



Birmingham City Council

Budget

2003/04



Contents

1	Contents	29	Three year capital plan
2-3	Statement from the Chief Executive	30	Support for capital expenditure
4-5	Improving performance	31	Portfolio/Committee Budgets
6	Consultation statement	32-33	Leader's Portfolio
7	Devolution/Localisation	34-35	Deputy Leader's Portfolio
8-9	Background to local government finance	36-37	Education & Lifelong Learning Portfolio
10	Formula Spending Share	38-39	Equalities & Human Resources Portfolio
11	Budget process	40-43	Housing Portfolio
12	Revenue expenditure	44-45	Leisure, Sport & Culture Portfolio
13	Major specific grants	46-47	Local Services & Community Safety Portfolio
14-16	Council tax	48-49	Regeneration Portfolio
17-18	Key statistics and trends	50-51	Social Care & Health Portfolio
19	Employee numbers	52-53	Transportation, Street Services & Sustainability Portfolio
20	Analysis of change in budget 2002/03 to 2003/04	54-55	Council Business Management
21	Revenue summary - gross expenditure	56-58	Development Control and Licensing Committees
22	Revenue summary - gross income	59-60	Public Protection Committee
23	Revenue summary - net expenditure	61-64	Glossary
24	Revenue summary - subjective analysis 2003/04		
25-28	Capital expenditure		

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Statement from the Chief Executive



Welcome to the latest edition of Birmingham's budget book. Its aim is to present the council's spending and its financing in an understandable and informative way.

Birmingham City Council is the largest metropolitan authority in England, providing a vast range of services to improve the quality of life. Services such as schools, roads, social care and a healthy environment are part of its huge turnover which exceeds £2.5 billion. It is vitally important with this amount of citizens' money that we plan ahead. The annual budget book is an important part of this. It sets the financial scene for the year ahead – a translation of plans into action.

You will see in these pages what we do with the money which comes from government grants, council tax and charges. It describes our services and how we are shaping them, often in partnership with others, to give quality and improved provision at a local level.

The City Council approved the 2003/04 budget at its meeting on 25 February 2003. Allowing for changes in function, the City Council's net revenue spending – the money that keeps the city running from day to day – has risen by 8% to £1,282 million.

The key features of the City Council's 2003/04 budget are set out below.

Priorities

- Continuous service improvement, especially in housing and social care will guide us in 2003/04. We will work for flourishing neighbourhoods by developing a more local focus to bring about attractive areas with decent houses, successful schools, where people have pride in their area, a sense of community and a say in the shaping of services we provide.

Council tax

- Council tax rise kept to 4.4% for the third year running for City Council services.
- The rise strikes a balance between keeping council tax increases down while making efficiency savings to use to improve services.

Government grants

- Following a major government review of its spending, and the way it distributes grants to local councils, we will receive £75 million extra in government funding to help pay for increases in spending.

Service spending

- Pay inflation of 3.5% provided for along with general price rises of 2.5%.
- Improvements to meet the priorities highlighted by our annual opinion survey (such as schools, streets and social care) and to improve the poor score given to social care by the Audit Commission last year.
- Education – government's recommended spending increase of £56 million for schools fully passed on for the sixth year running.
- Social Care – over £9 million more, over and above inflation, for services for older people and children.
- Money diverted to other areas with greatest pressures on budgets e.g. over £3 million targeted for Transportation and Street Services.

Savings

- Savings to be made to help fund service improvements.
- £10 million worth of efficiency savings from support services, overheads and smarter buying.
- Over £8 million more from portfolio savings which include streamlining management and increasing income.
- Other efficiency savings made in the separate council housing service to be channelled directly into housing improvement.

Capital

- The plans for capital expenditure aim to meet both local need through flourishing neighbourhoods and the need for the development of the infrastructure of the city as a whole.
- The plans reflect the council's Capital Strategy and Asset Management Plan, which were submitted to the Government Office for the West Midlands in July 2002.
- For the second year running, both documents were assessed by the GOWM as "good" – the highest rating possible.

This has resulted in:

- A total budget for 2003/04 of £235.5 million, including £40.5 million of resources being provided for maintaining council housing through the Major Repairs Allowance.

Capital investment plans for 2003/04, including:

- Outer circle/radial routes (£3.0 million)
- Children's Homes (£2.2 million)
- New Cemetery South (£1.6 million)
- Handsworth and Birchfield Libraries (£1.2 million)
- Refurbishing Northfield Pool (£0.8 million)

Specific new allocations for Flourishing Neighbourhoods of £3.5 million and £7.7 million in 2004/05 and 2005/06 to develop areas beyond the city centre.

In addition to its own capital expenditure, the council continues to work with the private sector and other agencies to develop the following major schemes:

- Masshouse, Eastside and Bull Ring Developments
- Major Road Schemes in Selly Oak and Northfield
- Schools Rebuild and Refurbishment

2003/04 will be my first full 'budget' year as Chief Executive of this innovative and striving council. We have set ourselves a challenging agenda to devolve our organisation to deliver quality services, efficiently at a local level. I hope this book gives you a flavour of how we are working to change to achieve this target.

A handy pocket sized key facts card is also available. Both these publications are available on our budget website at www.birmingham.gov.uk/budget

Lin Homer

Chief Executive



Improving performance

During 2002, Birmingham City Council, along with all other single tier authorities and county councils, was the subject of a Comprehensive Performance Assessment (CPA).

The aim of CPA is to bring together the findings of all inspectorates and auditors to provide a complete picture of how well a council is doing.

The CPA was led by the Audit Commission, but involved other inspectorates, including the Social Services Inspectorate, Ofsted and Benefits Fraud Inspectorate.

The assessment looked at seven areas: education; social care; environment; libraries and leisure; resources; benefits and use of resources. There was also an assessment of the council's corporate arrangements and capacity to support its services.

The results, announced in December 2002, assessed Birmingham City Council as weak in the way that it serves local people.

The Audit Commission said: "The council's education services are improving, significant regeneration developments in the city centre are increasing employment for local people and the council enjoys high levels of customer satisfaction with leisure, sport and cultural facilities. But social care and housing services are poor. The council uses partnerships to deliver services effectively, but needs to further improve internal management processes. The council is realistic about its strengths and weaknesses and has ambitious proposals to improve local services." The leader of the inspection team noted that the council is positioning itself well to deliver improvement.

The assessment noted that the council had strong financial management.

Following the CPA, the council has developed priorities for improvement, which have been agreed with the Audit Commission and other inspectorates.

One of the improvements is to develop an improved framework to ensure that budgets are more clearly aligned to priorities. We have begun to apply this in setting the budget for this year.

In March 2003 the Improvement and Development Agency (IDeA) undertook a follow up visit to the one made a year earlier. In its report it recognised that positive progress has been made in many areas on improving performance.

These priorities for improvement are set out in our Cabinet and Corporate Plan 2003/04 and in our Performance Plan, which explains in more detail how improvements are to be achieved and measured. The Performance Plan will be published in July.

For more information on improving council services, Comprehensive Performance Assessment, the Cabinet and Corporate Plan or the Performance Plan, see:
www.birmingham.gov.uk

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Consultation statement

The council is strongly committed to consulting with the public as users of services, taxpayers, the business community and the voluntary sector. We recognise that consultation is essential for improving services and accountability. It is also part of community development and neighbourhood participation.

We aim for good quality consultation with real outcomes. We aim to ensure that everybody involved in consultation is clear about what it is for and are aware of the areas that are open to change or influence and those areas that are not. Telling people about changes that have happened as a result of the consultation is important and we have developed ways to feed back the results and actions that arise.

There are a number of ways in which people can influence what we do, including surveys, forums, local meetings, focus groups, complaints and suggestion schemes, and consultation on various issues.

Examples of these include:

- The Annual Opinion Survey with the one-thousand-strong People's Panel.
- Local Involvement Local Action (LILA) with Ward Advisory Boards and the Ward Sub-Committees.
- The Neighbourhood Forums.
- Around 80 issues-based forums.

We have also used a wide range of innovative techniques, including electronic consultation - for example using the www.birmingham.gov.uk website to consult with service users. We also intend to use Contact Birmingham, our new telephone contact centre, for specific campaigns or public consultation exercises and are seeking to work with other organisations who are involved in consultation.

A number of developments across the council have led us to revisit how we consult the public. These include the City Strategic Partnership, a multi-agency group working to improve the planning of services in the city as a whole. Local strategic partnerships are planned and a corporate complaints and suggestions scheme, an important part of customer feedback, is being developed.

Birmingham City Council is planning to go local. We are proposing to devolve some key services to constituencies in line with our twin priorities of flourishing neighbourhoods and continuous service improvement. This will continue the process of involving local people and areas in issues of running the city and services that was begun with Local Involvement Local Action (LILA). Constituency conventions held in 2002 helped to shape this approach and major reports to the council in November 2002 and April 2003 set out the framework for these changes.

Structure

A big organisation like the council cannot change overnight. However from the Summer this year changes will start to be made as decision making for a number of local services starts to be transferred from the cabinet, the council's central executive, to constituency committees. The cabinet will set up policy frameworks and service standards but constituency committees will be given maximum freedom to develop local arrangements. A key role of the local committees will be to improve how the council consults with and engages local people in the democratic process.

How are things changing in 2003/04?

Phase one proposals involve localising some services in environmental and consumer services, leisure and culture, neighbourhood offices and highways. The council wants changes to be practical and economic and to support improvement in services. The council will not simply be broken up into 11 constituency areas - some services, such as museums and benefits, will remain centrally managed.

- Leisure centres, neighbourhood offices, libraries and community centres are already provided locally and these will be managed in the 11 constituencies.
- Community development and play, local car parks, local arts development and domestic pest control will move from central to local management.
- Refuse collection and doorstep recycling, street cleaning, grounds maintenance and parks management will still be delivered through citywide organisations but will be managed and funded through constituencies.
- Road maintenance, street lighting and public conveniences will remain centrally managed but each constituency will have its own budget.

Budgets

The aim is to have budgets allocated by Autumn 2003, along with the systems to administer them. Full budgets will be given to constituency committees by March 2004.

March 2004 should see constituency committees fully up and running, making decisions about how the money is spent in their areas and with the staff and structures in place to deliver those decisions.



Background to local government finance

General Fund revenue expenditure involves spending on the day to day running costs of the council, e.g. employees, premises, supplies and services. This expenditure is financed by three main sources:

- **Government grants - consisting of Revenue Support Grant and specific grants**
- **National Non-Domestic Rates (NNDR)**
- **Council Tax**

The government releases details of the overall provision for local authority funding through its **Comprehensive Spending Review (CSR)** of government departments' expenditure. The next CSR is expected to be announced in July 2004 and will provide national spending totals for local authorities for the period 2005/06 to 2007/08.

In December 2002, the government announced details of the provisional **Local Government Finance Settlement** for 2003/04. This was followed by a consultation period during which time local government could make representations to central government, with the final finance settlement being issued in February 2003.

As part of the finance settlement, the government decides how much spending by local government as a whole it is prepared to support through grants. This is known as **Total Assumed Spending (TAS)**. An authority's **Formula Spending Share (FSS)** is its share of Total Assumed Spending, excluding specific grants, which are received directly into service department budgets.

$$\mathbf{TAS = FSS + Specific Grants}$$

An authority's **Revenue Support Grant (RSG)** is determined largely through its FSS. FSSs are a series of complex formulae which are applied uniformly to all authorities, and based on their social, economic and demographic characteristics. The intention is to provide a level of funding that allows all authorities to provide a standard level of service.

Following a review of Local Government Finance, the Formula Grant Distribution System was introduced for 2003/04. This replaced the previous Standard Spending Assessment System (SSAS).

The FSS for Birmingham is built up from five major service blocks, some of which are broken down further into sub-blocks. These five major service block FSS's are:

- **Education**
- **Personal Social Services**
- **Highway Maintenance**
- **Environmental, Protective and Cultural Services**
- **Capital Financing**

The other key components of the finance settlement are **National Non-Domestic Rates (NNDR)** and **Assumed National Council Tax (ANCT)**. NNDR are paid on business properties, collected by local authorities and pooled nationally. This pool is then redistributed to each local authority as a standard amount per head of population.

ANCT is the council tax that would arise if all authorities across the country spent at their level of FSS. If this happened, council tax would be the same for all authorities. Variations in council tax arise mainly from the vast majority of authorities spending at a different level to their FSS.

The importance of an authority's FSS can be seen in that, broadly speaking, there is a £1 for £1 relationship between FSS and the amount of Revenue Support Grant (RSG) that a local authority receives.

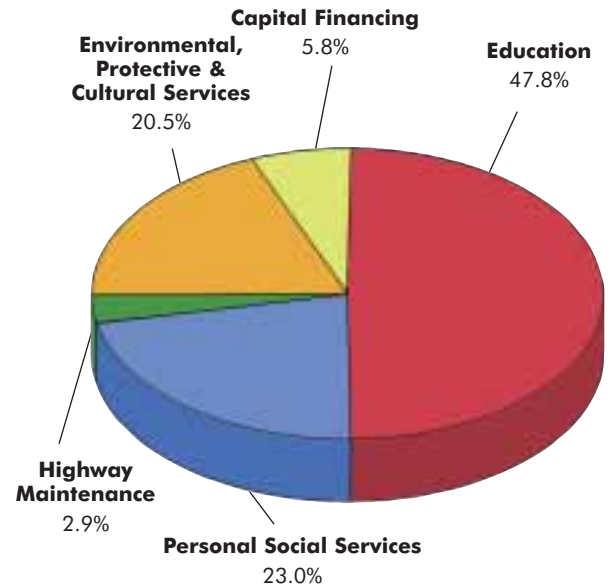
An authority's RSG is therefore represented by its FSS, less its share of re-distributed NNDR, less the amount of income it would generate if council tax was set at a standard level.

