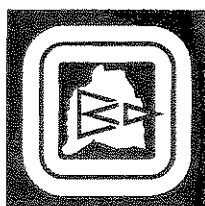
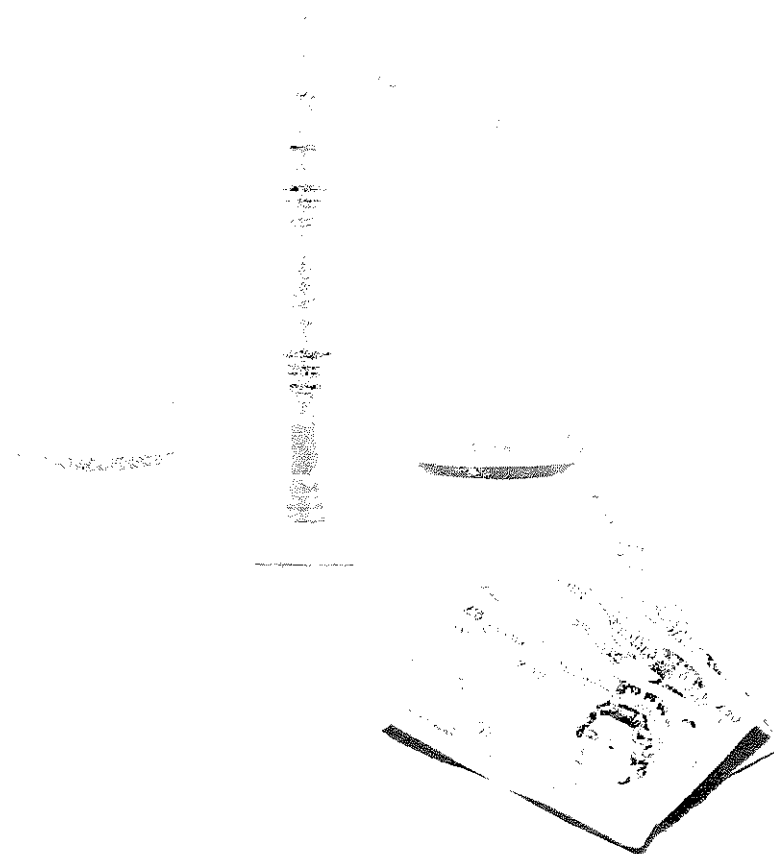


# BUDGET BOOK

## 2009/2010



**BASSETLAW**  
DISTRICT COUNCIL  
NORTH NOTTINGHAMSHIRE



INVESTOR IN PEOPLE



**BASSETLAW DISTRICT COUNCIL**

**COUNCIL**

**2 MARCH 2009**

**REPORT OF THE HEAD OF FINANCE & PROPERTY**

**BUDGET HEADLINES 2009/10**

Cabinet Member: Finance & Property  
Contact: Mike Hill  
Ext: 3174

**1. Purpose Of The Report**

- 1.1 This report brings together the various budget recommendations made by Cabinet on 12<sup>th</sup> February 2009 to assist the Council in determining its call upon the Collection Fund and hence the level of the Council Tax for 2009/10.

**2. Background**

**General Fund Revenue Budget**

- 2.1. The overall grant settlement saw an increase of £147,830. RSG amounts to £2,095,400 with the NNDR element being £9,078,100.
- 2.2. The General Fund budget for 2009/10, as agreed by Cabinet is £16,641,800 after funding Participatory Budgeting, Service Improvement Bids, and the use of balances of £368,500. This provides for a Council Tax increase of 2.5%.

**Participatory Budgeting & Service Improvement Bids**

- 2.3. The Budget continues the policy of reinvesting in priority services, and includes £150,000 for Participatory Budgeting, and a further £226,900 for Service Development Bids.

**Parishes**

- 2.4. The Parish Precepts for 2009/10 total £748,214 an average Band D increase of 9.20%.
- 2.5. The District Council has no special expenses. This is confirmed in the Council Tax Resolution.

### **General Fund Reserves and Balances**

- 2.6. The Council is required to operate a General Fund and a separate Collection Fund. Within the General Fund, the Council will hold £1m as a minimum working balance.

### **Council Tax Base**

- 2.7. The Council Tax base (Band D equivalent) has increased from 35,610.99 to 35,782.81.

### **Bassetlaw District Council Tax For 2009/10**

- 2.8. The District Council Tax position may be summarised as follows:

|  | £'000  | Council Tax<br>Band D Equiv.<br>£ |
|--|--------|-----------------------------------|
| General Fund Total Expenditure   | 17,010 | 475.38                            |
| Transfer from Reserves   | 368    | 10.30                             |
|  | 16,642 | 465.08                            |
| <b>LESS</b>  |        |                                   |
| Revenue Support Grant  | -2,096 | -58.56                            |
| National Non-Domestic Rates distribution                                   | -9,078 | -253.70                           |
| To be met from Collection Fund   | 5,468  | 152.82                            |
| <b>LESS</b> reductions due to better than<br>expected local tax collection | 0      | 0                                 |
|  | 5,468  | 152.82                            |

### **Housing Revenue Account**

- 2.9. The Housing Revenue Account estimates for 2009/10 include an average weekly rent increase of £3.22 per week on a 52-week collection basis as from 1<sup>st</sup> April 2009 in respect of all dwellings. This provides for an average rent increase of 5.6%. Within the HRA, the Council will hold £0.75m as a minimum working balance.

### **Capital Budget**

- 2.10. The CIPFA Prudential Code governs the Authority's Capital Expenditure. This is limited to the amount the Authority can afford after allowing for grants, the availability of capital receipts, revenue contributions and leasing.
- 2.11. The recommended Capital Budget for 2009/10 totals £21,977,000 of which £18,595,000 is for Housing, and the remaining £3,382,000 is for the General Fund.

### **Total Council Tax for 2009/10**

- 2.12. In addition to the District Council Tax, the Council is required to raise monies in respect of precepts issued by the Nottinghamshire County Council, Nottinghamshire Police Authority, Nottinghamshire Fire & Rescue Service, Parish Councils, and Charter Trustees.
- 2.13. The position may be summarised as follows:

|   | <b>Band D<br/>Council<br/>Tax<br/>£</b> | <b>Band D<br/>Percentage<br/>Increase<br/>%</b> |
|---|---|---|
| Bassetlaw District Council  | 152.82                                  | 2.50  |
| Nottinghamshire County Council  | 1,193.18                                | 3.00  |
| Nottinghamshire Police Authority  | 152.82                                  | 4.94  |
| Combined Fire Authority (i.e.<br>Nottinghamshire Fire & Rescue Service) | 67.73                                   | 3.50  |
| Parish Councils and Charter Trustees                                    | 20.91                                   | 9.20  |
| <b>TOTAL</b>  | <b>1,587.46</b>                         | <b>3.23</b>                                     |

### **Precept Requirements for 2009/10**

- 2.14 The position may be summarised as follows:

|   | <b>Band D<br/>Council<br/>Tax<br/>£</b> |
|---|---|
| Bassetlaw District Council  | 5,468,329                               |
| Nottinghamshire County Council  | 42,695,333                              |
| Nottinghamshire Police Authority  | 5,468,329                               |
| Combined Fire Authority (i.e.<br>Nottinghamshire Fire & Rescue Service) | 2,423,584                               |
| Parish Councils and Charter Trustees                                    | 748,214                                 |
| <b>TOTAL</b>  | <b>56,803,789</b>                       |

**3. Recommendations from the budget reports presented to Cabinet on 12<sup>th</sup> February 2009**

The Council is recommended to approve for 2009/10: -

**Budget 2009/10 and Future Years to 2011/12**

- a) The General Fund net budget of £16,641,800 (excluding parishes and precepts)
- b) A Council Tax Band D increase of 2.5% to £152.82 for Bassetlaw District Council.
- c) The use of reserves of £368,500 to fund the budget.
- d) The Service Improvement Bids totalling £226,900.
- e) The declaration of a nil surplus on the Collection Fund.
- f) The 'capital bids determined to be revenue' totalling £145,000.

**Housing Revenue Account Budget 2009/10 and Future Years to 2011/12**

- g) The HRA budget of £30,601,800 (gross expenditure) and £30,498,320 (gross income).
- h) An average rent increase of 5.6% to £60.98 per week on a 52-week collection basis as from the 1<sup>st</sup> April 2009 in respect of all dwellings.
- i) That the average rent be applied at an individual property level as calculated using the Government Rent Restructuring model.
- j) The use of reserves of £103,480 to fund the budget.

**Capital Investment Strategy 2009/10 to 2013/14**

- k) The approval of the Capital Investment Strategy.

**Property Asset Management Plan 2009/10 to 2013/14**

- l) The approval of the Property Asset Management Plan

**General Fund Capital Programme 2009/10 to 2013/14**

- m) The Phase 1 Capital Programme totalling £5,813,000.
- n) The Phase 2 Capital Programme totalling £11,530,000 subject to the receipt of the capital funding required to finance these projects.

**Housing Capital Programme 2009/10 to 2013/14**

- o) The Housing Capital Programme totalling £74,004,000.

**Treasury Management Policy and Strategy**

- p) The revised Treasury Management Policy.
- q) The updated Treasury Management Practices.
- r) The Minimum Revenue Provision Statement.
- s) The Treasury Management Strategy.
- t) The Prudential Indicators and limits.
- u) The Investment Strategy.

**Robustness of Estimates and Adequacy of Reserves**

- v) The Council notes the report.

**BASSETLAW DISTRICT COUNCIL**

**CABINET**

**12 FEBRUARY 2009**

**REPORT OF THE HEAD OF FINANCE & PROPERTY**

**BUDGET 2009/10 AND FUTURE YEARS TO 2011/12**

Cabinet Member: Finance & Property  
Contact: Mike Hill  
Ext: 3174

**1. Public Interest Test**

The author of this report, Mike Hill, has determined that the report is not confidential.

**2. Purpose of the Report**

- 2.1 To seek approval of the revenue budget for 2009/10 and the future years to 2011/12, and the associated recommendations to Full Council on 2<sup>nd</sup> March 2009.
- 2.2 To detail the net movements of £162,800 from the 3<sup>rd</sup> December 2008 report.
- 2.3 To review the outturn for 2008/09 and the impact this has on forecasted reserves and balances.
- 2.4 To inform Members of the Revenue Support Grant settlement for 2009/10 and 2010/11.
- 2.5 To consider the comments (to be reported verbally) of the Performance Improvement Scrutiny Committee to be held on 10th February 2009.

**3. Background and Discussion**

**Approved Budget 2008/09**

- 3.1 The 2008/09 budget was set based on provisional expectations for the outturn for 2007/08. However, as reported in June 2008, the outturn provided for further additions to the General Reserve. Comparative balances held in reserves are:

|                    | <b>Estimated<br/>position at 31<br/>March 2008<br/>£'000</b> | <b>Outturn<br/>position at 31<br/>March 2008<br/>£'000</b> |
|--------------------|--|--|
| General Reserve    | 1,684  | 2,764  |
| Earmarked Reserves | 1,387  | 1,821  |

- 3.2 The Medium Term Financial Plan was reported to Cabinet on 12<sup>th</sup> June 2008. It outlined two earmarked reserves that have been held for some considerable time, and can now be returned to general balances. These are NNDR refunds £202,000 and Economic Development £38,000.
- 3.3 The movement on the General Reserve of £1.080m (above table) represents the 2007/08 underspend reported at final outturn. However, in agreeing this transfer to the General Reserve, Cabinet on 8<sup>th</sup> July 2008 reported on a number of requests by directorates to carry forward monies to 2008/09. Subsequently £0.396m was allocated to specific projects to be completed during 2008/09.
- 3.4 In addition to this, Cabinet also approved a total of £0.628m of Service Improvement Bids at its meeting of 5<sup>th</sup> August 2008.
- 3.5 After taking the reserve transfers, carry forwards and service improvement bids into account, the balance on the General Reserve and earmarked reserves reduces to £2.425m and £1.136m respectively (Appendix 5).

### **Forecasted Outturn 2008/09**

- 3.6 A report elsewhere on this agenda provides a forecast of the likely year-end position for 2008/09. It reflects a net underspending of £16,000, after taking into consideration the likelihood of reduced car parking, planning, and land charges income as a result of the economic climate.

### **Medium Term Financial Plan to 2011/12**

- 3.7 Cabinet approved the overarching Financial Plan to 2011/12 at its meeting on 12<sup>th</sup> June 2008. This budget continues to reinforce the redirection of resources to Council priorities and the delivery of significant efficiency savings. The budget proposals are presented following the Service Reviews and Star Chamber process to ensure that they deliver both improved outcomes and improve value for money in the delivery of services. In particular, the proposals in the budget are sustainable (on the basis of reasonable future grant settlements) focused on stated priorities and based on prudent assumptions. Reserves are called on only for one off or time limited expenditures.
- 3.8 The recent Use of Resources Assessment maintained the Council's scores on Financial Management at a level 3 'performing well – consistently above minimum requirements'. This budget and the management of spend in 2008/09 do not require the Financial Plan to be revisited for the period of this report as the proposals put to Council are consistent with the Plan.

## The Revenue Support Grant Settlement 2009/10

- 3.9 The Revenue Support Grant settlement for 2009/10 was announced on 21<sup>st</sup> January 2009. It is the second year of the three-year settlement announced in November 2007 and confirmed that formula grant for 2009/10 will be as announced in January 2008.

|                              | 2009/10           | 2010/11           | 2011/12           |
|------------------------------|-------------------|-------------------|-------------------|
|                              | £                 | £                 | £                 |
| Revenue Support Grant        | 2,095,348 }       |                   | }                 |
| Redistributed Business Rates | 9,078,125 }       | 11,311,685 }      | 11,368,243        |
| Total                        | <u>11,173,473</u> | <u>11,311,685</u> | <u>11,368,243</u> |
| Increase                     | 1.3%              | 1.2%              | 0.5%              |

**Note:** 2011/12 is an estimate and has been set at the floor for prudence.

- 3.10 The national Redistributed Business Rates amount has been reduced by £1.0 bn (a decrease of 4.9%) to reflect the worsening economic situation and the increase in empty property relief announced in the pre-budget report. Conversely, the national amount allocated to Revenue Support Grant has increased to maintain a nil effect on the total grant payable to each authority for 2009/10.
- 3.11 The grant settlement continues to operate a damping mechanism, which is designed to guarantee that every authority gets at least the grant 'floor' increase for that class of authority. For Shire Districts the 'floor' is set at a 0.5% increase over the 2008/09 grant payment. Scaling back the grant increase above the 'floor' for other authorities in that class, including Bassetlaw, pays for the cost of guaranteeing this increase. In our case, the council's grant entitlement has been reduced by £154k due to the damping mechanism. This is equivalent to a council tax increase of 2.9% and the damping therefore continues to inhibit the Council's ability to promote local services whilst keeping Council Tax increases to a minimum.
- 3.12 The Council's financial strategy has allowed Bassetlaw to target Council Tax increases for 2009/10 at 2.5%, which is markedly below the latest LGA projected national average of 3.5% for 2009/10 (actual average for 2008/09 was 3.9%). The projected Council Tax increases set out in the Medium Term Financial Plan for the next couple of years are also likely to be below the district average and thereby help to demonstrate better value for money over the period of this report.

## Other Grants

- 3.13 The Council receives a variety of grants from government, which can be classed as:

**Formula Grant.** Comprises revenue support grant and redistributed business rates. These are both distributed by formula through the Local Government Finance Settlement. There are no restrictions on what the grant can be spent on, and details of the amounts are provided above.

**Specific Grants.** These grants are outside the main settlement and are also known as ring-fenced grants. These usually fund particular services or initiatives that are a national priority, for example Supporting People. As time progresses, these will become less important as ringfencing is removed, or they become absorbed into the Area Based Grant. The specific grant allocations for Bassetlaw are:

|                                    | 2009/10    | 2010/11    | 2011/12    |
|------------------------------------|------------|------------|------------|
|                                    | £          | £          | £          |
| Free Swimming                      | 90,800     | 90,800     | 0          |
| Parenting Practitioner             | 50,000     | 50,000     | 0          |
| Housing Benefits – Rent Allowances | 8,959,600  | 8,959,600  | 8,959,600  |
| Housing Benefits – Rent Rebates    | 13,034,000 | 13,034,000 | 13,034,000 |
| Council Tax Benefits               | 8,238,400  | 8,238,400  | 8,238,400  |
| Total                              | 30,372,800 | 30,372,800 | 30,232,000 |

**Note:** Free swimming funding and parenting practitioner is only available for two years.

**General Grants.** These grants are unfenced and sometimes known as targeted grants. They are distributed outside of the annual settlement. It has been announced that Bassetlaw will receive the following grants:

|   | 2009/10   | 2010/11   | 2011/12   |
|---|-----------|-----------|-----------|
|   | £         | £         | £         |
| Concessionary Fares                         | 289,000   | 297,000   | 304,000   |
| Homelessness                                | 45,000    | 45,000    | 0         |
| Housing & Council Tax Benefit Subsidy Admin | 867,400   | 867,400   | 867,400   |
| Business Rates Cost of Collection           | 166,000   | 166,000   | 166,000   |
| Housing & Planning Delivery                 | 75,000    | 75,000    | 75,000    |
| Total                                       | 1,442,400 | 1,450,400 | 1,412,400 |

**Note:** Homelessness grant is only available for two years.

**Area Based Grants.** From 2008/09 local authorities also receive a non-ringfenced general grant known as the Area Based Grant (ABG). ABG is made up of grant streams that were previously provided to local authorities as specific grants. ABG will allow the Council, working with its partners, to decide where best to invest their resources in the most effective and efficient way. The budget assumes that resources will be directed as per the specific grant streams moving into ABG.

|                            | 2009/10 | 2010/11 | 2011/12 |
|----------------------------|---------|---------|---------|
|                            | £       | £       | £       |
| Cohesion                   | 48,529  | 75,000  | 75,000  |
| Stronger Safer Communities | 337,000 | 295,000 | 295,000 |
| Climate Change             | 22,500  | 22,500  | 22,500  |
| Total                      | 408,029 | 392,500 | 392,500 |

Note: 2011/12 is an estimate.

### Budget 2009/10 and future years to 2011/12

- 3.14 Cabinet agreed a draft budget on 4<sup>th</sup> December 2008. This section details the main budget movements of £162,800 since that report.

|   | 2009/10<br>£   |
|---|----------------|
| <b>Expenditure</b>  |                |
| The Bank of England have reduced the base interest rate to an all time low of 1.5%. In recognition of this it is regarded as prudent to minimise expectations of investment returns, and therefore the interest receivable budget has been reduced. | 50,000         |
| A revenue provision for ICT capital expenditure has been removed and added to the capital programme.  | (70,000)       |
| Prices for land charges are set to break-even, and the budget has been adjusted to reflect this position.   | (32,700)       |
| Further revisions to budgets have been made in relation to adjustments found during the quality/integrity checking process.   | (45,200)       |
| Inclusion of the Service Improvement Bids (refer to para 3.36).   | 226,900        |
| Inclusion of dedicated Member Initiatives budget of £48,000 and associated removal of Minor Grants budget of £15,700 (refer to para 3.50).  | 32,300         |
| <b>Funding</b>  |                |
| Replacing the provisional council taxbase with the actual figure of 35,782.81 resulted in an adjustment to expected council tax income, based on the proposed 2.5% Council Tax increase.  | 10,300         |
| An assumption that no collection fund surplus or deficit will accrue for 2009/10. Para 3.20 refers.   | (8,800)        |
| <b>Total:</b>   | <b>162,800</b> |

### Planning assumptions

- 3.15 In keeping with the regard to prudence required by the Council's financial strategy, the following planning assumptions are based on a cautious assumption of future incomes and costs. In forecasting the budget, the planning assumptions made for the MTFP report to Cabinet on 12<sup>th</sup> June 2008 have been rolled forward and updated based on current information. The Council's MTFP planning process is centred on a sustainable and deliverable set of planning assumptions.

- Pay settlements of 2.6% for 2008/09 and 2.5% for future years;
- General inflation of 2.5% on prices;
- Internal Drainage Board Levies increased by the actual figures for 2009/10 where known, and by 2.5% for future years;
- Fees and charges were agreed by Cabinet on 3<sup>rd</sup> December;
- Grant income and lease income not inflated;
- Property business rates increased by 3.5% for 2008/09 and 2.5% for future years;
- Investment income provides returns at 2% each year;
- The VAT limit for exempt supplies is not breached;
- No increase or decrease in the Council tax base;
- Self insured risks do not incur exceptional losses.

Members should note that with inflation falling, the pay settlement and other prices might be less than the general assumptions made above.

### Pension costs

- 3.16 The Actuary undertook a valuation in 2007. It was agreed that Bassetlaw would phase in the increase to the target rate of 21.5% in four equal steps (rounded to the nearest 0.1% per annum) as follows:

|         |       |
|---------|-------|
| 2009/10 | 21.0% |
| 2010/11 | 21.1% |
| 2011/12 | 21.3% |
| 2012/13 | 21.5% |

### Investments

- 3.17 The 3<sup>rd</sup> December budget report to Cabinet updated the position regarding the Icelandic Investments, following the detailed Treasury Management report to Cabinet on 4<sup>th</sup> November. To date, no further information regarding likely repayment amounts, payments on account, or receipt dates have been issued by the administrators or the Icelandic government.

- 3.18 With this in mind, the investment interest budget for the three years has been set at minimum levels, to reflect the worse case scenario that reimbursements may be deferred until future years. Furthermore, no account has been taken of any future capital receipts that the Council may receive.

#### Collection Fund surplus / deficit

- 3.19 The Council is statutory obliged on 15<sup>th</sup> January each year to prepare an estimate of its Collection Fund transactions for Council Tax. This estimate enables Bassetlaw and the three major precepting authorities to take account of any surpluses or deficits on the Fund when they set their own authority budgets.
- 3.20 Collections to 31<sup>st</sup> March 2008 were below the budgeted rate and resulted in a deficit of £114,000 carried forward. A review of collection levels in 2008/09 and the current economic climate concluded that it would be prudent to assume a nil surplus in-year for 2009/10. For similar reasons, the council taxbase report to Council recommended a reduction in the estimated collection rate by 0.5% to 98.5%. The Collection Fund estimates are provided at Appendix 3.

#### Provisions and Contingencies

- 3.21 As a result of the Star Chamber exercise in August/September 2008, a Corporate Contingency Pot was created for 2008/09 and future years to allow some flexibility against uncertain pressures arising during each financial year. This Contingency currently totals £124,000. This is seen as an essential element of good financial practice, and for this reason a top-up of £100,000 has been included within the 2009/10 budget, and £50,000 for 2010/11 and 2011/12 budgets.
- 3.22 For similar reasons the Council maintains a bad debt provision, and the budget allows for additional top-ups of £50,000 each year.
- 3.23 The Chancellor in his 2008 Pre-Budget report announced a 0.5% increase in National Insurance payments from April 2011. A provision of £60,000 has been made within the accounts for 2011/12.
- 3.24 The 3<sup>rd</sup> December budget report made reference to an appeal by one of the bus operators against the Nottinghamshire County Council concessionary travel scheme. The Department for Transport came to a decision during December, and we have been informed that the appeal was rejected with no further financial implications for the partnership. This has now set a precedent for all bus operators to follow, and consequently there is no longer a pressing need for a separate provision to be made. Should any future additional costs arise, for example through additional passenger use, the Corporate Contingency will be used in the first instance.

### Efficiency measures and Reinvestment proposals

- 3.25 All efficiency measures and reinvestment proposals have been reviewed against their support for and impact on the Council's priorities as detailed in the Corporate Plan. Only those reinvestment proposals seen as evidencing direct and significant contributions to delivering priorities have been submitted for approval.
- 3.26 Further efficiency measures, for example the Business Process Reengineering savings and future years Star Chamber findings, have not been built into the budget for prudence.

### Star Chamber

- 3.27 The table below sets out the savings identified during the Star Chamber process for increased resourcing of priority services in line with the Corporate Plan, and to deliver value for money in service areas. These efficiencies are year specific and are not cumulative:

|         | <b>Income<br/>Generation</b> | <b>Efficiency<br/>Measures</b> | <b>Total</b> |
|---------|------------------------------|--------------------------------|--------------|
|         | <b>£'000</b>                 | <b>£'000</b>                   | <b>£'000</b> |
| 2009/10 | 33                           | 822                            | 855          |
| 2010/11 | 33                           | 883                            | 916          |
| 2011/12 | 33                           | 883                            | 916          |

- 3.28 In addition to the above are ongoing efficiencies approved in last year's budget, which contribute to the balancing of the budget.
- 3.29 The Council will continue to seek efficiencies through procurement and by changing the way it carries out its business. A provisional target has been included within the budget of £25k / £50k / £50k over the period 2009/10 to 2011/12. As these efficiencies are delivered and hopefully surpassed, they will allow further redirection of funding to priorities.

### Capital Programme

- 3.30 This is subject to a separate report elsewhere on this agenda. As part of the Prudential Code, the Council is required to consider the implications on the revenue budget of its capital spending proposals. These have been considered as part of the budget.
- 3.31 A number of capital bids submitted and prioritised for inclusion in the capital programme are of a feasibility nature, and as such cannot be paid for from capital resources. Those affected are set out below:

|   | £                     |
|---|-----------------------|
| Redevelopment Feasibility Study                   | 50,000                |
| ICT Contract Consultancy                          | 45,000                |
| Harworth Technology Hub Design and Planning Study | 20,000                |
| Planned Maintenance Surveys                       | 30,000                |
| <b>TOTAL:</b>                                     | <b><u>145,000</u></b> |

- 3.32 It is proposed that due to the nature and importance of these bids, that they are funded from current revenue reserves.

### **Service Improvement Bids**

- 3.33 The 2009/10 to 2011/12 budget continues the policy of reinvesting in priority services. This is the first budget round where the Council has been able to put significant growth into its priorities in addition to the growth approved in July 2008 in respect of 2008/09.
- 3.34 This budget round provides for further growth funded from the efficiency gains set out above. In addition sound Financial Management arrangements are now embedded (and evidenced by the Audit Commission in their latest Use of Resources assessment), and reduces the need for significant contingencies.
- 3.35 All Heads of Service were asked to submit revenue bids for improvement to services for future years. These needed to comply with the strategic objectives of the Council. They have been corporately assessed, and the costs have been included within the overall 'fiscal framework' of the budget.
- 3.36 The new Service Improvement Bids (growth) proposals are detailed in Appendix 4 and total:

|              | £ '000              |
|--------------|---------------------|
| 2009/10      | 226.9               |
| 2010/11      | 97.0                |
| 2011/12      | 97.0                |
| <b>Total</b> | <b><u>420.9</u></b> |

### **Capping**

- 3.37 In announcing the settlement Local Government Minister John Healey said:

*"Last year, I made clear that the Government expected the average council tax increase in 2008/09 to be substantially below 5%. The actual increase was 3.9% -*

*the lowest increase for 14 years and the second lowest ever. We also kept our promise to deal with excessive increases by taking capping action against eight authorities. For 2009/10 the Government again expects the average council tax increase in England to be substantially below 5%. And again, we will not hesitate to use our capping power as necessary to protect council tax payers from excessive increases."*

- 3.38 The government's focus is now very much on tax increases rather than absolute levels of council tax. This approach is perhaps not surprising in the light of the disparate impact of the damping mechanism in the grant regime on an individual authority's grant as noted above. The universal capping target could be viewed as inequitable as the Council currently loses £0.154m each year through the damping mechanism to other Councils. Currently, Bassetlaw's sustainable financial strategy allows the Council to set council taxes within this limit whilst still investing in priorities. However, in the longer term, financial sustainability will be affected if the Council continues to lose grant as a direct result of the damping mechanism.

### **Council Taxes**

- 3.39 The report to Council on 3<sup>rd</sup> December 2008 proposed a council tax base for collection purposes of 35,782.81 for 2009/10 (a movement of 171.82 properties from the 35,610.99 for 2008/09).
- 3.40 The average band D council tax for 2008/09 for Bassetlaw District Council services is £149.09. For 2009/10 a 2.5% increase would mean a new council tax of £152.82. This represents an annual increase of £3.73, and a weekly increase of £0.07. For each additional 1% it would cost a further £1.49 per annum.
- 3.41 The majority of properties (approximately 40%) in the council's area are in band A with a 2008/09 council tax of £99.39. A 2.5% increase for 2009/10 would mean a new council tax of £101.87. This represents an annual increase of £2.48, and a weekly increase of £0.05. For each additional 1% it would cost a further £0.99 per annum.
- 3.42 The proposed increase for 2009/10 at 2.5% can be contrasted with recent year on year increase in the Consumer Prices Index (which is the measure that central government uses), and the Retail Prices Index (all items [RPI], and RPI excluding mortgage interest payments [RPIX]).

|          | CPI                     | RPI                     | RPIX                    |
|----------|-------------------------|-------------------------|-------------------------|
|          | % change over 12 months | % change over 12 months | % change over 12 months |
| Sep 2008 | 5.2%                    | 5.0%                    | 5.5%                    |
| Oct 2008 | 4.5%                    | 4.2%                    | 4.7%                    |
| Nov 2008 | 4.1%                    | 3.0%                    | 3.9%                    |
| Dec 2008 | 3.1%                    | 0.9%                    | 2.8%                    |

- 3.43 Parish, Police, Fire and County precepts are still to be set by the precepting authorities and will be included in the Council Tax resolution.

### **Reserves**

- 3.44 Section 25 of the Local Government Act 2003 requires the S151 Officer to report on the adequacy of reserves when the Council is determining its budget. The establishment and use of reserves is in keeping with the policy set out in the 2007/08 budget report, and reaffirmed by the 12<sup>th</sup> June Cabinet report which set out the Medium Term Financial Plan for the next three years.
- 3.45 The proposals in this report retain adequate but not excessive, levels of reserves. The planned drawdown from the General Reserve of £0.369m for 2009/10 will leave adequate balances for the Council to manage over the longer term. These, coupled with further efficiencies from procurement and business process reengineering, will ensure the financial stability of the Council in future years. The Reserves and Balances are detailed in Appendix 5.
- 3.46 The current three-year Comprehensive Spending Review and RSG settlements represented a marked change in government policy. Whilst there may be more stability in the period covered by each CSR, there is added volatility from one CSR to the next, and the General Reserve is managed with an eye to the potential need to cope with a much tighter settlement locally next time round. The Council has previously looked to maintain a minimum of £1.0m in the General Reserve. Retaining a margin above £1.0m remains prudent for the current MTFP, particularly in the context of the job evaluation process that has still to be determined.
- 3.47 The projected General Fund balance at 31<sup>st</sup> March 2010 is £2.072m and is detailed at Appendix 1.

### **Participatory Budgeting**

- 3.48 The Council has introduced participatory budgeting with taxpayers to strengthen consultation and taxpayers involvement in the 2009/10 budget. The Autumn/Winter edition of Bassetlaw News invited readers to vote on their favoured choice for revenue investment into services. The options were:
- CCTV in problematic town centre areas
  - Improving waste recycling rates
  - Cleanliness in our town centres
- 3.49 From responses received, an extra £100,000 will be invested in street cleaning of the town centres. In order to be equitable throughout the district, £50,000 will also be invested in outlying villages as a series of rural initiatives to provide a higher level of grant aid to Parishes in line with 'Real People Real Power'.
- 3.50 Participatory budgeting will be developed further in 2009/10 with the Council replacing the under-utilised Grant Aid budget, with a dedicated Member Initiatives

budget. This is an additional injection of resources of £32,300, which will enable each Member to give a direct financial benefit to their ward. In practice this means that each member will receive a sum of £1,000 and be delegated authority to decide how it is to be spent within agreed guidelines.

#### **4. Implications**

a) For service users

The budget ensures that existing service improves with a number of new initiatives, with no diminution in service from the savings recommended for 2009/10. The budget has been developed appropriately according to legislation, national guidance, and the Council's corporate objectives.

b) Strategic & Policy

The budget supports the Council's strategic objectives, and this report is in line with best practice as detailed in the Use of Resources Key Lines of Enquiry.

c) Financial - Ref: 9/637

These are contained within the main body of the report and supporting Appendices.

The Head of Finance & Property, as designated the Council's Section 151 Officer, has outlined his opinion on the robustness of estimates and adequacy of reserves elsewhere on this agenda. In summary, the Head of Finance & Property is satisfied that the advice given to Members satisfies his statutory fiduciary duty as required under Section 25 of the Local Government Act 2003.

d) Legal - Ref: 733/02/09

The Council must set a lawful and balanced budget before setting the level of Council Tax.

The Council is required to set a council tax for 2009/10 within statutory prescribed timescales.

Members must have regard to the advice of the Section 151 Officer. The Council may take decisions which are at variance with his advice, providing there are reasonable grounds to do so. The requirement to consider the advice of the Section 151 Officer is reinforced by the Code of Conduct.

e) Human Resources

The budget proposals do not require any targeted reductions in staffing. However, where efficiency savings are proposed during the year which involve restructuring or improved means of delivery, all changes will be subject to formal consultation with the trade unions and employees concerned. The process will comply with the Council's policies and procedures and employment legislation.

- f) Community Safety, Equalities, Environmental

None from this report.

- g) This is a key decision, reference number 198.

## **5. Options, Risks and Reasons for Recommendations**

The Council must set a balanced revenue budget but may otherwise vary its spending and taxation proposals having regard to capping if its council tax increase is seen as excessive by the Secretary of State (5% being signalled as the threshold).

In respect of the budget, the following options are available:

- a) Determine the level of Service Improvement Bids
- b) Revise the planned use of reserves to support the Council's revenue budget
- c) Change the planned level of increase in Council Tax
- d) Revise the capital programme and associated funding strategy.

## **6. Conclusions**

The proposals in this report set out an affordable and sustainable revenue budget and capital programme based on modest council tax increases over the next three years. The summary budget for the period 2009/10 to 2011/12 is detailed in Appendix 1 and demonstrates a sustainable financial strategy consistent with all the planning assumptions, funding and principles detailed earlier in the report.

## **7. Recommendations**

Cabinet is recommended to agree the following recommendations to Full Council on 2<sup>nd</sup> March 2009:

- 7.1 That Cabinet considers the budget for 2009/10 and future years, together with the associated comments from PISC on 10<sup>th</sup> February 2009, and to recommend their approval.
- 7.2 That Cabinet recommends a council tax increase of 2.5% for 2009/10, and in line with best practice, also recommends indicative increases of 2.5% for both 2010/11 and 2011/12.
- 7.3 That Cabinet approves the use of reserves of £0.369m to fund 2009/10 as detailed in para 3.45 and Appendix 5 of this report.

- 7.4 That Cabinet approves the Service Improvement Bids as summarised in para 3.36 and detailed in Appendix 4 of this report.
- 7.5 That Cabinet approves the declaration of a nil surplus on the Collection Fund for 2009/10 as summarised in para 3.20 and detailed in Appendix 3 of this report.
- 7.6 That Cabinet approves the 'capital bids determined to be revenue' of £145,000 as detailed at para 3.31 to be funded from revenue reserves.

**Background Papers**

Local Government Finance Settlement  
Budget working papers  
Cabinet reports  
Council tax reports

**Location**

Accountancy office

**COUNCIL BUDGET 2009/10 AND FUTURE YEARS**

| Approved<br>Budget<br>2008/09 |                                       | Budget<br>2009/10   | Budget<br>2010/11   | Budget<br>2011/12   |
|-------------------------------|---------------------------------------|---------------------|---------------------|---------------------|
| £                             |                                       | £                   | £                   | £                   |
| <b>SERVICE BUDGETS</b>        |                                       |                     |                     |                     |
| 1,725,330                     | Community Engagement & Performance    | 1,739,800           | 1,849,200           | 1,890,800           |
| 3,707,264                     | Community Prosperity                  | 4,003,500           | 3,895,900           | 3,991,800           |
| 473,722                       | Corporate Management                  | 406,500             | 411,500             | 417,300             |
| 6,917,175                     | Environment & Housing                 | 7,040,200           | 7,263,500           | 7,434,200           |
| 1,926,874                     | Finance & Property                    | 1,982,600           | 2,047,600           | 2,108,000           |
| 1,543,100                     | Revenues & Customer Services          | 1,460,100           | 1,545,600           | 1,626,800           |
| 84,235                        | Support Services                      | 76,300              | 36,900              | 26,500              |
| <b>16,377,700</b>             | <b>Total Net Cost of Services</b>     | <b>16,709,000</b>   | <b>17,050,200</b>   | <b>17,495,400</b>   |
| <b>OTHER BUDGETS</b>          |                                       |                     |                     |                     |
| (1,541,480)                   | Asset Rents                           | (1,955,500)         | (1,955,500)         | (1,955,500)         |
| 38,740                        | Provisions                            | 150,000             | 100,000             | 160,000             |
| 0                             | Participative Budgeting               | 150,000             | 0                   | 0                   |
| 1,265,910                     | Net interest and borrowing costs      | 1,313,200           | 1,171,800           | 978,600             |
| 0                             | Service Improvement bids              | 226,900             | 97,000              | 97,000              |
| 406,090                       | Parishes and Drainage Board Levies    | 416,700             | 427,100             | 437,700             |
| <b>169,260</b>                | <b>Total Other Budgets</b>            | <b>301,300</b>      | <b>(159,600)</b>    | <b>(282,200)</b>    |
| (74,430)                      | Transfer to/(from) Earmarked Reserves | 0                   | 0                   | 0                   |
| (137,620)                     | Transfer to/(from) General Reserve    | (368,500)           | 26,100              | (99,700)            |
| <b>16,334,910</b>             | <b>Total Council Net Budget</b>       | <b>16,641,800</b>   | <b>16,916,700</b>   | <b>17,113,500</b>   |
| <b>FUNDED BY</b>              |                                       |                     |                     |                     |
| (1,347,310)                   | Revenue Support Grant                 | (2,095,400)         | (2,121,300)         | (2,131,900)         |
| (9,678,360)                   | Business Rates                        | (9,078,100)         | (9,190,400)         | (9,236,300)         |
| 0                             | Collection Fund Deficit/(Surplus)     | 0                   | 0                   | 0                   |
| (5,309,240)                   | Council Tax                           | (5,468,300)         | (5,605,000)         | (5,745,300)         |
| <b>(16,334,910)</b>           | <b>Total Funding</b>                  | <b>(16,641,800)</b> | <b>(16,916,700)</b> | <b>(17,113,500)</b> |
| <b>Tax Base</b>               |                                       |                     |                     |                     |
| <b>35,610.99</b>              |                                       | <b>35,782.81</b>    | <b>35,782.81</b>    | <b>35,782.81</b>    |
| <b>Council Tax</b>            |                                       |                     |                     |                     |
| <b>149.09</b>                 |                                       | <b>152.82</b>       | <b>156.64</b>       | <b>160.56</b>       |
| <b>General Fund Balances:</b> |                                       |                     |                     |                     |
| <b>Balance @ 1 April</b>      |                                       |                     |                     |                     |
|                               |                                       | <b>2,440,700</b>    | <b>2,072,200</b>    | <b>2,098,300</b>    |
| <b>Movement in year</b>       |                                       |                     |                     |                     |
|                               |                                       | (368,500)           | 26,100              | (99,700)            |
| <b>Balance @ 31 March</b>     |                                       |                     |                     |                     |
|                               |                                       | <b>2,072,200</b>    | <b>2,098,300</b>    | <b>1,998,600</b>    |

|  |
|--|
| <b>DIRECTORATE OF CORPORATE SERVICES</b> |
|--|

|   |
|---|
| <b>COMMUNITY ENGAGEMENT &amp; PERFORMANCE</b> |
|---|

| BUDGET<br>2008/09 | DIVISION                                | BUDGET<br>2009/10 | FORECAST         |                  |
|-------------------|---|-------------------|------------------|------------------|
| £                 |   | £                 | 2010/11<br>£     | 2011/12<br>£     |
| 218,450           | Community Safety                        | 198,200           | 204,100          | 210,100          |
| 17,550            | Miscellaneous                           | 19,300            | 19,900           | 20,500           |
| 845,700           | Democratic Representation & Support     | 832,500           | 854,800          | 877,100          |
| 301,700           | Elections                               | 282,000           | 351,400          | 359,800          |
| 41,590            | Community Strategy & Engagement         | 45,000            | 46,100           | 40,800           |
| 39,550            | Public Relations                        | 83,200            | 86,400           | 89,200           |
| 260,790           | Service, Corporate Management & Support | 279,600           | 286,500          | 293,300          |
| <b>1,725,330</b>  | <b>Total</b>                            | <b>1,739,800</b>  | <b>1,849,200</b> | <b>1,890,800</b> |

**DIRECTORATE OF CORPORATE SERVICES**

**COMMUNITY ENGAGEMENT AND PERFORMANCE**

| <b>BUDGET<br/>2008/09</b> | <b>DIVISION</b>             | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b>  |                  |
|---------------------------|-----------------------------|---------------------------|------------------|------------------|
| <b>£</b>                  |                             | <b>£</b>                  | <b>2010/11</b>   | <b>2011/12</b>   |
|                           |                             |                           | <b>£</b>         | <b>£</b>         |
|                           | <b><u>EXPENDITURE</u></b>   |                           |                  |                  |
| 848,850                   | Employees                   | 793,300                   | 875,400          | 900,300          |
| 26,540                    | Premises                    | 24,000                    | 29,500           | 30,100           |
| 50,170                    | Transport                   | 49,300                    | 50,300           | 51,300           |
| 652,870                   | Supplies and Services       | 638,300                   | 653,600          | 650,700          |
| 63,550                    | Third Party Payments        | 166,900                   | 193,900          | 156,700          |
| 0                         | Transfer Payments           | 0                         | 0                | 0                |
| 733,540                   | Internal Services Recharged | 908,000                   | 938,500          | 967,400          |
| 13,930                    | Capital Financing Costs     | 13,900                    | 13,900           | 13,900           |
| <b>2,389,450</b>          | <b>TOTAL EXPENDITURE</b>    | <b>2,593,700</b>          | <b>2,755,100</b> | <b>2,770,400</b> |
|                           | <b><u>INCOME</u></b>        |                           |                  |                  |
| (582,050)                 | Internal Services Recharges | (670,900)                 | (694,300)        | (715,900)        |
| (1,950)                   | Grants                      | (100,500)                 | (127,000)        | (77,000)         |
| (80,120)                  | Customer & Client Receipts  | (82,500)                  | (84,600)         | (86,700)         |
| <b>(664,120)</b>          | <b>TOTAL INCOME</b>         | <b>(853,900)</b>          | <b>(905,900)</b> | <b>(879,600)</b> |
| <b>1,725,330</b>          | <b>NET BUDGET</b>           | <b>1,739,800</b>          | <b>1,849,200</b> | <b>1,890,800</b> |

**Head of Service: S Pearson**

**BRIEF DESCRIPTION OF SERVICE**

The Community Engagement and Performance Service combines:

Policy, Scrutiny, Performance, Complaints, Public Relations, Democratic Services, Elections, Administrative and Member Support and Community Safety the Service ensures the Council is in optimum health – doing what it should be, in the way it should be done, to the best of its ability.

Our purpose

The role of Community Engagement and Performance is to

- Support other council services
- Deliver our own services

We are directly responsible for responding to new local, regional and central government policy, managing council performance, scrutinising council policies, overseeing all complaints on behalf of the council, developing the Council's approach to partnership working and risk management and delivering an effective internal and external communications function.

We are responsible for organising and playing the leading role in all Parish, District, County, Parliamentary and European elections and for the electoral registration function. We also manage Committee Services, Chairman's duties and provide administrative support to all elected members.

We are the base for the Council's priority of Community Safety and operate a shared Community Safety Partnership with Newark and Sherwood District Council. Community Engagement and Performance Service is here to: Lead and support, deliver and scrutinise, improve and inform.

| <b>BUDGET<br/>2008/09</b> | <b>UNIT COSTS</b>        | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b> |                |
|---------------------------|--------------------------|---------------------------|-----------------|----------------|
| <b>£</b>                  |                          | <b>£</b>                  | <b>2010/11</b>  | <b>2011/12</b> |
|                           |                          |                           | <b>£</b>        | <b>£</b>       |
| 21.39                     | Expenditure per Resident | 23.22                     | 24.67           | 24.80          |
| (5.95)                    | Income per Resident      | (7.64)                    | (8.11)          | (7.87)         |

**DIRECTORATE OF CORPORATE SERVICES**

**COMMUNITY SAFETY**

| <b>BUDGET<br/>2008/09</b> | <b>DIVISION</b>             | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b>  |                 |
|---------------------------|-----------------------------|---------------------------|------------------|-----------------|
| <b>£</b>                  |                             | <b>£</b>                  | <b>2010/11</b>   | <b>2011/12</b>  |
|                           |                             |                           | <b>£</b>         | <b>£</b>        |
|                           | <b><u>EXPENDITURE</u></b>   |                           |                  |                 |
| 156,900                   | Employees                   | 128,400                   | 133,600          | 138,800         |
| 0                         | Premises                    | 0                         | 0                | 0               |
| 4,040                     | Transport                   | 4,100                     | 4,200            | 4,300           |
| 51,140                    | Supplies and Services       | 36,900                    | 37,700           | 26,500          |
| 13,550                    | Third Party Payments        | 89,400                    | 89,200           | 51,200          |
| 0                         | Transfer Payments           | 0                         | 0                | 0               |
| 46,880                    | Internal Services Recharged | 43,500                    | 44,900           | 46,200          |
| 0                         | Capital Financing Costs     | 0                         | 0                | 0               |
| <b>272,510</b>            | <b>TOTAL EXPENDITURE</b>    | <b>302,300</b>            | <b>309,600</b>   | <b>267,000</b>  |
|                           | <b><u>INCOME</u></b>        |                           |                  |                 |
| 0                         | Internal Services Recharges | 0                         | 0                | 0               |
| 0                         | Grants                      | (50,000)                  | (50,000)         | 0               |
| (54,060)                  | Customer & Client Receipts  | (54,100)                  | (55,500)         | (56,900)        |
| (54,060)                  | <b>TOTAL INCOME</b>         | <b>(104,100)</b>          | <b>(105,500)</b> | <b>(56,900)</b> |
| <b>218,450</b>            | <b>NET BUDGET</b>           | <b>198,200</b>            | <b>204,100</b>   | <b>210,100</b>  |

**Responsible Budget Holder:** Gill Blenkinsop

**BRIEF DESCRIPTION OF SERVICE**

**Community Safety**

Working with our partners to reduce crime and fear of crime. We currently operate a shared service with Newark and Sherwood District Council.

| <b>BUDGET<br/>2008/09</b> | <b>UNIT COSTS</b>        | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b> |                |
|---------------------------|--------------------------|---------------------------|-----------------|----------------|
| <b>£</b>                  |                          | <b>£</b>                  | <b>2010/11</b>  | <b>2011/12</b> |
|                           |                          |                           | <b>£</b>        | <b>£</b>       |
| 2.44                      | Expenditure per Resident | 2.71                      | 2.77            | 2.39           |
| (0.48)                    | Income per Resident      | (0.93)                    | (0.94)          | (0.51)         |

**DIRECTORATE OF CORPORATE SERVICES**

**MISCELLANEOUS**

| <b>BUDGET<br/>2008/09</b> | <b>DIVISION</b>             | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b> |                |
|---------------------------|-----------------------------|---------------------------|-----------------|----------------|
| <b>£</b>                  |                             | <b>£</b>                  | <b>2010/11</b>  | <b>2011/12</b> |
|                           |                             |                           | <b>£</b>        | <b>£</b>       |
|                           | <b><u>EXPENDITURE</u></b>   |                           |                 |                |
| 0                         | Employees                   | 0                         | 0               | 0              |
| 2,850                     | Premises                    | 4,100                     | 4,200           | 4,300          |
| 0                         | Transport                   | 0                         | 0               | 0              |
| 16,000                    | Supplies and Services       | 16,500                    | 17,000          | 17,500         |
| 0                         | Third Party Payments        | 0                         | 0               | 0              |
| 0                         | Transfer Payments           | 0                         | 0               | 0              |
| 0                         | Internal Services Recharged | 0                         | 0               | 0              |
| 0                         | Capital Financing Costs     | 0                         | 0               | 0              |
| <b>18,850</b>             | <b>TOTAL EXPENDITURE</b>    | <b>20,600</b>             | <b>21,200</b>   | <b>21,800</b>  |
|                           | <b><u>INCOME</u></b>        |                           |                 |                |
| 0                         | Internal Services Recharges | 0                         | 0               | 0              |
| (1,300)                   | Grants                      | (1,300)                   | (1,300)         | (1,300)        |
| 0                         | Customer & Client Receipts  | 0                         | 0               | 0              |
| <b>(1,300)</b>            | <b>TOTAL INCOME</b>         | <b>(1,300)</b>            | <b>(1,300)</b>  | <b>(1,300)</b> |
| <b>17,550</b>             | <b>NET BUDGET</b>           | <b>19,300</b>             | <b>19,900</b>   | <b>20,500</b>  |

**Responsible Budget Holder:** Sarah Pearson

**BRIEF DESCRIPTION OF SERVICE**

Costs associated with the Inspection Regime.

| <b>BUDGET<br/>2008/09</b> | <b>UNIT COSTS</b>        | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b> |                |
|---------------------------|--------------------------|---------------------------|-----------------|----------------|
| <b>£</b>                  |                          | <b>£</b>                  | <b>2010/11</b>  | <b>2011/12</b> |
|                           |                          |                           | <b>£</b>        | <b>£</b>       |
| 0.17                      | Expenditure per Resident | 0.18                      | 0.19            | 0.20           |
| (0.01)                    | Income per Resident      | (0.01)                    | (0.01)          | (0.01)         |

**DIRECTORATE OF CORPORATE SERVICES**

**DEMOCRATIC REPRESENTATION & SUPPORT**

| <b>BUDGET<br/>2008/09</b> | <b>DIVISION</b>             | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b>  |                  |
|---------------------------|-----------------------------|---------------------------|------------------|------------------|
| <b>£</b>                  |                             | <b>£</b>                  | <b>2010/11</b>   | <b>2011/12</b>   |
|                           |                             | <b>£</b>                  | <b>£</b>         | <b>£</b>         |
|                           | <b><u>EXPENDITURE</u></b>   |                           |                  |                  |
| 238,770                   | Employees                   | 194,000                   | 200,700          | 206,500          |
| 750                       | Premises                    | 800                       | 800              | 800              |
| 37,700                    | Transport                   | 38,000                    | 38,700           | 39,400           |
| 401,280                   | Supplies and Services       | 400,200                   | 409,600          | 419,200          |
| 0                         | Third Party Payments        | 0                         | 0                | 0                |
| 0                         | Transfer Payments           | 0                         | 0                | 0                |
| 410,460                   | Internal Services Recharged | 410,600                   | 424,200          | 437,600          |
| 13,930                    | Capital Financing Costs     | 13,900                    | 13,900           | 13,900           |
| <b>1,102,890</b>          | <b>TOTAL EXPENDITURE</b>    | <b>1,057,500</b>          | <b>1,087,900</b> | <b>1,117,400</b> |
|                           | <b><u>INCOME</u></b>        |                           |                  |                  |
| (256,540)                 | Internal Services Recharges | (224,300)                 | (232,400)        | (239,600)        |
| (650)                     | Grants                      | (700)                     | (700)            | (700)            |
| 0                         | Customer & Client Receipts  | 0                         | 0                | 0                |
| (257,190)                 | <b>TOTAL INCOME</b>         | <b>(225,000)</b>          | <b>(233,100)</b> | <b>(240,300)</b> |
| <b>845,700</b>            | <b>NET BUDGET</b>           | <b>832,500</b>            | <b>854,800</b>   | <b>877,100</b>   |

**Responsible Budget Holder:** Sarah Pearson

**BRIEF DESCRIPTION OF SERVICE**

**Democratic Services**

- services council, cabinet and other statutory and non statutory meetings.

| <b>BUDGET<br/>2008/09</b> | <b>UNIT COSTS</b>        | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b> |                |
|---------------------------|--------------------------|---------------------------|-----------------|----------------|
| <b>£</b>                  |                          | <b>£</b>                  | <b>2010/11</b>  | <b>2011/12</b> |
|                           |                          | <b>£</b>                  | <b>£</b>        | <b>£</b>       |
| 9.87                      | Expenditure per Resident | 9.47                      | 9.74            | 10.00          |
| (2.30)                    | Income per Resident      | (2.01)                    | (2.09)          | (2.15)         |

**DIRECTORATE OF CORPORATE SERVICES**

**ELECTIONS**

| <b>BUDGET<br/>2008/09</b> | <b>DIVISION</b>             | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b> |                |
|---------------------------|-----------------------------|---------------------------|-----------------|----------------|
| <b>£</b>                  |                             | <b>£</b>                  | <b>2010/11</b>  | <b>2011/12</b> |
|                           |                             |                           | <b>£</b>        | <b>£</b>       |
|                           | <b><u>EXPENDITURE</u></b>   |                           |                 |                |
| 66,690                    | Employees                   | 0                         | 55,500          | 55,500         |
| 22,940                    | Premises                    | 19,100                    | 24,500          | 25,000         |
| 0                         | Transport                   | 0                         | 0               | 0              |
| 92,980                    | Supplies and Services       | 95,300                    | 97,800          | 100,300        |
| 0                         | Third Party Payments        | 0                         | 0               | 0              |
| 0                         | Transfer Payments           | 0                         | 0               | 0              |
| 120,310                   | Internal Services Recharged | 168,800                   | 174,800         | 180,200        |
| 0                         | Capital Financing Costs     | 0                         | 0               | 0              |
| <b>302,920</b>            | <b>TOTAL EXPENDITURE</b>    | <b>283,200</b>            | <b>352,600</b>  | <b>361,000</b> |
|                           | <b><u>INCOME</u></b>        |                           |                 |                |
| 0                         | Internal Services Recharges | 0                         | 0               | 0              |
| 0                         | Grants                      | 0                         | 0               | 0              |
| (1,220)                   | Customer & Client Receipts  | (1,200)                   | (1,200)         | (1,200)        |
| (1,220)                   | <b>TOTAL INCOME</b>         | <b>(1,200)</b>            | <b>(1,200)</b>  | <b>(1,200)</b> |
| <b>301,700</b>            | <b>NET BUDGET</b>           | <b>282,000</b>            | <b>351,400</b>  | <b>359,800</b> |

**Responsible Budget Holder:**      **Stephen Phillips**

**BRIEF DESCRIPTION OF SERVICE**

**Elections**

- promotes electoral awareness both in terms of electoral registration and democratic participation in elections

| <b>BUDGET<br/>2008/09</b> | <b>UNIT COSTS</b>        | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b> |                |
|---------------------------|--------------------------|---------------------------|-----------------|----------------|
| <b>£</b>                  |                          | <b>£</b>                  | <b>2010/11</b>  | <b>2011/12</b> |
|                           |                          |                           | <b>£</b>        | <b>£</b>       |
| 2.71                      | Expenditure per Resident | 2.54                      | 3.16            | 3.23           |
| (0.01)                    | Income per Resident      | (0.01)                    | (0.01)          | (0.01)         |

**DIRECTORATE OF CORPORATE SERVICES**

**COMMUNITY STRATEGY & ENGAGEMENT**

| <b>BUDGET<br/>2008/09</b> | <b>DIVISION</b>             | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b> |                 |
|---------------------------|-----------------------------|---------------------------|-----------------|-----------------|
| <b>£</b>                  |                             | <b>£</b>                  | <b>2010/11</b>  | <b>2011/12</b>  |
|                           | <b><u>EXPENDITURE</u></b>   |                           |                 |                 |
| 0                         | Employees                   | 0                         | 0               | 0               |
| 0                         | Premises                    | 0                         | 0               | 0               |
| 0                         | Transport                   | 0                         | 0               | 0               |
| 20,500                    | Supplies and Services       | 16,700                    | 17,100          | 11,000          |
| 17,150                    | Third Party Payments        | 66,100                    | 93,000          | 93,500          |
| 0                         | Transfer Payments           | 0                         | 0               | 0               |
| 3,940                     | Internal Services Recharged | 10,700                    | 11,000          | 11,300          |
| 0                         | Capital Financing Costs     | 0                         | 0               | 0               |
| <b>41,590</b>             | <b>TOTAL EXPENDITURE</b>    | <b>93,500</b>             | <b>121,100</b>  | <b>115,800</b>  |
|                           | <b><u>INCOME</u></b>        |                           |                 |                 |
| 0                         | Internal Services Recharges | 0                         | 0               | 0               |
| 0                         | Grants                      | (48,500)                  | (75,000)        | (75,000)        |
| 0                         | Customer & Client Receipts  | 0                         | 0               | 0               |
| 0                         | <b>TOTAL INCOME</b>         | <b>(48,500)</b>           | <b>(75,000)</b> | <b>(75,000)</b> |
| <b>41,590</b>             | <b>NET BUDGET</b>           | <b>45,000</b>             | <b>46,100</b>   | <b>40,800</b>   |

**Responsible Budget Holder:** Gill Blenkinsop

**BRIEF DESCRIPTION OF SERVICE**

**Policy/Partnership**

- enables the council to respond to national, regional and local issues, and supports the Local Strategic Partnership which sets an overall vision to improve the District and delivers actions to achieve this in its Community Strategy

| <b>BUDGET<br/>2008/09</b> | <b>UNIT COSTS</b>        | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b> |                |
|---------------------------|--------------------------|---------------------------|-----------------|----------------|
| <b>£</b>                  |                          | <b>£</b>                  | <b>2010/11</b>  | <b>2011/12</b> |
| 0.37                      | Expenditure per Resident | 0.84                      | 1.08            | 1.04           |
| 0.00                      | Income per Resident      | (0.43)                    | (0.67)          | (0.67)         |

**DIRECTORATE OF CORPORATE SERVICES**

**PUBLIC RELATIONS**

| <b>BUDGET<br/>2008/09</b> | <b>DIVISION</b>             | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b>  |                  |
|---------------------------|-----------------------------|---------------------------|------------------|------------------|
| <b>£</b>                  |                             | <b>£</b>                  | <b>2010/11</b>   | <b>2011/12</b>   |
|                           | <b><u>EXPENDITURE</u></b>   |                           |                  |                  |
| 48,830                    | Employees                   | 92,700                    | 97,800           | 101,600          |
| 0                         | Premises                    | 0                         | 0                | 0                |
| 840                       | Transport                   | 900                       | 900              | 900              |
| 38,890                    | Supplies and Services       | 53,100                    | 54,400           | 55,800           |
| 16,250                    | Third Party Payments        | 0                         | 0                | 0                |
| 0                         | Transfer Payments           | 0                         | 0                | 0                |
| 29,070                    | Internal Services Recharged | 85,400                    | 88,900           | 91,900           |
| 0                         | Capital Financing Costs     | 0                         | 0                | 0                |
| <b>133,880</b>            | <b>TOTAL EXPENDITURE</b>    | <b>232,100</b>            | <b>242,000</b>   | <b>250,200</b>   |
|                           | <b><u>INCOME</u></b>        |                           |                  |                  |
| (79,390)                  | Internal Services Recharges | (132,500)                 | (138,800)        | (143,800)        |
| 0                         | Grants                      | 0                         | 0                | 0                |
| (14,940)                  | Customer & Client Receipts  | (16,400)                  | (16,800)         | (17,200)         |
| <b>(94,330)</b>           | <b>TOTAL INCOME</b>         | <b>(148,900)</b>          | <b>(155,600)</b> | <b>(161,000)</b> |
| <b>39,550</b>             | <b>NET BUDGET</b>           | <b>83,200</b>             | <b>86,400</b>    | <b>89,200</b>    |

