

**COUNCIL FINANCE / BUDGET SETTING
ACTION CENTRED PARTICIPATORY
RESEARCH AND CONSULTATION PROCESS**

**FINAL REPORT (1ST DRAFT)
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EXECUTIVE SUMMARY

Thurrock Council commissioned **mruk** research to design and implement an innovative approach to consultation on the Council's budget for 2006 / 07.

In response to this **mruk** developed an 'action centred participatory research and consultation process' conducted with a group of residents recruited from the Council's Citizen's Panel. The process was designed as an intensive method of raising levels of understanding and awareness of the Council's financial system and, to complement the quantitative survey method also being undertaken.

A group of 20 residents were randomly recruited from the Citizen's Panel and representative of different areas across Thurrock. The process took place through 3 separate half day sessions (numbers attending gradually decreased) structured to take participants through learning; involvement; examination; review and consultation on Council finance and budgeting procedure. The sessions were independently facilitated by **mruk** but included contributions and question / answer sub-sessions with Council Officials and an elected member.

The structuring of the session ensured participants were taken through key issues including:

- Awareness of key factors influencing Local Authority spending in Thurrock
- Profile of current spending priorities
- Where Thurrock Council gets its money from
- How spending decisions are made
- What the Council can / cannot consult on
- Key expenditure areas and services
- Political priorities / Community Strategy – links

■ Provision of Financial Information

A detailed account of the research process is presented in the main report. However, the following represents a summary of the key outcomes from the process.

Process:

- Participants were unanimous in their view that the process had helped raise their levels of awareness and understanding of local government finance and budget setting for Thurrock Council.
- Those involved felt they were able to express more considered and informed views in response to the consultative parts of the process.
- It was seen as an effective and meaningful form of consultation.
- Participants were happy to be asked to make further contributions on matters they had learned more about. Irrespective of this they felt the process should be repeated in the future with other residents.

Consultation:

- Participants were in agreement with Thurrock Council's vision, strategy and political priorities. However, they felt strongly it does not go far enough and should include commitments to regeneration and infrastructure development.
- In relation to specific services a broad consensus emerged for increased spending on:
 - Community Safety
 - Youth Services
 - Pre-School Services
 - Road Safety and Traffic Management
- A broad consensus was also reached in the identification of services for (potentially) reduced spending comprising:

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- Arts, Museums and Events
 - Street Cleaning
 - Libraries

Providing Financial Information to the Public:

- Participants consider that financial information to be provided to the public should contain certain 'essential' information but should be designed and produced in a sympathetic format and in clear, concise plain English. It should be available to minority groupings in translated forms and also be accessible to those with visual impairments. After examining a range of examples participants recommended a preferred option with specific views expressed on content and design.

Feedback:

- All participants considered the independent facilitation of the process to be beneficial. However, the group having gone through such an intensive process asked for feedback on how the outcome will be taken into account and, to receive a copy of the final report.

1. INTRODUCTION

Thurrock Council have in recent years utilised either conventional quantitative or qualitative methods to consult residents on budget setting and Council Tax priorities.

Key questions have been asked in large scale surveys and, of members of the Citizens Panel. Focus Groups with Panel members and with Elected Members / Representative bodies have also been used.

In 2005 the Council sought to extend its approach to budget consultation and asked **mruk** research to recommend a method that would facilitate a more in depth response from participants.

The objectives in designing a process that would provide more meaningful consultation were threefold:

- To utilise a method that would provide respondents with a greater level of understanding of the range of issues the Council must address when setting its budget (and thus determine the factors that most influence opinion)
- Provide a learning opportunity for respondents that could feedback into the consultation, equip those respondents for similar types of consultation in the future and allow for a more considered response to (relatively) complex issues.
- Benchmark the response against future consultations to determine the extent to which views are influenced by the greater levels of awareness / understanding gained by respondents.

This report provides the key output to emerge from what was considered to be a relatively innovative process. It presents the content and findings of each of 3 linked consultative events with a randomly recruited 'panel' of residents and attempts to illustrate the developmental process along with options formed by and feedback derived from the participants.

Acknowledgments:

The author would like to express his sincere thanks to the following people without whose help this process could not have been undertaken:

Carol O'Brien, Corporate Development Team, Thurrock Council

Tim Madden, Head of Corporate Finance

Councillor Garry Hague, Acting Leader of the Council

Nicola Spicer, Thurrock Council (trainee)

Thanks also to the administrative support team at Thurrock Council and the catering service who helped make the events run so smoothly at each session.

However, biggest thanks must go to the participants themselves who worked tirelessly at each session to ensure a meaningful contribution. It is hoped they enjoyed it.

2. METHODOLOGY

2.1 Concept

Whilst **mruk** did recommend retaining provision for quantitative consultation it was our view that the Council should consider a more action orientated / participatory research method designed to help people learn about and develop knowledge in the specific subject area whilst at the same time actively participating in the research process itself.

The aim of such an approach is to help people exercise judgement in a more skilful and well informed way by improving their understanding through active involvement.

In agreeing to adopt and try out the concept in Thurrock, the process brought together an independent researcher from **mruk** who facilitated and worked with a group of residents to investigate and interpret the financial planning / budgeting process of the Council. Whilst helping facilitate the research activity there was a collective attempt to interpret requirements, assess key issues, share opinions and agree options.

The key difference to a more conventional focus group type approach is that the process needs to be longer, more intensive and staged to reflect how the Council goes through its budget setting.

2.2 Approach

In undertaking this methodology the following approach was utilised:

- A group of residents were recruited to participate in the research / consultation. Recruitment was from the Citizens Panel. The group recruitment comprised of 20 residents and attempted to be representative (e.g. in terms of age, gender, tenure, ethnicity etc.) However, it was recognised that it was unlikely all those recruited would attend the sessions and, it was expected that actual numbers would gradually fall at each event.

- The first two sessions (of 3) included some input from the Council Officials and an elected member to take respondents through what the Council has to do to set its budget; what the key financial considerations are in Council Tax setting and where principal demands on expenditure occur. In this way respondents started to become familiar with some of the complexities and began to understand the difficulties of making decisions related to setting Council Tax. In particular the first two sessions helped participants understand the Councils statutory obligations, political priorities and the extent to which the Council has genuine flexibility in how it can set its budget.
- Within these sessions the group looked at key priorities whilst simultaneously learning and becoming better informed about the factors influencing those priorities. With the aid of the researcher, the need for further help in understanding specific issues (through key questions) was recorded and relayed to the Council officials (who were 'on call') for immediate input. In addition, issues that needed more time to provide information on were compiled at the end of session 1 and addressed in session 2.
- The process consisted of 3 sessions each lasting approximately 3.5 hours during which the researcher was recording the development of opinion forming and (particularly) whether opinions and attitudes changed as respondents learned more. The process was conducted over 3 sessions to allow development of understanding at a realistic pace. However, in terms of retaining interest / attendance it was anticipated numbers at each session would gradually decline – and so it proved. The first session was attended by 15 participants, the second by 12 and the third by 10. Sessions were conducted on:

Session 1 – 31/08/2005

Session 2 – 21/09/2005

Session 3 – 29/09/2005

- Clearly this level of commitment by respondents needed some financial incentive (especially for those taking time off work, requiring help with childcare, and to cover time and travel costs). An incentive of £45.00 per session was therefore paid to each respondent.