$$\mathbf{RSG = FSS - NNDR - (ANCT \times \text{Council Taxbase})}$$

Formula Spending Share

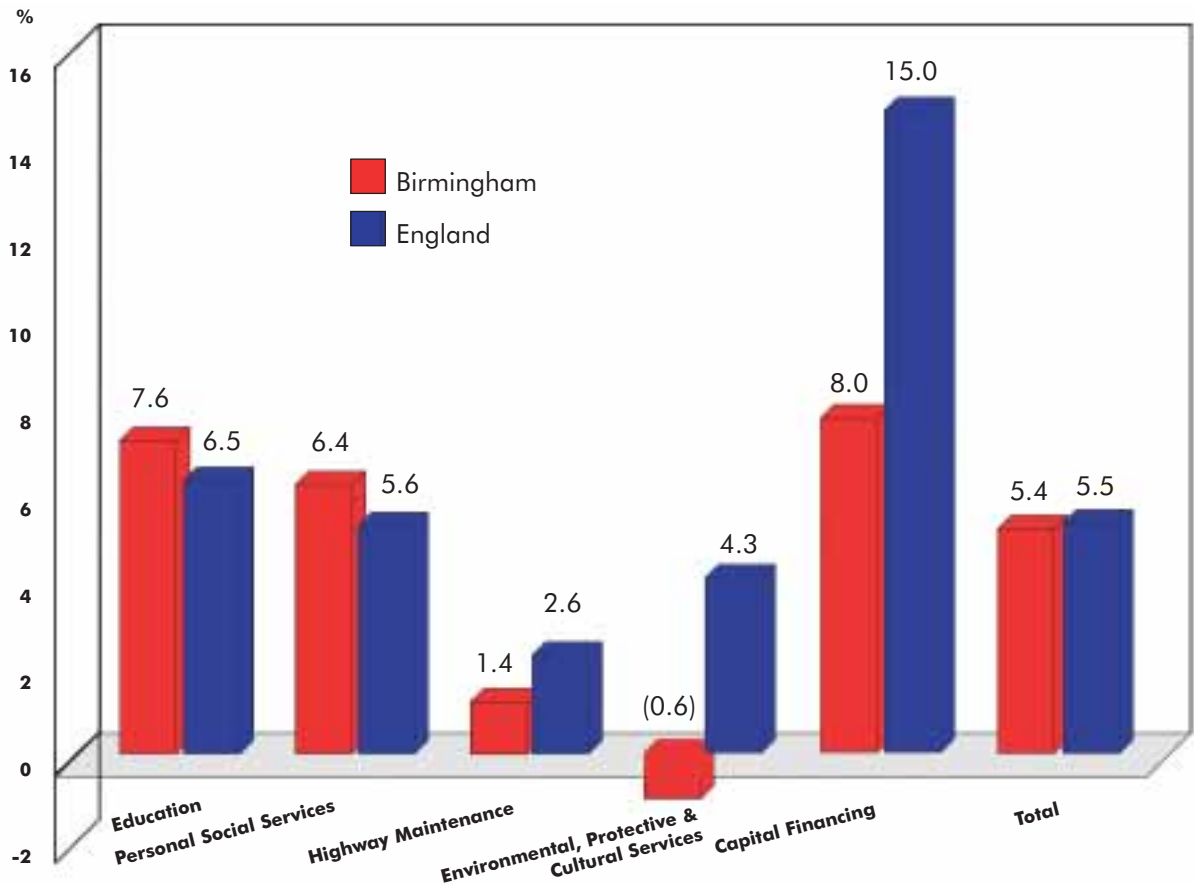
Formula Spending Share (FSS)

Service Block	2003/04 £'000
Education	611,093
Personal Social Services	294,027
Highway Maintenance	37,104
Environmental, Protective & Cultural Services	263,166
Capital Financing	73,931
Total	1,279,321



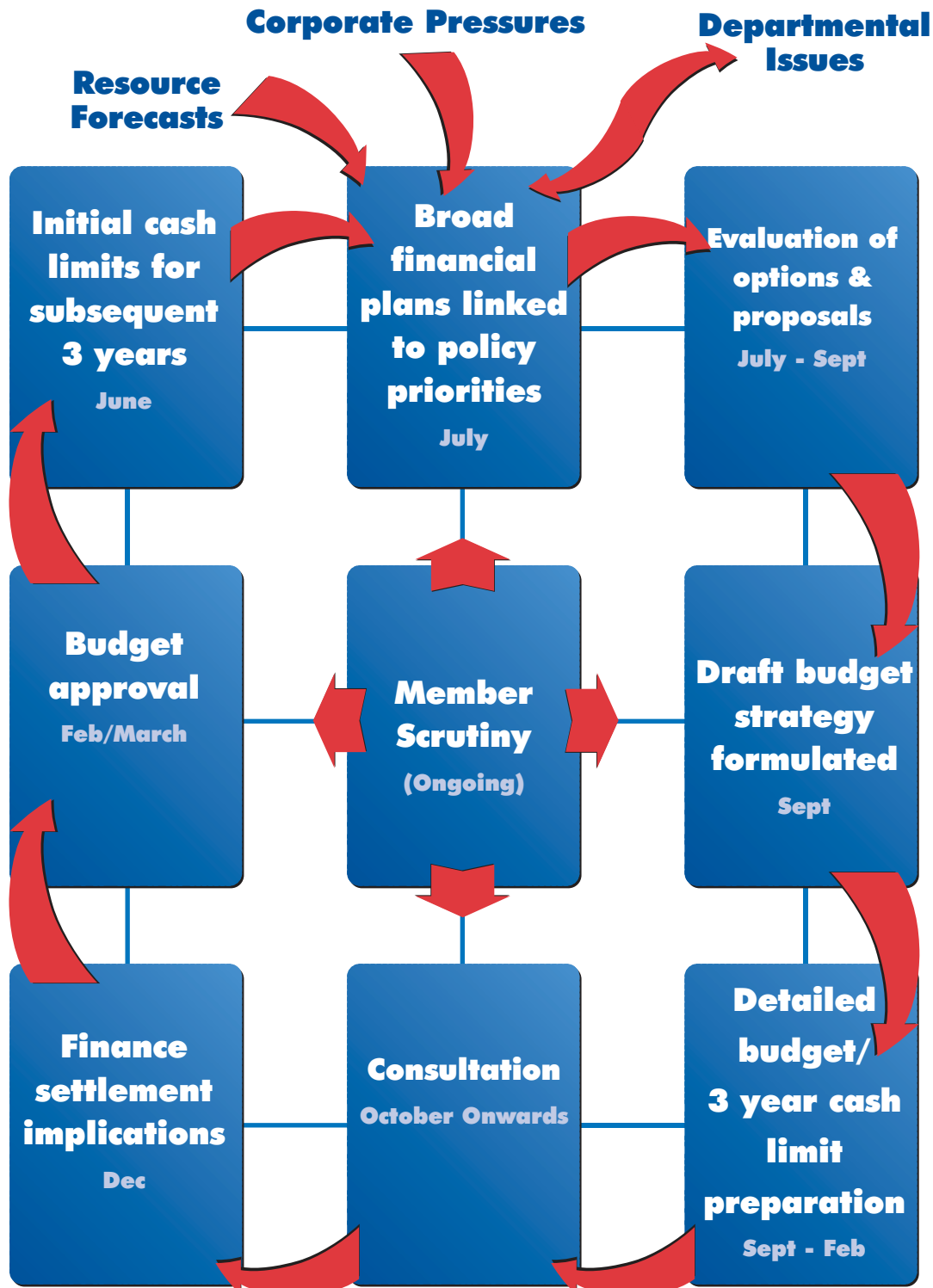
Following the Review of Revenue Grant Distribution, Formula Spending Shares (FSSs) have replaced the previous system of Standard Spending Assessments (SSAs). An authority's FSS is not directly comparable to its SSA as the FSS assumes an increase in the amount raised from Council Tax to reflect actual levels of spending across the country. It should be noted that FSS figures are not spending targets, but simply a means of distributing government grant.

Comparison of local and national increases in 2003/04 FSS from 2002/03 (adjusted) SSA



Budget process

The processes and timescales involved in setting the Council’s revenue and capital budgets are shown below. For 2003/04 the annual revenue budget process has been developed more formally into a three year rolling programme of cash limits, in the same way as for the capital budget. This is part of an integrated approach to policy and financial planning.

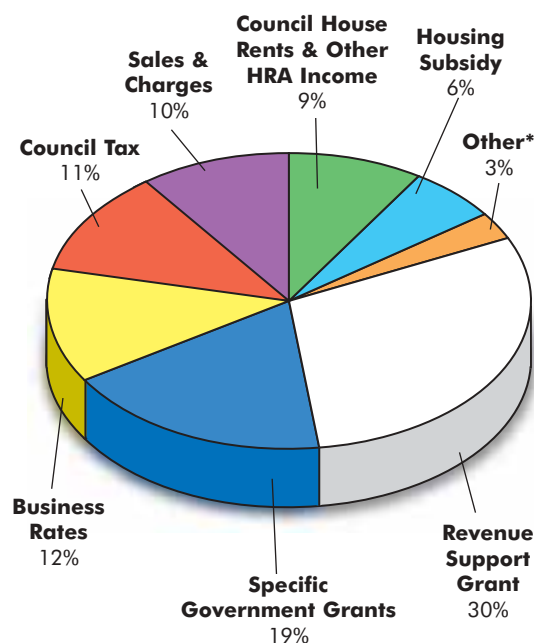


Revenue expenditure

The graphs below show the sources of revenue funding for the council and where the money is spent by major service area.

Where the money comes from

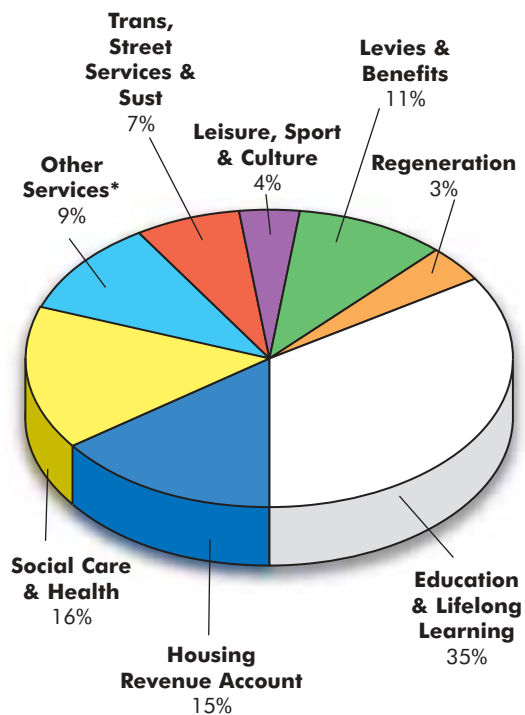
Source	2003/04 £m
Revenue Support Grant	723
Specific Government Grants	443
Business Rates	286
Council Tax	273
Sales & Charges	239
Council House Rents & Other Income	205
Housing Subsidy	148
Other*	68
Total	2,385



*Other Rents £47m; Other Grants & Contributions £17m and Specific Resources £4m

Where the money is spent

Service Area	2003/04 £m
Education & Lifelong Learning	836
Housing Revenue Account	353
Social Care & Health	376
Levies & Benefits	252
Transport, Street Services & Sustain	167
Leisure, Sport & Culture	102
Regeneration	68
Other Services*	231
Total	2,385



*Leader's (excl. levies) £128m; Deputy Leader's (excl. benefits) £67m; Housing General Fund £35m; Local Services & Community Safety £36m; Regulatory Committees £27m; Equalities & Human Resources £5m; Council Business Management £6m; Contingencies £6m; Contribution to balances £2m; Capital accounting adjustment (£81m)

Major specific grants

The following table shows the main specific grants received by the council directly into service budgets for 2003/04 compared to 2002/03.

	2002/03 £m	2003/04 £m
Leader's		
Cost of Collection (NNDR)	1.9	1.9
Benefit Administration - Verification Framework	0.9	0.9
Deputy Leader's		
Rent Allowances	128.4	117.9
Council Tax Benefit	70.4	73.2
Benefit Administration	4.2	10.9
Magistrates' Courts	16.6	17.7
Education & Lifelong Learning		
Standards Fund	57.0	60.9
Student Awards	1.7	-
Learning & Skills Council (Adult Education)	3.7	4.0
Threshold Grant for Teachers	11.3	11.4
Further Education Funding Council	4.7	5.8
New Opportunities Fund	3.5	1.7
Single Regeneration Budget	3.4	0.3
Nursery & Childcare Grant	7.2	4.8
Learning & Skills Council (Post 16)	30.5	32.6
Housing		
Subsidy	116.7	107.4
Major Repairs Allowance	42.0	40.5
Disabled Facilities Grant	3.4	3.4
Supporting People	-	0.3
Leisure, Sport and Culture		
Sports Grant England	0.8	0.2
Single Regeneration Budget	0.9	-
Local Services & Community Safety		
Neighbourhood Renewal Fund	16.5	22.0
Regeneration		
European Regional Development Fund	1.1	1.3
European Social Fund	2.0	3.1
Government (employment related)	1.5	0.5
Single Regeneration Budget	0.8	1.1
New Deal for Communities	1.5	1.5
Social Care and Health		
Quality Protects (incl. Choice Projects & Adoption)	4.8	6.0
Promoting Independence	3.6	-
Preserved Rights	2.3	9.9
Performance Fund for Intermediate Care	1.1	2.2
Building Capacity Grant	6.7	-
Carers Grants	2.0	2.6
Mental Health Grants	3.5	4.5
Asylum Seekers	5.0	3.4
Services for Disabled Children	0.5	1.0
Children Leaving Care	9.0	11.6
Teenage Pregnancy	0.3	0.5
Access and Systems Capacity	-	4.1
National Training Strategy	-	0.5
Training Support Programme	0.8	0.8
Total	572.2	572.4

Council tax

Council tax is a charge levied on properties, with properties being placed into one of eight bands, A-H, based upon their April 1991 valuation. Band D is commonly quoted representing the average value across the country, although most Birmingham properties fall within Bands A and B.

The council tax for a property consists of a number of components, according to the services provided to the household. The total council tax consists of an element for the City Council (the largest amount) and amounts for the Police and Fire and Civil Defence authorities (known as precepting authorities).

Residents within Frankley also pay an additional amount, set by the New Frankley in Birmingham Parish Council, in addition to the City Council's council tax. In 2003/04, the precept for the parish is £52,915, and as the parish has 2,104 Band D equivalent properties within its boundaries, the extra Band D Council Tax levied is £25.15 for 2003/04.

The table below sets out the amount required from Council Tax for 2003/04 (excluding the New Frankley in Birmingham Parish precepts).

	City Council £m	Police £m	Fire & Civil Defence £m
Budget requirement (City Council)	1,282.147	19.995	10.253
less: Revenue Support Grant	(723.224)		
National Non-Domestic Rates	(285.874)		
equals: Amount required from Collection Fund	273.049		
less: estimated surplus on Collection Fund	(0.077)		
equals: Amount required from Council taxpayers	272.972		
divided by taxbase (Band D equivalent properties)	280,991	280,991	280,991
equals: Band D Council Tax	£971.46	£71.16	£36.49
Total Band D Council Tax			£1,079.11

The valuation of and relationship between the Bands A-H is set out in the table below, together with the total number of Band D equivalent properties, on which council tax is levied in 2003/04:

Capital Value as at 1 April 1991	Band	Ratio to Band D	Band D Equivalents	% of total
Up to £40,000	A - Disabled Relief	5/9	207	0.07%
Up to £40,000	A	6/9	83,956	29.88%
£40,001 - £52,000	B	7/9	77,492	27.58%
£52,001 - £68,000	C	8/9	53,149	18.91%
£68,001 - £88,000	D	9/9	27,133	9.66%
£88,001 - £120,000	E	11/9	19,387	6.90%
£120,001 - £160,000	F	13/9	10,234	3.64%
£160,001 - £320,000	G	15/9	8,149	2.90%
Over £320,000	H	18/9	1,284	0.46%
Total			280,991	100.0%

The graph below shows the components of total Council Tax for each Band A-H for 2003/04, split by the City Council, Police and Fire & Civil Defence elements.