**Responsible Budget Holder:** Gill Blenkinsop

**BRIEF DESCRIPTION OF SERVICE**

**Public Relations**

- informs the people of Bassetlaw about the council, the services we provide and how to contact us

| <b>BUDGET<br/>2008/09</b> | <b>UNIT COSTS</b>        | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b> |                |
|---------------------------|--------------------------|---------------------------|-----------------|----------------|
| <b>£</b>                  |                          | <b>£</b>                  | <b>2010/11</b>  | <b>2011/12</b> |
| 1.20                      | Expenditure per Resident | 2.08                      | 2.17            | 2.24           |
| (0.84)                    | Income per Resident      | (1.33)                    | (1.39)          | (1.44)         |

**DIRECTORATE OF CORPORATE SERVICES**

**SERVICE, CORPORATE MANAGEMENT & SUPPORT**

| <b>BUDGET<br/>2008/09</b> | <b>DIVISION</b>             | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b>  |                  |
|---------------------------|-----------------------------|---------------------------|------------------|------------------|
| <b>£</b>                  |                             | <b>£</b>                  | <b>2010/11</b>   | <b>2011/12</b>   |
|                           | <b><u>EXPENDITURE</u></b>   |                           |                  |                  |
| 337,660                   | Employees                   | 378,200                   | 387,800          | 397,900          |
| 0                         | Premises                    | 0                         | 0                | 0                |
| 7,590                     | Transport                   | 6,300                     | 6,500            | 6,700            |
| 32,080                    | Supplies and Services       | 19,600                    | 20,000           | 20,400           |
| 16,600                    | Third Party Payments        | 11,400                    | 11,700           | 12,000           |
| 0                         | Transfer Payments           | 0                         | 0                | 0                |
| 122,880                   | Internal Services Recharged | 189,000                   | 194,700          | 200,200          |
| 0                         | Capital Financing Costs     | 0                         | 0                | 0                |
| <b>516,810</b>            | <b>TOTAL EXPENDITURE</b>    | <b>604,500</b>            | <b>620,700</b>   | <b>637,200</b>   |
|                           | <b><u>INCOME</u></b>        |                           |                  |                  |
| (246,120)                 | Internal Services Recharges | (314,100)                 | (323,100)        | (332,500)        |
| 0                         | Grants                      | 0                         | 0                | 0                |
| (9,900)                   | Customer & Client Receipts  | (10,800)                  | (11,100)         | (11,400)         |
| <b>(256,020)</b>          | <b>TOTAL INCOME</b>         | <b>(324,900)</b>          | <b>(334,200)</b> | <b>(343,900)</b> |
| <b>260,790</b>            | <b>NET BUDGET</b>           | <b>279,600</b>            | <b>286,500</b>   | <b>293,300</b>   |

**Responsible Budget Holder:** Sarah Pearson

**BRIEF DESCRIPTION OF SERVICE**

**Risk Management**

- Ensuring the Council's approach to risk management is robust

**Performance**

- drives continuous improvement of our services

**Complaints**

| <b>BUDGET<br/>2008/09</b> | <b>UNIT COSTS</b>        | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b> |                |
|---------------------------|--------------------------|---------------------------|-----------------|----------------|
| <b>£</b>                  |                          | <b>£</b>                  | <b>2010/11</b>  | <b>2011/12</b> |
| 4.63                      | Expenditure per Resident | 5.41                      | 5.56            | 5.70           |
| (2.29)                    | Income per Resident      | (2.91)                    | (2.99)          | (3.08)         |

## DIRECTORATE OF COMMUNITY SERVICES

## COMMUNITY PROSPERITY

| BUDGET<br>2008/09 | DIVISION                                | BUDGET<br>2009/10 | FORECAST         |                  |
|-------------------|---|-------------------|------------------|------------------|
|                   |   | 2009/10           | 2010/11          | 2011/12          |
| £                 |   | £                 | £                | £                |
| 2,373             | Leisure - Service Management & Support  | (400)             | 3,400            | 7,900            |
| 109,332           | Leisure - Other                         | 26,700            | 26,200           | 26,500           |
| 61,052            | Culture & Heritage                      | 74,100            | 76,600           | 79,000           |
| 479,545           | Recreation & Sport                      | 425,300           | 432,100          | 442,900          |
| 30,711            | Tourism                                 | 19,700            | 20,100           | 20,500           |
| 29,135            | Markets & Fairs                         | 102,000           | 104,100          | 106,800          |
| (500,740)         | Parking Services                        | (472,600)         | (485,100)        | (496,200)        |
| 59,756            | Street Lighting                         | 55,700            | 57,300           | 59,000           |
| 42,586            | Golf Course                             | 0                 | 0                | 0                |
| 1,358,126         | Leisure Centres                         | 1,566,900         | 1,505,200        | 1,539,500        |
| 142,994           | Museums & Galleries                     | 170,200           | 167,900          | 172,200          |
| 560,480           | Local Plan                              | 660,800           | 582,000          | 605,600          |
| 218,195           | Planning                                | 520,400           | 510,000          | 498,000          |
| (69,630)          | Planning - Service Management & Support | (73,900)          | (69,000)         | (64,300)         |
| 104,127           | Economic Development                    | 205,700           | 212,800          | 220,400          |
| 26,054            | Community Development                   | 104,300           | 107,100          | 113,500          |
| 179,538           | CCTV Schemes                            | 256,000           | 262,400          | 269,400          |
| 301,363           | Economic Regeneration SMS               | 0                 | 0                | 0                |
| 1,486             | Regeneration SMS                        | (189,500)         | (187,000)        | (192,700)        |
| (450)             | Manton Community Alliance               | 0                 | 0                | 0                |
| 28,677            | Environmental Projects                  | 28,500            | 28,500           | 28,500           |
| 335,884           | Building Control / Dangerous Structures | 340,400           | 356,300          | 368,500          |
| 206,669           | Shop Mobility / Access                  | 183,200           | 185,000          | 186,800          |
| <b>3,707,264</b>  | <b>Total</b>                            | <b>4,003,500</b>  | <b>3,895,900</b> | <b>3,991,800</b> |

**DIRECTORATE OF COMMUNITY SERVICES**

**COMMUNITY PROSPERITY**

| <b>BUDGET<br/>2008/09</b> | <b>DIVISION</b>             | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b>    |                    |
|---------------------------|-----------------------------|---------------------------|--------------------|--------------------|
| <b>£</b>                  |                             | <b>£</b>                  | <b>2010/11</b>     | <b>2011/12</b>     |
|                           |                             |                           | <b>£</b>           | <b>£</b>           |
|                           | <b><u>EXPENDITURE</u></b>   |                           |                    |                    |
| 3,941,988                 | Employees                   | 5,452,900                 | 5,618,000          | 5,785,800          |
| 861,146                   | Premises                    | 942,300                   | 833,800            | 853,900            |
| 121,620                   | Transport                   | 120,800                   | 123,600            | 126,600            |
| 907,540                   | Supplies and Services       | 1,005,700                 | 1,031,600          | 1,059,100          |
| 1,393,620                 | Third Party Payments        | 1,417,400                 | 1,298,700          | 1,322,800          |
| 0                         | Transfer Payments           | 0                         | 0                  | 0                  |
| 2,130,750                 | Internal Services Recharged | 528,100                   | 526,700            | 531,000            |
| 130,740                   | Capital Financing Costs     | 318,800                   | 339,600            | 339,600            |
| <b>9,487,404</b>          | <b>TOTAL EXPENDITURE</b>    | <b>9,786,000</b>          | <b>9,772,000</b>   | <b>10,018,800</b>  |
|                           | <b><u>INCOME</u></b>        |                           |                    |                    |
| (1,041,300)               | Internal Services Recharges | (1,119,600)               | (1,127,200)        | (1,145,600)        |
| (544,180)                 | Grants                      | (492,800)                 | (450,800)          | (450,800)          |
| (4,194,660)               | Customer & Client Receipts  | (4,170,100)               | (4,298,100)        | (4,430,600)        |
| <b>(5,780,140)</b>        | <b>TOTAL INCOME</b>         | <b>(5,782,500)</b>        | <b>(5,876,100)</b> | <b>(6,027,000)</b> |
| <b>3,707,264</b>          | <b>NET BUDGET</b>           | <b>4,003,500</b>          | <b>3,895,900</b>   | <b>3,991,800</b>   |

**Head of Service:** David Armiger

**BRIEF DESCRIPTION OF SERVICE**

The management and provision of services such as Planning, Building Control, Economic Development, Leisure, Sports Development, and Town Centres Management. Provision of advice and support on all aspects of matters affecting the prosperity of the District.

| <b>BUDGET<br/>2008/09</b> | <b>UNIT COSTS</b>        | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b> |                |
|---------------------------|--------------------------|---------------------------|-----------------|----------------|
| <b>£</b>                  |                          | <b>£</b>                  | <b>2010/11</b>  | <b>2011/12</b> |
|                           |                          |                           | <b>£</b>        | <b>£</b>       |
| 84.94                     | Expenditure per Resident | 87.61                     | 87.48           | 89.69          |
| (51.75)                   | Income per Resident      | (51.77)                   | (52.61)         | (53.96)        |

**DIRECTORATE OF COMMUNITY SERVICES**

**LEISURE SERVICE MANAGEMENT & SUPPORT**

| <b>BUDGET<br/>2008/09</b> | <b>DIVISION</b>             | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b>  |                  |
|---------------------------|-----------------------------|---------------------------|------------------|------------------|
| <b>£</b>                  |                             | <b>£</b>                  | <b>2010/11</b>   | <b>2011/12</b>   |
|                           |                             |                           | <b>£</b>         | <b>£</b>         |
|                           | <b><u>EXPENDITURE</u></b>   |                           |                  |                  |
| 114,693                   | Employees                   | 199,900                   | 198,400          | 204,100          |
| 0                         | Premises                    | 0                         | 0                | 0                |
| 4,720                     | Transport                   | 2,600                     | 2,700            | 2,800            |
| 25,470                    | Supplies and Services       | 11,900                    | 12,100           | 12,300           |
| 0                         | Third Party Payments        | 0                         | 0                | 0                |
| 0                         | Transfer Payments           | 0                         | 0                | 0                |
| 115,380                   | Internal Services Recharged | 0                         | 0                | 0                |
| 0                         | Capital Financing Costs     | 0                         | 0                | 0                |
| <b>260,263</b>            | <b>TOTAL EXPENDITURE</b>    | <b>214,400</b>            | <b>213,200</b>   | <b>219,200</b>   |
|                           | <b><u>INCOME</u></b>        |                           |                  |                  |
| (257,890)                 | Internal Services Recharges | (214,800)                 | (209,800)        | (211,300)        |
| 0                         | Grants                      | 0                         | 0                | 0                |
| 0                         | Customer & Client Receipts  | 0                         | 0                | 0                |
| <b>(257,890)</b>          | <b>TOTAL INCOME</b>         | <b>(214,800)</b>          | <b>(209,800)</b> | <b>(211,300)</b> |
| <b>2,373</b>              | <b>NET BUDGET</b>           | <b>(400)</b>              | <b>3,400</b>     | <b>7,900</b>     |

**Responsible Budget Holder: Peter Clark**

**BRIEF DESCRIPTION OF SERVICE**

The management, administration and development of Leisure Centres, Car Parks, Markets, Kilton Forest Golf Course and Museum service. Leisure PFI in respect of the project management build cost of the new leisure centres.

| <b>BUDGET<br/>2008/09</b> | <b>UNIT COSTS</b>        | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b> |                |
|---------------------------|--------------------------|---------------------------|-----------------|----------------|
| <b>£</b>                  |                          | <b>£</b>                  | <b>2010/11</b>  | <b>2011/12</b> |
|                           |                          |                           | <b>£</b>        | <b>£</b>       |
| 2.33                      | Expenditure per Resident | 1.92                      | 1.91            | 1.96           |
| (2.31)                    | Income per Resident      | (1.92)                    | (1.88)          | (1.89)         |

**DIRECTORATE OF COMMUNITY SERVICES**

**LEISURE - OTHER**

| <b>BUDGET<br/>2008/09</b> | <b>DIVISION</b>             | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b> |                |
|---------------------------|-----------------------------|---------------------------|-----------------|----------------|
| <b>£</b>                  |                             | <b>£</b>                  | <b>2010/11</b>  | <b>2011/12</b> |
|                           |                             |                           | <b>£</b>        | <b>£</b>       |
|                           | <b><u>EXPENDITURE</u></b>   |                           |                 |                |
| 4,892                     | Employees                   | 0                         | 0               | 0              |
| 0                         | Premises                    | 0                         | 0               | 0              |
| 0                         | Transport                   | 0                         | 0               | 0              |
| 50,000                    | Supplies and Services       | 5,200                     | 5,200           | 5,300          |
| 0                         | Third Party Payments        | 0                         | 0               | 0              |
| 0                         | Transfer Payments           | 0                         | 0               | 0              |
| 6,390                     | Internal Services Recharged | 21,500                    | 21,000          | 21,200         |
| 48,050                    | Capital Financing Costs     | 0                         | 0               | 0              |
| <b>109,332</b>            | <b>TOTAL EXPENDITURE</b>    | <b>26,700</b>             | <b>26,200</b>   | <b>26,500</b>  |
|                           | <b><u>INCOME</u></b>        |                           |                 |                |
| 0                         | Internal Services Recharges | 0                         | 0               | 0              |
| 0                         | Grants                      | 0                         | 0               | 0              |
| 0                         | Customer & Client Receipts  | 0                         | 0               | 0              |
| <b>0</b>                  | <b>TOTAL INCOME</b>         | <b>0</b>                  | <b>0</b>        | <b>0</b>       |
| <b>109,332</b>            | <b>NET BUDGET</b>           | <b>26,700</b>             | <b>26,200</b>   | <b>26,500</b>  |

**Responsible Budget Holder: Peter Clark**

**BRIEF DESCRIPTION OF SERVICE**

To provide a client function of monitoring the running of Bassetlaw Leisure Centre.  
Promoting Healthier Lifestyles.

| <b>BUDGET<br/>2008/09</b> | <b>UNIT COSTS</b>        | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b> |                |
|---------------------------|--------------------------|---------------------------|-----------------|----------------|
| <b>£</b>                  |                          | <b>£</b>                  | <b>2010/11</b>  | <b>2011/12</b> |
|                           |                          |                           | <b>£</b>        | <b>£</b>       |
| 0.98                      | Expenditure per Resident | 0.24                      | 0.23            | 0.24           |
| 0.00                      | Income per Resident      | 0.00                      | 0.00            | 0.00           |

**DIRECTORATE OF COMMUNITY SERVICES**

**CULTURE & HERITAGE**

| <b>BUDGET<br/>2008/09</b> | <b>DIVISION</b>             | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b> |                |
|---------------------------|-----------------------------|---------------------------|-----------------|----------------|
| <b>£</b>                  |                             | <b>£</b>                  | <b>2010/11</b>  | <b>2011/12</b> |
|                           |                             |                           | <b>£</b>        | <b>£</b>       |
|                           | <b><u>EXPENDITURE</u></b>   |                           |                 |                |
| 25,602                    | Employees                   | 35,700                    | 37,800          | 39,500         |
| 1,100                     | Premises                    | 300                       | 300             | 300            |
| 640                       | Transport                   | 0                         | 0               | 0              |
| 17,120                    | Supplies and Services       | 15,500                    | 15,900          | 16,300         |
| 20,000                    | Third Party Payments        | 16,900                    | 17,300          | 17,700         |
| 0                         | Transfer Payments           | 0                         | 0               | 0              |
| 2,630                     | Internal Services Recharged | 10,700                    | 10,500          | 10,600         |
| 0                         | Capital Financing Costs     | 0                         | 0               | 0              |
| <b>67,092</b>             | <b>TOTAL EXPENDITURE</b>    | <b>79,100</b>             | <b>81,800</b>   | <b>84,400</b>  |
|                           | <b><u>INCOME</u></b>        |                           |                 |                |
| 0                         | Internal Services Recharges | 0                         | 0               | 0              |
| 0                         | Grants                      | 0                         | 0               | 0              |
| (6,040)                   | Customer & Client Receipts  | (5,000)                   | (5,200)         | (5,400)        |
| <b>(6,040)</b>            | <b>TOTAL INCOME</b>         | <b>(5,000)</b>            | <b>(5,200)</b>  | <b>(5,400)</b> |
| <b>61,052</b>             | <b>NET BUDGET</b>           | <b>74,100</b>             | <b>76,600</b>   | <b>79,000</b>  |

**Responsible Budget Holder:**      **Robert Wilkinson**

**BRIEF DESCRIPTION OF SERVICE**

Consists of Art Policy Development which is responsible for the co-ordination and development of Rural Arts Touring.

| <b>BUDGET<br/>2008/09</b> | <b>UNIT COSTS</b>        | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b> |                |
|---------------------------|--------------------------|---------------------------|-----------------|----------------|
| <b>£</b>                  |                          | <b>£</b>                  | <b>2010/11</b>  | <b>2011/12</b> |
|                           |                          |                           | <b>£</b>        | <b>£</b>       |
| 0.60                      | Expenditure per Resident | 0.71                      | 0.73            | 0.76           |
| (0.05)                    | Income per Resident      | (0.04)                    | (0.05)          | (0.05)         |

**DIRECTORATE OF COMMUNITY SERVICES**

**RECREATION & SPORT**

| <b>BUDGET<br/>2008/09</b> | <b>DIVISION</b>             | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b> |                 |
|---------------------------|-----------------------------|---------------------------|-----------------|-----------------|
| <b>£</b>                  |                             | <b>£</b>                  | <b>2010/11</b>  | <b>2011/12</b>  |
|                           |                             |                           | <b>£</b>        | <b>£</b>        |
|                           | <b><u>EXPENDITURE</u></b>   |                           |                 |                 |
| 285,705                   | Employees                   | 331,700                   | 340,300         | 349,600         |
| 1,850                     | Premises                    | 5,400                     | 5,400           | 5,500           |
| 18,120                    | Transport                   | 17,200                    | 17,600          | 18,000          |
| 45,660                    | Supplies and Services       | 49,800                    | 50,700          | 51,900          |
| 6,400                     | Third Party Payments        | 6,900                     | 7,000           | 7,100           |
| 0                         | Transfer Payments           | 0                         | 0               | 0               |
| 189,160                   | Internal Services Recharged | 96,700                    | 94,500          | 95,200          |
| 0                         | Capital Financing Costs     | 5,600                     | 5,600           | 5,600           |
| <b>546,895</b>            | <b>TOTAL EXPENDITURE</b>    | <b>513,300</b>            | <b>521,100</b>  | <b>532,900</b>  |
|                           | <b><u>INCOME</u></b>        |                           |                 |                 |
| 0                         | Internal Services Recharges | 0                         | 0               | 0               |
| 0                         | Grants                      | (48,300)                  | (48,300)        | (48,300)        |
| (67,350)                  | Customer & Client Receipts  | (39,700)                  | (40,700)        | (41,700)        |
| <b>(67,350)</b>           | <b>TOTAL INCOME</b>         | <b>(88,000)</b>           | <b>(89,000)</b> | <b>(90,000)</b> |
| <b>479,545</b>            | <b>NET BUDGET</b>           | <b>425,300</b>            | <b>432,100</b>  | <b>442,900</b>  |

**Responsible Budget Holder:** T. Wright

**BRIEF DESCRIPTION OF SERVICE**

Priority area sports coaching programmes. Sports education and training programmes. Specific sport and physical activity programs for socially excluded young people in specific deprived areas of Bassetlaw.

| <b>BUDGET<br/>2008/09</b> | <b>UNIT COSTS</b>        | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b> |                |
|---------------------------|--------------------------|---------------------------|-----------------|----------------|
| <b>£</b>                  |                          | <b>£</b>                  | <b>2010/11</b>  | <b>2011/12</b> |
|                           |                          |                           | <b>£</b>        | <b>£</b>       |
| 4.90                      | Expenditure per Resident | 4.60                      | 4.67            | 4.77           |
| (0.60)                    | Income per Resident      | (0.79)                    | (0.80)          | (0.81)         |

**DIRECTORATE OF COMMUNITY SERVICES**

**TOURISM**

| <b>BUDGET<br/>2008/09</b> | <b>DIVISION</b>             | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b> |                |
|---------------------------|-----------------------------|---------------------------|-----------------|----------------|
| <b>£</b>                  |                             | <b>£</b>                  | <b>2010/11</b>  | <b>2011/12</b> |
|                           |                             |                           | <b>£</b>        | <b>£</b>       |
|                           | <b><u>EXPENDITURE</u></b>   |                           |                 |                |
| (89)                      | Employees                   | 0                         | 0               | 0              |
| 0                         | Premises                    | 0                         | 0               | 0              |
| 0                         | Transport                   | 0                         | 0               | 0              |
| 18,060                    | Supplies and Services       | 19,100                    | 19,500          | 19,900         |
| 0                         | Third Party Payments        | 0                         | 0               | 0              |
| 0                         | Transfer Payments           | 0                         | 0               | 0              |
| 12,240                    | Internal Services Recharged | 100                       | 100             | 100            |
| 500                       | Capital Financing Costs     | 500                       | 500             | 500            |
| <b>30,711</b>             | <b>TOTAL EXPENDITURE</b>    | <b>19,700</b>             | <b>20,100</b>   | <b>20,500</b>  |
|                           | <b><u>INCOME</u></b>        |                           |                 |                |
| 0                         | Internal Services Recharges | 0                         | 0               | 0              |
| 0                         | Grants                      | 0                         | 0               | 0              |
| 0                         | Customer & Client Receipts  | 0                         | 0               | 0              |
| <b>0</b>                  | <b>TOTAL INCOME</b>         | <b>0</b>                  | <b>0</b>        | <b>0</b>       |
| <b>30,711</b>             | <b>NET BUDGET</b>           | <b>19,700</b>             | <b>20,100</b>   | <b>20,500</b>  |

**Responsible Budget Holder:** Russell Slater

**BRIEF DESCRIPTION OF SERVICE**

To promote Bassetlaw as a tourist and visitor destination. To provide support for tourism developers throughout Bassetlaw. To aid specified organisations and events.

| <b>BUDGET<br/>2008/09</b> | <b>UNIT COSTS</b>        | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b> |                |
|---------------------------|--------------------------|---------------------------|-----------------|----------------|
| <b>£</b>                  |                          | <b>£</b>                  | <b>2010/11</b>  | <b>2011/12</b> |
|                           |                          |                           | <b>£</b>        | <b>£</b>       |
| 0.27                      | Expenditure per Resident | 0.18                      | 0.18            | 0.18           |
| 0.00                      | Income per Resident      | 0.00                      | 0.00            | 0.00           |

**DIRECTORATE OF COMMUNITY SERVICES**

**MARKETS & FAIRS**

| <b>BUDGET<br/>2008/09</b> | <b>DIVISION</b>             | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b>  |                  |
|---------------------------|-----------------------------|---------------------------|------------------|------------------|
| <b>£</b>                  |                             | <b>£</b>                  | <b>2010/11</b>   | <b>2011/12</b>   |
|                           |                             |                           | <b>£</b>         | <b>£</b>         |
|                           | <b><u>EXPENDITURE</u></b>   |                           |                  |                  |
| 188,595                   | Employees                   | 260,100                   | 267,300          | 274,300          |
| 52,900                    | Premises                    | 70,100                    | 70,800           | 72,500           |
| 3,520                     | Transport                   | 4,400                     | 4,400            | 4,400            |
| 65,510                    | Supplies and Services       | 68,500                    | 70,200           | 71,900           |
| 11,170                    | Third Party Payments        | 19,500                    | 20,000           | 20,500           |
| 0                         | Transfer Payments           | 0                         | 0                | 0                |
| 47,490                    | Internal Services Recharged | 100                       | 100              | 100              |
| 0                         | Capital Financing Costs     | 700                       | 700              | 700              |
| <b>369,185</b>            | <b>TOTAL EXPENDITURE</b>    | <b>423,400</b>            | <b>433,500</b>   | <b>444,400</b>   |
|                           | <b><u>INCOME</u></b>        |                           |                  |                  |
| 0                         | Internal Services Recharges | (500)                     | (500)            | (500)            |
| 0                         | Grants                      | 0                         | 0                | 0                |
| (340,050)                 | Customer & Client Receipts  | (320,900)                 | (328,900)        | (337,100)        |
| <b>(340,050)</b>          | <b>TOTAL INCOME</b>         | <b>(321,400)</b>          | <b>(329,400)</b> | <b>(337,600)</b> |
| <b>29,135</b>             | <b>NET BUDGET</b>           | <b>102,000</b>            | <b>104,100</b>   | <b>106,800</b>   |

**Responsible Budget Holder: D. Atkinson**

**BRIEF DESCRIPTION OF SERVICE**

The organisation, management and promotion of weekly provisions and bric-a-brac markets.  
The organisation and management of fairs and circuses.

| <b>BUDGET<br/>2008/09</b> | <b>UNIT COSTS</b>        | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b> |                |
|---------------------------|--------------------------|---------------------------|-----------------|----------------|
| <b>£</b>                  |                          | <b>£</b>                  | <b>2010/11</b>  | <b>2011/12</b> |
|                           |                          |                           | <b>£</b>        | <b>£</b>       |
| 3.31                      | Expenditure per Resident | 3.79                      | 3.88            | 3.98           |
| (3.04)                    | Income per Resident      | (2.88)                    | (2.95)          | (3.02)         |

**DIRECTORATE OF COMMUNITY SERVICES**

**PARKING SERVICES**

| <b>BUDGET<br/>2008/09</b> | <b>DIVISION</b>             | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b>  |                  |
|---------------------------|-----------------------------|---------------------------|------------------|------------------|
| <b>£</b>                  |                             | <b>£</b>                  | <b>2010/11</b>   | <b>2011/12</b>   |
|                           |                             |                           | <b>£</b>         | <b>£</b>         |
|                           | <b><u>EXPENDITURE</u></b>   |                           |                  |                  |
| 0                         | Employees                   | 84,900                    | 88,900           | 92,000           |
| 142,410                   | Premises                    | 146,700                   | 147,800          | 151,600          |
| 0                         | Transport                   | 1,000                     | 1,000            | 1,000            |
| 46,550                    | Supplies and Services       | 60,100                    | 61,700           | 63,300           |
| 225,320                   | Third Party Payments        | 151,500                   | 155,300          | 159,200          |
| 0                         | Transfer Payments           | 0                         | 0                | 0                |
| 66,350                    | Internal Services Recharged | 400                       | 400              | 400              |
| 1,210                     | Capital Financing Costs     | 1,000                     | 1,000            | 1,000            |
| <b>481,840</b>            | <b>TOTAL EXPENDITURE</b>    | <b>445,600</b>            | <b>456,100</b>   | <b>468,500</b>   |
|                           | <b><u>INCOME</u></b>        |                           |                  |                  |
| 0                         | Internal Services Recharges | 0                         | 0                | 0                |
| 0                         | Grants                      | 0                         | 0                | 0                |
| (982,580)                 | Customer & Client Receipts  | (918,200)                 | (941,200)        | (964,700)        |
| <b>(982,580)</b>          | <b>TOTAL INCOME</b>         | <b>(918,200)</b>          | <b>(941,200)</b> | <b>(964,700)</b> |
| <b>(500,740)</b>          | <b>NET BUDGET</b>           | <b>(472,600)</b>          | <b>(485,100)</b> | <b>(496,200)</b> |

**Responsible Budget Holder:** Russell Slater

**BRIEF DESCRIPTION OF SERVICE**

To provide management and maintenance of public on and off-street parking and Council owned Pay and Display Car Parks.

| <b>BUDGET<br/>2008/09</b> | <b>UNIT COSTS</b>        | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b> |                |
|---------------------------|--------------------------|---------------------------|-----------------|----------------|
| <b>£</b>                  |                          | <b>£</b>                  | <b>2010/11</b>  | <b>2011/12</b> |
|                           |                          |                           | <b>£</b>        | <b>£</b>       |
| 4.31                      | Expenditure per Resident | 3.99                      | 4.08            | 4.19           |
| (8.80)                    | Income per Resident      | (8.22)                    | (8.43)          | (8.64)         |

**DIRECTORATE OF COMMUNITY SERVICES**

**STREET LIGHTING**

| <b>BUDGET<br/>2008/09</b> | <b>DIVISION</b>             | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b> |                 |
|---------------------------|-----------------------------|---------------------------|-----------------|-----------------|
| <b>£</b>                  |                             | <b>£</b>                  | <b>2010/11</b>  | <b>2011/12</b>  |
|                           | <b><u>EXPENDITURE</u></b>   |                           |                 |                 |
| (174)                     | Employees                   | 0                         | 0               | 0               |
| 420                       | Premises                    | 4,700                     | 4,800           | 5,000           |
| 0                         | Transport                   | 0                         | 0               | 0               |
| 26,020                    | Supplies and Services       | 26,700                    | 27,300          | 27,900          |
| 33,490                    | Third Party Payments        | 34,300                    | 35,200          | 36,100          |
| 0                         | Transfer Payments           | 0                         | 0               | 0               |
| 0                         | Internal Services Recharged | 0                         | 0               | 0               |
| 0                         | Capital Financing Costs     | 0                         | 0               | 0               |
| <b>59,756</b>             | <b>TOTAL EXPENDITURE</b>    | <b>65,700</b>             | <b>67,300</b>   | <b>69,000</b>   |
|                           | <b><u>INCOME</u></b>        |                           |                 |                 |
| 0                         | Internal Services Recharges | 0                         | 0               | 0               |
| 0                         | Grants                      | (10,000)                  | (10,000)        | (10,000)        |
| 0                         | Customer & Client Receipts  | 0                         | 0               | 0               |
| <b>0</b>                  | <b>TOTAL INCOME</b>         | <b>(10,000)</b>           | <b>(10,000)</b> | <b>(10,000)</b> |
| <b>59,756</b>             | <b>NET BUDGET</b>           | <b>55,700</b>             | <b>57,300</b>   | <b>59,000</b>   |

**Responsible Budget Holder:** Russell Slater

**BRIEF DESCRIPTION OF SERVICE**

To provide funding for Christmas Lighting.

| <b>BUDGET<br/>2008/09</b> | <b>UNIT COSTS</b>        | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b> |                |
|---------------------------|--------------------------|---------------------------|-----------------|----------------|
| <b>£</b>                  |                          | <b>£</b>                  | <b>2010/11</b>  | <b>2011/12</b> |
| 0.53                      | Expenditure per Resident | 0.59                      | 0.60            | 0.62           |
| 0.00                      | Income per Resident      | (0.09)                    | (0.09)          | (0.09)         |

**DIRECTORATE OF COMMUNITY SERVICES**

**GOLF COURSE**

| <b>BUDGET<br/>2008/09</b> | <b>DIVISION</b>             | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b>  |                  |
|---------------------------|-----------------------------|---------------------------|------------------|------------------|
| <b>£</b>                  |                             | <b>£</b>                  | <b>2010/11</b>   | <b>2011/12</b>   |
|                           |                             |                           | <b>£</b>         | <b>£</b>         |
|                           | <b><u>EXPENDITURE</u></b>   |                           |                  |                  |
| 73,836                    | Employees                   | 98,200                    | 100,400          | 102,700          |
| 213,780                   | Premises                    | 225,500                   | 231,100          | 236,800          |
| 620                       | Transport                   | 600                       | 600              | 600              |
| 58,260                    | Supplies and Services       | 62,600                    | 64,200           | 65,800           |
| 18,200                    | Third Party Payments        | 18,600                    | 19,000           | 19,400           |
| 0                         | Transfer Payments           | 0                         | 0                | 0                |
| 32,250                    | Internal Services Recharged | 21,600                    | 21,100           | 21,300           |
| 3,360                     | Capital Financing Costs     | 9,100                     | 9,100            | 9,100            |
| <b>400,306</b>            | <b>TOTAL EXPENDITURE</b>    | <b>436,200</b>            | <b>445,500</b>   | <b>455,700</b>   |
|                           | <b><u>INCOME</u></b>        |                           |                  |                  |
| 0                         | Internal Services Recharges | 0                         | 0                | 0                |
| 0                         | Grants                      | 0                         | 0                | 0                |
| (357,720)                 | Customer & Client Receipts  | (436,200)                 | (445,500)        | (455,700)        |
| <b>(357,720)</b>          | <b>TOTAL INCOME</b>         | <b>(436,200)</b>          | <b>(445,500)</b> | <b>(455,700)</b> |
| <b>42,586</b>             | <b>NET BUDGET</b>           | <b>0</b>                  | <b>0</b>         | <b>0</b>         |

**Responsible Budget Holder: Peter Clark**

**BRIEF DESCRIPTION OF SERVICE**

To provide good quality golf at a value for money price and access to golf for the local community.

| <b>BUDGET<br/>2008/09</b> | <b>UNIT COSTS</b>        | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b> |                |
|---------------------------|--------------------------|---------------------------|-----------------|----------------|
| <b>£</b>                  |                          | <b>£</b>                  | <b>2010/11</b>  | <b>2011/12</b> |
|                           |                          |                           | <b>£</b>        | <b>£</b>       |
| 3.58                      | Expenditure per Resident | 3.91                      | 3.99            | 4.08           |
| (3.20)                    | Income per Resident      | (3.91)                    | (3.99)          | (4.08)         |

**DIRECTORATE OF COMMUNITY SERVICES**

**LEISURE CENTRES**

| <b>BUDGET<br/>2008/09</b> | <b>DIVISION</b>             | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b>    |                    |
|---------------------------|-----------------------------|---------------------------|--------------------|--------------------|
| <b>£</b>                  |                             | <b>£</b>                  | <b>2010/11</b>     | <b>2011/12</b>     |
|                           |                             | <b>£</b>                  | <b>£</b>           | <b>£</b>           |
|                           | <b><u>EXPENDITURE</u></b>   |                           |                    |                    |
| 1,227,340                 | Employees                   | 1,489,500                 | 1,529,000          | 1,566,900          |
| 385,206                   | Premises                    | 371,500                   | 280,900            | 286,900            |
| 7,340                     | Transport                   | 7,900                     | 8,200              | 8,500              |
| 247,300                   | Supplies and Services       | 318,100                   | 326,400            | 334,800            |
| 542,980                   | Third Party Payments        | 535,900                   | 549,100            | 562,700            |
| 0                         | Transfer Payments           | 0                         | 0                  | 0                  |
| 236,480                   | Internal Services Recharged | 89,000                    | 88,300             | 89,700             |
| 12,220                    | Capital Financing Costs     | 244,500                   | 244,500            | 244,500            |
| <b>2,658,866</b>          | <b>TOTAL EXPENDITURE</b>    | <b>3,056,400</b>          | <b>3,026,400</b>   | <b>3,094,000</b>   |
|                           | <b><u>INCOME</u></b>        |                           |                    |                    |
| (22,730)                  | Internal Services Recharges | (31,000)                  | (31,000)           | (31,000)           |
| 0                         | Grants                      | 0                         | 0                  | 0                  |
| (1,278,010)               | Customer & Client Receipts  | (1,458,500)               | (1,490,200)        | (1,523,500)        |
| <b>(1,300,740)</b>        | <b>TOTAL INCOME</b>         | <b>(1,489,500)</b>        | <b>(1,521,200)</b> | <b>(1,554,500)</b> |
| <b>1,358,126</b>          | <b>NET BUDGET</b>           | <b>1,566,900</b>          | <b>1,505,200</b>   | <b>1,539,500</b>   |

**Responsible Budget Holder:**      **G. Davies**

**BRIEF DESCRIPTION OF SERVICE**

To provide a high quality, cost effective, comprehensive leisure service to all sectors of the community through a wide range of leisure facilities.

| <b>BUDGET<br/>2008/09</b> | <b>UNIT COSTS</b>        | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b> |                |
|---------------------------|--------------------------|---------------------------|-----------------|----------------|
| <b>£</b>                  |                          | <b>£</b>                  | <b>2010/11</b>  | <b>2011/12</b> |
|                           |                          | <b>£</b>                  | <b>£</b>        | <b>£</b>       |
| 23.80                     | Expenditure per Resident | 27.36                     | 27.09           | 27.70          |
| (11.64)                   | Income per Resident      | (13.33)                   | (13.62)         | (13.92)        |

**DIRECTORATE OF COMMUNITY SERVICES**

**MUSEUMS & GALLERIES**

| <b>BUDGET<br/>2008/09</b> | <b>DIVISION</b>             | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b> |                 |
|---------------------------|-----------------------------|---------------------------|-----------------|-----------------|
| <b>£</b>                  |                             | <b>£</b>                  | <b>2010/11</b>  | <b>2011/12</b>  |
|                           |                             |                           | <b>£</b>        | <b>£</b>        |
|                           | <b><u>EXPENDITURE</u></b>   |                           |                 |                 |
| 107,144                   | Employees                   | 103,800                   | 106,800         | 109,900         |
| 44,130                    | Premises                    | 73,600                    | 47,400          | 48,500          |
| 710                       | Transport                   | 1,100                     | 1,100           | 1,100           |
| 19,570                    | Supplies and Services       | 17,900                    | 18,300          | 18,700          |
| 0                         | Third Party Payments        | 0                         | 0               | 0               |
| 0                         | Transfer Payments           | 0                         | 0               | 0               |
| 28,530                    | Internal Services Recharged | 0                         | 0               | 0               |
| 12,240                    | Capital Financing Costs     | 4,400                     | 25,200          | 25,200          |
| <b>212,324</b>            | <b>TOTAL EXPENDITURE</b>    | <b>200,800</b>            | <b>198,800</b>  | <b>203,400</b>  |
|                           | <b><u>INCOME</u></b>        |                           |                 |                 |
| (39,110)                  | Internal Services Recharges | (20,300)                  | (20,300)        | (20,300)        |
| (20,180)                  | Grants                      |                           |                 |                 |
| (10,040)                  | Customer & Client Receipts  | (10,300)                  | (10,600)        | (10,900)        |
| <b>(69,330)</b>           | <b>TOTAL INCOME</b>         | <b>(30,600)</b>           | <b>(30,900)</b> | <b>(31,200)</b> |
| <b>142,994</b>            | <b>NET BUDGET</b>           | <b>170,200</b>            | <b>167,900</b>  | <b>172,200</b>  |

**Responsible Budget Holder:** S. Glasswell

**BRIEF DESCRIPTION OF SERVICE**

To provide cultural facilities in the form of a Museum. This includes Percy Laws Gallery and offers exhibits which reflect the history of the District.

| <b>BUDGET<br/>2008/09</b> | <b>UNIT COSTS</b>        | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b> |                |
|---------------------------|--------------------------|---------------------------|-----------------|----------------|
| <b>£</b>                  |                          | <b>£</b>                  | <b>2010/11</b>  | <b>2011/12</b> |
|                           |                          |                           | <b>£</b>        | <b>£</b>       |
| 1.90                      | Expenditure per Resident | 1.80                      | 1.78            | 1.82           |
| (0.62)                    | Income per Resident      | (0.27)                    | (0.28)          | (0.28)         |

**DIRECTORATE OF COMMUNITY SERVICES**

**LOCAL PLAN**

| <b>BUDGET<br/>2008/09</b> | <b>DIVISION</b>             | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b> |                |
|---------------------------|-----------------------------|---------------------------|-----------------|----------------|
| <b>£</b>                  |                             | <b>£</b>                  | <b>2010/11</b>  | <b>2011/12</b> |
|                           |                             |                           | <b>£</b>        | <b>£</b>       |
|                           | <b><u>EXPENDITURE</u></b>   |                           |                 |                |
| 248,070                   | Employees                   | 435,900                   | 454,900         | 475,300        |
| 0                         | Premises                    | 0                         | 0               | 0              |
| 8,190                     | Transport                   | 6,800                     | 7,000           | 7,200          |
| 87,050                    | Supplies and Services       | 7,600                     | 7,800           | 8,000          |
| 19,890                    | Third Party Payments        | 155,900                   | 56,400          | 57,900         |
| 0                         | Transfer Payments           | 0                         | 0               | 0              |
| 200,040                   | Internal Services Recharged | 56,600                    | 58,000          | 59,400         |
| 0                         | Capital Financing Costs     | 0                         | 0               | 0              |
| <b>563,240</b>            | <b>TOTAL EXPENDITURE</b>    | <b>662,800</b>            | <b>584,100</b>  | <b>607,800</b> |
|                           | <b><u>INCOME</u></b>        |                           |                 |                |
| 0                         | Internal Services Recharges | 0                         | 0               | 0              |
| 0                         | Grants                      | 0                         | 0               | 0              |
| (2,760)                   | Customer & Client Receipts  | (2,000)                   | (2,100)         | (2,200)        |
| <b>(2,760)</b>            | <b>TOTAL INCOME</b>         | <b>(2,000)</b>            | <b>(2,100)</b>  | <b>(2,200)</b> |
| <b>560,480</b>            | <b>NET BUDGET</b>           | <b>660,800</b>            | <b>582,000</b>  | <b>605,600</b> |

**Responsible Budget Holder:** Richard Schofield

**BRIEF DESCRIPTION OF SERVICE**

Planning Policy and Implementation. All aspects of Local Plans work, collection and collation of planning data, co-ordination and liaison on development issues, highways, public transport and other physical environment issues and preparation of reports and advice on other town planning. To gain approval, print and publish the Local Development Framework, and to implement the necessary procedures.

| <b>BUDGET<br/>2008/09</b> | <b>UNIT COSTS</b>        | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b> |                |
|---------------------------|--------------------------|---------------------------|-----------------|----------------|
| <b>£</b>                  |                          | <b>£</b>                  | <b>2010/11</b>  | <b>2011/12</b> |
|                           |                          |                           | <b>£</b>        | <b>£</b>       |
| 5.04                      | Expenditure per Resident | 5.93                      | 5.23            | 5.44           |
| (0.02)                    | Income per Resident      | (0.02)                    | (0.02)          | (0.02)         |

**DIRECTORATE OF COMMUNITY SERVICES**

**PLANNING**

| <b>BUDGET<br/>2008/09</b> | <b>DIVISION</b>             | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b>  |                  |
|---------------------------|-----------------------------|---------------------------|------------------|------------------|
| <b>£</b>                  |                             | <b>£</b>                  | <b>2010/11</b>   | <b>2011/12</b>   |
|                           |                             |                           | <b>£</b>         | <b>£</b>         |
|                           | <b><u>EXPENDITURE</u></b>   |                           |                  |                  |
| 457,315                   | Employees                   | 755,800                   | 781,400          | 806,700          |
| 0                         | Premises                    | 0                         | 0                | 0                |
| 20,260                    | Transport                   | 20,800                    | 21,300           | 21,800           |
| 25,130                    | Supplies and Services       | 26,200                    | 26,900           | 27,600           |
| 45,920                    | Third Party Payments        | 47,100                    | 48,300           | 49,500           |
| 0                         | Transfer Payments           | 0                         | 0                | 0                |
| 478,600                   | Internal Services Recharged | 307,700                   | 315,200          | 322,500          |
| 0                         | Capital Financing Costs     | 0                         | 0                | 0                |
| <b>1,027,225</b>          | <b>TOTAL EXPENDITURE</b>    | <b>1,157,600</b>          | <b>1,193,100</b> | <b>1,228,100</b> |
|                           | <b><u>INCOME</u></b>        |                           |                  |                  |
| 0                         | Internal Services Recharges | 0                         | 0                | 0                |
| 0                         | Grants                      | 0                         | 0                | 0                |
| (809,030)                 | Customer & Client Receipts  | (637,200)                 | (683,100)        | (730,100)        |
| <b>(809,030)</b>          | <b>TOTAL INCOME</b>         | <b>(637,200)</b>          | <b>(683,100)</b> | <b>(730,100)</b> |
| <b>218,195</b>            | <b>NET BUDGET</b>           | <b>520,400</b>            | <b>510,000</b>   | <b>498,000</b>   |

**Responsible Budget Holder: David Armiger**

**BRIEF DESCRIPTION OF SERVICE**

To process planning applications and appeals, the investigation and enforcement of unauthorised development, to ensure compliance with planning conditions as development proceeds, and the provision of advice relating to all developments related proposals.

| <b>BUDGET<br/>2008/09</b> | <b>UNIT COSTS</b>        | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b> |                |
|---------------------------|--------------------------|---------------------------|-----------------|----------------|
| <b>£</b>                  |                          | <b>£</b>                  | <b>2010/11</b>  | <b>2011/12</b> |
|                           |                          |                           | <b>£</b>        | <b>£</b>       |
| 9.20                      | Expenditure per Resident | 10.36                     | 10.68           | 10.99          |
| (7.24)                    | Income per Resident      | (5.70)                    | (6.12)          | (6.54)         |

**DIRECTORATE OF COMMUNITY SERVICES**

**PLANNING - SERVICE MANAGEMENT & SUPPORT**

| <b>BUDGET<br/>2008/09</b> | <b>DIVISION</b>             | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b>  |                  |
|---------------------------|-----------------------------|---------------------------|------------------|------------------|
| <b>£</b>                  |                             | <b>£</b>                  | <b>2010/11</b>   | <b>2011/12</b>   |
|                           |                             |                           | <b>£</b>         | <b>£</b>         |
|                           | <b><u>EXPENDITURE</u></b>   |                           |                  |                  |
| 264,120                   | Employees                   | 461,300                   | 477,500          | 493,100          |
| 0                         | Premises                    | 0                         | 0                | 0                |
| 10,360                    | Transport                   | 9,700                     | 9,900            | 10,100           |
| 26,550                    | Supplies and Services       | 55,700                    | 57,000           | 58,400           |
| 16,410                    | Third Party Payments        | 57,700                    | 58,600           | 59,500           |
| 0                         | Transfer Payments           | 0                         | 0                | 0                |
| 139,610                   | Internal Services Recharged | 0                         | 0                | 0                |
| 260                       | Capital Financing Costs     | 13,600                    | 13,600           | 13,600           |
| <b>457,310</b>            | <b>TOTAL EXPENDITURE</b>    | <b>598,000</b>            | <b>616,600</b>   | <b>634,700</b>   |
|                           | <b><u>INCOME</u></b>        |                           |                  |                  |
| (442,220)                 | Internal Services Recharges | (550,900)                 | (564,000)        | (576,800)        |
| (75,000)                  | Grants                      | (97,500)                  | (97,500)         | (97,500)         |
| (9,720)                   | Customer & Client Receipts  | (23,500)                  | (24,100)         | (24,700)         |
| <b>(526,940)</b>          | <b>TOTAL INCOME</b>         | <b>(671,900)</b>          | <b>(685,600)</b> | <b>(699,000)</b> |
| <b>(69,630)</b>           | <b>NET BUDGET</b>           | <b>(73,900)</b>           | <b>(69,000)</b>  | <b>(64,300)</b>  |

**Responsible Budget Holder:** Lisa Taylor

**BRIEF DESCRIPTION OF SERVICE**

To provide managerial, technical and administrative support to the Planning Services which comprises Building Control, Development Control and Policy and Implementation. Planning Delivery Grant.

| <b>BUDGET<br/>2008/09</b> | <b>UNIT COSTS</b>        | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b> |                |
|---------------------------|--------------------------|---------------------------|-----------------|----------------|
| <b>£</b>                  |                          | <b>£</b>                  | <b>2010/11</b>  | <b>2011/12</b> |
|                           |                          |                           | <b>£</b>        | <b>£</b>       |
| 4.09                      | Expenditure per Resident | 5.35                      | 5.52            | 5.68           |
| (4.72)                    | Income per Resident      | (6.02)                    | (6.14)          | (6.26)         |

**DIRECTORATE OF COMMUNITY SERVICES**

**ECONOMIC DEVELOPMENT**

| <b>BUDGET<br/>2008/09</b> | <b>DIVISION</b>             | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b> |                |
|---------------------------|-----------------------------|---------------------------|-----------------|----------------|
| <b>£</b>                  |                             | <b>£</b>                  | <b>2010/11</b>  | <b>2011/12</b> |
|                           |                             |                           | <b>£</b>        | <b>£</b>       |
|                           | <b><u>EXPENDITURE</u></b>   |                           |                 |                |
| 36,507                    | Employees                   | 800                       | 800             | 800            |
| 0                         | Premises                    | 0                         | 0               | 0              |
| 3,000                     | Transport                   | 0                         | 0               | 0              |
| 31,450                    | Supplies and Services       | 145,100                   | 150,700         | 156,700        |
| 90,270                    | Third Party Payments        | 59,800                    | 61,300          | 62,900         |
| 0                         | Transfer Payments           | 0                         | 0               | 0              |
| 2,900                     | Internal Services Recharged | 0                         | 0               | 0              |
| 0                         | Capital Financing Costs     | 0                         | 0               | 0              |
| <b>164,127</b>            | <b>TOTAL EXPENDITURE</b>    | <b>205,700</b>            | <b>212,800</b>  | <b>220,400</b> |
|                           | <b><u>INCOME</u></b>        |                           |                 |                |
| 0                         | Internal Services Recharges | 0                         | 0               | 0              |
| (60,000)                  | Grants                      | 0                         | 0               | 0              |
| 0                         | Customer & Client Receipts  | 0                         | 0               | 0              |
| <b>(60,000)</b>           | <b>TOTAL INCOME</b>         | <b>0</b>                  | <b>0</b>        | <b>0</b>       |
| <b>104,127</b>            | <b>NET BUDGET</b>           | <b>205,700</b>            | <b>212,800</b>  | <b>220,400</b> |

**Responsible Budget Holder:**      **Robert Wilkinson**

**BRIEF DESCRIPTION OF SERVICE**

To support the running costs of the Bassetlaw Business Innovation Centre (Turbine) through partnership with Nottinghamshire County Council. Funding of the Bassetlaw Enterprise Board to provide technical and financial support to new and expanding businesses in Bassetlaw. To provide partnership finance allocated to established and proven business support organisations. To encourage and foster inward investment enquiries. To raise the profile of Europe both in terms of funding available and non-financial opportunities for Bassetlaw.

| <b>BUDGET<br/>2008/09</b> | <b>UNIT COSTS</b>        | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b> |                |
|---------------------------|--------------------------|---------------------------|-----------------|----------------|
| <b>£</b>                  |                          | <b>£</b>                  | <b>2010/11</b>  | <b>2011/12</b> |
|                           |                          |                           | <b>£</b>        | <b>£</b>       |
| 1.47                      | Expenditure per Resident | 1.84                      | 1.91            | 1.97           |
| (0.54)                    | Income per Resident      | 0.00                      | 0.00            | 0.00           |

**DIRECTORATE OF COMMUNITY SERVICES**

**COMMUNITY DEVELOPMENT**

| <b>BUDGET<br/>2008/09</b> | <b>DIVISION</b>             | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b> |                |
|---------------------------|-----------------------------|---------------------------|-----------------|----------------|
| <b>£</b>                  |                             | <b>£</b>                  | <b>2010/11</b>  | <b>2011/12</b> |
|                           |                             |                           | <b>£</b>        | <b>£</b>       |
|                           | <b><u>EXPENDITURE</u></b>   |                           |                 |                |
| (76)                      | Employees                   | 80,600                    | 82,900          | 88,800         |
| 0                         | Premises                    | 0                         | 0               | 0              |
| 0                         | Transport                   | 0                         | 0               | 0              |
| 21,000                    | Supplies and Services       | 18,400                    | 18,800          | 19,200         |
| 45,130                    | Third Party Payments        | 5,300                     | 5,400           | 5,500          |
| 0                         | Transfer Payments           | 0                         | 0               | 0              |
| 0                         | Internal Services Recharged | 0                         | 0               | 0              |
| 0                         | Capital Financing Costs     | 0                         | 0               | 0              |
| <b>66,054</b>             | <b>TOTAL EXPENDITURE</b>    | <b>104,300</b>            | <b>107,100</b>  | <b>113,500</b> |
|                           | <b><u>INCOME</u></b>        |                           |                 |                |
| 0                         | Internal Services Recharges | 0                         | 0               | 0              |
| (40,000)                  | Grants                      | 0                         | 0               | 0              |
| 0                         | Customer & Client Receipts  | 0                         | 0               | 0              |
| <b>(40,000)</b>           | <b>TOTAL INCOME</b>         | <b>0</b>                  | <b>0</b>        | <b>0</b>       |
| <b>26,054</b>             | <b>NET BUDGET</b>           | <b>104,300</b>            | <b>107,100</b>  | <b>113,500</b> |

**Responsible Budget Holder: Robert Wilkinson**

**BRIEF DESCRIPTION OF SERVICE**

To provide targeted financial support for regeneration initiatives in areas of particular disadvantage.

| <b>BUDGET<br/>2008/09</b> | <b>UNIT COSTS</b>        | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b> |                |
|---------------------------|--------------------------|---------------------------|-----------------|----------------|
| <b>£</b>                  |                          | <b>£</b>                  | <b>2010/11</b>  | <b>2011/12</b> |
|                           |                          |                           | <b>£</b>        | <b>£</b>       |
| 0.59                      | Expenditure per Resident | 0.93                      | 0.96            | 1.02           |
| (0.36)                    | Income per Resident      | 0.00                      | 0.00            | 0.00           |

**DIRECTORATE OF COMMUNITY SERVICES**

**CCTV SCHEMES**

| <b>BUDGET<br/>2008/09</b> | <b>DIVISION</b>             | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b> |                |
|---------------------------|-----------------------------|---------------------------|-----------------|----------------|
| <b>£</b>                  |                             | <b>£</b>                  | <b>2010/11</b>  | <b>2011/12</b> |
|                           |                             |                           | <b>£</b>        | <b>£</b>       |
|                           | <b><u>EXPENDITURE</u></b>   |                           |                 |                |
| (522)                     | Employees                   | 0                         | 0               | 0              |
| 0                         | Premises                    | 19,700                    | 20,300          | 21,200         |
| 0                         | Transport                   | 0                         | 0               | 0              |
| 6,000                     | Supplies and Services       | 25,600                    | 26,200          | 26,900         |
| 207,710                   | Third Party Payments        | 208,800                   | 214,000         | 219,400        |
| 0                         | Transfer Payments           | 0                         | 0               | 0              |
| 130                       | Internal Services Recharged | 100                       | 100             | 100            |
| 17,840                    | Capital Financing Costs     | 1,800                     | 1,800           | 1,800          |
| <b>231,158</b>            | <b>TOTAL EXPENDITURE</b>    | <b>256,000</b>            | <b>262,400</b>  | <b>269,400</b> |
|                           | <b><u>INCOME</u></b>        |                           |                 |                |
| (38,850)                  | Internal Services Recharges | 0                         | 0               | 0              |
| 0                         | Grants                      | 0                         | 0               | 0              |
| (12,770)                  | Customer & Client Receipts  | 0                         | 0               | 0              |
| <b>(51,620)</b>           | <b>TOTAL INCOME</b>         | <b>0</b>                  | <b>0</b>        | <b>0</b>       |
| <b>179,538</b>            | <b>NET BUDGET</b>           | <b>256,000</b>            | <b>262,400</b>  | <b>269,400</b> |

**Responsible Budget Holder:** Russell Slater

**BRIEF DESCRIPTION OF SERVICE**

Enhancing the safety and the confidence of the local community.

| <b>BUDGET<br/>2008/09</b> | <b>UNIT COSTS</b>        | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b> |                |
|---------------------------|--------------------------|---------------------------|-----------------|----------------|
| <b>£</b>                  |                          | <b>£</b>                  | <b>2010/11</b>  | <b>2011/12</b> |
|                           |                          |                           | <b>£</b>        | <b>£</b>       |
| 2.07                      | Expenditure per Resident | 2.29                      | 2.35            | 2.41           |
| (0.46)                    | Income per Resident      | 0.00                      | 0.00            | 0.00           |

**DIRECTORATE OF COMMUNITY SERVICES**

**ECONOMIC REGENERATION SMS**

| <b>BUDGET<br/>2008/09</b> | <b>DIVISION</b>             | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b> |                |
|---------------------------|-----------------------------|---------------------------|-----------------|----------------|
| <b>£</b>                  |                             | <b>£</b>                  | <b>2010/11</b>  | <b>2011/12</b> |
|                           |                             | <b>£</b>                  | <b>£</b>        | <b>£</b>       |
|                           | <b><u>EXPENDITURE</u></b>   |                           |                 |                |
| 145,393                   | Employees                   | 329,600                   | 339,000         | 349,200        |
| 300                       | Premises                    | 0                         | 0               | 0              |
| 3,140                     | Transport                   | 3,200                     | 3,300           | 3,400          |
| 23,190                    | Supplies and Services       | 21,900                    | 22,400          | 22,900         |
| 100                       | Third Party Payments        | 1,000                     | 1,000           | 1,000          |
| 0                         | Transfer Payments           | 0                         | 0               | 0              |
| 129,240                   | Internal Services Recharged | (355,700)                 | (365,700)       | (376,500)      |
| 0                         | Capital Financing Costs     | 4,800                     | 4,800           | 4,800          |
| <b>301,363</b>            | <b>TOTAL EXPENDITURE</b>    | <b>4,800</b>              | <b>4,800</b>    | <b>4,800</b>   |
|                           | <b><u>INCOME</u></b>        |                           |                 |                |
| 0                         | Internal Services Recharges | (4,800)                   | (4,800)         | (4,800)        |
| 0                         | Grants                      | 0                         | 0               | 0              |
| 0                         | Customer & Client Receipts  | 0                         | 0               | 0              |
| <b>0</b>                  | <b>TOTAL INCOME</b>         | <b>(4,800)</b>            | <b>(4,800)</b>  | <b>(4,800)</b> |
| <b>301,363</b>            | <b>NET BUDGET</b>           | <b>0</b>                  | <b>0</b>        | <b>0</b>       |

**Responsible Budget Holder: Robert Wilkinson**

**BRIEF DESCRIPTION OF SERVICE**

The role of Bassetlaw Development Agency is to provide business, employment, marketing and infrastructure support and advice throughout the district.

| <b>BUDGET<br/>2008/09</b> | <b>UNIT COSTS</b>        | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b> |                |
|---------------------------|--------------------------|---------------------------|-----------------|----------------|
| <b>£</b>                  |                          | <b>£</b>                  | <b>2010/11</b>  | <b>2011/12</b> |
|                           |                          | <b>£</b>                  | <b>£</b>        | <b>£</b>       |
| 2.70                      | Expenditure per Resident | 0.04                      | 0.04            | 0.04           |
| 0.00                      | Income per Resident      | (0.04)                    | (0.04)          | (0.04)         |

**DIRECTORATE OF COMMUNITY SERVICES**

**REGENERATION SMS**

| <b>BUDGET<br/>2008/09</b> | <b>DIVISION</b>             | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b>  |                  |
|---------------------------|-----------------------------|---------------------------|------------------|------------------|
| <b>£</b>                  |                             | <b>£</b>                  | <b>2010/11</b>   | <b>2011/12</b>   |
|                           |                             | <b>£</b>                  | <b>£</b>         | <b>£</b>         |
|                           | <b><u>EXPENDITURE</u></b>   |                           |                  |                  |
| 71,356                    | Employees                   | (25,600)                  | (23,800)         | (25,600)         |
| 0                         | Premises                    | 0                         | 0                | 0                |
| 560                       | Transport                   | 1,600                     | 1,600            | 1,600            |
| 1,630                     | Supplies and Services       | 100                       | 100              | 100              |
| 0                         | Third Party Payments        | 7,600                     | 7,800            | 8,000            |
| 0                         | Transfer Payments           | 0                         | 0                | 0                |
| 9,780                     | Internal Services Recharged | 0                         | 0                | 0                |
| 0                         | Capital Financing Costs     | 0                         | 0                | 0                |
| <b>83,326</b>             | <b>TOTAL EXPENDITURE</b>    | <b>(16,300)</b>           | <b>(14,300)</b>  | <b>(15,900)</b>  |
|                           | <b><u>INCOME</u></b>        |                           |                  |                  |
| (81,840)                  | Internal Services Recharges | (173,200)                 | (172,700)        | (176,800)        |
| 0                         | Grants                      | 0                         | 0                | 0                |
| 0                         | Customer & Client Receipts  | 0                         | 0                | 0                |
| <b>(81,840)</b>           | <b>TOTAL INCOME</b>         | <b>(173,200)</b>          | <b>(172,700)</b> | <b>(176,800)</b> |
| <b>1,486</b>              | <b>NET BUDGET</b>           | <b>(189,500)</b>          | <b>(187,000)</b> | <b>(192,700)</b> |