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- The researcher ultimately facilitated the group to come to a final view on priorities for budget and Council Tax setting. Findings based on this process of development learning can be subsequently matched to any 'snapshot' opinions derived from wider quantitative research conducted nearer the end of the financial year. In this way, differences between more informed views and snapshot opinions can be identified and illustrated. In addition, the group also provided views and feedback on how information on budget and Council Tax spending should be provided to the general public.
 - The key benefit for the respondents is that they as a group have become more well informed; learned the complexities of the decision making process and can be retained by the Council as a bridging consultative mechanism between (for example) perception based survey findings and the internal discussions / activities that form the Council's democratic decisions. The Council for its part can assess the effectiveness of this approach and decide upon the merits of repeating the exercise in the future, while retaining the knowledge base already developed on the Citizens Panel.
 - It is important to note that the initial recruitment of participants was drawn from a pool of new Citizens Panel members who joined the panel during a refreshment carried out in early 2005. The participants had therefore no previous history of involvement with the Council in the context of any previous consultation exercises and took part in the process with no detailed knowledge at all of how Council finance works.

2.3 Group Composition

The group initially recruited to what has (by default) subsequently become known as the 'Residents Finance Panel' comprised the following:

Area Representation:

East Tilbury Village x 1

Chadwell St Mary x 3

Chafford Hundred x 2

Corringham x 1

Orsett x 1

Aveley x 2

West Thurrock x 1

Grays x 1

South Ockendon x 4

Tilbury x 2

Stanford le Hope x 2

Ethnicity:

White British x 18

African x 1

Jamaican x 1

Tenure:

Owner Occupier x 16

Council Tenant x 3

Private Tenant x 1

Gender:

Male x 11

Female x 9

Age:

20 – 30 years x 3

31 – 40 years x 3

41 – 50 years x 4

51 – 60 years x 4

61 – 70 years x 3

71 – 80 years x 3

2.4 Preparation

After the initial group recruitment was undertaken an information pack was produced (in collaboration with Thurrock Council) and subsequently sent to all of the participants who had agreed to attend. The pack contained:

- Confirmation of arrangements for each session.
- A welcome letter from the Chief Financial Officer of Thurrock Council, outlining the purpose and structure of the consultation.

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- General information about the population of Thurrock.
 - Key achievements (i.e. what money has been spent on 2004 / 2006).
 - Explanation of where the Council gets its money from.
 - Summary of how spending decisions are made.
 - Overview of key spending issues.
 - What the Council can and cannot consult on in relation to Council Tax / Budget setting.
 - Explanation of difference between Housing Revenue Account and General Fund.
 - 3 different examples of how a 'summary of accounts' could be presented.
 - A glossary of terms.
 - Sets of consultative questions.

Whilst the pack was relatively comprehensive, participants had been advised that it would be sent to them at the time of recruitment. The pack was sent approximately 10 days prior to the first session and was retained for constant use / reference throughout each subsequent session. The documents within the pack were used as 'working documents' throughout the whole process.

The initial pack is reproduced as a series of appendices to this report. The account and findings from each session make reference to the individual documents (as appropriate) as an integral part of taking participants through the learning consultative process.

3. SESSION 1 – 31/08/2005

Of the 20 respondents recruited (and who confirmed they would be attending) 15 turned up on the day to participate. The researcher and event facilitator (Glenn Adcook, Director of **mruk** research) therefore welcomed the group to the session and confirmed the 15 participants present would be those invited back to subsequent sessions.

The facilitator reiterated the purpose of the action learning consultation process and gave a broad overview of how it would develop over the 3 sessions.

3.1 Session 1 – Structure

The key components of session 1 were essentially geared towards developing levels of knowledge and awareness amongst group members with the key financial stepping stones in the budget setting process. The structure for session 1 was:

- Scene setting and objectives / initial priorities.
- Presentation from Tim Madden (Head of Corporate Finance, Thurrock Council).
- Examination of where the Council gets its money from.
- Key expenditure areas.
- Q & A for Tim Madden.
- Testing levels of awareness.
- Issues for session 2

The first session was therefore relatively technical in its nature and designed to help participants begin to understand how local government finance works. The researcher posed a series of basic initial questions and Tim Madden outlined his role to provide technical advice and answer key questions.

3.2 Initial Views on Council Spending Priorities

The session started with the researcher asking the group for their views on what (based on their current level of knowledge) the Council should be prioritising spending on and, what could have less spending on it.

Unprompted and without the benefit of the information to be provided during the session (although some had been issued in the information pack) the group identified a relatively long list of priorities for additional spending including:

- Education
- Services for young people
- Pre-school services
- Regeneration
- Community Development
- Safety and security
- Dealing with anti-social behaviour
- Inward investment / creating employment opportunities
- Improving parks and recreational opportunities
- Services for older people
- Health services
- Improving the environment (street cleaning / litter clearing etc.)
- Recycling

Few items were identified for less expenditure and tended to be less tangible such as:

- “less wasting money and should concentrate on improving efficiency”
- “stop selling off school land”
- “cutting down on new homes”

3.3 Community Strategy – Links

Prior to examining in more detail where the Council gets its money from the facilitator explained the key themes of the Community Strategy (ASPIRE) and along with Tim Madden outlined the relationship to financial objectives and the Medium Term Financial Strategy (MTFS).

An explanation was provided of the overall vision statement for Thurrock and a link created between the acronym, what Councillors expect from Thurrock in the coming years and the Councils organisational priorities.

The Community Strategy was illustrated as follows:

Delivering excellence and value for money

- Improving business processes/ work as one Council
- Improving value for money

Children, young people and lifelong learning ↔ **Aspirational Thurrock**

- Improving educational attainment
- Improving life long learning
- Improving the life chances of young people

Safer Environment ↔ **Safer Thurrock**

- Tackling crime
- Tackling anti-social behaviour and helping people to feel safe
- Tackling drug, alcohol and substance misuse

Including People ↔ **Inclusive Thurrock**

- Promoting independence
- Promoting inclusion
- Promoting participation

Cleaner and Greener Environment ↔ **Regenerated Thurrock**

- Creating a built environment that meets people's needs

Participants were divided into smaller working groups to examine income and spending issues the Council faces after learning more about the MTFS itself along with how the Council is structured to manage and deliver services.

3.4 Medium Term Financial Strategy – Spending Issues

The facilitator explained how the Council will comply with a wide range of legal duties and responsibilities that Thurrock must deliver on as a local authority. The MTFS is an important tool that helps set the budget; there is a checklist of key issues that must be considered when setting the budget.

