

# REPORT TO COUNCIL

REPORT OF: Chief Executive

REPORT NO. CEX257

DATE: 28th October 2004

<b>TITLE:</b>	Completing the Prioritisation Process
<b>FORWARD PLAN ITEM:</b>	Yes
<b>DATE WHEN FIRST APPEARED IN FORWARD PLAN:</b>	May 2004
<b>KEY DECISION OR POLICY FRAMEWORK PROPOSAL:</b>	Yes

<b>COUNCIL AIMS/PORTFOLIO HOLDER NAME AND DESIGNATION:</b>	All
<b>CORPORATE PRIORITY:</b>	All
<b>CRIME AND DISORDER IMPLICATIONS:</b>	Detailed in the Report
<b>FREEDOM OF INFORMATION ACT IMPLICATIONS:</b>	None
<b>BACKGROUND PAPERS:</b>	Previous Reports to Council Minutes from meeting of the Local Area Assemblies and Development and Scrutiny Panels (DSPs)

## **1. Recommendation**

- 1.1 That in accordance with the recommendation of the Cabinet, the Council approves the following aspects of the report enclosed as Appendix A:
  - A. The weighting, assessment and scoring of all Council services as set out in paragraphs 3.1 and 3.5.
  - B. The resultant classification of services into priority categories as set out in paragraphs 3.5 and 3.8, with the amendment that car parks and public toilets move from Category Y to Category B.
  - C. All targets and service standards as detailed in the table in paragraph 5, with the amendment that for car-parks reference is made to the provision of a new multi-storey facility in Grantham.
- 1.2 That as described in 7.3 of Appendix A, in the preparation of the budget for 2005/6 and beyond, a target of £700,000 be set for investment in priority areas, comprising £500,000 from non-priority services and £200,000 from efficiency savings. The savings in non-priority areas to be realised from the services identified in Schedule 1 of part 6 to this report.

## **2. Information**

- 2.1 At its meeting on the 12<sup>th</sup> July, the Cabinet agreed the report enclosed as Appendix A as a consultative draft on the completion of the prioritisation process.
- 2.2 In accordance with the recommendations of this report, the issues it details have now been fully considered at each of the Council's six Local Area Assemblies (LAAs) and at every Development and Scrutiny Panel.

## **3. Views of the Local Area Assemblies**

- 3.1 The presentations to the LAAs elicited wide ranging and lengthy debate but none of the assemblies actually passed a resolution or expressed an unambiguous opinion.
- 3.2 Individual members of the assemblies did however raise some concerns about the implications of service reduction in some of the non-priority areas. No assembly members raised any objection or concern about the need for the Council to prioritise and the methodology that it had deployed. There were no alternative suggestions for non-priority areas.
- 3.3 Some of the Assembly members expressed a view that residents of the District would prefer an increase in the level of their Council tax in preference to any reduction in the services proposed as non-priorities. A similar sentiment was expressed by some members of the Council DSPs. The impact of Council tax capping makes this an unrealistic option for the authority in the short-term.
- 3.4 In the absence of any resolutions from the assemblies, I can only set down my own perceptions of the strength of feeling within these meetings, I recognise that other members who attended may draw slightly different, but equally valid conclusions.

## **Travel Vouchers**

3.5 Comments made about this topic indicated that LAAs would probably be opposed to the complete removal of travel tokens. When the proposals for targeting were explained no member of an LAA took issue with the concept of releasing resources by focussing assistance towards those who need it most.

## **Tourism**

3.6 The main concern raised here was in Stamford where it was felt by several LAA members that the continued presence of a TIC was an essential ingredient of the development of the town.

## **Grants to Voluntary Bodies**

3.7 This was only raised at Stamford LAA where concern was expressed about the ability of vulnerable people to receive assistance in the completion of forms and claiming of benefits if grant aid to the Citizens Advice Bureau was curtailed.