**Responsible Budget Holder:** David Armiger

**BRIEF DESCRIPTION OF SERVICE**

To provide overall management and control of the Community Prosperity service area.

| <b>BUDGET<br/>2008/09</b> | <b>UNIT COSTS</b>        | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b> |                |
|---------------------------|--------------------------|---------------------------|-----------------|----------------|
| <b>£</b>                  |                          | <b>£</b>                  | <b>2010/11</b>  | <b>2011/12</b> |
|                           |                          | <b>£</b>                  | <b>£</b>        | <b>£</b>       |
| 0.75                      | Expenditure per Resident | (0.15)                    | (0.13)          | (0.14)         |
| (0.73)                    | Income per Resident      | (1.55)                    | (1.55)          | (1.58)         |

**DIRECTORATE OF COMMUNITY SERVICES**

**MANTON COMMUNITY ALLIANCE**

| <b>BUDGET<br/>2008/09</b> | <b>DIVISION</b>             | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b>  |                  |
|---------------------------|-----------------------------|---------------------------|------------------|------------------|
| <b>£</b>                  |                             | <b>£</b>                  | <b>2010/11</b>   | <b>2011/12</b>   |
|                           |                             |                           | <b>£</b>         | <b>£</b>         |
|                           | <b><u>EXPENDITURE</u></b>   |                           |                  |                  |
| 214,680                   | Employees                   | 222,300                   | 228,400          | 234,400          |
| 8,950                     | Premises                    | 13,000                    | 13,000           | 13,400           |
| 4,050                     | Transport                   | 4,100                     | 4,100            | 4,300            |
| 22,580                    | Supplies and Services       | 22,200                    | 22,200           | 22,700           |
| 91,470                    | Third Party Payments        | 70,900                    | 22,800           | 15,700           |
| 0                         | Transfer Payments           | 0                         | 0                | 0                |
| 6,820                     | Internal Services Recharged | 4,500                     | 4,500            | 4,500            |
| 0                         | Capital Financing Costs     | 0                         | 0                | 0                |
| <b>348,550</b>            | <b>TOTAL EXPENDITURE</b>    | <b>337,000</b>            | <b>295,000</b>   | <b>295,000</b>   |
|                           | <b><u>INCOME</u></b>        |                           |                  |                  |
| 0                         | Internal Services Recharges | 0                         | 0                | 0                |
| (349,000)                 | Grants                      | (337,000)                 | (295,000)        | (295,000)        |
| 0                         | Customer & Client Receipts  | 0                         | 0                | 0                |
| <b>(349,000)</b>          | <b>TOTAL INCOME</b>         | <b>(337,000)</b>          | <b>(295,000)</b> | <b>(295,000)</b> |
| <b>(450)</b>              | <b>NET BUDGET</b>           | <b>0</b>                  | <b>0</b>         | <b>0</b>         |

**Responsible Budget Holder: A Shaw**

**BRIEF DESCRIPTION OF SERVICE**

Manton Community Alliance is one of the national Neighbourhood Management Pathfinders funded directly by the Department of Communities and Local Government. The core objectives are to act as a strategic umbrella organisation for Manton and to build sustainable community engagement on behalf of all partners.

| <b>BUDGET<br/>2008/09</b> | <b>UNIT COSTS</b>        | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b> |                |
|---------------------------|--------------------------|---------------------------|-----------------|----------------|
| <b>£</b>                  |                          | <b>£</b>                  | <b>2010/11</b>  | <b>2011/12</b> |
|                           |                          |                           | <b>£</b>        | <b>£</b>       |
| 3.12                      | Expenditure per Resident | 3.02                      | 2.64            | 2.64           |
| (3.12)                    | Income per Resident      | (3.02)                    | (2.64)          | (2.64)         |

**DIRECTORATE OF COMMUNITY SERVICES**

**ENVIRONMENTAL PROJECTS**

| <b>BUDGET<br/>2008/09</b> | <b>DIVISION</b>             | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b> |                |
|---------------------------|-----------------------------|---------------------------|-----------------|----------------|
| <b>£</b>                  |                             | <b>£</b>                  | <b>2010/11</b>  | <b>2011/12</b> |
|                           |                             |                           | <b>£</b>        | <b>£</b>       |
|                           | <b><u>EXPENDITURE</u></b>   |                           |                 |                |
| (83)                      | Employees                   | 0                         | 0               | 0              |
| 0                         | Premises                    | 0                         | 0               | 0              |
| 0                         | Transport                   | 0                         | 0               | 0              |
| 0                         | Supplies and Services       | 0                         | 0               | 0              |
| 0                         | Third Party Payments        | 0                         | 0               | 0              |
| 0                         | Transfer Payments           | 0                         | 0               | 0              |
| 930                       | Internal Services Recharged | 700                       | 700             | 700            |
| 27,830                    | Capital Financing Costs     | 27,800                    | 27,800          | 27,800         |
| <b>28,677</b>             | <b>TOTAL EXPENDITURE</b>    | <b>28,500</b>             | <b>28,500</b>   | <b>28,500</b>  |
|                           | <b><u>INCOME</u></b>        |                           |                 |                |
| 0                         | Internal Services Recharges | 0                         | 0               | 0              |
| 0                         | Grants                      | 0                         | 0               | 0              |
| 0                         | Customer & Client Receipts  | 0                         | 0               | 0              |
| <b>0</b>                  | <b>TOTAL INCOME</b>         | <b>0</b>                  | <b>0</b>        | <b>0</b>       |
| <b>28,677</b>             | <b>NET BUDGET</b>           | <b>28,500</b>             | <b>28,500</b>   | <b>28,500</b>  |

**Responsible Budget Holder:** David Armiger

**BRIEF DESCRIPTION OF SERVICE**

Budget for central support and capital financing expenses in respect of previous Environmental Works.

| <b>BUDGET<br/>2008/09</b> | <b>UNIT COSTS</b>        | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b> |                |
|---------------------------|--------------------------|---------------------------|-----------------|----------------|
| <b>£</b>                  |                          | <b>£</b>                  | <b>2010/11</b>  | <b>2011/12</b> |
|                           |                          |                           | <b>£</b>        | <b>£</b>       |
| 0.26                      | Expenditure per Resident | 0.26                      | 0.26            | 0.26           |
| 0.00                      | Income per Resident      | 0.00                      | 0.00            | 0.00           |

**DIRECTORATE OF COMMUNITY SERVICES**

**BUILDING CONTROL / DANGEROUS BUILDINGS**

| <b>BUDGET<br/>2008/09</b> | <b>DIVISION</b>             | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b>  |                  |
|---------------------------|-----------------------------|---------------------------|------------------|------------------|
| <b>£</b>                  |                             | <b>£</b>                  | <b>2010/11</b>   | <b>2011/12</b>   |
|                           |                             |                           | <b>£</b>         | <b>£</b>         |
|                           | <b><u>EXPENDITURE</u></b>   |                           |                  |                  |
| 445,734                   | Employees                   | 553,700                   | 572,400          | 587,600          |
| 460                       | Premises                    | 500                       | 500              | 500              |
| 30,530                    | Transport                   | 31,300                    | 32,100           | 32,900           |
| 26,190                    | Supplies and Services       | 10,200                    | 10,300           | 10,400           |
| 15,970                    | Third Party Payments        | 16,400                    | 16,800           | 17,200           |
| 0                         | Transfer Payments           | 0                         | 0                | 0                |
| 294,250                   | Internal Services Recharged | 171,000                   | 174,800          | 178,600          |
| 0                         | Capital Financing Costs     | 0                         | 0                | 0                |
| <b>813,134</b>            | <b>TOTAL EXPENDITURE</b>    | <b>783,100</b>            | <b>806,900</b>   | <b>827,200</b>   |
|                           | <b><u>INCOME</u></b>        |                           |                  |                  |
| (158,660)                 | Internal Services Recharges | (124,100)                 | (124,100)        | (124,100)        |
| 0                         | Grants                      | 0                         | 0                | 0                |
| (318,590)                 | Customer & Client Receipts  | (318,600)                 | (326,500)        | (334,600)        |
| <b>(477,250)</b>          | <b>TOTAL INCOME</b>         | <b>(442,700)</b>          | <b>(450,600)</b> | <b>(458,700)</b> |
| <b>335,884</b>            | <b>NET BUDGET</b>           | <b>340,400</b>            | <b>356,300</b>   | <b>368,500</b>   |

**Responsible Budget Holder:     Bob Whatley**

**BRIEF DESCRIPTION OF SERVICE**

The consideration of plans and the inspection of work in accordance with the Building Regulations. The consideration of plans and the inspection of work reverting to Local Authority control. Enforcement of legislation and undertaking of statutory administrative duties not within the authority of Approved Inspectors. Provision of out of hours call out service in respect of dangerous structures.

| <b>BUDGET<br/>2008/09</b> | <b>UNIT COSTS</b>        | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b> |                |
|---------------------------|--------------------------|---------------------------|-----------------|----------------|
| <b>£</b>                  |                          | <b>£</b>                  | <b>2010/11</b>  | <b>2011/12</b> |
|                           |                          |                           | <b>£</b>        | <b>£</b>       |
| 7.28                      | Expenditure per Resident | 7.01                      | 7.22            | 7.41           |
| (4.27)                    | Income per Resident      | (3.96)                    | (4.03)          | (4.11)         |

**DIRECTORATE OF COMMUNITY SERVICES**

**SHOP MOBILITY / ACCESS**

| <b>BUDGET<br/>2008/09</b> | <b>DIVISION</b>             | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b> |                |
|---------------------------|-----------------------------|---------------------------|-----------------|----------------|
| <b>£</b>                  |                             | <b>£</b>                  | <b>2010/11</b>  | <b>2011/12</b> |
|                           |                             |                           | <b>£</b>        | <b>£</b>       |
|                           | <b><u>EXPENDITURE</u></b>   |                           |                 |                |
| 31,949                    | Employees                   | 34,700                    | 35,600          | 36,500         |
| 9,640                     | Premises                    | 11,300                    | 11,500          | 11,700         |
| 5,860                     | Transport                   | 8,500                     | 8,700           | 8,900          |
| 17,250                    | Supplies and Services       | 17,300                    | 17,700          | 18,100         |
| 3,190                     | Third Party Payments        | 3,300                     | 3,400           | 3,500          |
| 0                         | Transfer Payments           | 0                         | 0               | 0              |
| 131,550                   | Internal Services Recharged | 103,100                   | 103,100         | 103,100        |
| 7,230                     | Capital Financing Costs     | 5,000                     | 5,000           | 5,000          |
| <b>206,669</b>            | <b>TOTAL EXPENDITURE</b>    | <b>183,200</b>            | <b>185,000</b>  | <b>186,800</b> |
|                           | <b><u>INCOME</u></b>        |                           |                 |                |
| 0                         | Internal Services Recharges | 0                         | 0               | 0              |
| 0                         | Grants                      | 0                         | 0               | 0              |
| 0                         | Customer & Client Receipts  | 0                         | 0               | 0              |
| <b>0</b>                  | <b>TOTAL INCOME</b>         | <b>0</b>                  | <b>0</b>        | <b>0</b>       |
| <b>206,669</b>            | <b>NET BUDGET</b>           | <b>183,200</b>            | <b>185,000</b>  | <b>186,800</b> |

**Responsible Budget Holder:     Bob Whatley**

**BRIEF DESCRIPTION OF SERVICE**

To provide a Shopmobility Service in Worksop and Retford to enable people with disabilities to use the facilities of the town centres by means of motorised scooters. Disabled access matters, issues, developments and promotions.

| <b>BUDGET<br/>2008/09</b> | <b>UNIT COSTS</b>        | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b> |                |
|---------------------------|--------------------------|---------------------------|-----------------|----------------|
| <b>£</b>                  |                          | <b>£</b>                  | <b>2010/11</b>  | <b>2011/12</b> |
|                           |                          |                           | <b>£</b>        | <b>£</b>       |
| 1.85                      | Expenditure per Resident | 1.64                      | 1.66            | 1.67           |
| 0.00                      | Income per Resident      | 0.00                      | 0.00            | 0.00           |

## CHIEF EXECUTIVE

## CORPORATE MANAGEMENT

| BUDGET<br>2008/09 | DIVISION             | BUDGET<br>2009/10 | FORECAST       |                |
|-------------------|----------------------|-------------------|----------------|----------------|
| £                 |                      | £                 | 2010/11<br>£   | 2011/12<br>£   |
| 61,790            | Corporate Finance    | 123,000           | 119,000        | 115,600        |
| 408,132           | Corporate Management | 283,500           | 292,500        | 301,700        |
| 5,850             | Human Resources      | 0                 | 0              | 0              |
| (2,050)           | Unions               | 0                 | 0              | 0              |
| <b>473,722</b>    | <b>Total</b>         | <b>406,500</b>    | <b>411,500</b> | <b>417,300</b> |

**CHIEF EXECUTIVE**

**CORPORATE MANAGEMENT**

| <b>BUDGET<br/>2008/09</b> | <b>DIVISION</b>             | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b>    |                    |
|---------------------------|-----------------------------|---------------------------|--------------------|--------------------|
| <b>£</b>                  |                             | <b>£</b>                  | <b>2010/11</b>     | <b>2011/12</b>     |
|                           |                             |                           | <b>£</b>           | <b>£</b>           |
|                           | <b><u>EXPENDITURE</u></b>   |                           |                    |                    |
| 369,942                   | Employees                   | 1,173,700                 | 1,198,400          | 1,225,400          |
| (50,000)                  | Premises                    | 0                         | 0                  | 0                  |
| 27,010                    | Transport                   | 17,200                    | 17,600             | 18,000             |
| 635,210                   | Supplies and Services       | 263,500                   | 269,500            | 275,700            |
| 57,050                    | Third Party Payments        | 33,600                    | 34,400             | 35,200             |
| 0                         | Transfer Payments           | 0                         | 0                  | 0                  |
| 1,177,760                 | Internal Services Recharged | 672,400                   | 693,000            | 712,900            |
| 12,770                    | Capital Financing Costs     | 3,900                     | 3,900              | 3,900              |
| <b>2,229,742</b>          | <b>TOTAL EXPENDITURE</b>    | <b>2,164,300</b>          | <b>2,216,800</b>   | <b>2,271,100</b>   |
|                           | <b><u>INCOME</u></b>        |                           |                    |                    |
| (1,756,020)               | Internal Services Recharges | (1,751,600)               | (1,798,900)        | (1,847,200)        |
| 0                         | Grants                      | 0                         | 0                  | 0                  |
| 0                         | Customer & Client Receipts  | (6,200)                   | (6,400)            | (6,600)            |
| (1,756,020)               | <b>TOTAL INCOME</b>         | <b>(1,757,800)</b>        | <b>(1,805,300)</b> | <b>(1,853,800)</b> |
| <b>473,722</b>            | <b>NET BUDGET</b>           | <b>406,500</b>            | <b>411,500</b>     | <b>417,300</b>     |

**Responsible Budget Holder:** David Hunter

**BRIEF DESCRIPTION OF SERVICE**

Overall Corporate control and management of the Authority in line with Council Policies and objectives. To provide overall management and control of the Directorate of Corporate Services, Directorate of Community Services, and Directorate of Resources. Corporate Management provides the support required to facilitate whole Council management and the ability to monitor and progress outcomes. To provide effective leadership and management of the Human Resource Service. Corporate Finance costs including External Audit Fees and Corporate Bank Charges.

| <b>BUDGET<br/>2008/09</b> | <b>UNIT COSTS</b>        | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b> |                |
|---------------------------|--------------------------|---------------------------|-----------------|----------------|
| <b>£</b>                  |                          | <b>£</b>                  | <b>2010/11</b>  | <b>2011/12</b> |
|                           |                          |                           | <b>£</b>        | <b>£</b>       |
| 19.96                     | Expenditure per Resident | 19.38                     | 19.85           | 20.33          |
| (15.72)                   | Income per Resident      | (15.74)                   | (16.16)         | (16.60)        |

**CHIEF EXECUTIVE**

**CORPORATE FINANCE**

| <b>BUDGET<br/>2008/09</b> | <b>DIVISION</b>             | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b>  |                  |
|---------------------------|-----------------------------|---------------------------|------------------|------------------|
| <b>£</b>                  |                             | <b>£</b>                  | <b>2010/11</b>   | <b>2011/12</b>   |
|                           |                             |                           | <b>£</b>         | <b>£</b>         |
|                           | <b><u>EXPENDITURE</u></b>   |                           |                  |                  |
| 302,240                   | Employees                   | 256,400                   | 255,400          | 255,400          |
| 0                         | Premises                    | 0                         | 0                | 0                |
| (90)                      | Transport                   | 0                         | 0                | 0                |
| 242,150                   | Supplies and Services       | 201,000                   | 206,000          | 211,100          |
| 1,000                     | Third Party Payments        | 1,000                     | 1,000            | 1,000            |
| 0                         | Transfer Payments           | 0                         | 0                | 0                |
| 55,070                    | Internal Services Recharged | 20,400                    | 21,300           | 22,000           |
| 8,850                     | Capital Financing Costs     | 0                         | 0                | 0                |
| <b>609,220</b>            | <b>TOTAL EXPENDITURE</b>    | <b>478,800</b>            | <b>483,700</b>   | <b>489,500</b>   |
|                           | <b><u>INCOME</u></b>        |                           |                  |                  |
| (547,430)                 | Internal Services Recharges | (355,800)                 | (364,700)        | (373,900)        |
| 0                         | Grants                      | 0                         | 0                | 0                |
| 0                         | Customer & Client Receipts  | 0                         | 0                | 0                |
| (547,430)                 | <b>TOTAL INCOME</b>         | <b>(355,800)</b>          | <b>(364,700)</b> | <b>(373,900)</b> |
| <b>61,790</b>             | <b>NET BUDGET</b>           | <b>123,000</b>            | <b>119,000</b>   | <b>115,600</b>   |

**Responsible Budget Holder:**     **Mike Hill**

**BRIEF DESCRIPTION OF SERVICE**

External audit fees for the independent examination of the Council's accounts and review of systems. The cost of corporate bank charges for banking income and making payments on behalf of the council as a whole. Contributions to the superannuation fund in respect of ill health and early retirement. Pension strain costs. Unused Accommodation and Information Technology Costs. Deficiency on Asset Rents.

| <b>BUDGET<br/>2008/09</b> | <b>UNIT COSTS</b>        | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b> |                |
|---------------------------|--------------------------|---------------------------|-----------------|----------------|
| <b>£</b>                  |                          | <b>£</b>                  | <b>2010/11</b>  | <b>2011/12</b> |
|                           |                          |                           | <b>£</b>        | <b>£</b>       |
| 5.45                      | Expenditure per Resident | 4.29                      | 4.33            | 4.38           |
| (4.90)                    | Income per Resident      | (3.19)                    | (3.26)          | (3.35)         |

**CHIEF EXECUTIVE**

**CORPORATE MANAGEMENT**

| <b>BUDGET<br/>2008/09</b> | <b>DIVISION</b>             | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b>  |                  |
|---------------------------|-----------------------------|---------------------------|------------------|------------------|
| <b>£</b>                  |                             | <b>£</b>                  | <b>2010/11</b>   | <b>2011/12</b>   |
|                           |                             |                           | <b>£</b>         | <b>£</b>         |
|                           | <b><u>EXPENDITURE</u></b>   |                           |                  |                  |
| (354,448)                 | Employees                   | 555,900                   | 572,600          | 590,000          |
| (50,000)                  | Premises                    | 0                         | 0                | 0                |
| 19,540                    | Transport                   | 10,500                    | 10,700           | 10,900           |
| 369,750                   | Supplies and Services       | 43,400                    | 44,100           | 44,900           |
| 25,350                    | Third Party Payments        | 1,100                     | 1,100            | 1,100            |
| 0                         | Transfer Payments           | 0                         | 0                | 0                |
| 987,270                   | Internal Services Recharged | 493,300                   | 509,000          | 524,700          |
| 0                         | Capital Financing Costs     | 0                         | 0                | 0                |
| <b>997,462</b>            | <b>TOTAL EXPENDITURE</b>    | <b>1,104,200</b>          | <b>1,137,500</b> | <b>1,171,600</b> |
|                           | <b><u>INCOME</u></b>        |                           |                  |                  |
| (589,330)                 | Internal Services Recharges | (820,700)                 | (845,000)        | (869,900)        |
| 0                         | Grants                      | 0                         | 0                | 0                |
| 0                         | Customer & Client Receipts  | 0                         | 0                | 0                |
| <b>(589,330)</b>          | <b>TOTAL INCOME</b>         | <b>(820,700)</b>          | <b>(845,000)</b> | <b>(869,900)</b> |
| <b>408,132</b>            | <b>NET BUDGET</b>           | <b>283,500</b>            | <b>292,500</b>   | <b>301,700</b>   |

**Responsible Budget Holder:** David Hunter

**BRIEF DESCRIPTION OF SERVICE**

The Chief Executive Department ensures overall Corporate control and management of the Authority in line with Council Policies and objectives. To provide overall management and control of the Directorate of Corporate Services, Directorate of Community Services, and Directorate of Resources. Corporate Management provides the support required to facilitate whole Council management and the ability to monitor and progress outcomes.

| <b>BUDGET<br/>2008/09</b> | <b>UNIT COSTS</b>        | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b> |                |
|---------------------------|--------------------------|---------------------------|-----------------|----------------|
| <b>£</b>                  |                          | <b>£</b>                  | <b>2010/11</b>  | <b>2011/12</b> |
|                           |                          |                           | <b>£</b>        | <b>£</b>       |
| 8.93                      | Expenditure per Resident | 9.89                      | 10.18           | 10.49          |
| (5.28)                    | Income per Resident      | (7.35)                    | (7.56)          | (7.79)         |

**CHIEF EXECUTIVE**

**HUMAN RESOURCES**

| <b>BUDGET<br/>2008/09</b> | <b>DIVISION</b>             | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b>  |                  |
|---------------------------|-----------------------------|---------------------------|------------------|------------------|
| <b>£</b>                  |                             | <b>£</b>                  | <b>2010/11</b>   | <b>2011/12</b>   |
|                           |                             |                           | <b>£</b>         | <b>£</b>         |
|                           | <b><u>EXPENDITURE</u></b>   |                           |                  |                  |
| 281,040                   | Employees                   | 299,900                   | 308,300          | 317,400          |
| 0                         | Premises                    | 0                         | 0                | 0                |
| 7,560                     | Transport                   | 6,700                     | 6,900            | 7,100            |
| 20,600                    | Supplies and Services       | 19,000                    | 19,300           | 19,600           |
| 30,700                    | Third Party Payments        | 31,500                    | 32,300           | 33,100           |
| 0                         | Transfer Payments           | 0                         | 0                | 0                |
| 85,140                    | Internal Services Recharged | 141,500                   | 144,900          | 147,800          |
| 3,920                     | Capital Financing Costs     | 3,900                     | 3,900            | 3,900            |
| <b>428,960</b>            | <b>TOTAL EXPENDITURE</b>    | <b>502,500</b>            | <b>515,600</b>   | <b>528,900</b>   |
|                           | <b><u>INCOME</u></b>        |                           |                  |                  |
| (423,110)                 | Internal Services Recharges | (496,300)                 | (509,200)        | (522,300)        |
| 0                         | Grants                      | 0                         | 0                | 0                |
| 0                         | Customer & Client Receipts  | (6,200)                   | (6,400)          | (6,600)          |
| (423,110)                 | <b>TOTAL INCOME</b>         | <b>(502,500)</b>          | <b>(515,600)</b> | <b>(528,900)</b> |
| <b>5,850</b>              | <b>NET BUDGET</b>           | <b>0</b>                  | <b>0</b>         | <b>0</b>         |

**Responsible Budget Holder:     Len Hull**

**BRIEF DESCRIPTION OF SERVICE**

To provide effective leadership and management of the Human Resource Service encompassing Human Resources, Employee Relations and Equality and Diversity.

| <b>BUDGET<br/>2008/09</b> | <b>UNIT COSTS</b>        | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b> |                |
|---------------------------|--------------------------|---------------------------|-----------------|----------------|
| <b>£</b>                  |                          | <b>£</b>                  | <b>2010/11</b>  | <b>2011/12</b> |
|                           |                          |                           | <b>£</b>        | <b>£</b>       |
| 3.84                      | Expenditure per Resident | 4.50                      | 4.62            | 4.74           |
| (3.79)                    | Income per Resident      | (4.50)                    | (4.62)          | (4.74)         |

**CHIEF EXECUTIVE**

**UNIONS**

| <b>BUDGET<br/>2008/09</b> | <b>DIVISION</b>             | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b> |                 |
|---------------------------|-----------------------------|---------------------------|-----------------|-----------------|
| <b>£</b>                  |                             | <b>£</b>                  | <b>2010/11</b>  | <b>2011/12</b>  |
|                           |                             |                           | <b>£</b>        | <b>£</b>        |
|                           | <b><u>EXPENDITURE</u></b>   |                           |                 |                 |
| 141,110                   | Employees                   | 61,500                    | 62,100          | 62,600          |
| 0                         | Premises                    | 0                         | 0               | 0               |
| 0                         | Transport                   | 0                         | 0               | 0               |
| 2,710                     | Supplies and Services       | 100                       | 100             | 100             |
| 0                         | Third Party Payments        | 0                         | 0               | 0               |
| 0                         | Transfer Payments           | 0                         | 0               | 0               |
| 50,280                    | Internal Services Recharged | 17,200                    | 17,800          | 18,400          |
| 0                         | Capital Financing Costs     | 0                         | 0               | 0               |
| <b>194,100</b>            | <b>TOTAL EXPENDITURE</b>    | <b>78,800</b>             | <b>80,000</b>   | <b>81,100</b>   |
|                           | <b><u>INCOME</u></b>        |                           |                 |                 |
| (196,150)                 | Internal Services Recharges | (78,800)                  | (80,000)        | (81,100)        |
| 0                         | Grants                      | 0                         | 0               | 0               |
| 0                         | Customer & Client Receipts  | 0                         | 0               | 0               |
| <b>(196,150)</b>          | <b>TOTAL INCOME</b>         | <b>(78,800)</b>           | <b>(80,000)</b> | <b>(81,100)</b> |
| <b>(2,050)</b>            | <b>NET BUDGET</b>           | <b>0</b>                  | <b>0</b>        | <b>0</b>        |

**Responsible Budget Holder:     Len Hull**

**BRIEF DESCRIPTION OF SERVICE**

To ensure the development and maintenance of good relations with all recognised Trade Unions and to ensure that consultation processes are effectively and properly delivered. To provide resources, support, guidance and advice in respect of Trade Union activities. Corporate Training Budget to allocate the Council's training budget to relevant services and departments.

| <b>BUDGET<br/>2008/09</b> | <b>UNIT COSTS</b>        | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b> |                |
|---------------------------|--------------------------|---------------------------|-----------------|----------------|
| <b>£</b>                  |                          | <b>£</b>                  | <b>2010/11</b>  | <b>2011/12</b> |
|                           |                          |                           | <b>£</b>        | <b>£</b>       |
| 1.74                      | Expenditure per Resident | 0.71                      | 0.72            | 0.73           |
| (1.76)                    | Income per Resident      | (0.71)                    | (0.72)          | (0.73)         |

|  |
|--|
| <b>DIRECTORATE OF COMMUNITY SERVICES</b> |
|--|

|                                  |
|----------------------------------|
| <b>ENVIRONMENT &amp; HOUSING</b> |
|----------------------------------|

| BUDGET<br>2008/09<br>£ | Division                         | BUDGET<br>2009/10<br>£ | FORECAST         |                  |
|------------------------|----------------------------------|------------------------|------------------|------------------|
|                        |                                  |                        | 2010/11<br>£     | 2011/12<br>£     |
| 258,910                | Housing Strategy                 | 226,200                | 258,100          | 235,500          |
| 14,620                 | Registered Social Landlords      | 14,100                 | 14,100           | 14,100           |
| 13,190                 | Housing Advice                   | 12,900                 | 13,000           | 13,100           |
| 1,070,570              | Private Sector Housing Renewal   | 1,010,500              | 1,013,400        | 1,019,200        |
| 170                    | Housing Act Advances             | (1,000)                | (800)            | (600)            |
| 259,660                | Homelessness                     | 254,900                | 262,900          | 269,600          |
| 5,811                  | Healthy Living Centre            | 0                      | 0                | 0                |
| 8,840                  | Waste Disposal                   | 24,100                 | 24,200           | 24,900           |
| 908,450                | Community Parks And Open Spaces  | 1,064,200              | 1,096,900        | 1,133,100        |
| 154,200                | Contribution To Hra Shared Items | 162,800                | 166,900          | 171,100          |
| 151                    | Housing Management & Support     | 1,100                  | 2,100            | 6,300            |
| 77,331                 | Cemetery Cremation & Mortuary    | 123,600                | 126,800          | 129,400          |
| 1,231,860              | Environmental Health             | 1,297,500              | 1,328,900        | 1,364,600        |
| 742,381                | Street Cleansing                 | 803,500                | 827,300          | 852,200          |
| 1,943,251              | Waste Collection                 | 2,003,000              | 2,055,300        | 2,111,300        |
| 58,100                 | Emergency Planning               | 67,600                 | 68,100           | 69,900           |
| 169,680                | Environment Sms                  | (19,100)               | 12,100           | 26,400           |
| 0                      | Recharge To Other Accounts       | (5,700)                | (5,800)          | (5,900)          |
| <b>6,917,175</b>       | <b>Total</b>                     | <b>7,040,200</b>       | <b>7,263,500</b> | <b>7,434,200</b> |

**DIRECTORATE OF COMMUNITY SERVICES**

**ENVIRONMENT AND HOUSING**

| BUDGET             | DIVISION                    | BUDGET 2009/10     | FORECAST           |                    |
|--------------------|-----------------------------|--------------------|--------------------|--------------------|
| £                  |                             | £                  | 2010/11            | 2011/12            |
|                    |                             | £                  | £                  | £                  |
|                    | <b><u>EXPENDITURE</u></b>   |                    |                    |                    |
| 4,085,325          | Employees                   | 4,144,500          | 4,248,000          | 4,334,000          |
| 627,480            | Premises                    | 509,400            | 521,900            | 534,700            |
| 1,463,780          | Transport                   | 1,497,400          | 1,534,300          | 1,572,300          |
| 1,588,190          | Supplies and Services       | 1,509,600          | 1,545,600          | 1,606,400          |
| 479,440            | Third Party Payments        | 473,500            | 485,900            | 497,900            |
| 0                  | Transfer Payments           | 0                  | 0                  | 0                  |
| 1,234,640          | Internal Services Recharged | 1,601,200          | 1,632,100          | 1,677,900          |
| 1,940,510          | Capital Financing Costs     | 2,379,600          | 2,379,600          | 2,379,600          |
| <b>11,419,365</b>  | <b>TOTAL EXPENDITURE</b>    | <b>12,115,200</b>  | <b>12,347,400</b>  | <b>12,602,800</b>  |
|                    | <b><u>INCOME</u></b>        |                    |                    |                    |
| (2,734,630)        | Internal Services Recharges | (3,379,300)        | (3,347,300)        | (3,390,100)        |
| (36,530)           | Grants                      | 11,700             | (13,500)           | (12,500)           |
| (1,731,030)        | Customer & Client Receipts  | (1,682,000)        | (1,723,100)        | (1,766,000)        |
| <b>(4,502,190)</b> | <b>TOTAL INCOME</b>         | <b>(5,075,000)</b> | <b>(5,083,900)</b> | <b>(5,168,600)</b> |
| <b>6,917,175</b>   | <b>NET BUDGET</b>           | <b>7,040,200</b>   | <b>7,263,500</b>   | <b>7,434,200</b>   |

**Head of Service**      **Chris Shaw**

**BRIEF DESCRIPTION OF SERVICE**

The management and provision of services such as abandoned vehicles, animal welfare, area housing strategy, biodiversity and nature conservation, cemeteries, emergency planning, energy, flooding and drought, fly tipping, food production and quality housing grants, housing needs, leaseholder information, parks and open spaces, pests and nuisance, pollution, Preventative Adaptation Scheme, strategic housing market assessment, street care and cleaning, waste recycling and the provision of advice and support on all aspects of matters affecting the environment and housing of the District.

| BUDGET  | UNIT COSTS               | BUDGET 2009/10 | FORECAST |         |
|---------|--------------------------|----------------|----------|---------|
| £       |                          | £              | 2010/11  | 2011/12 |
|         |                          | £              | £        | £       |
| 102.23  | Expenditure per Resident | 108            | 111      | 113     |
| (40.31) | Income per Resident      | (45.43)        | (45.51)  | (46.27) |

**DIRECTORATE OF COMMUNITY SERVICES**

**HOUSING STRATEGY**

| <b>BUDGET<br/>2008/09</b> | <b>DIVISION</b>             | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b> |                |
|---------------------------|-----------------------------|---------------------------|-----------------|----------------|
| <b>£</b>                  |                             | <b>£</b>                  | <b>2010/11</b>  | <b>2011/12</b> |
|                           |                             | <b>£</b>                  | <b>£</b>        | <b>£</b>       |
|                           | <b><u>EXPENDITURE</u></b>   |                           |                 |                |
| 3,190                     | Employees                   | 0                         | 0               | 0              |
| 0                         | Premises                    | 0                         | 0               | 0              |
| 300                       | Transport                   | 0                         | 0               | 0              |
| 37,930                    | Supplies and Services       | 0                         | 0               | 0              |
| 171,340                   | Third Party Payments        | 168,300                   | 173,100         | 177,400        |
| 0                         | Transfer Payments           | 0                         | 0               | 0              |
| 60,030                    | Internal Services Recharged | 58,700                    | 58,800          | 58,900         |
| 0                         | Capital Financing Costs     | 0                         | 0               | 0              |
| <b>272,790</b>            | <b>TOTAL EXPENDITURE</b>    | <b>227,000</b>            | <b>231,900</b>  | <b>236,300</b> |
|                           | <b><u>INCOME</u></b>        |                           |                 |                |
| (750)                     | Internal Services Recharges | (800)                     | 26,200          | (800)          |
| 0                         | Grants                      | 0                         | 0               | 0              |
| (13,130)                  | Customer & Client Receipts  | 0                         | 0               | 0              |
| <b>(13,880)</b>           | <b>TOTAL INCOME</b>         | <b>(800)</b>              | <b>26,200</b>   | <b>(800)</b>   |
| <b>258,910</b>            | <b>NET BUDGET</b>           | <b>226,200</b>            | <b>258,100</b>  | <b>235,500</b> |

**Responsible Budget Holder: Wendy Pigott**

**BRIEF DESCRIPTION OF SERVICE**

Costs relating to the HIP bid

| <b>BUDGET<br/>2008/09</b> | <b>UNIT COSTS</b>        | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b> |                |
|---------------------------|--------------------------|---------------------------|-----------------|----------------|
| <b>£</b>                  |                          | <b>£</b>                  | <b>2010/11</b>  | <b>2011/12</b> |
|                           |                          | <b>£</b>                  | <b>£</b>        | <b>£</b>       |
| 2.44                      | Expenditure per Resident | 2.03                      | 2.08            | 2.12           |
| (0.12)                    | Income per Resident      | 0                         | 0.23            | 0              |

**DIRECTORATE OF COMMUNITY SERVICES**

**REGISTERED SOCIAL LANDLORDS**

| <b>BUDGET<br/>2008/09</b> | <b>DIVISION</b>             | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b> |                |
|---------------------------|-----------------------------|---------------------------|-----------------|----------------|
| <b>£</b>                  |                             | <b>£</b>                  | <b>2010/11</b>  | <b>2011/12</b> |
|                           |                             |                           | <b>£</b>        | <b>£</b>       |
|                           | <b><u>EXPENDITURE</u></b>   |                           |                 |                |
| 0                         | Employees                   | 0                         | 0               | 0              |
| 0                         | Premises                    | 0                         | 0               | 0              |
| 0                         | Transport                   | 0                         | 0               | 0              |
| 0                         | Supplies and Services       | 0                         | 0               | 0              |
| 0                         | Third Party Payments        | 0                         | 0               | 0              |
| 0                         | Transfer Payments           | 0                         | 0               | 0              |
| 14,620                    | Internal Services Recharged | 14,100                    | 14,100          | 14,100         |
| 0                         | Capital Financing Costs     | 0                         | 0               | 0              |
| <b>14,620</b>             | <b>TOTAL EXPENDITURE</b>    | <b>14,100</b>             | <b>14,100</b>   | <b>14,100</b>  |
|                           | <b><u>INCOME</u></b>        |                           |                 |                |
| 0                         | Internal Services Recharges | 0                         | 0               | 0              |
| 0                         | Grants                      | 0                         | 0               | 0              |
| 0                         | Customer & Client Receipts  | 0                         | 0               | 0              |
| <b>0</b>                  | <b>TOTAL INCOME</b>         | <b>0</b>                  | <b>0</b>        | <b>0</b>       |
| <b>14,620</b>             | <b>NET BUDGET</b>           | <b>14,100</b>             | <b>14,100</b>   | <b>14,100</b>  |

**Responsible Budget Holder:**      **Graham Jackson**

**BRIEF DESCRIPTION OF SERVICE**

Temporary accommodation for the homeless

| <b>BUDGET<br/>2008/09</b> | <b>UNIT COSTS</b>        | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b> |                |
|---------------------------|--------------------------|---------------------------|-----------------|----------------|
| <b>£</b>                  |                          | <b>£</b>                  | <b>2010/11</b>  | <b>2011/12</b> |
|                           |                          |                           | <b>£</b>        | <b>£</b>       |
| 0.13                      | Expenditure per Resident | 0.13                      | 0.13            | 0.13           |
| 0                         | Income per Resident      | 0                         | 0               | 0              |

**DIRECTORATE OF COMMUNITY SERVICES**

**HOUSING ADVICE**

| <b>BUDGET<br/>2008/09</b> | <b>DIVISION</b>             | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b> |                |
|---------------------------|-----------------------------|---------------------------|-----------------|----------------|
| <b>£</b>                  |                             | <b>£</b>                  | <b>2010/11</b>  | <b>2011/12</b> |
|                           |                             |                           | <b>£</b>        | <b>£</b>       |
|                           | <b><u>EXPENDITURE</u></b>   |                           |                 |                |
| 0                         | Employees                   | 0                         | 0               | 0              |
| 0                         | Premises                    | 0                         | 0               | 0              |
| 0                         | Transport                   | 0                         | 0               | 0              |
| 0                         | Supplies and Services       | 0                         | 0               | 0              |
| 5,000                     | Third Party Payments        | 5,100                     | 5,200           | 5,300          |
| 0                         | Transfer Payments           | 0                         | 0               | 0              |
| 8,190                     | Internal Services Recharged | 7,800                     | 7,800           | 7,800          |
| 0                         | Capital Financing Costs     | 0                         | 0               | 0              |
| <b>13,190</b>             | <b>TOTAL EXPENDITURE</b>    | <b>12,900</b>             | <b>13,000</b>   | <b>13,100</b>  |
|                           | <b><u>INCOME</u></b>        |                           |                 |                |
| 0                         | Internal Services Recharges | 0                         | 0               | 0              |
| 0                         | Grants                      | 0                         | 0               | 0              |
| 0                         | Customer & Client Receipts  | 0                         | 0               | 0              |
| <b>0</b>                  | <b>TOTAL INCOME</b>         | <b>0</b>                  | <b>0</b>        | <b>0</b>       |
| <b>13,190</b>             | <b>NET BUDGET</b>           | <b>12,900</b>             | <b>13,000</b>   | <b>13,100</b>  |

**Responsible Budget Holder:**      **Graham Jackson**

**BRIEF DESCRIPTION OF SERVICE**

To provide a Housing advice service for the Community

| <b>BUDGET<br/>2008/09</b> | <b>UNIT COSTS</b>        | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b> |                |
|---------------------------|--------------------------|---------------------------|-----------------|----------------|
| <b>£</b>                  |                          | <b>£</b>                  | <b>2010/11</b>  | <b>2011/12</b> |
|                           |                          |                           | <b>£</b>        | <b>£</b>       |
| 0.12                      | Expenditure per Resident | 0.12                      | 0.12            | 0.12           |
| 0                         | Income per Resident      | 0                         | 0               | 0              |

**DIRECTORATE OF COMMUNITY SERVICES**

**PRIVATE SECTOR HOUSING RENEWAL**

| <b>BUDGET<br/>2008/09</b> | <b>DIVISION</b>             | <b>BUDGET 2009/10</b> | <b>FORECAST</b>    |                    |
|---------------------------|-----------------------------|-----------------------|--------------------|--------------------|
| <b>£</b>                  |                             | <b>£</b>              | <b>2010/11</b>     | <b>2011/12</b>     |
|                           |                             |                       | <b>£</b>           | <b>£</b>           |
|                           | <b><u>EXPENDITURE</u></b>   |                       |                    |                    |
| 136,110                   | Employees                   | 148,800               | 152,700            | 156,700            |
| 0                         | Premises                    | 0                     | 0                  | 0                  |
| 7,850                     | Transport                   | 8,000                 | 8,200              | 8,400              |
| 3,570                     | Supplies and Services       | 21,100                | 21,500             | 21,900             |
| 0                         | Third Party Payments        | 0                     | 0                  | 0                  |
| 0                         | Transfer Payments           | 0                     | 0                  | 0                  |
| 105,360                   | Internal Services Recharged | 144,400               | 145,800            | 150,100            |
| 1,700,000                 | Capital Financing Costs     | 1,700,000             | 1,700,000          | 1,700,000          |
| <b>1,952,890</b>          | <b>TOTAL EXPENDITURE</b>    | <b>2,022,300</b>      | <b>2,028,200</b>   | <b>2,037,100</b>   |
|                           | <b><u>INCOME</u></b>        |                       |                    |                    |
| (774,000)                 | Internal Services Recharges | (892,000)             | (892,000)          | (892,000)          |
| 0                         | Grants                      | 0                     | 0                  | 0                  |
| (108,320)                 | Customer & Client Receipts  | (119,800)             | (122,800)          | (125,900)          |
| <b>(882,320)</b>          | <b>TOTAL INCOME</b>         | <b>(1,011,800)</b>    | <b>(1,014,800)</b> | <b>(1,017,900)</b> |
| <b>1,070,570</b>          | <b>NET BUDGET</b>           | <b>1,010,500</b>      | <b>1,013,400</b>   | <b>1,019,200</b>   |

**Responsible Budget Holder:**      **Graham Jackson**

**BRIEF DESCRIPTION OF SERVICE**

The administration of the grants for the renovation and renewal of property and facilitate partnership for provision of minor adaptations in own homes. Also the administration of the Agency Housing Renovation, DFG's and Minor Works Grant.

| <b>BUDGET<br/>2008/09</b> | <b>UNIT COSTS</b>        | <b>BUDGET 2009/10</b> | <b>FORECAST</b> |                |
|---------------------------|--------------------------|-----------------------|-----------------|----------------|
| <b>£</b>                  |                          | <b>£</b>              | <b>2010/11</b>  | <b>2011/12</b> |
|                           |                          |                       | <b>£</b>        | <b>£</b>       |
| 17.48                     | Expenditure per Resident | 18.10                 | 18.16           | 18.24          |
| (7.90)                    | Income per Resident      | (9.06)                | (9.09)          | (9.11)         |

**DIRECTORATE OF COMMUNITY SERVICES**

**HOUSING ACT ADVANCES**

| <b>BUDGET<br/>2008/09</b> | <b>DIVISION</b>             | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b> |                 |
|---------------------------|-----------------------------|---------------------------|-----------------|-----------------|
| <b>£</b>                  |                             | <b>£</b>                  | <b>2010/11</b>  | <b>2011/12</b>  |
|                           |                             |                           | <b>£</b>        | <b>£</b>        |
|                           | <b><u>EXPENDITURE</u></b>   |                           |                 |                 |
| 0                         | Employees                   | 0                         | 0               | 0               |
| 0                         | Premises                    | 0                         | 0               | 0               |
| 0                         | Transport                   | 0                         | 0               | 0               |
| 2,870                     | Supplies and Services       | 2,900                     | 3,000           | 3,100           |
| 2,790                     | Third Party Payments        | 2,900                     | 3,000           | 3,100           |
| 0                         | Transfer Payments           | 0                         | 0               | 0               |
| 4,770                     | Internal Services Recharged | 3,500                     | 3,700           | 3,900           |
| 0                         | Capital Financing Costs     | 0                         | 0               | 0               |
| <b>10,430</b>             | <b>TOTAL EXPENDITURE</b>    | <b>9,300</b>              | <b>9,700</b>    | <b>10,100</b>   |
|                           | <b><u>INCOME</u></b>        |                           |                 |                 |
| (1,200)                   | Internal Services Recharges | (1,200)                   | (1,200)         | (1,200)         |
| 0                         | Grants                      | 0                         | 0               | 0               |
| (9,060)                   | Customer & Client Receipts  | (9,100)                   | (9,300)         | (9,500)         |
| <b>(10,260)</b>           | <b>TOTAL INCOME</b>         | <b>(10,300)</b>           | <b>(10,500)</b> | <b>(10,700)</b> |
| <b>170</b>                | <b>NET BUDGET</b>           | <b>(1,000)</b>            | <b>(800)</b>    | <b>(600)</b>    |

**Responsible Budget Holder:**      **Graham Jackson**

**BRIEF DESCRIPTION OF SERVICE**

To cover the net cost of the operation of the mortgage scheme after deduction of interest paid.

| <b>BUDGET<br/>2008/09</b> | <b>UNIT COSTS</b>        | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b> |                |
|---------------------------|--------------------------|---------------------------|-----------------|----------------|
| <b>£</b>                  |                          | <b>£</b>                  | <b>2010/11</b>  | <b>2011/12</b> |
|                           |                          |                           | <b>£</b>        | <b>£</b>       |
| 0.09                      | Expenditure per Resident | 0.08                      | 0.09            | 0.09           |
| (0.09)                    | Income per Resident      | (0.09)                    | (0.09)          | (0.10)         |

**DIRECTORATE OF COMMUNITY SERVICES**

**HOMELESSNESS**

| <b>BUDGET<br/>2008/09</b> | <b>DIVISION</b>             | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b>  |                  |
|---------------------------|-----------------------------|---------------------------|------------------|------------------|
| <b>£</b>                  |                             | <b>£</b>                  | <b>2010/11</b>   | <b>2011/12</b>   |
|                           |                             |                           | <b>£</b>         | <b>£</b>         |
|                           | <b><u>EXPENDITURE</u></b>   |                           |                  |                  |
| 128,870                   | Employees                   | 168,300                   | 174,300          | 154,800          |
| 4,560                     | Premises                    | 4,600                     | 4,700            | 4,800            |
| 3,260                     | Transport                   | 3,300                     | 3,400            | 3,500            |
| 32,770                    | Supplies and Services       | 42,300                    | 42,000           | 66,000           |
| 1,500                     | Third Party Payments        | 1,500                     | 1,500            | 1,500            |
| 0                         | Transfer Payments           | 0                         | 0                | 0                |
| 101,460                   | Internal Services Recharged | 92,800                    | 95,200           | 97,500           |
| 0                         | Capital Financing Costs     | 330,000                   | 330,000          | 330,000          |
| <b>272,420</b>            | <b>TOTAL EXPENDITURE</b>    | <b>642,800</b>            | <b>651,100</b>   | <b>658,100</b>   |
|                           | <b><u>INCOME</u></b>        |                           |                  |                  |
| 0                         | Internal Services Recharges | (330,000)                 | (330,000)        | (330,000)        |
| 0                         | Grants                      | (45,000)                  | (45,000)         | (45,000)         |
| (12,760)                  | Customer & Client Receipts  | (12,900)                  | (13,200)         | (13,500)         |
| <b>(12,760)</b>           | <b>TOTAL INCOME</b>         | <b>(387,900)</b>          | <b>(388,200)</b> | <b>(388,500)</b> |
| <b>259,660</b>            | <b>NET BUDGET</b>           | <b>254,900</b>            | <b>262,900</b>   | <b>269,600</b>   |

**Responsible Budget Holder:** Tracey Walstow

**BRIEF DESCRIPTION OF SERVICE**

To provide temporary accommodation for the homeless

| <b>BUDGET<br/>2008/09</b> | <b>UNIT COSTS</b>        | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b> |                |
|---------------------------|--------------------------|---------------------------|-----------------|----------------|
| <b>£</b>                  |                          | <b>£</b>                  | <b>2010/11</b>  | <b>2011/12</b> |
|                           |                          |                           | <b>£</b>        | <b>£</b>       |
| 2.44                      | Expenditure per Resident | 5.75                      | 5.83            | 5.89           |
| (0.11)                    | Income per Resident      | (3.47)                    | (3.48)          | (3.48)         |

**DIRECTORATE OF COMMUNITY SERVICES**

**HEALTHLY LIVING CENTRE**

| <b>BUDGET<br/>2008/09</b> | <b>DIVISION</b>             | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b> |                |
|---------------------------|-----------------------------|---------------------------|-----------------|----------------|
| <b>£</b>                  |                             | <b>£</b>                  | <b>2010/11</b>  | <b>2011/12</b> |
|                           |                             |                           | <b>£</b>        | <b>£</b>       |
|                           | <b><u>EXPENDITURE</u></b>   |                           |                 |                |
| 4,541                     | Employees                   | 0                         | 0               | 0              |
| 0                         | Premises                    | 0                         | 0               | 0              |
| 2,000                     | Transport                   | 0                         | 0               | 0              |
| 28,150                    | Supplies and Services       | 0                         | 0               | 0              |
| 0                         | Third Party Payments        | 0                         | 0               | 0              |
| 0                         | Transfer Payments           | 0                         | 0               | 0              |
| 7,650                     | Internal Services Recharged | 0                         | 0               | 0              |
| 0                         | Capital Financing Costs     | 0                         | 0               | 0              |
| <b>42,341</b>             | <b>TOTAL EXPENDITURE</b>    | <b>0</b>                  | <b>0</b>        | <b>0</b>       |
|                           | <b><u>INCOME</u></b>        |                           |                 |                |
| 0                         | Internal Services Recharges | 0                         | 0               | 0              |
| (36,530)                  | Grants                      | 0                         | 0               | 0              |
| 0                         | Customer & Client Receipts  | 0                         | 0               | 0              |
| <b>(36,530)</b>           | <b>TOTAL INCOME</b>         | <b>0</b>                  | <b>0</b>        | <b>0</b>       |
| <b>5,811</b>              | <b>NET BUDGET</b>           | <b>0</b>                  | <b>0</b>        | <b>0</b>       |

**Responsible Budget Holder:** Julian Proudman

**BRIEF DESCRIPTION OF SERVICE**

Grant funded projects to promote healthier living to the population of Bassetlaw.

| <b>BUDGET<br/>2008/09</b> | <b>UNIT COSTS</b>        | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b> |                |
|---------------------------|--------------------------|---------------------------|-----------------|----------------|
| <b>£</b>                  |                          | <b>£</b>                  | <b>2010/11</b>  | <b>2011/12</b> |
|                           |                          |                           | <b>£</b>        | <b>£</b>       |
| 0.38                      | Expenditure per Resident | 0.00                      | 0.00            | 0.00           |
| (0.33)                    | Income per Resident      | 0.00                      | 0.00            | 0.00           |

**DIRECTORATE OF COMMUNITY SERVICES**

**WASTE DISPOSAL**

| <b>BUDGET<br/>2008/09</b> | <b>DIVISION</b>             | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b>  |                  |
|---------------------------|-----------------------------|---------------------------|------------------|------------------|
| <b>£</b>                  |                             | <b>£</b>                  | <b>2010/11</b>   | <b>2011/12</b>   |
|                           |                             | <b>£</b>                  | <b>£</b>         | <b>£</b>         |
|                           | <b><u>EXPENDITURE</u></b>   |                           |                  |                  |
| 0                         | Employees                   | 0                         | 0                | 0                |
| 0                         | Premises                    | 0                         | 0                | 0                |
| 0                         | Transport                   | 0                         | 0                | 0                |
| 38,710                    | Supplies and Services       | 36,700                    | 37,700           | 38,700           |
| 134,010                   | Third Party Payments        | 131,400                   | 134,700          | 138,100          |
| 0                         | Transfer Payments           | 0                         | 0                | 0                |
| 14,180                    | Internal Services Recharged | 21,900                    | 22,000           | 22,700           |
| 76,330                    | Capital Financing Costs     | 85,800                    | 85,800           | 85,800           |
| <b>263,230</b>            | <b>TOTAL EXPENDITURE</b>    | <b>275,800</b>            | <b>280,200</b>   | <b>285,300</b>   |
|                           | <b><u>INCOME</u></b>        |                           |                  |                  |
| (84,150)                  | Internal Services Recharges | (81,500)                  | (81,500)         | (81,500)         |
| 0                         | Grants                      | 0                         | 0                | 0                |
| (170,240)                 | Customer & Client Receipts  | (170,200)                 | (174,500)        | (178,900)        |
| <b>(254,390)</b>          | <b>TOTAL INCOME</b>         | <b>(251,700)</b>          | <b>(256,000)</b> | <b>(260,400)</b> |
| <b>8,840</b>              | <b>NET BUDGET</b>           | <b>24,100</b>             | <b>24,200</b>    | <b>24,900</b>    |

**Responsible Budget Holder: T Andrew**

**BRIEF DESCRIPTION OF SERVICE**

To provide a service which offers a full range of waste disposal options.

| <b>BUDGET<br/>2008/09</b> | <b>UNIT COSTS</b>        | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b> |                |
|---------------------------|--------------------------|---------------------------|-----------------|----------------|
| <b>£</b>                  |                          | <b>£</b>                  | <b>2010/11</b>  | <b>2011/12</b> |
|                           |                          | <b>£</b>                  | <b>£</b>        | <b>£</b>       |
| 2.36                      | Expenditure per Resident | 2.47                      | 2.51            | 2.55           |
| (2.28)                    | Income per Resident      | (2.25)                    | (2.29)          | (2.33)         |

**DIRECTORATE OF COMMUNITY SERVICES**

**COMMUNITY PARKS AND OPEN SPACES**

| <b>BUDGET<br/>2008/09</b> | <b>DIVISION</b>             | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b>  |                  |
|---------------------------|-----------------------------|---------------------------|------------------|------------------|
| <b>£</b>                  |                             | <b>£</b>                  | <b>2010/11</b>   | <b>2011/12</b>   |
|                           |                             |                           | <b>£</b>         | <b>£</b>         |
|                           | <b><u>EXPENDITURE</u></b>   |                           |                  |                  |
| 834,750                   | Employees                   | 854,100                   | 876,000          | 899,100          |
| 220,340                   | Premises                    | 211,700                   | 216,900          | 222,300          |
| 138,580                   | Transport                   | 172,600                   | 176,800          | 181,200          |
| 216,750                   | Supplies and Services       | 221,900                   | 227,700          | 233,600          |
| 1,030                     | Third Party Payments        | 800                       | 800              | 800              |
| 0                         | Transfer Payments           | 0                         | 0                | 0                |
| 128,560                   | Internal Services Recharged | 194,700                   | 198,900          | 205,100          |
| 74,350                    | Capital Financing Costs     | 161,000                   | 161,000          | 161,000          |
| <b>1,614,360</b>          | <b>TOTAL EXPENDITURE</b>    | <b>1,816,800</b>          | <b>1,858,100</b> | <b>1,903,100</b> |
|                           | <b><u>INCOME</u></b>        |                           |                  |                  |
| (359,510)                 | Internal Services Recharges | (407,400)                 | (407,400)        | (407,400)        |
| 0                         | Grants                      | 0                         | 0                | 0                |
| (346,400)                 | Customer & Client Receipts  | (345,200)                 | (353,800)        | (362,600)        |
| <b>(705,910)</b>          | <b>TOTAL INCOME</b>         | <b>(752,600)</b>          | <b>(761,200)</b> | <b>(770,000)</b> |
| <b>908,450</b>            | <b>NET BUDGET</b>           | <b>1,064,200</b>          | <b>1,096,900</b> | <b>1,133,100</b> |

**Responsible Budget Holder: K Somers**

**BRIEF DESCRIPTION OF SERVICE**

Responsible for the maintenance and development of all the Councils' parks and open spaces. This includes town centre parks in Retford and Worksop, Langold Country Park, sports pitches, bowling greens and play areas owned by the Council.

| <b>BUDGET<br/>2008/09</b> | <b>UNIT COSTS</b>        | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b> |                |
|---------------------------|--------------------------|---------------------------|-----------------|----------------|
| <b>£</b>                  |                          | <b>£</b>                  | <b>2010/11</b>  | <b>2011/12</b> |
|                           |                          |                           | <b>£</b>        | <b>£</b>       |
| 14.45                     | Expenditure per Resident | 16.26                     | 16.63           | 17.04          |
| (6.32)                    | Income per Resident      | (6.74)                    | (6.81)          | (6.89)         |

**DIRECTORATE OF COMMUNITY SERVICES**

**CONTRIBUTION TO HRA SHARED ITEMS**

| <b>BUDGET<br/>2008/09</b> | <b>DIVISION</b>             | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b> |                |
|---------------------------|-----------------------------|---------------------------|-----------------|----------------|
| <b>£</b>                  |                             | <b>£</b>                  | <b>2010/11</b>  | <b>2011/12</b> |
|                           |                             |                           | <b>£</b>        | <b>£</b>       |
|                           | <b><u>EXPENDITURE</u></b>   |                           |                 |                |
| 0                         | Employees                   | 0                         | 0               | 0              |
| 0                         | Premises                    | 0                         | 0               | 0              |
| 0                         | Transport                   | 0                         | 0               | 0              |
| 119,050                   | Supplies and Services       | 126,800                   | 130,000         | 133,300        |
| 35,150                    | Third Party Payments        | 36,000                    | 36,900          | 37,800         |
| 0                         | Transfer Payments           | 0                         | 0               | 0              |
| 0                         | Internal Services Recharged | 0                         | 0               | 0              |
| 0                         | Capital Financing Costs     | 0                         | 0               | 0              |
| <b>154,200</b>            | <b>TOTAL EXPENDITURE</b>    | <b>162,800</b>            | <b>166,900</b>  | <b>171,100</b> |
|                           | <b><u>INCOME</u></b>        |                           |                 |                |
| 0                         | Internal Services Recharges | 0                         | 0               | 0              |
| 0                         | Grants                      | 0                         | 0               | 0              |
| 0                         | Customer & Client Receipts  | 0                         | 0               | 0              |
| <b>0</b>                  | <b>TOTAL INCOME</b>         | <b>0</b>                  | <b>0</b>        | <b>0</b>       |
| <b>154,200</b>            | <b>NET BUDGET</b>           | <b>162,800</b>            | <b>166,900</b>  | <b>171,100</b> |