Medium Term Financial Strategy Objectives

1. Clearly express what finances and other resources such as staff time will be available to deliver on the Council's priorities as stated in the manifesto, the Community Strategy and Performance Counts.
2. The budget must be balanced i.e. potential income matches how much it intends to spend.
3. The budget needs to be flexible so that the Council can move things around if identified priorities change during the year.
4. Financial management and monitoring throughout the year – whether services are under spending or overspending.
5. ***'To plan the level of local taxation in line with levels that the Council, the community and the Government regard as being necessary, acceptable to meet the Council's aims, objectives, policies and priorities.'***
6. Ensure a long – term healthy budget – staying solvent

The aim of the explanation was to strengthen the link between the Community Strategy and the principles stated in the Medium Term Financial Strategy. This link was created to help participants visualise the connection between what Thurrock's priorities are and how the Council spends its money.

Participants were asked to go through the first set of documents from the information pack (Appendices A, B and C) and take into account the factors to be considered when the Council begin deciding how much it can spend in the next year i.e....

- How much it will receive from the Government.
- Any changes in the Council's legal duties – or any guidance / instructions from the Government on areas it is expected to invest in such as Education and Social Care.
- Its own priorities in terms of improving services.
- The possible impact that a change in the number of people living and working in Thurrock will have on the demand for services.
- General financial issues which could include:
 - Inflation and the impact on pay and cost of services
 - Retaining some money to meet emergencies
 - Borrowing costs and investment income
 - Income raised by charging for some services (e.g. planning applications)

At the conclusion of this first sub-session the small working groups identified a number of key issues and therefore asked for clarification (through a series of specific questions) to help their understanding of what the Council should take into account when setting its budget.

Tim Madden (who had left after his initial presentation in order to ensure the event remained independently conducted) was asked to return and discuss the issues. The discussion included further explanation on sources of income and the extent to which the Council is committed to making specific budget commitments to meet national Government policy requirements (i.e. Education expenditure). However, Tim undertook to provide a written explanation to participants on a wide range of specific questions for the next session.

Finally the small working groups examined key areas of expenditure that effectively represents what the Council cannot consult on as it has little flexibility in the proportion of the budget it is required to commit (Appendix D). This provided an essential ‘learning’ stage for participants in helping them understand levels of committed expenditure (per head of population) and how this relates to Council Tax levels.

A key outcome at this stage was the apparent impact gaining this level of awareness had on the participants. None had previously appreciated or understood the extent of that level of committed expenditure nor seen the breakdown of it between service areas. Developing this level of understanding was important in the context of what participants would do in the second session.

4. SESSION 2 – 21/09/2005

The panel reconvened for the second session in a positive frame of mind with all those attending feeling they had gained a lot of information, knowledge and awareness from the first session. However, it should be noted that (as originally expected) the number of participants returning for the second session was reduced. A total of 12 came back for session 2 although only 1 of those not returning had let **mruk** know in advance.

4.1 Session 2 – Structure

The main components of the second session comprised:

- Review of session 1
- Outcome of questions posed
- Presentation on the budget cycle (budget process) – Tim Madden
- Spending decisions (consultation)
- Presentations on the 'Political Perspective' – Councillor Garry Hague (Acting Leader of Thurrock Council)
- Q & A for Councillor Hague
- Views on current priorities and future priorities (consultation)

4.2 Key Questions

The series of questions raised by the smaller working groups during session 1 were addressed and the written response provided by Tim. Examples of the type of specific questions raised included:

- Does Essex County Council have any control / influence over Thurrock Council's finances?
- Is there a formula for the re-distribution of business rates?
- Does the Council have to pay back to the government any under spend?
- Can money be transferred between service heads?
- How is Council Tax benefit accounted for?
- How much flexibility is there on statutory service heads (i.e. education, social services) for spending more or less?
- What comes under the key service heads?

A more comprehensive account of the questions and answers provided is contained in Appendix E.

After reviewing the questions and answers, Tim Madden (Head of Corporate Finance) gave a presentation on how the Council's budget process and budget cycle works. In particular he explained the input of service heads to the process, critical timings and the point at which elected members / cabinet becomes involved and the final decision making. Tim also explained the respective roles of Council officials and elected members.

4.3 Consultation Exercise (I)

At this mid-point in the session the participants were consulted directly in relation to their views towards spending on non statutory services. The facilitator divided participants into 3

smaller working groups to examine a handout (Appendix I) containing a list of such services and detailing spending (per head) in the previous financial year. The working groups were asked to consider what they would spend more or less on and feedback. However, for the purposes of consultative output participants were asked to record their views individually and pass these back to the facilitator.

The outcome of the exercise undertaken in working groups served to highlight the difficulties the Council face in setting the budget and making spending decisions. There was considerable variation in opinion between groups with (for example) one working group choosing to increase spending on pre-school services, one maintaining the budget at last years level and one working group choosing to reduce the level of spend. The same outcome emerged for sports / recreation and community centres whereas in relation to road safety / traffic management two of the three groups increased spend. After the exercise the participants acknowledged the difficulties in reaching a consensus whilst also commenting that a detailed 'breakdown' of spend within those budget heads were not available form them to consider.

The facilitator re-iterated the information provided earlier in the explanation of respective roles of the Council officers and elected members and emphasised that such detail (i.e. spend breakdown within service heads) is not usually considered at a political level.

In relation to the outcome of the individual consultation the following emerged for non-statutory services:

SERVICE	Majority view to keep at present level	Majority view to spend more	Majority view to spend less	Divided Opinion
Pre-school services				✓
Youth service		✓		
Street cleaning			✓	
Libraries	✓			
Parks and countryside				✓
Sports, recreation and community centres				✓
Arts, museums and events			✓	
Road safety and traffic management		✓		
Free bus passes on public transport	✓			
Community safety and anti-social behaviour		✓		
Grants to voluntary organisations				✓
Other (e.g. benefit administration)	✓			

In examining the outcome of the individually expressed views it is notable that very clear preferences for increased spending were:

- Youth services
- Road safety and traffic management
- Community safety / anti-social behaviour

By contrast services most identified for reduced spending emerged as:

- Street Cleaning
- Arts, museums and events

4.4 Political Perspective

It was considered that participants should be given the opportunity to understand not only the technical process and key spending decisions the Council must make – but also how the political priorities influence decision-making.

At this point Councillor Garry Hague (Acting-Leader of the Council) made a presentation outlining the current administrations vision for Thurrock and summarising the key priorities:

- Safer Environment
- Cleaner and Greener Environment
- Decent Education for all Children

This provided a short opportunity to participants (and Councillor Hague as a representative of the Administration) to see and discuss their respective priorities.

