect to this budget.

# County Council – 6 February 2007 – Minute 4 Appendix B

## Formal 2007/2008 Labour Capital Budget Recommendations to County Council

It is recommended that:

### 1 Capital Programme

- 1.1 Approval be given to a capital programme of £139,781,900 for new schemes starting in 2007/08 as shown in Annex A.
- 1.2 Of the 2007/08 programme, schemes costing £122,274,900 were already approved for planning purposes. These are reaffirmed as part of this resolution.
- 1.3 In doing so the funding for the following schemes is agreed:
- The shortfall in funding of Rugby Western Relief Road will be met from prudential borrowing.
- 1.4 Additional allocations for new schemes in 2007/08 are also approved as follows:

Directorate	Investment Project	Payments in 2007/08 £	Total Scheme Allocation £
<b>2007/08</b>			
Adult, Health & Community Services	◆ Premises and accommodation small scale reactive works – base programme	200,000	200,000
	◆ Vehicle and equipment replacement – base programme	100,000	100,000
Children, Young People & Families	◆ Premises and accommodation small scale reactive works – base programme	100,000	100,000
Community Protection	◆ Equipment for fire appliances – base programme	100,000	100,000
	◆ Fire appliances replacement – base programme (self-financing)	600,000	600,000
	◆ Expansion of drug and alcohol rehabilitation service (self-financing)	2,000,000	2,000,000

Directorate	Investment Project	Payments in 2007/08 £	Total Scheme Allocation £
Environment & Economy	◆ Highways maintenance – base programme	1,250,000	1,250,000
	◆ Street lighting – base programme	500,000	500,000
	◆ Countryside maintenance – base programme	100,000	100,000
	◆ Implementation of the municipal waste strategy	2,705,000	4,705,000
	◆ Highway maintenance and safety - area committee allocation	1,675,000	1,675,000
	◆ Centenary business centre phase 3	632,000	632,000
Resources	◆ Asbestos – base programme	250,000	250,000
	◆ Safe water – base programme	100,000	100,000
	◆ Major structural maintenance (non schools) – base programme	1,150,000	1,150,000
	◆ Boiler replacement – base programme	350,000	350,000
	◆ Small scale reactive property maintenance – base programme	250,000	250,000
	◆ Fire precautions – base programme	250,000	250,000
	◆ Rewiring – base programme	150,000	150,000
	◆ Asbestos and safe water – additional allocation	50,000	50,000
	◆ Major structural, mechanical and electrical maintenance and fire precautions – backlog reduction	2,595,000	2,595,000
	◆ Metering of electricity, gas and water usage (self financing)	300,000	300,000
	◆ CHP/renewable energy generation (self financing)	100,000	100,000
	<b>2007/08 Total Allocations</b>		<b>15,507,000</b>

1.5 The capital programmes of £25,783,900 and £27,697,900 new schemes starting in 2008/09 and 2009/10 as shown in Annex A, be approved for planning purposes. Of the draft programme, schemes costing £13,698,900 in 2008/09 and £962,900 in 2009/10 were already approved for planning purposes.

1.6 In doing so the following scheme is agreed for planning purposes:

- The integrated transport allocation of £5,490,000 for 2009/10 announced as part of the LTP Settlement in December 2006.

1.7 Additional allocations are also approved as follows:

Directorate	Investment Project	Payments in 2008/09 £	Total Scheme Allocation £
<b>2008/09</b>			
Adult, Health & Community Services	<ul style="list-style-type: none"> <li>◆ Premises and accommodation small scale reactive works – base programme</li> <li>◆ Vehicle and equipment replacement – base programme</li> </ul>	210,000 105,000	210,000 105,000
Children, Young People & Families	<ul style="list-style-type: none"> <li>◆ Premises and accommodation small scale reactive works – base programme</li> </ul>	105,000	105,000
Community Protection	<ul style="list-style-type: none"> <li>◆ Equipment for fire appliances – base programme</li> <li>◆ Replacement of fire appliances – base programme (self financing)</li> </ul>	105,000 630,000	105,000 630,000
Environment & Economy	<ul style="list-style-type: none"> <li>◆ Highways maintenance – base programme</li> <li>◆ Street lighting – base programme</li> <li>◆ Countryside maintenance – base programme</li> <li>◆ Highway maintenance and safety area committee allocation</li> </ul>	1,310,000 525,000 105,000 2,000,000	1,310,000 525,000 105,000 2,000,000
Resources	<ul style="list-style-type: none"> <li>◆ Asbestos – base programme</li> <li>◆ Safe water – base programme</li> <li>◆ Major structural maintenance (non schools) – base programme</li> <li>◆ Boiler replacement – base programme</li> <li>◆ Small scale reactive property maintenance – base programme</li> <li>◆ Fire precautions – base programme</li> <li>◆ Rewiring – base programme</li> <li>◆ Asbestos and safe water – additional allocation</li> <li>◆ Major structural, mechanical and electrical maintenance – backlog reduction</li> <li>◆ DDA Works for Warwick County Museum and Countywide Public Access</li> <li>◆ Metering of electricity, gas and water usage (self financing)</li> <li>◆ CHP/renewable energy generation (self financing)</li> </ul>	265,000 105,000 1,210,000 370,000 265,000 265,000 160,000 130,000 3,070,000 600,000 300,000 200,000	265,000 105,000 1,210,000 370,000 265,000 265,000 160,000 130,000 3,070,000 650,000 300,000 200,000
<b>2008/09 Total Allocations</b>		<b>12,035,000</b>	<b>12,085,000</b>

Directorate	Investment Project	Payments in 2009/10 £	Total Scheme Allocation £
<b>2009/10</b>			
Adult, Health & Community Services	<ul style="list-style-type: none"> <li>◆ Premises and accommodation small scale reactive works – base programme</li> <li>◆ Vehicle and equipment replacement – base programme</li> </ul>	220,000 110,000	220,000 110,000
Children, Young People & Families	<ul style="list-style-type: none"> <li>◆ Premises and accommodation small scale reactive works – base programme</li> </ul>	110,000	110,000
Community Protection	<ul style="list-style-type: none"> <li>◆ Equipment for fire appliances – base programme</li> <li>◆ Replacement of fire appliances – base programme (self financing)</li> </ul>	110,000 660,000	110,000 660,000
Environment & Economy	<ul style="list-style-type: none"> <li>◆ Highways maintenance – base programme</li> <li>◆ Street lighting – base programme</li> <li>◆ Countryside maintenance</li> <li>◆ Highway maintenance and safety - area committee allocation</li> </ul>	11,025,000 550,000 110,000 2,000,000	11,025,000 550,000 110,000 2,000,000
Resources	<ul style="list-style-type: none"> <li>◆ Asbestos – base programme</li> <li>◆ Safe water – base programme</li> <li>◆ Major structural maintenance (non schools) – base programme</li> <li>◆ Boiler replacement – base programme</li> <li>◆ Small scale reactive property maintenance – base programme</li> <li>◆ Fire precautions – base programme</li> <li>◆ Rewiring – base programme</li> <li>◆ Asbestos and safe water – additional allocation</li> <li>◆ Major structural, mechanical and electrical maintenance – backlog reduction</li> <li>◆ Metering of electricity, gas and water usage (self financing)</li> <li>◆ CHP/renewable energy generation (self financing)</li> </ul>	275,000 110,000 1,270,000 385,000 275,000 275,000 165,000 115,000 2,980,000 300,000 200,000	275,000 110,000 1,270,000 385,000 275,000 275,000 165,000 115,000 2,980,000 300,000 200,000
	<b>2009/10 Total Allocations</b>	<b>21,245,000</b>	<b>21,245,000</b>

1.8 A deduction is made from Directorate's revenue budgets for the debt charges in respect of the self-financing projects funded from borrowing.

## 2 Prudential Guidelines and Limits

- 2.1 Approval be given to an Affordable Borrowing Limit consistent with the capital programme approved at Annex A for 2007/08 and the subsequent two years as follows:

	In-Year £ per Band D Council Tax	Cumulative £ per Band D Council Tax
2007/08	13.61	13.61
2008/09	13.65	27.26
2009/10	7.90	35.16

- 2.2 Approval is given to the prudential indicators set out in Annex B, consistent with the approved Capital Programme 2007/08 to 2009/10 and the 2007/08 Treasury Management Strategy considered by Cabinet on 1 February 2007 and included for approval elsewhere on this agenda.

## 3 Strategic Director, Resources' Statement

- 3.1 The following statement from the Strategic Director, Resources is noted:

*"The Local Government Act 2003 requires me as "Chief Finance Officer" to report on the robustness of the estimates made for the purposes of the budget calculations.*

*The capital programme information used in preparing this capital budget resolution has undergone extensive scrutiny by:*

- ◆ *Strategic Directors and their staff;*
- ◆ *Myself and staff within my department;*
- ◆ *Strategic Directors Management Team;*
- ◆ *Overview and Scrutiny Committees and Cabinet.*

*In addition to this I have worked closely with the Party Group in preparing this capital programme resolution. In overall terms I am of the view that this capital programme has been prepared on realistic assumptions and that it represents a robust programme.*

*The draft programme for 2008/09 and 2009/10 includes a significant commitment for further capital investment into future years. The Party Group needs to be mindful that overall the additional revenue costs of the capital programme included in this resolution is £0.792 million in 2008/09 and a further £0.997 million in 2009/10. The financing of these revenue impacts will need to form part of the Group's consideration of the budget in future years."*

## **4 Delegations**

- 4.1 The delegations from Council to Cabinet to allow Cabinet to approve amendments to the capital programme, first agreed by Council on 18 December 2001, be reconfirmed as follows:
- The agreement of any increases or reductions in capital starts/payments totals as part of the capital review process is delegated to Cabinet.
  - The approval of the addition to the capital programme of projects costing less than £1.5 million, which are fully funded from external grants, developer contributions or from revenue, be delegated to Cabinet.
- 4.2 In addition the Strategic Director, Resources be provided with delegated authority to vire capital schemes between directorates where such virements are as a direct consequence of the restructuring of the County Council.

## **5 Budget Management**

- 5.1 The Chief Executive will be directly responsible for the implementation of the capital programme.
- 5.2 The Chief Executive is instructed to remind all Strategic Directors that budgets must not be overspent and that effective budget management arrangements should be the cornerstone of each directorate's work to secure Best Value.
- 5.3 All member bodies and Chief Officers be instructed to comply with the prescriptive legal duties placed upon the Council and the Chief Executive and Strategic Directors be instructed to ensure that the implementation of policies complies with legal requirements.
- 5.4 That authority is given for all necessary tenders to be obtained and contracts to be completed to give effect to this budget.

## ANALYSIS OF CAPITAL PAYMENTS BY STARTS YEAF

Start Year  (1)	Payments at November 2006 prices						Total Scheme Cost (7)  £000
	Before 31.03.07  (2)  £000	2007/08  (3)  £000	2008/09  (4)  £000	2009/10  (5)  £000	2010/11 and later years (6)  £000		
	1. Starts in 2006/07 and earlier years	292,756.4	38,466.3	4,309.4	750.1	10.0	
2. 2007/08 Starts	7,395.9	92,954.3	35,293.7	2,898.0	1,240.0	139,781.9	
3. 2008/09 Starts	0.9		25,733.0	50.0		25,783.9	
4. 2009/10 Starts				27,697.9		27,697.9	
5. TOTAL PROGRAMME	300,153.2	131,420.6	65,336.1	31,396.0	1,250.0	529,555.9	

The table below shows the proposed capital programmes split between directorates :-

	Details	Notes	Before 31.03.07	2007/08	2008/09	2009/10	2010/11 and later years	Total Scheme Cost
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
			£000	£000	£000	£000	£000	£000
<b>A.</b>	COMMITMENTS ON SCHEMES STARTED IN 2006/07 AND EARLIER YEARS at November 2006 prices		292,756.4	38,466.3	4,309.4	750.1	10.0	336,292.2
<b>B.</b>	<b>2007/08 Draft Capital Programme</b>							
1.	ADULT, HEALTH AND COMMUNITY SERVICES		10.0	2,360.0	532.7			2,902.7
2.	CHILDREN, YOUNG PEOPLE AND FAMILIES SERVICES		1,039.7	25,353.5	7,904.0	122.0		34,419.2
3.	COMMUNITY PROTECTION			2,700.0				2,700.0
4.	ENVIRONMENT AND ECONOMY		5,590.0	53,233.9	26,474.0	2,776.0	1,240.0	89,313.9
5.	RESOURCES		756.2	9,306.9	383.0			10,446.1
6.	<b>TOTAL</b>		<b>7,395.9</b>	<b>92,954.3</b>	<b>35,293.7</b>	<b>2,898.0</b>	<b>1,240.0</b>	<b>139,781.9</b>
<b>C.</b>	<b>2008/09 Draft Capital Programme</b>							
1.	ADULT, HEALTH AND COMMUNITY SERVICES				415.0			415.0
2.	CHILDREN, YOUNG PEOPLE AND FAMILIES SERVICES				405.0			405.0
3.	COMMUNITY PROTECTION				735.0			735.0
4.	ENVIRONMENT AND ECONOMY		0.9		16,738.0			16,738.9
5.	RESOURCES				7,440.0	50.0		7,490.0
6.	<b>TOTAL</b>		<b>0.9</b>		<b>25,733.0</b>	<b>50.0</b>		<b>25,783.9</b>
<b>D.</b>	<b>2009/10 Draft Capital Programme</b>							
1.	ADULT, HEALTH AND COMMUNITY SERVICES					330.0		330
2.	CHILDREN, YOUNG PEOPLE AND FAMILIES SERVICES					110.0		110
3.	COMMUNITY PROTECTION					770.0		770.0
4.	ENVIRONMENT AND ECONOMY					19,637.9		19,637.9
5.	RESOURCES					6,850.0		6,850.0
6.	<b>TOTAL</b>					<b>27,697.9</b>		<b>27,697.9</b>
<b>E.</b>	<b>Council Resolutions</b>		<b>300,153.2</b>	<b>131,420.6</b>	<b>65,336.1</b>	<b>31,396.0</b>	<b>1,250.0</b>	<b>529,555.9</b>

The table below summarises how the proposed Capital Programme 2007/08 to 2009/10 has been built up from the joint report to the Cabinet on 1st February 2007 :-

