

The Herefordshire Plan sets out the Vision for Herefordshire and key priority areas are set out in ten 'ambitions'. Three cross-cutting issues, known as 'Golden Threads', are also identified.

Vision for Herefordshire

- Create fair and thriving communities which will be inclusive for all, allowing equal and full access to opportunities and services
- Properly protect the environment and enhance it for all those who live and work in it and those who visit it
- Build a strong, competitive and innovative economy, with a balanced mix of businesses, jobs and homes through which the local economy can flourish

Herefordshire's Ten Ambitions

- Improve the health and well-being of Herefordshire People;
- Reduce crime and disorder and make Herefordshire safer;
- Tackle poverty and isolation in Herefordshire;
- Encourage communities to shape the future of Herefordshire;
- Develop Herefordshire as an active, vibrant and enjoyable place to be;
- Protect and improve Herefordshire's distinctive environment;
- Develop an integrated transport system for Herefordshire;
- Meet Herefordshire's accommodation needs;
- Support business growth and create more and better paid work in Herefordshire;
- Provide excellent education, training and learning opportunities in Herefordshire for all ages.

Golden Threads

Geographic Communities – e.g. towns, villages, housing estates

Communities of Interest – e.g. young people, families, farming

Tools and Mechanisms – e.g. information and communications technology, funding and other resources

Introduction

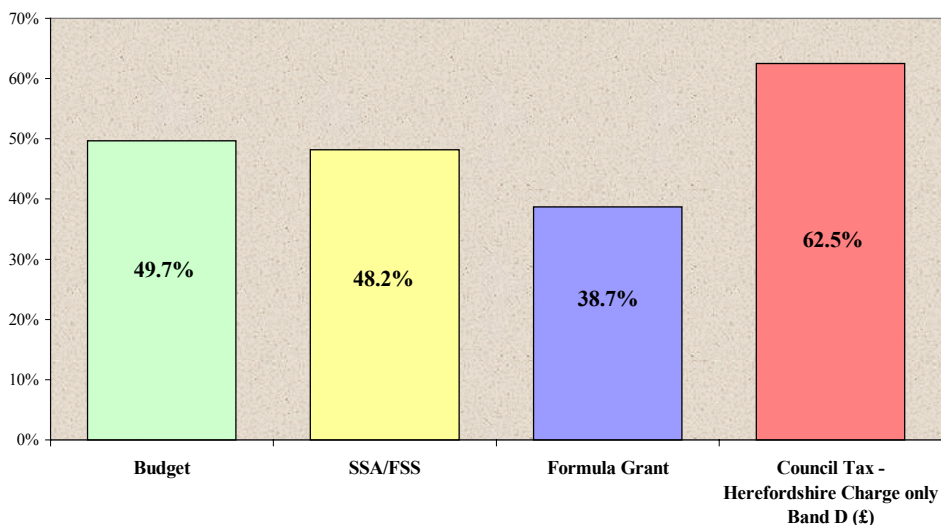
The following pages set out the spending plans of the Council for 2004/2005

The Council Tax charges were revised by Council on 30th July 2004 following designation by the First Secretary of State:

Herefordshire Council's Council Tax Charge:

Property Band	Property Value at 1 st April '91 £	Proportion	Council Tax £
A	Up to 40,000	6/9	637.15
B	40,000 – 52,000	7/9	743.35
C	52,000 – 68,000	8/9	849.54
D	68,000 – 88,000	9/9	955.73
E	88,000 – 120,000	11/9	1,168.11
F	120,000 – 160,000	13/9	1,380.50
G	160,000 – 320,000	15/9	1,592.88
H	Over 320,000	18/9	1,911.46

Herefordshire Council Increases 1998/99 to 2004/05



The graph above shows the increases to date in Budget, FSS, Government Grant and Band D Council Tax since the Council's inception in 1998/99.

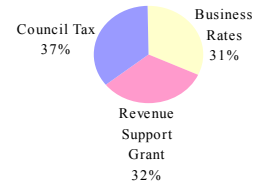
It shows that Herefordshire Council's Budget has increased by 49.7% which is in line with Central Government's assessment of appropriate Budget (SSA/FSS) (48.2%). However Central Government Grant (Revenue Support Grant and Redistributed Business Rate Income) hasn't increased by the same proportion (only 38.7%) and therefore Council Tax must make up the difference (Herefordshire Council's Band D council tax charge has increased by 62.5%).