4.5 Consultation Exercise (II)

As a further consultative stage within the process participants were asked to consider other spending priorities. Again based on initial working group discussion and then individual completion of working group discussion and then individual completion of a handout (Appendix 10) participants gave their views on whether the Council should be spending more or less in six key service areas. Findings emerged as follows:

SERVICE	Majority view to keep at present level	Majority view to spend more	Majority view to spend less	Divided Opinion
Education		✓		
Social Care		✓		
Social Care for Adults		✓		
Children and Families		✓		
Housing			✓	
Environmental and Community Safety		✓		

In this case findings are notable for the clear majority being in favour of increased spending in all key areas except Housing.

Overall, participants viewed the key service areas as those which underpin the future well being of Thurrock for the vast majority of residents except for the Housing service area which was perceived to have a less important service role (i.e. homelessness only affecting limited numbers).

Participants were also asked to highlight any areas of expenditure they felt are not currently being provided for. Specific services identified were:

- Family care - including support for family carers of school age.
- The provision of a confidential local service to whom cases of housing benefit and welfare benefit fraud can be reported.

The session was concluded with final questions and answers and, the facilitator “mapping out” the structure of the final session.

5. SESSION 3 – 29/09/05

The panel reconvened for the final session aware that the main components of the last event were to be:

- Review of session 2
- Final consultative exercise on spending priorities
- Consultation on the form that financial information (i.e. summary of accounts) should best be presented to the general public / residents of Thurrock.

It should be noted that a further two panel members were unable to attend (although had given their apologies) leaving the panel comprising 10 participants for this final session.

5.1 Consultation Exercise (III): Spending Priorities

Based on their increased knowledge and levels of awareness of spending issues facing the Council the participants were invited to consider the extent to which their own views on the overriding priorities (vision) matched the political priorities explained during session 2.

After discussion amongst the group a consensus was reached that they were in agreement with the key political priorities but were strongly of the view that two other priorities (of

equal importance to those identified by the current administration) were missing. The other key priorities identified by participants were:

- Regeneration (i.e. existing communities and facilities in Thurrock)
- Infrastructure development and support

Participants felt strongly that insufficient priority is given to improving existing facilities and helping local communities throughout Thurrock. The group suggested that improvements / initiatives planned for the future are likely to fail unless an effective infrastructure (particularly public transport) is in place.

The final part of the exercise was (in 3 smaller working groups) to re-consider their views on spending priorities in light of everything they had learned (and gained awareness of) in previous sessions and identify:

- The top 3 priorities for services on which they consider increased spending to be vital.
- 3 service areas on which they believe less could be spent.

Findings emerged as follows:

A. Top 3 Priorities ‘vital’ for Increased Expenditure

	Group 1	Group 2	Group 3	Common Issues
1.	Youth Services (i.e. support for young people including activities, facilities and services)	Pre-School Services	Road safety and traffic management (to deal with increased traffic levels and road safety issues)	Community Safety
2.	Pre-school services (seen as essential grounding for educational development)	Youth Services	Bus passes (to help increasing population of older people continue to gain access to services and remain mobile)	Youth Services
3.	Community Safety (i.e.in particular higher profile and visible initiatives such as CCTV, improved street lighting and “anything that makes people feel safer”	Community Safety	Community Safety	Pre-school Services

B. 3 Service Areas on which less could / should be spent

	Group 1	Group 2	Group 3	Common Issues
1.	Arts and Museums (Have more of a capacity to be self-funding? - "Much better to go to London for this")	Street Cleaning (has had investment in recent years and has seen improvements)	Libraries	Arts and Museums
2.	Sports and Recreation (self-funding – as above)	Arts and Museums	Arts and Museums	Libraries
3.	Libraries (not used by majority, books now cheaper and easier to acquire, schools / colleges have own libraries)	Other (i.e. housing benefit administration etc – improve efficiency)	Street Cleaning	Street Cleaning

5.2 Overall Outcome of Consultative Exercises on Spending Priorities

The staged consultative exercises within the action learning research process revealed a number of key issues that can be related to the gradual development of the participants (in terms of increased knowledge and awareness) which in turn saw a more considered approach to their views on spending:

1. Views and attitudes changed significantly from session 1 when the prevailing view was that the Council should simply improve and spend more on just about all services. By session 3 there was a clear understanding it cannot do this within budget levels to which it must operate and (therefore) prioritisation is necessary.
2. Participants found it easier to relate to specific service (budget) heads for the purposes of prioritisation (i.e. youth services, street cleaning etc) than the wider and main budget heads (Education, Social Care etc.)

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3. The group found that they were in agreement with overall political priorities but that in their view those priorities fell short in relation to what they believe is essential to the future of Thurrock (i.e. the need for commitment to regeneration and infrastructure support)
 4. In relation to specific services common views emerged through both collective and individual consultation exercises that do identify certain services as (in their view) essential for increased spending or as those services that could have less money spent on them.

In the context of increased spending the services identified were:

- Community Safety
- Youth Services
- Pre-school services
- Road Safety and Traffic Management

Those identified as services for (potentially) less spending were:

- Arts, Museums and Events
- Street Cleaning
- Libraries

6. PRESENTING FINANCIAL INFORMATION TO THE PUBLIC – CONSULTATION EXERCISE IV

The final part of session 3 was devoted to consulting participants over how financial information on Council spending and budgeting (i.e. summary of accounts) can best be presented to the public in a way that is helpful and most easily understood.

6.1 Evaluating Financial Information

Participants again divided into working groups to discuss what they considered to be:

- Essential content
- Most Helpful Presentation

In order to help provide a focus on this exercise 3 examples of ways in which such information could be presented were issued to participants (Appendix L). The working groups examined and evaluated these examples and each fed back views to the facilitator and were discussed until a consensus was reached on the objectives of the task.

6.2 Outcome – Essential Content

Participants reached a consensus on what they considered to be essential information to be contained in a ‘summary of accounts’ and presented to the public:

The essential content was identified as:

- Directors statement
- Income – explanation in ‘layman’s terms’ of how and where income is derived
- Achievements / explanation of how money has been spent in previous year(s)

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- Planned spending for the following year(s) – broken down by key services / budget head
 - Important plans, projections and targets for expenditure
 - Comparison between financial years with explanation of changes (e.g. budget / spending and outcomes may differ)

6.3 Preferred Example

Of the example 'summary of accounts' documents examined by participants the prevailing view over which would be best to inform the public was as follows:

- Example 2 was considered to be the least effective option and least informative in terms of content and design
- The preference expressed by the group was for a hybrid version that combined the 'design' (layout and style) of Example 1 with the content (information and explanation) of Example 3.