**Responsible Budget Holder:** Julie Foulger

**BRIEF DESCRIPTION OF SERVICE**

General Fund contribution to the Housing Revenue Account in relation to shared amenities

| <b>BUDGET<br/>2008/09</b> | <b>UNIT COSTS</b>        | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b> |                |
|---------------------------|--------------------------|---------------------------|-----------------|----------------|
| <b>£</b>                  |                          | <b>£</b>                  | <b>2010/11</b>  | <b>2011/12</b> |
|                           |                          |                           | <b>£</b>        | <b>£</b>       |
| 1.38                      | Expenditure per Resident | 1.46                      | 1.49            | 1.53           |
| 0.00                      | Income per Resident      | 0.00                      | 0.00            | 0.00           |

**DIRECTORATE OF COMMUNITY SERVICES**

**HOUSING MANAGEMENT AND SUPPORT**

| <b>BUDGET<br/>2008/09</b> | <b>DIVISION</b>             | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b>  |                  |
|---------------------------|-----------------------------|---------------------------|------------------|------------------|
| <b>£</b>                  |                             | <b>£</b>                  | <b>2010/11</b>   | <b>2011/12</b>   |
|                           |                             | <b>£</b>                  | <b>£</b>         | <b>£</b>         |
|                           | <b><u>EXPENDITURE</u></b>   |                           |                  |                  |
| 75,631                    | Employees                   | 58,000                    | 59,700           | 61,200           |
| 0                         | Premises                    | 0                         | 0                | 0                |
| 1800                      | Transport                   | 1800                      | 1800             | 1800             |
| 6380                      | Supplies and Services       | 3000                      | 3100             | 3200             |
| 0                         | Third Party Payments        | 0                         | 0                | 0                |
| 0                         | Transfer Payments           | 0                         | 0                | 0                |
| 78180                     | Internal Services Recharged | 95200                     | 94600            | 97400            |
| 0                         | Capital Financing Costs     | 0                         | 0                | 0                |
| <b>161,991</b>            | <b>TOTAL EXPENDITURE</b>    | <b>158,000</b>            | <b>159,200</b>   | <b>163,600</b>   |
|                           | <b><u>INCOME</u></b>        |                           |                  |                  |
| (153,840)                 | Internal Services Recharges | (148,900)                 | (148,900)        | (148,900)        |
| 0                         | Grants                      | 0                         | 0                | 0                |
| (8,000)                   | Customer & Client Receipts  | (8,000)                   | (8,200)          | (8,400)          |
| <b>(161,840)</b>          | <b>TOTAL INCOME</b>         | <b>(156,900)</b>          | <b>(157,100)</b> | <b>(157,300)</b> |
| <b>151</b>                | <b>NET BUDGET</b>           | <b>1,100</b>              | <b>2,100</b>     | <b>6,300</b>     |

**Responsible Budget Holder:**      **Graham Jackson**

**BRIEF DESCRIPTION OF SERVICE**

Strategic management of Housing services

| <b>BUDGET<br/>2008/09</b> | <b>UNIT COSTS</b>        | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b> |                |
|---------------------------|--------------------------|---------------------------|-----------------|----------------|
| <b>£</b>                  |                          | <b>£</b>                  | <b>2010/11</b>  | <b>2011/12</b> |
|                           |                          | <b>£</b>                  | <b>£</b>        | <b>£</b>       |
| 1.45                      | Expenditure per Resident | 1.41                      | 1.43            | 1.46           |
| (1.45)                    | Income per Resident      | (1.40)                    | (1.41)          | (1.41)         |

**DIRECTORATE OF COMMUNITY SERVICES**

**CEMETERY, CREMATION AND MORTUARY**

| <b>BUDGET<br/>2008/09</b> | <b>DIVISION</b>             | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b>  |                  |
|---------------------------|-----------------------------|---------------------------|------------------|------------------|
| <b>£</b>                  |                             | <b>£</b>                  | <b>2010/11</b>   | <b>2011/12</b>   |
|                           |                             |                           | <b>£</b>         | <b>£</b>         |
|                           | <b><u>EXPENDITURE</u></b>   |                           |                  |                  |
| 29,521                    | Employees                   | 32,900                    | 33,600           | 34,200           |
| 169,590                   | Premises                    | 183,600                   | 188,100          | 192,600          |
| 1,580                     | Transport                   | 1,600                     | 1,600            | 1,600            |
| 20,060                    | Supplies and Services       | 20,600                    | 21,100           | 21,600           |
| 0                         | Third Party Payments        | 0                         | 0                | 0                |
| 0                         | Transfer Payments           | 0                         | 0                | 0                |
| 26,230                    | Internal Services Recharged | 49,500                    | 51,500           | 53,100           |
| 12,100                    | Capital Financing Costs     | 17,000                    | 17,000           | 17,000           |
| <b>259,081</b>            | <b>TOTAL EXPENDITURE</b>    | <b>305,200</b>            | <b>312,900</b>   | <b>320,100</b>   |
|                           | <b><u>INCOME</u></b>        |                           |                  |                  |
| (230)                     | Internal Services Recharges | (200)                     | (200)            | (200)            |
| 0                         | Grants                      | 0                         | 0                | 0                |
| (181,520)                 | Customer & Client Receipts  | (181,400)                 | (185,900)        | (190,500)        |
| <b>(181,750)</b>          | <b>TOTAL INCOME</b>         | <b>(181,600)</b>          | <b>(186,100)</b> | <b>(190,700)</b> |
| <b>77,331</b>             | <b>NET BUDGET</b>           | <b>123,600</b>            | <b>126,800</b>   | <b>129,400</b>   |

**Responsible Budget Holder:** H Davison

**BRIEF DESCRIPTION OF SERVICE**

To continue a high quality burial service and plan to ensure the future burial needs of the community.

| <b>BUDGET<br/>2008/09</b> | <b>UNIT COSTS</b>        | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b> |                |
|---------------------------|--------------------------|---------------------------|-----------------|----------------|
| <b>£</b>                  |                          | <b>£</b>                  | <b>2010/11</b>  | <b>2011/12</b> |
|                           |                          |                           | <b>£</b>        | <b>£</b>       |
| 2.32                      | Expenditure per Resident | 2.73                      | 2.80            | 2.87           |
| (1.63)                    | Income per Resident      | (1.63)                    | (1.67)          | (1.71)         |

**DIRECTORATE OF COMMUNITY SERVICES**

**ENVIRONMENTAL HEALTH**

| <b>BUDGET<br/>2008/09</b> | <b>DIVISION</b>             | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b>  |                  |
|---------------------------|-----------------------------|---------------------------|------------------|------------------|
| <b>£</b>                  |                             | <b>£</b>                  | <b>2010/11</b>   | <b>2011/12</b>   |
|                           |                             |                           | <b>£</b>         | <b>£</b>         |
|                           | <b><u>EXPENDITURE</u></b>   |                           |                  |                  |
| 762,500                   | Employees                   | 792,800                   | 815,100          | 838,200          |
| 53,530                    | Premises                    | 54,200                    | 55,600           | 57,000           |
| 48,070                    | Transport                   | 45,900                    | 47,000           | 48,100           |
| 65,040                    | Supplies and Services       | 59,000                    | 60,200           | 61,400           |
| 56,270                    | Third Party Payments        | 60,900                    | 62,500           | 64,100           |
| 0                         | Transfer Payments           | 0                         | 0                | 0                |
| 253,290                   | Internal Services Recharged | 293,800                   | 298,700          | 307,200          |
| 36,850                    | Capital Financing Costs     | 36,900                    | 36,900           | 36,900           |
| <b>1,275,550</b>          | <b>TOTAL EXPENDITURE</b>    | <b>1,343,500</b>          | <b>1,376,000</b> | <b>1,412,900</b> |
|                           | <b><u>INCOME</u></b>        |                           |                  |                  |
| 0                         | Internal Services Recharges | 0                         | 0                | 0                |
| 0                         | Grants                      | 0                         | 0                | 0                |
| (43,690)                  | Customer & Client Receipts  | (46,000)                  | (47,100)         | (48,300)         |
| <b>(43,690)</b>           | <b>TOTAL INCOME</b>         | <b>(46,000)</b>           | <b>(47,100)</b>  | <b>(48,300)</b>  |
| <b>1,231,860</b>          | <b>NET BUDGET</b>           | <b>1,297,500</b>          | <b>1,328,900</b> | <b>1,364,600</b> |

**Responsible Budget Holder: E Prime**

**BRIEF DESCRIPTION OF SERVICE**

To control and monitor all aspects of the rechargeable refuse collection service, other cleaning contract, building cleaning contracts, grounds maintenance contracts and parks and open Spaces. To arrange the purchase and disposal of the Council's fleet of vehicles and plant.

| <b>BUDGET<br/>2008/09</b> | <b>UNIT COSTS</b>        | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b> |                |
|---------------------------|--------------------------|---------------------------|-----------------|----------------|
| <b>£</b>                  |                          | <b>£</b>                  | <b>2010/11</b>  | <b>2011/12</b> |
|                           |                          |                           | <b>£</b>        | <b>£</b>       |
| 11.42                     | Expenditure per Resident | 12.03                     | 12.32           | 12.65          |
| (0.39)                    | Income per Resident      | (0.41)                    | (0.42)          | (0.43)         |

**DIRECTORATE OF COMMUNITY SERVICES**

**STREET CLEANSING**

| <b>BUDGET<br/>2008/09</b> | <b>DIVISION</b>             | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b>  |                  |
|---------------------------|-----------------------------|---------------------------|------------------|------------------|
| <b>£</b>                  |                             | <b>£</b>                  | <b>2010/11</b>   | <b>2011/12</b>   |
|                           |                             |                           | <b>£</b>         | <b>£</b>         |
|                           | <b><u>EXPENDITURE</u></b>   |                           |                  |                  |
| 489,711                   | Employees                   | 507,000                   | 518,400          | 530,100          |
| 6,520                     | Premises                    | 100                       | 100              | 100              |
| 149,280                   | Transport                   | 181,700                   | 186,000          | 190,500          |
| 208,590                   | Supplies and Services       | 212,400                   | 217,600          | 222,900          |
| 35,300                    | Third Party Payments        | 36,200                    | 37,100           | 38,000           |
| 0                         | Transfer Payments           | 0                         | 0                | 0                |
| 59,530                    | Internal Services Recharged | 79,600                    | 81,400           | 83,700           |
| 0                         | Capital Financing Costs     | 6,400                     | 6,400            | 6,400            |
| <b>948,931</b>            | <b>TOTAL EXPENDITURE</b>    | <b>1,023,400</b>          | <b>1,047,000</b> | <b>1,071,700</b> |
|                           | <b><u>INCOME</u></b>        |                           |                  |                  |
| (204,930)                 | Internal Services Recharges | (222,500)                 | (222,500)        | (222,500)        |
| 0                         | Grants                      | 4,300                     | 4,500            | 4,700            |
| (1,620)                   | Customer & Client Receipts  | (1,700)                   | (1,700)          | (1,700)          |
| <b>(206,550)</b>          | <b>TOTAL INCOME</b>         | <b>(219,900)</b>          | <b>(219,700)</b> | <b>(219,500)</b> |
| <b>742,381</b>            | <b>NET BUDGET</b>           | <b>803,500</b>            | <b>827,300</b>   | <b>852,200</b>   |

**Responsible Budget Holder:** T Andrew

**BRIEF DESCRIPTION OF SERVICE**

To maintain cleanliness in accordance with the Environmental Protection Act 1988

| <b>BUDGET<br/>2008/09</b> | <b>UNIT COSTS</b>        | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b> |                |
|---------------------------|--------------------------|---------------------------|-----------------|----------------|
| <b>£</b>                  |                          | <b>£</b>                  | <b>2010/11</b>  | <b>2011/12</b> |
|                           |                          |                           | <b>£</b>        | <b>£</b>       |
| 8.50                      | Expenditure per Resident | 9.16                      | 9.37            | 9.59           |
| (1.85)                    | Income per Resident      | (1.97)                    | (1.97)          | (1.97)         |

**DIRECTORATE OF COMMUNITY SERVICES**

**WASTE COLLECTION**

| <b>BUDGET<br/>2008/09</b> | <b>DIVISION</b>             | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b>  |                  |
|---------------------------|-----------------------------|---------------------------|------------------|------------------|
| <b>£</b>                  |                             | <b>£</b>                  | <b>2010/11</b>   | <b>2011/12</b>   |
|                           |                             |                           | <b>£</b>         | <b>£</b>         |
|                           | <b><u>EXPENDITURE</u></b>   |                           |                  |                  |
| 1,004,181                 | Employees                   | 1,102,200                 | 1,129,900        | 1,158,900        |
| 10,970                    | Premises                    | 1,800                     | 1,800            | 1,800            |
| 639,130                   | Transport                   | 591,400                   | 606,100          | 621,100          |
| 449,020                   | Supplies and Services       | 409,400                   | 419,700          | 430,100          |
| 550                       | Third Party Payments        | 500                       | 500              | 500              |
| 0                         | Transfer Payments           | 0                         | 0                | 0                |
| 152,500                   | Internal Services Recharged | 196,800                   | 200,600          | 206,500          |
| 29,600                    | Capital Financing Costs     | 31,500                    | 31,500           | 31,500           |
| <b>2,285,951</b>          | <b>TOTAL EXPENDITURE</b>    | <b>2,333,600</b>          | <b>2,390,100</b> | <b>2,450,400</b> |
|                           | <b><u>INCOME</u></b>        |                           |                  |                  |
| (158,280)                 | Internal Services Recharges | (158,500)                 | (158,500)        | (158,500)        |
| 0                         | Grants                      | 26,200                    | 27,000           | 27,800           |
| (184,420)                 | Customer & Client Receipts  | (198,300)                 | (203,300)        | (208,400)        |
| <b>(342,700)</b>          | <b>TOTAL INCOME</b>         | <b>(330,600)</b>          | <b>(334,800)</b> | <b>(339,100)</b> |
| <b>1,943,251</b>          | <b>NET BUDGET</b>           | <b>2,003,000</b>          | <b>2,055,300</b> | <b>2,111,300</b> |

**Responsible Budget Holder: T Andrew**

**BRIEF DESCRIPTION OF SERVICE**

To provide a collection for domestic waste including dry recyclables and bulky items

| <b>BUDGET<br/>2008/09</b> | <b>UNIT COSTS</b>        | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b> |                |
|---------------------------|--------------------------|---------------------------|-----------------|----------------|
| <b>£</b>                  |                          | <b>£</b>                  | <b>2010/11</b>  | <b>2011/12</b> |
|                           |                          |                           | <b>£</b>        | <b>£</b>       |
| 20.47                     | Expenditure per Resident | 20.89                     | 21.40           | 21.94          |
| (3.07)                    | Income per Resident      | (2.96)                    | (3.00)          | (3.04)         |

**DIRECTORATE OF COMMUNITY SERVICES**

**EMERGENCY PLANNING**

| <b>BUDGET<br/>2008/09</b> | <b>DIVISION</b>             | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b> |                |
|---------------------------|-----------------------------|---------------------------|-----------------|----------------|
| <b>£</b>                  |                             | <b>£</b>                  | <b>2010/11</b>  | <b>2011/12</b> |
|                           |                             |                           | <b>£</b>        | <b>£</b>       |
|                           | <b><u>EXPENDITURE</u></b>   |                           |                 |                |
| 25,600                    | Employees                   | 29,000                    | 29,700          | 30,500         |
| 0                         | Premises                    | 0                         | 0               | 0              |
| 0                         | Transport                   | 0                         | 0               | 0              |
| 11,190                    | Supplies and Services       | 2,100                     | 2,100           | 2,100          |
| 9,000                     | Third Party Payments        | 17,100                    | 17,500          | 17,900         |
| 0                         | Transfer Payments           | 0                         | 0               | 0              |
| 12310                     | Internal Services Recharged | 19400                     | 18800           | 19400          |
| 0                         | Capital Financing Costs     | 0                         | 0               | 0              |
| <b>58,100</b>             | <b>TOTAL EXPENDITURE</b>    | <b>67,600</b>             | <b>68,100</b>   | <b>69,900</b>  |
|                           | <b><u>INCOME</u></b>        |                           |                 |                |
| 0                         | Internal Services Recharges | 0                         | 0               | 0              |
| 0                         | Grants                      | 0                         | 0               | 0              |
| 0                         | Customer & Client Receipts  | 0                         | 0               | 0              |
| <b>0</b>                  | <b>TOTAL INCOME</b>         | <b>0</b>                  | <b>0</b>        | <b>0</b>       |
| <b>58,100</b>             | <b>NET BUDGET</b>           | <b>67,600</b>             | <b>68,100</b>   | <b>69,900</b>  |

**Responsible Budget Holder:**      **Jim Moran**

**BRIEF DESCRIPTION OF SERVICE**

The provision for the immediate response to incidents that occur in and around the district, provide longer term support for major incidents or disruption caused by events such as flooding, severe weather damage or possible long term human or animal health emergencies.

| <b>BUDGET<br/>2008/09</b> | <b>UNIT COSTS</b>        | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b> |                |
|---------------------------|--------------------------|---------------------------|-----------------|----------------|
| <b>£</b>                  |                          | <b>£</b>                  | <b>2010/11</b>  | <b>2011/12</b> |
|                           |                          |                           | <b>£</b>        | <b>£</b>       |
| 0.52                      | Expenditure per Resident | 0.61                      | 0.61            | 0.63           |
| 0.00                      | Income per Resident      | 0.00                      | 0.00            | 0.00           |

**DIRECTORATE OF COMMUNITY SERVICES**

**ENVIRONMENT SMS**

| <b>BUDGET<br/>2008/09</b> | <b>DIVISION</b>             | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b>    |                    |
|---------------------------|-----------------------------|---------------------------|--------------------|--------------------|
| <b>£</b>                  |                             | <b>£</b>                  | <b>2010/11</b>     | <b>2011/12</b>     |
|                           |                             |                           | <b>£</b>           | <b>£</b>           |
|                           | <b><u>EXPENDITURE</u></b>   |                           |                    |                    |
| 590,720                   | Employees                   | 451,400                   | 458,600            | 470,300            |
| 19,220                    | Premises                    | 1,000                     | 1,000              | 1,000              |
| 307,640                   | Transport                   | 302,400                   | 309,900            | 317,700            |
| 151,270                   | Supplies and Services       | 160,300                   | 164,100            | 167,900            |
| 27,500                    | Third Party Payments        | 12,800                    | 13,100             | 13,400             |
| 0                         | Transfer Payments           | 0                         | 0                  | 0                  |
| 207,780                   | Internal Services Recharged | 329,000                   | 340,200            | 350,500            |
| 11,280                    | Capital Financing Costs     | 11,000                    | 11,000             | 11,000             |
| <b>1,315,410</b>          | <b>TOTAL EXPENDITURE</b>    | <b>1,267,900</b>          | <b>1,297,900</b>   | <b>1,331,800</b>   |
|                           | <b><u>INCOME</u></b>        |                           |                    |                    |
| (997,740)                 | Internal Services Recharges | (1,136,300)               | (1,131,300)        | (1,147,100)        |
| 0                         | Grants                      | 0                         | 0                  | 0                  |
| (147,990)                 | Customer & Client Receipts  | (150,700)                 | (154,500)          | (158,300)          |
| <b>(1,145,730)</b>        | <b>TOTAL INCOME</b>         | <b>(1,287,000)</b>        | <b>(1,285,800)</b> | <b>(1,305,400)</b> |
| <b>169,680</b>            | <b>NET BUDGET</b>           | <b>(19,100)</b>           | <b>12,100</b>      | <b>26,400</b>      |

**Responsible Budget Holder:** Ian Roebuck

**BRIEF DESCRIPTION OF SERVICE**

The development of Environmental Management in the authority

| <b>BUDGET<br/>2008/09</b> | <b>UNIT COSTS</b>        | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b> |                |
|---------------------------|--------------------------|---------------------------|-----------------|----------------|
| <b>£</b>                  |                          | <b>£</b>                  | <b>2010/11</b>  | <b>2011/12</b> |
|                           |                          |                           | <b>£</b>        | <b>£</b>       |
| 11.78                     | Expenditure per Resident | 11.35                     | 11.62           | 11.92          |
| (10.26)                   | Income per Resident      | (11.52)                   | (11.51)         | (11.69)        |

**DIRECTORATE OF COMMUNITY SERVICES**

**RECHARGES TO OTHER ACCOUNTS**

| <b>BUDGET<br/>2008/09</b> | <b>DIVISION</b>             | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b>  |                  |
|---------------------------|-----------------------------|---------------------------|------------------|------------------|
| <b>£</b>                  |                             | <b>£</b>                  | <b>2010/11</b>   | <b>2011/12</b>   |
|                           |                             |                           | <b>£</b>         | <b>£</b>         |
|                           | <b><u>EXPENDITURE</u></b>   |                           |                  |                  |
| 0                         | Employees                   | 0                         | 0                | 0                |
| 142,750                   | Premises                    | 52,400                    | 53,700           | 55,100           |
| 164,290                   | Transport                   | 188,700                   | 193,500          | 198,400          |
| 196,840                   | Supplies and Services       | 191,100                   | 195,800          | 200,600          |
| 0                         | Third Party Payments        | 0                         | 0                | 0                |
| 0                         | Transfer Payments           | 0                         | 0                | 0                |
| 0                         | Internal Services Recharged | 0                         | 0                | 0                |
| 0                         | Capital Financing Costs     | 0                         | 0                | 0                |
| <b>503,880</b>            | <b>TOTAL EXPENDITURE</b>    | <b>432,200</b>            | <b>443,000</b>   | <b>454,100</b>   |
|                           | <b><u>INCOME</u></b>        |                           |                  |                  |
| 0                         | Internal Services Recharges | 0                         | 0                | 0                |
| 0                         | Grants                      | 0                         | 0                | 0                |
| (503,880)                 | Customer & Client Receipts  | (437,900)                 | (448,800)        | (460,000)        |
| <b>(503,880)</b>          | <b>TOTAL INCOME</b>         | <b>(437,900)</b>          | <b>(448,800)</b> | <b>(460,000)</b> |
| <b>0</b>                  | <b>NET BUDGET</b>           | <b>(5,700)</b>            | <b>(5,800)</b>   | <b>(5,900)</b>   |

**Responsible Budget Holder:**      **Chris Shaw**

**BRIEF DESCRIPTION OF SERVICE**

Recharge of service costs to other accounts

| <b>BUDGET<br/>2008/09</b> | <b>UNIT COSTS</b>        | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b> |                |
|---------------------------|--------------------------|---------------------------|-----------------|----------------|
| <b>£</b>                  |                          | <b>£</b>                  | <b>2010/11</b>  | <b>2011/12</b> |
|                           |                          |                           | <b>£</b>        | <b>£</b>       |
| 4.51                      | Expenditure per Resident | 3.87                      | 3.97            | 4.07           |
| (4.51)                    | Income per Resident      | (3.92)                    | (4.02)          | (4.12)         |

|                                 |
|---------------------------------|
| <b>DIRECTORATE OF RESOURCES</b> |
|---------------------------------|

|                               |
|-------------------------------|
| <b>FINANCE &amp; PROPERTY</b> |
|-------------------------------|

| <b>BUDGET<br/>2008/09</b> | <b>DIVISION</b>                  | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b>  |                  |
|---------------------------|----------------------------------|---------------------------|------------------|------------------|
| <b>£</b>                  |                                  | <b>£</b>                  | <b>2010/11</b>   | <b>2011/12</b>   |
|                           |                                  |                           | <b>£</b>         | <b>£</b>         |
| 1,316,054                 | Head Of Finance & Property       | 1,397,500                 | 1,439,500        | 1,482,400        |
| 53,690                    | Accountancy                      | 0                         | 0                | 0                |
| (20,790)                  | Exchequer                        | 0                         | 0                | 0                |
| 3,150                     | Internal Audit                   | 0                         | 0                | 0                |
| 36,840                    | Estates                          | 95,100                    | 105,600          | 116,200          |
| 537,930                   | Engineers & Building Maintenance | 490,000                   | 502,500          | 509,400          |
| <b>1,926,874</b>          | <b>Total</b>                     | <b>1,982,600</b>          | <b>2,047,600</b> | <b>2,108,000</b> |

**DIRECTORATE OF RESOURCES**

**FINANCE & PROPERTY**

| <b>BUDGET<br/>2008/09</b> | <b>DIVISION</b>             | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b>    |                    |
|---------------------------|-----------------------------|---------------------------|--------------------|--------------------|
| <b>£</b>                  |                             | <b>£</b>                  | <b>2010/11</b>     | <b>2011/12</b>     |
|                           |                             |                           | <b>£</b>           | <b>£</b>           |
|                           | <b><u>EXPENDITURE</u></b>   |                           |                    |                    |
| 1,231,044                 | Employees                   | 1,134,900                 | 1,197,500          | 1,239,300          |
| 1,027,160                 | Premises                    | 911,000                   | 947,100            | 984,300            |
| 26,690                    | Transport                   | 28,000                    | 28,500             | 29,000             |
| 340,240                   | Supplies and Services       | 360,300                   | 367,500            | 374,800            |
| 1,937,110                 | Third Party Payments        | 2,009,300                 | 2,067,000          | 2,125,300          |
| 0                         | Transfer Payments           | 0                         | 0                  | 0                  |
| 1,746,200                 | Internal Services Recharged | 1,660,700                 | 1,728,000          | 1,778,000          |
| 271,340                   | Capital Financing Costs     | 370,500                   | 370,500            | 370,500            |
| <b>6,579,784</b>          | <b>TOTAL EXPENDITURE</b>    | <b>6,474,700</b>          | <b>6,706,100</b>   | <b>6,901,200</b>   |
|                           | <b><u>INCOME</u></b>        |                           |                    |                    |
| (3,395,720)               | Internal Services Recharges | (3,278,500)               | (3,414,000)        | (3,518,100)        |
| (289,790)                 | Grants                      | (296,500)                 | (304,400)          | (311,400)          |
| (967,400)                 | Customer & Client Receipts  | (917,100)                 | (940,100)          | (963,700)          |
| <b>(4,652,910)</b>        | <b>TOTAL INCOME</b>         | <b>(4,492,100)</b>        | <b>(4,658,500)</b> | <b>(4,793,200)</b> |
| <b>1,926,874</b>          | <b>NET BUDGET</b>           | <b>1,982,600</b>          | <b>2,047,600</b>   | <b>2,108,000</b>   |

**Head of Service:** Mike Hill

**BRIEF DESCRIPTION OF SERVICE**

Provision of a comprehensive range of financial services to support all activities of the council. The services include Accountancy, Internal Audit and Exchequer Services such as Payroll, Banking and Creditors. The Service is responsible for the effective stewardship of the Council's financial resources, and to produce Financial Statements to statutory requirements. To undertake all estate management and valuation functions in relation to the Council's substantial land and property holdings. Provision of a civil/municipal engineering service in terms of design, advice and related contract management to client departments. To deal with drainage matters including land drainage and reservoirs. Building Maintenance service provides strategic property asset management.

| <b>BUDGET<br/>2008/09</b> | <b>UNIT COSTS</b>        | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b> |                |
|---------------------------|--------------------------|---------------------------|-----------------|----------------|
| <b>£</b>                  |                          | <b>£</b>                  | <b>2010/11</b>  | <b>2011/12</b> |
|                           |                          |                           | <b>£</b>        | <b>£</b>       |
| 58.91                     | Expenditure per Resident | 57.97                     | 60.04           | 61.78          |
| (41.66)                   | Income per Resident      | (40.22)                   | (41.71)         | (42.91)        |

**DIRECTORATE OF RESOURCES**

**HEAD OF FINANCE & PROPERTY**

| <b>BUDGET<br/>2008/09</b> | <b>DIVISION</b>             | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b>  |                  |
|---------------------------|-----------------------------|---------------------------|------------------|------------------|
| <b>£</b>                  |                             | <b>£</b>                  | <b>2010/11</b>   | <b>2011/12</b>   |
|                           |                             |                           | <b>£</b>         | <b>£</b>         |
|                           | <b><u>EXPENDITURE</u></b>   |                           |                  |                  |
| 120,704                   | Employees                   | 32,900                    | 33,100           | 33,400           |
| 0                         | Premises                    | 0                         | 0                | 0                |
| 1,800                     | Transport                   | 1,800                     | 1,800            | 1,800            |
| 165,560                   | Supplies and Services       | 189,800                   | 193,300          | 196,900          |
| 1,369,040                 | Third Party Payments        | 1,403,300                 | 1,446,200        | 1,489,300        |
| 0                         | Transfer Payments           | 0                         | 0                | 0                |
| 147,100                   | Internal Services Recharged | 186,000                   | 192,600          | 198,700          |
| 0                         | Capital Financing Costs     | 0                         | 0                | 0                |
| <b>1,804,204</b>          | <b>TOTAL EXPENDITURE</b>    | <b>1,813,800</b>          | <b>1,867,000</b> | <b>1,920,100</b> |
|                           | <b><u>INCOME</u></b>        |                           |                  |                  |
| (204,850)                 | Internal Services Recharges | (126,300)                 | (129,600)        | (132,800)        |
| (282,440)                 | Grants                      | (289,100)                 | (297,000)        | (304,000)        |
| (860)                     | Customer & Client Receipts  | (900)                     | (900)            | (900)            |
| <b>(488,150)</b>          | <b>TOTAL INCOME</b>         | <b>(416,300)</b>          | <b>(427,500)</b> | <b>(437,700)</b> |
| <b>1,316,054</b>          | <b>NET BUDGET</b>           | <b>1,397,500</b>          | <b>1,439,500</b> | <b>1,482,400</b> |

**Responsible Budget Holder:**                      **Mike Hill**

**BRIEF DESCRIPTION OF SERVICE**

To provide overall control and management of Financial Services. To oversee the provision of financial advice and guidance to Members and Officers throughout the Council. The publication of the Statement of Accounts and Budget Monitoring to ensure adherence to budgets. Also manages the payments to the Concessionary Fares scheme.

| <b>BUDGET<br/>2008/09</b> | <b>UNIT COSTS</b>        | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b> |                |
|---------------------------|--------------------------|---------------------------|-----------------|----------------|
| <b>£</b>                  |                          | <b>£</b>                  | <b>2010/11</b>  | <b>2011/12</b> |
|                           |                          |                           | <b>£</b>        | <b>£</b>       |
| 16.15                     | Expenditure per Resident | 16.24                     | 16.71           | 17.19          |
| (4.37)                    | Income per Resident      | (3.73)                    | (3.83)          | (3.92)         |

**DIRECTORATE OF RESOURCES**

**ACCOUNTANCY**

| <b>BUDGET<br/>2008/09</b> | <b>DIVISION</b>             | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b>  |                  |
|---------------------------|-----------------------------|---------------------------|------------------|------------------|
| <b>£</b>                  |                             | <b>£</b>                  | <b>2010/11</b>   | <b>2011/12</b>   |
|                           |                             | <b>£</b>                  | <b>£</b>         | <b>£</b>         |
|                           | <b><u>EXPENDITURE</u></b>   |                           |                  |                  |
| 433,340                   | Employees                   | 410,400                   | 429,100          | 447,600          |
| 0                         | Premises                    | 0                         | 0                | 0                |
| 2,500                     | Transport                   | 2,500                     | 2,500            | 2,500            |
| 15,300                    | Supplies and Services       | 25,100                    | 25,700           | 26,300           |
| 16,700                    | Third Party Payments        | 17,100                    | 17,400           | 17,700           |
| 0                         | Transfer Payments           | 0                         | 0                | 0                |
| 263,040                   | Internal Services Recharged | 220,300                   | 228,400          | 236,400          |
| 13,390                    | Capital Financing Costs     | 13,400                    | 13,400           | 13,400           |
| <b>744,270</b>            | <b>TOTAL EXPENDITURE</b>    | <b>688,800</b>            | <b>716,500</b>   | <b>743,900</b>   |
|                           | <b><u>INCOME</u></b>        |                           |                  |                  |
| (677,120)                 | Internal Services Recharges | (682,600)                 | (710,100)        | (737,300)        |
| 0                         | Grants                      | 0                         | 0                | 0                |
| (13,460)                  | Customer & Client Receipts  | (6,200)                   | (6,400)          | (6,600)          |
| <b>(690,580)</b>          | <b>TOTAL INCOME</b>         | <b>(688,800)</b>          | <b>(716,500)</b> | <b>(743,900)</b> |
| <b>53,690</b>             | <b>NET BUDGET</b>           | <b>0</b>                  | <b>0</b>         | <b>0</b>         |

**Responsible Budget Holder: Julie Foulger**

**BRIEF DESCRIPTION OF SERVICE**

Provision of a comprehensive, high quality accounting service for all the activities of the Council, including co-ordination and compilation of the annual budget, regular budget monitoring, and production of the Statement of Accounts. Responsibility for Capital Accounting and Treasury Management.

| <b>BUDGET<br/>2008/09</b> | <b>UNIT COSTS</b>        | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b> |                |
|---------------------------|--------------------------|---------------------------|-----------------|----------------|
| <b>£</b>                  |                          | <b>£</b>                  | <b>2010/11</b>  | <b>2011/12</b> |
|                           |                          | <b>£</b>                  | <b>£</b>        | <b>£</b>       |
| 6.66                      | Expenditure per Resident | 6.17                      | 6.41            | 6.66           |
| (6.18)                    | Income per Resident      | (6.17)                    | (6.41)          | (6.66)         |

**DIRECTORATE OF RESOURCES**

**EXCHEQUER**

| <b>BUDGET<br/>2008/09</b> | <b>DIVISION</b>             | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b>  |                  |
|---------------------------|-----------------------------|---------------------------|------------------|------------------|
| <b>£</b>                  |                             | <b>£</b>                  | <b>2010/11</b>   | <b>2011/12</b>   |
|                           |                             |                           | <b>£</b>         | <b>£</b>         |
|                           | <b><u>EXPENDITURE</u></b>   |                           |                  |                  |
| 150,960                   | Employees                   | 147,800                   | 152,500          | 157,400          |
| 28,130                    | Premises                    | 50,500                    | 51,700           | 53,000           |
| 470                       | Transport                   | 500                       | 500              | 500              |
| 17,560                    | Supplies and Services       | 17,000                    | 17,400           | 17,800           |
| 499,700                   | Third Party Payments        | 508,500                   | 521,200          | 534,200          |
| 0                         | Transfer Payments           | 0                         | 0                | 0                |
| 156,010                   | Internal Services Recharged | 143,900                   | 149,700          | 155,300          |
| 0                         | Capital Financing Costs     | 0                         | 0                | 0                |
| <b>852,830</b>            | <b>TOTAL EXPENDITURE</b>    | <b>868,200</b>            | <b>893,000</b>   | <b>918,200</b>   |
|                           | <b><u>INCOME</u></b>        |                           |                  |                  |
| (725,530)                 | Internal Services Recharges | (717,200)                 | (738,200)        | (759,500)        |
| 0                         | Grants                      | 0                         | 0                | 0                |
| (148,090)                 | Customer & Client Receipts  | (151,000)                 | (154,800)        | (158,700)        |
| <b>(873,620)</b>          | <b>TOTAL INCOME</b>         | <b>(868,200)</b>          | <b>(893,000)</b> | <b>(918,200)</b> |
| <b>(20,790)</b>           | <b>NET BUDGET</b>           | <b>0</b>                  | <b>0</b>         | <b>0</b>         |

**Responsible Budget Holder: Nigel Johnson**

**BRIEF DESCRIPTION OF SERVICE**

To maintain, control and supervise the Payroll, Creditors, Insurance, Banking, Risk Assessment and Strategic Concessions Services.

| <b>BUDGET<br/>2008/09</b> | <b>UNIT COSTS</b>        | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b> |                |
|---------------------------|--------------------------|---------------------------|-----------------|----------------|
| <b>£</b>                  |                          | <b>£</b>                  | <b>2010/11</b>  | <b>2011/12</b> |
|                           |                          |                           | <b>£</b>        | <b>£</b>       |
| 7.64                      | Expenditure per Resident | 7.77                      | 7.99            | 8.22           |
| (7.82)                    | Income per Resident      | (7.77)                    | (7.99)          | (8.22)         |

**DIRECTORATE OF RESOURCES**

**INTERNAL AUDIT**

| <b>BUDGET<br/>2008/09</b> | <b>DIVISION</b>             | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b>  |                  |
|---------------------------|-----------------------------|---------------------------|------------------|------------------|
| <b>£</b>                  |                             | <b>£</b>                  | <b>2010/11</b>   | <b>2011/12</b>   |
|                           |                             |                           | <b>£</b>         | <b>£</b>         |
|                           | <b><u>EXPENDITURE</u></b>   |                           |                  |                  |
| 127,260                   | Employees                   | 137,200                   | 142,000          | 146,900          |
| 0                         | Premises                    | 0                         | 0                | 0                |
| 1,210                     | Transport                   | 1,200                     | 1,200            | 1,200            |
| 1,920                     | Supplies and Services       | 2,000                     | 2,000            | 2,000            |
| 0                         | Third Party Payments        | 0                         | 0                | 0                |
| 0                         | Transfer Payments           | 0                         | 0                | 0                |
| 36,760                    | Internal Services Recharged | 40,100                    | 41,500           | 42,800           |
| 0                         | Capital Financing Costs     | 0                         | 0                | 0                |
| <b>167,150</b>            | <b>TOTAL EXPENDITURE</b>    | <b>180,500</b>            | <b>186,700</b>   | <b>192,900</b>   |
|                           | <b><u>INCOME</u></b>        |                           |                  |                  |
| (144,500)                 | Internal Services Recharges | (160,200)                 | (165,900)        | (171,600)        |
| 0                         | Grants                      | 0                         | 0                | 0                |
| (19,500)                  | Customer & Client Receipts  | (20,300)                  | (20,800)         | (21,300)         |
| <b>(164,000)</b>          | <b>TOTAL INCOME</b>         | <b>(180,500)</b>          | <b>(186,700)</b> | <b>(192,900)</b> |
| <b>3,150</b>              | <b>NET BUDGET</b>           | <b>0</b>                  | <b>0</b>         | <b>0</b>         |

**Responsible Budget Holder: John Greasley**

**BRIEF DESCRIPTION OF SERVICE**

Internal Audit objectively examines, evaluates and reports on the adequacy of the control environment as a contribution to the proper, economic, efficient and effective use of the Council's resources.

| <b>BUDGET<br/>2008/09</b> | <b>UNIT COSTS</b>        | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b> |                |
|---------------------------|--------------------------|---------------------------|-----------------|----------------|
| <b>£</b>                  |                          | <b>£</b>                  | <b>2010/11</b>  | <b>2011/12</b> |
|                           |                          |                           | <b>£</b>        | <b>£</b>       |
| 1.50                      | Expenditure per Resident | 1.62                      | 1.67            | 1.73           |
| (1.47)                    | Income per Resident      | (1.62)                    | (1.67)          | (1.73)         |

**DIRECTORATE OF RESOURCES**

**ESTATES**

| <b>BUDGET<br/>2008/09</b> | <b>DIVISION</b>             | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b>  |                  |
|---------------------------|-----------------------------|---------------------------|------------------|------------------|
| <b>£</b>                  |                             | <b>£</b>                  | <b>2010/11</b>   | <b>2011/12</b>   |
|                           |                             | <b>£</b>                  | <b>£</b>         | <b>£</b>         |
|                           | <b><u>EXPENDITURE</u></b>   |                           |                  |                  |
| 151,400                   | Employees                   | 157,600                   | 161,900          | 167,300          |
| 147,240                   | Premises                    | 162,000                   | 176,000          | 190,500          |
| 5,600                     | Transport                   | 5,700                     | 5,800            | 5,900            |
| 19,410                    | Supplies and Services       | 18,600                    | 18,900           | 19,200           |
| 5,520                     | Third Party Payments        | 30,300                    | 31,000           | 31,700           |
| 0                         | Transfer Payments           | 0                         | 0                | 0                |
| 277,360                   | Internal Services Recharged | 391,300                   | 401,000          | 412,300          |
| 14,650                    | Capital Financing Costs     | 16,100                    | 16,100           | 16,100           |
| <b>621,180</b>            | <b>TOTAL EXPENDITURE</b>    | <b>781,600</b>            | <b>810,700</b>   | <b>843,000</b>   |
|                           | <b><u>INCOME</u></b>        |                           |                  |                  |
| (258,270)                 | Internal Services Recharges | (355,500)                 | (366,000)        | (379,300)        |
| (7,350)                   | Grants                      | (7,400)                   | (7,400)          | (7,400)          |
| (318,720)                 | Customer & Client Receipts  | (323,600)                 | (331,700)        | (340,100)        |
| <b>(584,340)</b>          | <b>TOTAL INCOME</b>         | <b>(686,500)</b>          | <b>(705,100)</b> | <b>(726,800)</b> |
| <b>36,840</b>             | <b>NET BUDGET</b>           | <b>95,100</b>             | <b>105,600</b>   | <b>116,200</b>   |

**Responsible Budget Holder: Mark Wheeler**

**BRIEF DESCRIPTION OF SERVICE**

To undertake all estate management and valuation functions in relation to the Council's substantial land and property holdings (excluding Council housing and operational buildings).

| <b>BUDGET<br/>2008/09</b> | <b>UNIT COSTS</b>        | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b> |                |
|---------------------------|--------------------------|---------------------------|-----------------|----------------|
| <b>£</b>                  |                          | <b>£</b>                  | <b>2010/11</b>  | <b>2011/12</b> |
|                           |                          | <b>£</b>                  | <b>£</b>        | <b>£</b>       |
| 5.56                      | Expenditure per Resident | 7.00                      | 7.26            | 7.55           |
| (5.23)                    | Income per Resident      | (6.15)                    | (6.31)          | (6.51)         |

**DIRECTORATE OF RESOURCES**

**ENGINEERS & BUILDING MAINTENANCE**

| <b>BUDGET<br/>2008/09</b> | <b>DIVISION</b>             | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b>    |                    |
|---------------------------|-----------------------------|---------------------------|--------------------|--------------------|
| <b>£</b>                  |                             | <b>£</b>                  | <b>2010/11</b>     | <b>2011/12</b>     |
|                           |                             |                           | <b>£</b>           | <b>£</b>           |
|                           | <b><u>EXPENDITURE</u></b>   |                           |                    |                    |
| 247,380                   | Employees                   | 249,000                   | 278,900            | 286,700            |
| 851,790                   | Premises                    | 698,500                   | 719,400            | 740,800            |
| 15,110                    | Transport                   | 16,300                    | 16,700             | 17,100             |
| 120,490                   | Supplies and Services       | 107,800                   | 110,200            | 112,600            |
| 46,150                    | Third Party Payments        | 50,100                    | 51,200             | 52,400             |
| 0                         | Transfer Payments           | 0                         | 0                  | 0                  |
| 865,930                   | Internal Services Recharged | 679,100                   | 714,800            | 732,500            |
| 243,300                   | Capital Financing Costs     | 341,000                   | 341,000            | 341,000            |
| <b>2,390,150</b>          | <b>TOTAL EXPENDITURE</b>    | <b>2,141,800</b>          | <b>2,232,200</b>   | <b>2,283,100</b>   |
|                           | <b><u>INCOME</u></b>        |                           |                    |                    |
| (1,385,450)               | Internal Services Recharges | (1,236,700)               | (1,304,200)        | (1,337,600)        |
| 0                         | Grants                      | 0                         | 0                  | 0                  |
| (466,770)                 | Customer & Client Receipts  | (415,100)                 | (425,500)          | (436,100)          |
| <b>(1,852,220)</b>        | <b>TOTAL INCOME</b>         | <b>(1,651,800)</b>        | <b>(1,729,700)</b> | <b>(1,773,700)</b> |
| <b>537,930</b>            | <b>NET BUDGET</b>           | <b>490,000</b>            | <b>502,500</b>     | <b>509,400</b>     |

**Responsible Budget Holder: John Bowler**

**BRIEF DESCRIPTION OF SERVICE**

Provision of a civil/municipal engineering service in terms of design, advice and related contract management to client departments. To deal with drainage matters including land drainage and reservoirs. Building Maintenance service provides strategic property asset management. To maintain, adapt and alter properties in line with all necessary legislative and Health and Safety requirements. Responsibility for providing good, well maintained accomodation and working conditions for staff and keep operational costs as economical as possible.

| <b>BUDGET<br/>2008/09</b> | <b>UNIT COSTS</b>        | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b> |                |
|---------------------------|--------------------------|---------------------------|-----------------|----------------|
| <b>£</b>                  |                          | <b>£</b>                  | <b>2010/11</b>  | <b>2011/12</b> |
|                           |                          |                           | <b>£</b>        | <b>£</b>       |
| 21.40                     | Expenditure per Resident | 19.17                     | 19.98           | 20.44          |
| (16.58)                   | Income per Resident      | (14.79)                   | (15.49)         | (15.88)        |

|                                 |
|---------------------------------|
| <b>DIRECTORATE OF RESOURCES</b> |
|---------------------------------|

|  |
|--|
| <b>REVENUE &amp; CUSTOMER SERVICES</b> |
|--|

| BUDGET<br>2008/09 | DIVISION                | BUDGET<br>2009/10 | FORECAST         |                  |
|-------------------|-------------------------|-------------------|------------------|------------------|
| £                 |                         | £                 | 2010/11<br>£     | 2011/12<br>£     |
| 484,440           | Housing Benefits        | 392,700           | 397,700          | 401,400          |
| 35,410            | Revenues & Customer SMS | (51,700)          | (8,600)          | 32,000           |
| 93,730            | Tourist Information     | 86,700            | 88,900           | 91,200           |
| 929,520           | Local Tax Collection    | 1,032,400         | 1,067,600        | 1,102,200        |
| <b>1,543,100</b>  | <b>Total</b>            | <b>1,460,100</b>  | <b>1,545,600</b> | <b>1,626,800</b> |

**DIRECTORATE OF RESOURCES**

**REVENUE AND CUSTOMER SERVICES**

| <b>BUDGET<br/>2008/09</b> | <b>DIVISION</b>             | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b>     |                     |
|---------------------------|-----------------------------|---------------------------|---------------------|---------------------|
| <b>£</b>                  |                             | <b>£</b>                  | <b>2010/11</b>      | <b>2011/12</b>      |
|                           |                             | <b>£</b>                  | <b>£</b>            | <b>£</b>            |
|                           | <b><u>EXPENDITURE</u></b>   |                           |                     |                     |
| 2,152,280                 | Employees                   | 2,001,600                 | 2,062,100           | 2,124,600           |
| 5,300                     | Premises                    | 4,300                     | 4,300               | 4,300               |
| 32,100                    | Transport                   | 32,700                    | 33,400              | 34,100              |
| (94,970)                  | Supplies and Services       | 124,300                   | 132,000             | 137,300             |
| 25,390                    | Third Party Payments        | 19,500                    | 20,000              | 20,500              |
| 28,454,290                | Transfer Payments           | 30,320,000                | 30,320,000          | 30,320,000          |
| 2,858,270                 | Internal Services Recharged | 3,152,200                 | 3,237,700           | 3,316,100           |
| 50,480                    | Capital Financing Costs     | 77,900                    | 77,900              | 77,900              |
| <b>33,483,140</b>         | <b>TOTAL EXPENDITURE</b>    | <b>35,732,500</b>         | <b>35,887,400</b>   | <b>36,034,800</b>   |
|                           | <b><u>INCOME</u></b>        |                           |                     |                     |
| (2,258,090)               | Internal Services Recharges | (2,383,600)               | (2,439,200)         | (2,491,100)         |
| (29,059,060)              | Grants                      | (31,271,400)              | (31,271,400)        | (31,271,400)        |
| (622,890)                 | Customer & Client Receipts  | (617,400)                 | (631,200)           | (645,500)           |
| <b>(31,940,040)</b>       | <b>TOTAL INCOME</b>         | <b>(34,272,400)</b>       | <b>(34,341,800)</b> | <b>(34,408,000)</b> |
| <b>1,543,100</b>          | <b>NET BUDGET</b>           | <b>1,460,100</b>          | <b>1,545,600</b>    | <b>1,626,800</b>    |

**Responsible Budget Holder:**      **Andrew Burton**

**BRIEF DESCRIPTION OF SERVICE**

The Revenue and Customer Services service is responsible for the billing and collection of Council Tax, Business Rates and Sundry Income. The service arranges benefits payments, such as Council Tax and Housing benefits, to members of the public on low incomes. Provision of the Customer Services function dealing with all incoming telephone calls and personal visits to the Council, providing information and directing enquiries to the appropriate department.

| <b>BUDGET<br/>2008/09</b> | <b>UNIT COSTS</b>        | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b> |                |
|---------------------------|--------------------------|---------------------------|-----------------|----------------|
| <b>£</b>                  |                          | <b>£</b>                  | <b>2010/11</b>  | <b>2011/12</b> |
|                           |                          | <b>£</b>                  | <b>£</b>        | <b>£</b>       |
| 299.76                    | Expenditure per Resident | 319.90                    | 321.28          | 322.60         |
| (285.94)                  | Income per Resident      | (306.83)                  | (307.45)        | (308.04)       |

**DIRECTORATE OF RESOURCES**

**HOUSING BENEFITS**

| <b>BUDGET<br/>2008/09</b> | <b>DIVISION</b>             | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b>     |                     |
|---------------------------|-----------------------------|---------------------------|---------------------|---------------------|
| <b>£</b>                  |                             | <b>£</b>                  | <b>2010/11</b>      | <b>2011/12</b>      |
|                           |                             |                           | <b>£</b>            | <b>£</b>            |
|                           | <b><u>EXPENDITURE</u></b>   |                           |                     |                     |
| 159,340                   | Employees                   | 139,200                   | 144,200             | 148,000             |
| 0                         | Premises                    | 0                         | 0                   | 0                   |
| 5,490                     | Transport                   | 4,400                     | 4,500               | 4,600               |
| (433,280)                 | Supplies and Services       | (126,500)                 | (126,400)           | (126,300)           |
| 0                         | Third Party Payments        | 0                         | 0                   | 0                   |
| 20,813,730                | Transfer Payments           | 22,130,700                | 22,130,700          | 22,130,700          |
| 662,790                   | Internal Services Recharged | 588,700                   | 590,700             | 592,700             |
| 0                         | Capital Financing Costs     | 0                         | 0                   | 0                   |
| <b>21,208,070</b>         | <b>TOTAL EXPENDITURE</b>    | <b>22,736,500</b>         | <b>22,743,700</b>   | <b>22,749,700</b>   |
|                           | <b><u>INCOME</u></b>        |                           |                     |                     |
| (154,390)                 | Internal Services Recharges | (109,000)                 | (109,000)           | (109,000)           |
| (20,400,010)              | Grants                      | (22,081,600)              | (22,081,600)        | (22,081,600)        |
| (169,230)                 | Customer & Client Receipts  | (153,200)                 | (155,400)           | (157,700)           |
| (20,723,630)              | <b>TOTAL INCOME</b>         | <b>(22,343,800)</b>       | <b>(22,346,000)</b> | <b>(22,348,300)</b> |
| <b>484,440</b>            | <b>NET BUDGET</b>           | <b>392,700</b>            | <b>397,700</b>      | <b>401,400</b>      |

**Responsible Budget Holder:** Elaine Simmonds

**BRIEF DESCRIPTION OF SERVICE**

Verification of Housing and Council Tax Benefits to ensure that only appropriate benefit payments have been paid. The administration and payment of Rent Allowances and Rent Rebates.

| <b>BUDGET<br/>2008/09</b> | <b>UNIT COSTS</b>        | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b> |                |
|---------------------------|--------------------------|---------------------------|-----------------|----------------|
| <b>£</b>                  |                          | <b>£</b>                  | <b>2010/11</b>  | <b>2011/12</b> |
|                           |                          |                           | <b>£</b>        | <b>£</b>       |
| 189.87                    | Expenditure per Resident | 203.55                    | 203.61          | 203.67         |
| (185.53)                  | Income per Resident      | (200.03)                  | (200.05)        | (200.07)       |

**DIRECTORATE OF RESOURCES**

**REVENUE & CUSTOMER SMS**

| <b>BUDGET<br/>2008/09</b> | <b>DIVISION</b>             | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b>      |                      |
|---------------------------|-----------------------------|---------------------------|----------------------|----------------------|
| <b>£</b>                  |                             | <b>£</b>                  | <b>2010/11<br/>£</b> | <b>2011/12<br/>£</b> |
|                           | <b><u>EXPENDITURE</u></b>   |                           |                      |                      |
| 1,573,410                 | Employees                   | 1,454,500                 | 1,498,200            | 1,543,800            |
| 0                         | Premises                    | 0                         | 0                    | 0                    |
| 16,130                    | Transport                   | 18,500                    | 18,900               | 19,300               |
| 145,720                   | Supplies and Services       | 84,700                    | 88,400               | 89,500               |
| 25,390                    | Third Party Payments        | 19,500                    | 20,000               | 20,500               |
| 0                         | Transfer Payments           | 0                         | 0                    | 0                    |
| 1,274,220                 | Internal Services Recharged | 1,504,800                 | 1,559,100            | 1,608,100            |
| 49,060                    | Capital Financing Costs     | 76,300                    | 76,300               | 76,300               |
| <b>3,083,930</b>          | <b>TOTAL EXPENDITURE</b>    | <b>3,158,300</b>          | <b>3,260,900</b>     | <b>3,357,500</b>     |
|                           | <b><u>INCOME</u></b>        |                           |                      |                      |
| (2,103,700)               | Internal Services Recharges | (2,274,600)               | (2,330,200)          | (2,382,100)          |
| (779,380)                 | Grants                      | (779,400)                 | (779,400)            | (779,400)            |
| (165,440)                 | Customer & Client Receipts  | (156,000)                 | (159,900)            | (164,000)            |
| <b>(3,048,520)</b>        | <b>TOTAL INCOME</b>         | <b>(3,210,000)</b>        | <b>(3,269,500)</b>   | <b>(3,325,500)</b>   |
| <b>35,410</b>             | <b>NET BUDGET</b>           | <b>(51,700)</b>           | <b>(8,600)</b>       | <b>32,000</b>        |

**Responsible Budget Holder:**      **Andrew Burton**

**BRIEF DESCRIPTION OF SERVICE**

Management of Revenues and Customer Services. Administration of Housing and Council Tax Benefits. The Debt Recovery Unit is responsible for the billing, collection and enforcement of payment of the Council's Sundry Debts. Provision of the cashiers service for the Council. Provision of the Customer Services function dealing with all incoming telephone calls and personal visits to the Council, providing information and directing enquiries to the appropriate department. Provision of a cashiers service and tourist information centres.

| <b>BUDGET<br/>2008/09</b> | <b>UNIT COSTS</b>        | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b>      |                      |
|---------------------------|--------------------------|---------------------------|----------------------|----------------------|
| <b>£</b>                  |                          | <b>£</b>                  | <b>2010/11<br/>£</b> | <b>2011/12<br/>£</b> |
| 27.61                     | Expenditure per Resident | 28.27                     | 29.19                | 30.06                |
| (27.29)                   | Income per Resident      | (28.74)                   | (29.27)              | (29.77)              |

**DIRECTORATE OF RESOURCES**

**TOURIST INFORMATION**

| <b>BUDGET<br/>2008/09</b> | <b>DIVISION</b>             | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b> |                 |
|---------------------------|-----------------------------|---------------------------|-----------------|-----------------|
| <b>£</b>                  |                             | <b>£</b>                  | <b>2010/11</b>  | <b>2011/12</b>  |
|                           |                             |                           | <b>£</b>        | <b>£</b>        |
|                           | <b><u>EXPENDITURE</u></b>   |                           |                 |                 |
| 54,390                    | Employees                   | 52,300                    | 53,500          | 55,000          |
| 5,300                     | Premises                    | 4,300                     | 4,300           | 4,300           |
| 270                       | Transport                   | 100                       | 100             | 100             |
| 18,990                    | Supplies and Services       | 10,100                    | 10,200          | 10,300          |
| 0                         | Third Party Payments        | 0                         | 0               | 0               |
| 0                         | Transfer Payments           | 0                         | 0               | 0               |
| 23,850                    | Internal Services Recharged | 28,800                    | 29,900          | 30,800          |
| 1,420                     | Capital Financing Costs     | 1,600                     | 1,600           | 1,600           |
| <b>104,220</b>            | <b>TOTAL EXPENDITURE</b>    | <b>97,200</b>             | <b>99,600</b>   | <b>102,100</b>  |
|                           | <b><u>INCOME</u></b>        |                           |                 |                 |
| 0                         | Internal Services Recharges | 0                         | 0               | 0               |
| 0                         | Grants                      | 0                         | 0               | 0               |
| (10,490)                  | Customer & Client Receipts  | (10,500)                  | (10,700)        | (10,900)        |
| <b>(10,490)</b>           | <b>TOTAL INCOME</b>         | <b>(10,500)</b>           | <b>(10,700)</b> | <b>(10,900)</b> |
| <b>93,730</b>             | <b>NET BUDGET</b>           | <b>86,700</b>             | <b>88,900</b>   | <b>91,200</b>   |

**Responsible Budget Holder: Adele Watson**

**BRIEF DESCRIPTION OF SERVICE**

To promote and provide information about Bassetlaw and other destinations of interest throughout the United Kingdom.

| <b>BUDGET<br/>2008/09</b> | <b>UNIT COSTS</b>        | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b> |                |
|---------------------------|--------------------------|---------------------------|-----------------|----------------|
| <b>£</b>                  |                          | <b>£</b>                  | <b>2010/11</b>  | <b>2011/12</b> |
|                           |                          |                           | <b>£</b>        | <b>£</b>       |
| 0.93                      | Expenditure per Resident | 0.87                      | 0.89            | 0.91           |
| (0.09)                    | Income per Resident      | (0.09)                    | (0.10)          | (0.10)         |

**DIRECTORATE OF RESOURCES**

**LOCAL TAX COLLECTION**

| <b>BUDGET<br/>2008/09</b> | <b>DIVISION</b>             | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b>    |                    |
|---------------------------|-----------------------------|---------------------------|--------------------|--------------------|
| <b>£</b>                  |                             | <b>£</b>                  | <b>2010/11</b>     | <b>2011/12</b>     |
|                           |                             |                           | <b>£</b>           | <b>£</b>           |
|                           | <b><u>EXPENDITURE</u></b>   |                           |                    |                    |
| 365,140                   | Employees                   | 355,600                   | 366,200            | 377,800            |
| 0                         | Premises                    | 0                         | 0                  | 0                  |
| 10,210                    | Transport                   | 9,700                     | 9,900              | 10,100             |
| 173,600                   | Supplies and Services       | 156,000                   | 159,800            | 163,800            |
| 0                         | Third Party Payments        | 0                         | 0                  | 0                  |
| 7,640,560                 | Transfer Payments           | 8,189,300                 | 8,189,300          | 8,189,300          |
| 897,410                   | Internal Services Recharged | 1,029,900                 | 1,058,000          | 1,084,500          |
| 0                         | Capital Financing Costs     | 0                         | 0                  | 0                  |
| <b>9,086,920</b>          | <b>TOTAL EXPENDITURE</b>    | <b>9,740,500</b>          | <b>9,783,200</b>   | <b>9,825,500</b>   |
|                           | <b><u>INCOME</u></b>        |                           |                    |                    |
| 0                         | Internal Services Recharges | 0                         | 0                  | 0                  |
| (7,879,670)               | Grants                      | (8,410,400)               | (8,410,400)        | (8,410,400)        |
| (277,730)                 | Customer & Client Receipts  | (297,700)                 | (305,200)          | (312,900)          |
| <b>(8,157,400)</b>        | <b>TOTAL INCOME</b>         | <b>(8,708,100)</b>        | <b>(8,715,600)</b> | <b>(8,723,300)</b> |
| <b>929,520</b>            | <b>NET BUDGET</b>           | <b>1,032,400</b>          | <b>1,067,600</b>   | <b>1,102,200</b>   |

