**THE COUNCIL TAX INCREASE?**
For the third year running, our own increase in the council tax is 5.2 per cent. This year will see the rent/service charge policy continue in line with the increase in the council tax.

**GOVERNMENT GRANTS?**
Following a major government review of its spending, and in the way it distributes grants to local councils, we will receive £75 million extra in government funding to help pay for improvements in key service areas.

**SERVICE IMPROVEMENTS AND PRESSURES?**
We are planning improvements to meet the priorities highlighted by the MORI survey, to help to achieve agreed targets to earn extra grants and to improve the poor score given to Social Services by the Office for Standards in Education, Children's Services and Skills (Ofsted).

**BUDGET STRATEGY**
In setting the council’s budget we decided to:
- Increase the focus on council priorities
- Improve performance in key service areas
- Hold the council tax increase to a similar level to recent years
- Allow for general pay inflation of 3.5 per cent and price increases of 2.5 per cent
- Recognise that we need to meet the particular pressures that some services face
- Give schools all of the government’s recommended spending increase
- Rebuild council balances

**REVENUE SPENDING 2003-04 (FIGURES FOR 2002-2003 ARE IN BRACKETS)**

<table>
<thead>
<tr>
<th>Service Area</th>
<th>2003-04 Spending (£)</th>
<th>2002-2003 Spending (£)</th>
</tr>
</thead>
<tbody>
<tr>
<td>ECONOMIC DEVELOPMENT AND PLANNING</td>
<td>£114 million (£69 million)</td>
<td></td>
</tr>
<tr>
<td>ENVIRONMENTAL HEALTH</td>
<td>£97 million (£29 million)</td>
<td></td>
</tr>
<tr>
<td>HOUSING (non-council)</td>
<td>£182 million (£174 million)</td>
<td></td>
</tr>
<tr>
<td>HOUSING (council)</td>
<td>£353 million (£263 million)</td>
<td></td>
</tr>
<tr>
<td>SOCIAL SERVICES</td>
<td>£89 million (£87 million)</td>
<td></td>
</tr>
<tr>
<td>TRANSPORTATION</td>
<td>£82 million (£78 million)</td>
<td></td>
</tr>
<tr>
<td>LEISURE</td>
<td>£97 million (£97 million)</td>
<td></td>
</tr>
</tbody>
</table>

**TOTAL COUNCIL SPENDING**
£2,413 MILLION (£2,280 MILLION)

This will be spent to provide a programme of events throughout the year and to support community and play provision for children and major arts organisations.

**BUDGET PRIORITIES**
- Over £70 million more for education and social services
- Council tax rise kept to 4.4% for third year for city council services
- £20 million savings to fund service improvements and relieve pressures on services

**BUDGET STRATEGY**
- Increase the focus on council priorities
- Improve performance in key service areas
- Hold the council tax increase to a similar level to recent years
- Allow for general pay inflation of 3.5 per cent and price increases of 2.5 per cent
- Recognise that we need to meet the particular pressures that some services face
- Give schools all of the government’s recommended spending increase
- Rebuild council balances

**SERVICE IMPROVEMENTS AND PRESSURES?**
We are planning improvements to meet the priorities highlighted by the MORI survey, to help to achieve agreed targets to earn extra grants and to improve the poor score given to Social Services by the Office for Standards in Education, Children’s Services and Skills (Ofsted).

**FINANCIAL PLANNING**
- £75 million extra in government funding to help pay for improvements in key service areas
- £20 million savings to fund service improvements and relieve pressures on services
- £2,413 million budget for 2003-04

**KEY BUDGET QUESTIONS ANSWERED**
- **What’s the position on…?**
  - **Community**
  - **Environment**
  - **Housing**
  - **Social Services**
  - **Transport**

**WHAT’S THE POSITION ON…?**
- **Community**
  - **Economic Development and Planning**
  - **Environmental Health**
  - **Housing (non-council)**
  - **Housing (council)**
  - **Social Services**
  - **Transportation**

**ECONOMIC DEVELOPMENT AND PLANNING**
This will be spent to provide a programme of events throughout the year and to support community and play provision for children and major arts organisations.

**ENVIRONMENTAL HEALTH**
This will be spent to provide a programme of events throughout the year and to support community and play provision for children and major arts organisations.

**HOUSING (NON-COUNCIL)**
We will receive £75 million extra in government funding to help paying for improvements in key service areas.