6.4 Design Issues

In considering how to present financial information in a way that may encourage the public to read it, the participants identified a series of key factors they considered would be helpful:

- Using larger print / font size
- Use of plain English and colour (highlighting important information)
- Information on how to get the information in other languages

-
- Making the documents available in large print, Braille and audio versions
 - Use of 'appropriate' photographs / illustrations
 - Creating visual links between (for example) achievements, what money has been spent on and plans / targets for future spending

7. CONCLUSIONS

The action centred learning process was completed by the facilitator reviewing the outcome of the sessions and with the participants confirming the key conclusions to be drawn from the research and consultation activity:

- The participants unanimously agreed that the process had helped them understand more about local government finance and what is involved in budget setting for Thurrock Council.
- As a result of the intensive nature of the process participants all felt that they were able to express more considered and informed views than they would have otherwise been able to do. Most of the participants at the final session said their views on relative priorities had changed and moderated somewhat from their initial views held at the start.
- All the participants agreed this had been a very effective form of consultation and considered their input to be meaningful. All felt the process is well worth repeating in the future, especially in relation to more complex subject matter such as finance and budgeting.
- The participants are happy to be retained as a 'finance sub-panel' within the context of the overall citizen's panel for the purposes of any specific future consultation.
- Participants were in agreement with Thurrock Council's vision strategy and political priorities. However, they feel strongly it does not go far enough and should include a commitment to regenerate and improve existing communities; facilities and the infrastructure.
- In relation to specific services some consensus emerged for increased spending on:
 - Community Safety
 - Youth Services

- Pre-School Services

- Road Safety and Traffic Management

- Some consensus was also reached in the identification of services for (potentially) reduced spending:

- Arts, Museums and Events

- Street Cleaning

- Libraries

- All participants considered the independent facilitation of the process to be beneficial. However, the group having gone through such an intensive process asked for feedback on how the outcome will be taken into account and, to receive a copy of the final report.

- Participants consider that financial information to be provided to the public should contain certain 'essential' information but should be designed and produced in a sympathetic format and in clear, concise plain English. It should be available in minority groupings in translated forms and also accessible to those with visual impairments.

Appendix A The People of Thurrock

The People Of Thurrock...

Thurrock has a population of 143,128. The population has grown by over 10% since 1991, and is continuing to rise. There are 69,669 males and 73,459 females.

There are 136,399 white residents in Thurrock (95.3%). 1,134 residents of Thurrock are mixed race (0.92%). There are 2,866 Asian residents in the borough (2%). 1,655 residents are Black (1.16%). 894 residents are Chinese/Other (0.62%). This means there are 6549 people belonging to an ethnic minority in Thurrock (4.7% of people)

This table shows the ages and gender of the people that live here.

Age	Total	Male	Female
0-4	10008	5173	4835
5-9	9602	4902	4700
10-14	9956	5005	4951
15-19	8385	4089	4296
20-24	8839	4143	4696
25-29	11106	5472	5634
30-34	12379	6009	6370
35-39	11755	5953	5802
40-44	9810	5065	4745
45-49	8844	4299	4545
50-54	10078	5208	4870
55-59	7683	3802	3881
60-64	6004	2901	3103
65-69	5111	2402	2709
70-74	4864	2111	2753
75-79	4453	1776	2677
80-84	2471	863	1608
85-90	1212	368	844
90 and over	568	128	440
Total	143128	69669	73459

Over 60 Residents –
 There are 24,286 white over 60 residents in Thurrock. (98.4%)
 There are 230 over 60's that are Asian (0.9%)
 There are also 74 black over 60 residents in Thurrock (0.3%)
 There are 37 people belonging to a mixed race (0.2%)
 There are 56 over 60's that can be described as Chinese/Other in Thurrock (0.2%)
 Overall there are 397 over 60's belonging to an ethnic minority in the borough (this is equivalent to 1.6% of the over 60 popula-

In Primary schools there are 13,949 White British Children and 1865 children that belong to an ethnic minority. In Thurrock's Secondary Schools there are 8749 White British pupils and 741 ethnic minority pupils. In Thurrock's two special schools there are 231 White British pupils and 12 pupils belonging to ethnic minorities. Therefore overall in Thurrock there are, 22,941 pupils in schools. 19,321 (95.1%) are White British and 2618 (11.4%) belong to an ethnic minority.

34% of people in Thurrock have no qualifications, compared to 29% nationally. Only 10% of people have a degree, compared to 19% nationally. Unemployment in Thurrock is lower than average at just 2.5%. Unemployment is particularly high amongst 16 – 24 year olds.

For More Information visit www.thurrock.gov.uk. Our award winning website contains information on all aspects of Thurrock and previous Council Consultations.

DID YOU KNOW?
 16% of the population have long-term illnesses and 1 in 10 people in Thurrock provide un-paid help as carers.



Thurrock Council - Our Best Achievements 2005/06

Energetic and Healthier Thurrock

- By working with the Primary Care Trust we continued with the healthy living project last year. It aims to introduce programmes that cut the levels of heart disease, diabetes, obesity and cancers.
- We continued to provide our Healthy Together programme for council staff. The programme aims to reduce levels of sickness and improve the health and well being of the staff.
- The Team Effort, a sport, P.E and physical activity strategy was launched last year. It celebrates the achievement of Thurrock clubs. It also enables us to work with partners to increase the levels of physical activity for all people in Thurrock.
- All of our eligible schools have signed up to the Government's Schools Fruit and Vegetable Scheme, which is part of a five a day initiative that aims to increase a child's consumption of fruit and vegetables. A total of 6,614 children aged between four and six now receive free fruit each day to reinforce a healthy message.

Including People

- As part of our approach to help people with mental health issues lead independent lives we ran a campaign with local groups to highlight and tackle the stigma if mental health.
- As a result of successful advertising and marketing we have increased by 30% in the number of foster families in Thurrock. There are now 100 local families fostering children. This helps fostered children lead a normal life.
- The last phase of the regeneration of the Thameside Complex has been completed with the new look Grays Library. The new state of the art library is appealing to all ages and offers a wide range of services.

Cleaner and Greener Environment

The construction of the new St Clement's Health and Community Centre has been completed and is now ready for users.

A strategy has been developed, which includes an enforcement team in relation to fly tipping and litter to improve local peoples satisfaction with the streets in which they live. There has already been several successes from this including companies being prosecuted for fly tipping and the illegal placing of posters around the local area.

This information was taken from the Performance Counts 2005/06 document that Thurrock Council produces every year. We have many more achievements all across the borough. Contact us to find out more.

Young people have joined forces with street and park officers to create a cleaner and greener Thurrock. The children worked with residents and council staff to clear litter in Hangman's Wood, Grays.

Do you feel that we are doing all that we can to ensure that Thurrock remains a good place to live for you and your family? If you feel there is something we could change then do not hesitate to let us know.

Appendix C Where does the Council get its money from?

There are four main sources of income for the Council, these are...

- ❖ GOVERNMENT GRANTS
- ❖ BUSINESS RATES
- ❖ COUNCIL TAXES
- ❖ FEES AND CHARGES

All of the money from these sources goes into the 'general fund'. This means that the funds can be spent on things that the Council deem to be the most important and what will benefit the borough, and it's residents, the most.