**Responsible Budget Holder:** John Massey

**BRIEF DESCRIPTION OF SERVICE**

To provide a billing and collection service for Council Tax and National Non-Domestic Rates. To provide a Council Tax Benefits Service for the public.

| <b>BUDGET<br/>2008/09</b> | <b>UNIT COSTS</b>        | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b> |                |
|---------------------------|--------------------------|---------------------------|-----------------|----------------|
| <b>£</b>                  |                          | <b>£</b>                  | <b>2010/11</b>  | <b>2011/12</b> |
|                           |                          |                           | <b>£</b>        | <b>£</b>       |
| 81.35                     | Expenditure per Resident | 87.20                     | 87.58           | 87.96          |
| (73.03)                   | Income per Resident      | (77.96)                   | (78.03)         | (78.10)        |

|  |
|--|
| <b>DIRECTORATE OF CORPORATE SERVICES</b> |
|--|

|                         |
|-------------------------|
| <b>SUPPORT SERVICES</b> |
|-------------------------|

| BUDGET<br>2008/09<br>£ | DIVISION                               | BUDGET<br>2009/10<br>£ | FORECAST      |               |
|------------------------|--|------------------------|---------------|---------------|
|                        |  |                        | 2010/11<br>£  | 2011/12<br>£  |
| (71,180)               | Land Charges                           | 0                      | 0             | 0             |
| 8,480                  | E-Government                           | 0                      | 0             | 0             |
| 110,540                | Licensing                              | 75,500                 | 77,500        | 82,900        |
| 19,410                 | BISCIT                                 | 23,500                 | 23,800        | 24,200        |
| 20,005                 | Support Services SMS                   | 10,700                 | (29,900)      | (45,600)      |
| (3,020)                | Democratic Representation & Management | (33,400)               | (34,500)      | (35,000)      |
| <b>84,235</b>          | <b>Total</b>                           | <b>76,300</b>          | <b>36,900</b> | <b>26,500</b> |

**DIRECTORATE OF CORPORATE SERVICES**

**SUPPORT SERVICES**

| <b>BUDGET<br/>2008/09</b> | <b>DIVISION</b>             | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b>    |                    |
|---------------------------|-----------------------------|---------------------------|--------------------|--------------------|
| <b>£</b>                  |                             | <b>£</b>                  | <b>2010/11</b>     | <b>2011/12</b>     |
|                           | <b><u>EXPENDITURE</u></b>   |                           |                    |                    |
| 1,609,225                 | Employees                   | 1,442,600                 | 1,479,600          | 1,526,300          |
| 2,430                     | Premises                    | 1,700                     | 1,700              | 1,700              |
| 41,540                    | Transport                   | 47,300                    | 48,300             | 49,300             |
| 1,306,230                 | Supplies and Services       | 1,271,600                 | 1,281,900          | 1,313,000          |
| 48,670                    | Third Party Payments        | 1,131,200                 | 50,000             | 51,200             |
|                           | Transfer Payments           | 1,222,500                 | 70,700             | 72,500             |
| 988,540                   | Internal Services Recharged | 827,000                   | 850,200            | 873,000            |
| 223,210                   | Capital Financing Costs     | 229,200                   | 229,200            | 229,200            |
| <b>4,219,845</b>          | <b>TOTAL EXPENDITURE</b>    | <b>3,868,200</b>          | <b>3,942,800</b>   | <b>4,047,400</b>   |
|                           | <b><u>INCOME</u></b>        |                           |                    |                    |
| (3,047,890)               | Internal Services Recharges | (2,779,800)               | (2,868,500)        | (2,958,400)        |
| 0                         | Grants                      | 0                         | 0                  | 0                  |
| (1,087,720)               | Customer & Client Receipts  | (1,012,100)               | (1,037,400)        | (1,062,500)        |
| <b>(4,135,610)</b>        | <b>TOTAL INCOME</b>         | <b>(3,791,900)</b>        | <b>(3,905,900)</b> | <b>(4,020,900)</b> |
| <b>84,235</b>             | <b>NET BUDGET</b>           | <b>76,300</b>             | <b>36,900</b>      | <b>26,500</b>      |

**Head of Service:** Steve Brown/David Yates

**BRIEF DESCRIPTION OF SERVICE**

The service area of Support Services contributes to the improvement of the operational effectiveness and efficiency of the Council and the services it provides to the public and community. Support Services consists of Legal Services, the Licensing Unit, Administration, Procurement, and Information Technology and Telephone Systems support.

| <b>BUDGET<br/>2008/09</b> | <b>UNIT COSTS</b>        | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b> |                |
|---------------------------|--------------------------|---------------------------|-----------------|----------------|
| <b>£</b>                  |                          | <b>£</b>                  | <b>2010/11</b>  | <b>2011/12</b> |
| 37.78                     | Expenditure per Resident | 34.63                     | 35.30           | 36.23          |
| (37.02)                   | Income per Resident      | (33.95)                   | (34.97)         | (36.00)        |

**DIRECTORATE OF CORPORATE SERVICES**

**LAND CHARGES**

| <b>BUDGET<br/>2008/09</b> | <b>DIVISION</b>             | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b>  |                  |
|---------------------------|-----------------------------|---------------------------|------------------|------------------|
| <b>£</b>                  |                             | <b>£</b>                  | <b>2010/11</b>   | <b>2011/12</b>   |
|                           |                             |                           | <b>£</b>         | <b>£</b>         |
|                           | <b><u>EXPENDITURE</u></b>   |                           |                  |                  |
| 36,910                    | Employees                   | 50,500                    | 51,700           | 53,100           |
| 0                         | Premises                    | 0                         | 0                | 0                |
| 50                        | Transport                   | 100                       | 100              | 100              |
| 44,100                    | Supplies and Services       | 45,000                    | 46,000           | 47,000           |
| 0                         | Third Party Payments        | 0                         | 0                | 0                |
| 0                         | Transfer Payments           | 0                         | 0                | 0                |
| 51,380                    | Internal Services Recharged | 68,800                    | 70,700           | 72,500           |
| 10                        | Capital Financing Costs     | 0                         | 0                | 0                |
| <b>132,450</b>            | <b>TOTAL EXPENDITURE</b>    | <b>164,400</b>            | <b>168,500</b>   | <b>172,700</b>   |
|                           | <b><u>INCOME</u></b>        |                           |                  |                  |
| 0                         | Internal Services Recharges | 0                         | 0                | 0                |
| 0                         | Grants                      | 0                         | 0                | 0                |
| (203,630)                 | Customer & Client Receipts  | (164,400)                 | (168,500)        | (172,700)        |
| <b>(203,630)</b>          | <b>TOTAL INCOME</b>         | <b>(164,400)</b>          | <b>(168,500)</b> | <b>(172,700)</b> |
| <b>(71,180)</b>           | <b>NET BUDGET</b>           | <b>0</b>                  | <b>0</b>         | <b>0</b>         |

**Responsible Budget Holder: L Bianco**

**BRIEF DESCRIPTION OF SERVICE**

To provide a service to carry out official searches and land terrier enquiries.

| <b>BUDGET<br/>2008/09</b> | <b>UNIT COSTS</b>        | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b> |                |
|---------------------------|--------------------------|---------------------------|-----------------|----------------|
| <b>£</b>                  |                          | <b>£</b>                  | <b>2010/11</b>  | <b>2011/12</b> |
|                           |                          |                           | <b>£</b>        | <b>£</b>       |
| 1.19                      | Expenditure per Resident | 1.47                      | 1.51            | 1.55           |
| (1.82)                    | Income per Resident      | (1.47)                    | (1.51)          | (1.55)         |

**DIRECTORATE OF CORPORATE SERVICES**

**E-GOVERNMENT**

| <b>BUDGET<br/>2008/09</b> | <b>DIVISION</b>             | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b> |                 |
|---------------------------|-----------------------------|---------------------------|-----------------|-----------------|
| <b>£</b>                  |                             | <b>£</b>                  | <b>2010/11</b>  | <b>2011/12</b>  |
|                           |                             |                           | <b>£</b>        | <b>£</b>        |
|                           | <b><u>EXPENDITURE</u></b>   |                           |                 |                 |
| 35,330                    | Employees                   | 0                         | 0               | 0               |
| 0                         | Premises                    | 0                         | 0               | 0               |
| 0                         | Transport                   | 0                         | 0               | 0               |
| 31,830                    | Supplies and Services       | 32,500                    | 33,300          | 34,100          |
| 0                         | Third Party Payments        | 0                         | 0               | 0               |
| 0                         | Transfer Payments           | 0                         | 0               | 0               |
| 29,960                    | Internal Services Recharged | 19,400                    | 19,500          | 19,700          |
| 23,230                    | Capital Financing Costs     | 0                         | 0               | 0               |
| <b>120,350</b>            | <b>TOTAL EXPENDITURE</b>    | <b>51,900</b>             | <b>52,800</b>   | <b>53,800</b>   |
|                           | <b><u>INCOME</u></b>        |                           |                 |                 |
| (111,870)                 | Internal Services Recharges | (51,900)                  | (52,800)        | (53,800)        |
| 0                         | Grants                      | 0                         | 0               | 0               |
| 0                         | Customer & Client Receipts  | 0                         | 0               | 0               |
| (111,870)                 | <b>TOTAL INCOME</b>         | <b>(51,900)</b>           | <b>(52,800)</b> | <b>(53,800)</b> |
| <b>8,480</b>              | <b>NET BUDGET</b>           | <b>0</b>                  | <b>0</b>        | <b>0</b>        |

**Responsible Budget Holder: S Brown**

**BRIEF DESCRIPTION OF SERVICE**

A major improvement programme to harness the power of technology to improve customer services across the council's functions.

| <b>BUDGET<br/>2008/09</b> | <b>UNIT COSTS</b>        | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b> |                |
|---------------------------|--------------------------|---------------------------|-----------------|----------------|
| <b>£</b>                  |                          | <b>£</b>                  | <b>2010/11</b>  | <b>2011/12</b> |
|                           |                          |                           | <b>£</b>        | <b>£</b>       |
| 1.08                      | Expenditure per Resident | 0.46                      | 0.47            | 0.48           |
| (1.00)                    | Income per Resident      | (0.46)                    | (0.47)          | (0.48)         |

**DIRECTORATE OF CORPORATE SERVICES**

**LICENSING**

| <b>BUDGET<br/>2008/09</b> | <b>DIVISION</b>             | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b>  |                  |
|---------------------------|-----------------------------|---------------------------|------------------|------------------|
| <b>£</b>                  |                             | <b>£</b>                  | <b>2010/11</b>   | <b>2011/12</b>   |
|                           |                             |                           | <b>£</b>         | <b>£</b>         |
|                           | <b><u>EXPENDITURE</u></b>   |                           |                  |                  |
| 110,420                   | Employees                   | 113,900                   | 116,400          | 122,100          |
| 0                         | Premises                    | 0                         | 0                | 0                |
| 9,220                     | Transport                   | 13,800                    | 14,200           | 14,600           |
| 32,370                    | Supplies and Services       | 33,300                    | 34,200           | 35,100           |
| 5,000                     | Third Party Payments        | 5,100                     | 5,200            | 5,300            |
| 0                         | Transfer Payments           | 0                         | 0                | 0                |
| 132,020                   | Internal Services Recharged | 86,800                    | 89,400           | 92,300           |
| 1,000                     | Capital Financing Costs     | 1,000                     | 1,000            | 1,000            |
| <b>290,030</b>            | <b>TOTAL EXPENDITURE</b>    | <b>253,900</b>            | <b>260,400</b>   | <b>270,400</b>   |
|                           | <b><u>INCOME</u></b>        |                           |                  |                  |
| (1,000)                   | Internal Services Recharges | 0                         | 0                | 0                |
| 0                         | Grants                      | 0                         | 0                | 0                |
| (178,490)                 | Customer & Client Receipts  | (178,400)                 | (182,900)        | (187,500)        |
| <b>(179,490)</b>          | <b>TOTAL INCOME</b>         | <b>(178,400)</b>          | <b>(182,900)</b> | <b>(187,500)</b> |
| <b>110,540</b>            | <b>NET BUDGET</b>           | <b>75,500</b>             | <b>77,500</b>    | <b>82,900</b>    |

**Responsible Budget Holder: G Robinson**

**BRIEF DESCRIPTION OF SERVICE**

To issue licences, permits and registrations within appropriate legislation.

| <b>BUDGET<br/>2008/09</b> | <b>UNIT COSTS</b>        | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b> |                |
|---------------------------|--------------------------|---------------------------|-----------------|----------------|
| <b>£</b>                  |                          | <b>£</b>                  | <b>2010/11</b>  | <b>2011/12</b> |
|                           |                          |                           | <b>£</b>        | <b>£</b>       |
| 2.60                      | Expenditure per Resident | 2.27                      | 2.33            | 2.42           |
| (1.61)                    | Income per Resident      | (1.60)                    | (1.64)          | (1.68)         |

**DIRECTORATE OF CORPORATE SERVICES**

**BISCIT**

| <b>BUDGET<br/>2008/09</b> | <b>DIVISION</b>             | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b> |                |
|---------------------------|-----------------------------|---------------------------|-----------------|----------------|
| <b>£</b>                  |                             | <b>£</b>                  | <b>2010/11</b>  | <b>2011/12</b> |
|                           |                             |                           | <b>£</b>        | <b>£</b>       |
|                           | <b><u>EXPENDITURE</u></b>   |                           |                 |                |
| 0                         | Employees                   | 0                         | 0               | 0              |
| 0                         | Premises                    | 0                         | 0               | 0              |
| 0                         | Transport                   | 0                         | 0               | 0              |
| 10,000                    | Supplies and Services       | 10,300                    | 10,600          | 10,900         |
| 0                         | Third Party Payments        | 0                         | 0               | 0              |
| 0                         | Transfer Payments           | 0                         | 0               | 0              |
| 9,410                     | Internal Services Recharged | 6,500                     | 6,500           | 6,600          |
| 0                         | Capital Financing Costs     | 7,000                     | 7,000           | 7,000          |
| <b>19,410</b>             | <b>TOTAL EXPENDITURE</b>    | <b>23,800</b>             | <b>24,100</b>   | <b>24,500</b>  |
|                           | <b><u>INCOME</u></b>        |                           |                 |                |
| 0                         | Internal Services Recharges | (300)                     | (300)           | (300)          |
| 0                         | Grants                      | 0                         | 0               | 0              |
| 0                         | Customer & Client Receipts  | 0                         | 0               | 0              |
| <b>0</b>                  | <b>TOTAL INCOME</b>         | <b>(300)</b>              | <b>(300)</b>    | <b>(300)</b>   |
| <b>19,410</b>             | <b>NET BUDGET</b>           | <b>23,500</b>             | <b>23,800</b>   | <b>24,200</b>  |

**Responsible Budget Holder: S Brown**

**BRIEF DESCRIPTION OF SERVICE**

Information technology outreach providing access to rural communities (BISCIT).

| <b>BUDGET<br/>2008/09</b> | <b>UNIT COSTS</b>        | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b> |                |
|---------------------------|--------------------------|---------------------------|-----------------|----------------|
| <b>£</b>                  |                          | <b>£</b>                  | <b>2010/11</b>  | <b>2011/12</b> |
|                           |                          |                           | <b>£</b>        | <b>£</b>       |
| 0.17                      | Expenditure per Resident | 0.21                      | 0.22            | 0.22           |
| 0.00                      | Income per Resident      | (0.00)                    | (0.00)          | (0.00)         |

**DIRECTORATE OF CORPORATE SERVICES**

**SUPPORT SERVICES SMS**

| <b>BUDGET<br/>2008/09</b> | <b>DIVISION</b>             | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b>    |                    |
|---------------------------|-----------------------------|---------------------------|--------------------|--------------------|
| <b>£</b>                  |                             | <b>£</b>                  | <b>2010/11</b>     | <b>2011/12</b>     |
|                           |                             |                           | <b>£</b>           | <b>£</b>           |
|                           | <b><u>EXPENDITURE</u></b>   |                           |                    |                    |
| 1,420,325                 | Employees                   | 1,271,800                 | 1,305,100          | 1,344,700          |
| 2,430                     | Premises                    | 1,700                     | 1,700              | 1,700              |
| 32,270                    | Transport                   | 33,400                    | 34,000             | 34,600             |
| 1,170,120                 | Supplies and Services       | 1,119,500                 | 1,126,100          | 1,153,700          |
| 43,670                    | Third Party Payments        | 43,700                    | 44,800             | 45,900             |
| 0                         | Transfer Payments           | 0                         | 0                  | 0                  |
| 752,800                   | Internal Services Recharged | 637,300                   | 657,600            | 677,000            |
| 198,970                   | Capital Financing Costs     | 221,200                   | 221,200            | 221,200            |
| <b>3,620,585</b>          | <b>TOTAL EXPENDITURE</b>    | <b>3,328,600</b>          | <b>3,390,500</b>   | <b>3,478,800</b>   |
|                           | <b><u>INCOME</u></b>        |                           |                    |                    |
| (2,935,020)               | Internal Services Recharges | (2,727,600)               | (2,815,400)        | (2,904,300)        |
| 0                         | Grants                      | 0                         | 0                  | 0                  |
| (665,560)                 | Customer & Client Receipts  | (590,300)                 | (605,000)          | (620,100)          |
| <b>(3,600,580)</b>        | <b>TOTAL INCOME</b>         | <b>(3,317,900)</b>        | <b>(3,420,400)</b> | <b>(3,524,400)</b> |
| <b>20,005</b>             | <b>NET BUDGET</b>           | <b>10,700</b>             | <b>(29,900)</b>    | <b>(45,600)</b>    |

**Responsible Budget Holder: S Brown**

**BRIEF DESCRIPTION OF SERVICE**

To provide support for key computer systems and the provision of data network. Provision of communications facilities for the Council, including telephones. To maintain and update the Corporate GIS System. To advise and assist on major procurement. To work with external partners to develop and share best practice and seek opportunities for joint contracts and potential efficiencies. To provide operational and administrative systems for the Council. Provision of the Council's Mailroom and Courier Service. Responsibility for Caretaking support for the Councils administrative buildings and Town Halls. Provision of Printing and Design services for the Council. To provide internal advice and support to Services and Committees on all legal matters.

| <b>BUDGET<br/>2008/09</b> | <b>UNIT COSTS</b>        | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b> |                |
|---------------------------|--------------------------|---------------------------|-----------------|----------------|
| <b>£</b>                  |                          | <b>£</b>                  | <b>2010/11</b>  | <b>2011/12</b> |
|                           |                          |                           | <b>£</b>        | <b>£</b>       |
| 32.41                     | Expenditure per Resident | 29.80                     | 30.35           | 31.14          |
| (32.23)                   | Income per Resident      | (29.70)                   | (30.62)         | (31.55)        |

**DIRECTORATE OF CORPORATE SERVICES**

**DEMOCRATIC REPRESENTATION & MANAGEMENT**

| <b>BUDGET<br/>2008/09</b> | <b>DIVISION</b>             | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b> |                 |
|---------------------------|-----------------------------|---------------------------|-----------------|-----------------|
| <b>£</b>                  |                             | <b>£</b>                  | <b>2010/11</b>  | <b>2011/12</b>  |
|                           |                             | <b>£</b>                  | <b>£</b>        | <b>£</b>        |
|                           | <b><u>EXPENDITURE</u></b>   |                           |                 |                 |
| 6,240                     | Employees                   | 6,400                     | 6,400           | 6,400           |
| 0                         | Premises                    | 0                         | 0               | 0               |
| 0                         | Transport                   | 0                         | 0               | 0               |
| 17,810                    | Supplies and Services       | 31,000                    | 31,700          | 32,200          |
| 0                         | Third Party Payments        | 0                         | 0               | 0               |
| 0                         | Transfer Payments           | 0                         | 0               | 0               |
| 12,970                    | Internal Services Recharged | 8,200                     | 8,400           | 8,600           |
| 0                         | Capital Financing Costs     | 0                         | 0               | 0               |
| <b>37,020</b>             | <b>TOTAL EXPENDITURE</b>    | <b>45,600</b>             | <b>46,500</b>   | <b>47,200</b>   |
|                           | <b><u>INCOME</u></b>        |                           |                 |                 |
| 0                         | Internal Services Recharges | 0                         | 0               | 0               |
| 0                         | Grants                      | 0                         | 0               | 0               |
| (40,040)                  | Customer & Client Receipts  | (79,000)                  | (81,000)        | (82,200)        |
| <b>(40,040)</b>           | <b>TOTAL INCOME</b>         | <b>(79,000)</b>           | <b>(81,000)</b> | <b>(82,200)</b> |
| <b>(3,020)</b>            | <b>NET BUDGET</b>           | <b>(33,400)</b>           | <b>(34,500)</b> | <b>(35,000)</b> |

**Responsible Budget Holder: S Williams**

**BRIEF DESCRIPTION OF SERVICE**

Responsibility for the operation of the Councils Town Halls at Worksop and Retford.

| <b>BUDGET<br/>2008/09</b> | <b>UNIT COSTS</b>        | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b> |                |
|---------------------------|--------------------------|---------------------------|-----------------|----------------|
| <b>£</b>                  |                          | <b>£</b>                  | <b>2010/11</b>  | <b>2011/12</b> |
|                           |                          | <b>£</b>                  | <b>£</b>        | <b>£</b>       |
| 0.33                      | Expenditure per Resident | 0.41                      | 0.42            | 0.42           |
| (0.36)                    | Income per Resident      | (0.71)                    | (0.73)          | (0.74)         |

## CHIEF EXECUTIVE

## OTHER BUDGETS

| BUDGET<br>2008/09<br>£ | DIVISION                          | BUDGET<br>2009/10<br>£ | FORECAST         |                  |
|------------------------|-----------------------------------|------------------------|------------------|------------------|
|                        |                                   |                        | 2010/11<br>£     | 2011/12<br>£     |
| (1,541,480)            | Asset Rents                       | (1,955,500)            | (1,955,500)      | (1,955,500)      |
| 38,740                 | Bad debt provision                | 50,000                 | 50,000           | 50,000           |
| 0                      | Corporate Contingency Provision   | 100,000                | 50,000           | 50,000           |
| 0                      | National Insurance Provision      | 0                      | 0                | 60,000           |
| 0                      | Participatory Budgeting           | 150,000                | 0                | 0                |
| 1,265,910              | Net interest and borrowing costs  | 1,313,200              | 1,171,800        | 978,600          |
| 0                      | Service Improvement Bids          | 226,900                | 97,000           | 97,000           |
| 54,600                 | Parishes and Concurrent Functions | 56,600                 | 58,000           | 59,400           |
| 351,490                | Internal Drainage Board Levies    | 360,100                | 369,100          | 378,300          |
| <b>169,260</b>         | <b>Total</b>                      | <b>301,300</b>         | <b>(159,600)</b> | <b>(282,200)</b> |

**CHIEF EXECUTIVE**

**OTHER BUDGETS**

| BUDGET<br>2008/09  | DIVISION                    | BUDGET<br>2009/10  | FORECAST           |                    |
|--------------------|-----------------------------|--------------------|--------------------|--------------------|
| £                  |                             | £                  | 2010/11<br>£       | 2011/12<br>£       |
|                    | <b><u>EXPENDITURE</u></b>   |                    |                    |                    |
| 0                  | Employees                   | 0                  | 0                  | 60000              |
| 0                  | Premises                    | 0                  | 0                  | 0                  |
| 0                  | Transport                   | 0                  | 0                  | 0                  |
| 91,970             | Supplies and Services       | 590,300            | 261,800            | 263,200            |
| 0                  | Third Party Payments        | 0                  | 0                  | 0                  |
| 351,340            | Transfer Payments           | 360,100            | 369,100            | 378,300            |
| 150                | Internal Services Recharged | 0                  | 0                  | 0                  |
| 3,493,590          | Capital Financing Costs     | 3,453,700          | 3,627,600          | 4,201,700          |
| <b>3,937,050</b>   | <b>TOTAL EXPENDITURE</b>    | <b>4,404,100</b>   | <b>4,258,500</b>   | <b>4,903,200</b>   |
|                    | <b><u>INCOME</u></b>        |                    |                    |                    |
| (3,032,190)        | Internal Services Recharges | (4,025,900)        | (4,339,000)        | (5,107,000)        |
| 0                  | Grants                      | 0                  | 0                  | 0                  |
| 0                  | Customer & Client Receipts  | 0                  | 0                  | 0                  |
| (735,600)          | Interest                    | (76,900)           | (79,100)           | (78,400)           |
| <b>(3,767,790)</b> | <b>TOTAL INCOME</b>         | <b>(4,102,800)</b> | <b>(4,418,100)</b> | <b>(5,185,400)</b> |
| <b>169,260</b>     | <b>NET BUDGET</b>           | <b>301,300</b>     | <b>(159,600)</b>   | <b>(282,200)</b>   |

**Head of Service:** Mike Hill

**BRIEF DESCRIPTION OF SERVICE**

This covers all of the areas that are not specifically under the control of a Head of Service. It consists of: Accounting entries to reverse the effects of depreciation charges; any provisions made by the Council; the interest costs associated with long term borrowing and investments; any reinvestment into Council services, and finally the levies from the parishes and internal drainage boards.

| BUDGET<br>2008/09 | UNIT COSTS               | BUDGET<br>2009/10 | FORECAST     |              |
|-------------------|--------------------------|-------------------|--------------|--------------|
| £                 |                          | £                 | 2010/11<br>£ | 2011/12<br>£ |
| 35.25             | Expenditure per Resident | 39.43             | 38.12        | 43.90        |
| (33.73)           | Income per Resident      | (36.73)           | (39.55)      | (46.42)      |

**CHIEF EXECUTIVE**

**ASSET RENTS**

| BUDGET<br>2008/09 | DIVISION                    | BUDGET<br>2009/10 | FORECAST     |              |
|-------------------|-----------------------------|-------------------|--------------|--------------|
| £                 |                             | £                 | 2010/11<br>£ | 2011/12<br>£ |
|                   | <b><u>EXPENDITURE</u></b>   |                   |              |              |
| 0                 | Employees                   | 0                 | 0            | 0            |
| 0                 | Premises                    | 0                 | 0            | 0            |
| 0                 | Transport                   | 0                 | 0            | 0            |
| 0                 | Supplies and Services       | 0                 | 0            | 0            |
| 0                 | Third Party Payments        | 0                 | 0            | 0            |
| 0                 | Transfer Payments           | 0                 | 0            | 0            |
| 0                 | Internal Services Recharged | 0                 | 0            | 0            |
| 0                 | Capital Financing Costs     | 0                 | 0            | 0            |
| 0                 | <b>TOTAL EXPENDITURE</b>    | 0                 | 0            | 0            |
|                   | <b><u>INCOME</u></b>        |                   |              |              |
| (1,541,480)       | Internal Services Recharges | (1,955,500)       | (1,955,500)  | (1,955,500)  |
| 0                 | Grants                      | 0                 | 0            | 0            |
| 0                 | Customer & Client Receipts  | 0                 | 0            | 0            |
| (1,541,480)       | <b>TOTAL INCOME</b>         | (1,955,500)       | (1,955,500)  | (1,955,500)  |
| (1,541,480)       | <b>NET BUDGET</b>           | (1,955,500)       | (1,955,500)  | (1,955,500)  |

**Responsible Budget Holder:** Tracey Bircumshaw

**BRIEF DESCRIPTION OF SERVICE**

This budget represents the reversal of the depreciation and deferred charges made to individual service areas. It is required to ensure that there is no 'real' impact on the council taxpayer.

| BUDGET<br>2008/09 | UNIT COSTS               | BUDGET<br>2009/10 | FORECAST     |              |
|-------------------|--------------------------|-------------------|--------------|--------------|
| £                 |                          | £                 | 2010/11<br>£ | 2011/12<br>£ |
| 0.00              | Expenditure per Resident | 0.00              | 0.00         | 0.00         |
| (13.80)           | Income per Resident      | (17.51)           | (17.51)      | (17.51)      |

**CHIEF EXECUTIVE**

**BAD DEBT PROVISION**

| BUDGET<br>2008/09 | DIVISION                    | BUDGET<br>2009/10 | FORECAST      |               |
|-------------------|-----------------------------|-------------------|---------------|---------------|
| £                 |                             | £                 | 2010/11       | 2011/12       |
|                   |                             |                   | £             | £             |
|                   | <b><u>EXPENDITURE</u></b>   |                   |               |               |
| 0                 | Employees                   | 0                 | 0             | 0             |
| 0                 | Premises                    | 0                 | 0             | 0             |
| 0                 | Transport                   | 0                 | 0             | 0             |
| 38,740            | Supplies and Services       | 50,000            | 50,000        | 50,000        |
| 0                 | Third Party Payments        | 0                 | 0             | 0             |
| 0                 | Transfer Payments           | 0                 | 0             | 0             |
| 0                 | Internal Services Recharged | 0                 | 0             | 0             |
| 0                 | Capital Financing Costs     | 0                 | 0             | 0             |
| <b>38,740</b>     | <b>TOTAL EXPENDITURE</b>    | <b>50,000</b>     | <b>50,000</b> | <b>50,000</b> |
|                   | <b><u>INCOME</u></b>        |                   |               |               |
| 0                 | Internal Services Recharges | 0                 | 0             | 0             |
| 0                 | Grants                      | 0                 | 0             | 0             |
| 0                 | Customer & Client Receipts  | 0                 | 0             | 0             |
| 0                 | <b>TOTAL INCOME</b>         | <b>0</b>          | <b>0</b>      | <b>0</b>      |
| <b>38,740</b>     | <b>NET BUDGET</b>           | <b>50,000</b>     | <b>50,000</b> | <b>50,000</b> |

**Responsible Budget Holder: Mike Hill**

**BRIEF DESCRIPTION OF SERVICE**

An amount set aside to cover debts that may may prove to be uncollectable in the future.

| BUDGET<br>2008/09 | UNIT COSTS               | BUDGET<br>2009/10 | FORECAST |         |
|-------------------|--------------------------|-------------------|----------|---------|
| £                 |                          | £                 | 2010/11  | 2011/12 |
|                   |                          |                   | £        | £       |
| 0.35              | Expenditure per Resident | 0.45              | 0.45     | 0.45    |
| 0.00              | Income per Resident      | 0.00              | 0.00     | 0.00    |

**CHIEF EXECUTIVE**

**CORPORATE CONTINGENCY PROVISION**

| <b>BUDGET<br/>2008/09</b> | <b>DIVISION</b>             | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b> |                |
|---------------------------|-----------------------------|---------------------------|-----------------|----------------|
| <b>£</b>                  |                             | <b>£</b>                  | <b>2010/11</b>  | <b>2011/12</b> |
|                           |                             |                           | <b>£</b>        | <b>£</b>       |
|                           | <b><u>EXPENDITURE</u></b>   |                           |                 |                |
| 0                         | Employees                   | 0                         | 0               | 0              |
| 0                         | Premises                    | 0                         | 0               | 0              |
| 0                         | Transport                   | 0                         | 0               | 0              |
| 0                         | Supplies and Services       | 100,000                   | 50,000          | 50,000         |
| 0                         | Third Party Payments        | 0                         | 0               | 0              |
| 0                         | Transfer Payments           | 0                         | 0               | 0              |
| 0                         | Internal Services Recharged | 0                         | 0               | 0              |
| 0                         | Capital Financing Costs     | 0                         | 0               | 0              |
| <b>0</b>                  | <b>TOTAL EXPENDITURE</b>    | <b>100,000</b>            | <b>50,000</b>   | <b>50,000</b>  |
|                           | <b><u>INCOME</u></b>        |                           |                 |                |
| 0                         | Internal Services Recharges | 0                         | 0               | 0              |
| 0                         | Grants                      | 0                         | 0               | 0              |
| 0                         | Customer & Client Receipts  | 0                         | 0               | 0              |
| <b>0</b>                  | <b>TOTAL INCOME</b>         | <b>0</b>                  | <b>0</b>        | <b>0</b>       |
| <b>0</b>                  | <b>NET BUDGET</b>           | <b>100,000</b>            | <b>50,000</b>   | <b>50,000</b>  |

**Responsible Budget Holder: Mike Hill**

**BRIEF DESCRIPTION OF SERVICE**

The Corporate Contingency provides a general provision against major variances that are of a 'one-off' nature. It replaces the inefficient use of supplementary estimates.

| <b>BUDGET<br/>2008/09</b> | <b>UNIT COSTS</b>        | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b> |                |
|---------------------------|--------------------------|---------------------------|-----------------|----------------|
| <b>£</b>                  |                          | <b>£</b>                  | <b>2010/11</b>  | <b>2011/12</b> |
|                           |                          |                           | <b>£</b>        | <b>£</b>       |
| 0.00                      | Expenditure per Resident | 0.90                      | 0.45            | 0.45           |
| 0.00                      | Income per Resident      | 0.00                      | 0.00            | 0.00           |

**CHIEF EXECUTIVE**

**NATIONAL INSURANCE PROVISION**

| <b>BUDGET<br/>2008/09</b> | <b>DIVISION</b>             | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b> |                |
|---------------------------|-----------------------------|---------------------------|-----------------|----------------|
| <b>£</b>                  |                             | <b>£</b>                  | <b>2010/11</b>  | <b>2011/12</b> |
|                           | <b><u>EXPENDITURE</u></b>   |                           |                 |                |
| 0                         | Employees                   | 0                         | 0               | 60,000         |
| 0                         | Premises                    | 0                         | 0               | 0              |
| 0                         | Transport                   | 0                         | 0               | 0              |
| 0                         | Supplies and Services       | 0                         | 0               | 0              |
| 0                         | Third Party Payments        | 0                         | 0               | 0              |
| 0                         | Transfer Payments           | 0                         | 0               | 0              |
| 0                         | Internal Services Recharged | 0                         | 0               | 0              |
| 0                         | Capital Financing Costs     | 0                         | 0               | 0              |
| <b>0</b>                  | <b>TOTAL EXPENDITURE</b>    | <b>0</b>                  | <b>0</b>        | <b>60,000</b>  |
|                           | <b><u>INCOME</u></b>        |                           |                 |                |
| 0                         | Internal Services Recharges | 0                         | 0               | 0              |
| 0                         | Grants                      | 0                         | 0               | 0              |
| 0                         | Customer & Client Receipts  | 0                         | 0               | 0              |
| <b>0</b>                  | <b>TOTAL INCOME</b>         | <b>0</b>                  | <b>0</b>        | <b>0</b>       |
| <b>0</b>                  | <b>NET BUDGET</b>           | <b>0</b>                  | <b>0</b>        | <b>60,000</b>  |

**Responsible Budget Holder:     Mike Hill**

**BRIEF DESCRIPTION OF SERVICE**

The chancellor in his 2008 pre-budget report announced a 0.5% increase in national insurance payments from April 2011. This is a provision towards this cost.

| <b>BUDGET<br/>2008/09</b> | <b>UNIT COSTS</b>        | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b> |                |
|---------------------------|--------------------------|---------------------------|-----------------|----------------|
| <b>£</b>                  |                          | <b>£</b>                  | <b>2010/11</b>  | <b>2011/12</b> |
| 0.00                      | Expenditure per Resident | 0.00                      | 0.00            | 0.54           |
| 0.00                      | Income per Resident      | 0.00                      | 0.00            | 0.00           |

**CHIEF EXECUTIVE**

**PARTICIPATORY BUDGETING**

| BUDGET<br>2008/09 | DIVISION                    | BUDGET<br>2009/10 | FORECAST |          |
|-------------------|-----------------------------|-------------------|----------|----------|
| £                 |                             | £                 | 2010/11  | 2011/12  |
|                   | <b><u>EXPENDITURE</u></b>   |                   |          |          |
| 0                 | Employees                   | 0                 | 0        | 0        |
| 0                 | Premises                    | 0                 | 0        | 0        |
| 0                 | Transport                   | 0                 | 0        | 0        |
| 0                 | Supplies and Services       | 150,000           | 0        | 0        |
| 0                 | Third Party Payments        | 0                 | 0        | 0        |
| 0                 | Transfer Payments           | 0                 | 0        | 0        |
| 0                 | Internal Services Recharged | 0                 | 0        | 0        |
| 0                 | Capital Financing Costs     | 0                 | 0        | 0        |
| 0                 | <b>TOTAL EXPENDITURE</b>    | <b>150,000</b>    | <b>0</b> | <b>0</b> |
|                   | <b><u>INCOME</u></b>        |                   |          |          |
| 0                 | Internal Services Recharges | 0                 | 0        | 0        |
| 0                 | Grants                      | 0                 | 0        | 0        |
| 0                 | Customer & Client Receipts  | 0                 | 0        | 0        |
| 0                 | <b>TOTAL INCOME</b>         |                   |          |          |
| 0                 | <b>NET BUDGET</b>           | <b>150,000</b>    | <b>0</b> | <b>0</b> |

**Responsible Budget Holder: Mike Hill**

**BRIEF DESCRIPTION OF SERVICE**

The Council has introduced participatory budgeting with taxpayers to strengthen consultation and taxpayers involvement in the 2009/10 budget. This allocates £100,000 to the main towns and £50,000 for a series of rural initiatives.

| BUDGET<br>2008/09 | UNIT COSTS               | BUDGET<br>2009/10 | FORECAST |         |
|-------------------|--------------------------|-------------------|----------|---------|
| £                 |                          | £                 | 2010/11  | 2011/12 |
| 0.00              | Expenditure per Resident | 1.34              | 0.00     | 0.00    |
| 0.00              | Income per Resident      | 0.00              | 0.00     | 0.00    |

**CHIEF EXECUTIVE**

**NET INTEREST AND BORROWING COSTS**

| BUDGET<br>2008/09  | DIVISION                    | BUDGET<br>2009/10  | FORECAST           |                    |
|--------------------|-----------------------------|--------------------|--------------------|--------------------|
| £                  |                             | £                  | 2010/11<br>£       | 2011/12<br>£       |
|                    | <b>EXPENDITURE</b>          |                    |                    |                    |
| 0                  | Employees                   | 0                  | 0                  | 0                  |
| 0                  | Premises                    | 0                  | 0                  | 0                  |
| 0                  | Transport                   | 0                  | 0                  | 0                  |
| 6,820              | Supplies and Services       | 6,800              | 6,800              | 6,800              |
| 0                  | Third Party Payments        | 0                  | 0                  | 0                  |
| 0                  | Transfer Payments           | 0                  | 0                  | 0                  |
| 0                  | Internal Services Recharged | 0                  | 0                  | 0                  |
| 3,493,590          | Capital Financing Costs     | 3,453,700          | 3,627,600          | 4,201,700          |
| <b>3,500,410</b>   | <b>TOTAL EXPENDITURE</b>    | <b>3,460,500</b>   | <b>3,634,400</b>   | <b>4,208,500</b>   |
|                    | <b>INCOME</b>               |                    |                    |                    |
| (1,498,900)        | Internal Services Recharges | (2,070,400)        | (2,383,500)        | (3,151,500)        |
| 0                  | Grants                      | 0                  | 0                  | 0                  |
| 0                  | Customer & Client Receipts  | 0                  | 0                  | 0                  |
| (735,600)          | Interest                    | (76,900)           | (79,100)           | (78,400)           |
| <b>(2,234,500)</b> | <b>TOTAL INCOME</b>         | <b>(2,147,300)</b> | <b>(2,462,600)</b> | <b>(3,229,900)</b> |
| <b>1,265,910</b>   | <b>NET BUDGET</b>           | <b>1,313,200</b>   | <b>1,171,800</b>   | <b>978,600</b>     |

**Responsible Budget Holder:** Tracey Bircumshaw

**BRIEF DESCRIPTION OF SERVICE**

This aids the Council to support its cashflow, and relates to the interest payable on temporary and long-term loans, and also interest receivable from short term investments.

| BUDGET<br>2008/09 | UNIT COSTS               | BUDGET<br>2009/10 | FORECAST     |              |
|-------------------|--------------------------|-------------------|--------------|--------------|
| £                 |                          | £                 | 2010/11<br>£ | 2011/12<br>£ |
| 31.34             | Expenditure per Resident | 30.98             | 32.54        | 37.68        |
| (20.00)           | Income per Resident      | (19.22)           | (22.05)      | (28.92)      |

**CHIEF EXECUTIVE**

**SERVICE IMPROVEMENT BIDS**

| BUDGET<br>2008/09 | DIVISION                    | BUDGET<br>2009/10 | FORECAST      |               |
|-------------------|-----------------------------|-------------------|---------------|---------------|
| £                 |                             | £                 | 2010/11       | 2011/12       |
|                   |                             |                   | £             | £             |
|                   | <b><u>EXPENDITURE</u></b>   |                   |               |               |
| 0                 | Employees                   | 0                 | 0             | 0             |
| 0                 | Premises                    | 0                 | 0             | 0             |
| 0                 | Transport                   | 0                 | 0             | 0             |
| 0                 | Supplies and Services       | 226,900           | 97,000        | 97,000        |
| 0                 | Third Party Payments        | 0                 | 0             | 0             |
| 0                 | Transfer Payments           | 0                 | 0             | 0             |
| 0                 | Internal Services Recharged | 0                 | 0             | 0             |
| 0                 | Capital Financing Costs     | 0                 | 0             | 0             |
| 0                 | <b>TOTAL EXPENDITURE</b>    | <b>226,900</b>    | <b>97,000</b> | <b>97,000</b> |
|                   | <b><u>INCOME</u></b>        |                   |               |               |
| 0                 | Internal Services Recharges | 0                 | 0             | 0             |
| 0                 | Grants                      | 0                 | 0             | 0             |
| 0                 | Customer & Client Receipts  | 0                 | 0             | 0             |
| 0                 | <b>TOTAL INCOME</b>         | <b>0</b>          | <b>0</b>      | <b>0</b>      |
| 0                 | <b>NET BUDGET</b>           | <b>226,900</b>    | <b>97,000</b> | <b>97,000</b> |

**Responsible Budget Holder: Mike Hill**

**BRIEF DESCRIPTION OF SERVICE**

This budget is for a comprehensive investment in priority service areas.

| BUDGET<br>2008/09 | UNIT COSTS               | BUDGET<br>2009/10 | FORECAST |         |
|-------------------|--------------------------|-------------------|----------|---------|
| £                 |                          | £                 | 2010/11  | 2011/12 |
|                   |                          |                   | £        | £       |
| 0.00              | Expenditure per Resident | 2.03              | 0.87     | 0.87    |
| 0.00              | Income per Resident      | 0.00              | 0.00     | 0.00    |

**CHIEF EXECUTIVE**

**PARISHES AND CONCURRENT FUNCTIONS**

| <b>BUDGET<br/>2008/09</b> | <b>DIVISION</b>             | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b> |                |
|---------------------------|-----------------------------|---------------------------|-----------------|----------------|
| <b>£</b>                  |                             | <b>£</b>                  | <b>2010/11</b>  | <b>2011/12</b> |
|                           |                             |                           | <b>£</b>        | <b>£</b>       |
|                           | <b><u>EXPENDITURE</u></b>   |                           |                 |                |
| 0                         | Employees                   | 0                         | 0               | 0              |
| 0                         | Premises                    | 0                         | 0               | 0              |
| 0                         | Transport                   | 0                         | 0               | 0              |
| 46,410                    | Supplies and Services       | 56,600                    | 58,000          | 59,400         |
| 0                         | Third Party Payments        | 0                         | 0               | 0              |
| 0                         | Transfer Payments           | 0                         | 0               | 0              |
| 0                         | Internal Services Recharged | 0                         | 0               | 0              |
| 0                         | Capital Financing Costs     | 0                         | 0               | 0              |
| <b>46,410</b>             | <b>TOTAL EXPENDITURE</b>    | <b>56,600</b>             | <b>58,000</b>   | <b>59,400</b>  |
|                           | <b><u>INCOME</u></b>        |                           |                 |                |
| 8,190                     | Internal Services Recharges | 0                         | 0               | 0              |
| 0                         | Grants                      | 0                         | 0               | 0              |
| 0                         | Customer & Client Receipts  | 0                         | 0               | 0              |
| <b>8,190</b>              | <b>TOTAL INCOME</b>         | <b>0</b>                  | <b>0</b>        | <b>0</b>       |
| <b>54,600</b>             | <b>NET BUDGET</b>           | <b>56,600</b>             | <b>58,000</b>   | <b>59,400</b>  |

**Responsible Budget Holder:     Mike Hill**

**BRIEF DESCRIPTION OF SERVICE**

To contribute to Parish Councils for undertaking work that a District Council could ordinarily be responsible.

| <b>BUDGET<br/>2008/09</b> | <b>UNIT COSTS</b>        | <b>BUDGET<br/>2009/10</b> | <b>FORECAST</b> |                |
|---------------------------|--------------------------|---------------------------|-----------------|----------------|
| <b>£</b>                  |                          | <b>£</b>                  | <b>2010/11</b>  | <b>2011/12</b> |
|                           |                          |                           | <b>£</b>        | <b>£</b>       |
| 0.42                      | Expenditure per Resident | 0.51                      | 0.52            | 0.53           |
| (0.07)                    | Income per Resident      | 0.00                      | 0.00            | 0.00           |

**CHIEF EXECUTIVE**

**INTERNAL DRAINAGE BOARD LEVIES**

| BUDGET<br>2008/09 | DIVISION                    | BUDGET<br>2009/10 | FORECAST       |                |
|-------------------|-----------------------------|-------------------|----------------|----------------|
| £                 |                             | £                 | 2010/11<br>£   | 2011/12<br>£   |
|                   | <b><u>EXPENDITURE</u></b>   |                   |                |                |
| 0                 | Employees                   | 0                 | 0              | 0              |
| 0                 | Premises                    | 0                 | 0              | 0              |
| 0                 | Transport                   | 0                 | 0              | 0              |
| 0                 | Supplies and Services       | 0                 | 0              | 0              |
| 0                 | Third Party Payments        | 0                 | 0              | 0              |
| 351,340           | Transfer Payments           | 360,100           | 369,100        | 378,300        |
| 150               | Internal Services Recharged | 0                 | 0              | 0              |
| 0                 | Capital Financing Costs     | 0                 | 0              | 0              |
| <b>351,490</b>    | <b>TOTAL EXPENDITURE</b>    | <b>360,100</b>    | <b>369,100</b> | <b>378,300</b> |
|                   | <b><u>INCOME</u></b>        |                   |                |                |
| 0                 | Internal Services Recharges | 0                 | 0              | 0              |
| 0                 | Grants                      | 0                 | 0              | 0              |
| 0                 | Customer & Client Receipts  | 0                 | 0              | 0              |
| 0                 | <b>TOTAL INCOME</b>         | <b>0</b>          | <b>0</b>       | <b>0</b>       |
| <b>351,490</b>    | <b>NET BUDGET</b>           | <b>360,100</b>    | <b>369,100</b> | <b>378,300</b> |

**Responsible Budget Holder:     Mike Hill**

**BRIEF DESCRIPTION OF SERVICE**

To provide payments to local internal drainage boards alongside other local authorities.

| BUDGET<br>2008/09 | UNIT COSTS               | BUDGET<br>2009/10 | FORECAST     |              |
|-------------------|--------------------------|-------------------|--------------|--------------|
| £                 |                          | £                 | 2010/11<br>£ | 2011/12<br>£ |
| 3.15              | Expenditure per Resident | 3.22              | 3.30         | 3.39         |
| 0.00              | Income per Resident      | 0.00              | 0.00         | 0.00         |

**COLLECTION FUND ESTIMATES 2009/10**

| <b>COUNCIL TAX</b>                            | <b>£'000</b> | <b>£'000</b>    | <b>£'000</b>    |
|---|--------------|-----------------|-----------------|
| <b>Surplus for 2007/08</b>                    |              |                 |                 |
| Actual deficit as at 31.03.08                 |              | (114)           |                 |
| Less surplus declared 15th January 2008       |              | <u>0</u>        |                 |
| Estimate overstated                           |              |                 | (114)           |
| <br><b>Transactions in 2008/09</b>            |              |                 |                 |
| Taxpayers' accounts due                       |              | 61,905          |                 |
| <b>Less:</b>                                  |              |                 |                 |
| Exemptions, discounts and disabled relief     | (6,506)      |                 |                 |
| Precepts                                      | (54,763)     |                 |                 |
| Anticipated write offs                        | (125)        |                 |                 |
| Increase in bad debt provision                | <u>(397)</u> |                 |                 |
|   |              | <u>(61,791)</u> |                 |
|   |              |                 | 114             |
| <br><b>Surplus declared 15th January 2009</b> |              |                 | <u><u>0</u></u> |
| <br><b>Allocation of Council Tax surplus</b>  |              |                 |                 |
| Bassetlaw District Council                    | 10.9%        |                 | 0               |
| Nottinghamshire County Council                | 75.3%        |                 | 0               |
| Nottinghamshire Police Authority              | 9.5%         |                 | 0               |
| Combined Fire Authority                       | 4.3%         |                 | <u>0</u>        |
|   |              |                 | <u><u>0</u></u> |

## SERVICE IMPROVEMENT BIDS

|  | 2009/10<br>£ | 2010/11<br>&<br>2011/12<br>£ |
|--|--------------|------------------------------|
| <b><u>Community Engagement &amp; Performance</u></b>   |              |                              |
| <b>Service Delivery Research</b>   |              |                              |
| To commission a piece of work to better understand the communities of Bassetlaw., The research would build on the work undertaken by the New Community Group of the LSP and would examine demographics of the area, migration patterns, access to services in terms of vulnerable groups. The research would forecast population changes and demand for Council Services. The information would assist the council in terms of future Service Delivery. This information would then be mapped onto a geographical mapping system (NOMAD) – see below.  | 20,000       |                              |
| <b>Risk Management</b>   |              |                              |
| This bid comprises four elements and ensures that the Council's attitude to risk management is rigorous and constant. The four aspects are:  |              |                              |
| - LSP engagement and risk assessment - Zurich Municipal will carry out a risk assessment with the LSP in terms of delivering the LAA Delivery Plan.  |              |                              |
| - Risk Management refresher training for Members.  | 10,000       |                              |
| - Risk Management refresher training for officers.   |              |                              |
| - Business Continuity Planning – Zurich Municipal will challenge and update our Business Continuity Threat Cards and will report back on level of confidence.  |              |                              |
| <b><u>Community Prosperity</u></b>   |              |                              |
| <b>Economic capacity study</b>   |              |                              |
| This is required to assess the realistic growth capacity for employment (including types, location etc) in Bassetlaw. The overall cost is likely to be £70,000, of which 50% will be funded by Alliance SSP. It is envisaged this project needs to be appointed by March 20009 (The project needs to be synchronised with the SSP's spending programmes)   | 35,000       |                              |
| <b>Retford Market spring clean</b>   |              |                              |
| Retford Farmers' Market is approaching its tenth anniversary and during this time has been a great addition to the town's retail offer. However the equipment used is looking tired and this is beginning to have a detrimental effect on the popularity of the monthly event. To address this we propose to replace the existing red/blue stall canopies with a more natural looking green colour scheme and carry out improvements to the general appearance of the stalls. This will help to maintain and hopefully increase the popularity of the event for both customers and stall holders, increasing footfall in the town centre and maintaining an important income stream. | 3,000        |                              |

|  | 2009/10<br>£ | 2010/11<br>&<br>2011/12<br>£ |
|--|--------------|------------------------------|
| <p><b>Costermonger barrows to increase footfall (10 are requested as a pilot)</b></p> <p>This project is one of a number of initiatives developed with the support of local retailers aimed at increasing footfall in the Upper Bridge Street area, including the market. The Costermongers would be strategically placed onto the pedestrian scheme to add value for shoppers. Located towards the top of the scheme they would effectively extend the market into Bridge Street and offer a vibrant addition to this end of the town. In addition to boosting footfall it is envisaged that letting 10 units should produce an income stream of £150.00 per day which could be reinvested into delivering other initiatives to support this area of the town centre.</p>   | 7,500        |                              |
| <p><b><u>Environmental Health &amp; Housing</u></b></p> <p><b>Feasibility Study for a Sub Regional Home Improvement Agency</b></p> <p>The money will fund an extension to a current Joint Strategic Housing Service feasibility study within the Northern Sub- Region. This is jointly funded with NE Derbyshire, Bolsover and Chesterfield. The project aims to assess barriers to creating a shared Home Improvement Agency (the current Notts County approach is experiencing significant organisational problems). The study will also recommend strategies for overcoming these barriers.</p> <p><b>Managing a Market Test Exercise for Waste Collection/ Street Cleaning</b></p> <p>This is a significant value contract (£2m+) and involves significant re-drafting of Specification Documentation, an OJEU procedure and subsequent negotiations. There is no capacity within the existing service to deliver this exercise. Any contract is likely to operate for 7 years + and a 5% efficiency would create savings of £100,000 p.a. for the duration of the contract.</p> | 10,000       |                              |
| <p><b><u>Finance &amp; Property</u></b></p> <p><b>Pitt Review and further flood prevention work</b></p> <p>A new post is required to enable the council to positively respond to the recommendations of the Pitt Review in relation to the management of local flood risk. A specific requirement is for the Council to take the lead on flood risk management and Bassetlaw is already being proactive in this area. For example the Authority has undertaken a number of flood prevention capital projects and have initiated a Drainage Coordination Group made up from representatives of the Internal Drainage Boards, Environment Agency, and County Council.</p> <p>The work has been delivered to date by the temporary employment of an external engineer and this bid is to make the post permanent.</p>   | 30,000       | 30,000                       |

|  | 2009/10<br>£   | 2010/11<br>& 2011/12<br>£ |
|--|----------------|---------------------------|
| <b><u>Revenues &amp; Customer Services</u></b><br><br><b>Modules to the new cashless pay procurement</b><br><br><p>The Council has its cash receipting system provided by Spectrum, now Capita . The lease has been extended term in return for system upgrades which will transform Bassetlaw's website, Automatic Telephone Payments and concourse payments. In essence, the system becomes PC based allowing debit card payment to any authorized officer anywhere, who has security settings for the system. Paying council tax at a leisure centre is in theory possible under the new regime.</p> <p>However, new modules of software are required to ensure the Council can add import files and fund creation for types of web payment e.g. planning fees.</p> | 4,400          |                           |
| <b><u>Support Services</u></b><br><br><b>Additional capacity for the graphical information developments</b><br><br><p>The focus within the GIS Unit has been on a lengthy period of data cleansing and now ensuring regular (monthly moving to weekly) updates to the national hub. GIS is a powerful corporate tool that can assist many areas of the Council's activities and contribute to improving efficiency. The Unit has been constrained by a lack of capacity at the specialist technical level. This proposal would bring in additional support for a three year period with a specific remit to work with Services on system developments.</p>   | 32,000         | 32,000                    |
| <b>Novell software licence upgrade</b><br><br><p>Novell is the key operating system for the Council. It includes GroupWise, Border Manager, Netware and Zenworks. These products are a key feature of internal and external communications. They are critical to security in ensuring protection from viruses and other forms of attack. The Licence covers 500 users and as the software is frequently updated in light of the rapidly changing environment, it is critical to keep all areas maintained. Previously this has been done on an ad hoc basis and this is no longer considered to be a robust approach. The proposal will include all updates, consulting support and set up for future upgrades.</p>  | 35,000         | 35,000                    |
| <b>TOTAL</b>   | <b>226,900</b> | <b>97,000</b>             |

## MOVEMENT ON BALANCES:

| REVENUE BALANCE                    | Balance<br>01/04/08<br>£'000 |
|------------------------------------|------------------------------|
| Working Balance<br>General Reserve | (1,000)<br>(1,764)           |
| <b>TOTAL EARMARKED</b>             | <b>(2,764)</b>               |

| C/Fwd<br>2007/08<br>£'000 | SIB's<br>August 2008<br>£'000 | Movements<br>in Year<br>£'000 | Under/<br>Overspend<br>£'000 | Balance<br>01/04/09<br>£'000 |
|---------------------------|-------------------------------|-------------------------------|------------------------------|------------------------------|
| 396                       | 183                           | (240)                         | (16)                         | (1,000)<br>(1,441)           |
| 396                       | 183                           | (240)                         | (16)                         | (2,441)                      |

| Movements<br>in Year<br>£'000 | Balance<br>01/04/10<br>£'000 |
|-------------------------------|------------------------------|
| 369                           | (1,000)<br>(1,072)           |
| 369                           | (2,072)                      |

## MOVEMENT ON EARMARKED RESERVES:

| REVENUE RESERVE        | Balance<br>31/03/08<br>£000 |
|------------------------|-----------------------------|
| LABGI                  | (1,260)                     |
| Insurance              | (52)                        |
| NNDR Refunds           | (202)                       |
| Economic Development   | (113)                       |
| Property Maintenance   | (194)                       |
| Job Evaluation         | -                           |
| <b>TOTAL EARMARKED</b> | <b>(1,821)</b>              |

| C/Fwd<br>2007/08<br>£'000 | SIB's<br>August 2008<br>£'000 | Movements<br>in Year<br>£'000 | Under/<br>Overspend<br>£'000 | Balance<br>01/04/09<br>£'000             |
|---------------------------|-------------------------------|-------------------------------|------------------------------|--|
| -                         | 445                           | 815<br>202<br>38<br>(815)     | -                            | -<br>(52)<br>-<br>(75)<br>(194)<br>(815) |
| -                         | 445                           | 240                           | -                            | (1,136)                                  |

| Movements<br>in Year<br>£'000 | Balance<br>01/04/10<br>£'000 |
|-------------------------------|------------------------------|
| 75<br>194<br>815              | -<br>-<br>-                  |
| 1,084                         | (52)                         |

| CAPITAL RESERVE                    | Balance<br>31/03/08<br>£000 |
|------------------------------------|-----------------------------|
| Retford Townscape<br>Workshop HERS | (16)<br>(55)                |
| <b>TOTAL EARMARKED</b>             | <b>(71)</b>                 |

| C/Fwd<br>2007/08<br>£'000 | SIB's<br>August 2008<br>£'000 | Movements<br>in Year<br>£'000 | Under/<br>Overspend<br>£'000 | Balance<br>01/04/09<br>£'000 |
|---------------------------|-------------------------------|-------------------------------|------------------------------|------------------------------|
| -                         | -                             | -                             | -                            | (16)<br>(55)                 |
| -                         | -                             | -                             | -                            | (71)                         |

| Movements<br>in Year<br>£'000 | Balance<br>01/04/10<br>£'000 |
|-------------------------------|------------------------------|
| 16<br>55                      | -<br>-                       |
| 71                            | -                            |

|                       |                |
|-----------------------|----------------|
| <b>TOTAL RESERVES</b> | <b>(4,656)</b> |
|-----------------------|----------------|

|                |
|----------------|
| <b>(3,648)</b> |
|----------------|

|                |
|----------------|
| <b>(2,124)</b> |
|----------------|

**BASSETLAW DISTRICT COUNCIL**

**CABINET**

**12 FEBRUARY 2009**

**REPORT OF THE HEAD OF FINANCE & PROPERTY**

**HOUSING REVENUE ACCOUNT BUDGET 2009/10 AND FUTURE YEARS TO  
2011/12**

Cabinet Member: Finance & Property  
Contact: Mike Hill  
Ext. 3174

**1. Public Interest Test**

- 1.1 The author of this report, Mike Hill, has determined that the report is not confidential.