Council Tax 2003/04 Bands A-H

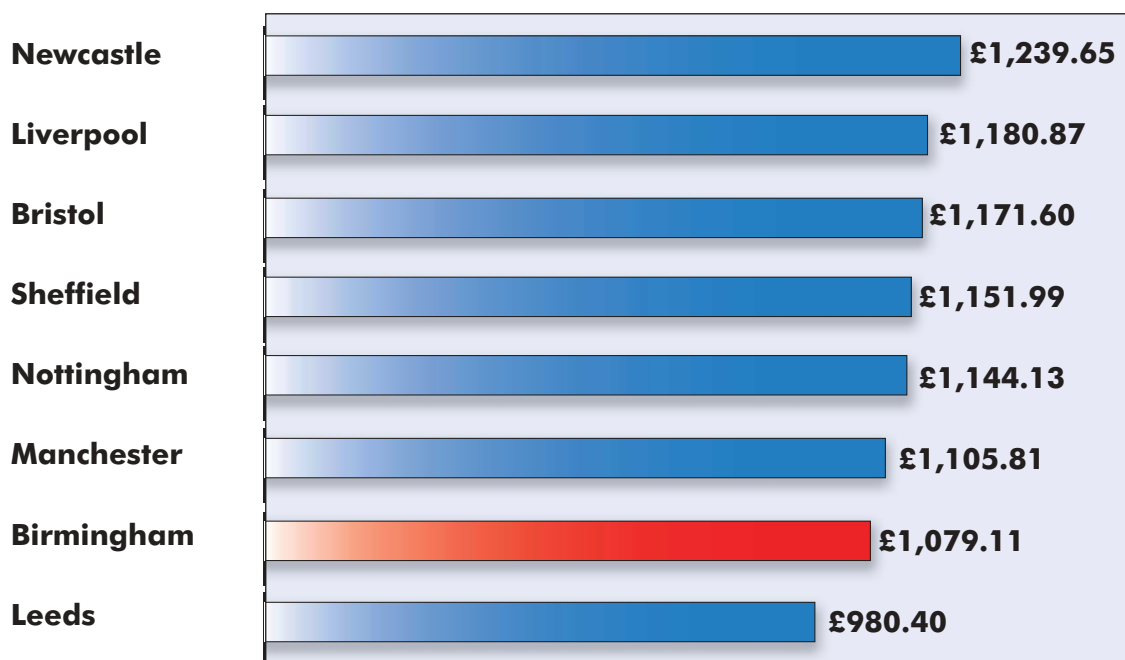


Council tax

A comparison of Birmingham's total Band D council tax for 2003/04 with that set by the other seven Core City authorities and West Midlands district councils is detailed below.

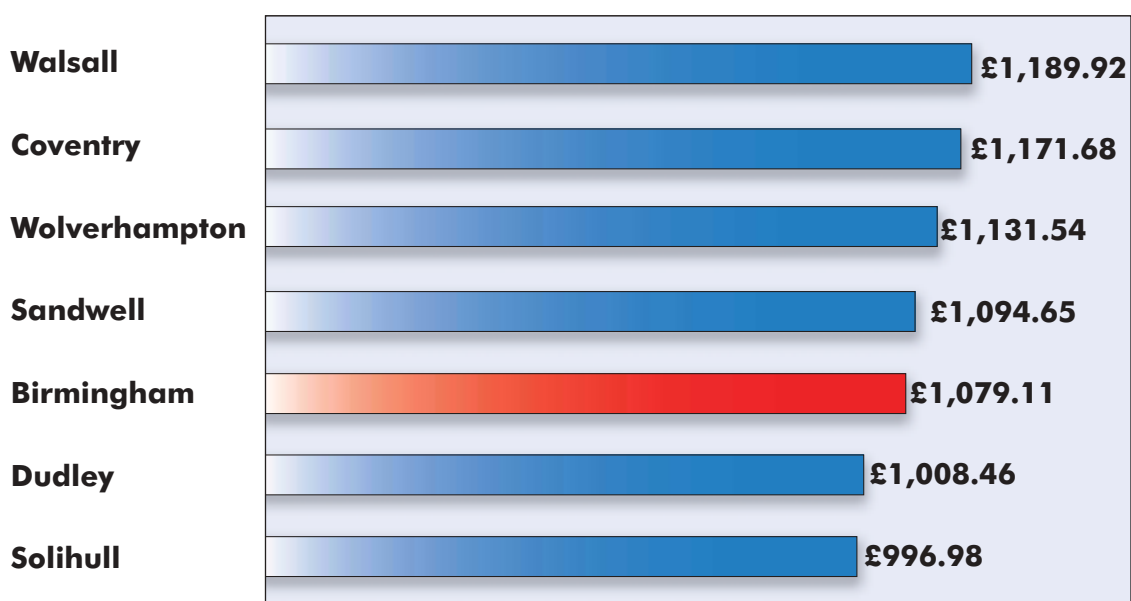
Core Cities

Band D Council Tax 2003/04



West Midlands Districts

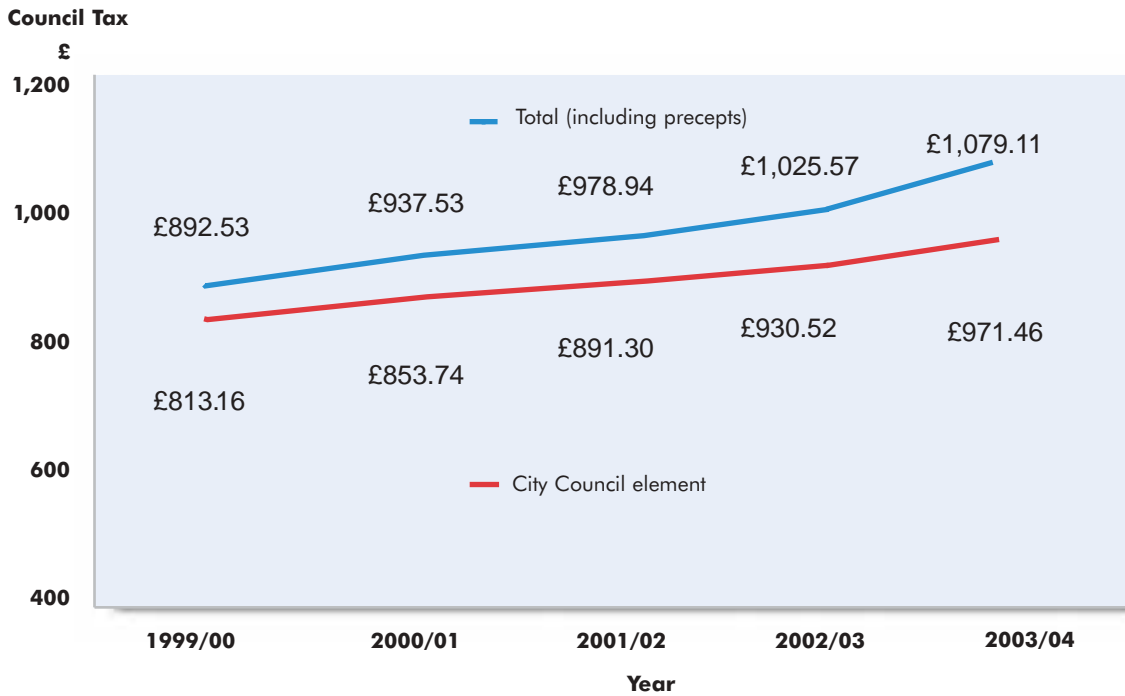
Band D Council Tax 2003/04



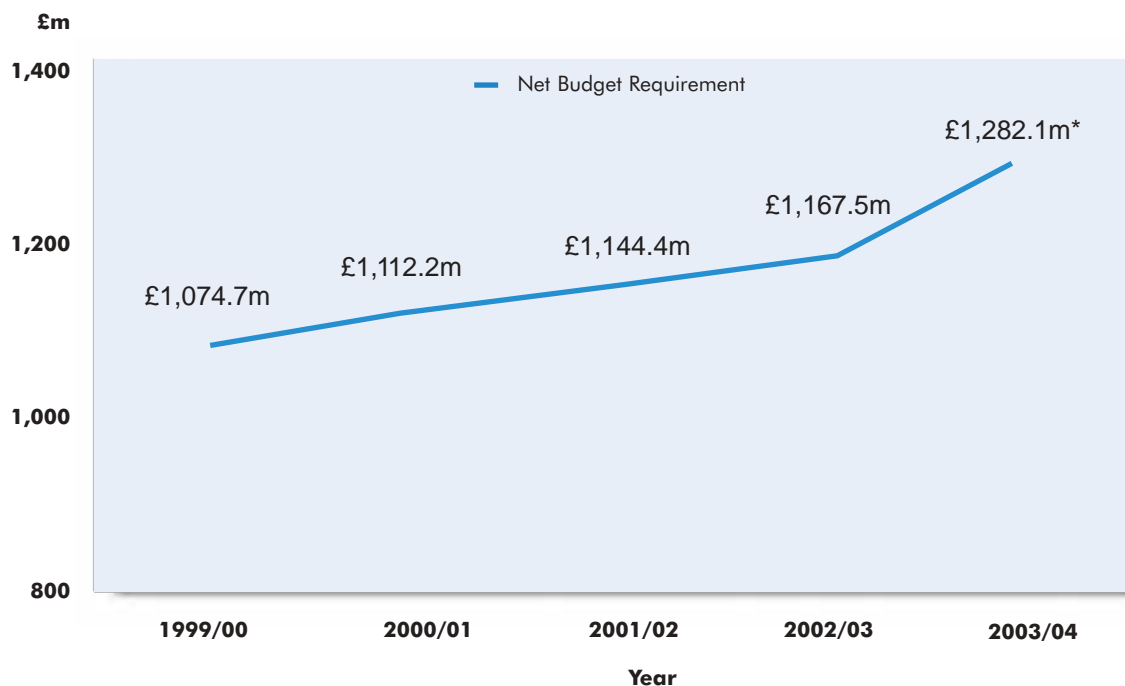
Key statistics and trends

The following graphs provide a picture of the main trends in the council's finances over the years.

Changes in Band D Council Tax over the last 5 years



Movement in Net Budget Requirement - over the last 5 years



* See note on page 18

Key statistics and trends

Movement in sources of income over the last five years

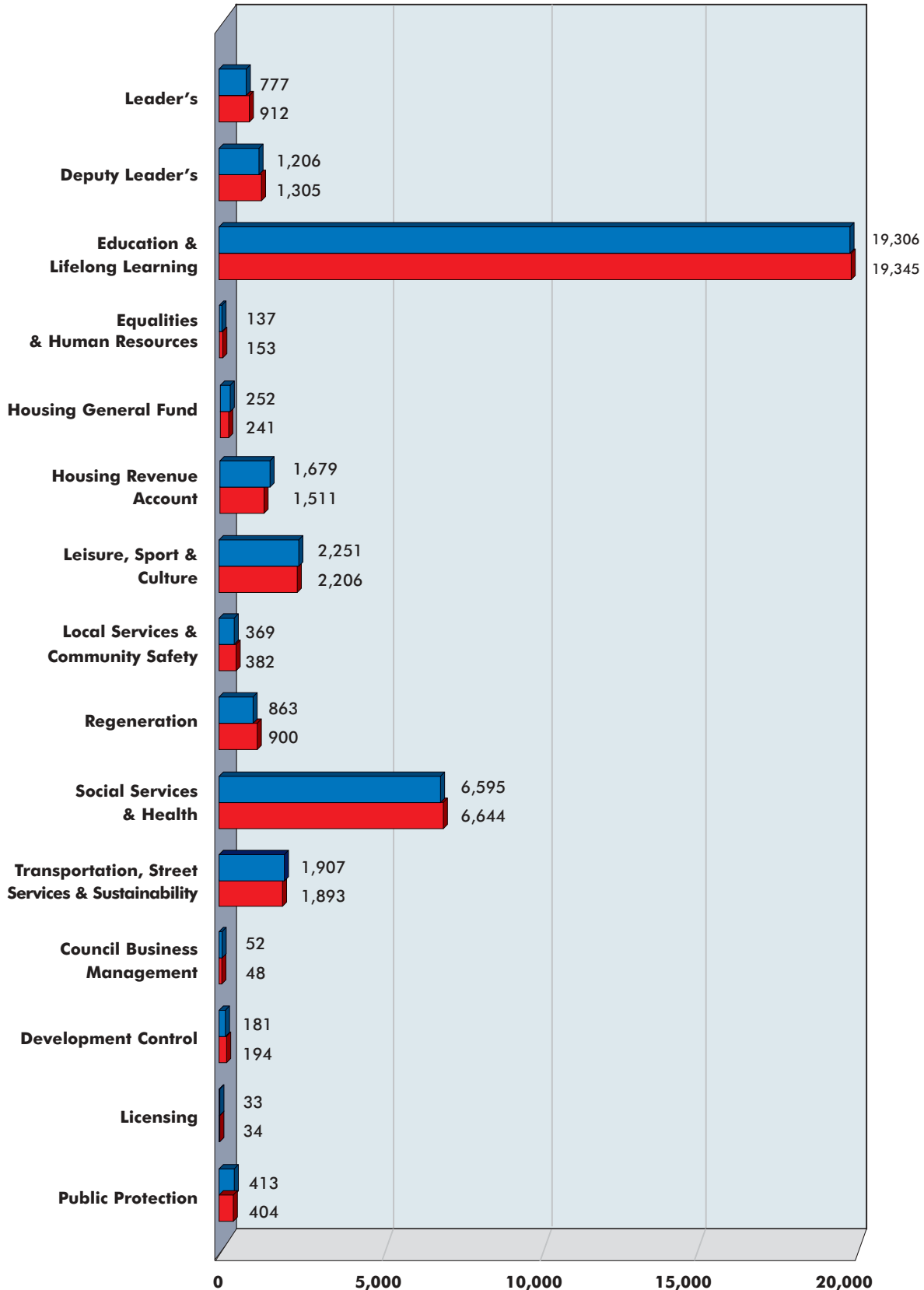


*The government has made a commitment to reduce the level of ring-fenced grants provided to local authorities for specific purposes. As part of this commitment, a number of grants previously categorised as specific have, in 2003/04, been distributed as general grant. This has affected the significant increase in the Net Budget Requirement (see page 17) and Revenue Support Grant between 2002/03 and 2003/04.

Employee numbers

Full Time Equivalents

■ 2002/03 Total:36,021
■ 2003/04 Total:36,172



Analysis of change in budget 2002/03 to 2003/04

The table below shows the changes to the original 2002/03 budget to derive the final 2003/04 budget for the council.