There are other sources of income but there are stricter restrictions on what the money must be spent on. For example rental income from Council Housing goes into the Housing Revenue Account and the Council cannot use it for general purposes.

The Government decides the amount of money that the Council will receive from grants. They use a formula called the 'Formula Spending Share'. It is based on the general measures of what money has to be spent on. Things such as, population, pupil numbers and levels of social deprivation, for example, levels of unemployment are all taken into account. In the last year the formula was modified, it meant that some of the grant money was redistributed away from the South East area of the Country, to other areas.

Thurrock Council receives a contribution from local businesses via the 'business rates'. These are paid into a national pool and it is then divided between all authorities on the basis of the number of residents. Thurrock collects nearly £70 million of rates from the local businesses and they will receive £45 million back.

Once we know how much money we will receive from Government Grants and Business Rates we can work out how much money we think we need to maintain all of our services next year. By subtracting the amount of money received from grants/business rates from this figure it will leave us with the amount of money we will need to receive from Council Tax.

The most important decision that the council has to make about the budget is what level of service they can provide without raising the level of Council Tax too high. If we raise council tax excessively the government can stop this and place a maximum limit. They place a ceiling on the amount we can charge. This is known as 'capping'. The government has made it clear that they are prepared to use their powers to target individual councils and cap their council tax if they believe it is too high.

Even though the Council Tax did increase last year, we know the people of Thurrock are paying less than neighbouring authorities. Our Band D rate was £937.08; in Basildon it was £1293.84. Out of 47

unitary authorities, Thurrock has one of the lowest Band D Council Tax Rates. We are also below the national average for similar authorities.

Appendix D How do we decide how to spend our money?

When the government decides how much to give us they can also give us an indication of what they believe we should be spending our money on. They can give us help on how much should be spent on certain services.

When we begin to think about what we should spend on different things, we have to firstly consider the things we **MUST** provide. There are services that the Council has a legal duty to provide for, such as providing temporary accommodation for homeless people.

Once this has been arranged we will consider what services **WE WOULD LIKE** to provide. It is here where we look at the consultations. We also refer to the Medium Term Financial Strategy (MTFS) as well as the priorities under the Community Strategy – ASPIRE.

We have to make difficult decisions on where to best spend our money because we do not have enough money to do everything we would want to do. The chart below shows how much is money is spent per head on services. It gives figures on the previous years budgets as well as how we intend to split the money this year.

Through the general fund, the Council in 2005/06 is planning to spend around £173.5 million on education, social care, the environment, housing and the homeless as well as many other services.

Service	2002/03	2003/04	2004/05
Education	£652.05	£691.15	£701.93
Social Services	£254.73	£273.19	£304.21
Highways and Transport	£44.96	£50.97	£54.83
Cultural	£127.58	£136.13	£141.42

This table shows how much money we spent on our key services in the last few years **per head of the population**. These are the main areas that we feel are important to Thurrock and its residents. This data was taken from the RS – REVENUE SUMMARY FORM from each year shown. We divided the Net Current Expenditure by the total population of Thurrock for that year to show how much we spend on each service per head per year.

Appendix E What services are we not consulting on?

There are a number of services that we must provide as a council. These are things that will affect the lives of those living in Thurrock. They have an impact on the well-being and safety of people who are vulnerable either physically or financially, that we must support. This means that a large part of our budget will be allocated to these services in particular and we are making the effort to ensure that Education and Social Care are receiving an amount of money that is recommended by the Government.

Most of the housing budget is placed in a separate account (Housing Revenue Account). We want to keep consultation on this a separate issue.

These are the services that the council must provide; we set the amounts for them based on the government's advice. We have decided that as these are the most important services that affect the most people in Thurrock, we will not be consulting on these. In the right hand column it shows the amount we spent on the services last year. A person who pays Band D Council Tax will have to pay approximately £916; in total we spent £753.55 on these statutory services per person.

Service	How much we spent last year (£ per head)
Schools	363.75
Support for Schools	136.24
Social Care for older people	73.57
Social care for people with disabilities	48.07
Social care for people that are mentally ill	4.62
Social care for vulnerable children and young people	49.08
Homelessness and housing advice	3.50
Waste collection, disposal and recycling	30.48
Road maintenance and repair	32.57
Trading standards and licensing	2.19
Planning permission for home and business extensions	3.59
Enforcing public health regulations	5.89

Appendix F Spending Issues

SPENDING ISSUES

There are a number of things that the Council must consider when they begin thinking about setting the budget and dividing the money between the services. Some of the most important factors are listed below.

How much we will receive from the Government

Our own priorities in terms of improving services

Any changes in the Council's legal duties - or any guidance/instructions from the Government on areas we are expected to invest in such as, Education and Social Care

- General financial issues which could include:**
- Inflation and the impact on pay and cost of services
 - Retaining some money to meet emergencies
 - Borrowing costs and investment income
 - Income raised by charging for some services, for instance planning applications

The possible impact that a changes in the number of people living and working in Thurrock will have on the demand for services

If you feel we are missing something and we need to consider other things then you should let us know. Our contact details are printed on the other pages of this information booklet.

Appendix G Questions & Answers from Session 1

1) Does Essex County Council have any control over Thurrock Council's finances?

No they have no control, as Thurrock is a completely separate organization. There are separate Essex wide authorities for police and fire and as a Council we will work with the County Council where it is sensible to do so.

2) Does the £70 million collected from local businesses include interest?

We are a Collection Authority and the interest received is paid into a separate fund. This fund has to balance back to nil, and any surplus or deficit is returned to or charged to the Council Tax payer.

3) Is there a formula for the re-distribution of business rates?

Yes, it is based on per head of the population.

4) Does the Council have to give the government back any money that is not spent?

Generally the money can be carried forward year on year as the Council is in charge of its own financial balances. However, for some specific grants from government the money need to be returned if it is not spent.

5) Can money be transferred between the service heads?

Yes, although this will be in line with national and local priorities, which can make it difficult in some areas.

6) How many households get Council Tax Benefit and how is the money accounted for?

There are currently 11,861 people receiving Council Tax Benefit. Some of these claimants will also be in receipt of Housing Benefit.

7) If there is a shop that is empty, who has to pay the business rates?

If a shop were completely empty, it would get a 3 month exemption and then charged at 50% (empty rate) thereafter. If there are still fixtures and fittings or stock left on the premises it can still be deemed to be occupied.

Occupation of part is also deemed to be occupation of the whole property so if a business only occupies a part of a property they are liable as if they occupied the whole property. They could claim Section 44a – part occupation relief and then the

Valuation Officer (VO) (if satisfied) could issue a certificate apportioning the Rateable Value between the occupied and unoccupied parts.

For determining who is liable to pay National Non Domestic Rates (NNDR), it is necessary to establish the rateable occupier. It would normally be the person / body that retains paramount control of the premises, in reality you would look to the person entitled to possession of the property such as the Freeholder / leaseholder / tenant.