## **Pest control**

3.8 This was only raised as an issue at the Deepings Local Area Assembly where it was inferred that many people already use private operators

## **4. Views from the Development and Scrutiny Panels**

4.1 The consideration of the DSPs is set out below:

### **Environment DSP**

4.2 This met and considered the report on the 26<sup>th</sup> August. The panel discussed various implications regarding the proposed category Zs. The following recommendation was, however, approved regarding the balance between savings from efficiencies and non-priorities:

*“Recommend to Cabinet that economies resulting from redirection of Category Z services and from efficiency savings should be of comparable value rather than as set out in paragraph 7.3 of the report ie £500,000/£200,000”*

### **Comment of the Chief Executive on the motion approved by the Environment DSP**

4.3 The motion was obviously framed with a view to apportioning the impact between efficiency savings and non-priorities. This is an entirely laudable aim, however the Council has to provide a realistic assessment of efficiency savings which takes cognisance of the authority's low level of capacity and resources from Council tax when compared to other authorities. The figure of £200,000 from efficiency savings was calculated by the Corporate Director of Finance and Strategic Resources and represents his professional assessment of the amount of efficiency savings that can be realised without adversely impacting on service delivery.

## **Communications and Engagement DSP 16<sup>th</sup> September**

4.4 The Communications and Engagement DSP discussed the report at length and reached the following conclusions:

- *“There was no consensus re the methodology used in the prioritisation process. Some members thought it had been correct, others not so.*
- *The sums allowed for the step change in the priorities should be increased to make these changes more effective*
- *Targets – broadly speaking these are correct.”*

## **Economic and Cultural Development DSP 23<sup>rd</sup> September**

4.5 The Economic and Cultural DSP expressed broad support for the methodology used and the resulting service classification, however they did ask that the Cabinet be informed of their concerns that the score given to Leisure and Culture under the column for Council priorities did not recognise the full contribution that these services could make. The minute reads

*“That in light of the potential contribution leisure and arts services can make to the efforts to reduce crime and disorder, Cabinet be requested to reconsider the low scores allocated to these services.”*

## **Community DSP 23<sup>rd</sup> September**

4.6 The Community DSP discussed several aspects of the report and concluded

*It was agreed that the targets set for the categories under the Community DSP’s umbrella were reasonable however doubts over the accuracy of the consultation process were raised and the question was asked “How is the consultation methodology used representative of the whole District?”*

## **Capacity and Resources DSP 30<sup>th</sup> September**

4.7 The Capacity and Resources DSP approved the following resolution:  
*To support the priority service categories.*

### **5. Recommendations from Cabinet**

5.1 The Cabinet considered all of the representations received and the contents of this report at its meeting on the 11<sup>th</sup> of October. It resolved to endorse all of the recommendations and urge the Council to endorse the report so that the authority can progress with the delivery of the community’s priorities.

### **6. Car Parks and Public Toilets**

6.1 These were originally shown as a Category Y. However, as the Council is currently part way through the implementation of strategies which will see significant investment being made in both of these services, it is proposed that they be uprated into Category B in recognition of the improvements that will be derived from this further investment. Individual comments at some of the LAAs indicated a level of support for public toilets and at a presentation to the Grantham Business Club, the importance of the Council’s proposals for

improving car parks was widely recognised.

## 7. Savings within the non-priority areas

7.1 In order to deliver the required £500,000 savings from the £950,000 current expenditure on non-priorities the council needs to make some “in principle” decisions which will then underpin the development by the Cabinet of the budget for 2005/6 and beyond. The areas for these proposed savings are therefore detailed in the following schedule:

**Schedule 1 – Proposed savings to be made from non-priority areas that will contribute to the £700,000 investment into the Council priorities.**