**2. Purpose of the Report**

- 2.1 To seek approval of the Housing Revenue Account budget for 2009/10 and the future years to 2011/12, and the associated recommendations to Full Council on 2<sup>nd</sup> March 2009.
- 2.2 To agree an average rent increase for 2009/10.
- 2.3 To consider the comments (to be reported verbally) of the Performance Improvement Scrutiny Committee to be held on the 10<sup>th</sup> February 2009.

**3. Background and Discussion**

**Approved Budget 2008/09**

- 3.1 The Revenue Budget for 2008/09 was agreed by the Cabinet on 14<sup>th</sup> February 2008 and was subsequently approved by full Council on 3<sup>rd</sup> March 2008. It was set based on provisional expectations for the outturn for 2007/08. However, as reported in June 2008, the outturn provided for further additions to the HRA balances.
- 3.2 The estimated position at 31<sup>st</sup> March 2008 was £1.015m, but the actual outturn position was £1.233m.

### **Forecasted Outturn 2008/09**

- 3.3 The budget monitoring report elsewhere on this agenda provides a forecast of the likely year-end position for 2008/09. It reflects a net underspending of £116k, after taking into consideration additional costs to the A1 Housing Management Fee of:
- District Heating (increased charges) £17k
  - Caretaking (from capital programme) £38k
  - Cumberland House rates (voids until sold) £9k
- 3.4 The original budget anticipated a contribution from reserves of £265k. With this variance, the revised forecast is a contribution from reserves of £149k.

### **Housing Revenue Account 2009/10**

- 3.5 The HRA, unlike the General Fund, is a self-contained account and any decisions made about either income or expenditure will affect the overall account as the HRA concerns a single service.
- 3.6 The main elements in the budget profile are:
- Repairs and Maintenance;
  - Management Costs;
  - Rental Income;
  - Housing Subsidy.
- 3.7 The Housing Revenue Account is provided in detail at Appendix 1.

### **Repairs and Maintenance**

- 3.8 Whilst the split between capital and revenue expenditure is mainly fixed according to levels of available resources, the emphasis can be altered to maximise the use of resources overall. Day to day maintenance is usually funded by revenue, particularly responsive repairs. The trends for the last three years, and estimates for the next three years on responsive repairs are:

| <b>Actual</b>  | <b>Actual</b>  | <b>Estimate</b> | <b>Estimate</b> | <b>Estimate</b> | <b>Estimate</b> |
|----------------|----------------|-----------------|-----------------|-----------------|-----------------|
| <b>2006/07</b> | <b>2007/08</b> | <b>2008/09</b>  | <b>2009/10</b>  | <b>2010/11</b>  | <b>2011/12</b>  |
| <b>£m</b>      | <b>£m</b>      | <b>£m</b>       | <b>£m</b>       | <b>£m</b>       | <b>£m</b>       |
| 5.075          | 5.433          | 5.292           | 5.491           | 5.679           | 5.883           |

- 3.9 As more Decent Homes investments are completed, Members should start to decrease the level of revenue repairs as the benefit from the significant investment reduces the need for responsive repairs. The RICS good practice target is 60:40 between planned and responsive repair levels.

- 3.10 The budget for the repairs and maintenance element is largely determined by four factors:
- The level of demand from tenants;
  - The historic level of investment in maintaining the estate;
  - Affordability within the HRA and the income generated from rents;
  - The local standards set for the quality of service.
- 3.11 Any revenue consequences from the HRA's capital programme decisions are reflected in the level of capital financing charges attributable to the HRA. However, the Council's Housing Capital Programme has never been funded from unsupported borrowing, and therefore no revenue costs have been incurred. Where supported borrowing is undertaken for the Decent Homes work, the annual interest payments for servicing this debt is reimbursed through the Housing Subsidy mechanism. This policy of not using unsupported borrowing and thereby restricting the Housing Capital Programme will continue into the longer term due to the issues of affordability within the Housing Revenue Account.

#### Management Fee

- 3.12 The levels of A1 Housing Management Fee within the HRA is reflected as follows:

| <b>Actual</b>  | <b>Actual</b>  | <b>Estimate</b> | <b>Estimate</b> | <b>Estimate</b> | <b>Estimate</b> |
|----------------|----------------|-----------------|-----------------|-----------------|-----------------|
| <b>2006/07</b> | <b>2007/08</b> | <b>2008/09</b>  | <b>2009/10</b>  | <b>2010/11</b>  | <b>2011/12</b>  |
| <b>£m</b>      | <b>£m</b>      | <b>£m</b>       | <b>£m</b>       | <b>£m</b>       | <b>£m</b>       |
| 5.652          | 5.473          | 5.750           | 6.075           | 5.945           | 5.455           |

- 3.13 As Members know, this part of the budget profile is set out in the Management Contract with A1 Housing Bassetlaw Limited. It states that:

*"The fee will be subject to annual review and negotiations between the Council and A1 Housing. Such negotiations will take notice of:*

- *Changes in the housing stock;*
- *The implementation of best value review recommendations;*
- *Service improvement plans;*
- *The size of the HRA, ensuring a balanced HRA account;*
- *Expenditure in the current year;*
- *Surpluses or deficits generated by A1 Housing, in accordance with paragraph 51 of the Management Agreement;*
- *Changes to A1 Housing recharges;*
- *Pension contributions;*
- *Any change in legislation or other external influences on the HRA."*

- 3.14 The Management Fee proposed for 2009/10 corresponds to A1 Housing's Business Plan, but the forecasts show that this is no longer possible for future years. The figures quoted in the table above are based on minimum working balances of £750k, and these vary from the A1 Housing Business Plan by £292k in 2010/11 and £367k in 2011/12. Negotiations between the Council and A1 Housing will have to continue throughout the year to resolve this issue.

- 3.15 It is important to recognise the significant improvements in value for money that A1 Housing have already achieved in the current and previous years for both capital and revenue costs. The ALMO was established in October 2004, and since that time there have been the following improvements:
- The headcount has reduced by 21%;
  - Work positively noted by the HouseMark national benchmarking club;
  - Over £2.0m of capital and revenue efficiency savings delivered up to March 2008;
  - A further £0.9m forecasted for 2008/09, including:
    - Reduced capital fee charges £217k
    - Savings on work to empty properties £138k
    - Cost savings on Decent Homes programme £270k
    - Zero inflation on building repairs service £73k
  - Further efficiency targets for 2009/10 of £502k for capital, and £348k for revenue.

#### Rental Income

- 3.16 In terms of income, there are two main factors that theoretically apply to the HRA. These are actual rents and housing subsidy guideline rents. The former is subject to local discretion (but with restrictions on the annual price increases), and the government sets the latter nationally.
- 3.17 The government introduced their rent restructuring reforms in April 2002. The basis was that rent setting in the social housing sector should be brought onto a common system based on relative property values, size of property, and local earning levels by 2011/12. The regulations involve the setting of a 'target rent' for each property type calculated on a prescribed formula.
- 3.18 The guideline rent is calculated by using the RPI inflation rate at September each year, and depending on that level of inflation, the rent convergence date is reviewed by government for achievability. Applying this concept, the Housing Subsidy Determination for 2008/09 extended the rent convergence date by five years, to 2016/17.
- 3.19 The RPI rate for September 2008 was 5.0%. If the government had continued with the established methodology (i.e. a maximum increase in rent based on  $RPI + 0.5\%$  +£2 per week), then resulting rent increases nationally would have been approaching 9%.
- 3.20 Consequently, the government have postponed the current arrangements for two years, and introduced a fixed guideline rent increase of 6.2% for 2009/10. In order to deliver on the national rent convergence policy, the convergence date has had to be pushed back to 2023/24, and this was announced in the Housing Subsidy Determination for 2009/10 published in December 2008.

- 3.21 At a local level within Bassetlaw, the actual rent for 2008/09 is £57.76, and the guideline rent is £53.48 i.e. £4.28 per week over the guideline. This means that the Council is in the fortunate position of being able to continue with the established methodology of using RPI + 0.5% + a small allowance for rent convergence, being 0.1%. Overall this gives a required rent increase for 2009/10 of 5.6%.
- 3.22 For the last three years, Bassetlaw has increased rents by 5.6%, 4.56%, and 4.58%, and the levels of rent income are:

| <b>Actual</b>  | <b>Actual</b>  | <b>Estimate</b> | <b>Estimate</b> | <b>Estimate</b> | <b>Estimate</b> |
|----------------|----------------|-----------------|-----------------|-----------------|-----------------|
| <b>2006/07</b> | <b>2007/08</b> | <b>2008/09</b>  | <b>2009/10</b>  | <b>2010/11</b>  | <b>2011/12</b>  |
| <b>£m</b>      | <b>£m</b>      | <b>£m</b>       | <b>£m</b>       | <b>£m</b>       | <b>£m</b>       |
| 19.220         | 20.409         | 20.400          | 21.575          | 22.287          | 23.025          |

- 3.23 The budget, as shown, includes for an average rent increase of 5.6%, or £3.22 per week (based on a 52 week year). Based on future projections of interest rates, the calculations show that rent convergence at Bassetlaw is now on schedule for 2013/14 (due to guideline rents increasing at a faster pace than the actual rent). The rent increases by property types, are shown at Appendix 2.
- 3.24 Rent rebates (housing benefit for Council tenants) are accounted for in the General Fund but subsidy limitation still applies. This results in the HRA compensating the General Fund for any loss as a result of previous decisions to increase rents in excess of government recommended levels. This is formula based and will be reducing year on year as rents converge.

#### Housing Subsidy

- 3.25 Finally, and perhaps most controversially, the method of how Housing Subsidy is treated is the other main factor in balancing the HRA budget. In previous years, the government supported local authority housing provision, but for several years now, some authorities like Bassetlaw, have been in a negative subsidy position i.e. tenants have paid money to the government to be re-distributed nationally to support other local authorities' housing functions who earn a positive subsidy. This is significant as tenants in Bassetlaw will pay an estimated £7.107m to the government in 2009/10, and this negative subsidy now constitutes 23% of the gross expenditure incurred by the HRA.
- 3.26 Although the Housing subsidy mechanism removes over £7m from the HRA, the formula does make an allowance of approximately £4m in relation to the Major Repairs Allowance which funds part of the Housing Capital Programme. Therefore, in net terms, Bassetlaw tenants will have paid the government the following:

| <b>Actual</b>  | <b>Actual</b>  | <b>Estimate</b> | <b>Estimate</b> | <b>Estimate</b> | <b>Estimate</b> |
|----------------|----------------|-----------------|-----------------|-----------------|-----------------|
| <b>2006/07</b> | <b>2007/08</b> | <b>2008/09</b>  | <b>2009/10</b>  | <b>2010/11</b>  | <b>2011/12</b>  |
| <b>£m</b>      | <b>£m</b>      | <b>£m</b>       | <b>£m</b>       | <b>£m</b>       | <b>£m</b>       |
| 2.241          | 2.752          | 2.879           | 3.012           | 3.640           | 3.798           |

3.27 On a national basis, the government is amassing significant housing balances, which are not being distributed to local authorities. The national HRA is predicted to be in surplus by £713m over the next three years as follows:

- 2008/09 £194m
- 2009/10 £216m
- 2010/11 £303m

3.28 The current dis-satisfaction with this policy has been recognised by Caroline Flint, the Minister for Housing and Planning:

*"The Housing Revenue Account subsidy system is very complex, and I know that people are unhappy with it because of its seeming unfairness and lack of transparency. I want the system to work so that it delivers for tenants and local authorities – and to get it right in the long term."*

3.29 The whole subsidy process is currently under review, and is due to report to Ministers in the Spring of 2009. It will hopefully set out options for the housing subsidy system, including proposals for changes to rent policy and to inform the next Comprehensive Spending Review.

#### Other Budgeting Factors

3.30 The establishment of A1 Housing Ltd has had a considerable impact on the employers' superannuation payments for both A1 Housing and the Council. With regard to A1 Housing, its percentage rate payable has substantially reduced as a result of its pension scheme being fully funded. This left the Council with a deficit of £6.7m on its fund. The annual payments required to meet the deficit are incremental each year, and the payments for 2009/10, 2010/11, and 2011/12 are £637k, £670k, and £703k respectively.

3.31 The provision of these budgets has a direct impact on the budget available to A1 Housing, and as previously discussed, the potential to raise additional budget via rent increases is restricted due to the housing subsidy rent limitation scheme.

3.32 The Council and A1 Housing operate a system of Service Level Agreements for buy-back of services, and these are subject to annual review. The budget presented for approval within this report assumes that no significant changes to these SLA will occur.

#### **4. Implications**

##### **a) For Service Users**

The agreement of the split of the HRA Budget between A1 Housing and the Council determines the level of the revenue spend on repairs and has a direct impact on tenants.

The budget has been developed appropriately according to legislation, national guidance, and the Council's corporate objectives.

b) Strategic & Policy

The budget has been compiled in accordance with the strategy of maintaining a minimum working balance of £750,000 on the HRA, whilst at the same time, giving A1 Housing sufficient resources to deliver their commitments.

c) Financial: Ref: 9/310

These are contained within the main body of the report and supporting appendices.

The proposals maintain a balance on the HRA at 31<sup>st</sup> March 2010 of £980,000, which is above the minimum level of £750,000 recommended by the Council's external auditors.

d) Legal: Ref: 734/02/09

The Council has a statutory duty to set a budget that avoids an end of year deficit, after taking into account the working balance on the account. The budget as proposed meets this requirement.

e) Human Resources

None arising directly from this report.

f) Community Safety, Equalities, Environmental

None arising directly from this report, although various budgets provide funds for spend on the environment and community safety.

g) This is a key decision, reference number 196.

**5. Options, Risks and Reasons for Recommendations**

5.1 The Council must set a balanced HRA budget that leaves a minimum working balance at 31<sup>st</sup> March 2010. It is recommended that this minimum balance is £750,000 in line with previous budget strategies and the guidance from external auditors.

5.2 In respect of the budget, the following options are available:

- a) revise the planned use of reserves to support the HRA budget;
- b) change the planned level of increase in Housing rents.

- 5.3 The Cabinet is advised to adopt a strategy of setting a rent increase in line with the Government requirements for inflationary increases and rent convergence.

## **6. Conclusions**

- 6.1 The proposals within this report set out an affordable and sustainable HRA budget based on government indicators for levels of rents.
- 6.2 The proposed rent increase of 5.6% is significantly below the government prescribed national guideline rents of 6.2% and keeps the Council on schedule to meet the national rent convergence targets.
- 6.3 In line with the formula, central government will recoup 5.5% of the proposed rent increase for re-distribution to other areas of the Country.
- 6.4 If Members were to support a rent increase that is lower than proposed, then the HRA would not be sustainable for Bassetlaw in the medium to long term.

## **7. Recommendations**

Cabinet is recommended to agree the following recommendations to Full Council on 2<sup>nd</sup> March 2009:

- 7.1 That Cabinet considers the HRA budget for 2009/10 and future years, together with the associated comments from PISC on 10<sup>th</sup> February 2009, and to recommend their approval.
- 7.2 That Cabinet recommends an average rent increase of 5.6% for 2009/10, and in line with best practice, also recommends indicative increases of 3.4% for both 2010/11 and 2011/12 (dependant upon on future RPI changes).
- 7.3 That the average rent be applied at an individual property level as calculated using the Government Rent Restructuring model. (Appendix 2).
- 7.4 That Cabinet approves the use of reserves of £0.103m to fund 2009/10 as detailed in Appendix 1 of this report.

## **Background Papers**

### **Location**

Housing Budget Working Papers 2009/10

Housing Revenue Account Subsidy Determinations 2009/10

**HOUSING REVENUE ACCOUNT FORECAST BUDGET**  
**2008/09 REVISED AND 2009/10 INITIAL BUDGETS**

APPENDIX 1

| INITIAL<br>BUDGET<br>2008/09 |   | Employees      | Premises      | Transport    | Supplies<br>and<br>Services | Support<br>Services | Capital<br>Charges | GROSS<br>EXPEND   | INCOME             | NET EXP<br>INITIAL<br>BUDGET<br>2009-10 | ESTIMATE<br>2010-11 | ESTIMATE<br>2011-12 |
|------------------------------|---|----------------|---------------|--------------|-----------------------------|---------------------|--------------------|-------------------|--------------------|---|---------------------|---------------------|
|                              | <b>A1 Housing</b>                                   |                |               |              |                             |                     |                    |                   |                    |   |                     |                     |
| 105,130                      | A1 Management - Rents Rates & Taxes                 |                |               |              | 38,000                      |                     |                    | 38,000            |                    | 38,000                                  | 38,000              | 38,000              |
| 5,749,990                    | A1 Management - Supervision and Man                 |                |               |              | 6,075,300                   |                     |                    | 6,075,300         |                    | 6,075,300                               | 5,945,417           | 5,454,810           |
| 5,292,480                    | A1 Management - Repairs                             |                |               |              | 5,490,700                   |                     |                    | 5,490,700         |                    | 5,490,700                               | 5,678,700           | 5,883,100           |
| <b>11,147,600</b>            | <b>Total A1 Housing Management Fee</b>              | <b>0</b>       | <b>0</b>      | <b>0</b>     | <b>11,604,000</b>           | <b>0</b>            | <b>0</b>           | <b>11,604,000</b> | <b>0</b>           | <b>11,604,000</b>                       | <b>11,662,117</b>   | <b>11,375,910</b>   |
|                              | <b>Council Managed HRA Budgets</b>                  |                |               |              |                             |                     |                    |                   |                    |   |                     |                     |
|                              | <b>Expenditure</b>                                  |                |               |              |                             |                     |                    |                   |                    |   |                     |                     |
| 0                            | Bad Debts Provision                                 |                |               |              | 50,000                      |                     |                    | 50,000            |                    | 50,000                                  | 50,000              | 50,000              |
| 114,900                      | Debt Management Expenses                            |                |               |              |                             | 113,900             |                    | 113,900           |                    | 113,900                                 | 117,700             | 121,500             |
| 2,879,460                    | Main Housing Subsidy (inc MRA) payable              |                |               |              | 7,106,900                   |                     |                    | 7,106,900         | -4,095,200         | 3,011,700                               | 3,639,900           | 3,797,600           |
| 447,480                      | Rent Rebates  |                |               |              | 402,900                     |                     |                    | 402,900           |                    | 402,900                                 | 189,000             | 0                   |
| 3,882,620                    | Depreciation  |                |               |              |                             |                     | 5,639,400          | 5,639,400         | -5,000             | 5,634,400                               | 5,634,400           | 5,634,400           |
| 1,101,160                    | Management  | 716,800        | 71,600        | 1,500        | 81,100                      | 270,500             |                    | 1,141,500         | -14,000            | 1,127,500                               | 1,175,300           | 1,222,200           |
| <b>8,425,620</b>             | <b>Total Expenditure</b>                            | <b>716,800</b> | <b>71,600</b> | <b>1,500</b> | <b>7,640,900</b>            | <b>384,400</b>      | <b>5,639,400</b>   | <b>14,454,600</b> | <b>-4,114,200</b>  | <b>10,340,400</b>                       | <b>10,806,300</b>   | <b>10,825,700</b>   |
|                              | <b>Income</b>                                       |                |               |              |                             |                     |                    |                   |                    |   |                     |                     |
| -300,000                     | District Heating - Charges                          |                |               |              |                             |                     |                    | 0                 | -268,300           | -268,300                                | -266,600            | -268,100            |
| -20,667,000                  | Rent Income - Dwellings                             |                |               |              |                             |                     |                    | 0                 | -21,850,300        | -21,850,300                             | -22,571,400         | -23,316,300         |
| 267,000                      | Rent Income - Dwelling Voids                        |                |               |              |                             |                     |                    | 0                 | 275,380            | 275,380                                 | 283,980             | 291,090             |
| -6,380                       | Rent Income - Garages                               |                |               |              |                             |                     |                    | 0                 | -164,800           | -164,800                                | -170,200            | -175,700            |
| -104,550                     | Rent Income - Shops                                 |                |               |              |                             |                     |                    | 0                 | -91,400            | -91,400                                 | -93,700             | -96,100             |
| -19,890                      | Rent Income - Land & Wayleaves                      |                |               |              |                             |                     |                    | 0                 | -22,300            | -22,300                                 | -22,800             | -23,300             |
| -32,570                      | Management Recharges Income                         |                |               |              |                             |                     |                    | 0                 | -7,000             | -7,000                                  | -7,000              | -7,000              |
| -921,760                     | Supporting People Charges                           |                |               |              | 1,106,700                   | 14,900              |                    | 1,121,600         | -2,011,700         | -890,100                                | -919,200            | -949,100            |
| <b>-21,785,150</b>           |   | <b>0</b>       | <b>0</b>      | <b>0</b>     | <b>1,106,700</b>            | <b>14,900</b>       | <b>0</b>           | <b>1,121,600</b>  | <b>-24,140,420</b> | <b>-23,018,820</b>                      | <b>-23,766,920</b>  | <b>-24,544,510</b>  |
| <b>-2,211,930</b>            | <b>NET COST OF SERVICES</b>                         | <b>716,800</b> | <b>71,600</b> | <b>1,500</b> | <b>20,351,600</b>           | <b>399,300</b>      | <b>5,639,400</b>   | <b>27,180,200</b> | <b>-28,254,620</b> | <b>-1,074,420</b>                       | <b>-1,298,503</b>   | <b>-2,342,900</b>   |
| -32,580                      | Capital adjustments                                 |                |               |              |                             |                     | 186,000            | 186,000           |                    | 186,000                                 | 103,000             | 618,000             |
| 32,580                       | Net Gain or Loss on Sale of HRA assets              |                |               |              |                             | 7,000               | 347,000            | 354,000           | -535,000           | -181,000                                | -98,000             | -613,000            |
| 146,010                      | HRA Services share of Corporate and Democratic Core |                |               |              | 132,500                     |                     |                    | 132,500           |                    | 132,500                                 | 135,800             | 139,200             |
| 425,420                      | HRA share of other amounts                          |                |               |              | 404,800                     |                     |                    | 404,800           |                    | 404,800                                 | 414,900             | 425,300             |
| 368,400                      | Amortised Premiums and Discounts                    |                |               |              |                             |                     | 257,300            | 257,300           |                    | 257,300                                 | 176,700             | 101,400             |
| -113,510                     | GF Contribution to Shared Amenities                 |                |               |              |                             |                     |                    | 0                 | -126,800           | -126,800                                | -130,000            | -133,300            |
| 1,496,420                    | Interest & Mortgage Interest                        |                |               |              |                             |                     | 2,087,000          | 2,087,000         | -37,700            | 2,049,300                               | 2,362,450           | 3,129,900           |
| 153,810                      | Transfer to Major Repairs Reserve                   |                |               |              |                             |                     |                    | 0                 | -1,544,200         | -1,544,200                              | -1,435,900          | -1,324,600          |
| <b>2,476,550</b>             | <b>NET OPERATING EXPENDITURE</b>                    | <b>0</b>       | <b>0</b>      | <b>0</b>     | <b>537,300</b>              | <b>7,000</b>        | <b>2,877,300</b>   | <b>3,421,600</b>  | <b>-2,243,700</b>  | <b>1,177,900</b>                        | <b>1,528,950</b>    | <b>2,342,900</b>    |
| <b>264,620</b>               | <b>HRA (Surplus)/Deficit for Year</b>               |                |               |              |                             |                     |                    |                   |                    | <b>103,480</b>                          | <b>230,447</b>      | <b>0</b>            |

|   | £          |
|---|------------|
| Balance b/fwd @ 1 April 2008            | -1,232,927 |
| Estimated HRA (Surplus)/Deficit 2008/09 | 149,000    |
| Balance b/fwd @ 1 April 2009            | -1,083,927 |
| HRA (Surplus)/Deficit 2009/10           | 103,480    |
| Balance c/fwd @ 31 March 2010           | -980,447   |

|                 |                 |                 |
|-----------------|-----------------|-----------------|
| -1,083,927      | -980,447        | -750,000        |
| 103,480         | 230,447         | 0               |
| <b>-980,447</b> | <b>-750,000</b> | <b>-750,000</b> |

## APPENDIX 2

### RENT RESTRUCTURING

| Year          |         | Average Rents * |            |            |            |             |              | Formula Rent<br>£ |
|---------------|---------|-----------------|------------|------------|------------|-------------|--------------|-------------------|
|               |         | Bedsit<br>£     | 1 Bed<br>£ | 2 Bed<br>£ | 3 Bed<br>£ | 4+ Bed<br>£ | Overall<br>£ |                   |
| 1             | 2002.03 | 44.33           | 45.78      | 47.56      | 48.44      | 48.86       | 47.37        | 41.29             |
| 2             | 2003.04 | 43.96           | 46.26      | 48.54      | 49.44      | 50.17       | 48.21        | 42.63             |
| 3             | 2004.05 | 43.82           | 47.05      | 49.87      | 50.79      | 51.88       | 49.39        | 44.32             |
| 4             | 2005.06 | 43.64           | 47.99      | 51.54      | 52.51      | 54.07       | 50.87        | 46.10             |
| 5             | 2006.07 | 43.80           | 49.19      | 53.41      | 54.81      | 57.14       | 52.70        | 53.75             |
| 6             | 2007.08 | 44.29           | 51.21      | 55.93      | 57.61      | 60.87       | 55.17        | 55.95             |
| 7             | 2008.09 | 43.61           | 53.33      | 58.68      | 60.52      | 64.13       | 57.76        | 58.41             |
| 8             | 2009.10 | 45.81           | 56.15      | 61.95      | 64.02      | 68.03       | 60.98        | 61.62             |
| 9             | 2010.11 | 46.20           | 57.28      | 64.00      | 66.76      | 71.77       | 63.03        | 63.47             |
| 10            | 2011.12 | 46.58           | 58.43      | 66.12      | 69.61      | 75.66       | 65.15        | 65.38             |
| 11            | 2012.13 | 46.94           | 59.60      | 68.32      | 72.57      | 79.70       | 67.33        | 67.34             |
| 12            | 2013.14 | 48.35           | 61.39      | 70.37      | 74.74      | 82.37       | 69.36        | 69.36             |
| 13            | 2014.15 | 49.80           | 63.23      | 72.48      | 76.99      | 84.88       | 71.44        | 71.44             |
| 14            | 2015.16 | 51.29           | 65.13      | 74.65      | 79.29      | 87.43       | 73.58        | 73.58             |
| 15            | 2016.17 | 52.83           | 67.08      | 76.89      | 81.67      | 90.05       | 75.79        | 75.79             |
| Stock Numbers |         | 142             | 1702       | 2706       | 2281       | 118         | 6,949        |                   |

\* 52 Week Rents and current stock

| INCREASES BY PROPERTY TYPES |             |            |            |            |             |              |
|-----------------------------|-------------|------------|------------|------------|-------------|--------------|
|                             | Bedsit<br>£ | 1 Bed<br>£ | 2 Bed<br>£ | 3 Bed<br>£ | 4+ Bed<br>£ | Overall<br>£ |
| 2008.09                     | 43.61       | 53.33      | 58.68      | 60.52      | 64.13       | 57.76        |
| 2009.10                     | 45.81       | 56.15      | 61.95      | 64.02      | 68.03       | 60.98        |
| £                           | 2.20        | 2.82       | 3.27       | 3.50       | 3.90        | 3.22         |
| %                           | 5.0%        | 5.3%       | 5.6%       | 5.8%       | 6.1%        | 5.6%         |

**BASSETLAW DISTRICT COUNCIL**

**CABINET**

**12 FEBRUARY 2009**

**REPORT OF HEAD OF FINANCE & PROPERTY**

**CAPITAL INVESTMENT STRATEGY 2009/10 TO 2013/14**

Cabinet Member: Finance & Property  
Contact: Mike Hill  
Ext: 3174

**1. Public Interest Test**

The author of this report, Mike Hill, has determined that the report is not confidential.

**2. Purpose of the Report**

To seek Cabinet approval to the Capital Investment Strategy 2009/10 to 2013/14.

**3. Background and Discussion**

3.1 A copy of the Capital Investment Strategy is attached at Appendix A.

3.2 The Capital Investment Strategy outlines the principles and framework that shape the Council's capital investment decisions. The principal aim is to deliver a programme of capital investment that contributes to the achievement of the Council's priorities and objectives as set out in the Corporate Plan.

3.3 The Strategy defines at the highest level how the capital programme is to be formulated, it identifies the issues and options that influence capital spending, and sets out how the resources and capital programme will be managed.

**4. Implications**

a) For service users

This report sets the financial framework for capital investment.

b) Strategic & Policy

It links to the policy and strategy documents mentioned in the strategy, in particular the Asset Management Plan and Treasury Management Strategy.

- c) Financial - Ref: 09/328

The financial implications of the approved Capital investment Programme are fully reflected within the Budget report elsewhere on this agenda.

- d) Legal – Ref: 731/02/09

None from this report.

- e) Human Resources

None from this report.

- f) Community Safety, Equalities, Environmental

These are considered as part of the approval of individual capital investment schemes.

- g) This is a key decision, reference number 203.

**5. Options, Risks and Reasons for Recommendations**

The Capital Investment Strategy is a key document that sets out how capital resources will be deployed to meet the priorities of the Council.

**6. Recommendations**

That the Cabinet recommends approval of the Capital Investment Strategy 2009/10 to 2013/14 to full Council on 2<sup>nd</sup> March 2009.

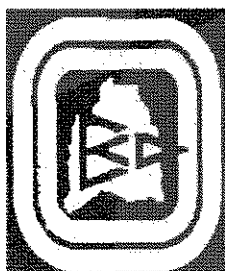
**Background Papers**

Capital programme working papers

**Location**

Accountancy office

# CAPITAL INVESTMENT STRATEGY



**BASSETLAW**

District Council  
North Nottinghamshire

## CONTENTS

### Page

### CAPITAL INVESTMENT STRATEGY

|     |   |    |
|-----|---|----|
| 1.  | Introduction  | 2  |
| 2.  | Principles Supporting the Strategy                  | 3  |
| 3.  | Capital Investment Priorities                       | 4  |
| 4.  | Capital Investment – Ambition, Opportunity and Need | 5  |
| 5.  | Financial Context                                   | 5  |
| 6.  | Capital Investment Prioritisation                   | 7  |
| 7.  | Managing the Capital Programme                      | 8  |
| 8.  | Procurement   | 9  |
| 9.  | Capital Receipts                                    | 9  |
| 10. | Conclusion  | 10 |
| 11. | Appendix 1 - Capital Prioritisation Process         | 11 |

# CAPITAL INVESTMENT STRATEGY

## 1. INTRODUCTION

This Capital Investment Strategy outlines the principles and framework that shape the Council's capital investment proposals. The principal aim is to deliver an affordable programme of capital investment consistent with the Council's Financial Strategy and that contributes to the achievement of the Council's priorities and objectives as set out in the Corporate Plan and the vision set out in the Community Strategy.

The Strategy defines at the highest level how the capital programme is to be formulated and designed; it identifies the issues and options that influence capital spending and sets out how the resources and capital programme will be managed.

As well as detailing the approved capital investment programme over the forthcoming five years, the document also sets out the Council's ambitions over the medium to longer term.

The basic elements of the strategy therefore include:

- A direct relationship to the Corporate Plan;
- A framework for the review and management of existing and future assets (the Asset Management Plan);
- An investment programme expressed over the medium to long term;
- A document that indicates the opportunities for partnership working;
- A framework that prioritises the use of capital resources;
- A consideration of the need to pursue external financing (grants, contributions etc), which reconcile external funding opportunities with the Council's priorities and organisational objectives, so that it is the achievement of the latter that directs effort to secure the former.
- A direct relationship with the Treasury Management Strategy and the limitations on activity through the treasury management Prudential Indicators.

This document is intended for the use by all stakeholders to show how the Council makes decisions on capital investment:

- for the Cabinet and Council – to decide on capital investment policy within the overall context of investment need/opportunity and affordability;
- for Councillors – to provide an understanding of the need for capital investment and help them scrutinise policy and management;
- for Officers – to provide an understanding of the Council's capital investment priorities, to assist them in bidding for capital resources and to confirm their role in the management and monitoring arrangements;
- for tax payers – to demonstrate how the Council seeks to prudently manage capital resources and look after its assets;
- for partners – to share with them our vision and help to co-ordinate and seek further opportunities for joint ventures.

# CAPITAL INVESTMENT STRATEGY

The capital programme consists of two elements:

- The Housing capital programme with a proposed budget for 2009/10 of £18.6m. Of this, £16.7m supports the maintenance of the council's 7,000 council houses, £1.6m provides renovation grants and disabled facility grants to around 200 private dwellings each year, and £0.3m is earmarked to fund a homelessness project.
- The general fund capital programme with a proposed budget for 2009/10 of £3.4m. This supports all expenditure on the council's other assets that are not related to housing.

## 2. PRINCIPLES SUPPORTING THE STRATEGY

The capital investment strategy reflects the aspirations included within the Council's main strategic documents - principally the Corporate Plan but also other key planning documents such as the Asset Management Plan, Treasury Management Strategy, Budget Strategy, and the IT Strategy.

The principles that underpin the capital investment strategy include:

### Policy Principles:

- A direct relationship between Council priorities, including our statutory requirements, and a capital programme driven by essential investment needs and prioritised on an authority-wide basis, demonstrating an explicit link with all key strategic planning documents;
- The use of a rational process for assessing the relative importance of potential schemes.

### Financial Principles:

- The overarching commitment to affordability of investments over the longer term;
- A recognition that the Council's own locally generated resources are limited and will only be used to fund those capital priorities that are unlikely to be able to access any other funding sources;
- A commitment to developing partnerships, including the pursuit of joint venture arrangements where appropriate, to achieve the Council's investment aspirations;
- To pursue all available external funding where there is a direct compatibility with the Council priorities;
- Value for money of investments in assets over their full life cycle.

### Asset Management Principles:

- The development of Asset Management Plans and investment plans for the use of all Council assets, be these operational buildings, investment properties, equipment and machinery, Information Technology or infrastructure assets;
- The optimisation of surplus assets by maximising income or application to other purposes informed through the AMP process, with all receipts generated through the sale of surplus property assets being used to fund the capital programme;

# CAPITAL INVESTMENT STRATEGY

- Recognition of the value of surplus properties that are either reallocated to services or gifted by the Council as a contribution to a particular scheme. This value will be treated as capital resources and will have to be assessed against other capital proposals;
- A process of declaring property assets as surplus will be led by the Corporate Property Officer (Property Manager) in consultation with the holding department, who will be able to declare a site surplus to requirements if deemed to be under-utilised or surplus to requirements;
- Wherever possible ensuring active community involvement in informing priorities and engagement in management plans;
- Management of assets to take full account of the Council's wider priorities including its environmental priorities;
- The provision of financial support to schemes that involve site assembly through the Strategic Intervention Fund, and will generate significant capital receipts in the medium term.
- The Property Review process will determine if an asset meets the corporate need in the longer term. If this is the case then investment in the asset will be maintained. Conversely, if it is not required, then the asset is more valuable to the Council as a capital receipt.

## Implementation and Management Principle

- The operation of robust management arrangements for the implementation, updating and review of the strategy.

### **3. CAPITAL INVESTMENT PRIORITIES**

The aim of the Council is to make a sustainable improvement to the long-term quality of life of our residents. The Corporate Plan sets out the vision for Bassetlaw. This is:

*"All the Council's efforts are focussed on delivering our long term vision for the area which is:*

*By 2020 Bassetlaw will have:*

- *A strong local identity*
- *Positive and involved communities*
- *A safe and attractive environment*
- *A successful local economy, and*
- *Opportunities to achieve for all.*

*We will achieve our vision through strong partnership."*

This long-term vision requires considerable investment.

Underpinning the Council's contribution to the Corporate Plan vision are four main strategic aims. These are:

- Jobs and Enterprise
- Safe and Strong
- Clean and Green
- Efficient and Effective

# CAPITAL INVESTMENT STRATEGY

Supporting these key service priorities, running through everything we do, are activities such as customer focus and better community engagement that will improve how the Council does its business in the future. These will help to achieve the outcome of being an efficient and effective Council.

## 4. CAPITAL INVESTMENT – AMBITION, OPPORTUNITY AND NEED

The capital programme for 2009-14 has been formulated to observe the principles contained in this document. Recommendations are being made to Cabinet to allocate funding for major projects as follows:

### Jobs and Enterprise

Retford Enterprise Centre  
Pedestrianisation of Bridge Street, Worksop  
Provision of Cinema, Worksop  
Strategic Intervention Fund

### Safe and Strong

Canch Redevelopment, Worksop  
Decent Homes Work  
Renovation Grants  
CCTV Digital Upgrade

### Clean and Green

Market Square, Retford  
Flood Alleviation Works  
Provision of Green Waste Refuse Vehicle and Bins

### Efficient and Effective

Replacement vehicles and plant  
IT Computer Replacement Fund  
Corporate Buildings Strategic Repairs

Other schemes of a minor nature (i.e. less than £100,000) are also being recommended to Cabinet for funding. Further details are available within the individual capital reports.

## 5. FINANCIAL CONTEXT

The Council's financial and service planning process ensures decisions about the allocation of capital and revenue resources are taken to achieve a corporate and consistent approach.

The funding of capital schemes is via the following hierarchy:

- External grants and contributions
- Supported borrowing
- Capital receipts from the disposal of fixed assets
- Leasing finance
- Prudential unsupported borrowing
- Revenue contributions

The following paragraphs examine the current and prospective means of financing projects and the range of choices available.

# CAPITAL INVESTMENT STRATEGY

**External Grants and Contributions** - Some capital projects are financed wholly or partly through external grants and contributions which are specific to projects and cannot be used for other purposes.

Grants from external sources are a valuable source of capital finance for the Council and have enabled the Council to realise a substantial number of capital developments that would otherwise have been unable to progress. Given the scale of the Council's ambitions to improve and add to its asset base much will depend on our ability to secure external funding.

The most significant of grants that the council receives is the Major Repairs Allowance (MRA) which is a direct grant to fund maintenance of council housing. The Council can also generate sizeable Section 106 monies from development sites that are acquired for housing purposes.

**Borrowing** – borrowing is either supported (where the government funds the revenue consequences of the debt) or unsupported/prudential borrowing (where the debt costs have to be funded from the Councils revenue resources). The principle of affordability is a key consideration.

Significant levels of borrowing for housing purposes underpin the capital programme to 2013/14. The Council's ability to sustain annual borrowing requirements of the order set out in the current programme is dependent upon the continued approval of supported borrowing for the ALMO by the government. A total of £62m has been approved in respect of achieving the Decent Homes standard by 2012/13. The council undertakes prudential borrowing for this, and the revenue costs of borrowing are funded through the housing subsidy mechanism.

The planning assumption from 2009/10 is that the council cannot afford to use unsupported prudential borrowing unless it is proven to be more cost effective than leasing, or is assessed as an invest to save scheme.

**Capital Receipts** - The Council also generates its own capital resources through the sale of surplus land and buildings and these resources can be used by the Council to invest in new capital projects. However, the Council is not asset rich and the ability to realise significant capital receipts is limited. Moreover, the current economic climate will restrict the capital value of any sale. Decisions to dispose of assets at less than full value should therefore be tested against the opportunity cost of the capital spending given up as a consequence.

The council received general fund capital receipts of £935,000 in 2007/08 (estimated at £11,422,000 in 2008/09), and housing capital receipts of £1,952,000 in 2007/08 (estimated at £990,000 in 2008/09).

Council houses are sold each year under the Right to Buy (RTB) scheme. Since 2004, RTB receipts are pooled by central government, and the council retains only 25%. It should be made clear that net housing capital receipts are available to fund both housing and general fund capital schemes. In the past, it has been Council policy to ringfence housing capital receipts for council housing and private sector housing purposes only. However, given the current economic climate, it will not always be possible to do this in the future.

The Asset Management Plan includes a capital receipts target, although this is not built into any funding projections. The associated loss of any rental income from such sales is built into the general fund budget.

**Revenue Funding** - The Council can also use revenue resources to fund capital projects, although pressures on the revenue budgets limit the ability to fund schemes from this source.

**Other Sources of Capital Financing** - The Council will continue to explore the potential for developing partnerships and private sector involvement. It also has the opportunity to use leasing as a means of funding capital expenditure on vehicles and other equipment.

# CAPITAL INVESTMENT STRATEGY

In all cases the resulting revenue costs of these sources of funding are tested for relative value for money alongside debt financing.

The Council recognises that certain services have greater potential for attracting capital finance from external sources. The Council aims to ensure that it maximises the opportunities to attract partnership or third party funding where appropriate and will focus the use of its own scarce capital resources to provide public assets where these alternative funding sources are not available.

The table below shows the estimated use of these resources over the five-year period, as presented within the separate general fund and housing capital programme reports.

|                              | 2009/10<br>£'000 | 2010/11<br>£'000 | 2011/12<br>£'000 | 2012/13<br>£'000 | 2013/14<br>£'000 |
|------------------------------|------------------|------------------|------------------|------------------|------------------|
| <b>GENERAL FUND</b>          |                  |                  |                  |                  |                  |
| Grants & Contributions       | 224              | 4,419            | 96               | 0                | 0                |
| Capital Receipts             | 3,060            | 5,302            | 329              | 50               | -250             |
| Leasing                      | 98               | 1,237            | 441              | 1,433            | 904              |
| Unsupported Borrowing        | 0                | 0                | 0                | 0                | 0                |
|                              | 3,382            | 10,958           | 866              | 1,483            | 654              |
| <b>HOUSING</b>               |                  |                  |                  |                  |                  |
| Major Repairs Allowance      | 4,095            | 4,212            | 4,315            | 4,429            | 4,546            |
| Other Grants & Contributions | 1,360            | 947              | 0                | 0                | 0                |
| Supported Borrowing          | 11,940           | 13,940           | 11,940           | 9,440            | 440              |
| Capital Receipts             | 1,200            | 1,200            | 0                | 0                | 0                |
|                              | 18,595           | 20,299           | 16,255           | 13,869           | 4,986            |
| <b>TOTAL:</b>                | 21,977           | 31,257           | 17,121           | 15,352           | 5,640            |

## 6. CAPITAL INVESTMENT PRIORITISATION

Demand for capital resources to meet investment needs and aspirations will exceed the resources available to the Council.

To ensure that capital resources are allocated to the Council's priorities, an objective, structured prioritisation process has been adopted for determining the capital programme.

In moving to a longer term view of priorities the first step in this process is to identify the potential calls on capital. An early filtering out of aspirations which do not sufficiently meet Council priorities to warrant incurring costs of feasibility and option appraisal studies at this time seeks to obviate potentially abortive costs.

From this refined review the process is based on the completion of a Capital Service Bids for each project to be considered for inclusion in the Capital Programme. Each Service Statement is scored against the established methodology. The Regeneration & Property Group scrutinises and moderates the scores and recommends options for a prioritised Capital Programme for the forthcoming period. These are presented to cabinet, which makes the final recommendations to full council.

Once full council has approved the schemes that comprise the capital programme, the project managers develop detailed project plans for each scheme. The project plan forms the basis for monitoring delivery of the critical physical milestones. Each project plan includes:

- The projects objectives and performance indicators (inputs, outputs, and outcome based);

# CAPITAL INVESTMENT STRATEGY

- Key milestone dates for project delivery;
- Responsible officers for delivery of each milestone;
- Resource requirements including full financial breakdown;
- Risk analysis;
- Post project review on completion of each scheme.

The process specifically addresses the key requirements of the Prudential Code, i.e.:

- Affordability, prudence and sustainability - the integration of the capital and revenue planning processes ensures that coherent decision-making takes place on the level of borrowing that is prudent, affordable and sustainable;
- the Council's service objectives - specific relationship to the achievement of the objectives expressed in the Corporate Plan supplemented by reference to relevant strategic, service and/or statutory plans;
- the value for money offered by the plans – as demonstrated by an options appraisal;
- the stewardship of the council's assets – explicit regard to the Council's emerging asset management plan;
- the practicalities of the capital expenditure plan – i.e. projects are realistically phased and are capable of being delivered in physical terms.

## 7. MANAGING THE CAPITAL PROGRAMME

A key role in the monitoring of the capital programme is undertaken by the Regeneration & Property Group, which meets every month. This group is attended by all responsible officers and is chaired by the Director of Resources. It is a supportive environment in which problems areas are identified and corrective actions agreed and implemented at an early stage to avoid slippage. Each scheme has a nominated project manager who is responsible for the successful completion of the scheme both to time and on budget.

The Council maintains comprehensive and robust procedures for managing and monitoring its capital programme. Ongoing monitoring arrangements for the delivery of the approved programme consist of:

- Project managers are identified for each scheme who are responsible for monitoring progress, spend and income and producing action plans to respond to variations in pace or cost of delivery;
- The Head of Finance & Property co-ordinates high level monthly reporting and detailed quarterly reporting to Management Team, Overview & Scrutiny, PISC and Cabinet;
- The Regeneration & Property Group considers a monthly monitoring statement at each meeting. A standing item of the agenda is an update on the key regeneration sites, where project officers report on performance outputs on the major projects to this group. Variations and unexpected items are discussed and appropriate action taken;
- Heads of Service are responsible for ensuring that project manager monitoring reports are quality assured and challenged and that corporate implications arising from capital monitoring are brought to the attention of the Management Team and Cabinet.

# CAPITAL INVESTMENT STRATEGY

## 8. PROCUREMENT

The Council has adopted a Corporate Procurement Strategy that sets the framework by which the Council will ensure that procurement across the Council delivers excellent value for money. This includes the procurement of assets. The strategy provides direction, structure and information in respect of the Council's approach to procurement and answers the procurement challenges faced by the Council.

The key procurement objectives are:

- *To define the future direction for procurement activities to develop in line with the Council's corporate aims and objectives, as identified within the Council's Efficiency & Value for Money Strategy;*
- *To establish links to National Agendas to address key issues identified in national reports on procurement by setting out a flexible planning framework that encourages strategic long-term thinking to procurement activity;*
- *To identify value for money and efficiency gains, and to identify outcomes and targets for achievement of potential efficiency savings in the future;*
- *To secure commitment to effective procurement from elected Members and officers at all levels throughout the Council.*

*In support of these objectives, the procurement decisions for the purchase of goods, works and services and the carrying out of works for the Council must exhibit, inter alia, the following characteristics having regard to all internal controls and external checks:*

- *Meet the needs identified;*
- *Represent good value for money (including the process);*
- *Comply with the Council's priorities embraced in the Corporate Plan and all strategies flowing from this;*
- *Keep within approved budgets/cost limitations;*
- *Meet probity and propriety requirements;*
- *Need to meet agreed time targets.*

Delivery of the capital programme is a key element of the Council's procurement strategy by ensuring adequate support services are in place at all stages prior to contract award and including subsequent management.

## 9. CAPITAL RECEIPTS

All capital receipts arising from the sale of land and buildings will feed directly into the corporate capital pot for reinvestment. Generally capital receipts will be treated as a corporate resource.

The Council will ring-fence capital receipts to specific schemes where there is a legal requirement to do so whether arising from the terms under which the asset was acquired or from a statutory requirement. An example of the latter would be the sale of an allotment site following Secretary of State approval.

Exceptionally the Council may ringfence receipts where there is a close link between the receipt and reinvestment, for example in using the Strategic Intervention Fund.

# CAPITAL INVESTMENT STRATEGY

## 10. CONCLUSION

The capital investment strategy is a 'live' document which enables the Council to make rational capital investment decisions in order to achieve its corporate priorities and objectives. As a consequence, it provides a framework for determining the relative importance of individual capital projects.

If the council is to achieve its ambitions, it is recognised that a commitment to partnership working with both the private sector and other public sector agencies will play a significant part of the Council's overall approach.

The move to a five-year capital planning framework is a significant means of improving programming for major projects and ensuring the longer term sustainability of the borrowing requirement.

The Council aims to ensure that it will maximise the opportunities to attract partnership or third party funding and will focus the use of its own scarce capital resources to provide public assets where these alternative funding sources are not available.

New and innovative ways of generating increased capital finance will continue to be explored as well as adopting a rigorous approach to the identification and disposal of surplus assets.

The Council will maintain comprehensive and robust procedures for managing and monitoring its capital programme.

Any policy or strategy proposed to Council that requires capital investment must be consistent with the Capital Investment Strategy.

The strategy will be revisited annually, to ensure that it is kept up-to-date and is relevant and effective.

# CAPITAL INVESTMENT STRATEGY

## Appendix 1

### CAPITAL PRIORITISATION PROCESS

#### INTRODUCTION AND BACKGROUND

The Government's modernisation agenda includes the review of the process of allocating capital resources to Local Authorities – the Single Capital Pot. As part of this process, it is a requirement that the Capital Strategy details the process by which projects are selected in relation to objectives and service plans. This will demonstrate a level of objectivity in the selection of projects, especially in the context of a strategic planning process.

#### FRAMEWORK OF THE PRIORITISATION PROCESS

The process is numerically based, and allocates points to projects dependent upon the categories into which they fall. The aim is to demonstrate how the Council selects projects that will achieve its overall objectives and is not biased towards particular service interests.

The process is in two parts. In Stage 1, projects are placed into **one** of 8 categories, attracting the appropriate points. In Stage 2, additional points may be acquired if projects satisfy one or more criteria. Equally, points can be deducted if, for example, the project results in increased revenue costs. The aggregate of these two stages will result in a list of projects in priority order.

Projects above £500,000 will be considered separately. This is because above £500,000 a project will consume such a large proportion of the likely resources available as to make the process ineffective for the remaining bids and it is recommended that bids of this order should be prioritised and considered separately. Projects of this scale make comparison in the context of a prioritisation process very difficult. In a case where a project of such size is put forward, it could be decided that all cash available for the year should be allocated to this one project or if the project is high value and spans a number of years, the annual allocation would be topsliced prior to allocating remaining funds identified through the normal prioritisation process.

A lower limit of £10,000 has been set because this is considered small enough to be met from revenue budgets.

#### HOW THE PROCESS OPERATES

It is intended that this process should be undertaken first by the Regeneration & Property Group to determine a long list based on Stage 1 of the prioritisation process. This will be considered by the Management Team resulting in a shortened list being produced. Service Managers will then be invited to complete a more detailed capital bid which will be scored against categories A to M to determine a final score, and enable prioritisation to be achieved.

# CAPITAL INVESTMENT STRATEGY

## STAGE 1: INITIAL PRIORITISATION

Categories A and B carry the maximum of 12 points reflecting the importance of carrying out the project either because the Council is under an obligation which it cannot avoid or because it is necessary to maintain the existing asset base and hence the current level of service. Category C, (10 points), reflects the need for the Council to respond to Government expectations which, whilst they may not be statutory, might invite criticism if not undertaken. Category D, (10 points), reflects the position where capital investment today will make ongoing savings in the future i.e. invest to save schemes. Category E, (8 points), responds to the commitments arising from the S106 agreements but carries a lower value because the Council does not have the option of not undertaking the project in which case the project would be returned to the contributor. Category F, (8 points), relates to the occasions where there is significant funding available from a partner indicating a heavy commitment on the Council to proceed. Categories G, (6 points), and H, (4 points), relate to those projects which the Council may wish to undertake but for which there is neither an overriding requirement nor a need to replace the asset to maintain the service. Category G attracts more points because if there is an existing strategy for the service, there is more confidence that the project will fulfil its long-term aims, which have been previously approved by the Council. Category H indicates a shorter-term view. **Projects that do not fall within any of these categories would not be considered for inclusion in the Capital Programme.**

| CATEGORY | CRITERIA  | POINTS |
|----------|---|--------|
| A        | There is a mandatory legal requirement to provide the service or asset that enables the service to be provided and that obligation cannot be met in any other way   | 12     |
| B        | There is a demonstrable priority need to replace the asset/service on an essentially like for like basis, (save for improvements in technology), as the existing asset is at the end of its useful life   | 12     |
| C        | There is an expectation by the Government that the Council should undertake a particular course although it may not be currently statutory and there is a likelihood of some form of sanction being applied against the Council if that expectation is not met. | 10     |
| D        | Project is based on the principle that investment in a service will result in savings in the future.  | 10     |
| E        | Funding is required to supplement a S106 agreement and that funding must be met during the year in question   | 8      |
| F        | Matched funding is available of at least 50% of the project cost  | 8      |
| G        | Project meets objective(s) in one of the Council's approved strategy statements, (other than the Capital Strategy)  | 6      |
| H        | Project meets service plan objective(s) or has been previously approved to be put forward as a bid by Members   | 4      |

# CAPITAL INVESTMENT STRATEGY

## STAGE 2: CRITERIA FOR ADDING/DEDUCTING ADDITIONAL POINTS

Stage 2 modifies the initial categorisation by taking account of particular attributes of projects. Category I recognises the importance of a project in achieving Council objectives – the more objectives it contributes towards, the more points. Category J reflects the advantage of additional investment rather than pure replacement on a like for like basis. Category K recognises that some projects have an added importance as a result of health and safety requirements. Category L adds or deducts a weighting if the project has a positive or negative effect on future revenue budgets, and is an incentive for projects to achieve revenue savings or additional income. Finally, category M reflects the need for the Council to build partnerships and demonstrate its commitment to working jointly with the wider community.

| CATEGORY                         | CRITERIA  |   | POINTS |
|----------------------------------|---|---|--------|
| I                                | <b>Council Objectives</b>   |   |        |
|                                  | Additional points for projects adding value to the Council's Objectives, (add 1 point for each) |   |        |
| <b>Clean &amp; Green</b>         | C1  | Protecting and improving the environment.                           |        |
|                                  | C2  | Improving Bassetlaw's reputation as a place to live, work and play. |        |
|                                  | C3  | Climate change.   |        |
| <b>Safe &amp; Strong</b>         | S1  | Community Safety.   |        |
|                                  | S2  | Play, Recreation and Culture.                                       |        |
|                                  | S3  | Strong Communities.   |        |
|                                  | S4  | Engagement and Decision Making.                                     |        |
|                                  | S5  | Equality and Diversity.   |        |
|                                  | S6  | Ensuring people have a good choice of quality homes.                |        |
| <b>Jobs &amp; Enterprise</b>     | J1  | Business support and Engagement.                                    |        |
|                                  | J2  | Promoting Bassetlaw as a destination for investment and tourism.    |        |
|                                  | J3  | Creating an enterprising and high added value economy.              |        |
|                                  | J4  | Thriving town centres.  |        |
| <b>Efficient &amp; Effective</b> | E1  | Leadership.   |        |
|                                  | E2  | Performance Improvement.  |        |
|                                  | E3  | Value for Money/Efficiency.   |        |
|                                  | E4  | Customer Standards/Satisfaction.                                    |        |
|                                  | E5  | Equalities and Diversity.   |        |
|                                  | E6  | People Management.  |        |

# CAPITAL INVESTMENT STRATEGY

|   |   |   |     |
|---|---|---|-----|
| J | <b>Improvement/Betterment</b>   |   |     |
|   | Improvement beyond the essential requirement to deliver an existing service, (i.e. to a standard beyond that necessary to replace an existing asset which is no longer useable), where there is a proven need and a demonstrable benefit in doing so. (Add 2 points). |   |     |
| K | <b>Health &amp; Safety (Non-Statutory)</b>  |   |     |
|   | Relating to Council property, the project is considered necessary for the health and safety of the Council's employees or the general public, and has been identified as such. (Add 2 points).  |   |     |
| L | <b>Revenue Implications</b>   |   |     |
|   | i   | Projects result in a reduction in the revenue budget from the date of completion, (after any repayment to reserves). (Add 1 point per estimated £10,000). |     |
|   | ii  | Projects result in increased net revenue costs. (Deduct 1 point per estimated £10,000).   | ( ) |
| M | <b>Partnership</b>  |   |     |
|   | Projects that enhance the relationship with the Council's partners and in doing so achieve the Council's Objectives. (Add 2 points).  |   |     |

**BASSETLAW DISTRICT COUNCIL**

**CABINET**

**12 FEBRUARY 2009**

**REPORT OF THE HEAD OF FINANCE & PROPERTY**

**PROPERTY ASSET MANAGEMENT PLAN 2009/10 TO 2013/14**

**Cabinet Member:** Finance and Property  
**Contact:** Mark Wheeler  
**Ext:** 3706

**1. Public Interest Test**

The author of this report, Mark Wheeler, has determined that the report is not confidential.

**2. Purpose of the Report**

- 2.1 For Members to approve the attached Property Asset Management Plan.

**3. Background and Discussion**

- 3.1 In order to ensure that the Council is managing its assets more effectively, an up to date Asset Management Plan is essential.
- 3.2 This Asset Management Plan sets out how the Council's Property Portfolio will contribute to the Council's main aims/key priorities identified in the Corporate Plan.

**4. Implications**

- a) For Service Users

By adopting the Property Asset Management Plan the service delivery to customers of the authority will be enhanced.

- b) Strategic and Policy

The Asset Management Plan is a five year plan which will be reviewed annually.

- c) Financial – Ref: 9/98

At this point in time, there are no immediate financial implications arising from this report. However, over the next financial year, it is envisaged that assets will be acquired and disposed of, whereby further reports will be brought to Cabinet for approval with the full financial implications outlined.

- d) Legal – Ref: 735/02/09

No implications.

- e) Human Resources

None contained in this report.

- f) Community Safety, Equalities, Environmental

This is outlined in the Asset Management Plan. The Council's non-operational assets are occupied by a variety of organisations on a contractual basis. The Council seeks to eliminate access discrimination through its access to services (DDA) capital programme.

- g) This is a key decision, reference number 204.

## **5. Options, Risks and Reasons for Recommendations**

- 5.1 The Asset Management Plan is a key document that sets out how the Council effectively manages its assets to support the efficient delivery of its priorities and objectives.