	Details (1)	Notes (2)	Before 31.03.07 (2) £000	2007/08 (3) £000	2008/09 (4) £000	2009/10 (5) £000	2010/11 and later years (6) £000	Total Scheme Cost (7) £000
<b>A.</b>	Grand total for all years following 1st February 2007 report to Cabinet (Agenda Items No. 4 and No.9) including projects arising from Government announcements in December 2006		<b>300,153.2</b>	<b>115,913.6</b>	<b>53,301.1</b>	<b>3,851.0</b>	<b>10.0</b>	<b>473,228.9</b>
<b>B.</b>	<b>New Items - gross cost of schemes</b>							
<b>1.</b>	<b>Adult, Health &amp; Community Services</b>							
	Premises and accommodation small scale reactive works - BASE			200.0	210.0	220.0		630.0
	Vehicle and equipment replacement - BASE			100.0	105.0	110.0		315.0
<b>2.</b>	<b>Children, Young People &amp; Families</b>							
	Premises and accommodation small scale reactive works - BASE			100.0	105.0	110.0		315.0
<b>3.</b>	<b>Community Protection</b>							
	Equipment for fire appliances - BASE			100.0	105.0	110.0		315.0
	Fire appliances replacement - BASE (SF)			600.0	630.0	660.0		1,890.0
	Expansion of drug and alcohol rehabilitation service (SF)			2,000.0				2,000.0
<b>4.</b>	<b>Environment &amp; Economy</b>							
	Highways maintenance - BASE			1,250.0	1,310.0	11,025.0		13,585.0
	Street lighting - BASE			500.0	525.0	550.0		1,575.0
	Countryside maintenance - BASE			100.0	105.0	110.0		315.0
	Implementation of the municipal waste strategy			2,705.0		760.0	1,240.0	4,705.0
	Highway maintenance and safety - area committee allocation			1,675.0	2,000.0	2,000.0		5,675.0
	Centenary business centre - phase 3			632.0				632.0
	Integrated Transport Allocation 2009/10					5,490.0		5,490.0
<b>5.</b>	<b>Resources</b>							
	Asbestos - BASE			250.0	265.0	275.0		790.0
	Safe Water - BASE			100.0	105.0	110.0		315.0
	Major structural maintce (non schools) - BASE			1,150.0	1,210.0	1,270.0		3,630.0
	Boiler replacement - BASE			350.0	370.0	385.0		1,105.0
	Small scale reactive prop. maintenance - BASE			250.0	265.0	275.0		790.0
	Fire precautions - BASE			250.0	265.0	275.0		790.0
	Rewiring - BASE			150.0	160.0	165.0		475.0
	DDA works for Warwick county museum and countywide public access				600.0	50.0		650.0
	Major structural, mechanical and electrical maintce and fire precautions - backlog reduction			2,595.0	3,070.0	2,980.0		8,645.0
	Asbestos and safe water - additional allocation			50.0	130.0	115.0		295.0
	Metering of electricity, gas and water usage (SF)			300.0	300.0	300.0		900.0
	CHP/renewable energy generation (SF)			100.0	200.0	200.0		500.0
	<b>TOTAL</b>			<b>15,507.0</b>	<b>12,035.0</b>	<b>27,545.0</b>	<b>1,240.0</b>	<b>56,327.0</b>
<b>C.</b>	<b>Council Resolutions</b>		<b>300,153.2</b>	<b>131,420.6</b>	<b>65,336.1</b>	<b>31,396.0</b>	<b>1,250.0</b>	<b>529,555.9</b>

**PRUDENTIAL BORROWING**

**LABOUR**

**Annex A**

Details  (1)	Notes  (2)	Before	2007/08	2008/09	2009/10	2010/11	Total
		31.03.07				and later	Scheme
		(3)	(4)	(5)	(6)	years	Cost
		£000	£000	£000	£000	(7)	(8)
						£000	£000
<b>A.</b> Total for all years following 1st February 2007 report to Cabinet (Agenda Items No.4 and No.9)			<b>31,494.0</b>	<b>8,949.0</b>	<b>(396.0)</b>	<b>10.0</b>	<b>40,057.0</b>
<b>B. New Items</b>							
<b>1. Adult, Health &amp; Community Services</b>							
Premises and accommodation small scale reactive works - BASE			200.0	210.0	220.0		630.0
Vehicle and equipment replacement - BASE			100.0	105.0	110.0		315.0
<b>2. Children, Young People &amp; Families</b>							
Premises and accommodation small scale reactive works - BASE			100.0	105.0	110.0		315.0
<b>3. Community Protection</b>							
Equipment for fire appliances - BASE			100.0	105.0	110.0		315.0
Fire appliances replacement - BASE (SF)			600.0	630.0	660.0		1,890.0
Expansion of drug and alcohol rehabilitation service (SF)			300.0				300.0
<b>4. Environment &amp; Economy</b>							
Highways maintenance - BASE			1,250.0	1,310.0	8,610.0		11,170.0
Street lighting - BASE			500.0	525.0	550.0		1,575.0
Countryside maintenance - BASE			100.0	105.0	110.0		315.0
Implementation of the municipal waste strategy			2,705.0		760.0	1,240.0	4,705.0
Highway maintenance and safety - area committee allocation			1,675.0	2,000.0	2,000.0		5,675.0
Centenary business centre - phase 3			186.0				186.0
Other transport allocations				2,660.0	5,541.0		8,201.0
<b>5. Resources</b>							
Asbestos - BASE			250.0	265.0	275.0		790.0
Safe Water - BASE			100.0	105.0	110.0		315.0
Major structural maintce (non schools) - BASE			1,150.0	1,210.0	1,270.0		3,630.0
Boiler replacement - BASE			350.0	370.0	385.0		1,105.0
Small scale reactive property maintce - BASE			250.0	265.0	275.0		790.0
Fire precautions - BASE			250.0	265.0	275.0		790.0
Rewiring - BASE			150.0	160.0	165.0		475.0
DDA works for Warwick county museum and countywide public access				600.0	50.0		650.0
Major structural, mechanical and electrical maintce and fire precautions - backlog reduction			2,595.0	3,070.0	2,980.0		8,645.0
Asbestos and safe water - additional allocation			50.0	130.0	115.0		295.0
Metering of electricity, gas and water usage (SF)			300.0	300.0	300.0		900.0
CHP/renewable energy generation (SF)			75.0	150.0	150.0		375.0
<b>Total borrowing for new items</b>			<b>13,336.0</b>	<b>14,645.0</b>	<b>25,131.0</b>	<b>1,240.0</b>	<b>54,352.0</b>
<b>C. TOTAL</b>			<b>44,830.0</b>	<b>23,594.0</b>	<b>24,735.0</b>	<b>1,250.0</b>	<b>94,409.0</b>

**Notes :-**

1. In addition to the borrowing above a further £3.85m (self-financing) has been approved for North Leamington School in 2008/09. See Cabinet 1st February 2007 Capital programme 2007/08 to 2009/10 - Table 2.

# Labour Group

## Warwickshire County Council Prudential Indicators 2006/2007

Appendix B Annex B

PRUDENTIAL INDICATOR	2005/06	2006/07	2007/08	2008/09	2009/10
<b>(1). AFFORDABILITY PRUDENTIAL INDICATORS</b>	<b>actual</b>	<b>estimate</b>	<b>estimate</b>	<b>estimate</b>	<b>estimate</b>
<b>Capital Expenditure</b>	<b>£'000</b> 64,059	<b>£'000</b> 103,354	<b>£'000</b> 131,421	<b>£'000</b> 65,336	<b>£'000</b> 31,396
<b>Ratio of financing costs to net revenue stream</b>	<b>%</b> 3.62	<b>%</b> 6.81	<b>%</b> 8.00	<b>%</b> 8.59	<b>%</b> 8.74
<b>Net borrowing requirement</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
brought forward 1 April	207,881	239,428	262,049	296,920	313,005
carried forward 31 March	239,428	262,049	296,920	313,005	326,382
in year borrowing requirement	31,547	22,621	34,871	16,085	13,376
<b>In year Capital Financing Requirement</b>	<b>£'000</b> 19,051	<b>£'000</b> 39,441	<b>£'000</b> 34,880	<b>£'000</b> 13,435	<b>£'000</b> 11,423
<b>Capital Financing Requirement as at 31 March</b>	<b>£'000</b> 214,073	<b>£'000</b> 253,514	<b>£'000</b> 288,394	<b>£'000</b> 301,830	<b>£'000</b> 313,253
<b>Affordable Borrowing Limit</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Position as agreed at February 2005 Council</b>					
Increase per council tax payer	11.81	12.26	8.03		
<b>Position as agreed at March 2006 Council</b>	12.20	11.31	15.74	7.64	
Increase per council tax payer					
<b>Updated position of Current Capital Programme</b>					
Increase per council tax payer	12.72	8.25	13.61	13.65	7.90
<b>PRUDENTIAL INDICATOR</b>	<b>2005/06</b>	<b>2006/07</b>	<b>2007/08</b>	<b>2008/09</b>	<b>2009/10</b>
<b>(2). TREASURY MANAGEMENT PRUDENTIAL INDICATORS</b>	<b>actual</b>	<b>approved</b>	<b>estimate</b>	<b>estimate</b>	<b>estimate</b>
<b>Authorised limit for external debt -</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Borrowing	267,446	328,495	360,853	378,658	419,589
other long term liabilities	600	600	600	600	600
<b>TOTAL</b>	<b>268,046</b>	<b>329,095</b>	<b>361,453</b>	<b>379,258</b>	<b>420,189</b>
<b>Operational boundary for external debt -</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Borrowing	222,871	273,745	300,711	315,549	349,657
other long term liabilities	500	500	500	500	500
<b>TOTAL</b>	<b>223,371</b>	<b>274,245</b>	<b>301,211</b>	<b>316,049</b>	<b>350,157</b>
<b>Upper limit for fixed interest rate exposure</b>					
Net principal re fixed rate borrowing / investments OR:-	100%	100%	100%	100%	100%
Actual					
<b>Upper limit for variable rate exposure</b>					
Net principal re variable rate borrowing / investments OR:-	25%	25%	25%	25%	25%
Actual					
<b>Upper limit for total principal sums invested for over 364 days</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
(per maturity date)	£0	£0	£0	£0	£0
<b>Maturity structure of new fixed rate borrowing during 2005/06</b>	<b>lower limit</b>				
under 12 months	0%				
12 months and within 24 months	0%				
24 months and within 5 years	0%				
5 years and within 10 years	0%				
10 years and above	0%				

# County Council – 6 February 2007 – Minute 4 Appendix C

## Formal 2007/08 Liberal Democrat Revenue Budget Recommendations to County Council

**The County Council is recommended to adopt the following as its budget framework for 2007/08:**

The grant settlement for Warwickshire along with the Government's assumptions of changes in the district council tax base, are noted with disappointment. The former has played a significant part in restricting service growth this year. The systematic overstatement of authorities' tax bases restricts the overall level of government funding unfairly. As a result we have had to prepare this budget within a highly unsatisfactory resource position. Warwickshire residents have once again been short changed. We will lobby the Government and local MPs to implement a fair local tax that takes into account the ability to pay, and a fairer grant system that provides additional funding to enable the Council to deliver extra resources to those in Warwickshire who most need it, especially our younger, older and vulnerable population.

### 1 Service Objectives

1.1 Building on our priorities from the previous year, the Liberal Democrat budget proposal for 2007/08 aims to ensure that we improve access by ensuring all customer queries are dealt with at the first point of contact. We will do this by developing efficient and effective services.

1.2 The following key areas are our priorities:

➤ **Independence, well-being and choice:**

Warwickshire's older and disabled population continues to grow in size, as do the resource pressures in our Adult, Health and Community Services Directorate. In response, we are allocating additional funds to help break into the vicious circle of care. Our aim is to modernise adult services to ensure delivery of our independence, well-being and choice agenda for Warwickshire's most vulnerable residents.

➤ **Supporting and empowering young people:**

We are investing in the development of preventative services, which provide help and support to vulnerable children and their families at an early stage. We are also providing additional resources direct to Warwickshire's Area Youth Forums and Youth Parliament to spend on projects and initiatives targeted to help break the circle and problems of disaffected young people in our communities. Our aim is to ensure that the young people of Warwickshire achieve their full potential and become active members of their local community.

➤ **Safer and greener communities:**

The fear of crime is a constant message that Liberal Democrats will seek to tackle. We are allocating resources to Warwickshire's Crime and Disorder

Reduction Partnerships, to be targeted at the development of Neighbourhood Watch within each district of the county.

Warwickshire is seeing increases in alcohol consumption and in alcohol related illnesses which only serve to ruin the lives of individuals and the people they are close to. We are investing directly into initiatives which will help prevent alcohol abuse and enable a real difference to be made in Warwickshire.

Climate change is here and Liberal Democrats want to see real change and real action being taken to tackle this major issue. We will invest-to-save in energy efficient projects and encourage the take up of initiatives, which will reduce our carbon footprint.

➤ **Accessibility to transport:**

Access to transport is a growing concern for many of Warwickshire's young people. We intend to make a start on tackling this issue by investing in a feasibility study for a concessionary travel scheme for the county's 16-19 year-olds. It is our view that an accessible transport system makes for a fairer, more inclusive society.

- 1.3 The implementation of these priorities will be monitored and measured throughout the year by the relevant Overview and Scrutiny Committees and through reports to Cabinet where appropriate.
- 1.4 All Directorates will receive allocations to deliver the spending priorities agreed in the Medium Term Financial Plan by Council in July 2006.

## **2 Consultations and Thanks to Respondents**

- 2.1 Comments made by our taxpayers and service users as part of our budget consultation processes are noted. All contributors are thanked and assured of our determination to work with them to continue to improve services to Warwickshire people. The Council commits itself to continue to look for innovative ways to improve consultation on its budget setting and funding priorities and increase its overall accountability.
- 2.2 We are directly responding to the messages we have received from consultation about the importance of reducing crime and disorder and developing safer communities by investing in the development of Neighbourhood Watch, alcohol advice and support, support for the Domestic Violence advice service and services for young people who are pressured to use drugs and drink alcohol.

### 3 Revenue Allocations

3.1 In making the direct link between this budget and service performance, Strategic Directors will be required to identify clear deliverables, targets and outcomes alongside their detailed service estimates of what they will deliver with their budget allocations. These will be monitored through the new corporate performance system.