Service	Proposal	Implemented From	Estimated Annual Savings when fully implemented
Pest Control	Full cost recovery from charges	01/04/05	£125,000
Travel Vouchers	Restrict eligibility to over 70 for new applicants, protecting existing recipients aged over 65.	01/04/06	£63,000*
Rural Routes	Terminate subsidy to all routes	01/04/05	£36,000
Discretionary Rate Relief	To develop a new scheme from the 1/4/06 with a budgetary provision of £10K per annum. Transitional arrangements to be implemented from 1/4/05.	01/04/06	£84,000
Business Support Grants	Terminate current scheme but create new scheme of £20,000 for encouraging inward investment.	01/04/05	£50,000
Grants to Arts, Leisure and Housing organisations	Terminate current schemes. However a new scheme with a net cost of £7,000 should be established under the priority for vulnerable people to commission services for their benefit.	01/04/05	£11,000
Historic Building Grant	Terminate schemes.	01/04/05	£20,000
LCC Recreation Grants	Reduce contribution to 16.6% and maximum budget to £25,000 with no funding of schemes not supported by LCC.	01/04/05	£25,000
Archaeology Services	To reduce contract to meet statutory obligations only	01/04/05	£13,000
CAB	Being considered separately on the agenda before Council.		
Tourism	Continue to provide a TIC at both Grantham and Stamford but curtail investment in strategic tourism development.		£78,000
Parish Council election expenses	To re-charge Parish election expenses to Parish Councils.		£6,000**

<b>TOTAL</b>		<b>£469,000</b>
--------------	--	-----------------

\*Year one £16,000, Year 2 £32,000, Year 3 £47,000, Year 4 £63,000.

\*\*As these savings would only be achieved in a year when there were full Parish Council elections they have not been included in the total.

Duncan Kerr,  
Chief Executive

# APPENDIX A

## REPORT TO CABINET

REPORT OF: Chief Executive

REPORT NO. CEX235

DATE: 12th July 2004

<b>TITLE:</b>	Completing the Prioritisation Process
<b>FORWARD PLAN ITEM:</b>	Yes
<b>DATE WHEN FIRST APPEARED IN FORWARD PLAN:</b>	May 2004
<b>KEY DECISION OR POLICY FRAMEWORK PROPOSAL:</b>	Yes

<b>COUNCIL AIMS/PORTFOLIO HOLDER NAME AND DESIGNATION:</b>	All
<b>CORPORATE PRIORITY:</b>	All
<b>CRIME AND DISORDER IMPLICATIONS:</b>	Detailed in the Report
<b>FREEDOM OF INFORMATION ACT IMPLICATIONS:</b>	None
<b>BACKGROUND PAPERS:</b>	Previous Reports to Council

## **1. Introduction**

1.1 After consultation with the Cabinet and all PDCs, the following timetable was approved by Council on the 27th May 2004 for the completion of the prioritisation process:

## **2. Consultation and Procedure**

2.1 The time-table recognises that the determination of non-priorities is likely to be even more contentious than the setting of priorities.

	<b>Task</b>	<b>Timetable</b>
1	Finalise services in Category B and set performance targets for A and B priorities.	July 2004
2	Assess all existing services against this classification and allocate services between the four categories.	July to September 2004
3	Assess and set service standards for category Y services.	September to October 2004
4	Determine speed of implementation for services falling into category Z.	October to November 2004

2.2 In order to secure public input into the process it is proposed to prepare a report for the inaugural meetings of each Local Area Assembly. This report would inform these assemblies of the Category A priorities approved by the Council explain how they were selected and detail the proposed Category B services. It would then explain in outline some proposals for tackling these priorities and invite comment on whether the assemblies see these methods as likely to be effective. This would then make a good background to explain the reasons for identifying non-priorities and seek informed views on these services and the targets/operational minimums that are proposed.

2.3 Effective consultation with the Development and Scrutiny Panels could be achieved by seeking their views on the categorisations and setting of targets for the services that fall within their remit.

2.4 In the light of this the following project plan is proposed:

Date	Event
12 July	Consideration and approval by the Cabinet of this Consultative document
August and September	Consultation through Local Area Assemblies
7, 9, 16, 23 and 30 September	Consultation with all Development and Scrutiny Panels
11 October	Consideration of outcome of consultation by the Cabinet.
28 October	Consideration by Council so that the determination of priorities can become part of the policy framework.