	2002/03 ORIGINAL	INFLATION	CAPITAL ACCOUNTING /BALANCES	BUDGET PRESSURES	EFFICIENCIES & SAVINGS	TFR SPECIFIC GRANTS TO/ (FROM) RSG	FUNCTIONAL CHANGES (NOTE 1)	OTHER (NOTE 2)	TOTAL CHANGE	2003/04 FINAL
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Leader's	80,022	1,758	(9,910)	6,945	(2,731)	0	0	(607)	(4,545)	75,477
Deputy Leader's	36,460	1,249	(926)	3,040	(1,261)	(4,125)	0	845	(1,178)	35,282
Education & Lifelong Learning	639,607	22,902	(13,610)	35,976	(2,598)	1,367	0	(3,662)	40,375	679,982
Equalities & Human Resources	4,111	253	(190)	47	(324)	0	0	440	226	4,337
Housing General Fund	27,678	344	287	(372)	(805)	0	0	913	367	28,045
Leisure, Sport & Culture	74,511	3,223	(2,572)	988	(1,890)	0	0	5,563	5,312	79,823
Local Services & Comm Safety	13,775	541	(134)	329	(620)	0	0	1	117	13,892
Regeneration	21,499	1,475	(2,016)	(154)	(1,816)	0	0	(62)	(2,573)	18,926
Social Care & Health	246,240	11,581	(1,552)	9,417	(3,091)	15,800	(7,880)	(919)	23,356	269,596
Transport, Street Services & Sust.	122,937	3,360	(168)	8,582	(2,827)	0	0	769	9,716	132,653
Council Business Management	5,604	275	0	(256)	(37)	0	0	834	816	6,420
Development Control	2,454	278	25	66	(226)	0	0	254	397	2,851
Licensing	(20)	(4)	0	24	0	0	0	0	20	0
Public Protection	11,671	498	58	(26)	(367)	0	0	68	231	11,902
Portfolio/Committee Total	1,286,549	47,733	(30,708)	64,606	(18,593)	13,042	(7,880)	4,437	72,637	1,359,186
Capital	(120,814)	0	30,708	8,844	0	0	0	246	39,798	(81,016)
Contingencies	8,845	220	0	1,995	0	0	0	(4,683)	(2,468)	6,377
Total Council	1,174,580	47,953	0	75,445	(18,593)	13,042	(7,880)	0	109,967	1,284,547
Committee Carry Forwards	(2,540)	0	0	2,540	0	0	0	0	2,540	0
(Use of)/Contrib to General Balances	(4,500)	0	0	6,200	0	0	0	0	6,200	1,700
Use of Specific Resources	0	0	0	(4,100)	0	0	0	0	(4,100)	(4,100)
City Council Budget Req'm't	1,167,540	47,953	0	80,085	(18,593)	13,042	(7,880)	0	114,607	1,282,147

Notes:

1. Free Nursing Care adjustment
2. Transfers between portfolios and on-going additional resources from 2002/03 policy contingency.

Revenue summary - gross expenditure

	2002/03 Budget £'000	2003/04 Budget £'000
Portfolios		
Leader's	198,192	177,337
Deputy Leader's	266,978	269,532
Education & Lifelong Learning	794,171	835,832
Equalities & Human Resources	4,682	5,411
Housing General Fund	37,337	34,721
Housing Revenue Account	363,015	353,352
Leisure, Sport & Culture	96,125	102,365
Local Services & Community Safety	30,968	36,356
Regeneration	51,017	67,687
Social Care & Health	362,879	376,035
Transportation, Street Services & Sustainability	155,792	166,628
Council Business Management Committee	5,643	6,461
Regulatory Committees		
Development Control	9,954	11,205
Licensing	1,384	1,461
Public Protection	13,361	13,652
Total Portfolio/Committee Expenditure	2,391,498	2,458,035
Contingencies	8,845	6,377
Capital	(120,814)	(81,016)
Total Gross Expenditure	2,279,529	2,383,396

Note: Gross Expenditure excludes costs recharged to other Portfolios/Committees of the Council.

Revenue summary - gross income

	2002/03 Budget £'000	2003/04 Budget £'000
Portfolios		
Leader's	118,170	101,860
Deputy Leader's	230,518	234,250
Education & Lifelong Learning	154,564	155,850
Equalities & Human Resources	571	1,074
Housing General Fund	9,659	6,676
Housing Revenue Account	363,015	353,352
Leisure, Sport & Culture	21,614	22,542
Local Services & Community Safety	17,193	22,464
Regeneration	29,518	48,761
Social Care & Health	116,639	106,439
Transportation, Street Services & Sustainability	32,855	33,975
Council Business Management Committee	39	41
Regulatory Committees		
Development Control	7,500	8,354
Licensing	1,404	1,461
Public Protection	1,690	1,750
Total Portfolio/Committee Income	1,104,949	1,098,849
Total Gross Income	1,104,949	1,098,849

Note: Gross Income excludes income in respect of costs recharged to other Portfolios/Committees of the Council.

Revenue summary - net expenditure

	2002/03 Budget £'000	2003/04 Budget £'000
Portfolios		
Leader's	80,022	75,477
Deputy Leader's	36,460	35,282
Education & Lifelong Learning	639,607	679,982
Equalities & Human Resources	4,111	4,337
Housing General Fund	27,678	28,045
Housing Revenue Account	0	0
Leisure, Sport & Culture	74,511	79,823
Local Services & Community Safety	13,775	13,892
Regeneration	21,499	18,926
Social Care & Health	246,240	269,596
Transportation, Street Services & Sustainability	122,937	132,653
Council Business Management Committee	5,604	6,420
Regulatory Committees		
Development Control	2,454	2,851
Licensing	(20)	0
Public Protection	11,671	11,902
Total Portfolio/Committee Net Spend	1,286,549	1,359,186
Contingencies	8,845	6,377
Capital	(120,814)	(81,016)
Total City Council Net Expenditure	1,174,580	1,284,547
Use of Balances/Reserves		
Portfolio/Committee Carry Forwards	(2,540)	0
(Use of)/Contribution to General Balances	(4,500)	1,700
One-off contribution from specific resources	0	(4,100)
City Council Budget Requirement	1,167,540	1,282,147

Type of Expenditure/(Income) 2003/04 Budget	Leader's £'000	Deputy Leader's £'000	Education & Lifelong Learning £'000	Equalities & Human Resources £'000	Housing General Fund £'000	Housing HRA £'000	Leisure, Sport & Culture £'000	Local Servs & Comm. Safety £'000	Regener- ation £'000	Social Care & Health £'000	Transport, Street Svs & Sustnblty £'000	Council Business Mgmt. £'000	Devpt. Control £'000	Licensing £'000	Public Protection £'000	Total £'000
Expenditure																
Employees	23,713	46,432	589,949	4,982	7,311	37,225	50,458	9,334	27,298	146,273	54,430	1,573	5,650	803	11,882	1,017,313
Premises	7,346	9,523	50,106	256	1,682	84,552	25,897	1,005	8,801	8,249	13,302	435	106	136	1,415	212,811
Transport	454	1,141	11,196	39	777	729	1,674	33	407	6,640	13,389	116	157	15	309	37,076
Supplies and Services	89,056	20,252	70,356	673	923	15,015	11,871	6,589	42,351	31,796	50,858	3,485	1,545	324	2,456	347,550
Third Party Payments	47,770	1,287	107,694	811	24,546	3,886	7,650	18,385	11,513	182,551	36,477	0	440	0	53	443,063
Financial Support Payments	1,083	203,833	127	0	49	125,419	0	0	0	5,856	0	0	2,665	0	0	339,032
Support Services	17,564	6,868	12,811	451	5,302	(4,621)	10,718	2,264	13,487	37,453	14,118	852	1,780	616	3,940	123,603
Capital Charges	21,239	7,869	49,117	0	137	91,147	9,675	363	2,628	2,906	44,836	0	0	0	186	230,103
Gross Expenditure	208,225	297,205	891,356	7,212	40,727	353,352	117,943	37,973	106,485	421,724	227,410	6,461	12,343	1,894	20,241	2,750,551
Less: Rechargeable Expenditure	30,888	27,673	55,524	1,801	6,006	0	15,578	1,617	38,798	45,689	60,782	0	1,138	433	6,589	292,516
Total after Recharges	177,337	269,532	835,832	5,411	34,721	353,352	102,365	36,356	67,687	376,035	166,628	6,461	11,205	1,461	13,652	2,458,035
Income																
Government Grants	(3,049)	(219,741)	(124,973)	(660)	(3,799)	(147,906)	(531)	(22,050)	(10,451)	(57,400)	(51)	0	(190)	0	(28)	(590,829)
Other Grants, Reimbursements, Contributions	(1,633)	(2,627)	(10,585)	0	(103)	(1,528)	(923)	(539)	0	0	0	0	0	0	(236)	(18,174)
Sales	0	(3,022)	(11,589)	0	(6)	0	(2,180)	(17)	(3,251)	(764)	(1,219)	0	(82)	0	0	(22,130)
Fees & Charges	(79,863)	(5,221)	(7,340)	(414)	(522)	(755)	(17,858)	144	(15,033)	(48,027)	(31,858)	(16)	(7,842)	(1,461)	(1,482)	(217,548)
Rents	(17,315)	(3,639)	(1,363)	0	(2,246)	(203,163)	(1,050)	(2)	(20,026)	(248)	(847)	(25)	(240)	0	(4)	(250,168)
Recharges within & to Other Services	(30,888)	(27,673)	(55,524)	(1,801)	(6,006)	0	(15,578)	(1,617)	(38,798)	(45,689)	(60,782)	0	(1,138)	(433)	(6,589)	(292,516)
Gross Income	(132,748)	(261,923)	(211,374)	(2,875)	(12,682)	(353,352)	(38,120)	(24,081)	(87,559)	(152,128)	(94,757)	(41)	(9,492)	(1,894)	(8,339)	(1,391,365)
Less: Income from Recharges	(30,888)	(27,673)	(55,524)	(1,801)	(6,006)	0	(15,578)	(1,617)	(38,798)	(45,689)	(60,782)	0	(1,138)	(433)	(6,589)	(292,516)
Total Income after Recharges	(101,860)	(234,250)	(155,850)	(1,074)	(6,676)	(353,352)	(22,542)	(22,464)	(48,761)	(106,439)	(33,975)	(41)	(8,354)	(1,461)	(1,750)	(1,098,849)
Net Expenditure	75,477	35,282	679,982	4,337	28,045	0	79,823	13,892	18,926	269,596	132,653	6,420	2,851	0	11,902	1,359,186

Revenue summary - subjective analysis 2003/04

Capital expenditure relates to spending of a long term nature (paid for over more than one year) where assets are purchased, constructed or improved by the authority. The five main sources of capital funding are:

- (i) **Borrowing approvals from government.** Authorities currently require permission from the government to borrow money for capital purposes, although it is expected that from 2004/05 this restriction will be removed with the introduction of the Prudential System of Capital Finance. This permission is issued as one of two types of credit approvals to borrow:
 - **Basic Credit Approval (BCA).** This can be used to fund capital expenditure on any area the council chooses.
 - **Supplementary Credit Approval (SCA).** This may only be used for certain types of capital expenditure, with conditions being determined by the government.
- (ii) **Capital Receipts.** When authorities sell assets, they can use the proceeds from the sale to fund future capital expenditure. There are, however, restrictions on the amount that can be used from certain types of asset sales, that require a proportion of the proceeds to be set aside for the repayment of debt.
- (iii) **Capital Grants.** These are usually provided by the government for specific purposes, for example, the New Deal for Schools grant to repair school buildings.
- (iv) **Contributions.** Developers or interested parties can contribute to the council's capital expenditure, where the nature of the work undertaken could benefit them.
- (v) **Revenue.** Although capital resources cannot be used to fund revenue expenditure, direct revenue financing of capital is permitted. This is, of course, subject to constraints over the level of available revenue resources.

Major Projects

Examples of key capital projects in which the council will be involved during 2003/04 include:

- **Masshouse Circus** - an £8 million scheme will provide for the demolition of the existing elevated structure and the creation of a new road system, bus mall and public open spaces. This project is supported by European Regional Development Fund (ERDF) grant aid and will be completed by October 2003, in time for the opening of the new Bullring development. This redevelopment will allow the city centre to expand and link with the Learning Quarter.
- **Bus Based Schemes** - the City Council is involved in Bus Showcase, Bus Demonstration and developing of Red Route schemes during 2003/04. Red Route development and Bus Demonstration works on Route 51 (Lichfield Road) and Route 67 (Tyburn Road) will start this year. Further development work will take place on Hagley Road (£14 million) and Outer Circle (£21 million).



Capital expenditure

- **A38 Technology Corridor** - major relief roads along the A38 in Northfield and Selly Oak have been given the go-ahead by the government. Phase 1 of the Northfield scheme has been completed. Compulsory Purchase Orders have been made on both schemes and detailed design work is underway. These schemes will be limited to new retail stores and regeneration schemes for the two areas.
- **Schools Rebuild & Refurbishment** - work is now complete on the 30-year, £80 million Private Finance Initiative (PFI) contract, entered into in February 2000 with the Birmingham Schools Partnership. The contract involves the design, build, finance and operation of services at ten city schools. Birmingham has received support for a second PFI scheme involving 13 schools. A PFI credit of £56 million has been earmarked for the project by the Department for Education and Skills (DfES) to address the significant structural deficiencies of these schools.
- **Town Hall** - the £31 million scheme to renovate Birmingham's most important Grade 1 listed and civic building will ensure that the hall becomes a high quality venue to be used by all of Birmingham's communities. The project has confirmed support from the Heritage Lottery Fund and bids are being submitted to the European Regional Development Fund and Advantage West Midlands.

Capital Strategy and Asset Management Plan

Introduced for 2002/03, the Single Capital Pot (SCP) has again been used to allocate capital resources to local authorities. This meant that 5% of local authorities' capital allocations were based upon an assessment of their performance by government, with the remaining 95% allocated by formula.

Performance was measured by assessment of the authority's corporate Capital Strategy and Asset Management Plan (AMP) and individual service plans.

The government issues an **Annual Capital Guideline (ACG)** for the level of capital spending it is willing to support through borrowing approvals. ACGs are issued for five blocks of capital expenditure as shown below.

- **Housing**
- **Transport**
- **Education**
- **Social Services**
- **Environmental, Protective and Cultural Services (EPCS)**

The authority's Capital Strategy and AMP were submitted to the Government Office for the West Midlands in July 2002 for assessment and it was pleasing to note that for the second year running, both corporate documents received the highest performance rating of "good".

The Capital Strategy is a high level summary of how the council's approach to capital investment contributes to the achievement of its key priorities and service outcomes. The AMP is the corporate plan for the whole council which ensures that optimum use is made of the authority's property assets in terms of the benefit provided to services and financial return from assets.

In addition, a number of specific service plans are assessed under the SCP. The rating achieved on each of these plans is shown in the table below.