3.2 Approval is given to the following budget allocations to be applied as directed:

Directorate	Description	Allocation £
Adult, Health and Community Services	To deliver on our <b>Independence, Well-Being and Choice</b> agenda we will make the following budget allocations:	
	• Medium term financial plan allocation.	2,199,000
	• An allocation to break into the vicious circle, add capacity to Supporting People and support the loss of government grant. £2.000 million of this allocation is one-off and must be used to drive forward improvement in the service. At the end of 2007/08 a formal review will consider whether the allocation should be made permanent.	4,160,000
	• A two-year allocation to Libraries and Culture to meet spending pressures.	50,000
	• An allocation to help fund new books.	40,000
Children, Young People and Families	• An allocation for arts-for-health projects in each area of the county (£10,000 to each Area Committee Well-Being Fund).	50,000
	To deliver on our <b>Supporting and Empowering Young People</b> agenda we will make the following budget allocations:	
	• Medium term financial plan allocation.	2,343,000
	• An allocation to support the increased demand for leaving care services.	175,000
	• An allocation towards the education social work service.	50,000
	• An allocation to develop the Children's Information Service.	50,000
	• An allocation to support the Assessment, Statementing and Review Service.	100,000
	• A two-year allocation to support the impact of relocating Manor Hall.	50,000
	• An allocation to extend the Family Group Conferencing service and help reduce school exclusions.	40,000
	• An allocation to support the roll-out of enhanced support services across the county.	300,000
	• An allocation to assist with the implementation of the corporate parenting strategy.	100,000
• An allocation to fund additional sessional workers to assist with delivering the teenage pregnancy strategy.	15,000	

Directorate	Description	Allocation £
	<ul style="list-style-type: none"> <li>• An allocation to maintain post-16 travel. This allocation is part of an overall investment of £200,000 in 16 to 19 transport, with the balance being used for a feasibility study into the provision of concessionary travel for Warwickshire's 16 to 19 year olds in 2007/08.</li> <li>• An allocation to develop the Integrated Disability Service.</li> <li>• An allocation to support young athletes in Warwickshire.</li> <li>• An allocation to develop the capacity of the Educational Psychology Service.</li> <li>• An allocation to support the modernisation of the youth service and the development of front line youth work (£10,000 to each district).</li> <li>• An allocation to Warwickshire's Area Youth Forums for spending on projects and initiatives which focus on disaffected youths (£10,000 to each district).</li> </ul>	<p style="text-align: right;">100,000</p> <p style="text-align: right;">100,000</p> <p style="text-align: right;">10,000</p> <p style="text-align: right;">50,000</p> <p style="text-align: right;">50,000</p> <p style="text-align: right;">50,000</p>
Community Protection	<p>To deliver on our <b>Safer Communities</b> priority, we will make the following allocations:</p> <ul style="list-style-type: none"> <li>• Medium term financial plan allocation.</li> <li>• An allocation for fire-fighters assessment and development centres.</li> <li>• An allocation towards the permanent funding of the Firebreak scheme.</li> <li>• An allocation to put in place a maintenance agreement for ladders, thereby releasing additional resources for fire community safety work.</li> <li>• An allocation to ensure the service makes full use of the emergency cover toolkit.</li> <li>• An allocation to support alcohol advice and support services. This allocation is to be directly invested with the Swanswell Trust to support the shortfall of providing alcohol services to Warwickshire.</li> <li>• An allocation to Warwickshire's Crime and Disorder Reduction Partnerships to develop Neighbourhood Watch schemes within each area of the county (£20,000 to each district).</li> <li>• An allocation to support the Domestic Violence advice service and to help develop services for young people who are pressured to use drugs and drink alcohol.</li> </ul>	<p style="text-align: right;">669,000</p> <p style="text-align: right;">25,000</p> <p style="text-align: right;">10,000</p> <p style="text-align: right;">30,000</p> <p style="text-align: right;">46,000</p> <p style="text-align: right;">50,000</p> <p style="text-align: right;">100,000</p> <p style="text-align: right;">65,000</p>
Environment and Economy	<p>To maintain our services supporting the environment and the economy we will make the following allocations:</p> <ul style="list-style-type: none"> <li>• Medium term financial plan allocation.</li> <li>• An allocation to continue investing in Building Sustainable Neighbourhoods.</li> <li>• A permanent allocation to the Speed Aware scheme.</li> <li>• An allocation to support the refurbishment of the county's gypsy and traveller "settled" site.</li> <li>•</li> </ul>	<p style="text-align: right;">2,141,000</p> <p style="text-align: right;">40,000</p> <p style="text-align: right;">30,000</p> <p style="text-align: right;">25,000</p>

Directorate	Description	Allocation £
Performance and Development	<ul style="list-style-type: none"> <li>An allocation to support the replacement of highway trees across the county.</li> </ul>	20,000
	<ul style="list-style-type: none"> <li>A one-off allocation to Warwickshire Education Business Partnership, with officers to bring back a report detailing future funding plans in the autumn.</li> </ul>	100,000
	<p>To deliver on our <b>Accessibility to Transport</b> agenda we will undertake a feasibility study into the provision of a concessionary travel scheme for Warwickshire's 16-19 year olds. With resource allocations in future years to be based on the results.</p>	100,000
	<p>To maintain our services supporting the performance and development of the organisation we will make the following allocations:</p>	
	<ul style="list-style-type: none"> <li>Medium term financial plan allocation.</li> </ul>	265,000
	<ul style="list-style-type: none"> <li>A one-off allocation to continue the development to the customer service centre.</li> </ul>	35,000
	<ul style="list-style-type: none"> <li>An allocation to support further work on business process re-engineering for the customer service centre and access strategy.</li> </ul>	50,000
<ul style="list-style-type: none"> <li>An allocation to increase Overview and Scrutiny and member support</li> </ul>	25,000	
<ul style="list-style-type: none"> <li>A two-year allocation to help meet the costs of phase 2 of the pay and conditions review.</li> </ul>	50,000	
<ul style="list-style-type: none"> <li>An allocation of £6,000 to each Area Committee Social Inclusion Fund to support safer and stronger communities with a particular focus on tackling nuisance youth and anti-social behaviour issues. To be funded by a virement of the "Liveability" budget from Other Services.</li> </ul>	30,000	
Resources	<p>To maintain our services that manage the resources of the organisation we will make the following allocations:</p>	
<ul style="list-style-type: none"> <li>Medium term financial plan allocation.</li> </ul>	372,000	
<ul style="list-style-type: none"> <li>An allocation to support the running of the Saltisford offices. The balance of funding for this pressure will be top-sliced from all Directorates.</li> </ul>	200,000	
<ul style="list-style-type: none"> <li>An allocation to carry out essential asbestos and water hygiene surveys and to undertake any remedial works identified.</li> </ul>	200,000	
<ul style="list-style-type: none"> <li>A one-off contribution to help lift the catering service out of deficit.</li> </ul>	50,000	
<ul style="list-style-type: none"> <li>An allocation for asset management planning, in particular to manage the implementation of a schools rolling maintenance programme and the modernisation of the service.</li> </ul>	100,000	
Other Services	<p>To maintain the corporate and treasury management services of the organisation we will make the following allocations:</p>	
<ul style="list-style-type: none"> <li>Medium term financial plan allocation.</li> </ul>	2,032,000	

Directorate	Description	Allocation £
	<ul style="list-style-type: none"> <li>An allocation to meet the borrowing costs of the additional capital spending included in the capital resolution.</li> </ul>	454,000
	<b>Total Allocations</b>	<b>17,396,000</b>

## 4 Funding Sources

### 4.1 Efficiency and Effectiveness

All Directorates, with the exception of Community Protection, will be required to achieve 2.5% savings. These savings will be returned to the centre to be re-cycled to meet spending priorities. The Community Protection Directorate will be required to achieve 1% savings.

4.2 The allocations to be returned to the centre by each service are as follows:

	£
Adult, Health and Community Services	2,393,000
Children, Young People and Families	1,585,000
Community Protection	202,000
Environment and Economy	922,000
Performance and Development	232,000
Resources	397,000
<b>Total</b>	<b>5,731,000</b>

4.3 The savings target for the Fire and Rescue Service for 2007/08 will be delivered according to the advice of the Chief Fire Officer for Warwickshire. We will instruct the Chief Fire Officer to bring forward medium and long term plans to ensure the delivery of a resilient and cost-effective emergency response service across Warwickshire, and which meets the requirements of Warwickshire's Integrated Risk Management Plan, to full Council in July 2007. This should include an examination of the reconfiguration of the Community Protection Directorate.

4.4 Cabinet and Overview and Scrutiny Committees should also receive a report on progress to date on the delivery of efficiency savings to the autumn cycle of meetings. In these reports Directorates will be required to report specifically on the savings made in the cost of publications, postage, printing and stationery and telephones.

4.5 In order to drive forward a customer focused organisation, the customer service centre will be funded from the redirection on resources.

4.6 The allocation to top-up the Area Committee Social Inclusion Fund is to be funded by a virement of the £30,000 "Liveability" budget from Other Services.

4.7 £100,000 will be allocated from the Modernisation Fund on a one-off basis to fund the allocations made in this budget.

4.8 The council tax will be increased by 4.95%, which, together with other funding resources identified, will fund the budget proposals contained within this resolution.

## 5 Medium Term Financial Planning Framework

5.1 Over the medium term the County Council will plan on the basis that:

- Inflation and the corporate costs of capital will be funded from government grant and council tax income.
- The corporate costs of funding a base capital programme to ensure the long-term maintenance of our asset infrastructure will be funded from council tax income.
- Any other unavoidable pressures members wish to meet will be funded from the balance of council tax income and reducing investment in low priority services.
- Spending on schools and pupil related services is guaranteed to the level of the Dedicated Schools Grant.
- New developments will be funded from efficiency savings (with a minimum of 2.5% cash savings generated each year) and any further reduced investment in low priority services.
- In setting the council tax increase in future years we will work within any guidelines issued by the government.
- Service priority areas for future investment will remain as outlined in section 1 of this resolution:
  - Independence, well-being and choice
  - Supporting and empowering young people
  - Safer and greener communities
  - Accessibility to transport

Overview and Scrutiny Committees will oversee work on developing and reviewing our strategic policies in these areas. The Committees will consider outline project plans for the development of these policies by July 2007.

- Commitments in 2008/09 will include:
  - A rolling programme of revenue maintenance in schools. Using the allocation to Resources Directorate for Asset Management Planning and Modernisation a plan is developed that lays out a rolling programme of maintenance in Warwickshire's schools. This will be a priority for allocation in 2008/09 depending on the support for match-funding, through a top-slicing of DSG, is agreed by the Schools Forum.
  - Investment in the Family Support Service.
  - Implementation of the reconfiguration of the Community Protection Directorate, using the Modernisation Fund in 2007/08 as a source of any funding required, in line with the requirements of paragraph 4.3.

- Implementation of the results of the feasibility study into transport provision for 16-19 year olds.
- The systematic use of business cases will be used for all future investment in services that clearly define quantifiable pay back times and benefits from the outset. Furthermore, these will align with the Local Area Agreement and take into consideration enhanced two-tier working.
- The draft capital programme for 2008/09 and 2009/10 to be reviewed by the Capital and Property Panel with the Panel leading on the development of capital investment proposals for 2009/10 onwards.
- A corporate charging policy and review of all income streams is completed for implementation of any changes for 2008/09.
- Directorates should seek to improve and maintain value for money across all services. In particular Directorates are instructed to investigate further the services that have been identified as high cost by the Audit Commission value for money profiles. An additional 1% efficiency savings is to be generated each year (on top of the 2.5% already specified) through the programme of specific projects outlined below. The resources to be directed towards implementation of the customer access strategy. The projects for 2007/08 are:
  - Non-school education
  - Libraries
  - Consumer protection
  - Economic and community development, and
  - Cultural and heritage services.

Reports on the outcomes of this work should be presented to members in the autumn of 2007 to enable decisions to be made prior to agreeing the detail of the 2008/09 budget. This work is in addition to the planned work on the Fire Service outlined in paragraph 4.3.

## 6 Strategic Director, Resources Statement

6.1 That the following statement from the Strategic Director, Resources be noted.

*"The Local Government Act 2003 requires me as "Chief Finance Officer" to report on:*

- ◆ *The robustness of the revenue estimates made for the purposes of the budget calculations; and*
- ◆ *The adequacy of the proposed financial reserves.*

*The budget information used in preparing this revenue budget resolution has undergone extensive scrutiny by:*

- ◆ *Strategic Directors and their staff;*
- ◆ *Myself and staff within the Resources Directorate;*
- ◆ *Strategic Directors Management Team;*
- ◆ *Overview and Scrutiny Committees;*

*In addition to this I have worked closely with the Party Group in preparing this budget resolution. In overall terms I am of the view that this revenue budget has been prepared on realistic assumptions and that it represents a robust budget.*

*There is a full-year effect of some allocations both in this resolution and the accompanying capital resolution. The Party Group needs to be mindful of the fact that, overall, an additional revenue impact of £0.791 million will need to form part of the Group's consideration of the budget in future years.*

*I have also undertaken a risk analysis of the adequacy of financial reserves. This highlighted the need to increase the level of general reserves to £10.0 million. A requirement of this level is in line with the latest projection reported to members as part of the corporate budget monitoring process. I am therefore of the view that this budget does provide for an adequate level of reserves."*

## **7 Summary of Service Estimates**

7.1 Approval be given to the estimates set out below which include provision for capital expenditure to be charged to the revenue account, financed from the Capital Fund, consistent with the 2007/08 to 2009/10 capital programme.