### 3. Allocating Services to Categories

3.1 In order to assess services the following criteria have been devised and weighted to reflect their relative priority:

	Criteria	Weighting
1	Contribution to Category A Priorities	10
2	Presence of Statutory Targets	6
3	Contribution to the Council's vision	8
4	Capacity to improve based on comparison of current performance	5

3.2 As can be seen, the highest weighting is given to the contribution that this service could make to the Category A priorities already approved. It should be emphasised here that this is the potential contribution that could be made rather than a scoring of the current service provision pattern. In the case of some services it would require considerable re-focussing and alterations to realise this potential.

3.3 The next area of weighting reflects those services that are the subject of national targets. We know from the allocation of the Planning Delivery Grant that a failure by the Council to achieve a national target can disadvantage our communities by denying the authority access to considerable resources.

3.4 The third area is the contribution to the Council's overall vision of "To ensure that the residents of South Kesteven are proud of their district and their Council". Some services make a significant contribution to this, even though they may not directly contribute to the Council's Category A priorities.

3.5 The final area for evaluation is the relative performance of the service in comparison with other authorities. A high score here represents a relatively poor service, the concept being that there is more potential for improvement and "added value" in a service that is performing comparatively weakly than there is in a service that is already performing at a very high level.

3.5 In accordance with these criteria the following assessment has been prepared:

Service	Priorities (10)	Targets (6)	Vision (8)	Improve (5)	Total	Proposed Category
LSP and Community Strategy Support	8	5	6	5	24	B
<i>Council Tax Collection</i>	5	6	6	3	20	B
Housing Management	8	0	6	5	19	B
Car Parks	8	0	6	3	17	Y
Public Toilets	6	0	7	4	17	Y
Asset Management	7	2	6	1	16	Y
Business Rates	5	6	3	2	16	Y
<i>Financial services</i>	6	1	5	3	15	Y
<i>Licensing</i>	8	0	5	1	14	Y
Business Management	8	1	2	2	13	Y
Markets	5	0	6	2	13	Y
Arts	5	0	5	2	12	Y
<i>Housing Repairs</i>	2	5	3	2	12	Y
Leisure	4	0	6	2	12	Y
<i>Legal and Admin</i>	6	0	4	2	12	Y
Human Resources	4	3	3	1	11	Y
Parks	5	0	5	1	11	Y
Emergency Planning (inc flooding)	3	0	5	3	11	Y
Environmental Health	3	2	3	1	9	Stat =Y Disc =Z
Tourism	3	0	3	1	7	Z
Public Transport	2	0	1	0	3	Stat =Y Disc =Z
Grants to voluntary bodies (inc CAB)	2	0	1	0	3	Z
<i>Building Control</i>	1	0	1	1	3	Y

Services in italics are wholly or mainly statutory.

- 3.6 As can be seen, three additional services are proposed for Category B, making the number of services in this category nine. Public transport and Environmental Health are split because it is proposed that the statutory elements of these services fall into Y and the discretionary elements into Z.
- 3.7 Building Control has been placed in Category Y because the discretionary elements of this service are financed by fees. So long as this income continues to cover the cost of the service there is no cost to the general taxpayer and therefore no saving that could be achieved by making it a Category Z service.
- 3.8 The following services were not considered as part of this assessment because they were adjudged to have been already prioritised by either the selection of category A priorities or the proposals for category B priorities. For completeness these services, with their categorisation, are:

Service	Category	Priority that it is primarily linked to
Street sweeping	A	Street scene
Waste Management	A	Recycling
Crime Disorder	A	Anti-social behaviour
Information Technology	A	Access
Economic Development	A	Town-centre development and business development
Benefits	B	Vulnerable persons
Care Services	B	Vulnerable persons
Communications	B	Communications and Consultation
Housing (Enabling)	B	Affordable housing
Development Control	B	Planning and affordable housing
Planning policy and conservation	B	Planning, conservation and affordable housing
Equalities	B	Diversity