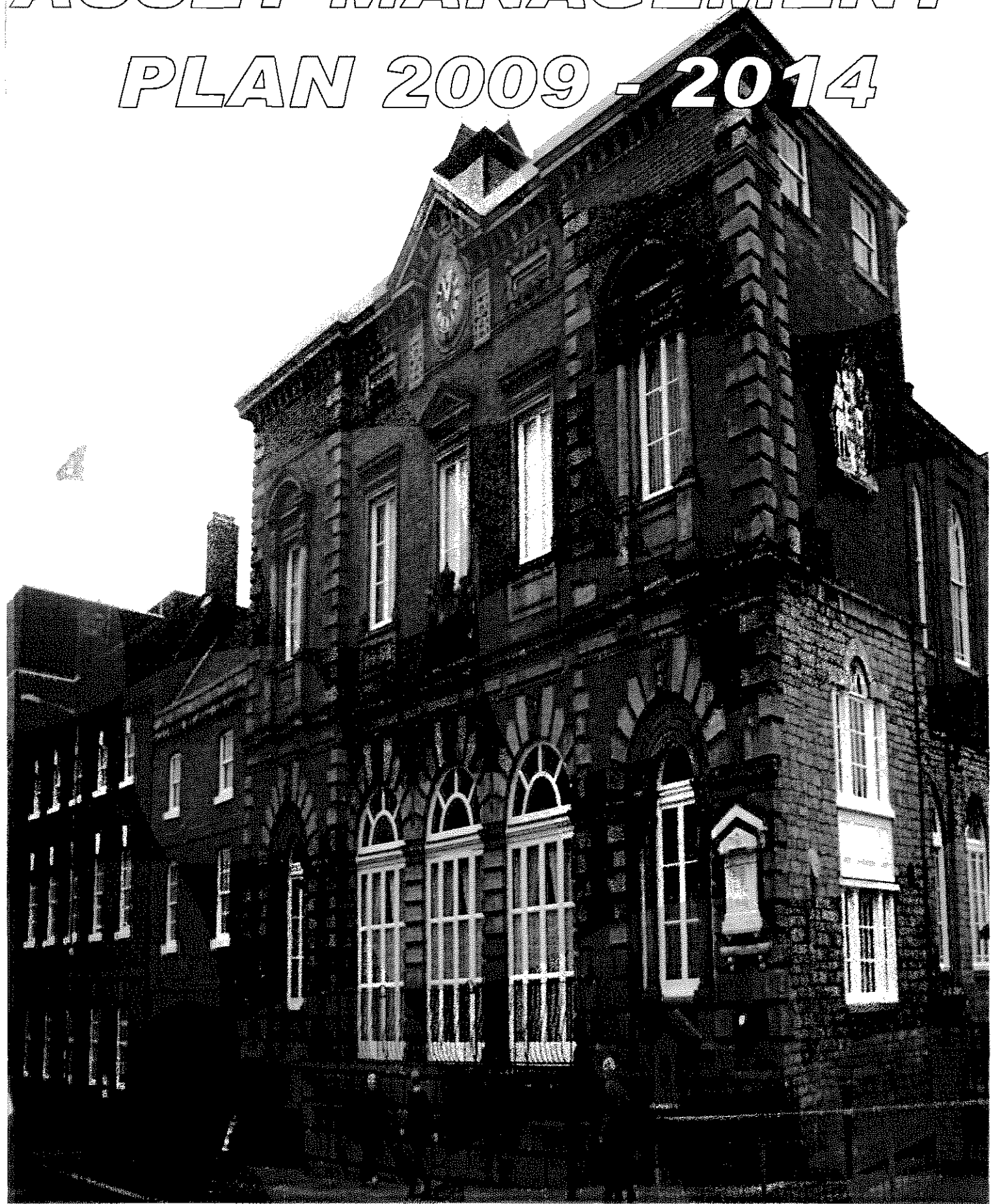
## **6. Recommendations**

- 6.1 That the Cabinet recommends approval of the Asset Management Plan 2009/10 to 2013/14 to full Council on 2<sup>nd</sup> March 2009.

**Background Papers**

**Location**  
Estates Unit

# *ASSET MANAGEMENT PLAN 2009 - 2014*



## CONTENTS

|  | Page<br>Number |
|--|----------------|
| 1 INTRODUCTION   | 3              |
| 2 STRATEGIC CONTEXT  | 4              |
| 3 OVERVIEW OF ASSETS   | 5              |
| 4 CORPORATE ASSET POLICY                                     | 8              |
| ASSET MANAGEMENT SYSTEMS                                     |                |
| 5 ORGANISATIONAL ARRANGEMENTS FOR CORPORATE ASSET MANAGEMENT | 15             |
| ASSET MAINTENANCE  | 17             |
| PROGRAMME PLAN IMPLEMENTATION                                | 18             |
| PROPERTY MANAGEMENT FRAMEWORK                                | 20             |
| CONCLUSION   | 23             |

|   |    |
|---|----|
| APPENDIX 1 –Property Review/Suitability | 24 |
|---|----|



The 2009 Asset Management Plan sets out how the Council's Property Portfolio will contribute to the Council's main aims/key priorities identified in the Corporate Plan 2007-2010.

Bassetlaw District Council operates a substantial property portfolio comprising of 1093 Operational Properties and 59 Investment Properties with a total combined asset value of £57 million.

With such a large property portfolio, Asset Management planning is essential in order to ensure that Council properties are fulfilling strategic goals adopted by the Council. The Council's property portfolio performs four key functions:-

- 1 Development and Regeneration- As a consequence of our major district-wide landholding the Council is in a fortunate position to influence a number of major development schemes which deal with not just site specific but district-wide issues. Key projects to bring forward include development schemes in Worksop and Retford town centres.
- 2 Operational Property – Ensuring that operational properties are fit for purpose and are in the right location to serve the people of Bassetlaw. This year will see the introduction of a new five year planned maintenance programme alongside projects to provide improved accommodation for front line services.
- 3 Managing Investment Properties – Bassetlaw District Council is in the fortunate position of owning a varied and substantial investment property estate bringing in revenue funds for the Council which increase year on year. It is essential to preserve and maximise this income stream by pro-active property management to minimise letting voids within the estate.
- 4 Capital Receipts – In order to provide funds for capital projects, capital receipts from property sales are essential. Over five years the combined capital receipts target is in excess of £14m.

The Asset Management Plan sets out key priorities for each of the above work areas.

This Asset Management Plan identifies property management systems which are in place at Bassetlaw District Council to ensure that the Council's property portfolio is performing and managed effectively and adopts a performance structure to measure success.

In an increasingly challenging climate of change/market volatility the Asset Management Plan is essential in order to fully understand the impact of future changes on our assets in order to develop a sustainable strategy in the long term. In addition to this each of the above work areas are interrelated and decision made in one area can impact elsewhere for example, disposing of a property may impact on the investment property revenue stream therefore it is essential that this process is managed strategically.

The plan looks to further develop an Asset Management process which was rated as level 3 in last years CPA assessment.

## Bassetlaw District Council's Strategic Plan

The Council's corporate plan covers the period 2007 to 2010. This plan is reviewed annually and outlines our direction for future years. The Council's mission is to secure the best quality of life for everyone in Bassetlaw whilst delivering services in the most cost effective way.

The Council believes that its prime duty is to seek to deliver either by direct action or by working with partners, sustainable improvements in the economic, social and environmental well-being of the citizens of Bassetlaw

This Corporate Plan is the primary corporate plan for the authority. It is supported by:

| Document                              | Purpose  |
|---------------------------------------|--|
| 5 Year Financial Strategy             | How we will make crucial financial savings and carefully spend the money that is available to us over the next 5 years in a way that provides value for money to residents |
| Capital Strategy                      | How the Council will finance significant investment in services over the next few years  |
| Asset Management Plan                 | How the council will use its land and buildings to maximum effect  |
| Human Resources and Training Strategy | How the council will develop staff to ensure excellent services are delivered to customers   |

## Council's Main Aims/Priorities 2007 - 2010

The Council has identified the following priorities in the Corporate Plan 2007 - 2010:-

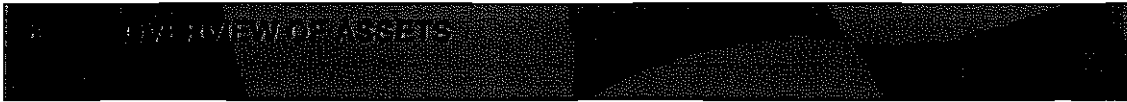
- Clean and Green
- Safe and Strong
- Jobs and Enterprise

These priorities are underpinned by an efficient and effective section which is the Council's own improvement plan.

The Council has also adopted a number of flagship projects which are linked directly to the delivery of the above three priorities and should be of more interest to the general public. Flagship number three is particularly relevant to the asset management plan as it includes regeneration initiatives for town centres.

## Link Between the Strategic Plan and Asset Management Plan

The asset management plan adopts a corporate asset policy which identifies priority actions which link directly to the main aims/priorities listed in the strategic plan. The asset management plan is also prepared alongside the capital strategy in order to ensure that our plans are financially sustainable.

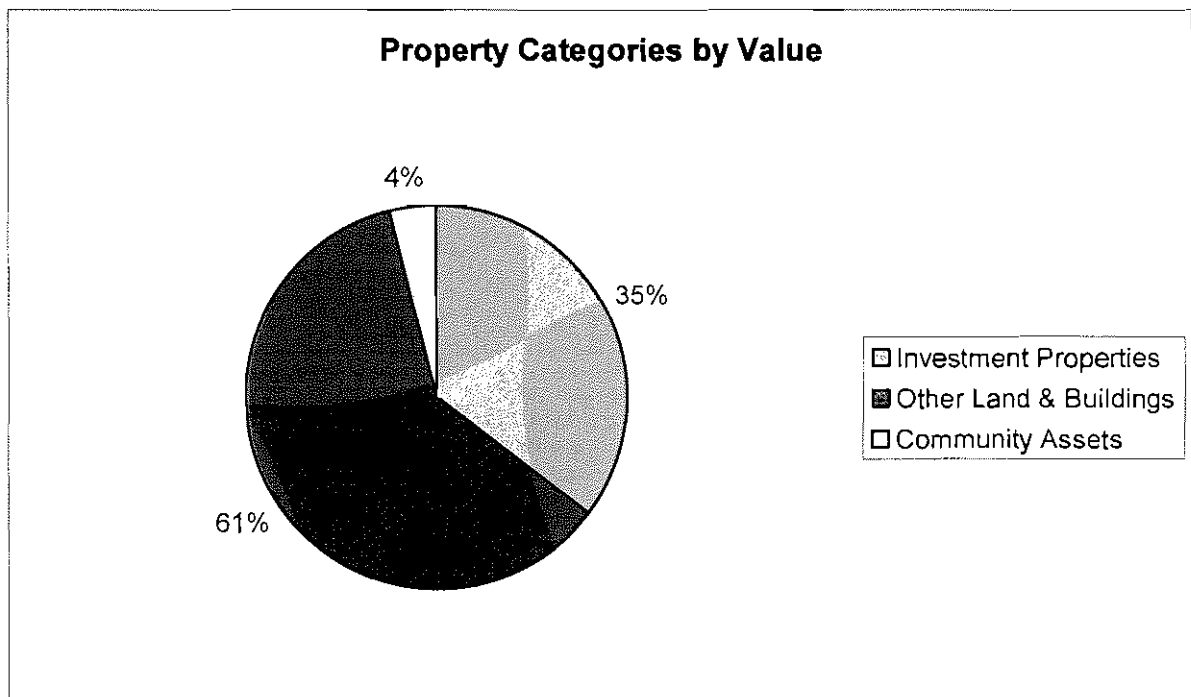


## Property Portfolio

The Council's property portfolio largely falls under two main categories, Operational Property and Investment Property.

The breakdown of property categories is shown below:-

| Category              | Number | Asset Value (31/3/08) |
|-----------------------|--------|-----------------------|
| Investment Properties | 59     | £20,943,000           |
| Operational Assets    | 1093   | £36,301,000           |
| Community Assets      | 146    | £ 2,254,000           |



## Investment Portfolio Breakdown

The investment portfolio has a total asset value of £20,943,000 and generates an annual revenue stream of £365,050 per year.

The investment property sectors are listed in the table below:-



| Investment Type               | Number of Properties |
|-------------------------------|----------------------|
| Miscellaneous Properties      | 10                   |
| Shops                         | 29                   |
| Industrial Estates            | 7                    |
| Ground lease Industrial       | 1                    |
| Residential Development Sites | 12                   |

### Operational Property Breakdown

The Councils operational estate which is held for service delivery purposes has an asset value of £36,301,000 and is broken down as shown below:-



| Property Type            | No of Properties |
|--------------------------|------------------|
| Office/Depots            | 11               |
| Depots                   | 3                |
| Car Parks                | 25               |
| Toilets                  | 7                |
| Shopmobility             | 2                |
| Community Centres        | 14               |
| Markets                  | 2                |
| Cemetery Buildings       | 3                |
| TIC                      | 2                |
| Leisure Centres          | 3                |
| Garages and garage sites | Numerous         |

## 4. CORPORATE ASSET POLICY

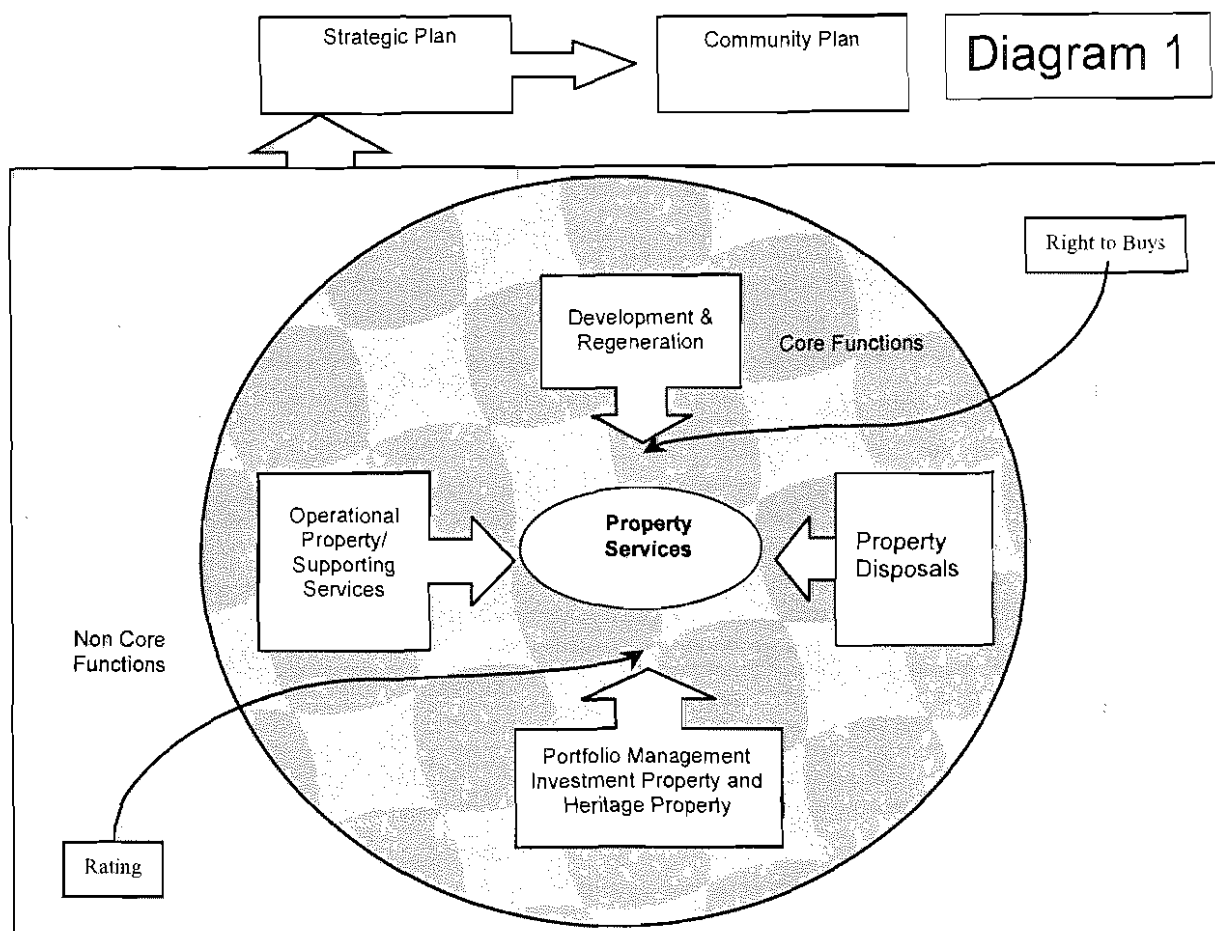
### Introduction

The corporate asset policy identifies how the Council's property portfolio will meet the Council's strategic objectives over the next five years.

In order to achieve our corporate vision four key work areas have been established for Asset Management and associated strategies developed (see diagram 1 below), these are:-

- i Development and Regeneration
- ii Property Disposals
- iii Portfolio Management
- iv Managing Operational Property/Supporting Front Line Services

An important part of the Property Service business model is the ability to raise external fees from disposals and day-to-day management which allows Property services to focus on the above core areas through outsourcing. Disposal fees are currently between 1%-5% dependent on the level of work required to bring sales forward, such fees are charged separately from the disposal price.



To pursue regeneration and development projects which meet the Council's Strategic Aims and Objectives to bring about priority area improvements using existing property resources combined with strategic funds when required and to provide new property assets for the Council.

## **Current Position**

### Key Strengths

- Extensive commercial landholding particularly in Worksop town centre providing the Council with significant influence in future regeneration projects.
- Land bank of residential development sites(see disposals strategy).

### Areas for Improvement

- Worksop town centre requires improvement to underpin retail offer and improve quality of town centre.
- Residential sites should be brought forward to meet identified need.

### Key Opportunities

- Worksop Town Centre Redevelopment Projects.
- New Housing Sites
- Opportunity Purchases

### Key Threats

- Failure to regenerate key sites in Worksop may affect vitality and viability of town centre.
- Availability of funding to pump-prime key development projects
- Phasing strategy required in order to maximise opportunities
- Lack of business start up space
- Market Volatility

## **Key Objectives**

- To deliver schemes which are identified as priorities in the Council's corporate plan/economic development strategy. Schemes should be brought forward as part of the local development framework and accord to latest strategic studies for example: retail capacity studies, employment land availability study etc.
- Ensure that development schemes take into account whole life costing and comply with the Council's climate change strategy objectives.

- To identify opportunity purchases to assist the Council in meeting its strategic objectives and to bring forward schemes which deliver new assets for the Council's property portfolio.
- To be fully aware of market changes/influences to maximise the effectiveness of the Council's property review exercise.
- To minimise the Council's exposure to project risk through use of sensitivity analysis in project appraisal.
- Manage schemes to predicted timescale and cost in accordance with formal project management approach.

## **Development and Regeneration Workplan**

A workplan has been developed which details priority actions under this strategy.

## **PROPERTY DISPOSALS**

### **Mission Statement**

To meet the capital receipts targets set out in the five year financial strategy and housing business plan, whilst minimising the impact on the Council's operational buildings, its investment portfolio and delivering on the Council's wider strategic property objectives.

### **Current Position**

#### Key Strengths

- Landbank of high quality housing development sites available for disposal.

#### Areas for Improvement

- Housing Sites with existing allocation in the Local Plan should be brought forward for delivery as priority.

#### Key Opportunities

- Opportunity to generate sales from General fund service properties through property review exercise.

#### Key Threats

- The General fund sites are either operational or held for investment purposes and therefore increased receipts in the programme will either require accommodation reviews to identify surplus assets or the Council will lose investment income. This has been budgeted at 6% of capital receipt.
- The effect of not achieving anticipated capital receipts has a major effect on the delivery/development of the Council's capital programme, therefore where targets are identified a weighting system should be adopted to reflect

uncertainty and therefore reduce the impact of influences outside the Council's control.

### Key Objectives

- To achieve the General Investment Capital Receipts Target / Allowable income loss as summarised below:-

|                                      | <b>2009/10</b> | <b>2010/11</b>  | <b>2011/12</b> | <b>2012/13</b>  | <b>2013/14</b> |
|--------------------------------------|----------------|-----------------|----------------|-----------------|----------------|
| <b>Capital Receipts Target</b>       | <b>45,000</b>  | <b>840,000*</b> | <b>50,000</b>  | <b>1000,000</b> | <b>50,000</b>  |
| <b>Loss of Rental Revenue Stream</b> | <b>0</b>       | <b>50,400*</b>  | <b>3,000</b>   | <b>0</b>        | <b>3,000</b>   |

\* Potential Receipt to re-invest to provide new assets

- To generate housing revenue account capital receipts as outlined below:-

|                           | <b>2009/10</b> | <b>2010/11</b> | <b>2011/12</b>   | <b>2012/13</b>    | <b>2013/14</b>   |
|---------------------------|----------------|----------------|------------------|-------------------|------------------|
| <b>Property Disposals</b> | <b>272,000</b> | <b>87,500</b>  | <b>1,087,500</b> | <b>10,150,000</b> | <b>1,150,000</b> |

- To focus on the sale of non-income generating assets to minimise income loss as far as possible in the early stages of the programme and then through a robust property review exercise.
- As the supply of surplus property and development land comes to an end, future disposals will be prioritised based on investment performance as identified in the performance management framework.
- Investment and disposal decisions are based on thorough option appraisal and whole life costs.
- Achieve Efficiency savings through disposal of surplus operational property.

The Council's capital receipt target should be agreed between the Head of Finance and Property and the Corporate Property Officer in order to ensure that the programme is sustainable in the long term and the impact of any new targets is fully assessed.

### Disposals Workplan

A workplan has been developed which details priority actions under this strategy.

## **PORTFOLIO MANAGEMENT – INVESTMENT PROPERTY**

### **Mission Statement**

To manage the Council's Investment portfolio to ensure revenue income targets are achieved and additional income is generated where possible through pro-active property management and seeking out new investment opportunities

The Council's key investment budgets are:

|                             |                 |
|-----------------------------|-----------------|
| Industrial Estates          | £190,150        |
| Miscellaneous Properties    | £83,500         |
| Shops                       | £91,400         |
| <b>Total Revenue Stream</b> | <b>£365,050</b> |

### **Current Position**

#### Key Strengths

- Varied Portfolio with relatively low void rates historically.

#### Areas for Improvement

- Due to staff changes there are a wide variety of occupancy agreements and a standard approach is required.
- The stock has remained static over the last five years and there is significant potential through ring fencing to adopt a disposal/re-investment strategy to increase income and provide new assets.
- A planned maintenance regime is required in order to ensure that investment assets are fit for purpose.
- Management software is not fit for purpose.

#### Key Opportunities

- The opportunity exists to purchase new assets to provide the Council with investment return and security.
- A number of properties fall within identified redevelopment areas.

#### Threats

- Market volatility
- Property condition

## **Key Objectives**

- Property management to maximise investment return in line with market conditions.
- Minimise Letting Voids through pro-active property management.
- Performance is challenged continuously and poorly performing properties are identified through benchmarking/performance measures. Assessments are made in respect of further investment or disposal.
- Undertake maintenance on a planned basis to maintain asset life, repairs to take into account whole life costing.
- To acquire new properties which generate a financial return for the Council greater than that obtained for alternative non-property investments held by the Council to enhance the income streams outlined above.

## **Portfolio Management Investment Property Workplan**

A workplan has been developed which details priority actions under this strategy.

## **OPERATIONAL PROPERTY/SUPPORTING DIRECTORATES**

### **Mission Statement**

To provide operational property which is fit for the purpose and work to enhance the quality of operational property through innovative solutions.

### **Current Position**

#### Key Strengths

- Administrative buildings have been maintained on a planned programme.
- Health and Safety arrangements are in place and access audits.

#### Areas for Improvement

- A number of properties are maintained by Council services outside of estates and would benefit from centralised management.
- New management software is required for estates.
- Planned maintenance surveys require revision and should cover all properties where the Council has a direct repairing obligation.

### Key Opportunities

- Opportunities exist to rationalise underused properties or high maintenance properties which are not fit for purpose through the property review process to bring forward general fund receipts..
- Opportunity to secure new accommodation through development projects.
- Invest to save opportunities in-line with the Council's Climate Change Strategy.

### Threats

- New management software required by estates.
- Maintenance budget must be adequate for meet five year programme

### **Key Objectives**

- To understand the needs/requirements of Services to ensure that their property holding is suitable for their requirements and is adequate for future service delivery.
- To ensure the majority of repairs are carried out under a five year planned maintenance programme and that repairs take into account whole life costing.
- To minimise energy running costs and reduce CO2 emissions in accordance with the Council's Climate change strategy through energy management.
- To improve assets where opportunities allow for disposals/ reinvestment.
- To evaluate opportunities for joint working with partners to achieve efficiency savings.
- Acquire new Properties where a service need has been identified and as a solution to resolve issues identified in first round suitability surveys.

### **Operational Property/Supporting Services Workplan**

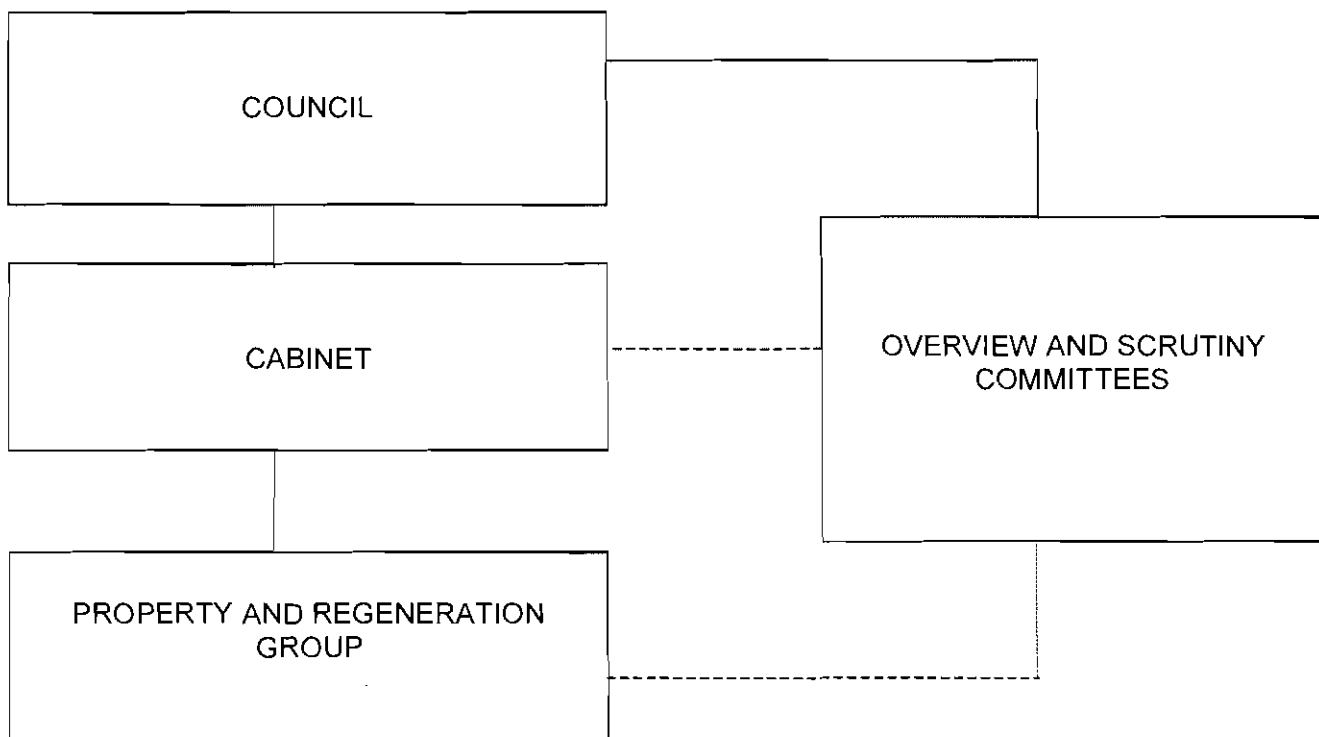
A workplan has been developed which details priority actions under this strategy.



## Introduction

This section of the plan aims to explain the Council's political and officer structures for managing its property assets.

### Political Corporate Asset Management Structure



### The Council

The Council has responsibility for agreeing the Asset Management Plan, Capital Strategy and Capital and Revenue budgets.

### Cabinet

Cabinet has responsibility for the preparation of the Asset Management Plan, Capital Strategy and the overall budget, along with the agreement of capital projects and the delivery of the same.

### Property and Regeneration Group

The Property and Regeneration Group has the following terms of reference:-

- To agree the content of the Asset Management Plan for recommendation onto Cabinet.

- To prioritise bids for capital for approval by Cabinet.
- To review/monitor the approved capital programme
- To consider property review assessment sheets prior to approval by Cabinet
- To monitor progress on capital receipts.
- To consider major development projects in the district.
- To review accommodation requirements.

The Group meets every month throughout the year, membership of the Group is as follows:

Director of Resources (Chair)  
 Head of Finance and Property  
 Head of Community Prosperity  
 Property Manager  
 Town Centre Manager  
 Principal Contract Services Manager  
 Economic Development Manager  
 Policy and Implementation Manager  
 Principal Building Control Surveyor  
 Senior Accountant  
 Principal Engineering Services Manager

### **Overview and Scrutiny Committees**

The Council has a number of overview and scrutiny committees whose terms of reference include the monitoring and review of property related policies, projects and processes.

### **Corporate Property Officer**

The Property Manager as the Corporate Property Officer has specific responsibility as the Council's most senior property professional for management of the property portfolio. The specific responsibilities of the Corporate Property officer are set out below :-

- The implementation of the asset management process across the Council to produce the requisite outcomes and performances.
- Providing advice to the Authority in respect of all property issues.
- To review the Council's corporate plan, service plans and the community plan to identify property implications.
- Forward planning to ensure the Authority's property assets support the delivery of corporate and service objectives.

- Assessing corporate drivers for future change and their implication for asset management.
- Annual Interviews with Heads of Service to discuss asset management and property suitability issues in relation to specific services.
- To maintain close links with service review lead officers to identify at an early stage any implications for assets.
- Developing and implementing performance measures including the utilisation of local and national performance indicators.

The Corporate Property officer or his nominated representative attend all working groups and regularly advises members at the Asset Management Group.



## **Overview**

An essential part of Asset Management is for an effective planned maintenance policy and a thorough understanding of the condition of the property portfolio in order that strategic decisions can be made with full information.

## **Maintenance Backlog**

A 2<sup>nd</sup> round survey of all properties excluding housing assets managed by AI Housing will be undertaken this year. A five year planned maintenance programme will be developed for each property taking into account repairs and maintenance, fire risk recommendations, access improvements and essential health and safety work. The surveys will be carried out for properties where the Council has a direct repairing obligation.

The aim of the programme is to ensure that the Council's assets remain fit for purpose and to shift to focus of maintenance closer to the RICS best practice ratio of 60% (Planned) – 40% (responsive) where sufficient funds exist. Overall, this approach should reduce the cost of maintenance over the life of the programme.

The five year planned maintenance programme will be monitored annually to assess the true maintenance backlog for Council properties. The identified backlog for each property will be the difference in work carried out in year against the identified programme.

## **Approved Action to be taken to Reduce Maintenance Backlog**

In order to assist with the cost of ensuring that property assets are fit for purpose the following action will be taken.-

- 1) A capital bid of £500,000 has been submitted for approval by cabinet to assist in meeting the cost of work identified through revised condition surveys.
- 2) The revenue repairs and maintenance budget for 2009/10 has been confirmed at £201,130.
- 3) Property reviews will take into account the cost of future repairs identified through revised condition surveys with a view to disposing of assets with a high maintenance cost and low suitability/financial return.
- 4) Innovative partnership agreements to reduce the Council's repairing liabilities for example: Regal Cinema/Kilton Youth Centre where a peppercorn lease arrangement has been agreed in return for tenants achieving community objectives and obtaining funding for property maintenance.
- 5) Whole life costing model used as part of maintenance process. The CIPFA IPF strategic model will be adopted by Property Services to consider major property repair items.
- 6) Applications for external funding to match fund capital monies provided by the Council. Significant potential exists to lever match funding for the Council heritage properties.
- 7) Invest to save bids will be submitted to carry out energy efficiency improvements to Council property.



### **Methodology for Corporate Prioritisation of Projects**

With the current financial constraints and competing pressures on the Council it remains important that the Council adheres to its methodology for prioritising between potential projects and schemes, which are based on both corporate and service based priorities. Attention is also focussed on the revenue implications of any capital expenditure to ensure the Council will not inherit a legacy of increased revenue costs. Therefore only whole life costs are considered.

The Asset Management Plan plays a vital role, through a co-ordinated and sustainable asset disposal/retention process, in releasing capital resources to help fund the programme.

The prioritisation process is numerically based, and allocates points to projects dependent upon the categories into which they fall. The aim is to demonstrate how the Council selects projects that will achieve its overall objectives and is not biased towards particular service interests.

The process is in two parts. In Stage 1, projects are placed into one of 8 categories, attracting the appropriate points (example: categories include legal requirement to provide service or asset/match funding is available to meet part of the cost). In Stage

2, additional points may be acquired if projects satisfy one or more criteria. Equally, points can be deducted if, for example, the project results in increased revenue costs. The aggregate of these two stages will result in a list of projects in priority order.

Projects above £500,000 will be considered separately. This is because above £500,000 a project will consume such a large proportion of the likely resources available as to make the process ineffective for the remaining bids and it is recommended that bids of this order should be prioritised and considered separately. Projects of this scale make comparison in the context of a prioritisation process very difficult. In a case where a project of such size is put forward, it could be decided that all cash available for the year should be allocated to this one project or if the project is high value and spans a number of years, the annual allocation would be top sliced prior to allocating remaining funds identified through the normal prioritisation process.

A lower limit of £10,000 has been set because this is considered small enough to be met from revenue budgets.

### **Co-Ordination of Asset Management Information and Its Integration with Relevant organisational Financial Information**

Due to the importance of capital receipts funding the above capital programme and receiving revenue income to meet predicted targets it is essential that asset management information is co-ordinated and integrated with relevant financial information.

The asset register is the corporate record of properties and maintained throughout the year in accordance with CIPFA / RICS red book requirements.

Asset management information is reported as a standing item to Property and Regeneration Group which meets monthly. This information includes progress on capital receipts target, revenue income generated and any rent loss associated with disposals.

In addition to the above, property services staff receive monthly budget reports from financial services in order that progress can be monitored and are involved in forecasting predicted income for future years.

### **Risk Management**

Under Bassetlaw District Council's Corporate approach to managing risk the above asset management/financial risks have been assessed. Ability to achieve capital receipts target scored as an amber (medium risk) and therefore ongoing review and monitoring is necessary as identified above. In the Corporate Property Strategy – Disposals Policy, it is identified that the CPO should be closely involved in setting the capital receipts target in order to mitigate risk and ensure that the capital receipts target is sustainable.

In respect of revenue income generated from investment property the risk of not achieving the target is rated as green(low risk) due to the likelihood of any variance being in the region of less than £50k based on past performance and also property services staff are heavily involved in forecasting the budget.

A key area which requires review is in respect of Health and Safety arrangements for council properties which has been assessed as an amber risk as existing systems are in place to manage key areas for example: legionella, asbestos , electrical safety and condition . A review of controls will be carried out this year alongside proposals to implement a new property management system.



## **Overview**

Performance monitoring is essential to ensure that the property portfolio is achieving strategic outputs. New indicators will be implemented this year which are directly linked to the main aims of the Council. The performance indicators are reported annually to Performance Improvement Scrutiny Committee in a report which describes and evaluates how the Council's asset base contributes to the strategic plan objectives.

## **Performance Indicators**

It is recognised that an effective performance management framework is essential in delivering a well run Asset Management Service.

The Council are collecting the new COPROP performance management national property performance indicators. These are in summary :-

### ***PMI 1 Condition and Required Maintenance***

This indicator highlights maintenance backlog and indicates the percentage of planned maintenance which the authority is undertaking. The emphasis of this measure is to ensure that property assets are fit for purpose.

### ***PMI 2 Environmental Property Issues***

Measurement of running costs for property (Gas, electricity and water) and assess the level of CO2 emissions generated from Property.

### ***PMI 3 Suitability Surveys***

In line with ensuring that premises meet the requirements of service users, suitability surveys are used to highlight service user issues with buildings in order that an action plan can be formulated.

Local/Corporate Property Performance Indicators as summarised below:-

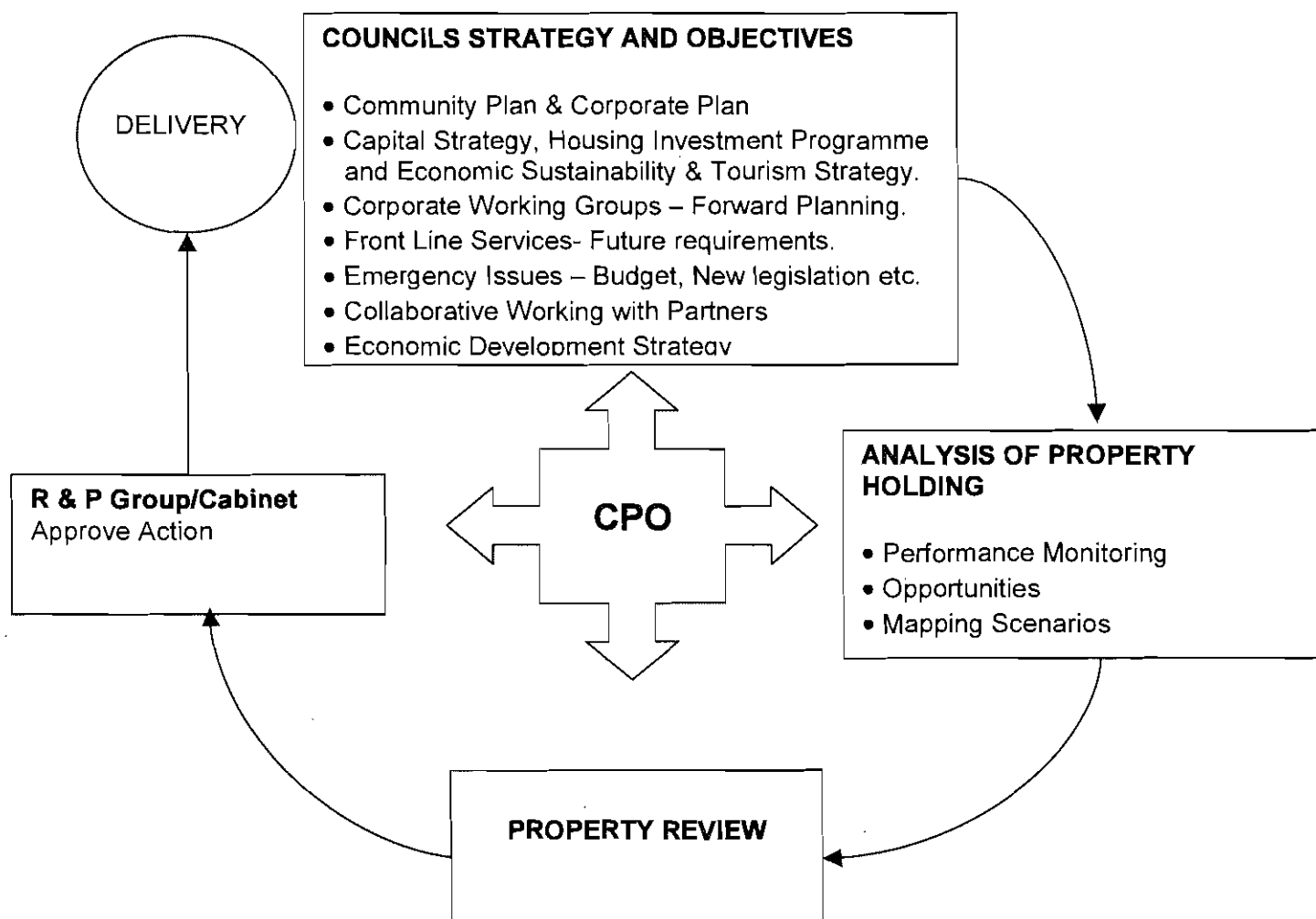
| <b>Ref</b> | <b>Indicator</b>  | <b>Definition</b>  | <b>Corporate Link</b>   |
|------------|---|--|-------------------------|
| LPI 1      | Performance of capital disposals against target set                 | % of financial value achieved against financial target                 | Efficient and Effective |
| LPI 2      | Annual Rental Growth (Investment Property)                          | Used to identify good / poor performance within the Property Portfolio | Efficient and Effective |
| LPI 3      | % Revenue Income achieved against target                            | Used to highlight annual investment property performance               | Efficient and Effective |
| LPI 4      | Voids   | No of lettable units void as a % of the total units                    | Efficient and Effective |
| LPI 5      | Jobs Created  | Net gains for key property transactions                                | Jobs and Enterprise     |
| LPI 6      | No of new Affordable Housing Units delivered directly or indirectly | As stated  | Safe and Strong         |

## 9 FORWARD PLANNING

### Property Review/Suitability

A robust property review exercise is fundamental in developing an effective asset management strategy. The Council's second round review programme is currently underway and continuously challenges whether our current property holdings are achieving the Council's aims and objectives.

The review process is outlined below:



The property review process ensures that the Council's reason for holding property is clear and relevant. The review takes into account the Council's future property requirements, strategic issues, performance measures outlined in section 5 and future maintenance liabilities. The standard property review sheet is included in Appendix 1.

For operational properties the views of the service managers are vital in understanding whether service properties are fit for purpose and are able to meet the future requirements of the Authority. The method of obtaining this feedback is through suitability surveys and structured interviews with service managers. In addition to more formal methods of consultation the CPO interacts daily with front line services and has a full understanding of their requirements. The standard suitability survey is also attached in Appendix 8. The results of the survey are then used to complete the suitability matrix as part of the property review exercise.

As part of the liaison process with front line services the CPO regularly attends Portfolio Holder meetings to discuss property issues through a workshop style process.

## **Future Requirements**

As shown in the Property Review process model above, the CPO plays an active role in strategy formulation in addition to a financial role in ensuring that sufficient monies are generated to fund the Council's Corporate Plan commitments and Housing Investment Programme.

The CPO attends the working groups outlined below and provides a direct corporate link to Property and Regeneration Group. The future requirements of the Authority can then be translated into Asset Management Policy.

- i A1 Housing Project Board – To determine Housing Strategy in Bassetlaw
- ii Regular property meetings with Nottinghamshire County Council, Bassetlaw PCT and Nottinghamshire Police – Regular meetings held at officer level to discuss property issues with a view to collaborative working.
- iii Bassetlaw LDF Group – Considering regeneration issues as part of the LDF.
- iv Bassetlaw Newark and Sherwood Crime Partnership- Property input required to improve crime hotspot areas.
- v Sustainability Group

Attendance at the above Working Groups is essential to providing a corporate understanding of property issues. Property Input has been the catalyst for new delivery solutions as evidenced below:-

- Bassetlaw PCT recently contacted Estates with a requirement to purchase/ lease a site for the construction of a 24 hour doctors surgery in Manton. A site was identified by the Council as is currently under consideration by the PCT.

## **National Links**

An important part of the Asset Management process and keeping up to date with latest information is membership of the CIPFA Asset Management Planning Network.

Through this Group the CPO is made aware of future changes which affect Asset Management and the Council benchmarks performance information with member authorities.

The Network is a valuable source of information and member authorities share information on a number of issues.

## **APPENDIX 1**

### **Property Review / Suitability**

## PROPERTY HOLDINGS REVIEW - ASSESSMENT SHEET

1. **PROPERTY**
2. **PROPERTY CATEGORY**
3. **DESCRIPTION**
4. **FLOOR AREAS/SITE AREA**



### **5. CONTRIBUTION TO COUNCIL'S MAIN AIMS/OBJECTIVES**

|                               | <b>Low</b> | <b>Medium</b> | <b>High</b> |
|-------------------------------|------------|---------------|-------------|
| Creating a Better Environment |            |               |             |
| Crime and Community Safety    |            |               |             |
| Promoting Social Inclusion    |            |               |             |
| Transport and Access          |            |               |             |
| Addressing Housing Needs      |            |               |             |
| Lifelong Learning             |            |               |             |
| Jobs and Regeneration         |            |               |             |
| Promoting Healthy Communities |            |               |             |
| Leisure and Culture           |            |               |             |
| Investment Property           |            |               |             |
| Operational Property          |            |               |             |

## **6. TENURE DETAILS**

## **7. MAINTENANCE**

7.1 Current Condition:

7.2 Actual Maintenance Cost(last Financial Year) : £

7.3 Provisional Allocation in Planned Maintenance Budget - £

7.4 Planned Maintenance Requirements:

|        |   |
|--------|---|
| Year 1 | £ |
| Year 2 | £ |
| Year 3 | £ |
| Year 4 | £ |
| Year 5 | £ |

|              |          |
|--------------|----------|
| <b>Total</b> | <b>£</b> |
|--------------|----------|

## **8. RUNNING COSTS/ENERGY USE**

8.1 Water:

8.2 Gas:

8.3 Electric:

8.4 Business Rates:

8.5 Management Issues:

## **9. COMMITTEE - Executive**

## 10. PLANNING -

## 11. PERFORMANCE MEASUREMENTS

11.1 Capital Value

11.2 Income:

11.3 Frequency of Review/Next Review

11.4 Annual Rental Growth Rate:

11.5 Internal Rate of Return:

11.6 Investment Performance Matrix

|                                      |                 |                |
|--------------------------------------|-----------------|----------------|
| Good Performance<br>Poor Performance | B               | A              |
|                                      | D               | C              |
|                                      | High Investment | Low Investment |

11.7 Suitability Matrix (Operational Properties Only)

|                                     |                 |                |
|-------------------------------------|-----------------|----------------|
| High suitability<br>Low Suitability | B               | A              |
|                                     | D               | C              |
|                                     | High Investment | Low Investment |

**12. COMMITTEE - Executive**

**13. OPTIONS Corporate/Financial/Service Considerations)**

- 1 Retain
- 2 Dispose of Freehold
- 3 Lease the site to generate rental income

**Corporate**

**Financial**

**Service Considerations**

**14. OTHER COMMENTS**

**15. RECOMMENDATION**

## Suitability Questionnaire

Date:

**Property:**

Suitability Score 0 (Worst: Not Suitable) – 10 (Best: Very Suitable)

| Suitability Elements                       | Score |
|--|-------|
| 1) Location of Premises                    |       |
| 2) Amount of Floor space/Land              |       |
| 3) Quality of Facilities                   |       |
| 4) Car Parking                             |       |
| 5) Layout                                  |       |
| 6) Running Costs                           |       |
| 7) DDA Compliant                           |       |
| 8) Corporate Image                         |       |
| 9) Adaptability                            |       |
| 10) Potential to meet future Requirements. |       |
| 11) Staff Satisfaction                     |       |
| 12) Customer satisfaction                  |       |
| TOTAL                                      |       |
| Other comments from Service Provider       |       |

Scores of less than 60 generally require action to address Property Issues either through new Property solutions or work to address key suitability elements outlined above.

Action Plan would be identified in Property Review process

**BASSETLAW DISTRICT COUNCIL**

**CABINET**

**12 FEBRUARY 2009**

**REPORT OF HEAD OF FINANCE & PROPERTY**

**GENERAL FUND CAPITAL PROGRAMME 2009/10 TO 2013/14**

Cabinet Member: Finance & Property

Contact: Mike Hill

Ext: 3174

**1. Public Interest Test**

- 1.1 The author of this report, Mike Hill, has determined that the report is not confidential.

**2. Purpose of the Report**

- 2.1 To approve the General Fund Capital Programme for 2009/10 to 2013/14. There is a separate report on this agenda detailing expenditure on the Housing Capital Programme.

**3. Background and Discussion**

- 3.1 In July 2008, all managers were asked to prepare a list of potential capital schemes for the five-year period to 2013/14, and submit these to the Regeneration & Property group for consideration.
- 3.2 These have been assessed by the Regeneration & Property group, and scored in accordance with the Capital Prioritisation Process (details of which are provided within the Capital Investment Strategy report elsewhere on this agenda).

**Capital Prioritisation Process**

- 3.3 The process is designed to demonstrate a level of objectivity in the selection of projects. It is numerically based, and allocates points to projects dependant upon the categories into which they fall. The aim is to demonstrate how the Council selects projects that will achieve its overall objectives and is not biased towards particular service interests. A summary is provided below:

| Category | Criteria  | Points |
|----------|---|--------|
| A        | A mandatory legal requirement to provide the service or asset that enables the service to be provided and that obligation cannot be met in any other way.         | 12     |
| B        | There is a demonstrable priority need to replace the asset/service on an essentially like for like basis, as the existing asset is at the end of its useful life. | 12     |
| C        | There is an expectation by the government that the Council should undertake a particular course although it may not be  | 10     |

|   |  |    |
|---|--|----|
|   | currently statutory and there is a likelihood of some form of sanction being applied against the Council if that expectation is not met. |    |
| D | The project is based on the principle that investment in the service will result in savings in the future.                               | 10 |
| E | Funding is required to supplement a S106 agreement and that funding must be met during the year in question.                             | 8  |
| F | Match funding is available of at least 50% of the project cost.  | 8  |
| G | The project meets objectives in one of the Council's approved strategy statements.   | 6  |
| H | The project meets service plan objectives or Members have previously approved it as a bid.   | 4  |

- 3.4 Additional points are also allocated by taking account of particular attributes of projects. For example, by meeting Council objectives, by offering opportunity for improvement/betterment, meets health & safety requirements, any revenue implications, or from working in partnership.

#### Capital Resources Available

- 3.5 The actual capital receipts that the Council holds that are not currently allocated to a capital project is £94,000. Coupled with this is a Property Maintenance reserve of £144,000 that has been in existence for several years and remains unspent.
- 3.6 The revenue budget also contains adequate provision for the replacement of vehicles throughout the life of the capital programme. In respect of the financing of replacement vehicles, plant and equipment, an options appraisal will be undertaken to determine the most appropriate funding arrangements, for example, will the Council be better off by raising an external loan or using leasing. For either option the revenue base budget exists to fund the repayments, and can therefore be assumed as an available capital resource.
- 3.7 It has been reported to Cabinet that a major capital receipt is imminent in respect of the Turner Road/Carlton Road site. This will have a significant impact on the capital programme and the Council's ability to invest in Bassetlaw.
- 3.8 Consequently, this report is proposing a two phased capital programme as follows:
- Phase 1 – restricted to available capital resources (Appendix A);
  - Phase 2 – further schemes subject to receipt of further capital sums (Appendix B).

#### Capital Programme – Phase 1

- 3.9 The capital programme for Phase 1 has been set in accordance with the Capital Prioritisation process, and only includes schemes that are seen as the highest priority to the Council i.e. categories A and B. The capital programme under Phase 1 has been restricted to those capital resources currently available as highlighted in paras 3.5 and 3.6 above.
- 3.10 The development of Retford Market Square is seen as a Council priority, and has therefore been included within Phase 1 of the capital programme. If further capital receipts are not forthcoming, then the only option available to the Council to complete this scheme would be to undertake additional borrowing. As this would be unsupported i.e. the Council would not receive additional government grant to

fund the repayment costs, then the repayment costs will have to be affordable and met from General Fund balances. The annual revenue costs for this would be approximately £75,000 and can be met from balances until such time that enough capital receipts are generated in order to pay off the debt.

- 3.11 It is proposed that the CCTV Digital upgrade scheme be the top priority for Phase 2, and if for any reason the major capital receipt was delayed, this scheme will have the first call on any future capital receipts generated during the year.

#### Capital Programme – Phase 2

- 3.12 The capital programme for Phase 2 has again been set in line with the Capital Prioritisation process, but extends to include schemes from all areas of the Council.
- 3.13 The programme has been restricted to reflect likely capital receipts, and will not become active until sufficient capital receipts have been received.
- 3.14 Further details on each capital scheme is provided for information at Appendix C.
- 3.15 Should Members wish for some of these additional bids to proceed before capital receipts are received, then the only option is that the Council undertakes additional borrowing. Again, this is highly dependent on the repayment costs being affordable, and this is not advised at this stage. As a general guide, the following table shows the effect on the revenue base budget for differing amounts of borrowing.

| <b>Amount of Borrowing</b> | <b>Annual Revenue Cost</b> | <b>Council Tax Impact at Band D</b> |
|----------------------------|----------------------------|-------------------------------------|
| <b>£</b>                   | <b>£</b>                   | <b>£</b>                            |
| 1,000,000                  | 80,000                     | 2.24                                |
| 500,000                    | 40,000                     | 1.12                                |
| 100,000                    | 8,000                      | 0.22                                |

- 3.16 It is proposed that not all of the potential capital receipts are allocated at this stage, due to the need to retain some level of contingency. Furthermore, very early preliminary discussions are currently taking place with regard to the redevelopment of the area.

#### Future Capital Programmes

- 3.17 It is intended that the capital programme will be refreshed each year. However, it is unlikely that major capital receipts of the magnitude of Turner Road/Carlton Road will be received again in the short term due to the current economic climate. Capital bids that are not in the programme are therefore not affordable without future capital receipts, leaving only wholly externally funded schemes being added to the programme.

#### 4. **Implications**

a) For Service Users

The capital programme has been developed using the capital prioritisation process, and seeks to improve services by aligning resources to the agreed Council priorities.

b) Strategic & Policy

The capital programme has been developed having regard to the Community Strategy and Corporate Plan. In particular, it supports the delivery of the Council's priority to be efficient and effective through the Medium Term Financial Plan.

c) Financial – Ref: 09/285

These are included within the main body of the report. Additionally, the revenue consequences of all schemes have been assessed and approval of the General Fund revenue base budget will include provision for any impact.

d) Legal – Ref: 730/02/09

None arising directly from this report.

e) Human Resources

None arising directly from this report.

f) Community Safety, Equalities & Environmental

None arising directly from this report.

g) This is a key decision, reference number 194.

#### 5. **Options, Risks and Reasons for Recommendations**

5.1 The report indicates that resources for capital investment are currently very limited. Further options will become available on the generation of additional capital receipts, and Members have the opportunity to amend the proposed capital programme as they see fit. Other options are available through unsupported borrowing, although this would have a detrimental impact on the General Fund revenue budget.

5.2 Paragraph 10.1 of the Financial Regulations state “...*inclusion of a provision in the approved capital budget shall not be regarded as an authority to enter into a commitment to spend such monies until the proposal and its estimated costs broken down into relevant constitute parts (e.g. land, fees, works) have been approved by Cabinet.*”

5.3 This Regulation has caused much confusion for officers in the past, and has lead to delays in commencing capital spending. In some circumstances this can have an impact on the outturn, and the levels of resulting slippage in the capital programme.

It is therefore recommended that a departure from the Financial Regulations is approved for minor capital schemes (defined as £200,000 to coincide with the limit that the Contract Procedure Rules para 18.3 specifies as requiring Cabinet approval for tendering contracts).

## **6. Conclusions**

- 6.1 It is prudent not to commence phase 2 of the capital programme until sufficient additional capital receipts have been generated to support the capital expenditure.
- 6.2 There are some major capital schemes that require external funding. It is important that these bids are scrutinised effectively before the Council commits any capital resources, and that progress on these schemes is reported back to Cabinet on a regular basis.

## **7. Recommendations**

- 7.1 That officers be delegated the authority to commence schemes without the prior need to report back to Cabinet if the Council is the sole funder of a capital scheme with a budget of £200,000 or less (subject to the usual requirements to obtain quotations or tenders).
- 7.2 That Cabinet approves the Phase 1 Capital Programme 2009/10 to 2013/14 of £5,813,000 as shown at Appendix A, and recommends these to full Council on 2<sup>nd</sup> March 2009.
- 7.3 That Cabinet approves the Phase 2 Capital Programme 2009/10 to 2013/14 of £11,530,000 as shown at Appendix B, subject to the receipt of the capital funding, and recommends these to full Council on 2<sup>nd</sup> March 2009.

**Background Papers**  
Capital Bids & Resourcing  
Statements

**Location**  
Accountancy Office

**PHASE 1 SUMMARY OF GENERAL FUND CAPITAL BIDS 2009/10 TO 2013/14**

| Committee                                 | Officer Responsible | * = Internal Investment | Scheme   | 2009/10    |           | 2010/11    |              | 2011/12   |            | 2012/13  |              | 2013/14  |            | Total        |              | Total        | Phase 1 |       |
|---|---------------------|-------------------------|--|------------|-----------|------------|--------------|-----------|------------|----------|--------------|----------|------------|--------------|--------------|--------------|---------|-------|
|   |                     |                         |  | BDC        | Ext       | BDC        | Ext          | BDC       | Ext        | BDC      | Ext          | BDC      | Ext        | BDC          | Ext          |              | A-H     | Score |
| <u>GENERAL FUND</u>                       |                     |                         |  | £'000      | £'000     | £'000      | £'000        | £'000     | £'000      | £'000    | £'000        | £'000    | £'000      | £'000        | £'000        |              |         |       |
| E & H                                     | I Roebuck           | *                       | Replacement Heating Vehicle Maintenance Workshop     | 40         |           |            |              |           |            |          |              |          |            | 40           | 0            | 40           | A       | 12    |
| E & H                                     | J Bowler            |                         | Flood Response (Pumps for 4x4 Vehicle)               | 30         |           |            |              |           |            |          |              |          |            | 30           | 0            | 30           | A       | 12    |
| F & P                                     | J Bowler            | *                       | Emergency Electrical Supply to Operational Buildings | 50         |           |            |              |           |            |          |              |          |            | 50           | 0            | 50           | A       | 12    |
| F & P                                     | J Bowler            | *                       | Workshop Town Hall Kitchen & Servery Upgrade         | 80         |           |            |              |           |            |          |              |          |            | 80           | 0            | 80           | A       | 12    |
| E & H                                     | I Roebuck           | *                       | Replacement Vehicles/Plant Leasing                   |            | 98        |            | 1,237        |           | 441        |          | 1,433        |          | 904        | 0            | 4,113        | 4,113        | B       | 12    |
| Com P                                     | R Slater            |                         | Retford Market Square                                | 100        |           | 810        | 500          | 90        |            |          |              |          |            | 1,000        | 500          | 1,500        | B       | 12    |
| <b>TOTAL GENERAL FUND PHASE 1</b>         |                     |                         |  | <b>300</b> | <b>98</b> | <b>810</b> | <b>1,737</b> | <b>90</b> | <b>441</b> | <b>0</b> | <b>1,433</b> | <b>0</b> | <b>904</b> | <b>1,200</b> | <b>4,613</b> | <b>5,813</b> |         |       |
| <u>ANALYSIS OF EXTERNAL FUNDING</u>       |                     |                         |  |            |           |            |              |           |            |          |              |          |            |              |              |              |         |       |
| Revenue Leasing                           |                     |                         |  |            | 98        |            | 1,237        |           | 441        |          | 1,433        |          | 904        |              | 4,113        |              |         |       |
| European Regional Development Fund (ERDF) |                     |                         |  |            |           |            | 500          |           |            |          |              |          |            |              | 500          |              |         |       |
| <b>TOTAL EXTERNAL FUNDING</b>             |                     |                         |  |            | <b>98</b> |            | <b>1,737</b> |           | <b>441</b> |          | <b>1,433</b> |          | <b>904</b> |              | <b>4,613</b> |              |         |       |

**PHASE 2 SUMMARY OF GENERAL FUND CAPITAL BIDS 2009/10 TO 2013/14**

| Committee                           | Officer Responsible | * = Internal Investment | Scheme  | 2009/10      |            | 2010/11      |              | 2011/12    |           | 2012/13   |          | 2013/14     |          | Total        |              | Total         | Phase 1 |       |
|-------------------------------------|---------------------|-------------------------|---|--------------|------------|--------------|--------------|------------|-----------|-----------|----------|-------------|----------|--------------|--------------|---------------|---------|-------|
|                                     |                     |                         |   | BDC          | Ext        | BDC          | Ext          | BDC        | Ext       | BDC       | Ext      | BDC         | Ext      | BDC          | Ext          | £'000         | A-H     | Score |
|                                     |                     |                         |   | £'000        | £'000      | £'000        | £'000        | £'000      | £'000     | £'000     | £'000    | £'000       | £'000    | £'000        | £'000        |               |         |       |
| <b>GENERAL FUND</b>                 |                     |                         |   |              |            |              |              |            |           |           |          |             |          |              |              |               |         |       |
| E & H                               | David Linley        |                         | Public Toilets Langold Country Park                   | 60           |            |              |              |            |           |           |          |             |          | 60           | 0            | 60            | B       | 12    |
| E & H                               | I Roebuck           |                         | Retford Road Cemetery, Worksop Access Roads           | 30           |            | 30           |              |            |           |           |          |             |          | 60           | 0            | 60            | B       | 12    |
| Com P                               | D Armiger           |                         | CCTV Digital Upgrade                                  | 200          |            |              |              |            |           |           |          |             |          | 200          | 0            | 200           | B       | 12    |
| F & P                               | M Wheeler           | *                       | Capital Improvement/Corporate Repairs/Invest Property | 200          |            | 300          |              |            |           |           |          |             |          | 500          | 0            | 500           | B       | 12    |
| F & P                               | J Bowler            | *                       | Refurbishment of Worksop Town Hall Toilets            | 120          |            |              |              |            |           |           |          |             |          | 120          | 0            | 120           | B       | 12    |
| SS                                  | M Coley             | *                       | IT Computer Replacement Fund                          | 50           |            | 50           |              | 50         |           | 50        |          | 50          |          | 250          | 0            | 250           | B       | 12    |
| E & H                               | Chris Shaw          |                         | Provision of Green Waste Refuse Vehicle & Bins        | 67           | 83         | 150          |              |            |           |           |          |             |          | 217          | 83           | 300           | C       | 10    |
| E & H                               | I Roebuck           |                         | Refurbishment of Recycling Bring Sites                | 45           |            | 45           |              |            |           |           |          |             |          | 90           | 0            | 90            | C       | 10    |
| Com P                               | R Schofield         |                         | Buildings at Risk                                     | 100          |            |              |              |            |           |           |          |             |          | 100          | 0            | 100           | C       | 10    |
| F & P                               | J Bowler            |                         | Hydraulic Catchment Area Studies - Trentside Villages | 90           |            |              |              |            |           |           |          |             |          | 90           | 0            | 90            | C       | 10    |
| F & P                               | J Bowler            |                         | Flood Alleviation Works - Minor Schemes               | 100          |            | 100          |              |            |           |           |          |             |          | 200          | 0            | 200           | C       | 10    |
| F & P                               | M Wheeler           | *                       | Pump Priming Property Disposal Fund                   | 50           |            |              |              |            |           |           |          |             |          | 50           | 0            | 50            | D       | 10    |
| Com P                               | R Wilkinson         |                         | Retford Enterprise Centre                             | 300          | 141        |              | 1,919        |            | 96        |           |          |             | -300     | 0            | 2,156        | 2,156         | E       | 8     |
| Com P                               | R Schofield         |                         | Bridge Street, Worksop (including Pedestrianisation)  | 130          |            | 1,000        | 2,000        |            |           |           |          |             |          | 1,130        | 2,000        | 3,130         | F       | 8     |
| F & P                               | M Wheeler           |                         | Cinema  |              |            | 2,654        |              |            |           |           |          |             |          | 2,654        | 0            | 2,654         | F       | 8     |
| E & H                               | C Shaw              |                         | Canch Redevelopment                                   | 138          |            | 163          |              | 189        |           |           |          |             |          | 490          | 0            | 490           | G       | 6     |
| Com P                               | D Armiger           |                         | Strategic Intervention Fund                           | 1,000        |            |              |              |            |           |           |          |             |          | 1,000        | 0            | 1,000         | G       | 6     |
| E & H                               | Ian Roebuck         |                         | Toilet Facility Hannah Park Cemetery                  | 80           |            |              |              |            |           |           |          |             |          | 80           | 0            | 80            | H       | 4     |
| <b>TOTAL GENERAL FUND PHASE 2</b>   |                     |                         |   | <b>2,760</b> | <b>224</b> | <b>4,492</b> | <b>3,919</b> | <b>239</b> | <b>96</b> | <b>50</b> | <b>0</b> | <b>-250</b> | <b>0</b> | <b>7,291</b> | <b>4,239</b> | <b>11,530</b> |         |       |
| <b>ANALYSIS OF EXTERNAL FUNDING</b> |                     |                         |   |              |            |              |              |            |           |           |          |             |          |              |              |               |         |       |
|                                     |                     |                         | Waste Performance and Efficiency Grant                |              | 83         |              | 0            |            | 0         |           | 0        |             | 0        |              | 83           |               |         |       |
|                                     |                     |                         | East Midlands Development Agency (EMDA)               |              | 141        |              | 1,919        |            | 96        |           | 0        |             | 0        |              | 2,156        |               |         |       |
|                                     |                     |                         | Grant Funded applications to be submitted             |              | 0          |              | 2,000        |            | 0         |           | 0        |             | 0        |              | 2,000        |               |         |       |
| <b>TOTAL EXTERNAL FUNDING</b>       |                     |                         |   |              | <b>224</b> |              | <b>3919</b>  |            | <b>96</b> |           | <b>0</b> |             | <b>0</b> |              | <b>4,239</b> |               |         |       |

### GENERAL FUND CAPITAL BIDS

#### Replacement Heating Vehicle Maintenance Workshop

The current heating system was installed when the workshops opened in 1996 and is inefficient and expensive to run. The Council's Energy Officer has estimated the new system will save £8,000 per year in fuel costs, which will cover the capital costs of the new system over a 5 year period.