7.2 Individual Service net revenue estimates of:

	<b>Base Budget</b>	<b>Additions</b>	<b>Funding Sources/ Re-cycling</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Adult, Health and Community Services	107,116,896	6,499,000	(2,393,000)	111,222,896
Children, Young People and Families	98,393,401	3,583,000	(1,585,000)	100,391,401
Community Protection	23,251,522	995,000	(202,000)	24,044,522
Environment and Economy	48,299,335	2,456,000	(922,000)	49,833,335
Performance and Development Resources	2,555,139	455,000	(232,000)	2,778,139
Other Services	2,146,159	922,000	(397,000)	2,671,159
	29,073,777	2,486,000	(30,000)	31,529,777
Less: Notional Capital Charges	(41,958,677)	0	0	(41,958,677)
	268,877,552	17,396,000	(5,761,000)	280,512,552
Contributions to/(from) reserves:				
• General reserves	0	34,551	0	34,551
• Service/earmarked savings	136,300	0	(100,000)	36,300
• Virtual Bank	496,200	0	0	496,200
• Capital Fund	(300,000)	0	0	(300,000)

## 8 Budget Requirement

### 8.1

	Base Budget £	Additions £	Funding Sources/ Re-cycling £	Total £
Approval to be given to a budget requirement for the general expenses of the County Council for the year ending 31 March 2008 of	269,210,052	17,430,551	(5,861,000)	280,779,603

### 8.2

The basic amount of the Council Tax for a Band D property, for the year ending 31 March 2008 be calculated as follows:	£
Budget Requirement	280,779,603
Less Redistributed National Non-Domestic Rates	(64,929,677)
Less Revenue Support Grant	(10,896,539)
Less Council Tax surplus on Collection	(34,551)
	204,918,836
Divided by aggregate Council Tax Base for the County Area	195,977.10
<b>Basic amount of Council Tax (Band D)</b>	<b>1,045.63</b>

## 9 Council Tax

9.1 Approval be given to Council Tax amounts for each category of property as follows:

	£
Band A	697.0843
Band B	813.2650
Band C	929.4457
Band D	1,045.6264
Band E	1,277.9879
Band F	1,510.3493
Band G	1,742.7107
Band H	2,091.2529

## 10 Precepts

10.1 The Chief Executive issue 2007/08 precepts on the Warwickshire billing authorities, as follows:

	£
North Warwickshire Borough Council	21,921,746.38
Nuneaton & Bedworth Borough Council	40,022,397.35
Rugby Borough Council	35,527,761.67
Stratford-on-Avon District Council	53,511,605.70
Warwick District Council	53,935,324.90

## **11 Budget Management**

- 11.1 The Chief Executive be directly responsible for the implementation of the budget.
- 11.2 The Chief Executive and Strategic Director, Resources be provided with delegated authority to vire revenue budgets between Directorates where such virements are as a direct consequence of the specific spending allocations, invest-to-save projects and funding strategies contained in this resolution and the accompanying capital budget resolution.
- 11.3 The Chief Executive is instructed to remind all Strategic Directors that budgets must not be overspent and that effective budget management arrangements should be the cornerstone of Directorates' work to secure best value.
- 11.4 Directorates, and also schools, be encouraged to take a medium term view of spending commitments including exercising caution in entering into initiatives which create commitments in future years and developing clear strategies for the utilisation of service reserves.
- 11.5 All member bodies and Strategic Directors are instructed to comply with the prescriptive legal duties placed upon the Council and the Chief Executive and Strategic Directors be instructed to ensure that the implementation of policies complies with legal requirements.
- 11.6 All Directorates are authorised to draw down on Directorate reserves accumulated from previous year's savings, subject to notifying the Strategic Director, Resources.
- 11.7 That authority is given for all necessary tenders to be obtained and contracts to be completed to give effect to this budget.

# County Council – 6 February 2007 – Minute 4 Appendix C

## Formal 2007/2008 Liberal Democrat Capital Budget Recommendations to County Council

It is recommended that:

### 1 Capital Programme

- 1.1 Approval be given to a capital programme of £152,625,900 for new schemes starting in 2007/08 as shown in Annex A.
- 1.2 Of the 2007/08 programme, schemes costing £122,274,900 were already approved for planning purposes. These are reaffirmed as part of this resolution.
- 1.3 In doing so the funding for the following schemes is agreed:
- The shortfall in the funding of Rugby Western Relief Road will be met from prudential borrowing.
- 1.4 Additional allocations for new schemes in 2007/08 are also approved as follows:

Directorate	Investment Project	Payments in 2007/08 £	Total Scheme Allocation £
<b>2007/08</b>			
Adult, Health & Community Services	◆ Premises and accommodation small scale reactive works – base programme	200,000	200,000
	◆ Vehicle and equipment replacement – base programme	100,000	100,000
	◆ Waller of Woodcote Archival Collection	400,000	400,000
	◆ Museum Service – digital data storage	25,000	50,000
	◆ Trading Standards meter proving facility (self-financing)	100,000	100,000
Children, Young People & Families	◆ Premises and accommodation small scale reactive works – base programme	100,000	100,000
Community Protection	◆ Equipment for fire appliances – base programme	100,000	100,000
	◆ Fire appliances replacement – base programme (self-financing)	600,000	600,000

Directorate	Investment Project	Payments in 2007/08 £	Total Scheme Allocation £
Environment & Economy	◆ Expansion of drug and alcohol rehabilitation service (self-financing)	2,000,000	2,000,000
	◆ Highways maintenance – base programme	1,250,000	1,250,000
	◆ Street lighting – base programme	500,000	500,000
	◆ Countryside maintenance – base programme	100,000	100,000
	◆ Implementation of the municipal waste strategy	2,705,000	4,705,000
	◆ Deprived communities environmental improvements	419,000	464,000
	◆ Highways maintenance – area committees	2,000,000	2,000,000
	◆ Centenary business centre – phase 3	632,000	632,000
	◆ Stoneleigh Park Innovation Centre	2,000,000	8,000,000
	◆ Refurbishment of Gypsy and Traveller “Settled Site”	1,800,000	1,800,000
Resources	◆ Asbestos – base programme	250,000	250,000
	◆ Safe water – base programme	100,000	100,000
	◆ Major structural maintenance (non-schools) – base programme	1,150,000	1,150,000
	◆ Boiler replacement – base programme	350,000	350,000
	◆ Small scale reactive property maintenance – base programme	250,000	250,000
	◆ Fire precautions – base programme	250,000	250,000
	◆ Rewiring – base programme	150,000	150,000
	◆ Improving the customer experience in County Council buildings	1,000,000	1,000,000
	◆ DDA works for Warwick county museum and countywide public access	125,000	325,000
	◆ Structural, mechanical and electrical maintenance and fire precautions – backlog reduction	2,625,000	2,625,000
	◆ Human resources management system – replacement server	330,000	400,000
	◆ Metering of electricity, gas and water usage (self financing)	300,000	300,000
	◆ CHP/renewable energy generation (self financing)	100,000	100,000
	<b>2007/08 Total Allocations</b>		<b>22,011,000</b>

1.5 The capital programmes of £26,113,900 and £28,682,900 new schemes starting in 2008/09 and 2009/10 as shown in Annex A, be approved for planning purposes. Of the draft programme, schemes costing £13,698,900 in 2008/09 and £962,900 in 2009/10 were already approved for planning purposes.

1.6 In doing so the following scheme is agreed for planning purposes:

- The integrated transport supported borrowing allocation of £5,490,000 for 2009/10 announced as part of the LTP Settlement in December 2006.

1.7 Additional allocations are also approved as follows:

Directorate	Investment Project	Payments in 2008/09 £	Total Scheme Allocation £
<b>2008/09</b>			
Adult, Health & Community Services	<ul style="list-style-type: none"> <li>◆ Premises and accommodation small scale reactive works – base programme</li> <li>◆ Vehicle and equipment replacement – base programme</li> </ul>	210,000 105,000	210,000 105,000
Children, Young People & Families	<ul style="list-style-type: none"> <li>◆ Premises and accommodation small scale reactive works – base programme</li> </ul>	105,000	105,000
Community Protection	<ul style="list-style-type: none"> <li>◆ Equipment for fire appliances – base programme</li> <li>◆ Replacement of fire appliances – base programme (self financing)</li> </ul>	105,000 630,000	105,000 630,000
Environment & Economy	<ul style="list-style-type: none"> <li>◆ Highways maintenance – base programme</li> <li>◆ Street lighting – base programme</li> <li>◆ Countryside maintenance – base programme</li> <li>◆ Highways maintenance – area committees</li> </ul>	1,310,000 525,000 105,000 2,000,000	1,310,000 525,000 105,000 2,000,000
Resources	<ul style="list-style-type: none"> <li>◆ Asbestos – base programme</li> <li>◆ Safe water – base programme</li> <li>◆ Major structural maintenance (non-schools) – base programme</li> <li>◆ Boiler replacement – base programme</li> <li>◆ Small scale reactive property maintenance – base programme</li> <li>◆ Fire precautions – base programme</li> <li>◆ Rewiring – base programme</li> <li>◆ Improving the customer experience in County Council buildings</li> <li>◆ Structural, mechanical and electrical maintenance and fire precautions – backlog reduction</li> <li>◆ Metering of electricity, gas and water usage (self financing)</li> <li>◆ CHP/renewable energy generation (self financing)</li> </ul>	265,000 105,000 1,210,000 370,000 265,000 265,000 160,000 1,000,000 3,180,000 300,000 200,000	265,000 105,000 1,210,000 370,000 265,000 265,000 160,000 1,000,000 3,180,000 300,000 200,000
	<b>2008/09 Total Allocations</b>	<b>12,415,000</b>	<b>12,415,000</b>

Directorate	Investment Project	Payments in 2008/09 £	Total Scheme Allocation £
<b>2009/10</b>			
Adult, Health & Community Services	<ul style="list-style-type: none"> <li>◆ Premises and accommodation small scale reactive works – base programme</li> <li>◆ Vehicle and equipment replacement – base programme</li> </ul>	220,000 110,000	220,000 110,000
Children, Young People & Families	<ul style="list-style-type: none"> <li>◆ Premises and accommodation small scale reactive works – base programme</li> </ul>	110,000	110,000
Community Protection	<ul style="list-style-type: none"> <li>◆ Equipment for fire appliances – base programme</li> <li>◆ Replacement of fire appliances – base programme (self financing)</li> </ul>	110,000 660,000	110,000 660,000
Environment & Economy	<ul style="list-style-type: none"> <li>◆ Highways maintenance – base programme</li> <li>◆ Street lighting – base programme</li> <li>◆ Countryside maintenance – base programme</li> <li>◆ Highways maintenance – area committees</li> </ul>	11,025,000 550,000 110,000 2,000,000	11,025,000 550,000 110,000 2,000,000
Resources	<ul style="list-style-type: none"> <li>◆ Asbestos – base programme</li> <li>◆ Safe water – base programme</li> <li>◆ Major structural maintenance (non-schools) – base programme</li> <li>◆ Boiler replacement – base programme</li> <li>◆ Small scale reactive property maintenance – base programme</li> <li>◆ Fire precautions – base programme</li> <li>◆ Rewiring – base programme</li> <li>◆ Improving the customer experience in County Council buildings</li> <li>◆ Structural, mechanical and electrical maintenance and fire precautions – backlog reduction</li> <li>◆ Metering of electricity, gas and water usage (self financing)</li> <li>◆ CHP/renewable energy generation (self financing)</li> </ul>	275,000 110,000 1,270,000 385,000 275,000 275,000 165,000 1,000,000 3,080,000 300,000 200,000	275,000 110,000 1,270,000 385,000 275,000 275,000 165,000 1,000,000 3,080,000 300,000 200,000
<b>2009/10 Total Allocations</b>		<b>22,230,000</b>	<b>22,230,000</b>

1.8 A deduction is made from Directorate's revenue budgets for the debt charges in respect of the self-financing projects funded from borrowing.

## 2 Prudential Guidelines and Limits

- 2.1 Approval be given to an Affordable Borrowing Limit consistent with the capital programme approved at Annex A for 2007/08 and the subsequent two years as follows:

	In-Year £ per Band D Council Tax	Cumulative £ per Band D Council Tax
2007/08	13.61	13.61
2008/09	14.15	27.76
2009/10	8.15	35.91

- 2.2 Approval is given to the prudential indicators set out in Annex B, consistent with the approved Capital Programme 2007/08 to 2009/10 and the 2007/08 Treasury Management Strategy considered by Cabinet on 1 February 2007 and included for approval elsewhere on this agenda.

## 3 Strategic Director, Resources' Statement

- 3.1 The following statement from the Strategic Director, Resources is noted:

*"The Local Government Act 2003 requires me as "Chief Finance Officer" to report on the robustness of the estimates made for the purposes of the budget calculations.*

*The capital programme information used in preparing this capital budget resolution has undergone extensive scrutiny by:*

- ◆ *Strategic Directors and their staff;*
- ◆ *Myself and staff within my department;*
- ◆ *Strategic Directors Management Team;*
- ◆ *Overview and Scrutiny Committees and Cabinet.*

*In addition to this I have worked closely with the Party Group in preparing this capital programme resolution. In overall terms I am of the view that this capital programme has been prepared on realistic assumptions and that it represents a robust programme.*

*The draft programme for 2008/09 and 2009/10 includes a significant commitment for further capital investment into future years. The Party Group needs to be mindful that overall the additional revenue costs of the capital programme included in this resolution is £0.976 million in 2008/09 and a further £1.086 million in 2009/10. The financing of these revenue impacts will need to form part of the Group's consideration of the budget in future years."*

## **4 Delegations**

- 4.1 The delegations from Council to Cabinet to allow Cabinet to approve amendments to the capital programme, first agreed by Council on 18 December 2001, be reconfirmed as follows:
- The agreement of any increases or reductions in capital starts/payments totals as part of the capital review process is delegated to Cabinet.
  - The approval of the addition to the capital programme of projects costing less than £1.5 million, which are fully funded from external grants, developer contributions or from revenue, be delegated to Cabinet.
- 4.2 In addition the Strategic Director, Resources be provided with delegated authority to vire capital schemes between directorates where such virements are as a direct consequence of the restructuring of the County Council.

## **5 Budget Management**

- 5.1 The Chief Executive will be directly responsible for the implementation of the capital programme.
- 5.2 The Chief Executive is instructed to remind all Strategic Directors that budgets must not be overspent and that effective budget management arrangements should be the cornerstone of each directorate's work to secure Best Value.
- 5.3 All member bodies and Chief Officers be instructed to comply with the prescriptive legal duties placed upon the Council and the Chief Executive and Strategic Directors be instructed to ensure that the implementation of policies complies with legal requirements.
- 5.4 That authority is given for all necessary tenders to be obtained and contracts to be completed to give effect to this budget.