8) When are the business rates collected and assessed? Who holds onto the money?

NNDR is collected in advance / monthly. As for the assessment, each property (hereditament) is allocated a rateable value by the Valuation Office. The Rateable Values are revalued every 5 years (when a new Rating List comes into force) by the VO as part of the revaluation process. The rates are charged by multiplying the Rateable by the Multiplier (rate in pounds) which is set each year by the Government.

At the start of the year, the Local Authority (LA) complete an NNDR1 return to the Office of the Deputy Prime Minister (ODPM). This estimates the contribution that the LA must pay into the NNDR pool (Government) – this contribution is then paid throughout the year each month. At the end of the financial year, the actual contribution is calculated with the NNDR3 return and the difference is either paid or claimed to or from the ODPM. The NNDR3 return should reconcile to the Council's year-end accounts and needs to be sent to the ODPM by the end of August each year.

9) What happens with any interest collected in the General Fund?

The interest is managed separately, and we try to anticipate how much we will receive and include it in our budget.

10) Why do we pay less Council Tax than other boroughs? What difference does it make?

Thurrock Council's tax is lower than it's neighbours generally. Thurrock has always aimed to be a low spending authority, balancing the need to provide quality services with limiting the burden on the Council Tax payer. Thurrock is also the authority which has implemented the greatest efficiency savings according to a recent survey.

Comparisons have been made with the five unitary authorities throughout the country which according to the Chartered Institute of Public Finance and Accountancy have the most similar characteristics to Thurrock, together with our newest unitary neighbours – Southend and Medway. Compared to these seven authorities, Thurrock has the second lowest Council tax with Southend over 10% higher.

Having a lower Council Tax does mean that Thurrock has less revenue to spend than some of its neighbours, so its total spending is also second lowest in comparison with these authorities. However, when measured in terms of spending per head of population, Thurrock's spend is the highest of the five comparator unitaries and our two unitary neighbours. So on the basis Thurrock's residents are not disadvantaged.

Increases in Council Tax are usually measured year on year by the Government when considering the capping regime. Increases above 5% are likely to be examined as part of the Governments capping arrangements.

11) Are there any figures that show comparative data of the inward investment to businesses in the area and other areas surrounding us?

There are no figures to compare us directly with neighbouring authorities.

12) How much flexibility on statutory service heads (education, social services, etc) can the Council spend more or less?

There is flexibility, however the demands on these services makes it difficult to take funding from some of these areas.

13) How does the Council measure value for money in expenditure especially in education?

There are a range of external inspectorates which measure value for money across all services. The main current inspection relating to value for money is managed by the Audit Commission which examines this area specifically through an assessment of how Councils use their resources. This is part of the Comprehensive Performance Assessment (CPA).

14) What comes under the key service heads?

Below are the main areas of service provision under the key headings (please note, this is not a list of all services).

Children, Education and Families	£
Schools	70,381,320
Other schools related expenditure (Includes: Special education needs Pre-school support Home to school transport)	15,503,886
Lifelong learning skills (Includes: Youth Services Grange Waters Music Play Services)	1,358,792
Social Care Children	10,615,200
Youth Offending Team	235,766
Community Well Being	
Social care for adults and older people (Includes: Residential Services Day Care Transport Homecare)	23,104,861
Civic Renewal	288,350
Community Safety	1,201,950
Cultural Services (Includes: Libraries; Arts)	1,897,368
Housing	982,619
Sport and Leisure	1,095,242
Corporate Development	
Neighbourhood Services (Includes: Waste Collection Street Cleaning Grays beach Parks and open spaces)	9,667,588
Strategic Services partnership	15,736,812
Sustainable Communities	
Environmental Health	1,323,214
Regeneration	323,374
Regulation (Includes: Planning)	226,946
Transportation	4,525,549

Appendix H Other Factors to Think About

The Council has to think about a number of different things when they begin to decide what to spend their money on and how to divide it amongst the services. Some of these are:

- How much money we will receive from the government.
- Any changes in the council's legal duties – or any guidance or instructions from the Government on areas we are expected to invest in such as Education and Social Care.
- Our own priorities in terms of improving service
- The possible impact that changes in the number of people living and working in Thurrock will have on the demand for services.
- General financial issues, these may include;
 - Inflation and the impact on pay and cost of services
 - Retaining some money to meet emergencies
 - Borrowing costs and investment income
 - Income raised by charging for some services (for example planning applications)

Appendix I What would you do?

A person who pays Band D Council Tax will have to pay just under £920. Last year we spent £163.03 per person on these non statutory services. How do you think we should divide this money? Next to each of the service write down how much money should be allocated to each service...

Service	How Much would you spend? (£)	Last year (£ per head)
Pre-school services		13.14
Youth Service		6.02
Street cleansing		9.21
Libraries		12.14
Parks and Countryside		13.34
Sports, recreation and community centres		13.89
Arts, museums and events		3.65
Road safety and traffic management		1.55
Free bus passes on public transport		2.37
Community safety and anti social behaviour		2.72
Grants to voluntary organisations		2.50
Others (including for example Benefit administration and collection of Council Tax)		82.50

There are certain things that you must consider when trying to divide the budget. It is important to realise that there are many different people that live in Thurrock. There are people of many different ages and backgrounds. By looking at the facts on Thurrock you can find out more about the people who live around you. This may help you in making your decisions.

Did you know?

- There are 29,566 children in Thurrock that are under the age of 14.
- There are also 13568 Thurrock residents that are over the age of 70
- There are 6549 people in Thurrock that belong to an ethnic minority. That works out as 4.7% of the population.

This exercise was not a matter of finding out your opinions on the council's budget, its benefits were to show you what we do and how difficult it is for us to make the right decisions that will please everyone. There are departments that we would like to give more money to, but unfortunately we cannot do everything, each year we have to make some very tough decisions and we try to ensure we head a balanced view.

Last year we spent £88.1 million on **Education** (£61.7 million on schools and £26.4 million for other education services and support for schools)

Do you think we should be spending more or less? _____

We also spent £30.7 million on **Social Care**. (Provision of services for those we feel are vulnerable. It enables them to live independently. This includes services to children, older people and physically/mentally-disabled people.)

Do you think we should be spending more or less? _____

£22 million was spent on **Social Care for Adults**. (We spent the money supporting 562 people in residential care, providing day care for an average of 148 adults a day, providing 930 households with homecare, delivering 350 meals and 2,398 pieces of equipment and adaptations for 1296 disabled people.)

Do you think we should be spending more or less? _____

There was £8.3 million spent on **Children and Families**. (This helps 945 children in need, it relates to 197 children in foster care, the 7 children that have been adopted since April 2004 and 25 children living in residential care.)

Do you think we should be spending more or less? _____

There was also £1.5 million spent on **Housing**. (Homelessness, housing advice, housing needs register, letting council properties.)