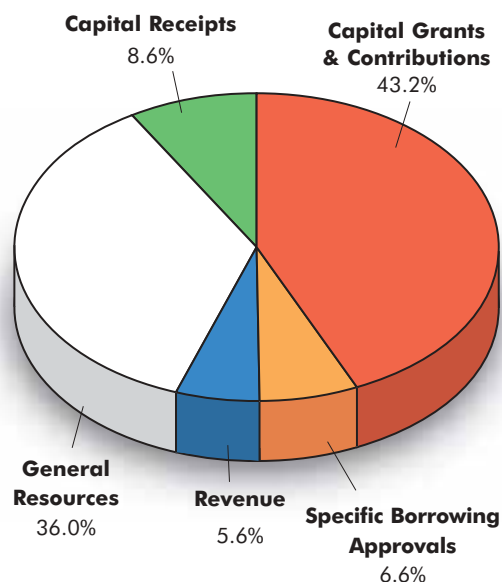
Capital Strategy	Good
Asset Management Plan	Good
Transport - Local Transport Plan/Annual Progress Report	Above Average
Housing - Housing Strategy/HRA Business Plan	Average
Education - School Asset Management Plan	Above Average
Social Services - Capital Strategy	Average
Combined Service Score	Above Average

Capital expenditure

The following charts show the sources of capital funding and the main spending areas for 2003/04.

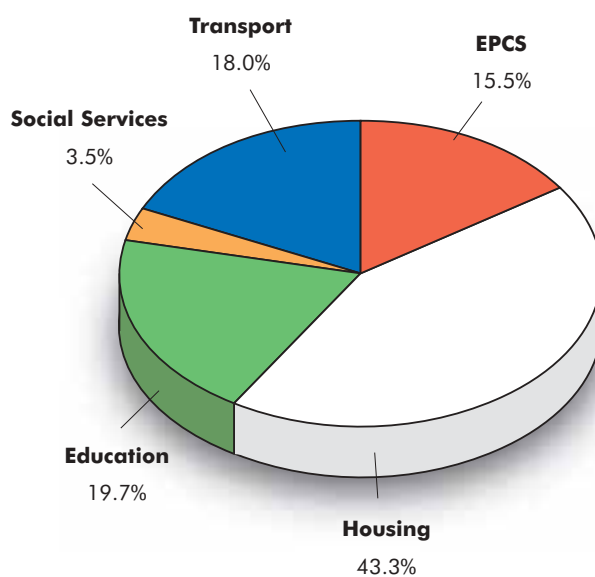
Where the Money Comes From

Source	2003/04 £'000
Specific Borrowing Approvals	15,522
Capital Receipts	20,300
Capital Grants & Contributions	101,777
Revenue	13,216
General Resources*	84,720
* BCA & other general resources	
Total	235,535



Where the Money is Spent

Service Area	2003/04 £'000
Housing	101,989
Education	46,423
Social Services	8,201
Transport	42,339
EPCS	36,583
Total	235,535

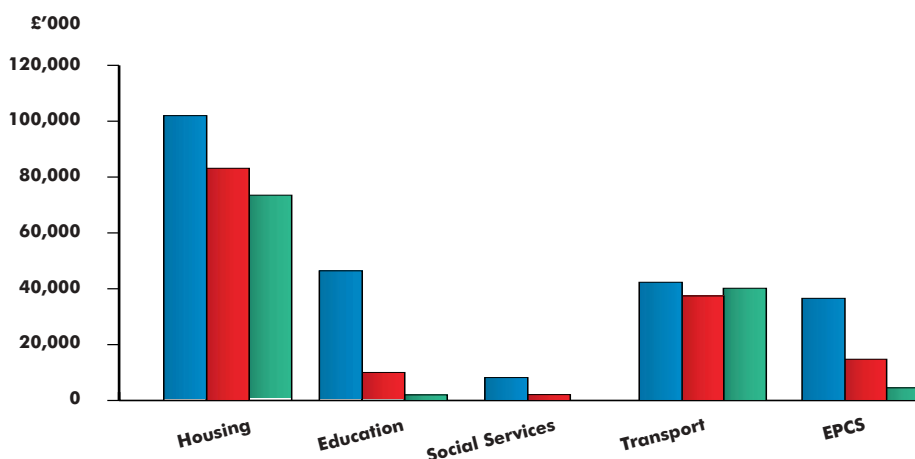


Three year capital plan

The planned capital budget on major services over 2003/04 to 2005/06 is shown below, together with the sources of capital funding.

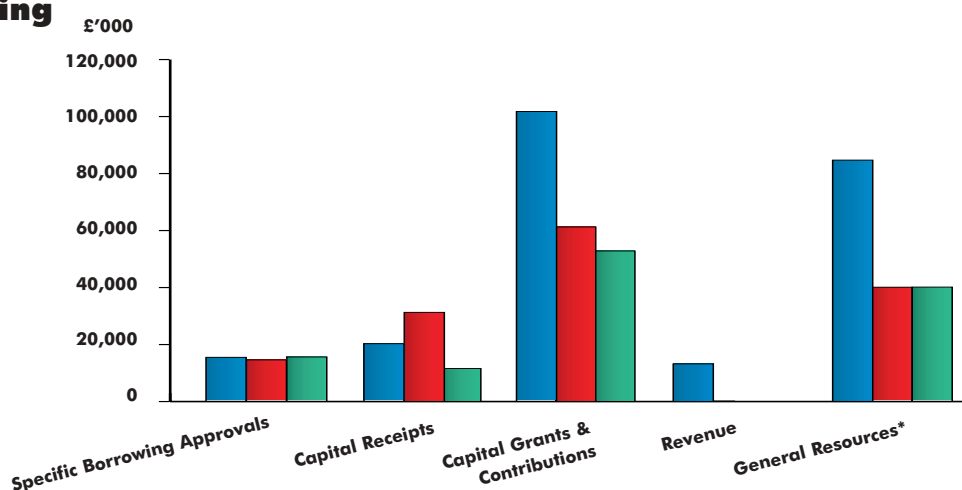
Future years' allocations are not yet confirmed for later years, which accounts for the lower level of resources in 2004/05 and 2005/06.

Budget



	2003/04	2004/05	2005/06
BUDGET	£'000	£'000	£'000
Housing	101,989	83,150	73,519
Education	46,423	10,039	2,000
Social Services	8,201	2,100	0
Transport	42,339	37,432	40,193
EPCS	36,583	14,776	4,526
Total	235,535	147,497	120,238

Funding



	2003/04	2004/05	2005/06
FUNDING	£'000	£'000	£'000
Specific Borrowing Approvals	15,522	14,619	15,634
Capital Receipts	20,300	31,300	11,600
Capital Grants and Contributions	101,777	61,249	52,836
Revenue	13,216	205	-
General Resources*	84,720	40,124	40,168
Total	235,535	147,497	120,238

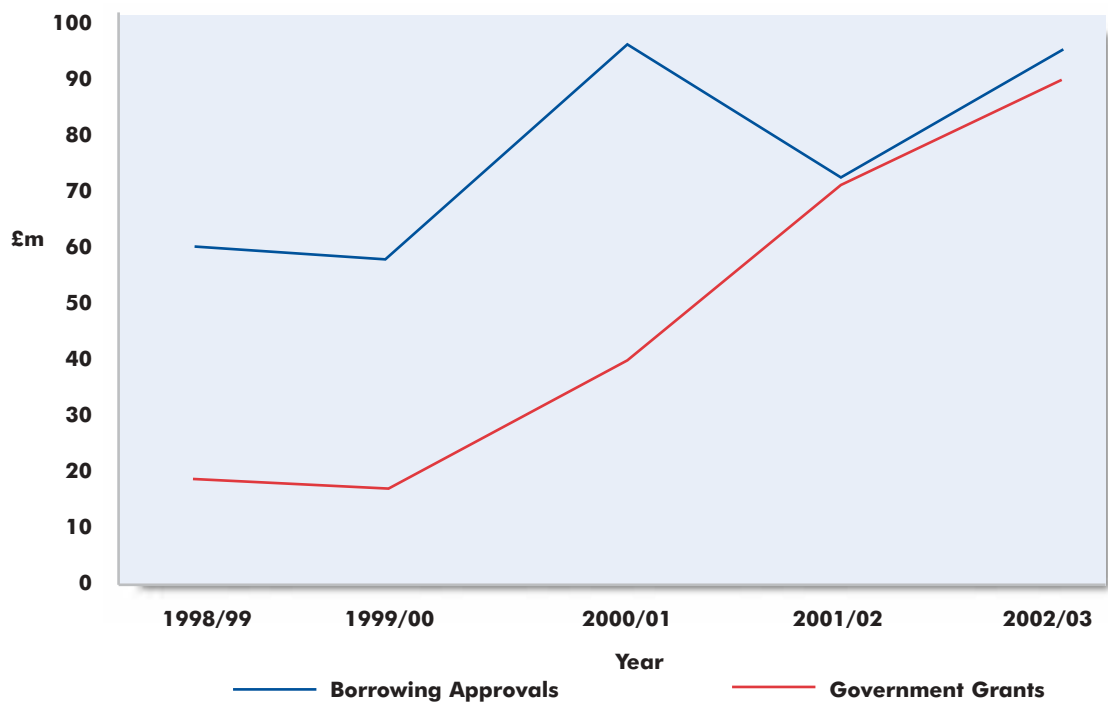
*BCA and other general resources

Support for capital expenditure

The current system for regulating borrowing by local authorities was introduced in 1990. As part of this system, the government gives approval for local authorities to borrow up to a set limit. It also gives grants for specific capital projects. Further explanation of the system is provided on page 25.

The level of government support for capital expenditure over the last five years is summarised in the graph below.

Movement in government support for capital expenditure over the last five years



However, the government plans to change this system. In future, a local authority will be free to borrow in order to finance investment, provided borrowing is kept within limits which the authority itself has set and the financing costs are affordable. The new arrangements will be backed up by a code of practice which is being produced by the Chartered Institute of Finance and Accountancy (CIPFA).

These changes may take effect from April 2004, although this depends upon whether the Local Government Bill is approved by Parliament in sufficient time. The way in which the government will continue to support capital investment has also not yet been determined.

Until there is greater certainty about the new arrangements, the council has planned on the basis of the current system, and this is reflected in the three-year capital plan shown on page 29. The projected resources which underpin this plan are felt to be a reasonable estimate of the council's future ability to invest, but the new approach will need to be fully taken into account in the budgeting process in 2003 as further details become available.

Portfolio/Committee Revenue Budgets



Leader's Portfolio

Main Responsibilities

Policy making and a statutory role in managing key resources.

The Policy Development Team helps to shape and deliver the council's strategic priorities and policy objectives, including the Community Strategy and the Neighbourhood Renewal Strategy, in partnership with other key agencies.

The European and International Division plays a key role in the development of Birmingham as a major European city.

Revenues is responsible for the billing and collection of all council tax, business rates and sundry debts.

Revenues provides centralised cashiering, payments and payroll services on behalf of the city council and also administers pensions.

With around 1,500 of the most diverse events through the year, the NEC Group venues are established international focal points for business and entertainment.

Key Performance Indicators

	2002/03	2003/04
NEC exhibitions - number of visitors	3,300,000	2,600,000
ICC - number of visitors	100,000	100,000
NIA - number of visitors	450,000	450,000
Target rate of payment of invoices within 30 days	100%	80%
Council Tax collection rate within year of billing	96%	96.5%
The percentage of non-domestic (business) rates received during the year	98.4%	98.4%

Budget Effects 2003/04

The NEC Group is maintaining the leading roles its venues play within each of the markets they serve, and is continuing to focus on the ever-changing needs of its customers.

Council tax payments made at the Post Office are currently paid for by the council. There is a lower cost to the council where payments are made electronically and all payments will be converted to take advantage of the lower cost over the next 12 months. A renegotiation of the transaction cost to the council will also further reduce overall costs.

Objective Analysis	
Division of Service	2003/04 Budget £'000
Committee Services	1,603
Cabinet Office	748
Chief Executive's - LILA Team	1,965
European & International Team	693
Property Portfolio	(3,826)
Passenger Transport Authority Levy	45,696
Environment Agency Levy	3,334
Other Services	2,230
The NEC Group	10,668
Policy Development Team	872
Finance Department	11,494
Net Expenditure	75,477

Subjective Analysis	
Type of Expenditure /(Income)	2003/04 Budget £'000
Expenditure	
Employees	23,713
Premises	7,346
Transport	454
Supplies and Services	89,056
Third Party Payments	47,770
Financial Support Payments	1,083
Support Services	17,564
Capital Charges	21,239
Gross Expenditure	208,225
Less: Rechargeable Expenditure	30,888
Total after Recharges	177,337
Income	
Government Grants	(3,049)
Other Grants, Reimbursements & Contributions	(1,633)
Fees & Charges	(79,863)
Rents	(17,315)
Recharges within & to Other Services	(30,888)
Gross Income	(132,748)
Less: Income from Recharges	(30,888)
Total Income after Recharges	(101,860)
Net Expenditure	75,477



Deputy Leader's Portfolio

Main Responsibilities

Responsible for communications, trading operations and developing and implementing corporate performance management.

Determine and monitor the council's policies and procedures in relation to procurement.

Develop and monitor the council's policies, strategies and procedures for the provision, development and evaluation of computer and information technology, including increased use of e-government.

Responsible for the Council's Benefits Service.

Corporate marketing and promotion of Birmingham, regionally, nationally and internationally.

Running of all administrative accommodation for the council.

Development and monitoring of Contact Birmingham and associated customer service initiatives.

Management and provision of wholesale and retail markets.

Providing a delivered meals service to vulnerable adults in the community.

Provision of Birmingham City Laboratories, an official food enforcement laboratory providing a statutory public analyst service.

Key Performance Indicators

	2002/03	2003/04
Average time for processing new benefit claims	70 days	55 days
Speed of processing - % of renewal claims processed on time	45%	65%
Average time for processing notifications of change of circumstances	27 days	28 days
% of cases for which the calculation of the amount of benefit due was correct	99%	99%
% of recoverable overpayments (excluding Council Tax) recovered in the year	40%	48%
Contact Centre: % of calls answered within 20 seconds	85%	85%
The number of interactions enabled for electronic delivery as a percentage of those legally permissible	75%	90%

Budget Effects 2003/04

The Central Administrative Buildings Portfolio provides accommodation for some 7,000 staff in 46 office buildings. The capital budget includes provision to improve access to council buildings for staff and visitors with disabilities.

Administrative Services will continue to work in partnership with Catering Services for the promotion and use of the Council House as a venue for seminars, lunches, dinners and other functions.

The Benefits Service has a turnover of approximately £370m per annum and expects to deal with 126,000 benefits claimants in 2003/04.

Contact Birmingham, the corporate contact centre, will continue to be developed.

A corporate complaints system and corporate customer service standards will be introduced.

Provision of "new" retail markets in line with relaunch of the Bullring Shopping Centre in September 2003.