## ANALYSIS OF CAPITAL PAYMENTS BY STARTS YEAF

Start Year (1)	Payments at November 2006 prices						Total Scheme Cost (7) £000
	Before 31.03.07 (2) £000	2007/08 (3) £000	2008/09 (4) £000	2009/10 (5) £000	2010/11 and later years (6) £000		
	1. Starts in 2006/07 and earlier years	292,756.4	38,466.3	4,309.4	750.1	10.0	
2. 2007/08 Starts	7,395.9	99,458.3	41,608.7	2,923.0	1,240.0	152,625.9	
3. 2008/09 Starts	0.9		26,113.0			26,113.9	
4. 2009/10 Starts				28,682.9		28,682.9	
5. TOTAL PROGRAMME	300,153.2	137,924.6	72,031.1	32,356.0	1,250.0	543,714.9	

The table below shows the proposed capital programmes split between directorates :-

	Details  (1)	Notes  (2)	Before 31.03.07  (3)  £000	2007/08  (4)  £000	2008/09  (5)  £000	2009/10  (6)  £000	2010/11 and later years (7)  £000	Total Scheme Cost (8)  £000
<b>A.</b>	COMMITMENTS ON SCHEMES STARTED IN 2006/07 AND EARLIER YEARS at November 2006 prices		292,756.4	38,466.3	4,309.4	750.1	10.0	336,292.2
<b>B.</b>	<b>2007/08 Draft Capital Programme</b>							
1.	ADULT, HEALTH AND COMMUNITY SERVICES		10.0	2,885.0	557.7			3,452.7
2.	CHILDREN, YOUNG PEOPLE AND FAMILIES SERVICES		1,039.7	25,353.5	7,904.0	122.0		34,419.2
3.	COMMUNITY PROTECTION			2,700.0				2,700.0
4.	ENVIRONMENT AND ECONOMY		5,590.0	57,777.9	32,519.0	2,776.0	1,240.0	99,902.9
5.	RESOURCES		756.2	10,741.9	628.0	25.0		12,151.1
6.	<b>TOTAL</b>		<b>7,395.9</b>	<b>99,458.3</b>	<b>41,608.7</b>	<b>2,923.0</b>	<b>1,240.0</b>	<b>152,625.9</b>
<b>C.</b>	<b>2008/09 Draft Capital Programme</b>							
1.	ADULT, HEALTH AND COMMUNITY SERVICES				415.0			415.0
2.	CHILDREN, YOUNG PEOPLE AND FAMILIES SERVICES				405.0			405.0
3.	COMMUNITY PROTECTION				735.0			735.0
4.	ENVIRONMENT AND ECONOMY		0.9		16,738.0			16,738.9
5.	RESOURCES				7,820.0			7,820.0
6.	<b>TOTAL</b>		<b>0.9</b>		<b>26,113.0</b>			<b>26,113.9</b>
<b>D.</b>	<b>2009/10 Draft Capital Programme</b>							
1.	ADULT, HEALTH AND COMMUNITY SERVICES					330.0		330.0
2.	CHILDREN, YOUNG PEOPLE AND FAMILIES SERVICES					110.0		110.0
3.	COMMUNITY PROTECTION					770.0		770.0
4.	ENVIRONMENT AND ECONOMY					19,637.9		19,637.9
5.	RESOURCES					7,835.0		7,835.0
6.	<b>TOTAL</b>					<b>28,682.9</b>		<b>28,682.9</b>
<b>E.</b>	<b>Council Resolutions</b>		<b>300,153.2</b>	<b>137,924.6</b>	<b>72,031.1</b>	<b>32,356.0</b>	<b>1,250.0</b>	<b>543,714.9</b>

**CAPITAL PROGRAMME 2007/08 - 2009/10**
**LIBERAL DEMOCRAT Annex A**

The table below summarises how the proposed Capital Programme 2007/08 to 2009/10 has been built up from the joint report to the Cabinet on 1st February 2007 :-

	Details (1)	Notes (2)	Before 31.03.07 (2) £000	2007/08 (3) £000	2008/09 (4) £000	2009/10 (5) £000	2010/11 and later years (6) £000	Total Scheme Cost (7) £000
<b>A.</b>	Grand total for all years following 1st February 2007 report to Cabinet (Agenda Items No. 4 & No.9) including projects arising from Government announcements in December 2006		<b>300,153.2</b>	<b>115,913.6</b>	<b>53,301.1</b>	<b>3,851.0</b>	<b>10.0</b>	<b>473,228.9</b>
<b>B.</b>	<b>New Items - gross cost of schemes</b>							
1.	<b>Adult, Health &amp; Community Services</b>							
	Premises and accommodation small scale reactive works - BASE			200.0	210.0	220.0		630.0
	Vehicle and equipment replacement - BASE			100.0	105.0	110.0		315.0
	Waller of Woodcote Archival Collection			400.0				400.0
	Museum Service - digital data storage			25.0	25.0			50.0
	Trading Standards meter proving facility (SF)			100.0				100.0
2.	<b>Children, Young People &amp; Families</b>							
	Premises and accommodation small scale reactive works - BASE			100.0	105.0	110.0		315.0
3.	<b>Community Protection</b>							
	Equipment for fire appliances - BASE			100.0	105.0	110.0		315.0
	Fire appliances replacement - BASE (SF)			600.0	630.0	660.0		1,890.0
	Expansion of drug and alcohol rehabilitation service (SF)			2,000.0				2,000.0
4.	<b>Environment &amp; Economy</b>							
	Highways maintenance - BASE			1,250.0	1,310.0	11,025.0		13,585.0
	Street lighting - BASE			500.0	525.0	550.0		1,575.0
	Countryside maintenance - BASE			100.0	105.0	110.0		315.0
	Implementation of the municipal waste strategy			2,705.0		760.0	1,240.0	4,705.0
	Deprived communities environmental impvmts			419.0	45.0			464.0
	Highway maintenance - area committees			2,000.0	2,000.0	2,000.0		6,000.0
	Centenary business centre - phase 3			632.0				632.0
	Stoneleigh Park Innovation Centre			2,000.0	6,000.0			8,000.0
	Refurbishmt of Gypsy & Traveller "Settled Site"			1,800.0				1,800.0
	Integrated Transport Allocation 2009/10					5,490.0		5,490.0
5.	<b>Resources</b>							
	Asbestos - BASE			250.0	265.0	275.0		790.0
	Safe Water - BASE			100.0	105.0	110.0		315.0
	Major structural maintce (non-schools)- BASE			1,150.0	1,210.0	1,270.0		3,630.0
	Boiler replacement - BASE			350.0	370.0	385.0		1,105.0
	Small scale reactive prop. maintenance - BASE			250.0	265.0	275.0		790.0
	Fire precautions - BASE			250.0	265.0	275.0		790.0
	Rewiring - BASE			150.0	160.0	165.0		475.0
	Improving the customer experience in County Council buildings			1,000.0	1,000.0	1,000.0		3,000.0
	DDA works for Warwick county museum and countywide public access			125.0	175.0	25.0		325.0
	Structural, mechanical and electrical maintce and fire precautions - backlog reduction			2,625.0	3,180.0	3,080.0		8,885.0
	Human resources management system - replacement server			330.0	70.0			400.0
	Metering of electricity, gas & water usage (SF)			300.0	300.0	300.0		900.0
	CHP/renewable energy generation (SF)			100.0	200.0	200.0		500.0
	<b>TOTAL</b>			<b>22,011.0</b>	<b>18,730.0</b>	<b>28,505.0</b>	<b>1,240.0</b>	<b>70,486.0</b>
<b>C.</b>	<b>Council Resolutions</b>		<b>300,153.2</b>	<b>137,924.6</b>	<b>72,031.1</b>	<b>32,356.0</b>	<b>1,250.0</b>	<b>543,714.9</b>

Details (1)	Notes (2)	Before 31.03.07 (3) £000	2007/08 (4) £000	2008/09 (5) £000	2009/10 (6) £000	2010/11 and later years (7) £000	Total Scheme Cost (8) £000
<b>A.</b> Total for all years following 1st February 2007 report to Cabinet (Agenda Items No.4 and No.9)			31,494.0	8,949.0	(396.0)	10.0	40,057.0
<b>B. New Items</b>							
<b>1. Adult, Health &amp; Community Services</b>							
Premises and accommodation small scale reactive works - BASE			200.0	210.0	220.0		630.0
Vehicle and equipment replacement - BASE			100.0	105.0	110.0		315.0
Waller of Woodcote Archival Collection			15.0				15.0
Museum Service - digital data storage			25.0	25.0			50.0
Trading Standards meter proving facility - SF			100.0				100.0
<b>2. Children, Young People &amp; Families</b>							
Premises and accommodation small scale reactive works - BASE			100.0	105.0	110.0		315.0
<b>3. Community Protection</b>							
Equipment for fire appliances - BASE			100.0	105.0	110.0		315.0
Fire appliances replacement - BASE (SF)			600.0	630.0	660.0		1,890.0
Expansion of drug and alcohol rehabilitation service (SF)			300.0				300.0
<b>4. Environment &amp; Economy</b>							
Highways maintenance - BASE			1,250.0	1,310.0	8,610.0		11,170.0
Street lighting - BASE			500.0	525.0	550.0		1,575.0
Countryside maintenance - BASE			100.0	105.0	110.0		315.0
Implementation of the municipal waste strategy			2,705.0		760.0	1,240.0	4,705.0
Deprived communities environmental improvements			110.0	45.0			155.0
Highway maintenance - area committees			2,000.0	2,000.0	2,000.0		6,000.0
Centenary business centre - phase 3			186.0				186.0
Stoneleigh Park Innovation Centre				650.0			650.0
Refurbishment of Gypsy and Traveller "Settled Site"			450.0				450.0
Other transport allocations				2,660.0	5,541.0		8,201.0
<b>5. Resources</b>							
Asbestos - BASE			250.0	265.0	275.0		790.0
Safe Water - BASE			100.0	105.0	110.0		315.0
Major structural maintce (non-schools) - BASE			1,150.0	1,210.0	1,270.0		3,630.0
Boiler replacement - BASE			350.0	370.0	385.0		1,105.0
Small scale reactive property maintce - BASE			250.0	265.0	275.0		790.0
Fire precautions - BASE			250.0	265.0	275.0		790.0
Rewiring - BASE			150.0	160.0	165.0		475.0
Improving the customer experience in County Council buildings			1,000.0	1,000.0	1,000.0		3,000.0
DDA works for Warwick county museum and countywide public access			125.0	175.0	25.0		325.0
Structural, mechanical and electrical maintce and fire precautions - backlog reduction			2,625.0	3,180.0	3,080.0		8,885.0
Human resources management system - replacement server			330.0	70.0			400.0
Metering of electricity, gas & water usage (SF)			300.0	300.0	300.0		900.0
CHP/renewable energy generation (SF)			75.0	150.0	150.0		375.0
<b>Total borrowing for new items</b>			15,796.0	15,990.0	26,091.0	1,240.0	59,117.0
<b>C. TOTAL</b>			47,290.0	24,939.0	25,695.0	1,250.0	99,174.0

**Notes :-**

- In addition to the borrowing above a further £3.85m (self-financing) has been approved for North Leamington School in 2008/09. See Cabinet 1st February 2007 Capital programme 2007/08 to 2009/10 - Table 2.

# Liberal Democrat Group

APPENDIX C

Annex B

## Warwickshire County Council Prudential Indicators 2006/2007

PRUDENTIAL INDICATOR (1). AFFORDABILITY PRUDENTIAL INDICATORS	2005/06	2006/07	2007/08	2008/09	2009/10
	actual	estimate	estimate	estimate	estimate
<b>Capital Expenditure</b>	<b>£'000</b> 64,059	<b>£'000</b> 103,354	<b>£'000</b> 137,925	<b>£'000</b> 72,031	<b>£'000</b> 32,356
<b>Ratio of financing costs to net revenue stream</b>	<b>%</b> 3.62	<b>%</b> 6.81	<b>%</b> 8.00	<b>%</b> 8.63	<b>%</b> 8.79
<b>Net borrowing requirement</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
brought forward 1 April	207,881	239,428	262,049	299,380	316,712
carried forward 31 March	239,428	262,049	299,380	316,712	330,950
in year borrowing requirement	31,547	22,621	37,331	17,332	14,238
<b>In year Capital Financing Requirement</b>	<b>£'000</b> 19,051	<b>£'000</b> 39,441	<b>£'000</b> 37,341	<b>£'000</b> 14,682	<b>£'000</b> 12,235
<b>Capital Financing Requirement as at 31 March</b>	<b>£'000</b> 214,073	<b>£'000</b> 253,514	<b>£'000</b> 290,855	<b>£'000</b> 305,537	<b>£'000</b> 317,771
<b>Affordable Borrowing Limit</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Position as agreed at February 2005 Council</b>					
Increase per council tax payer	11.81	12.26	8.03		
<b>Position as agreed at March 2006 Council</b>	12.20	11.31	15.74	7.64	
Increase per council tax payer					
<b>Updated position of Current Capital Programme</b>					
Increase per council tax payer	12.72	8.25	13.61	14.15	8.15
PRUDENTIAL INDICATOR (2). TREASURY MANAGEMENT PRUDENTIAL INDICATORS	2005/06	2006/07	2007/08	2008/09	2009/10
	actual	approved	estimate	estimate	estimate
<b>Authorised limit for external debt -</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Borrowing	267,446	328,495	363,805	383,106	425,366
other long term liabilities	600	600	600	600	600
<b>TOTAL</b>	<b>268,046</b>	<b>329,095</b>	<b>364,405</b>	<b>383,706</b>	<b>425,966</b>
<b>Operational boundary for external debt -</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Borrowing	222,871	273,745	303,171	319,255	354,472
other long term liabilities	500	500	500	500	500
<b>TOTAL</b>	<b>223,371</b>	<b>274,245</b>	<b>303,671</b>	<b>319,755</b>	<b>354,972</b>
<b>Upper limit for fixed interest rate exposure</b>					
Net principal re fixed rate borrowing / investments OR:-	100%	100%	100%	100%	100%
	Actual				
<b>Upper limit for variable rate exposure</b>					
Net principal re variable rate borrowing / investments OR:-	25%	25%	25%	25%	25%
	Actual				
<b>Upper limit for total principal sums invested for over 364 days</b> (per maturity date)	<b>£</b> £0	<b>£</b> £0	<b>£</b> £0	<b>£</b> £0	<b>£</b> £0
<b>Maturity structure of new fixed rate borrowing during 2005/06</b>	<b>lower limit</b>				
under 12 months	0%				
12 months and within 24 months	0%				
24 months and within 5 years	0%				
5 years and within 10 years	0%				
10 years and above	0%				