**HOUSING (COUNCIL)**
We will receive £75 million extra in government funding to help paying for improvements in key service areas.

**SOCIAL SERVICES**
We will receive £75 million extra in government funding to help paying for improvements in key service areas.

**TRANSPORTATION**
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**REVENUE SPENDING 2003-04 (FIGURES FOR 2002-2003 ARE IN BRACKETS)**

**TOTAL COUNCIL SPENDING**
£2,413 MILLION (£2,280 MILLION)

**WHAT'S THE POSITION ON…?**
- **Community**
  - **Economic Development and Planning**
  - **Environmental Health**
  - **Housing (non-council)**
  - **Housing (council)**
  - **Social Services**
  - **Transportation**

**ECONOMIC DEVELOPMENT AND PLANNING**
This will be spent to provide a programme of events throughout the year and to support community and play provision for children and major arts organisations.

**ENVIRONMENTAL HEALTH**
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**SOCIAL SERVICES**
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**TRANSPORTATION**
We will receive £75 million extra in government funding to help paying for improvements in key service areas.

**Revenues**
We aim to make savings of almost £20 million in 2003-04 to help fund service improvements. These include efficiency savings of more than £10 million in support services and overheads and in smarter buying.

**Opening hours**
The extended library opening hours introduced in 2003-04 will be spent to provide a programme of events throughout the year and to support community and play provision for children and major arts organisations.
• As of 31 March 2002, the council’s borrowing was £1,152 million. This includes £14 million which is the responsibility of other authorities, but excludes £78 million administered by other authorities but which is our responsibility.
• The 2003-04 budget includes £45.7 million for the West Midlands Passenger Transport Authority levy (£43.8 million in 2002-03) and £3.3 million for the Environment Agency levy (£3.3 million in 2002-03).
• The budget covers 36,172 whole time employees - compared with 36,021 for 2002-03. Reasons for the increase include: new grant funded staff for Social Services, Economic Development, the Benefits Service and Education and the deferral of the transfer of Social Services’ home support staff to the independent sector. These are partly offset by reductions in employees from efficiency savings and schools having outside catering.
• Frankley Parish Council is levying a precept for 2003-04. Its charge will be made only upon council taxpayers in the Frankley Parish and amounts to £52,915, equivalent to £25.15 per property in Band D.

<table>
<thead>
<tr>
<th></th>
<th>2002-03</th>
<th>2003-04</th>
<th>2004-05</th>
<th>£ per head</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross spending</td>
<td>£2,279.3</td>
<td>£2,413.4</td>
<td>£2,471</td>
<td></td>
</tr>
<tr>
<td>Less: gross income</td>
<td>-1,103.8</td>
<td>-1,128.9</td>
<td>-1,156</td>
<td></td>
</tr>
<tr>
<td>Net spending</td>
<td>1,175.5</td>
<td>1,284.5</td>
<td>1,315</td>
<td></td>
</tr>
<tr>
<td>Use of contribution in general balance</td>
<td>-7.6</td>
<td>1.7</td>
<td>2</td>
<td></td>
</tr>
<tr>
<td>One off contribution from specific reserves</td>
<td>-4.1</td>
<td>-4</td>
<td>-4</td>
<td></td>
</tr>
<tr>
<td>City Council budget requirement</td>
<td>£1,162.4</td>
<td>£1,222.1</td>
<td>£1,313</td>
<td></td>
</tr>
<tr>
<td>Less: revenue support grant</td>
<td>-400.0</td>
<td>-732.2</td>
<td>-741</td>
<td></td>
</tr>
<tr>
<td>Less: redistributed non-domestic rates</td>
<td>-300.1</td>
<td>-358.5</td>
<td>-393</td>
<td></td>
</tr>
<tr>
<td>Less: non-domestic rates adjustment for year ending April 2003</td>
<td>-0.1</td>
<td>-0.1</td>
<td>-0.1</td>
<td></td>
</tr>
<tr>
<td>CITY COUNCIL BUDGET REQUIREMENT TO BE FINANCED BY COUNCIL TAX</td>
<td>£293.3</td>
<td>£273.5</td>
<td>£279</td>
<td></td>
</tr>
</tbody>
</table>

If you have any queries about the information in this leaflet please write to: The Strategic Director of Resources, The Council House, Victoria Square, Birmingham, B1 1BB
www.birmingham.gov.uk/budget