Objective Analysis	
Division of Service	2003/04 Budget £'000
Environmental and Consumer Services Department:	
Highbury	75
City Supplies Organisation	(63)
Markets	(609)
Cleaning DSO (Non-Education)	59
Meals Direct	(7)
Other Catering DSO	(19)
Birmingham City Laboratories	(211)
Chief Executive's Services:	
Communications and Customer Relations	2,910
Lord Mayor's Parlour	776
DSO Legal Services	(301)
Resources Directorate:	
Corporate Contact Centre	6,146
Corporate Procurement Services	249
Performance Improvement & Review	673
Corporate Central Admin Buildings	1,766
Magistrates' Courts	3,345
Benefit Services	16,974
IT Services	3,445
Transportation Department:	
Public Buildings	74
Net Expenditure	35,282

Subjective Analysis	
Type of Expenditure/(Income)	2003/04 Budget £'000
Expenditure	
Employees	46,432
Premises	9,523
Transport	1,141
Supplies and Services	20,252
Third Party Payments	1,287
Financial Support Payments	203,833
Support Services	6,868
Capital Charges	7,869
Gross Expenditure	297,205
Less: Rechargeable Expenditure	27,673
Total after Recharges	269,532
Income	
Government Grants	(219,741)
Other Grants, Reimbursements & Contributions	(2,627)
Sales	(3,022)
Fees & Charges	(5,221)
Rents	(3,639)
Recharges within & to Other Services	(27,673)
Gross Income	(261,923)
Less: Income from Recharges	(27,673)
Total Income after Recharges	(234,250)
Net Expenditure	35,282

Education & Lifelong Learning Portfolio

Main Responsibilities

To exercise the powers and duties of the council as the Local Education Authority under the Education Acts.

To enter into association with and to appoint members to other bodies for the promotion and advancement of education within the city.

To assist and encourage voluntary bodies working in the field of education.

To be responsible for adult education, the Youth Service and lifelong learning.

Key Performance Indicators

	2002/03†	2003/04
Proportion of pupils in schools maintained by the authority achieving 5 or more GCSEs at grade A*- C or equivalent	45%	50%
Proportion of pupils in schools maintained by the authority achieving Level 4 and above in Key Stage 2 Maths	70%	80%
Proportion of pupils in schools maintained by the authority achieving Level 4 and above in Key Stage 2 English	70%	81%
Percentage of statements of special educational needs prepared within 18 weeks (excl. exceptions to the rule under the SEN Code of Practice)	83.6%	92.0%
Proportion of 14 year-old pupils achieving Level 5 or above in Key Stage 3 English	60.0%	71.0%
Proportion of 14 year-old pupils achieving Level 5 or above in Key Stage 3 Maths	58.0%	70.0%
Proportion of 14 year-old pupils achieving Level 5 or above in Key Stage 3 Science	56.0%	64.0%
Proportion of 14 year-old pupils achieving Level 5 or above in Key Stage 3 ICT	56.0%	71.0%

†Actual

Budget Effects 2003/04

The budget has been influenced by the national changes in education finance which have led to the creation of a separate schools block and LEA block for grant funding purposes.

The government's Education Formula Spending increase on the schools block of £55.9m has been passed onto the Education Service.

Provision has been made for the teachers' pay award at 3.5% and the increase in the employers contribution rate for the teachers' pension scheme has been fully funded.

Increased funding for special needs provision to facilitate inclusion in mainstream schools.

The Nursery Education grant for three year olds is no longer funded through specific grant but through Education Formula Spend (previously known as Standard Spending Assessment).

Objective Analysis	
Division of Service	2003/04 Budget £'000
Nursery Education	26,137
Schools - Delegated	449,933
Schools - Non Delegated	78,383
Behavioural Support	4,523
Env & Outdoor Education Services	2,312
Special Education - Delegated	37,953
Special Education - Non Delegated	31,098
School Meals	1,186
School Services and Support	1,198
The Standards Fund	19,668
University of First Age	497
Support Services - Delegated	6,242
Support Services - Non Delegated	6,529
Lifelong Learning	8,017
B'ham Advice & Support Services	6,306
Net Expenditure	679,982

Subjective Analysis	
Type of Expenditure/(Income)	2003/04 Budget £'000
Expenditure	
Employees	589,949
Premises	50,106
Transport	11,196
Supplies and Services	70,356
Third Party Payments	107,694
Financial Support Payments	127
Support Services	12,811
Capital Charges	49,117
Gross Expenditure	891,356
Less: Rechargeable Expenditure	55,524
Total after Recharges	835,832
Income	
Government Grants	(124,973)
Other Grants, Reimbursements & Contributions	(10,585)
Sales	(11,589)
Fees & Charges	(7,340)
Rents	(1,363)
Recharges within & to Other Services	(55,524)
Gross Income	(211,374)
Less: Income from Recharges	(55,524)
Total Income after Recharges	(155,850)
Net Expenditure	679,982

Equalities & Human Resources Portfolio

Main Responsibilities

Promote equality of opportunity and work towards the elimination of unlawful or unfair discrimination.

To promote and support the provision of activity which counters the effects of discrimination and disadvantage and promotes positive relations between people of all groups.

To develop a strategic framework for an integrated approach to equality work .

To oversee the Corporate Equality Scheme including monitoring directorate equality action plans.

Be responsible for the employment policies, practices and procedures of the council.

Develop and monitor protocols within which terms and conditions of employment are determined.

Oversee recruitment, training and development of employees across the council.

Make arrangements to ensure health, safety and welfare across the council.

Act on behalf of the council in consultation and negotiation with employees at all levels.

Promote equality of opportunity in council employment.

Ensure production and monitoring of human resources strategy to reflect the cabinet's services, priorities and objectives.

Oversee the implementation of the Single Status Agreement, production of a remuneration strategy and modernising work.

Keep under review the departmental structure of the council.

Ensure the development of a culture of performance appraisal.

Key Performance Indicators

	2002/03	2003/04
The percentage of senior management posts filled by women	29.6%	41.1%
Target proportion of working days/shifts lost to sickness absence	4.6%	3.6%
Early retirements (excluding ill-health retirements) as a percentage of the total workforce	0.3%	0.2%
Ill-health retirements as a percentage of the total workforce	0.4%	0.3%
The number of staff declaring that they meet the Disability Discrimination Act disability definition as a percentage of the total workforce	2.6%	2.0%
Minority ethnic community staff as a percentage of the total workforce	25%	25%

Budget Effects 2003/04

Resources targeted at developing corporate responses and strategic consultative bodies.

Provision of high quality support and advice to senior officers, senior members, managers and community groups on equality issues including developments in policy and practice.

Dissemination and exchange of good practice in equality issues within the organisation, locally, nationally and at European level.

Delivering the Bridges into the Future action plan.

Improved occupational health services to employees.

Develop and implement performance management for employees.

Support and monitor absence management.

Modernise employment policies and procedures.

Contribute to people aspects of devolution/localisation.

Seek to improve employment relations.

Progress the integration of recruitment and training services.

Develop a reward strategy, initially through job evaluation/Single Status.

Develop a human resources/workforce plan.

Objective Analysis	
Division of Service	2003/04 Budget £'000
Equalities	1,653
Personnel Services	48
Supernumerary Scheme	220
M.P.I. Bursary Scheme	219
Human Resources Integrated System	545
Forward Programme	105
Single Status Project Team	549
Equal Opportunities	123
Management & Support	464
Human Resources	444
Management Development Centre	(33)
Net Expenditure	4,337

Subjective Analysis	
Type of Expenditure/(Income)	2003/04 Budget £'000
Expenditure	
Employees	4,982
Premises	256
Transport	39
Supplies and Services	673
Third Party Payments	811
Support Services	451
Gross Expenditure	7,212
Less: Rechargeable Expenditure	1,801
Total after Recharges	5,411
Income	
Government Grants	(660)
Fees & Charges	(414)
Recharges within & to Other Services	(1,801)
Gross Income	(2,875)
Less: Income from Recharges	(1,801)
Total Income after Recharges	(1,074)
Net Expenditure	4,337



Housing Portfolio

Main Responsibilities

The development of an overall housing strategy to meet the need and demand for public and private sector housing in Birmingham. This includes the maintenance and management of public sector housing and the provision of advice and grants to support private sector owner-occupiers and including clearance of worn out and unfit properties.

Housing works with a range of other organisations including registered social landlords, tenant/residents groups, businesses, health authorities, education, transport and the police to promote the development of neighbourhoods and communities.

Private Sector Housing (Housing General Fund)

Key Performance Indicators

	2002/03	2003/04
% of customers satisfied with the Disabled Facilities Grants Service	92 %	92%
% of customers satisfied with the Individual Renovation Grant Service for unfit housing	85 %	90%
% of customers satisfied with the Enforcement and Private Rented Sector Service	80 %	80%

Private Sector Housing (Housing General Fund) Budget Effects 2003/04

The private sector housing revenue budgets relate to the council strategic and statutory roles, for example, demand for housing, renovation and clearance of unfit private sector housing and adapting properties for the disabled. The budget has been set to achieve savings of £0.8m as part of overall council budget requirements.

The budget also includes the General Fund cost of hostels, previously reported under Social Care and Health.

The private sector capital budget continues to focus on key programmes to adapt properties for the disabled (a 35% increase to £12.1m), completion of renewal areas and continuing the renovation grant programme. A major objective will be to develop alternative funding strategies, including equity release in line with recent government changes. The private sector capital budget increases from £22.9m to £27.6m.

Housing General Fund-Objective Analysis	
Division of Service	2003/04 Budget £'000
Executive Management	24,271
Citywide Business Group	1,240
Regeneration Business Group	1,092
Strategic Development Business Group	1,442
Net Expenditure	28,045

Housing General Fund-Subjective Analysis	
Type of Expenditure/(Income)	2003/04 Budget £'000
Expenditure	
Employees	7,311
Premises	1,682
Transport	777
Supplies and Services	923
Third Party Payments	24,546
Financial Support Payments	49
Support Services	5,302
Capital Charges	137
Gross Expenditure	40,727
Less: Rechargeable Expenditure	6,006
Total after Recharges	34,721
Income	
Government Grants	(3,799)
Other Grants, Reimbursements & Contributions	(103)
Sales	(6)
Fees & Charges	(522)
Rents	(2,246)
Recharges within & to Other Services	(6,006)
Gross Income	(12,682)
Less: Income from Recharges	(6,006)
Total Income after Recharges	(6,676)
Net Expenditure	28,045

Housing Portfolio (continued)

Public Sector Housing - Key Performance Indicators

	2002/03*	2003/04
Repairs		
Percentage of repairs expenditure that is planned repairs	-	62%
Urgent repairs done on time	-	97%
Housing Management		
Rent collection effectiveness	-	94%
Void turnaround time	-	46 days
Other Housing		
Implementation of the Decent Homes Standard	-	35%
Satisfaction with the council as a landlord	-	65%
Tenant satisfaction with opportunities for participation	-	50%

*The key performance indicators for Public Sector Housing have been redefined. As a result, accurate values for 2002/03 are not available.

Public Sector Housing - Budget Effects 2003/04

The budget was prepared in the context of the government's comprehensive spending review, the continued implementation of rent restructuring, and the supporting people regime from April 2003 and implementing the Best Value Service Improvement Plans.

A Shadow Board has been set up including the Chief Executive, the Director of Housing and representatives from a number of key bodies/institutions. The purpose of this board is to provide leadership and monitor progress in the delivery of the Performance Improvement Plan.

The Corporate Plan, the department's Performance Improvement Plan and their related budgets are intrinsically linked to ensure they deliver sustainable service improvements on the current CPA assessment of the City Council. The redirection of additional resources on repairs is a key area and will improve the service by enabling more repairs to be carried out and reduce backlogs. The additional resources will assist in raising our performance in a number of national Best Value indicators.

The budget has been balanced with all expenditure met by income and this is in line with the current legal requirements and the ring-fence of the tenants rent account (Housing Revenue Account).

Resources totalling £12.2m are being redirected to the repairs service over a two-year period from April 2002. This will bring the balance between total revenue expenditure and repairs management costs in line with government subsidy assumptions.

Rents will increase by inflation (2.5%) + 0.5% + £1.13 from October 2003. This is consistent with the rent restructuring policy that was introduced nationally by the government from April 2002.

Public Sector Housing- Housing Revenue Account	
	2003/04 Budget £'000
Expenditure	
Repairs and Maintenance	61,648
Revenue Contributions to Capital Outlay	11,748
Other Premises Costs	1,133
Compensation Claims	2,600
Provision for Bad Debts	3,828
Rent Rebates	123,993
General Management	38,828
Estate Services	15,907
Capital Asset Charge	51,752
Depreciation	40,457
Contingency	1,458
Gross Expenditure	353,352
Income	
Subsidy - Rebates Element	123,993
Major Repairs Allowance	40,457
Subsidy - HRA Element	(16,544)
Other Fees, Charges & Interest	2,283
Dwellings	190,182
Service Charges	6,343
Supporting People (Wardens/Careline)	4,013
Supporting People (Tenancy Support)	2,100
Other Property Income	1,038
Void Loss	(5,463)
Net Rent	198,213
Other Income (shops, leaseholders, land)	5,700
Void Loss	(750)
Gross Income	353,352
Net Expenditure	0

Public Sector Housing- Subjective Analysis	
Type of Expenditure/(Income)	2003/04 Budget £'000
Expenditure	
Employees	37,225
Premises	84,552
Transport	729
Supplies and Services	15,015
Third Party Payments	3,886
Financial Support Payments	125,419
Support Services	(4,621)
Capital Charges	91,147
Gross Expenditure	353,352
Less: Rechargeable Expenditure	0
Total after Recharges	353,352
Income	
Government Grants	(147,906)
Other Grants, Reimbursements & Contributions	(1,528)
Sales	0
Fees & Charges	(755)
Rents	(203,163)
Recharges within & to Other Services	0
Gross Income	(353,352)
Less: Income from Recharges	0
Total Income after Recharges	(353,352)
Net Expenditure	0

N.B. The Housing Revenue Account deals with all the expenditure and income attributable to the provision and maintenance of council housing. The account is required to be kept separate from income and expenditure relating to other housing activities. Under the Local Government & Housing Act 1989, there is a duty on local authorities to ensure that all expenditure is balanced by income received. The Housing Revenue Account therefore has a net expenditure of nil.



Leisure, Sport and Culture Portfolio

Main Responsibilities

Provision of a public library service through the Central Library and local libraries, mobile libraries, Library Services at Home, Prison Library, Schools Library Service and the Childcare Information Bureau.

Provision of Birmingham Museums and Art Gallery and the Waterhall Gallery of Modern Art.

The development and delivery of arts activities and major and community events. Support and grant aid to arts organisations and the operation of the Old Repertory Theatre.

Provision of parks and public open space, play areas, allotments and grounds maintenance.

Promotion of health, fitness and sport through leisure centres, golf courses, swimming pools, sports development coaching courses and sports events.

Support for community services and play centres.

Under the council's plans to restructure services, management of the Youth Service, voluntary organisations and training and staff development have now transferred to the Education and Lifelong Learning Portfolio.

Key Performance Indicators

	2002/03 £	2003/04 £
Achieve electronic government: the number of users of online services in libraries	250,000	300,000
Spend per head of population on cultural and recreational facilities and activities	45.33	45.53

Budget Effects 2003/04

The council continues to support of the major arts organisations, the budget of which represents about 6% of the portfolio's net spend.

Arts, Events, Community and Play continue to support regeneration programmes city wide with a wide range of partner organisations and agencies.