Do you think we should be spending more or less? _____

There was £18 million spent on **Environmental and Community Safety**. (Refuse, highways maintenance, public transport, community development and crime reduction).

Do you think we should be spending more or less? _____

These are the most important services that we provide at the Thurrock Council. If you think we are missing anything out then do not hesitate to let us know.

Do you feel there is an area we are not providing for?

If so, what is it?

You can contact the Thurrock Council in several ways:

Website: www.thurrock.gov.uk

Postal Address: Thurrock Council
Civic Offices
New Road
Grays
Essex
RM17 6SL

Telephone: 01375 652652 **Fax:** 01375 6522359

Email: general.enquiries@thurrock.gov.uk

Appendix J Why is the Housing Revenue Separate from the General Fund?

This is a question that is asked a lot when it comes to consultations about the Council's budget. We hope that this will clear up any confusion that you may have relating to this subject, if not then please do not hesitate to bring it up in the learning sessions themselves.

Firstly, we must know the basics.....

What is the General Fund?

The General Fund is where the money for all the Council's day-to-day services comes from (Council Tax, Government Grants, Business Rates and Fees and Charges). It is the main revenue fund for the Council. All of the money that is received goes into this account and is then divided up amongst the different services.

What is the Housing Revenue Account?

Every Council that owns housing stock (for example, Houses or Flats) has to, by law have a Housing Revenue Account (HRA). All of the income and expenditure that is related to this stock must go through this account. The main items of expenditure are the cost of managing and maintaining the dwellings and other HRA properties such as shops or garages. All of the pre-tenancy work, such as assessments, allocations and maintenance of the Housing Register is all charged to this account. The main income of the Housing Revenue Account is the rent from tenants as well as a Subsidy that is received from the Government.

- The HRA is an account that records the expenditure and income that relates to a Council's own housing stock. A Local Authority's income and expenditure on other housing services are charged to the General Fund (e.g. homelessness)
- The items that have to be paid in and paid out of the HRA are defined by law, which means that the Council have no ability to choose which sums are transferred in and out of the HRA.
- The ring-fence was introduced by the Local Government and Housing Act 1989 (the 1989 Act), to ensure that rents paid by local authority tenants accurately and realistically reflected the cost of providing the housing service.
- Rent levels could therefore not be subsidised by increases in the council tax. Equally, the Council may not increase rents in order to keep council tax levels down or to increase spending on other general fund services.

Appendix K Glossary of Terms

This glossary should give everyone a clearer understanding of any of the Council terms you are unsure of. We will try to keep things simple, but if there is anything your not sure of then do not hesitate to ask...

The terms on this page are terms that appear frequently in Local Government Finance. By understanding these terms it will help you greatly when we go into more detail and start explaining the more complex finance terms.

Accounting Period - A regular period of time, such as a quarter or year, for which a financial statement is produced.

Assets - What a firm or individual owns.

Balances – The total amount in an organisations accounts

Billing Authority – A local authority that is responsible for collecting council tax and other charges.

Charges - An amount of money that must be paid.

Council Tax Banding – The way that the amount of council tax you have to pay is decided. It relates to the value of your home. It ranges from Band, A which is under £40,000 up to Band H, which are homes valued at over £320,000.

Expenditure – money paid out.

Fees – A financial charge for services.

General Fund – This is where all of the Councils funds go into. It is what is used to pay for day-to-day services. The money for specific grants goes into a separate account and cannot be used by the council for general use.

Grants – Money the Government awards to Local Authorities for specific purposes.

Incomes – The amount of money received

Inflation – the increase in the cost of living

Liabilitys – A debt to a lender or a supplier of service.

Redemption – buying back

Reserves - Amount set aside to cover any possible debts or liabilities.

Resources – Money available for future services/ projects that the council wants to get involved with.

Revenue – Total value or money earned or received to cover the cost of production of goods or services.

Revenue Account – This is where the money earned is out to ensure the cost of services can be paid for.

Running Costs – the money you must spend regularly to ensure an organisation function properly.

Statutory - Something that is required by law.

Appendix L Summary of Accounts

Example 1

Summary of Accounts

Directors Statement

This should explain what the purpose of the Summary is and what information is contained in it so people reading it can be clear from the introduction what they are about to read.

Balance Sheet

What the Council Owns and is Owed

Buildings/Land Owned -
 Stock -
 Cash in Bank -
 Money owed to the Council -
 Money owed by the Council -
Financed By
 Borrowing -
 Non distributable reserves -

General Fund Balance

Surplus
 Housing reserve balance
 Insurable Fund
 Useable capital receipts
 Other reserves

Total

The Cost of Council Services

Service	Cost
Education	
Social Care	
Environmental	
Recreation & Tourism	
Other Services	

Housing Revenue Account

The Council owns 9,383 homes. All of the expenditure for these houses has to be funded from rental income.

Income

Council House Rents £24,393
 Other Income £3,703
£28,096

Expenditure

Repair and Maintenance £10,260
 Supervision and Management £5,367
 Capital Finance Costs £9,663
 Other Costs £2,983
£28,273

Summary of Accounts

Example 3

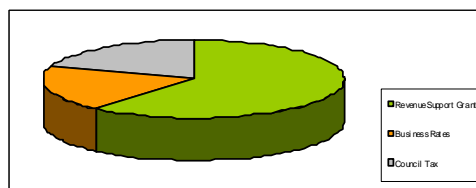
Summary of Accounts

2005/2006

Message from the director.....

This should be what the summary is about, what the aim of it is and why they have decided to do it. It should be informal and not use elaborated language. This will prevent people from feeling excluded. It will encourage you to read on if you can see that the opening paragraph is simple.

Where the money comes from....



Revenue Support Grant—£95.3m
Council Tax—£31m (19.8%)
Business Rates—£30m (19.2%)

This table shows the planned spending per head.

Service	2004/2005	2005/2006
Education		
Social Care		
Environmental		
Recreation & Tourism		
Other Services		

This pie chart shows the council's income. The revenue support grant is money we are given from the government to help fund our services. The business rates is money we receive from local businesses, They each pay money into a national pool and the money is then divided amongst local councils depending on the borough's adult population. The council tax is your contribution to the services that is paid each year. The council has to make difficult decisions each year when it comes to what we should spend the money on.

Last, year, our secondary schools performed better than ever in Key Stage 3 exams.



95% of people now feel safe if they are outside, alone in Thurrock.

The people of Thurrock think that education is the fifth most important thing to making somewhere a nice place to live. 73% of people think our borough is place where different people can live together peacefully. There is a strong community spirit in Thurrock. We hope it stays like that for a long time!

A new community health centre has opened in Thurrock. St Clement's Health Centre is ready for users.



We hope this is clear, but if not do not hesitate to contact us:



Local people's satisfaction of parks have increased to 70%, and we have been awarded the Anglia in Bloom silver award.

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This is not Thurrock's data, will need to change at a later stage.

* Images will be replaced with photos of Thurrock residents