# County Council – 6 February 2007 Minute 4 – Appendix D Agreed 2007/08 Revenue Budget

The County Council adopts the following as its budget framework for 2007/08:

## 1 Revenue Allocations

1.1 Approval is given to the following budget allocations to be applied as directed:

Directorate	Description	Allocation £
Adult, Health and Community Services	An allocation of <b>£4,679,000</b> to the Adult, Health and Community Services to fund the following:	
	<ul style="list-style-type: none"> <li>• Medium term financial plan allocation.</li> </ul>	2,199,000
	<ul style="list-style-type: none"> <li>• An allocation of £4.5 million to meet the increased costs from rising client numbers, forecast demographic changes, the loss of government grant and supporting people capacity. The £4.5 million comprises £2.394 million of new resources and an abatement of the efficiency savings target of £2.106 million for adult social care.</li> </ul>	2,394,000
	<ul style="list-style-type: none"> <li>• An allocation for arts-for-health projects in each area of the county (£10,000 to each Area Committee Well-Being Fund).</li> </ul>	50,000
	<ul style="list-style-type: none"> <li>• An allocation to fund bio-diversity in the Museums service.</li> </ul>	36,000
Children, Young People and Families	An allocation of <b>£3,768,000</b> to the Children, Young People and Families Directorate to fund the following:	
	<ul style="list-style-type: none"> <li>• Medium term financial plan allocation.</li> </ul>	2,343,000
	<ul style="list-style-type: none"> <li>• An allocation to support the increasing numbers of children looked after and strengthening the Council's commitment to corporate parenting.</li> </ul>	350,000
	<ul style="list-style-type: none"> <li>• An allocation for the education social work service.</li> </ul>	50,000
	<ul style="list-style-type: none"> <li>• Additional funding for the assessment framework for children's services and to help meet base budget pressures.</li> </ul>	200,000
	<ul style="list-style-type: none"> <li>• An allocation to fund additional sessional workers to assist with delivering the teenage pregnancy strategy.</li> </ul>	15,000
	<ul style="list-style-type: none"> <li>• An allocation to provide sporting excellence bursaries.</li> </ul>	10,000
	<ul style="list-style-type: none"> <li>• An allocation to Warwickshire's Area Youth Forums for spending on projects and initiatives which focus on disaffected youths (£5,000 to each district).</li> </ul>	25,000
	<ul style="list-style-type: none"> <li>• A one-off allocation for the set-up costs of a residential family assessment centre in Warwickshire, to be funded from the virtual bank and repaid from savings in future years.</li> </ul>	375,000

Directorate	Description	Allocation £
Community Protection	<ul style="list-style-type: none"> <li>• An allocation to roll-out enhanced support networks across the County.</li> </ul>	300,000
	<ul style="list-style-type: none"> <li>• An allocation to develop the Integrated Disability Service.</li> </ul>	100,000
	<p>An allocation of <b>£920,000</b> to the Community Protection Directorate to fund the following:</p>	
	<ul style="list-style-type: none"> <li>• Medium term financial plan allocation.</li> </ul>	669,000
	<ul style="list-style-type: none"> <li>• An allocation to meet the cost of fire-fighters assessment and development centres and the emergency cover tool-kit.</li> </ul>	40,000
	<ul style="list-style-type: none"> <li>• An allocation towards the permanent funding of the firebreak scheme.</li> </ul>	11,000
	<ul style="list-style-type: none"> <li>• An allocation to enhance domestic violence and alcohol support services. The investment in alcohol support services is to be directly invested with the Swanswell Trust to support the shortfall of providing alcohol services to Warwickshire.</li> </ul>	100,000
Environment and Economy	<p>An allocation of <b>£2,541,000</b> to the Environment and Economy Directorate to fund the following:</p>	
	<ul style="list-style-type: none"> <li>• Medium term financial plan allocation.</li> </ul>	2,141,000
	<ul style="list-style-type: none"> <li>• An allocation to meet the cost of the government's requirement to review speed limits on A and B roads and the Speed Aware scheme.</li> </ul>	50,000
	<ul style="list-style-type: none"> <li>• A one-off allocation to Warwickshire Education Business Partnership.</li> </ul>	100,000
	<ul style="list-style-type: none"> <li>• An allocation to continue investing in Building Sustainable Neighbourhoods.</li> </ul>	100,000
	<ul style="list-style-type: none"> <li>• An allocation to meet the increased costs of services for gypsies and travellers.</li> </ul>	50,000
	<ul style="list-style-type: none"> <li>• An allocation to support the running costs of the Opportunities Centres in Warwickshire.</li> </ul>	50,000
	<ul style="list-style-type: none"> <li>• An allocation to contribute to the running costs of Eliot Park Innovation Centre.</li> </ul>	50,000
Performance and Development	<p>An allocation of <b>£670,000</b> to the Performance and Development Directorate to fund the following:</p>	
	<ul style="list-style-type: none"> <li>• Medium term financial plan allocation.</li> </ul>	265,000
	<ul style="list-style-type: none"> <li>• An allocation to increase Overview and Scrutiny and member support</li> </ul>	50,000
	<ul style="list-style-type: none"> <li>• An allocation of £6,000 to each Area Committee Social Inclusion Fund to support safer and stronger communities with a particular focus on tackling nuisance youth and anti-social behaviour issues. To be funded by a virement of the "Liveability" budget from Other Services.</li> </ul>	30,000
	<ul style="list-style-type: none"> <li>• An allocation to increase the capacity of internal audit.</li> </ul>	25,000

Directorate	Description	Allocation £
Resources	<ul style="list-style-type: none"> <li>An allocation to fund the customer access strategy including the continued development of the one-stop shop programme. Any proposal for further funding needed for the one-stop shop programme should come forward to the Modernisation Fund for approval.</li> </ul>	300,000
	An allocation of <b>£922,000</b> to the Resources Directorate to fund the following:	
	<ul style="list-style-type: none"> <li>Medium term financial plan allocation.</li> </ul>	372,000
	<ul style="list-style-type: none"> <li>Saltisford offices running costs. The balance of funding for this pressure will be top-sliced from all Directorates.</li> </ul>	200,000
Other Services	<ul style="list-style-type: none"> <li>An allocation to fund asbestos and water hygiene surveys and to undertake any remedial work identified.</li> </ul>	200,000
	<ul style="list-style-type: none"> <li>A one-off allocation to fund the catering service deficit whilst the service undergoes a restructuring.</li> </ul>	150,000
	An allocation of <b>£2,482,000</b> to Other Services to fund the following:	
	<ul style="list-style-type: none"> <li>Medium term financial plan allocation.</li> </ul>	2,032,000
	<ul style="list-style-type: none"> <li>Borrowing costs of the additional capital spending approved and proposed in the capital programme resolution.</li> </ul>	450,000
<b>Total Allocations</b>		<b>15,982,000</b>

## 2 Funding Sources

2.1 The following Directorates will be required to achieve 2.5% efficiency savings. These savings will be returned to the centre to be re-cycled to meet spending priorities.

	£
Adult, Health and Community Services in relation to Libraries, Heritage and Trading Standards	287,000
Children, Young People and Families	1,585,000
Environment and Economy	922,000
Performance and Development	232,000
Resources	397,000
<b>Total</b>	<b>3,423,000</b>

2.2 The Chief Executive, along with SDMT will bring a report to Cabinet in April 2007 identifying plans for 2.5% savings for the medium term (2007/08 to 2009/10) as part of approving the Annual Efficiency Statement. Cabinet and Overview and Scrutiny Committees should also receive a report on progress to date to the autumn cycle of meetings.

2.3 The customer service centre will be funded by the redirection of resources from Directorates.

- 2.4 In addition to the savings outlined in paragraph 2.1, a further £0.700 million saving will be required to reduce the impact of the Council's activities on the environment, including the use of paper, publications etc. These savings will also be returned to the centre to be recycled to meet spending priorities. The allocations to services will be decided by the Chief Executive and Strategic Director, Resources in consultation with the Leaders Liaison Group.
- 2.5 The allocation to top-up the Area Committee Social Inclusion Fund is to be funded by a virement of the £30,000 "Liveability" budget from Other Services.
- 2.6 A £375,000 allocation from the Virtual Bank will fund the set-up costs of a residential family assessment centre in Warwickshire. The loan will be repaid, over four years, by the Children, Young People and Families Directorate from savings in the service in future years.
- 2.7 The council tax will be increased by 4.91%, which, together with other funding resources identified, will fund the budget proposals contained within this resolution.

### **3 Medium Term Financial Planning Framework**

3.1 Over the medium term the County Council will plan on the basis that:

- Inflation and the corporate costs of capital will be funded from government grant and council tax income.
- The corporate costs of funding a base capital programme to ensure the long-term maintenance of our asset infrastructure will be funded from council tax income.
- Any other unavoidable pressures members wish to meet will be funded from the balance of council tax income and reducing investment in low priority services.
- Spending on schools and pupil related services is guaranteed to the level of the Dedicated Schools Grant.
- New developments will be funded from efficiency savings (with a minimum of 2.5% cash savings generated each year) and any further reduced investment in low priority services.
- In setting the council tax increase in future years we will work within any guidelines issued by the government.
- Service priority areas include:
  - Commitment to a sustainable development programme, reducing Warwickshire's overall carbon footprint and in return reducing Warwickshire's energy costs. This will include reviewing the longer-term prospects for revenue energy savings over and above meeting the capital financing costs of any investments with a view to developing energy targets for future years.

- Invest-to-save programmes that will generate long-term savings for the authority.
  - Continuing to work closely with partners, in particular our district and borough councils, where we are committed to increasing efficiency and effectiveness by exploring shared services.
  - Investigation of the opportunities to deliver savings through the implementation of the customer access strategy.
- All Strategic Directors should come forward with proposals for the further transfer of services to the Customer Service Centre.
- Business cases should be prepared for all future investment in services. These should clearly define quantifiable pay back times and benefits from the outset.
- The draft capital programme for 2008/09 and 2009/10 should be reviewed by the Capital and Property Panel.
- A corporate charging policy and review of all income streams is completed for implementation of any changes for 2008/09.
- A programme of value for money reviews to improve and maintain value for money across all services should be undertaken. Any reports on the outcomes of this work should be presented to members in the autumn of 2007 to enable decisions to be made prior to agreeing the detail of the 2008/09 budget. The value for money reviews for 2007/08 are:
  - Children's and families services
  - Non-school education
  - Libraries
  - Trading standards
  - Economic development
  - Community development, and
  - Cultural and heritage services.
- An urgent independent review of the Chief Fire Officer's medium to long term plans, and to consider the options available for greater and closer collaboration with other authorities, to ensure the delivery of a resilient and cost-effective emergency response service across Warwickshire should be undertaken, to be reported in time for the 2008/09 budget formulation.
- There will be a review of the provision of training and development across the authority and the hire of rooms for conferences, training and away-days, with a view to streamlining the service and costs over the medium term.
- A fundamental service review of the Youth Offending Team should be undertaken, with a focus on the partnership arrangements within which it operates.
- The Strategic Directors of Resources and Performance and Development, for the respective support services for which they act as head of profession, should

come forward with proposals to further reduce the cost of support services across the whole County Council.

## **4 Strategic Director, Resources Statement**

4.1 That the following statement from the Strategic Director, Resources be noted.

*"The Local Government Act 2003 requires me as "Chief Finance Officer" to report on:*

- ◆ *The robustness of the revenue estimates made for the purposes of the budget calculations; and*
- ◆ *The adequacy of the proposed financial reserves.*

*The budget information used in preparing this revenue budget resolution has undergone extensive scrutiny by:*

- ◆ *Strategic Directors and their staff;*
- ◆ *Myself and staff within the Resources Directorate;*
- ◆ *Strategic Directors Management Team;*
- ◆ *Overview and Scrutiny Committees;*

*In addition to this I have worked closely with the Party Groups in preparing this budget resolution. In overall terms I am of the view that this revenue budget has been prepared on realistic assumptions and that it represents a robust budget.*

*There is a full-year effect of some allocations both in this resolution and the accompanying capital resolution. The Council needs to be mindful of the fact that, overall, an additional revenue impact of £0.666 million will need to form part of the consideration of the budget in future years.*

*I have also undertaken a risk analysis of the adequacy of financial reserves. This highlighted the need to increase the level of general reserves to £10.0 million. A requirement of this level is in line with the latest projection reported to members as part of the corporate budget monitoring process. I am therefore of the view that this budget does provide for an adequate level of reserves."*

## **5 Summary of Service Estimates**

5.1 Approval be given to the estimates set out below which include provision for capital expenditure to be charged to the revenue account, financed from the Capital Fund, consistent with the 2007/08 to 2009/10 capital programme.