Total net revenue expenditure of £175.320 million represents an increase of 3.46% or £5.876 million on 2003/2004 net revenue budget. A summary of the variations between 2003/2004 and 2004/2005 are set out below:

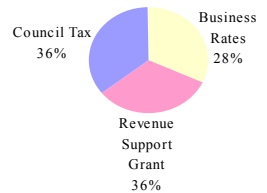
	£'000s	£'000s	£'000s
2003/2004 BASE BUDGET			169,444
Inflation (Pay Awards & Prices)			4,479
SERVICE ADJUSTMENTS			
Education			
▪ Nursery Education Grants	560		
▪ Additional NGFL Standards Fund	244		
▪ Service developments & legislative changes	1,035		
▪ Other pressures (net)	219	2,058	
Social Care			
▪ Transfer of Children's Services Grant	1,131		
▪ LPSA Expenditure (Youth Offending)	30		
▪ One off Use of reserves in 2003/04	(300)	861	
Policy & Finance – General			
▪ Fire Authority Precept	(5,395)		
▪ Council Tax Benefit & Rent Allowances Transfer	(1,000)		
▪ Other Costs	297		
▪ Flood Defence & Land Drainage Levies	80	(6,018)	
Policy & Finance – Property			
▪ Residual Depot Costs			45
Environment – General			
▪ Waste Management	830		
▪ One off Use of reserves in 2003/04	(100)	730	
Social Development			
▪ Miscellaneous			60
Other Items			
▪ Insurance	100		
▪ Increase in Capital Financing Costs	1,954	2,054	(210)
TOTAL ADJUSTED BUDGET			173,713
SERVICE PRESSURES			
▪ Social Care		1,000	
▪ I.T. Infrastructure		450	
Correcting Current Budget Under Provision			
▪ Property Income	197		
▪ Other Pressures	213	410	1,860
Reduction to meet maximum budget permitted by designation of the First Secretary of State			(253)
2004/2005 BASE BUDGET			175,320

The graph below compares the level of funding under the FSS distribution system. It shows proportion funded externally (by way of Revenue Support Grant and Redistributed Business Rates) is 64% in 2004/05, with 36% expected to be funded locally (i.e. through council tax).

FSS 2003/2004



FSS 2004/2005



Fire Authority

NB with effect from 1st April 2004 the Hereford & Worcester Combined Fire Authority will become a precepting authority and therefore their budget (£5.4m in 2003/04) will no longer form part of the Council's total budget.

As the Fire Authority was part of the Council's 2003/04 budget it makes comparisons between the two years difficult.

However it is estimated that the fire element of the Band D Council Tax was £44.05 and therefore by adjusting for this, there is a Council Tax increase of 8.5% for Herefordshire Council in 2004/05.

Following the setting of the Council Tax on 5th March 2004, the First Secretary of State has designated Herefordshire Council as having an excessive budget and has required the increase to be restricted to 8.5% (from 8.9%). This represents budget reductions required of £253,000 to meet the maximum budget of £175,320,000 permitted.

Seeking the views of the community

As part of the 2004/05 budget process, the Council has carried out various council tax consultation exercises with tax payers. This has included:

- Council Tax Roadshows held in each market town and Hereford City
- Countywide Council Tax survey distributed to all households
- Street surveys undertaken in the market towns and Hereford City

The Budget Summary

Whilst a matter of determination locally by elected members; the budget is influenced significantly by Central Government. At a local level the Council undertakes, through Cabinet, Budget Panel & Strategic Monitoring Committee, a rigorous examination of the Council's spending needs prior to the budget setting meeting of full Council in March of each year.

This booklet provides a financial summary of the Budget for 2004/2005. Overall the Council will spend some £175.573 million in 2004/2005.

OVERALL REVENUE BUDGET SUMMARY

	2003/2004	2004/2005	%
	£'000s	£'000s	Increase
EDUCATION	77,667	81,930	5.5
SOCIAL CARE	34,168	37,006	8.3
POLICY AND FINANCE – GENERAL	17,224	12,085	(29.8)
POLICY AND FINANCE – PROPERTY	1,226	1,519	23.9
ENVIRONMENT – GENERAL	17,004	18,216	7.1
ENVIRONMENT – REGULATORY	2,478	2,558	3.2
ENVIRONMENT – PLANNING	2,505	2,595	3.6
SOCIAL DEVELOPMENT	8,040	8,455	5.2
ECONOMIC DEVELOPMENT	2,297	2,372	3.3
STRATEGIC HOUSING	1,278	1,326	3.8
	163,887	168,062	2.5
FINANCING ADJUSTMENTS			
Interest Receivable	(670)	(670)	
Capital Financing Costs	6,227	8,181	
(Use of Reserves)/Replenish Reserves	(1,900)	0	
Reduction to meet maximum budget permitted by designation of the First Secretary of State	0	(253)	
	167,544	175,320	4.6
Redistributed Business Rate Income	(52,969)	(49,297)	
Revenue Support Grant	(53,559)	(62,011)	
Collection Fund Surplus	(400)	(400)	
	(106,928)	(111,708)	4.5
EXPENDITURE TO BE MET FROM COUNCIL TAX PAYERS	60,616	63,612	
Council Tax Base	65,538	66,559	
COUNCIL TAX AT BAND D (excluding Special Items)	924.89	955.73	