Sport and Leisure continues to support and stage major international, national, regional and local events, including health and disability events such as the Women and Girls Race for Life and the Disability Sport England Athletics Championships.

Healthy lifestyles are promoted through activities and coaching sessions organised at the many leisure sites managed by the division. 2003/04 will see the first full year of operation of the new Birmingham High Performance Centre at Alexander Stadium and the reopening of Northfield Swimming Pool after a £2.5m refurbishment.

The portfolio continues the development and promotion of information and communication technology (particularly internet access) within libraries.

Work will continue on the concept and business case for the Library of Birmingham to replace the present Central Library. Refurbishment and improvements will continue at Harborne, Glebe Farm and Walmley Libraries; consultation and preparatory work will continue with a view to beginning capital works at Handsworth, Sparkhill and Ward End libraries in 2004.

The Parks and Nature Conservation division is engaged in an unprecedented number of mainly externally funded park refurbishment and regeneration initiatives right across the city and is developing a park strategy to gain supplementary planning guidance status that will provide a vision for the parks in every ward in the city.

There is a move to seasonal opening at all community museums, allowing for free admission, following a review of visitor numbers.

Objective Analysis	
Division of Service	2003/04 Budget £'000
Support to the Arts	4,803
Museum Curatorial Services	1,642
Museum Exhibitions/Visitors' Services	3,069
Community Museums	1,080
Discovery Centre at Millennium Point	2,154
Central Museum General	1,077
Other Museum Services	142
Arts and Events	2,167
Venue Management	997
Central Library	6,722
Community Libraries	8,226
Other Library Services	3,939
Parks and Nature Conservation	19,706
Children's Play Services	1,366
Community Development	4,546
Community Leisure Services	2,967
Sport	2,060
Divisional Training and Management	677
Management and Support Services	498
DSO Leisurepoint	11,985
Net Expenditure	79,823

Subjective Analysis	
Type of Expenditure/(Income)	2003/04 Budget £'000
Expenditure	
Employees	50,458
Premises	25,897
Transport	1,674
Supplies and Services	11,871
Third Party Payments	7,650
Support Services	10,718
Capital Charges	9,675
Gross Expenditure	117,943
Less: Rechargeable Expenditure	15,578
Total after Recharges	102,365
Income	
Government Grants	(531)
Other Grants, Reimbursements & Contributions	(923)
Sales	(2,180)
Fees & Charges	(17,858)
Rents	(1,050)
Recharges within & to Other Services	(15,578)
Gross Income	(38,120)
Less: Income from Recharges	(15,578)
Total Income after Recharges	(22,542)
Net Expenditure	79,823



Local Services & Community Safety Portfolio

Main Responsibilities

The devolution and localisation of services – Flourishing Neighbourhoods Programme.

Neighbourhood Advice and Information Service (including benefit take-up).

Funding of voluntary organisations relating to the provision of an advisory service.

Neighbourhood Renewal Strategy.

Neighbourhood Forums.

Responsible for the council's general duties under the Crime & Disorder Act 1998 including its statutory role in the city's crime and disorder partnership:

to initiate and co-ordinate the council's activities regarding Community Safety such as: tackling anti-social behaviour; drugs and associated crime; street prostitution; street robberies and gun related crime; domestic burglary and to reduce the number of household fires.

Responding to petitions for the establishment of Parishes and Parish Councils.

Key Performance Indicators

	2002/03	2003/04
Additional benefit raised - Neighbourhood Advice	£16 million	£18 million
Number of Service Requests responded to by NOs	1.30 million	1.35 million
Customer Satisfaction targets for Neighbourhood Offices	87%	87%
Incidents of domestic burglary (PSA Target)	13,334	12,372
Accidental fires in dwellings (PSA Target)	1,270	1,207
Injuries from accidental fires (PSA Target)	125	114
Deaths from accidental fires (PSA Target)	10	10

Budget Effects 2003/04

The Neighbourhood Advice and Information Service will seek to maintain and improve service levels through some re-alignment of neighbourhood office services and in the context of the implementation of localisation.

The service will revise its Key Performance Indicators to concentrate more on outcomes and value for money for the people receiving the services.

Improved and additional services to Social Care users and to council tenants will be provided through the taking up of contract work. Efforts will continue to seek alternative sources of funding.

The service will undertake new initiatives to increase the take up of welfare benefits for citizens and will be looking for additional ways to address under-claiming. Through this work, we will continue to maximise the contribution to the income of the city that derives from additional take up of benefit.

The Neighbourhood Renewal Strategy is operated in consultation with local communities, and is intended to make measurable improvements in public services in the areas of greatest deprivation.

Objective Analysis	
Division of Service	2003/04 Budget £'000
Neighbourhood Forums	102
Neighbourhood Advice & Benefits	10,999
Grants - Information and Advice (i)	1,454
Grants - Information and Advice (ii)	206
Community Safety & Anti Poverty	425
Neighbourhood Renewals Fund Ward Based	706
Net Expenditure	13,892

Subjective Analysis	
Type of Expenditure/(Income)	2003/04 Budget £'000
Expenditure	
Employees	9,334
Premises	1,005
Transport	33
Supplies and Services	6,589
Third Party Payments	18,385
Support Services	2,264
Capital Charges	363
Gross Expenditure	37,973
Less: Rechargeable Expenditure	1,617
Total after Recharges	36,356
Income	
Government Grants	(22,050)
Other Grants, Reimbursements & Contributions	(539)
Sales	(17)
Fees & Charges	144
Rents	(2)
Recharges within & to Other Services	(1,617)
Gross Income	(24,081)
Less: Income from Recharges	(1,617)
Total Income after Recharges	(22,464)
Net Expenditure	13,892



Regeneration Portfolio

Main Responsibilities

Drive forward a city in renaissance, as a City of Culture and a city for investment and jobs. Accountable for co-ordinating and supporting major regeneration programmes in the city. Target reductions in unemployment in city communities.

Provide a citywide strategic and forward planning framework including the Unitary Development Plan.

Provide a fully integrated construction, design and maintenance service.

Maintain and develop the council's commercial property portfolio.

Key Performance Indicators

	2002/03	2003/04
Rental income generated by Council property portfolio	£18.5m	£18.6m
Capital receipts generated by land/property disposals	£2.4m	£8.1m
The number of people helped into employment	1,000	1,400
Reduce unemployment in:		
- Aston	21.0%	20.0%
- North West Birmingham	12.3%	11.3%
- Kings Norton	7.5%	7.0%

Budget Effects 2003/04

Continue the regeneration of local communities through programmes for Aston Pride (NDC2), North West Birmingham (SRB6) and Kings Norton (NDC1) and improve co-ordination of regeneration activity.

Develop major proposals for: A38 Technology Corridor; Arc of Opportunity in North West Birmingham; Enterprising Communities in South East Birmingham; and Regeneration Zones. Continue the transformation of the city centre and the development of Eastside.

Focus on helping people into employment in areas of the city with the highest unemployment rates e.g. through the European Co-Financing Programme and other interventions.

A new role to support people with disabilities into employment is being established.

Secure growth, new investment and jobs from particular sectors, e.g. tourism, creative, financial, professional and transport industries.

Birmingham Property Services will continue to provide a property consultancy service across the city council and generate capital receipts and rental income.

Adopt alterations to the Birmingham (Unitary Development) Plan and move towards changes in the development plan process as proposed in the Planning and Compensation Bill.

Continue to develop and implement the council's Local Centres Strategy.

Urban Design works with all client departments to obtain better value from construction contracts through partnering and alternative procurement routes; it is seeking to bring together much of the council's capital construction spend and value. Urban Design works with preferred partners to find solutions which allow projects to be achieved with increased time and cost predictability. As a trading organisation Urban Design is seeking to reduce fee levels through increased productivity and new ways of working, whilst also achieving a target surplus for the council.

Objective Analysis	
Division of Service	2003/04 Budget £'000
Economic Strategy and Information	958
Employment, Regeneration & Accountability	8,311
Property Management Consultancy	3,002
City Marketing and Investment	3,688
Eastside	669
Development Planning	2,887
Urban Design Trading Account	(657)
Chief Architect	68
Net Expenditure	18,926

Subjective Analysis	
Type of Expenditure/(Income)	2003/04 Budget £'000
Expenditure	
Employees	27,298
Premises	8,801
Transport	407
Supplies and Services	42,351
Third Party Payments	11,513
Support Services	13,487
Capital Charges	2,628
Gross Expenditure	106,485
Less: Rechargeable Expenditure	38,798
Total after Recharges	67,687
Income	
Government Grants	(10,451)
Sales	(3,251)
Fees & Charges	(15,033)
Rents	(20,026)
Recharges within & to Other Services	(38,798)
Gross Income	(87,559)
Less: Income from Recharges	(38,798)
Total Income after Recharges	(48,761)
Net Expenditure	18,926

Social Care & Health Portfolio

Main Responsibilities

Providing residential care, fostering and adoption and support services for children.

Providing residential, day care, home/night care, direct meals and support services to the elderly.

Supporting people with physical, learning and mental health disabilities through residential and day care services.

Working to make life easier for people who need help.

Key Performance Indicators

	2002/03	2003/04
The percentage of children on the register whose cases should have been reviewed that were reviewed	85%	100%
Households receiving intensive home care per 1,000 population aged 65 and over	14	15
Elderly people helped to live at home per 1,000 population aged 65 and over	92	97
Percentage of items of equipment costing less than £1,000 delivered within 3 weeks	93%	93%
Percentage of children looked after with 3 or more placements	13%	15%
Percentage of children looked after in foster placements or placed for adoption	-	82%

Budget Effects 2003/04

The corporate plan comprises two main themes;

To develop flourishing neighbourhoods

To deliver improvements across key services.

Social care is featured in both themes, the reorganisation of the Social Services Department into four area based Directorates is all about improved service outcomes.

In keeping with the corporate plan, there is an expectation that increases in resources need to deliver increases in performance.

Key elements of increased resources are;

£1.6m to fund additional staff to improve the assessment of elderly people needing care and to enable a one-off boost to placements to ensure hospital discharges to meet the targets set next year.

£1m to invest in family support and crisis intervention as part of a strategy to support children and thus reduce numbers going in to the looked after system, resulting in an estimated 100 fewer placements next year based on two teams being in place.

In addition to the above, extra money has been found either from the overall budget process or by redirecting money within the existing Social Care and Health budget to provide:

£3.5m cash injection for older adult fees

£7.1m more for children's placements.

Savings and efficiencies of £1.6m were found from within existing budgets.

£1.5m has been identified as alternative funding under the new Supporting People programme commencing from 1st April 2003.

Residential Allowances were abolished from April 2002 for new entrants to residential care. The loss of income was covered by a specific grant in 2002/03 but is contained in the Formula Spending Share in 2003/04. The allowance is due to be completely abolished in October 2003 when a further transfer of resources will be made.

Promoting Independence Grant and Building Care Capacity Grant, worth £3.6m and £6.7m respectively in 2002/03 are also no longer grant specific and equivalent resources have been included within the Formula Spending Share.

Preserved Rights grant will be paid as a specific formula grant in 2003/04 to fund the care costs of residents placed before 1993.

A new grant of £4.1m has been announced for 'Access and Systems Capacity' designed to extend services available to older adults.

Objective Analysis	
Division of Service	2003/04 Budget £'000
Env & Consumer Services - Catering Non-DSO	(95)
Children & Families - Residential	31,588
Children & Families - Day Care	825
Children & Families - Fostering & Adoption	26,069
Children & Families - Other Services	19,994
Elderly - Residential	61,078
Elderly - Day Care	3,977
Elderly - Home Care/Night Care	22,995
Elderly - Direct Meals	1,954
Elderly - Other Services	22,253
Physical Disabilities - Residential	7,419
Physical Disabilities - Day Care	2,479
Physical Disabilities - Other Services	11,679
Learning Difficulties - Residential	25,485
Learning Difficulties - Day Care	9,772
Learning Difficulties - Other Services	4,480
Mental Health - Residential	8,098
Mental Health - Day Care	1,604
Mental Health - Other Services	7,496
Support Services - Service Strategy & Registration	196
Support Services - Management Services	250
Net Expenditure	269,596

Subjective Analysis	
Type of Expenditure/(Income)	2003/04 Budget £'000
Expenditure	
Employees	146,273
Premises	8,249
Transport	6,640
Supplies and Services	31,796
Third Party Payments	182,551
Financial Support Payments	5,856
Support Services	37,453
Capital Charges	2,906
Gross Expenditure	421,724
Less: Rechargeable Expenditure	45,689
Total after Recharges	376,035
Income	
Government Grants	(57,400)
Sales	(764)
Fees & Charges	(48,027)
Rents	(248)
Recharges within & to Other Services	(45,689)
Gross Income	(152,128)
Less: Income from Recharges	(45,689)
Total Income after Recharges	(106,439)
Net Expenditure	269,596

Transportation, Street Services & Sustainability Portfolio

Main Responsibilities

Management/maintenance of the highway, including lighting, structures, footpaths, verges and trees and winter maintenance.

Management/co-ordination of refuse collection, street cleansing and associated vehicles.

Prevention, mitigation and remedying of flood damage by regulation and undertaking improvement schemes.

Provision of burial and cremation services.

Management/co-ordination of waste disposal function, including removal/disposal of abandoned vehicles.

Traffic management, including traffic regulation orders, traffic signals and associated systems.

Parking, including the management of the council's car parks and on street parking orders and decriminalised parking enforcement.

Road safety education and training, and the provision of the School Crossing Patrol Service.

Build the city's integrated transport system.

Oversee major transportation changes and link these into land use, economic and environmental strategies.

Implementation of the city's transportation strategy and Local Transport Plan programme of schemes.

Eradication of rats and other pests from domestic premises and the management of a commercial pest control service.

Provision of public waste disposal sites for recycling and residents' waste.

Provision of recycling banks for various materials and a kerbside collection service for paper.

Management and provision of public conveniences.

Key Performance Indicators

	2002/03	2003/04
Cost of waste collection per household	£35	£35
Percentage of principal roads with negative residual life	17%	14%
Percentage of non-principal roads in need of repair	3.2%	6.0%
Percentage of controlled pedestrian crossings with facilities for disabled people	81%	85%
Percentage of road defects, potholes and footway trips repaired within 28 days	90%	90%
No. of collections missed per 100,000 collections of household waste	105	105
Total tonnage of household waste arising:		
a) Recycled and composted	13%	17%
b) Used to recover heat, power and other energy sources	46%	56%
c) Landfilled	35%	27%
Cost of waste disposal per tonne for municipal waste	£46	£48
Percentage of population served by a kerbside collection of recyclables or within 1 kilometre of a recycling centre	100%	100%
Average cost of a working streetlight	£64	£63

Budget Effects 2003/04

Continuation of a Ward based street lighting improvement programme.

Additional investment to improve cemeteries and crematoria.

Continued works on the River Rea to alleviate flooding to homes and roads.

Continued allocation to improve recycling sites and provide home composters.

Further replacement suburban public conveniences will open.