## 5.2 Individual Service net revenue estimates of:

	<b>Base Budget</b>	<b>Additions</b>	<b>Funding Sources/ Re-cycling</b>	<b>Total</b>
	£	£	£	£
Adult, Health and Community Services	107,116,896	4,679,000	(287,000)	111,508,896
Children, Young People and Families	98,393,401	3,768,000	(1,585,000)	100,576,401
Community Protection	23,251,522	920,000	0	24,171,522
Environment and Economy	49,053,335	2,541,000	(922,000)	50,672,335
Performance and Development Resources	2,555,139	670,000	(232,000)	2,993,139
Other Services	2,146,159	922,000	(397,000)	2,671,159
	29,073,777	2,482,000	(730,000)	30,825,777
<i>Less: Notional Capital Charges</i>	<i>(41,958,677)</i>	<i>0</i>	<i>0</i>	<i>(41,958,677)</i>
	269,631,552	15,982,000	(4,153,000)	281,460,552
Contributions to/(from) reserves:				
• General reserves	0	34,551	0	34,551
• Service/earmarked savings	(617,700)	0	0	(617,700)
• Virtual Bank	496,200	0	(375,000)	121,200
• Capital Fund	(300,000)	0	0	(300,000)

## 6 Budget Requirement

### 6.1

	<b>Base Budget</b>	<b>Additions</b>	<b>Funding Sources/ Re-cycling</b>	<b>Total</b>
	£	£	£	£
Approval to be given to a budget requirement for the general expenses of the County Council for the year ending 31 March 2008 of	269,210,052	16,016,551	(4,528,000)	280,698,603

### 6.2

The basic amount of the Council Tax for a Band D property, for the year ending 31 March 2008 be calculated as follows:	£
Budget Requirement	280,698,603.00
Less Redistributed National Non-Domestic Rates	(64,929,677.00)
Less Revenue Support Grant	(10,896,539.00)
Less Council Tax surplus on Collection	(34,551.00)
	204,837,836.00
Divided by aggregate Council Tax Base for the County Area	195,977.10
<b>Basic amount of Council Tax (Band D)</b>	<b>1,045.21</b>

## 7 Council Tax

7.1 Approval be given to Council Tax amounts for each category of property as follows:

	£
Band A	696.8087
Band B	812.9435
Band C	929.0783
Band D	1,045.2131
Band E	1,277.4827
Band F	1,509.7523
Band G	1,742.0219
Band H	2,090.4262

## 8 Precepts

8.1 The Chief Executive issue 2007/08 precepts on the Warwickshire billing authorities, as follows:

	£
North Warwickshire Borough Council	21,913,081.19
Nuneaton & Bedworth Borough Council	40,006,577.35
Rugby Borough Council	35,513,718.31
Stratford-on-Avon District Council	53,490,453.72
Warwick District Council	53,914,005.43

## 9 Budget Management

- 9.1 The Chief Executive be directly responsible for the implementation of the budget.
- 9.2 The Chief Executive and Strategic Director, Resources be provided with delegated authority to vire revenue budgets between Directorates where such virements are as a direct consequence of the specific spending allocations, invest-to-save projects and funding strategies contained in this resolution and the accompanying capital budget resolution.
- 9.3 The Chief Executive is instructed to remind all Strategic Directors that budgets must not be overspent and that effective budget management arrangements should be the cornerstone of Directorates' work to secure best value.
- 9.4 Directorates, and also schools, be encouraged to take a medium term view of spending commitments including exercising caution in entering into initiatives which create commitments in future years and developing clear strategies for the utilisation of service reserves.
- 9.5 All member bodies and Strategic Directors are instructed to comply with the prescriptive legal duties placed upon the Council and the Chief Executive and Strategic Directors be instructed to ensure that the implementation of policies complies with legal requirements.

- 9.6 All Directorates are authorised to draw down on Directorate reserves accumulated from previous year's savings, subject to notifying the Strategic Director, Resources.
- 9.7 That authority is given for all necessary tenders to be obtained and contracts to be completed to give effect to this budget.
- 9.8 We will continue to implement New Ways of Working and the Modernisation agenda of the County Council, and in particular:
- The customer service centre will be funded from the redirection of resources.
  - To increase the pace of improvement, business process re-engineering will receive appropriate funds from the Modernisation Fund (subject to the approval of the business case by the Modernisation Board); and
  - Directorates will be expected to fund, in a combined approach, the cultural change and people development work within existing resources to push forward the New Ways of Working agenda.
- 9.9 We will implement changes to speed up the implementation of the corporate property strategy and changes to accommodation. The Strategic director, Resources/Head of Property will be given delegated authority to determine staff accommodation across the authority. This should include the power to relocate staff to ensure the most efficient and cost-effective use of our property portfolio and the subsequent disposal of surplus assets. Any changes should be in consultation with SDMT but with final decisions the responsibility of the Strategic Director, Resources/Head of Property.
- 9.10 The Chief Executive will undertake a complete service analysis for the authority that clearly links policies to activities and inputs required to deliver outputs and a given performance level, with the aim of ensuring a wider understanding of the services provided by the County Council.

## Capital Budget

### 1 Capital Programme

- 1.1 Approval be given to a capital programme of £144,205,900 for new schemes starting in 2007/08 as shown in Annex A.
- 1.2 Of the 2007/08 programme, schemes costing £122,274,900 were already approved for planning purposes. These are reaffirmed as part of this resolution.
- 1.3 In doing so the funding for the following schemes is agreed:
- The shortfall in funding of the Rugby Western Relief Road will be met from prudential borrowing.
- 1.4 Additional allocations for new schemes in 2007/08 are also approved as follows:

Directorate	Investment Project	Payments in 2007/08 £	Total Scheme Allocation £
<b>2007/08</b>			
Adult, Health & Community Services	- Premises and accommodation small scale reactive works - base programme	200,000	200,000
	- Vehicle and equipment replacement - base programme	100,000	100,000
	- Waller of Woodcote Archival Collection	400,000	400,000
	- Museum Service - digital data storage	50,000	50,000
Children, Young People & Families	- Premises and accommodation small scale reactive works - base programme	100,000	100,000
Community Protection	- Equipment for fire appliances - base programme	100,000	100,000
	- Fire appliances replacement - base programme (self-financing)	600,000	600,000
	- Expansion of drug and alcohol rehabilitation service (self financing)	2,000,000	2,000,000

Directorate	Investment Project	Payments in 2007/08 £	Total Scheme Allocation £
Environment & Economy	- Highways maintenance - base programme	1,250,000	1,250,000
	- Street lighting - base programme	500,000	500,000
	- Countryside maintenance - base programme	100,000	100,000
	- Implementation of the municipal waste strategy	2,705,000	4,705,000
	- Deprived communities environmental improvements	419,000	464,000
	- Highways maintenance, improvement and safety area committees	2,000,000	2,000,000
	- Centenary business centre phase 3	632,000	632,000
	- Refurbishment of Gypsy and Traveller "settled" site	1,800,000	1,800,000
	- Masterplanning and Feasibility Small Scale Improvements	100,000	100,000
	Performance & Development	- One-stop shops expansion programme	180,000
Resources	- Asbestos - base programme	250,000	250,000
	- Safe water - base programme	100,000	100,000
	- Major structural maintenance - base programme	1,150,000	1,150,000
	- Boiler replacement - base programme	350,000	350,000
	- Small scale reactive property maintenance - base programme	250,000	250,000
	- Fire precautions - base programme	250,000	250,000
	- Rewiring - base programme	150,000	150,000
	- Improving the customer experience in County Council buildings and DDA works	1,000,000	1,000,000
	- Structural, mechanical and electrical maintenance and fire precautions - backlog reduction	2,000,000	2,000,000
	- Human resource management system - replacement server	400,000	400,000
	- Climate change (self-financing)	500,000	500,000
	- Asbestos and safe water remedial works - additional allocation	50,000	50,000
	- Property Systems Developments	200,000	200,000
	<b>2007/08 Total Allocations</b>		<b>19,886,000</b>

1.5 The capital programmes of £25,483,900 and £28,352,900 new schemes starting in 2008/09 and 2009/10 as shown in Annex A, be approved for planning purposes. Of the draft programme, schemes costing £13,698,900 in 2008/09 and £962,900 in 2009/10 were already approved for planning purposes.

1.6 In doing so the following scheme is agreed for planning purposes:

- The integrated transport allocation of £5,490,000 for 2009/10 announced as part of the LTP Settlement in December 2006.

1.7 Additional allocations are also approved as follows:

Directorate	Investment Project	Payments in 2008/09 £	Total Scheme Allocation £
<b>2008/09</b>			
Adult, Health & Community Services	- Premises and accommodation small scale reactive works - base programme	210,000	210,000
	- Vehicle and equipment replacement - base programme	105,000	105,000
Children, Young People & Families	- Premises and accommodation small scale reactive works - base programme	105,000	105,000
Community Protection	- Equipment for fire appliances - base programme	105,000	105,000
	- Replacement of fire appliances - base programme (self financing)	630,000	630,000
Environment & Economy	- Highways maintenance - base programme	1,310,000	1,310,000
	- Street lighting - base programme	525,000	525,000
	- Countryside maintenance - base programme	105,000	105,000
	- Highways maintenance, improvement and safety area committees	2,000,000	2,000,000
Resources	- Asbestos - base programme	265,000	265,000
	- Safe water - base programme	105,000	105,000
	- Major structural maintenance - base programme	1,210,000	1,210,000
	- Boiler replacement - base programme	370,000	370,000
	- Small scale reactive property maintenance - base programme	265,000	265,000
	- Fire precautions - base programme	265,000	265,000
	- Rewiring - base programme	160,000	160,000
	- Structural, mechanical and electrical maintenance and fire precautions - backlog reduction	2,500,000	2,500,000
	- Asbestos and safe water remedial works - additional allocation	50,000	50,000
	- Climate change (self financing)	500,000	500,000
	- Improving the customer experience in County Council buildings	1,000,000	1,000,000
		<b>2008/09 Total Allocations</b>	<b>11,785,000</b>

Directorate	Investment Project	Payments in 2009/10 £	Total Scheme Allocation £
<b>2009/10</b>			
Adult, Health & Community Services	- Premises and accommodation small scale reactive works - base programme	220,000	220,000
	- Vehicle and equipment replacement - base programme	110,000	110,000
Children, Young People & Families	- Premises and accommodation small scale reactive works - base programme	110,000	110,000
Community Protection	- Equipment for fire appliances - base programme	110,000	110,000
	- Replacement of fire appliances - base programme (self financing)	660,000	660,000
Environment & Economy	- Highways maintenance - base programme	11,025,000	11,025,000
	- Street lighting - base programme	550,000	550,000
	- Countryside maintenance - base programme	110,000	110,000
	- Highways maintenance, improvement and safety area committees	2,000,000	2,000,000
Resources	- Asbestos - base programme	275,000	275,000
	- Safe water - base programme	110,000	110,000
	- Major structural maintenance - base programme	1,270,000	1,270,000
	- Boiler replacement - base programme	385,000	385,000
	- Small scale reactive property maintenance - base programme	275,000	275,000
	- Fire precautions - base programme	275,000	275,000
	- Rewiring - base programme	165,000	165,000
	- Improving the customer experience in County Council buildings	1,000,000	1,000,000
	- Structural, mechanical and electrical maintenance and fire precautions - backlog reduction	2,700,000	2,700,000
	- Asbestos and safe water remedial works - additional allocation	50,000	50,000
	- Climate change (self financing)	500,000	500,000
	<b>2009/10 Draft Allocations</b>	<b>21,900,000</b>	<b>21,900,000</b>

1.8 A deduction is made from Directorate's revenue budgets for the debt charges in respect of the self-financing projects funded from borrowing.

## 2 Prudential Guidelines and Limits

- 2.1 Approval be given to an Affordable Borrowing Limit consistent with the capital programme approved at Annex A for 2007/08 and the subsequent two years as follows:

	In-Year £ per Band D Council Tax	Cumulative £ per Band D Council Tax
2007/08	13.61	13.61
2008/09	14.19	27.80
2009/10	8.02	35.82

- 2.2 Approval is given to the prudential indicators set out in Annex B, consistent with the approved Capital Programme 2007/08 to 2009/10 and the 2006/07 Treasury Management Strategy considered by Cabinet on 1 February 2007 and included for approval elsewhere on this agenda.
- 2.3 The Strategic Director, Resources be provided with the delegated authority to revise the prudential indicators and limits to reflect the capital programme approved in this resolution and report them back to full Council for approval at their meeting on 20 March 2007.

## 3 Strategic Director, Resources' Statement

- 3.1 The following statement from the Strategic Director, Resources is noted:

*"The Local Government Act 2003 requires me as "Chief Finance Officer" to report on the robustness of the estimates made for the purposes of the budget calculations.*

*The capital programme information used in preparing this capital budget resolution has undergone extensive scrutiny by:*

- *Strategic Directors and their staff;*
- *Myself and staff within my Directorate;*
- *Strategic Directors Management Team;*
- *Overview and Scrutiny Committees and Cabinet.*

*In addition to this I have worked closely with the Party Groups in preparing this capital programme resolution. In overall terms I am of the view that this capital programme has been prepared on realistic assumptions and that it represents a robust programme.*

*The draft programme for 2008/09 and 2009/10 includes a significant commitment for further capital investment into future years. The Party Group needs to be mindful that overall the additional revenue costs of the capital programme included in this resolution is £0.951 million in 2008/09 and a further £1.010 million in 2009/10. The financing of these revenue impacts is taken into account in the financing of the Council's medium term financial plan and will need to form part of the consideration of the budget in future years."*

## **4 Delegations**

- 4.1 The delegations from Council to Cabinet to allow Cabinet to approve amendments to the capital programme, first agreed by Council on 18 December 2001, be reconfirmed as follows:
- The agreement of any increases or reductions in capital starts/payments totals as part of the capital review process is delegated to Cabinet.
  - The approval of the addition to the capital programme of projects costing less than £1.5 million, which are fully funded from external grants, developer contributions or from revenue, be delegated to Cabinet.
- 4.2 In addition the Strategic Director, Resources be provided with delegated authority to vire capital schemes between Directorates where such virements are as a direct consequence of the restructuring of the County Council.

## **5 Budget Management**

- 5.1 The Chief Executive will be directly responsible for the implementation of the capital programme.
- 5.2 The Chief Executive is instructed to remind all Strategic Directors that budgets must not be overspent and that effective budget management arrangements should be the cornerstone of each Directorate's work to secure Best Value.
- 5.3 All member bodies and Chief Officers be instructed to comply with the prescriptive legal duties placed upon the Council and the Chief Executive and Strategic Directors be instructed to ensure that the implementation of policies complies with legal requirements.
- 5.4 That authority is given for all necessary tenders to be obtained and contracts to be completed to give effect to this budget.