#### **4.0 Why expenditure has to be withdrawn from non-priority areas?**

- 4.1 It is unlikely that any Council in the country has sufficient resources to enable it to undertake everything that members of the community would like it to do. All authorities therefore have to decide their priorities and non-priorities.
- 4.2 The situation in South Kesteven is accentuated by the inequalities in the availability of financial resources. Our finances come from two main sources; the government through Revenue Support Grant and redistributed Business Rates and, secondly from residents by the payment of Council Tax.
- 4.3 In South Kesteven the Revenue Support Grant for all local authority services (i.e. including County Council and Police) expressed per a head of population is £119.18 below the national average. If it were at the national average it would generate nearly £15m extra a year between these public authorities. Of course many other Councils receive considerably more funding than the national average.
- 4.4 Our other main sources of revenue, is the Council Tax. The level of charge for all services in South Kesteven is £100.95 below the national average. Again this effectively means that these services have some £4.5m per annum less than our counterparts elsewhere in the country, **making a total shortfall of over £19m per annum when compared to the national average.**
- 4.5 These inequalities exist elsewhere in the County of Lincolnshire, but South Kesteven is particularly adversely affected. Of the seven district authorities in Lincolnshire we have the second lowest Council tax and the second lowest Revenue Support Grant per head of population. Given this combination it is perhaps not surprising that, per head of population, the public authorities that serve South Kesteven area have the lowest level of resources from which to provide services. Given this position, the District Council must ensure it uses

its resources effectively by dealing with priority services and switching funding from those non-priority areas.

## 5. Setting Service Targets

5.1 In accordance with the timetable approved by the Council, targets need to be set for all Category A and B priorities and operational minimums for all Category Y services. These are all detailed in the following tables:

### Priority A Services

Priority	Targets	2004/5	2005/6	2006/7	2007/8
Anti-Social Behaviour	No of violent crimes per 1,000	11	10	8	7
	% of residents who think anti-social behaviour is a significant problem in their neighbourhood	Establish base-line	-5%	-10%	-15%
Recycling	% of household waste recycled	12%	18%	18%	18%
	Kgs of household waste collected per head of population	380Kgs	380Kgs	380Kgs	380Kgs
Street Scene	Relevant land having combined deposits across the 4 cleanliness categories	20%	17%	15%	12%
	Resident satisfaction with street cleanliness	58%	63%	68%	73%
	Satisfaction of TCMPs with the street scene	Establish base-line	+5%	+10%	+15%
Access	Transactions enabled for electronic delivery	71%	100%	100%	100%
	Resident satisfaction with ease of contacting the Council	Establish base-line	+5%	+10%	+15%
	Calls resolved at first point of contact	Establish base-line	+5%	+10%	+15%
Town Centre Development and Grantham as a SRC	Number of vacant retail units	11.8%	10.39%	10%	10%
	Pedestrian footfall	Establish base-line	+2%	+4%	+6%
	User satisfaction with facilities	Establish base-line	+2%	+4%	+6%
	Retailer satisfaction with economic vitality of the town centre	Establish base-line	+2%	+4%	+6%
	Average business rental yield per sq ft	Establish base-line	+1% over national average	+1% over national average	+1% over national average

	Progress against check-list for Grantham to become an effective SRC	Define check-list	25% complete	50% complete	75% complete
--	---	-------------------	--------------	--------------	--------------

## Priority B Services

Priority	Targets	2004/5	2005/6	2006/7	2007/8
Affordable Housing	New units managed by a registered social landlord	60	70	80	90
Business Development	No of VAT registered business	4,150	+1.3%	+1.5%	+1.5%
	Number of business support enquiries	200	210	220	230
Vulnerable Persons	% compliance with DWP guidelines for the benefits service	80%	90%	100%	100%
	Satisfaction of Helpline service users QAF (Supporting People)	95% Grade D	96% Grade D/C	97% Grade C	97% Grade B
	Average time taken to process homelessness applications	Establish base-line	-1 day	-2 days	-3 days
	New, special needs housing units provided	SM	SM	SM	SM
Communications	Residents who think SKDC keep them well informed	51%	53%	55%	57%
Diversity	Equality Standard for Local Gov	Level 2	Level 2	Level 3	Level 3
Planning	Major applications in 13 weeks	52%	55%	60%	60%
	Minor applications in 8 weeks	60%	65%	65%	65%
	Other applications within 8 weeks	75%	80%	80%	80%
LSP and Community Strategy	Achieve accreditation of the Community Strategy	No	No	Yes	Yes
Council tax collection	% of tax collected	97.8%	98%	98.2%	98.3%
	% of Council tax payers paying by Direct Debit	54%	56%	58%	60%
Housing Management	% of rent collected	98.3%	98.4%	98.5%	98.5%
	% of tenants paying by Direct Debit	10.2%	11%	12%	13%