Extra resources to repair safety barriers, street nameplates, traffic signs and highway drainage.

Additional staffing resources for Countryside Rights of Way legislation and bus usage support.

Preliminary design works and land acquisition to start on the Northfield Relief Road phase 2 and Selly Oak Access Road. Masshouse Redevelopment and the Bus Showcase schemes will continue.

Local Transport Plan capital resources for structural maintenance, on principal and local roads and additional allocation for bridge strengthening to meet the EU Directive for 40-tonne lorries on the primary route network.

Increased Integrated Block allocations for the minor improvements and local safety programmes.

Continuation of the street cleansing ward based plan.

Continue implementation of the five-year 2000 West Midlands Local Transport Plan to develop a quality transport network and prepare and submit a revised Local Transport Plan.

Red Route traffic control trial will commence on the Stratford Road and further funding identified for Bus Demonstration projects and other proposed Red Routes projects.

Responding to increases in requests to treat rat infestations.

Objective Analysis	
Division of Service	2003/04 Budget £'000
Cemeteries	516
Crematoria	(965)
Pest Control	556
Sustainability	87
Travellers	26
Waste Disposal inc. Queslett & Landfill	26,265
Recycling	1,754
Refuse Collection	14,823
Street Cleansing	11,185
Public Conveniences	613
Driver Training - ECS	(7)
Highways and Sewers Information	63
Rivers and Brooks	762
City Centre Management	806
Roads and Paths Maintenance	17,247
Highways - Other Maintenance	5,970
Traffic Management Maintenance	6,544
Street Lighting Maintenance	6,375
Winter Maintenance	1,787
Highways Other Services	64
Highways Capital Financing	42,182
Car Parking	(5,941)
Road Safety	348
School Crossing Patrols	1,614
Highways and Transportation Strategy Support Services	(217)
Professional Engineering Services	(450)
Storage and Fuel Handling	(19)
Transportation Strategy	724
DSO Transp - Consultancy Services	58
DSO Transp - Vehicle Maintenance	(117)
Net Expenditure	132,653

Subjective Analysis	
Type of Expenditure/(Income)	2003/04 Budget £'000
Expenditure	
Employees	54,430
Premises	13,302
Transport	13,389
Supplies and Services	50,858
Third Party Payments	36,477
Support Services	14,118
Capital Charges	44,836
Gross Expenditure	227,410
Less: Rechargeable Expenditure	60,782
Total after Recharges	166,628
Income	
Government Grants	(51)
Sales	(1,219)
Fees & Charges	(31,858)
Rents	(847)
Recharges within & to Other Services	(60,782)
Gross Income	(94,757)
Less: Income from Recharges	(60,782)
Total Income after Recharges	(33,975)
Net Expenditure	132,653



Council Business Management Committee

Main Responsibilities

Resources the secretarial/administrative support for the leadership of opposition groups and the management and operation of the four political group offices.

Covers the dedicated support arrangements of the council's scrutiny function.

Responsible for elections and electoral registration.

To oversee the arrangements for authorising foreign travel by members and officers of the council.

Key Performance Indicators

	2002/03	2003/04
Members' Support - cost per elector per year	£ 3.71	£ 3.44
Members' Allowances - cost per elector per year	2.11	3.51

Budget Effects 2003/04

Members are entitled to a range of general services the cost of which is met from this budget. Final costs partly depend on the take-up of these entitlements by individual councillors.

The Independent Remuneration Panel reports entitled "Valuing Public Service" and "Re: Valuing Public Service" recommended that support to members needed strengthening to meet the demands and expectations arising out of political modernisation. These reports also recommended the introduction of transparent and audited performance measures open to public scrutiny, that would demonstrate better performance and value for money. These are currently under review.

Council elections took place in May 2003.

Objective Analysis	
Division of Service	2003/04 Budget £'000
Members' Support	4,301
Electoral Registration	859
Local Government Elections	393
Scrutiny Management Board	162
Scrutiny Office	705
Net Expenditure	6,420

Subjective Analysis	
Type of Expenditure/(Income)	2003/04 Budget £'000
Expenditure	
Employees	1,573
Premises	435
Transport	116
Supplies and Services	3,485
Support Services	852
Gross Expenditure	6,461
Less: Rechargeable Expenditure	0
Total after Recharges	6,461
Income	
Fees & Charges	(16)
Rents	(25)
Gross Income	(41)
Less: Income from Recharges	0
Total Income after Recharges	(41)
Net Expenditure	6,420



Development Control & Licensing Committees

Main Responsibilities

Acting as local planning authority in the determination of planning applications.

Enforcement of the Planning Control Regulations.

Enforcement of the Building Regulations.

Responsible for maintaining the Local Land Charges Registry and the processing of search enquiries.

Provision of Hackney Carriage, Private Hire Vehicle and Entertainments Licences and associated enforcement activity.

Key Performance Indicators

	2002/03	2003/04
Percentage of all Planning Applications determined in 8 weeks (statutory period)	65% [†]	65% [†]
Percentage of applicants satisfied with the service	71% [*]	78% [†]
Percentage of householder Planning Applications determined in 8 weeks (statutory period)	85% [†]	83% [†]
Percentage of Building Regulation Applications decided within 5 weeks (statutory period)	100% [†]	100% [†]
Percentage of standard search enquiries dealt with in 10 working days	100% [†]	100% [†]
Percentage of all new licence applications determined within 60 days	NA	90% [†]

[†]Target ^{*}Actual

Budget Effects 2003/04

Introduction of centralised handling of enquiries.

Organisational and procedural changes to speed up the decision making process for planning applications.

Development Control Committee

Objective Analysis	
Division of Service	2003/04 Budget £'000
Planning Control	2,425
Building Regulations	426
Net Expenditure	2,851

Subjective Analysis	
Type of Expenditure/(Income)	2003/04 Budget £'000
Expenditure	
Employees	5,650
Premises	106
Transport	157
Supplies and Services	1,545
Third Party Payments	440
Financial Support Payments	2,665
Support Services	1,780
Gross Expenditure	12,343
Less: Rechargeable Expenditure	1,138
Total after Recharges	11,205
Income	
Government Grants	(190)
Sales	(82)
Fees & Charges	(7,842)
Rents	(240)
Recharges within & to Other Services	(1,138)
Gross Income	(9,492)
Less: Income from Recharges	(1,138)
Total Income after Recharges	(8,354)
Net Expenditure	2,851

Licensing Committee

Objective Analysis	
Division of Service	2003/04 Budget £'000
Licensing	0
Net Expenditure	0

Subjective Analysis	
Type of Expenditure/ (income)	2003/04 Budget £'000
Expenditure	
Employees	803
Premises	136
Transport	15
Supplies and Services	324
Support Services	616
Gross Expenditure	1,894
Less: Rechargeable Expenditure	433
Total after Recharges	1,461
Income	
Fees & Charges	(1,461)
Recharges within & to Other Services	(433)
Gross Income	(1,894)
Less: Income from Recharges	(433)
Total Income after Recharges	(1,461)
Net Expenditure	0

Main Responsibilities

Enforcement of a wide range of environmental and public health law such as:

- Food safety and infectious disease control
- Public health nuisances and drainage
- Noise and air pollution control
- Contaminated land
- Animal welfare

Exercise the functions of the council as a weights and measures authority.

Exercise the powers and duties of the Council with respect to all trading standards work.

Enforce the provisions of the Shops Act as to hours of trading and employment.

Support the coroner in discharging the duties of the coroner and mortuary service.

Enforcement of building safety legislation.

A statutory service under the direction of the Registrar General ensuring the registration of births, deaths, still births and marriages and the issue of certificates for these and historic events; also dealing with the preliminaries to and solemnisation of civil marriages within the Birmingham Metropolitan District.

Key Performance Indicators

	2002/03	2003/04
% Planned Food Inspections carried out	100%	100%
% Planned Authorised air pollution premises inspected	100%	100%
% Planned Health and Safety premises inspected	100%	100%
% Requests for assistance responded to in 5 days	95%	100%
Average response time for a request for assistance	1.8 days	2.0 days

Budget Effects 2003/04

Enforcement activity will be targeted on crime and grime, particularly flytipping and littering.

An air quality action plan will be produced.

Rogue traders in all trade sectors will be targeted, especially builders, plumbers and car traders.

Public Protection Committee

Objective Analysis	
Division of Service	2003/04 Budget £'000
Registration - Births, Deaths & Marriages	912
Mortuary/Coroners	1,065
Trading Standards	3,301
Public Health	5,656
Support Services ECS	576
Surveying Services	405
Highways Regulation	(46)
Public Rights of Way	33
Net Expenditure	11,902

Subjective Analysis	
Type of Expenditure/ (Income)	2003/04 Budget £'000
Expenditure	
Employees	11,882
Premises	1,415
Transport	309
Supplies and Services	2,456
Third Party Payments	53
Support Services	3,940
Capital Charges	186
Gross Expenditure	20,241
Less: Rechargeable Expenditure	6,589
Total after Recharges	13,652
Income	
Government Grants	(28)
Other Grants, Reimbursements & Contributions	(236)
Fees & Charges	(1,482)
Rents	(4)
Recharges within & to Other Services	(6,589)
Gross Income	(8,339)
Less: Income from Recharges	(6,589)
Total Income after Recharges	(1,750)
Net Expenditure	11,902

Aggregate External Finance (AEF). The total amount of financial support the government makes available to local authorities, including National Non-Domestic Rates, Revenue Support Grant and specific grants.

Annual Capital Guidelines (ACG). The level of expenditure government is prepared to support through the issue of borrowing approvals for local authorities' capital spending.

Area Cost Adjustment (ACA). An additional amount provided through the Formula Spending Share to account for regional wage variations.

Asset Management Plan (AMP). The corporate plan detailing the overall proposals for the use of the authority's assets.

Assumed National Council Tax (ANCT). The level of council tax that authorities would need to set if they spent at their Formula Spending Share.

Balances. The total level of funds an authority has accumulated over the years, available to support revenue expenditure within the year (also known as reserves).

Base Budget. The amount required for services to continue at their current level, only adjusted from the previous year's budget for inflationary pressures, not service level changes.

Basic Credit Approval (BCA). Permission to borrow from government to spend on any type of capital expenditure.

Billing Authority. An authority, such as the Council, responsible for the collection of Council Tax.

Budget Forecast. An estimate of the likely level of budget in future years.

Capital Charges. See Capital Financing

Capital Expenditure. Expenditure on major items e.g. land and buildings, paid for over more than one year.

Capital Financing. The revenue cost of paying for capital expenditure. Portfolios are charged a notional amount in their revenue account to reflect their use of capital assets.

Capital Strategy. An authority's high level approach to prioritising capital investment.

Cash Limited Budgets. Budgets ceiling which should not be exceeded except in accordance with agreed carry forward procedures. The City Council has developed indicative cash limits for the following three years based on medium term projections.



Glossary Of Terms

Collection Fund. A separate account held by billing authorities into which council tax and NNDR is paid.

Comprehensive Spending Review (CSR). The Government's three year forecast of planned expenditure, including overall provision for local authorities.

Council Tax. The tax levied on domestic properties.

Council Tax Bands. These range from A-H and are based upon the April 1991 valuation of the property.

Council Taxbase. The total number of Band D equivalent properties upon which the council tax can be levied.

Devolution. The process of localising the council's services.

Direct Revenue Financing. The contribution from the revenue budget to support capital expenditure.

Finance Settlement. The annual announcement of the level of resources for local authorities. The provisional settlement is usually announced in November/December and is followed by the final settlement in January/February.

Financial Support Payments. Also known as transfer payments. Includes the cost of payments to individuals for which no goods or services are received in return by the local authority e.g. mandatory student awards and rent allowances.

Formula Grant Distribution System (FGDS). A mechanism of dividing up resources allocated in the Spending Review. It is not a measure of how much a council should spend but a way of allocating grant according to authorities' relative circumstances.

Formula Spending Share. An individual authority's allocation from the FGDS.

General Fund. The council's overall revenue account which covers all services except council housing.

General Ledger and Management Information System (GLAMIS). The council's computerised financial information system.

Gross Budget Requirement. The total amount of council expenditure that needs to be financed.

Growth. Expenditure on new initiatives and service developments.

Housing General Fund (HGF). Revenue expenditure on all housing items other than Council housing.

Housing Revenue Account (HRA). Revenue expenditure on council housing. This account must be 'ring-fenced' and kept separate from the General Fund.

Housing Subsidy. Government support towards the costs of the Housing Revenue Account.

Leasing. A method of obtaining the use of assets without their ownership in order that they do not count against capital resources.

National Non-Domestic rates (NNDR). Rates levied on business properties. These are collected by the council and paid into a national pool, which is then re-distributed on the basis of population.

Neighbourhood Renewal Fund. Government initiative introduced from 2001/02 to assist local authorities in deprived areas to deliver better outcomes for their most deprived communities.

Net Budget Requirement. The amount of council spending needed to be financed, following the receipt of specific grants and use of balances/reserves, to be met from Revenue Support Grant, National Non-Domestic Rates and council tax.

New Frankley in Birmingham Parish Council. An additional precept is set by the New Frankley in Birmingham Parish Council on properties within its area to fund additional spending specific to the area.

Objective Analysis. An analysis of expenditure by division of service e.g. schools, special education, for the Education and Lifelong Learning Portfolio.

Precepting Authority. An authority e.g. police, fire and civil defence which sets a levy on billing authorities such as the council which is collected on their behalf.

Private Finance Initiative (PFI). A government initiative which enables authorities to carry out capital projects through partnership with the private sector which does not count against their capital resources.

Public Service Agreements (PSAs). An agreement between the government and authorities to deliver improved outcomes in key areas in return for greater flexibilities and rewards for success.

Recharges. A charge made between services within the council.



Glossary Of Terms

Rent Allowances/Rebates. Benefit paid to private/local authority tenants on low incomes to help them meet their rent commitments.

Reserves. See balances.

Revenue Expenditure. Expenditure on the day-to-day running costs of services e.g. employees, premises, supplies and services.

Revenue Plan. The authority's three year medium term strategy for revenue expenditure.

Revenue Support Grant (RSG). The main general government grant provided to authorities. This is determined by an authority's Formula Spending Share (FSS).

Single Capital Pot. The Single Capital Pot was introduced in 2002/03 and is the means by which general capital resources in the form of Basic Credit Approval (BCA) are allocated.

Specific Formula and Ring Fenced Grants. Grants received directly into service budgets from Government for specific areas.

Standards Fund. A collection of specific formula grants for schools and local education authorities to achieve improvements in education standards set out in agreed targets.

Subjective Analysis. An analysis of expenditure by type of expenditure item e.g. employees, premises, supplies and services.

Supplementary Credit Approval (SCA). Permission from government to borrow for capital expenditure, but only for specified purposes.

Third Party Payments. Payments made to external providers or an internal service unit for a service, e.g. care of the elderly.

Total Assumed Spending (TAS). The total amount of spending by local government as a whole which the government will support through grants.

Transfer Payments. See Financial Support Payments.