## ANALYSIS OF CAPITAL PAYMENTS BY STARTS YEAF

Start Year (1)	Payments at November 2006 prices						Total Scheme Cost (7) £000
	Before 31.03.07 (2) £000	2007/08 (3) £000	2008/09 (4) £000	2009/10 (5) £000	2010/11 and later years (6) £000		
	1. Starts in 2006/07 and earlier years	292,756.4	38,466.3	4,309.4	750.1	10.0	
2. 2007/08 Starts	7,395.9	97,333.3	35,338.7	2,898.0	1,240.0	144,205.9	
3. 2008/09 Starts	0.9		25,483.0			25,483.9	
4. 2009/10 Starts				28,352.9		28,352.9	
5. TOTAL PROGRAMME	300,153.2	135,799.6	65,131.1	32,001.0	1,250.0	534,334.9	

# CAPITAL PROGRAMME 2007/08 - 2009/10

Appendix D

Annex A

The table below shows the proposed capital programmes split between directorates :-

	Details  (1)	Notes  (2)	Before 31.03.07  (3)  £000	2007/08  (4)  £000	2008/09  (5)  £000	2009/10  (6)  £000	2010/11 and later years (7)  £000	Total Scheme Cost (8)  £000
<b>A.</b>	COMMITMENTS ON SCHEMES STARTED IN 2006/07 AND EARLIER YEARS at November 2006 prices		292,756.4	38,466.3	4,309.4	750.1	10.0	336,292.2
<b>B.</b>	<b>2007/08 Draft Capital Programme</b>							
1.	ADULT, HEALTH AND COMMUNITY SERVICES		10.0	2,810.0	532.7			3,352.7
2.	CHILDREN, YOUNG PEOPLE AND FAMILIES SERVICES		1,039.7	25,353.5	7,904.0	122.0		34,419.2
3.	COMMUNITY PROTECTION			2,700.0				2,700.0
4.	ENVIRONMENT AND ECONOMY		5,590.0	55,877.9	26,519.0	2,776.0	1,240.0	92,002.9
5.	PERFORMANCE & DEVELOPMENT			180.0				180.0
6.	RESOURCES		756.2	10,411.9	383.0			11,551.1
7.	<b>TOTAL</b>		<b>7,395.9</b>	<b>97,333.3</b>	<b>35,338.7</b>	<b>2,898.0</b>	<b>1,240.0</b>	<b>144,205.9</b>
<b>C.</b>	<b>2008/09 Draft Capital Programme</b>							
1.	ADULT, HEALTH AND COMMUNITY SERVICES				415.0			415.0
2.	CHILDREN, YOUNG PEOPLE AND FAMILIES SERVICES				405.0			405.0
3.	COMMUNITY PROTECTION				735.0			735.0
4.	ENVIRONMENT AND ECONOMY		0.9		16,738.0			16,738.9
5.	RESOURCES				7,190.0			7,190.0
6.	<b>TOTAL</b>		<b>0.9</b>		<b>25,483.0</b>			<b>25,483.9</b>
<b>D.</b>	<b>2009/10 Draft Capital Programme</b>							
1.	ADULT, HEALTH AND COMMUNITY SERVICES					330.0		330
2.	CHILDREN, YOUNG PEOPLE AND FAMILIES SERVICES					110.0		110
3.	COMMUNITY PROTECTION					770.0		770.0
4.	ENVIRONMENT AND ECONOMY					19,637.9		19,637.9
5.	RESOURCES					7,505.0		7,505.0
6.	<b>TOTAL</b>					<b>28,352.9</b>		<b>28,352.9</b>
<b>E.</b>	<b>Council Resolutions</b>		<b>300,153.2</b>	<b>135,799.6</b>	<b>65,131.1</b>	<b>32,001.0</b>	<b>1,250.0</b>	<b>534,334.9</b>

# CAPITAL PROGRAMME 2007/08 - 2009/10

Annex A

The table below summarises how the proposed Capital Programme 2007/08 to 2009/10 has been built up from the joint report to the Cabinet on 1st February 2007 :-

	Details (1)	Notes (2)	Before 31.03.07 (2) £000	2007/08 (3) £000	2008/09 (4) £000	2009/10 (5) £000	2010/11 and later years (6) £000	Total Scheme Cost (7) £000
A.	Grand total for all years following 1st February 2007 report to Cabinet (Agenda Items No. 4 and No.9) including projects arising from Governmt announcements in December 2006		300,153.2	115,913.6	53,301.1	3,851.0	10.0	473,228.9
B.	<b>New Items - gross cost of schemes</b>							
1.	<b>Adult, Health &amp; Community Services</b>							
	Premises and accommodation small scale reactive works - BASE			200.0	210.0	220.0		630.0
	Vehicle and equipment replacement - BASE			100.0	105.0	110.0		315.0
	Waller of Woodcote Archival Collection			400.0				400.0
	Museum Service - digital data storage			50.0				50.0
2.	<b>Children, Young People &amp; Families</b>							
	Premises and accommodation small scale reactive works - BASE			100.0	105.0	110.0		315.0
3.	<b>Community Protection</b>							
	Equipment for fire appliances - BASE			100.0	105.0	110.0		315.0
	Fire appliances replacement - BASE (SF)			600.0	630.0	660.0		1,890.0
	Expansion of drug and alcohol rehabilitation service (SF)			2,000.0				2,000.0
4.	<b>Environment &amp; Economy</b>							
	Highways maintenance - BASE			1,250.0	1,310.0	11,025.0		13,585.0
	Street lighting - BASE			500.0	525.0	550.0		1,575.0
	Countryside maintenance - BASE			100.0	105.0	110.0		315.0
	Implementation of the municipal waste strategy			2,705.0		760.0	1,240.0	4,705.0
	Deprived communities environmental improvements			419.0	45.0			464.0
	Masterplanning & feasibility & small scale improvements			100.0				100.0
	Highway maintenance, improvement and safety - area committees			2,000.0	2,000.0	2,000.0		6,000.0
	Centenary business centre - phase 3			632.0				632.0
	Refurbishment of Gypsy and Traveller "Settled Site"			1,800.0				1,800.0
	Integrated Transport Allocation 2009/10					5,490.0		5,490.0
5.	<b>Performance &amp; Development</b>							
	One-stop shops expansion programme			180.0				180.0
6.	<b>Resources</b>							
	Asbestos - BASE			250.0	265.0	275.0		790.0
	Safe Water - BASE			100.0	105.0	110.0		315.0
	Major structural maince (non schools) - BASE			1,150.0	1,210.0	1,270.0		3,630.0
	Boiler replacement - BASE			350.0	370.0	385.0		1,105.0
	Small scale reactive property maintenance - BASE			250.0	265.0	275.0		790.0
	Fire precautions - BASE			250.0	265.0	275.0		790.0
	Rewiring - BASE			150.0	160.0	165.0		475.0
	Improving the customer experience in County Council buildings and DDA works			1,000.0	1,000.0	1,000.0		3,000.0
	Asbestos and safe water remedial works -			50.0	50.0	50.0		150.0

	<b>Details</b>	<b>Notes</b>	<b>Before 31.03.07</b>	<b>2007/08</b>	<b>2008/09</b>	<b>2009/10</b>	<b>2010/11 and later years</b>	<b>Total Scheme Cost</b>
	<b>(1)</b>	<b>(2)</b>	<b>(2)</b>	<b>(3)</b>	<b>(4)</b>	<b>(5)</b>	<b>(6)</b>	<b>(7)</b>
			<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
	additional allocation							
	Structural, mechanical and electrical maince and fire precautions - backlog reduction			2,000.0	2,500.0	2,700.0		7,200.0
	Human resourcues management system - replacement server			400.0				400.0
	Property systems developments			200.0				200.0
	Climate Change (SF)			500.0	500.0	500.0		1,500.0
	<b>TOTAL</b>			<b>19,886.0</b>	<b>11,830.0</b>	<b>28,150.0</b>	<b>1,240.0</b>	<b>61,106.0</b>
<b>C.</b>	<b>Council Resolutions</b>		<b>300,153.2</b>	<b>135,799.6</b>	<b>65,131.1</b>	<b>32,001.0</b>	<b>1,250.0</b>	<b>534,334.9</b>

Details  (1)	Notes  (2)	Before	2007/08	2008/09	2009/10	2010/11 and later years (7)	Total Scheme Cost (8)
		31.03.07	(4)	(5)	(6)	(7)	(8)
		£000	£000	£000	£000	£000	£000
<b>A.</b> Total for all years following 1st February 2007 report to Cabinet (Agenda Items No.4 and No.9)			<b>31,494.0</b>	<b>8,949.0</b>	<b>(396.0)</b>	<b>10.0</b>	<b>40,057.0</b>
<b>B. New Items</b>							
<b>1. Adult, Health &amp; Community Services</b>							
Premises and accommodation small scale reactive works - BASE			200.0	210.0	220.0		630.0
Vehicle and equipment replacement - BASE			100.0	105.0	110.0		315.0
Waller of Woodcote Archival Collection			15.0				15.0
Museum Service - digital data storage			50.0				50.0
<b>2. Children, Young People &amp; Families</b>							
Premises and accommodation small scale reactive works - BASE			100.0	105.0	110.0		315.0
<b>3. Community Protection</b>							
Equipment for fire appliances - BASE			100.0	105.0	110.0		315.0
Fire appliances replacement - BASE (SF)			600.0	630.0	660.0		1,890.0
Expansion of drug and alcohol rehabilitation service (SF)			300.0				300.0
<b>4. Environment &amp; Economy</b>							
Highways maintenance - BASE			1,250.0	1,310.0	8,610.0		11,170.0
Street lighting - BASE			500.0	525.0	550.0		1,575.0
Countryside maintenance - BASE			100.0	105.0	110.0		315.0
Implementation of the municipal waste strategy			2,705.0		760.0	1,240.0	4,705.0
Deprived communities environmental improvements			110.0	45.0			155.0
Masterplanning & feasibility & small scale improvements			100.0				100.0
Highways maintenance, improvement and safety area committees			2,000.0	2,000.0	2,000.0		6,000.0
Centenary business centre - phase 3			186.0				186.0
Refurbishment of Gypsy and Traveller "Settled Site"			450.0				450.0
Other transport allocations				2,660.0	5,541.0		8,201.0
<b>5. Performance &amp; Development</b>							
One stop shops programme			180.0				180.0
<b>6. Resources</b>							
Asbestos - BASE			250.0	265.0	275.0		790.0
Safe Water - BASE			100.0	105.0	110.0		315.0
Major structural maintce (non schools) - BASE			1,150.0	1,210.0	1,270.0		3,630.0
Boiler replacement - BASE			350.0	370.0	385.0		1,105.0
Small scale reactive property maintenance - BASE			250.0	265.0	275.0		790.0
Fire precautions - BASE			250.0	265.0	275.0		790.0
Rewiring - BASE			150.0	160.0	165.0		475.0
Improving the customer experience in County Council buildings			1,000.0	1,000.0	1,000.0		3,000.0
Asbestos and safe water remedial works - additional allocation			50.0	50.0	50.0		150.0
Structural, mechanical and electrical maintce and fire precautions - backlog reduction			2,000.0	2,500.0	2,700.0		7,200.0
Human resources management system - replacement server			400.0				400.0
Property systems developments			200.0				200.0
Climate Change (SF)			475.0	450.0	450.0		1,375.0
<b>Total borrowing for new items</b>			<b>15,671.0</b>	<b>14,440.0</b>	<b>25,736.0</b>	<b>1,240.0</b>	<b>57,087.0</b>
<b>C. TOTAL</b>			<b>47,165.0</b>	<b>23,389.0</b>	<b>25,340.0</b>	<b>1,250.0</b>	<b>97,144.0</b>

**Notes :-**

- In addition to the borrowing above a further £3.85m (self-financing) has been approved for North Leamington School in 2008/09. See Cabinet 1st February 2007 Capital programme 2007/08 to 2009/10 - Table 2.

## 2007/08 Prudential Indicators

Appendix D

PRUDENTIAL INDICATOR (1). AFFORDABILITY PRUDENTIAL INDICATORS	2005/06	2006/07	2007/08	2008/09	2009/10
	actual	estimate	estimate	estimate	estimate
<b>Capital Expenditure</b>	£'000 64,059	£'000 103,354	£'000 136,100	£'000 66,066	£'000 32,101
<b>Ratio of financing costs to net revenue stream</b>	% 3.62	% 6.81	% 8.00	% 8.63	% 8.79
<b>Net borrowing requirement</b>	£'000	£'000	£'000	£'000	£'000
brought forward 1 April	207,881	239,428	262,049	299,555	316,205
carried forward 31 March	239,428	262,049	299,555	316,205	329,615
in year borrowing requirement	31,547	22,621	37,506	16,650	13,411
<b>In year Capital Financing Requirement</b>	£'000 19,051	£'000 39,441	£'000 37,515	£'000 14,060	£'000 11,998
<b>Capital Financing Requirement as at 31 March</b>	£'000 214,073	£'000 253,514	£'000 291,029	£'000 305,089	£'000 317,087
<b>Affordable Borrowing Limit</b>	£	£	£	£	£
<b>Position as agreed at February 2005 Council</b>					
Increase per council tax payer	11.81	12.26	8.03		
<b>Position as agreed at March 2006 Council</b>	12.20	11.31	15.74	7.64	
Increase per council tax payer					
<b>Updated position of Current Capital Programme</b>					
Increase per council tax payer	12.72	8.25	13.61	14.19	8.02
PRUDENTIAL INDICATOR (2). TREASURY MANAGEMENT PRUDENTIAL INDICATORS	2005/06	2006/07	2007/08	2008/09	2009/10
	actual	approved	estimate	estimate	estimate
<b>Authorised limit for external debt -</b>	£'000	£'000	£'000	£'000	£'000
Borrowing	267,446	328,495	364,015	382,498	395,560
other long term liabilities	600	600	600	600	600
<b>TOTAL</b>	<b>268,046</b>	<b>329,095</b>	<b>364,615</b>	<b>383,098</b>	<b>396,160</b>
<b>Operational boundary for external debt -</b>	£'000	£'000	£'000	£'000	£'000
Borrowing	222,871	273,745	303,346	318,748	329,633
other long term liabilities	500	500	500	500	500
<b>TOTAL</b>	<b>223,371</b>	<b>274,245</b>	<b>303,846</b>	<b>319,248</b>	<b>330,133</b>
<b>Upper limit for fixed interest rate exposure</b>					
Net principal re fixed rate borrowing / investments OR:-	100%	100%	100%	100%	100%
Actual					
<b>Upper limit for variable rate exposure</b>					
Net principal re variable rate borrowing / investments OR:-	25%	25%	25%	25%	25%
Actual					
<b>Upper limit for total principal sums invested for over 364 days</b> (per maturity date)	£ £0	£ £0	£ £0	£ £0	£ £0
<b>Maturity structure of new fixed rate borrowing during 2005/06</b>	lower limit				
under 12 months	0%				
12 months and within 24 months	0%				
24 months and within 5 years	0%				
5 years and within 10 years	0%				
10 years and above	0%				