	Tenant satisfaction with housing management	83%	85%	87%	89%
--	---	-----	-----	-----	-----

## Category Y Services

Service	Operational Minimum
Car Parks	Maintain current provision of chargeable spaces with an average yield of £650 per space.
Public Conveniences	To support Town centre Development by providing one fully attended, DDA compliant toilet in Grantham, Stamford and Bourne and an unattended toilet in the Deepings.
Asset Management	Achieve and maintain accreditation on the Council's Asset Management Plan and ensure that all assets return 3.5%
Business Rates	Collection rates of 98.8% in 2004/5, rising by .1% each year to 99% for 2006/7 and 2007/8
Financial Services	Meet all statutory requirements, ensure that the District Audit report is unqualified and implement all agreed recommendations.
Licensing	Meet all statutory obligations and timescales.
Business Management	Achieve and maintain internal customer satisfaction rating of 80%
Markets	Achieve and maintain breakeven position with average occupancy levels of 80% or more.
Arts	Achieve 85% satisfaction from arts centre users and maintain annual subsidy per arts centre at or below £1.72 per visit.
Housing Repairs	Achieve government targets for decent homes standard. Achieve average re-let times of 30 days by 2007/8
Leisure	Maintain 4 centres to full compliance with specification. Achieve 90% satisfaction from leisure centre users and maintain annual subsidy per leisure centre at or below £2 per visit.
Legal and Admin	Achieve and maintain internal customer satisfaction rating of 80%
Human Resources	70% of staff stating that overall the Council is a good place to work, top quartile performance for sickness and 80% of applicants satisfied with the recruitment process.
Parks	User satisfaction at 60% or greater
Emergency Planning	Meet all legal obligations and maintain an effective and regularly tested emergency plan.
Environmental Health	Meet all statutory obligations and timescales.
Public Transport	Meet all statutory requirements and support vulnerable people by maintaining contribution to Dial-a-ride at current budget level.
Building Control	Meet statutory obligations and breakeven on any other services

## 6. Financial Information

6.1 For the assistance of Cabinet the current budgets for the major services identified above, are given in the Council's budget book. However where these services are cross-cutting (for example Crime and Disorder) the cost have been apportioned so that members can have regard to the current resources commitment when deciding the prioritisation of services.

	<b>Service</b>	<b>Category</b>	<b>2004/5 Budget</b>		
			General Fund £'000	HRA £'000	Support Services £'000
1	Street Scene	A	905		
2	Waste Management	A	2,388		269
3	Anti-social behaviour (inc Crime and Disorder)	A	591		
4	Access (inc IT)	A			1,030
5	Town Centre regeneration and Grantham as a sub-regional centre	A	407		
6	Benefits (part of the priority for vulnerable persons)	B	531		
7	Vulnerable people (inc Care Services)	B	13		143
8	Business Development	B	(198)		
9	Communications	B	101		
10	Housing (Enabling)	B	341		
11	Development Control	B	206		365
12	Planning Policy and Conservation	B	319		
13	Equalities	B			
14	LSP	B	63		
15	Council tax collection	B	532		
16	Housing Management	B		2,274	727
17	Car Parks	Y	(622)		
18	Public Toilets	Y	204		
19	Asset Management	Y			1,086
20	Business Rates	Y	(87)		
21	Financial services	Y			1,735
22	Licensing	Y	101		
23	Business Management	Y			341
24	Markets	Y	(3)		
25	Arts	Y	966		
26	Housing Repairs	Y		4,823	
27	Leisure	Y	2,423		168
28	Legal and Admin	Y			595
29	Human Resources	Y			315
30	Open Spaces	Y	221		
31	Emergency Planning	Y	18		
32	Environmental Health*	Stat = Y Disc = Z	916		1,031
33	Tourism	Z	224		
34	Public Transport	Stat and Dial-a-ride=Y All other services = Z	285 191		
35	Discretionary Grants and Subscriptions to Associations	Z	489		

36	Building Control	Y	146		
37	Welland	N/A	346		
38	Other Services	N/A	2,435		286
39	Special Expense Areas	N/A	622		
40	Provisions	N/A	300		
			15,374	7,097	8,091

\* Analysis of service costs between statutory and discretionary yet to be undertaken.

6.2 An analysis of services included within different categories can be given on request.

## 7. Speed of Implementation for services in Category Z

7.1 For services falling within category Z, the Council needs to determine the exit strategy and speed of implementation. Without this the resources freed to invest into priority areas cannot be realised or included in the medium-term budget proposals. The following table proposes an implementation timetable and identifies the resources which would be made available for re-investment into priority areas:

Service	Exit from	Maximum Revenue Savings*
Env Health (Disc services)	Gradual withdrawal as contracts terminate	Yet to be calculated
Discretionary grants and subscriptions to associations.	Gradual withdrawal from 31/3/05	£489,000
Public Transport (Discretionary expenditure)	By gradual withdrawal from 31/3/05 to 31/3/08	£191,000
Tourism	31/3/05	£224,000
<b>TOTAL</b>		<b>£904,000</b>

7.2 At this stage these figures are simply the amounts committed in the current approved budget. In practice it is unlikely that the actual savings available from re-investment into priority areas will equate to these amounts. This is because certain elements on the expenditure included here already contribute to our priorities. For example some grants may assist in reducing crime and anti-social behaviour and some tourism expenditure is an essential component of town centre regeneration.

7.3 In order to provide a foundation for the development of the medium-term financial budget it is proposed that a target of £500,000 is set for re-direction from Category Z services into Categories A and B. In addition to this a target level of efficiency savings of £200,000 is proposed to be set on the Council's net budget requirement.

7.4 In total, therefore as a result of this prioritisation exercise the Council would be seeking to release at least £700,000 per annum which would be used to fund Category A and B priorities.

## **8. Arrangements during the Consultation Process**

- 8.1 The consideration and consultation of this report will pose a number of issues for the Council. Clearly if the Council is to countenance withdrawing funding from any service it would be advantageous to give us much early notice as possible. This is particularly the case where the voluntary sector is concerned. The budget for 2004/5 has been set and approved by Council. However the Cabinet is charged with managing this budget and associated policy framework. Currently we are at the stage in the financial year when applications for grant aid from the Voluntary Bodies Grant Budget of £16,000 are invited and considered. If the process is repeated as last year there will obviously be no opportunities to consider savings from this budget within the current year.
- 8.2 One way of dealing with this would be to invite applications but to inform the voluntary organisations that the maximum grant aid that will be granted at the moment is 50% of the funding received in 2003/4. However further consideration of whether to invite grant applications grants will be undertaken by the Cabinet in November when the outcome of this exercise is known.
- 8.3 In accordance with Article 15 (urgency procedure) of the Constitution relating to General Exceptions to make key decisions not covered in the forward plan, I have informed the Chairman of Capacity and Resources DSP (being the relevant Development and Scrutiny Panel) who is in agreement with this proposal. The urgency procedure is appropriate because the decision could not have been foreseen and it is impracticable to defer it.

## **9. Recommendation**

- 9.1 The Cabinet approves the timetable shown in paragraph 2.4 above, and in accordance with this timetable approves this report as a consultative document and agrees the process of consultation that it details.
- 9.2 That the voluntary organisations that have received funding from the Council are informed that the maximum grant aid that will be available is up to 50% of the funding received in 2003/4 with further consideration of grant aid being undertaken by the Cabinet in November when the outcome of this exercise is known.

Duncan Kerr,  
Chief Executive