#### Flood Response (Pumps for 4x4 Vehicle)

Provision of two tow-able suction pumps to provide a First Response service to incidents of localized flooding. This bid covers the purchase of the pumps only as a vehicle already in BDC ownership can be utilized for this purpose.

#### Emergency Electrical Supply to Operational Buildings

Electrical works to provide generator couplings to all operational buildings and purchase of optimum size tow-able emergency generator.

#### Workshop Town Hall Kitchen & Servery Upgrade

Refurbishment of kitchen fixtures & fittings including redecoration and upgrading of wall and floor finishes in compliance with health & safety legislation. Replacement kitchen appliances & improved ergonomic kitchen layout design.

#### Replacement Vehicles/Plant Leasing

The figures relate to the Council's rolling programme of vehicle and plant replacements over the next 5 years.

#### Retford Market Square

This project follows the publication of a Masterplan and Design Guide aimed at increasing the viability of Retford Market Square and adjoining areas. It will do this by implementing improvements to the town's market square and enhancing the appearance of surrounding business areas, preserving and promoting heritage assets, creating an area for public performances, and enhancing signage and street furniture.

Whilst the Masterplan includes proposals for a number of surrounding streets this project is primarily focussed on the Market Square. The area will be repaved using suitable materials that will be robust enough to cope with the anticipated usage of the area whilst appropriate for the historical context in which it is being used.

It is hoped that these will improve the environment significantly and increase the attraction of this area of town to retailers and shoppers alike.

It is estimated that the works to the Market Square will cost in the region of £1.5 million and an application has already been made to the ERDF programme for a contribution of £500,000 towards the scheme.

Discussions are also being held with Nottinghamshire County Council regarding the implementation of the proposals relating to Market Place (the section of highway that runs between Cannon Square and Market Square). This work, which may cost approximately £500,000, are considered essential to deliver a coherent and effective solution.

### Public Toilets Langold Country Park

The current facilities were inherited when the Council took over the Country Park in 1974 and are in urgent need of replacement/refurbishment to bring them up to acceptable standards.

### Retford Road Cemetery, Worksop Access Roads

Significant improvements to access roads have been carried out over the last 2/3 years to address the potential for trip/fall accidents. This bid is to conclude the ongoing programme of roadway improvements.

### CCTV Digital Upgrade

The purpose of this project is to enable the Bassetlaw CCTV system to be upgraded from the ageing analogue system currently in use to digital technology. This will involve upgrading all of the existing cameras and the control room to provide a more resilient, flexible system and to reduce reliance on videotape and other older technology, which is becoming difficult to obtain. The upgrade should also reduce costs by moving to a wireless system.

### Capital Improvement/Corporate Repairs/Investment Property

This sum of money is essential in order to address the maintenance backlog that will be identified by the revised planned maintenance surveys and will be put towards physical improvements to the Councils Corporate/Investment Properties. Improvements will be prioritised in accordance with Asset Management Policy.

### Refurbishment of Worksop Town Hall Toilets

Refurbishment of Worksop Town Hall dilapidated toilets on the ground & 2nd floors. This has been subject to numerous complaints from members. (This work was not included in the Town Hall Electrical Renewal Contract.)

### IT Computer Replacement Fund

An IT replacement programme for PC's to virtual desktop technology. This allows the replacement of traditional desktop boxes with small control boxes reducing power consumption from 70 watts to 5 watts per hour. Full-scale replacement will provide revenue savings in running costs, plus it will save over 60 tonnes per annum of CO2.

### Provision of Green Waste Refuse Vehicle and Bins

Provision of a chargeable green waste collection service for the two principal towns of Worksop and Retford. Worksop and Retford will require purchase of one Refuse vehicle and collection bins and it is anticipated this will be extended throughout the district by 2011/12. A Capital Waste Performance Efficiency Grant £83,000 has already been received during 2008/09 and can be used to part fund this project.

### Refurbishment of Recycling Bring Sites

There are over 60 bring sites across the District. The bid is to improve the standard of the facilities through improved signage, ground surface and fencing where necessary. In addition the bid includes for the replacement or refurbishment of the actual storage containers on the sites, where necessary.

### Buildings at Risk

There are 19 Conservation Areas and over 1000 Listed Buildings in Bassetlaw. These make a huge contribution to the quality of life of local residents, adding to an attractive environment and a strong sense of local distinctiveness.

Sadly, the District also has a significant number of historic buildings and streetscapes in grave states of disrepair. At present, the Council is unable to offer any more than professional advice relating to their repair and is in no position to be proactive in addressing regeneration opportunities that exist among the many 'at risk' buildings in the District.

The establishment of a Buildings at Risk Fund would enable the Council to contribute to high-profile restoration projects; provide targeted grants where appropriate, to enable repairs to historic buildings across Bassetlaw; and seek match funding for larger projects (e.g. streetscape improvements).

### Hydraulic Catchment Area Studies - Trentside Villages

Catchment area studies for the most flood susceptible villages. They have been determined by extremity and regularity of flooding, and are: North Leverton with Habbleshthorpe, (to include Sturton-le-Steeple which is in the same catchment area), Claborough/Hayton and Walkeringham.

### Flood Alleviation Works - Minor Schemes

Investigation works and joint party discussions with residents, Parish Councils, Nottinghamshire County Council, Internal Drainage Boards and Severn Trent Water, have to date, identified a number of localised flooding problems which, with District Council input, can be resolved. These are generally small schemes, which require a multi agency approach and where clear lines of ownership /responsibility are not determined.

### Pump Priming Property Disposal Fund

This fund is required to bring 7-8 key residential sites identified in the Asset Management Plan to market. The funds are required for:

- 1) Ground Investigations
- 2) Obtaining Planning Permission
- 3) Traffic Impact Assessments
- 4) Reports on site services
- 5) Other consultants fees

As a result of bringing the sites to market, enhanced capital receipts will be received by the Council.

### Retford Enterprise Centre

This project will be fully funded from two sources: Emda £1.6 million, BDC £800,000 from S106 contribution for former Bridon Rope site.

However, in the current economic climate the S106 funding, which is payable when development of the site commences, is less likely to come forward early. Confirmation of the Emda grant is expected imminently, and without our commitment (i.e. contractual obligations arising from the grant offer) to proceed, the £1.6 million of external funding will be lost.

The inclusion of £300,000 in the capital programme therefore guarantees the delivery of this project, with the repayment of the S106 to be made on completion of the Centre.

### Bridge Street, Worksop (including Pedestrianisation)

This proposal is twofold. First, it has long been proposed to curtail traffic movement on the street through the insertion of bollards at either end. We are currently awaiting a decision from NCC on whether this will be permissible. If we are given the go-ahead, we will need to fund this work ourselves in 2009/10.

Second, work is currently underway to produce options for potential redesign of Bridge Street, with a view to securing improvements to the decaying streetscape and buildings. It is hoped that these will improve the environment significantly and increase the attraction of this area of town to retailers and shoppers alike.

It is estimated that this work may cost around £3M, with the aim being to secure some external funding through a Townscape Heritage Initiative bid to be submitted in November 2009. Council match funding commitment would be needed, with a view to commencing work in 2010/11.

### Cinema

The subsidy payment of £2,654,000 is payable on completion of the cinema development under the Turner Road Development agreement. The money is part of the capital receipt and it is estimated that completion will take place in 2010/11, assuming Henry Boot can bring forward a commercially viable development.

### Canch Redevelopment

The Canch is the most prominent and accessible public green space in central Worksop. It is, however, in a poor state of repair, is under used and poorly publicised.

The bid is for the refurbishment and upgrading of facilities at Memorial Avenue Gardens in Worksop, to include play facilities and other features at the Canch, together with improvements to the formal gardens and associated pathways and furniture. The works will complement the redevelopment of Worksop Library and the proposal to develop Canal Road to provide a Riverside Walk with link into Memorial Avenue Gardens/The Canch.

### Strategic Intervention Fund

The aim of the fund is to provide an opportunity to purchase land and properties that can either open up wider areas for development or which have an un-realised development potential. This will allow more sustainable development packages to be put together or will release sites for development which would have otherwise been constrained.

The main focus for investment should be employment or commercial schemes, but mixed use schemes involving residential should be considered, particularly where the residential element brings forward the other elements of the site. The fund should be self-sustaining with any disposals being used to replenish the balance.

### Toilet Facility Hannah Park Cemetery

To provide a single unisex/disabled toilet facility at Hannah Park Cemetery for members of the public, visiting the Cemetery. In addition the provision of staff mess room, toilet facilities, and a storage area for machinery and equipment used in the cemetery, is also being proposed.

**BASSETLAW DISTRICT COUNCIL**

**CABINET**

**12 FEBRUARY 2009**

**REPORT OF THE HEAD OF FINANCE & PROPERTY**

**HOUSING CAPITAL PROGRAMME 2009/10 TO 2013/14**

Cabinet Member: Finance & Property

Contact: Mike Hill

Ext: 3174

**1. Public Interest Test**

The author of this report, Mike Hill, has determined that the report is not confidential.

**2. Purpose of the Report**

- 2.1 To approve the Housing Capital Programme for 2009/10 to 2013/14.

**3. Background and Discussion**

- 3.1 The majority of the Housing Capital Programme is spent on the maintenance and improvement of the Council's 7,000 Council Houses. Since 2004, an Arms Length Management Organisation (ALMO) has managed the Housing Stock: A1 Housing Bassetlaw Limited. Under the management agreement, the Council provides the funding of the Capital Programme, and A1 Housing makes the spending decisions. The ALMO is working towards the Government's Decent Homes target, under which all housing must be brought up to acceptable living standards by 2012.
- 3.2 The Housing Capital Programme is also used to fund improvements to Private Sector Housing. This takes the form of Disabled Facility Grants (DFG) and Private Sector Decent Homes Grants to private sector householders. The Council has a statutory duty to provide Disabled Facility Grants.
- 3.3 The Housing Capital Programme is funded by:
- Major Repairs Allowance
  - Specific Capital Grants
  - Supported Borrowing
  - Capital Receipts
  - Leasing

**Major Repairs Allowance**

- 3.4 The Council receives a Major Repairs Allowance (MRA) as part of the Housing Subsidy arrangements. It is to be spent on Council House Decent Homes work, and is calculated by the government based on a standard amount per dwelling. The government's assessment of Bassetlaw's MRA for 2009/10 is £588.16 per dwelling.

For 2009/10 this equates to a grant of £4.095m which the council can use to fund the Housing Capital Programme.

#### Specific Capital Grants

- 3.5 The Council receives Specific Capital Grants for Disabled Facility Grants (DFG) and for Private Sector Decent Homes Grants. On 10<sup>th</sup> December 2008, the government announced the allocation for 2009/10 for the Disabled Facilities Grant of £345,000. The announcement on the Private Sector Decent Homes Grant is still awaited, but our latest estimate for 2009/10 is £685,000.
- 3.6 On 29<sup>th</sup> February 2008, a consultation document entitled *"Disabled Facilities Grant: the Package of Changes to Modernise the Programme"* was released. It identified that one of the main criticisms of the DFG programme was the restrictive nature of the system. By relaxing the DFG framework, but still retaining the mandatory nature of the DFG, the need for greater flexibility and freedoms in administering the programme would still be addressed, whilst ensuring the delivery of adaptations as a priority was retained.
- 3.7 Previously, 60% of the funding for DFG's came from specific Communities and Local Government grant, and local authorities were required to fund the remaining 40% of cost from their own resources.
- 3.8 The proposed changes came into force on 22<sup>nd</sup> May 2008. A statement from the DCLG announced that:

*"To enable Local Authorities to deliver more responsive solutions the Disabled Facilities Grant split of 60:40 will be abolished from April 2008. Local authorities will receive a Disabled Facilities Grant allocation without a specified requirement to match this funding. This increased flexibility will allow Local Authorities to design services which fit with local delivery arrangements and the needs of individuals."*

*Communities and Local Government considers that, given the importance of providing adaptations, and the beneficial, preventative impact these have on other budgets, such as social care, local authorities will continue to prioritise this area. We are aware that many authorities currently contribute funding towards the DFG beyond the 40 per cent level, to reflect the need they have identified. We do not expect this change to have any negative impact on this practice. Indeed, we fully expect local authorities to be able to bring together other resources more transparently and coherently."*

- 3.9 In 2008, the Council was successful in attracting a DCLG grant totalling £585,000 in support of the Places for Change agenda. This will be used to expand and upgrade the Potter Street Homelessness Project, working in partnership with Framework Housing Association. It is anticipated that £200,000 will be spent during 2008/09 with the remaining £385,000 being incorporated into the capital programme within this report.

#### Supported Borrowing

- 3.10 A significant development in 2007/08 was the award of a two star rating to A1 Housing. The consequence of this was that the Government approved a £62m decent homes programme, phased over 5 years, for the improvement of the Council stock. The Council is allowed to borrow this money and will receive an allowance in the Housing Subsidy to cover the debt repayments.

- 3.11 The allocations of borrowing approvals are in the form of Supported Capital Expenditure (SCE), this being the maximum amount of borrowing that the Government will meet the costs of via the Housing Subsidy to the Housing Revenue Account (HRA). The amount allocated for 2009/10 is £11.5m. In addition to this, the Council has supported borrowing approval for another £0.44m which is ongoing into the longer term.
- 3.12 The Council could make additional borrowing over this limit but it would have to be funded from the HRA without Government support and obviously could only be undertaken if the HRA has sufficient capacity to fund the repayments. The Housing Revenue Account budget for 2009/10 is elsewhere on this agenda. The HRA report does not provide for any additional borrowing, as there are insufficient surplus budgets at this time.

#### Capital Receipts

- 3.13 The Council has available capital receipts from the sale of council dwellings under the Right to Buy scheme and from the sale of other housing land and property. The actual capital receipts that the Council holds that are not currently allocated to a capital project is £1.689m. In the proposed budget, capital receipts are used to fund three components of the Housing Capital Programme:
- The element of DFG and Private Sector Decent Homes grants not met by Government funding;
  - Additional amounts in support of Decent Homes initiatives;
  - Other capital improvement works that complement the Decent Homes initiatives.

#### Leasing

- 3.14 Leasing may be used as a funding option for vehicles and other equipment. An options appraisal will be done at the time of acquisition to determine the most appropriate funding arrangements. Currently, the Council undertakes leasing on behalf of A1 Housing in respect of vehicles, and then recharges this amount back to A1 Housing as a charge to their trading account.

#### Capital Programme

- 3.15 The proposed Housing Capital Programme is attached at Appendix A with further details at Appendix B. It has been developed by having regard to the HIP Strategy, the Housing Capital Allocations shown above, and the available capital receipts. The HRA element of the programme is managed by A1 Housing Bassetlaw Limited as part of the management agreement. Only broad areas of spend are shown as the ALMO determine the schemes upon which these resources are directed.
- 3.16 The forecasted level of future capital receipts has been significantly reduced in recent months. This is a prudent approach in response to:
- the current economic downturn and difficulties in arranging mortgages;
  - an expectation that council house tenants will await the completion of the Decent Homes work before procuring their property.

- 3.17 As a consequence, a sense of realism has been applied to the use of capital receipts in this years' programme. An overall allocation of £1.2m has been made for each of the two years 2009/10 and 2010/11, with £0.7m for A1 Housing and £0.5m for private sector housing. Discussions with A1 Housing have determined the split of their allocation between Decent Homes and other capital improvement works.

#### Future Capital Programmes

- 3.18 It is intended that the capital programme will be refreshed each year. However, any additions to the programme presented within this report will depend entirely on the announcement of further government capital grants or the availability of future capital receipts.

### **4. Implications**

a) For Service Users

The Housing capital programme has been developed using the capital prioritisation process, and seeks to improve the condition of both public and private sector housing stock within the District.

b) Strategic & Policy

The proposed programme is in line with the Council's Housing Investment Strategy, and A1 Housing's Business Plan for 2009/10. The Housing Capital Programme supports the Medium Term Financial Plan in delivering the Council's objectives of being efficient and effective.

c) Financial Ref: 09/656

These are included within the main body of the report.

d) Legal Ref: 729/02/09

None arising directly from this report.

e) Human Resources

None arising directly from this report, although the size of the Capital Programme has a direct effect on other services of the Council and A1 Housing Bassetlaw Ltd.

f) Community Safety, Equalities & Environmental

None arising directly from this report.

g) This is key decision, reference number 189.

### **5. Options, Risks and Reasons for Recommendations**

- 5.1 The report indicates that internal resources for capital investment are currently very limited. Further options will become available on the generation of additional capital

receipts, and Members have the opportunity to amend the proposed capital programme as they see fit. Other options are available through unsupported borrowing, although this would have a detrimental impact on the long-term sustainability of the Housing Revenue Account.

## **6. Conclusions**

- 6.1 The Council and A1 Housing have been set an important target to meet the decent Homes standard for all stock by 2012/13. Whilst the supported borrowing and Major Repairs Allowance will meet the vast majority of the costs, the balance at the end of the programme (unknown at this stage) will have to be met from capital receipts. It is therefore prudent to be realistic in the allocation of capital receipts in the early years, as a means of delivering objectives in the longer term.

## **7. Recommendations**

- 7.1 That Cabinet approves the Housing Capital Programme 2009/10 to 2013/14 of £74,004,000 as shown in Appendix A, and recommends these to full Council on 2<sup>nd</sup> March 2009.

### **Background Papers**

Housing Capital Budgets  
DCLG publications

### **Location**

Accountancy office

**SUMMARY OF HOUSING CAPITAL BIDS 2009/10 TO 2013/14**

| Committee                    | Officer Responsible | Scheme                                  | 2009/10      |              | 2010/11      |              | 2011/12      |              | 2012/13      |              | 2013/14      |              | Total        |              | Total  | Phase 1 |       |
|------------------------------|---------------------|---|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------|---------|-------|
|                              |                     |   | BDC<br>£'000 | Ext<br>£'000 | BDC<br>£'000 | Ext<br>£'000 | BDC<br>£'000 | Ext<br>£'000 | BDC<br>£'000 | Ext<br>£'000 | BDC<br>£'000 | Ext<br>£'000 | BDC<br>£'000 | Ext<br>£'000 | £'000  | A-H     | Score |
| FUNDING - HOUSING            |                     |   |              |              |              |              |              |              |              |              |              |              |              |              |        |         |       |
| E & H                        | G Jackson           | Disabled Facilities Grant               | 335          | 345          | 300          | 342          |              |              |              |              |              |              | 635          | 687          | 1,322  | A       | 12    |
| A1                           | R. Jennings         | Decent Homes                            | 500          | 14,691       | 500          | 16,757       |              | 16,255       |              | 13,869       |              | 4,986        | 1000         | 66,558       | 67,558 | A       | 12    |
| A1                           | R. Jennings         | Other Capital Improvements              | 200          | 1,344        | 200          | 1,395        |              |              |              |              |              |              | 400          | 2,739        | 3,139  | C       | 10    |
| E & H                        | G Jackson           | Decent Homes (Private Sector) Grants    | 165          | 685          | 200          | 550          |              |              |              |              |              |              | 365          | 1,235        | 1,600  | F       | 8     |
| E & H                        | G Jackson           | Places for Change                       | 0            | 330          | 0            | 55           |              |              |              |              |              |              | 0            | 385          | 385    | F       | 8     |
| TOTAL HOUSING                |                     |   | 1,200        | 17,395       | 1,200        | 19,099       | 0            | 16,255       | 0            | 13,869       | 0            | 4,986        | 2,400        | 71,604       | 74,004 |         |       |
| ANALYSIS OF EXTERNAL FUNDING |                     |   |              |              |              |              |              |              |              |              |              |              |              |              |        |         |       |
|                              |                     | ALMO Borrowing                          |              | 11,500       |              | 13,500       |              | 11,500       |              | 9,000        |              | 0            |              | 45,500       |        |         |       |
|                              |                     | Supported Borrowing                     |              | 440          |              | 440          |              | 440          |              | 440          |              | 440          |              | 2,200        |        |         |       |
|                              |                     | MRA                                     |              | 4,095        |              | 4,212        |              | 4,315        |              | 4,429        |              | 4,546        |              | 21,597       |        |         |       |
|                              |                     | Communities and Local Government Grants |              | 1360         |              | 947          |              | 0            |              | 0            |              | 0            |              | 2,307        |        |         |       |
| TOTAL EXTERNAL FUNDING       |                     |   |              | 17,395       |              | 19,099       |              | 16,255       |              | 13,869       |              | 4,986        |              | 71,604       |        |         |       |

### **HOUSING CAPITAL BIDS**

#### **Disabled Facilities Grant**

Disabled Facilities Grants cover a mandatory programme that assists in the provision of adaptations to properties occupied by households containing a disabled person, in order to ensure the accommodation meets their needs.

#### **Decent Homes**

Bid is consistent with affordability model submitted to Government to deliver Decent Homes by 2012/13.

Communities and Local Government agreed new allocations of ALMO funding on 21 December 2008, which released the funding allocation for 2008/09 and 2009/10.

ALMO allocations are normally made in two year tranches to give sufficient confidence to deliver their investment programmes prudently and to ensure that contractual arrangements provide good value for money. We are therefore awaiting notification of the funding allocation beyond 2009/10.

#### **Other Capital Improvements**

The delivery of this is dependant on the availability of funding. Prioritisation of expenditure has taken place to deliver within the funding available.

#### **Decent Homes (Private Sector) Grants**

Decent Homes (Private Sector) Grants are primarily targeted to ensure properties occupied by vulnerable people as defined in government guidance are brought to the decent homes standard. PSA targets indicate at least 70% of vulnerable people living in private sector accommodation should have housing that meets the government's decent homes standard by 2010 and 75% by 2011.

#### **Places for Change**

Places for Change Communities and Local Government (CLG) funding to expand and upgrade the Potter Street Homelessness Project, working in partnership with Framework Housing Association. Initial Capital budget approved by Cabinet 8 July 2008 for three years.

**BASSETLAW DISTRICT COUNCIL**

**CABINET**

**12 FEBRUARY 2009**

**REPORT OF THE HEAD OF FINANCE AND PROPERTY**

**TREASURY MANAGEMENT POLICY AND STRATEGY**

Cabinet Member: Finance & Property  
Contact: Mike Hill  
Ext. 3174

**1. Public Interest Test**

- 1.1 The author of this report, Mike Hill, has determined that the report is not confidential.

**2. Purpose of the Report**

- 2.1 To approve the Treasury Management Policy (Appendix 1) and Treasury Management Practices (Appendix 2) in accordance with the recommendations of CIPFA. This consists of the following:
- An update of the clauses adopted by Bassetlaw District Council on 5<sup>th</sup> February 2002;
  - A statement of Bassetlaw District Council's Treasury Management Policy.
- 2.2 To approve the Treasury Management Strategy 2009/10 to 2013/14 (Appendix 3) including the Prudential Indicators, and Investment Strategy, as required by the Local Government Act 2003 and "having regard" to the Prudential Code.
- Reporting of the **Prudential Indicators** setting out the expected capital activities (as required by the CIPFA Prudential Code for Capital Finance in Local Authorities);
  - The Council's **Minimum Revenue Provision (MRP) Policy**, which sets out how the Council will pay for capital assets through revenue each year (as required by Regulation under the Local Government and Public Involvement in Health Act 2007);
  - The **Treasury Management Strategy Statement** which sets out how the Council's treasury service will support the capital decisions taken above; the day to day treasury management, and the limitations on activity through treasury prudential indicators. The key indicator is the **Authorised Limit**, the maximum amount of debt the Council could afford in the short term, but which would not be sustainable in the longer term.

This is the Affordable Borrowing Limit required by section 3 of the Local Government Act 2003. This is in accordance with the CIPFA Code of Practice on Treasury Management;

- The **Investment Strategy** which sets out the Council's criteria for choosing investment counterparties and limiting exposure to the risk of loss. This strategy is in accordance with the CLG Investment Guidance.

### **3. Background and Discussion**

- 3.1 The Treasury Management Policy was approved by Council on 5<sup>th</sup> February 2002, and became effective on 1<sup>st</sup> April 2003. The Policy, and the Treasury Management Practices have been reviewed and are presented here for approval.
- 3.2 The existing CLG Investment Guidance is currently being reviewed, and it is likely that a revision of the guidance will be published in the Summer of 2009. Should a revision of the Treasury Management Strategy 2009/10 to 2013/14 be required any amendments will be subject to the approval of Cabinet.
- 3.3 It is a statutory requirement under Section 33 of the Local Government Finance Act 1992 for the Council to produce a balanced budget. In particular, Section 32 requires a local authority to calculate its budget requirement for each financial year to include the revenue costs that flow from capital financing decisions. This, therefore, means that increases in capital expenditure must be limited to a level that is affordable for the foreseeable future, after taking into account the following issues:-
  1. Increases in interest payments caused by increased borrowing to finance additional capital expenditure; and
  2. Any increases in running costs from new capital projects.
- 3.4 The Treasury Management Strategy (Appendix 3) incorporates the requirements of the Prudential Code for Members consideration and approval, and the implications are fully reflected in the Council's overall Budget Strategy (revenue and capital) being presented to Full Council on 2<sup>nd</sup> March 2009.

### **4. Implications**

- a) For service users

There is an impact on available resources depending upon the Council's ability to fund future borrowing.

- b) Strategic & Policy

The Treasury Management Policy, the Treasury Management Practices, the Treasury Management Strategy, and Annual Investment Strategy ensure that the Council complies with legislation and recommended good practice in relation to its treasury management function.

- c) Financial - Ref: (09/356)

These are contained within the body of the report and the associated appendices.

- d) Legal Ref:( 722/01/09)

Part 2 of the Local Government Act 2003 places duties on local authorities with regard to financial management. This report fulfils those duties.

- e) Human Resources

None from this report.

- f) Community Safety, Equalities, Environmental

The updated Treasury Management Policy has been subject to a partial equalities impact assessment.

- g) This is a key decision, reference number 199.

## **5. Options, Risks and Reasons for Recommendations**

- 5.1 The first option is to accept the recommendations and adopt the Treasury Management Policy, Treasury Management Practices, Treasury Management Strategy and Annual Investment Strategy. To not approve these policies would contravene the requirements of both legislation and good practice. In addition the Audit Commission may pass comment in their Use of Resources Assessment for next year.

## **6. Recommendations**

That Cabinet approves each of the following key elements and recommends these to Full Council on 2<sup>nd</sup> March 2009:

- 6.1 The revised Treasury Management Policy (Appendix 1).  
6.2 The updated Treasury Management Practices (Appendix 2).  
6.3 The Minimum Revenue Provision (MRP) Statement, which sets out the Council's policy on MRP. (Appendix 3).  
6.4 The Treasury Management Strategy 2009/10 to 2013/14 (Appendix 3).  
6.5 The Prudential Indicators and Limits for 2009/10 to 2013/14 (Appendix 3).  
6.6 The Investment Strategy 2009/10 contained in the Treasury Management Strategy (Appendix 3).

**Background Papers**

CIPFA Treasury Management Code of  
Practice

CIPFA Prudential Code

Local Government Act 2003

CIPFA's Standard of Professional  
Practice on Treasury Management

**Location**

Room 321

**BASSETLAW DISTRICT COUNCIL**  
**TREASURY MANAGEMENT POLICY AND PRACTICES**  
**FEBRUARY 2009**

**1. Introduction**

1.1 Following CIPFA's recommendations, this Code of Practice for Treasury Management consists of the following:

- An update of the clauses originally adopted by Bassetlaw District Council on 5<sup>th</sup> February 2002.
- A statement of Bassetlaw District Council's Treasury Management Policy Statement.
- A brief description of the Treasury Management Practices.

**2. Adopted Clauses**

2.1 **CLAUSE 1** – Bassetlaw District Council adopts the key recommendations of CIPFA's *Treasury Management in the Public Services: Code of Practice* as follows:

**Key Recommendation 1** – Bassetlaw District Council will put in place formal and comprehensive objectives, policies and practices, strategies and reporting arrangements for the effective management and control of its treasury management activities.

**Key Recommendation 2** – Bassetlaw District Council's policies and practices will make clear that the effective management and control of risk are the prime objective of its treasury management activities.

**Key Recommendation 3** – Bassetlaw District Council acknowledges that the pursuit of best value in treasury management, and the use of suitable performance measures, are valid and important tools for it as a responsible Council to employ in support of its business and service objectives; and that within the context of effective risk management, its treasury management policies and practices should reflect this.

**Key Recommendation 4** - In order to achieve the above, Bassetlaw District Council will:

- adopt a Treasury Management Policy Statement, as recommended in Section 6 of the Code,
- follow the recommendations in Section 7 of the Code concerning the creation of Treasury Management Practices (TMPs).

2.2 **CLAUSE 2** - Accordingly, Bassetlaw District Council will create and maintain, as the cornerstone for effective treasury management:

- A Treasury Management Policy Statement, stating the policies and objectives of its treasury management activities.
- Suitable TMPs, setting out the manner in which it will seek to achieve those policies and objectives, and prescribing how it will manage and control those activities.
- The Council will receive reports on its treasury management policies, practices and activities, including as a minimum, an annual strategy and plan in advance of the year, and an annual report after its close, in the form prescribed in its TMPs.
- The Council delegates responsibility for the implementation and monitoring of its treasury management policies and practices to the Cabinet, and for the execution and administration of treasury management decisions to the Head of Finance and Property Services, who will act in accordance with the Council's policy statement and TMPs and CIPFA's Standard of Professional Practice on Treasury Management.

### **3. The Treasury Management Policy Statement**

3.1 Bassetlaw District Council defines its treasury management activities as:

“The management of the Council's cash flows, its banking, money market and capital market transactions; the effective management of the risks associated with these activities; and the pursuit of optimum performance consistent with those risks”.

3.2 Bassetlaw District Council regards the successful identification, monitoring and control of risk to be the prime criteria by which the effectiveness of its treasury management activities will be measured. Accordingly, the analysis and reporting of treasury management activities will focus on their risk implications for the Council.

3.3 Bassetlaw District Council acknowledges that effective treasury management will provide support towards the achievement of its business and service objectives. It is therefore committed to the principles of achieving best value in treasury management, and to employing suitable performance measurement techniques, within the context of effective risk management.

### **4. Treasury Management Practices**

4.1 Treasury Management Practices (TMPs) set out the manner in which this organisation will seek to achieve its treasury management policies and objectives and how it will manage and control those activities. The twelve recommended TMPs are as follows:

TMP 1 Treasury Risk Management

TMP 2 Best Value and Performance Management

TMP 3 Decision-Making and Analysis

TMP 4 Approved Instruments, Methods and Techniques

TMP 5 Organisation, Clarity and Segregation of Responsibilities and Dealing Arrangements

TMP 6 Reporting Requirements and Management Information Arrangements

TMP 7 Budgeting, Accounting and Audit Arrangements

TMP 8 Cash and Cashflow Management

TMP 9 Money Laundering

TMP 10 Staff Training and Qualifications

TMP 11 Use of External Service Providers

TMP 12 Corporate Governance

**TREASURY MANAGEMENT PRACTICES (TMP's)**  
**FEBRUARY 2009**

**1 TMP 1 – Risk Management**

**1.1 General Statement**

The Head of Finance and Property will design, implement and monitor all arrangements for the identification, management and control of treasury management risk, will report annually on the suitability/adequacy thereof, and will report, as a matter of urgency, the circumstances of any actual or likely difficulty in achieving the Council's policy in this respect, all in accordance with the procedures set out in TMP 6 (*Reporting requirements and management information arrangements*). In respect of the following risks, arrangements that seek to secure these objectives are set out in the schedule to the TMP's.

**1.2 Liquidity risk management**

The Council will ensure that it has adequate cash resources, borrowing arrangements, overdraft facilities to enable it, at all times, to have a sufficient level of funds available for funding its service objectives.

**1.3 Interest rate risk management**

The Council will manage its exposure to fluctuations in interest rates with a view of containing its interest costs, or securing its interest revenues, in accordance with the amounts provided in its budgets, as amended in accordance with TMP 6 (*Reporting requirements and management information arrangements*).

**1.4 Exchange rate risk management**

This does not currently apply. The Local Government Act 2003 requires investments to be restricted to Sterling, unless approval has been given by the Treasury.

**1.5 Inflation risk management**

The effects of varying levels of inflation, insofar as they can be identified as impacting directly upon treasury management activity, will be controlled as an integral part of our strategy for managing our overall exposure to inflation.

We will achieve the objectives above by the prudent use of approved financing and investment instruments, methods and techniques, primarily to create stability and certainty of costs and income, but at the same time retaining a sufficient degree of flexibility to take advantage of unexpected changes in the level and structure of interest rates or inflation. The above are subject at all times to the consideration and, if required, approval of any policy or budgetary implications.

#### 1.6 Credit and counterparty risk management

The Council regards a prime objective of its treasury management activities to be the security of the principal sums it invests. Accordingly, it will ensure that its counterparty lists and limits reflect a prudent approach towards organisations with whom funds may be deposited, and will limit its investment activities to the instruments, methods and techniques referred to in TMP 4 (*Approved instruments, methods and techniques*). It also recognises the need to have, and will therefore maintain, a formal counterparty policy of those organisations from which it may borrow, or with whom it may enter into other financing arrangements.

#### 1.7 Refinancing risk management

The Council will ensure that its borrowing arrangements are negotiated, structured and documented, and the maturity profile of the monies so raised are managed, with a view to obtaining offer terms for renewal or refinancing which are as favourable to the Council as can reasonably be achieved in the light of market conditions prevailing at the time.

The Council will actively manage its relationships with its counterparties in these transactions in such a manner as to achieve this objective, and will avoid over reliance on any one source of funding if this might jeopardise achievement of the above.

#### 1.8 Legal and regulatory risk management

The Council will ensure that all of its treasury management activities comply with its statutory powers and regulatory requirements. It will demonstrate, if required to do so, such compliance to all parties with whom it deals in such activities. In framing our credit and counterparty risk management policy we will ensure there is evidence of the counterparties' powers, authority and compliance in respect of the transactions they may effect with the Council, particularly with regard to duty of care and fees charged.

The Council recognises that future legislative or regulatory changes may impact on its treasury management activity and, so far as it is reasonable, will seek to minimise the risk of these impacting adversely on the organisation.

#### 1.9 Fraud, error, corruption and contingency management

The Council will ensure it has identified the circumstances which may expose it to the risk of loss through fraud, error, corruption or other eventualities in its treasury management dealings. Accordingly, we will employ suitable systems and procedures, and will maintain effective contingency management arrangement to these ends.

Temporary staff are excluded from performing the Treasury Management function.

#### 1.10 Market risk management

This Council will seek to ensure that its stated treasury management policies and objectives will not be compromised by adverse market fluctuations in the value of the principal sums it invests, and will accordingly seek to protect itself from such fluctuations.

### 2. TMP 2 – Best Value and Performance Management

- 2.1 The Council is committed to the pursuit of best value in its treasury management activities, and to the use of performance methodology in support of that aim, within the framework of its Treasury Management Policy Statement.
- 2.2 Accordingly, the treasury management function will be the subject of ongoing analysis of the value added in support of the Council's stated service objectives. Regular examinations will take place reviewing alternative methods of service delivery, the availability of fiscal or other grant or subsidy incentives, and the scope for other potential improvements. The performance of the treasury management function will be measured using the criteria set out in the schedule to the TMP's.

### 3. TMP 3 - Decision making and analysis

- 3.1 This Council will maintain full records of its treasury management decisions, and of the processes and practices applied to reaching those decisions, both for the purposes of learning from the past, and for demonstrating that reasonable steps were taken to ensure that all issues relevant to those decisions were taken into account at the time. The issues addressed and processes and practices to be pursued are detailed in the schedule to the TMP's.

### 4. TMP4 -Approved Instruments, Methods and Techniques

- 4.1 The Council will undertake its treasury management function using only those instruments, methods and techniques detailed in the schedule to the TMP's, and within the parameters outlined in TMP 1 (*Risk Management*).

### 5. TMP 5 - Organisation, clarity and segregation of responsibilities and dealing arrangements

- 5.1 This Council believes it essential, for the purposes of the effective control and monitoring of its treasury management activities, for the reduction of risk of fraud or error, and for the pursuit of optimum performance, that these activities are structured and managed in a fully integrated manner, and there is at all times clarity of treasury management responsibilities.

- 5.2 The principle on which this will be based is a clear distinction between those charged with setting treasury management policies and those charged with implementing and controlling those policies, particularly with the regard to the execution and transmission of funds, the recording and administering of treasury management decisions and the review of the treasury management function.
- 5.3 If and when the Council intends, for whatever reason, to depart from these principles, the responsible officer will ensure that the reason will be properly reported in accordance with TMP 6, and the implications properly considered and evaluated.
- 5.4 The responsible officer will ensure that there are clear written statements of each post engaged in treasury management, and arrangements for absence cover.
- 5.5 The responsible officer will ensure there is proper documentation for all deals and transactions, and that procedures exist for the effective transmission of funds.
- 5.6 The delegations to the responsible officer in respect of treasury management are set out in the schedule to the TMP's. The responsible officer will fulfil all such responsibilities in accordance with the Council's policy statement and TMP's and, if a CIPFA member, the Standard of Professional Practice on Treasury Management.

**6. TMP 6 Reporting requirements and management information arrangements**

- 6.1 The Council will ensure that regular reports are prepared and considered on its treasury management policies; on the effects of decisions taken and transactions executed in pursuit of those policies; on the implications of changes, particularly budgetary, resulting from regulatory, economic, market or other factors affecting its treasury management activities; and on the performance of the treasury management function.

- 6.2 As a minimum, the Cabinet will receive;

an annual report on the strategy and plan to be pursued in the coming year,

an annual report on the performance of the treasury management function, on the effects of the decisions taken and the transactions executed in the past year, and of any instance of non-compliance with the Council's treasury management policy statement and TMPs.

The present arrangements and form of these reports are detailed in the schedule to the TMP's.

## **7. TMP 7 Budgeting, accounting and audit arrangements**

- 7.1 The Head of Finance and Property will prepare, and this Council will approve and, if necessary from time to time will amend, an annual budget for treasury management, which will bring together all the costs involved in running the treasury management function, together with associated income. The matters to be included in the budget will at a minimum be those required by statute or regulation, together with such information as will demonstrate compliance with TMP 1 (*Risk management*), TMP 2 (*Best value and performance measurement*), and TMP 4 (*Approved investments, methods and techniques*). The form this budget will take is set out in the schedule to the TMP's. The Head of Finance and Property will exercise effective control over this budget, and will report upon and recommend any changes required in accordance with TMP 6 (*Reporting requirements and management information arrangements*).
- 7.2 The Council will account for its treasury management activities, for decisions made and transactions executed, in accordance with appropriate practices and standards, and with statutory and regulatory requirements in force for the time being. The present form of accounts is set out in the schedule to the TMP's.
- 7.3 The Council will ensure that its auditors, and those charged with regulatory review, have access to all information and papers supporting the activities of treasury management as are necessary for the proper fulfilment of their roles, and that such information and papers demonstrate compliance with external and internal policies and approved practices. The information made available under present arrangements is disclosed in the schedule to the TMP's.

## **8. TMP 8 Cash and cash flow management**

- 8.1 Unless statutory or regulatory requirements demand otherwise, all monies in the hands of the Council will be under the control of the Head of Finance and Property, and will be aggregated for cash flow and investment management purposes. Cash flow projections will be prepared on a regular and timely basis, and the Head of Finance and Property will ensure that these are adequate for the purposes of monitoring compliance with TMP 1 (*1 Liquidity risk management*). The present arrangement for preparing cash flow projections and their form are set out in the schedule to the TMP's.

## **9. TMP 9 Money laundering**

- 9.1 The Council is alert to the possibility that it may become the subject of an attempt to involve it in a transaction involving the laundering of money. Accordingly, it will maintain procedures for verifying and recording the names of counterparties and reporting suspicions, and will ensure that staff are properly trained. The present arrangements including the name of the officer to whom reports should be made, are detailed in the schedule to the TMP's.

**10. TMP 10 Staff training and qualifications**

- 10.1 The Council recognises the importance of ensuring that all staff involved in the treasury management function are fully equipped to undertake the duties and responsibilities allocated to them. We will therefore ensure that sufficient numbers of finance staff have or obtain sufficient skills, experience and knowledge to allow them to participate in the treasury function of the Council. The Head of Finance and Property will recommend and implement the necessary arrangements. These arrangements are detailed in the schedule to the TMP's.

**11. TMP 11 Use of External service providers**

- 11.1 This Council recognises the potential of employing external providers of treasury management services in order to acquire access to specialist skills and resources. When we employ such service providers, we will ensure that we do it for reasons that have been submitted to a full evaluation of the costs and benefits. We will also ensure that the terms of their appointment and the methods by which their value is assessed are properly agreed and documented and subject to regular review. We will ensure, where feasible and necessary, that a spread of service providers is used, to avoid over reliance on a small number of companies. Where services are subject to formal tender arrangements, legislative requirements will always be observed. The monitoring of these arrangements rests with the Head of Finance and Property and the current details of those arrangements are set out in the schedule to the TMP's.

**12. TMP 12 Corporate Governance**

- 12.1 Bassetlaw District Council is committed to the pursuit of proper corporate governance throughout its services and to establish the principles and practices by which this can be achieved. Accordingly, the treasury management function and its activities will be undertaken with openness, honesty, integrity and accountability.
- 12.2 The Council has adopted and has implemented the key recommendations of the Prudential Code. This, together with the other arrangements detailed in the schedule to the TMP's, are considered vital to the achievement of proper corporate governance in treasury management, and the Head of Finance and Property will monitor and report on the effectiveness of these arrangements.

**13. TMP Schedules**

- 13.1 The Schedules mentioned within the Treasury Management Practices are not statutorily required to be approved by the Council, as they relate to operational and procedural matters. However, they are available upon request from the Head of Finance and Property.

## Treasury Management Strategy 2009/10 – 2013/14

### Background

This strategy outlines the Council's prudential indicators for 2009/10 – 2011/12 and sets out the expected treasury operations for this period. It fulfils four key legislative requirements:

- The reporting of the **prudential indicators** setting out the expected capital activities (as required by the CIPFA Prudential Code for Capital Finance in Local Authorities - Appendix A);
- The Council's **Minimum Revenue Provision (MRP) Policy**, which sets out how the Council will pay for capital assets through revenue each year (as required by Regulation under the Local Government and Public Involvement in Health Act 2007 – Also Appendix A);
- The **treasury management strategy statement** which sets out how the Council's treasury service will support the capital decisions taken above, the day to day treasury management and the limitations on activity through treasury prudential indicators. The key indicator is the **Authorised Limit**, the maximum amount of debt the Council could afford in the short term, but which would not be sustainable in the longer term. This is the Affordable Borrowing Limit required by s3 of the Local Government Act 2003. This is in accordance with the CIPFA Code of Practice on Treasury Management and shown at Appendix B;
- The **investment strategy** which sets out the Council's criteria for choosing investment counterparties and limiting exposure to the risk of loss. This strategy is in accordance with the CLG Investment Guidance. And also shown in Appendix B and including detailed criteria at Appendix B1

### Executive Summary:

**Capital Expenditure** - The projected capital expenditure is expected to be:

| Capital expenditure | 2008/09<br>Revised<br>£'000 | 2009/10<br>Estimated<br>£'000 | 2010/11<br>Estimated<br>£'000 | 2011/12<br>Estimated<br>£'000 |
|---------------------|-----------------------------|-------------------------------|-------------------------------|-------------------------------|
| General Fund        | 2,884                       | 3,382                         | 10,958                        | 866                           |
| GF Housing          | 2,186                       | 1,860                         | 1,447                         | 0                             |
| HRA                 | 16,610                      | 16,735                        | 18,852                        | 16,255                        |
| Total               | 21,680                      | 21,977                        | 31,257                        | 17,121                        |

**Debt Requirement** - Part of the capital expenditure programme will be financed directly (through Government Grants, capital receipts etc.), leaving a residue which will increase the Council's external borrowing requirement (its Capital Financing Requirement – CFR). The General Fund CFR, its borrowing need, is reduced each year by the statutory revenue charge for the repayment of debt, the MRP. There is currently no requirement for an MRP charge to reduce the Housing Revenue Account (HRA) CFR, but the Council has the option to undertake this if it is considered prudent.

| <b>Capital Financing Requirement</b> | <b>2008/09 Revised £'000</b> | <b>2009/10 Estimated £'000</b> | <b>2010/11 Estimated £'000</b> | <b>2011/12 Estimated £'000</b> |
|--------------------------------------|------------------------------|--------------------------------|--------------------------------|--------------------------------|
| Non HRA                              | 23,912                       | 23,271                         | 22,645                         | 22,036                         |
| HRA                                  | 39,130                       | 51,070                         | 65,010                         | 76,950                         |
| <b>Total</b>                         | <b>63,042</b>                | <b>74,341</b>                  | <b>87,655</b>                  | <b>98,986</b>                  |

Against this borrowing need (the CFR), the Council's expected external debt position for each year (the Operational Boundary), and the maximum amount it could borrow (the Authorised Limit) are:

|                      | <b>2008/09 Revised £'m</b> | <b>2009/10 Estimated £'m</b> | <b>2010/11 Estimated £'m</b> | <b>2011/12 Estimated £'m</b> |
|----------------------|----------------------------|------------------------------|------------------------------|------------------------------|
| Authorised limit     | 93                         | 104                          | 113                          | 113                          |
| Operational boundary | 63                         | 74                           | 88                           | 99                           |

The total revenue impact of the new schemes being approved as part of this budgetary cycle on Council Tax levels and housing rents are expected to be:

| <b>Incremental impact of capital investment decisions on:</b> | <b>2008/09 Revised £</b> | <b>2009/10 Estimated £</b> | <b>2010/11 Estimated £</b> | <b>2011/12 Estimated £</b> |
|---|--------------------------|----------------------------|----------------------------|----------------------------|
| Band D Council Tax  | 1.37                     | 1.71                       | 3.70                       | 0.28                       |
| Housing rents levels  | 0                        | 0                          | 0                          | 0                          |

Note: Housing rents is nil as only supported borrowing is undertaken for which the government reimburses the costs of servicing this debt through the Housing Subsidy Grant payments.

**Investments** – The resources applied to finance the capital spend above is one of the elements which influence the overall resources of the Council. The expected position of Council's year end resources (balances, capital receipts, etc.), is shown below supplemented with the expected cash flow position. This provides an overall estimate of the year end investment position. The prudential indicator limiting longer term investments is also shown, which is designed to reduce the Council's risk to adverse cash flow risk and counterparty risk. It is currently anticipated that the Council will under borrow during 2009-10, thereby reducing its investment position.

|                                    | <b>2008/09 Revised £'000</b> | <b>2009/10 Estimated £'000</b> | <b>2010/11 Estimated £'000</b> | <b>2011/12 Estimated £'000</b> |
|------------------------------------|------------------------------|--------------------------------|--------------------------------|--------------------------------|
| Total resources                    | 20,143                       | 14,379                         | 8,485                          | 9,258                          |
| Working Capital                    | -8,075                       | -4,947                         | -8,966                         | -8,672                         |
| Under/over borrowing               | -7,730                       | -7,147                         | 1,481                          | 592                            |
| Total Investments                  | 4,338                        | 2,285                          | 1,000                          | 1,178                          |
| Principal sums invested > 364 days | 0                            | 0                              | 0                              | 0                              |

Note: Current cashflow projections forecast that as @ 31.3.11 the Council will be in a temporary borrowing position.

## The Capital Prudential Indicators 2009/10 to 2011/12

### Introduction

1. The Local Government Act 2003 requires the Council to adopt the CIPFA Prudential Code and produce prudential indicators. Each indicator either summarises the expected capital activity or introduces limits upon that activity, and reflects the outcome of the Council's underlying capital appraisal systems. This report updates currently approved indicators and introduces new indicators for 2011/12.
2. Within this overall prudential framework there is an impact on the Council's treasury management activity – as it will directly impact on borrowing or investment activity. As a consequence the treasury management strategy for 2009/10 to 2011/12 is included as Appendix B to complement these indicators, and the treasury strategy includes the prudential indicators relating specifically to the treasury activity.

### The Capital Expenditure Plans

3. The Council's capital expenditure plans are summarised below and this forms the first of the prudential indicators. A certain level of capital expenditure is grant supported by the Government; any decisions by the Council to spend above this level will be considered unsupported capital expenditure. This needs to be affordable, sustainable and prudent. The revenue consequences of unsupported expenditure will need to be paid for from the Council's own resources.
4. This capital expenditure can be paid for immediately (by applying capital resources such as capital receipts, capital grants etc., or revenue resources), but if these resources are insufficient any residual expenditure will add to the Council's borrowing need.
5. The key risks to the plans are that the level of Government support has been estimated and is therefore maybe subject to change. Similarly some estimates for other sources of funding, such as capital receipts, may also be subject to change over this timescale. Anticipated asset sales may be postponed due to the impact of the credit crisis on the property market.
6. The Council is asked to approve the summary capital expenditure projections below. This forms the first prudential indicator:

| <b>Capital Expenditure</b>             | <b>2008/09<br/>Revised<br/>£'000</b> | <b>2009/10<br/>Estimated<br/>£'000</b> | <b>2010/11<br/>Estimated<br/>£'000</b> | <b>2011/12<br/>Estimated<br/>£'000</b> |
|--|--------------------------------------|--|--|--|
| Non-HRA                                | 5,070                                | 5,242                                  | 12,405                                 | 866                                    |
| HRA                                    | 16,610                               | 16,735                                 | 18,852                                 | 16,255                                 |
| <b>Financed by:</b>                    |                                      |  |  |  |
| Capital receipts                       | 2,063                                | 4,260                                  | 6,502                                  | 329                                    |
| Capital grants                         | 6,500                                | 5,679                                  | 9,578                                  | 4,411                                  |
| Capital reserves                       | 0                                    | 0                                      | 0                                      | 0                                      |
| Leasing                                | 671                                  | 98                                     | 1,237                                  | 441                                    |
| Revenue                                | 35                                   | 0                                      | 0                                      | 0                                      |
| <b>Net financing need for the year</b> | <b>12,411</b>                        | <b>11,940</b>                          | <b>13,940</b>                          | <b>11,940</b>                          |

## The Council's Borrowing Need (the Capital Financing Requirement)

7. The second prudential indicator is the Council's Capital Financing Requirement (CFR). The CFR is simply the total outstanding capital expenditure which has not yet been paid for from either revenue or capital resources. It is essentially a measure of the Council's underlying borrowing need. The capital expenditure above which has not immediately been paid for will increase the CFR.

8. The Council is asked to approve the CFR projections below:

|                                      | 2008/09<br>Revised<br>£'000 | 2009/10<br>Estimated<br>£'000 | 2010/11<br>Estimated<br>£'000 | 2011/12<br>Estimated<br>£'000 |
|--------------------------------------|-----------------------------|-------------------------------|-------------------------------|-------------------------------|
| <b>Capital Financing Requirement</b> |                             |                               |                               |                               |
| CFR – Non Housing                    | 23,912                      | 23,271                        | 22,645                        | 22,036                        |
| CFR - Housing                        | 39,130                      | 51,070                        | 65,010                        | 76,950                        |
| <b>Total CFR</b>                     | <b>63,042</b>               | <b>74,341</b>                 | <b>87,655</b>                 | <b>98,986</b>                 |
| <b>Movement in CFR</b>               | <b>11,835</b>               | <b>11,299</b>                 | <b>13,314</b>                 | <b>11,331</b>                 |

|   |               |               |               |               |
|---|---------------|---------------|---------------|---------------|
| <b>Movement in CFR represented by</b>   |               |               |               |               |
| Net financing need for the year (above) | 12,411        | 11,940        | 13,940        | 11,940        |
| MRP/VRP and other financing movements   | -576          | -641          | -626          | -609          |
| <b>Movement in CFR</b>                  | <b>11,835</b> | <b>11,299</b> | <b>13,314</b> | <b>11,331</b> |

9. The Council is required to pay off an element of the accumulated General Fund capital spend each year through a revenue charge (the Minimum Revenue Provision - MRP). In addition is also allowed to undertake additional voluntary revenue payments (VRP), however, there are no proposals to do so within this strategy.

## MRP Policy

10. CLG Regulations have been issued which require full Council to approve **an MRP Statement** in advance of each year. A variety of options are provided to councils to replace the existing Regulations, so long as there is a prudent provision. The Council is recommended to approve the following MRP Statement :

For capital expenditure incurred before 1 April 2008 or which in the future will be Supported Capital Expenditure, the MRP policy will be:

- **Existing practice** - MRP will follow the existing practice outlined in former CLG Regulations.

From 1 April 2008 for all unsupported borrowing the MRP policy will be

- **Asset Life Method** – MRP will be based on the estimated life of the assets, in accordance with the proposed regulations (this option must be applied for any expenditure capitalised under a Capitalisation Direction).

## The Use of the Council's resources and the Investment Position

11. The application of resources (capital receipts, reserves etc.) to either finance capital expenditure or other budget decisions to support the revenue budget will have an ongoing impact on investments unless resources are supplemented each year from new sources (asset sales etc.). Detailed below are estimates of the year end balances for each resource and anticipated day to day cash flow balances.

| Year End Resources          | 2008/09<br>Revised<br>£'000 | 2009/10<br>Estimated<br>£'000 | 2010/11<br>Estimated<br>£'000 | 2011/12<br>Estimated<br>£'000 |
|-----------------------------|-----------------------------|-------------------------------|-------------------------------|-------------------------------|
| Fund balances               | 5,077                       | 4,605                         | 4,495                         | 4,459                         |
| Capital receipts            | 14,612                      | 9,320                         | 3,536                         | 4,345                         |
| Earmarked reserves          | 431                         | 431                           | 431                           | 431                           |
| Other reserves              | 23                          | 23                            | 23                            | 23                            |
| <b>Total Core Funds</b>     | <b>20,143</b>               | <b>14,379</b>                 | <b>8,485</b>                  | <b>9,258</b>                  |
| Working Capital*            | -8,075                      | -4,947                        | -8,966                        | -8,672                        |
| Under (-)/over borrowing    | -7,730                      | -7,147                        | 1,481                         | 592                           |
| <b>Expected Investments</b> | <b>4,338</b>                | <b>2,285</b>                  | <b>1,000</b>                  | <b>1,178</b>                  |

\* Working capital balances shown are estimated at year end, but these may be higher during the year.

### Affordability Prudential Indicators

12. The previous sections cover the overall capital and control of borrowing prudential indicators, but within this framework prudential indicators are required to assess the affordability of the capital investment plans. These provide an indication of the impact of the capital investment plans on the Council's overall finances. The Council is asked to approve the following indicators:

- **Actual and Estimates of the ratio of financing costs to net revenue stream** – This indicator identifies the trend in the cost of capital (borrowing and other long term obligation costs net of investment income) against the net revenue stream.

|         | 2008/09<br>Revised<br>% | 2009/10<br>Estimated<br>% | 2010/11<br>Estimated<br>% | 2011/12<br>Estimated<br>% |
|---------|-------------------------|---------------------------|---------------------------|---------------------------|
| Non-HRA | 6.65                    | 7.38                      | 6.47                      | 5.30                      |
| HRA     | 55.74                   | 53.96                     | 55.61                     | 58.49                     |

The estimates of financing costs include current commitments and the proposals in this budget report.

- **Estimates of the incremental impact of capital investment decisions on the Council Tax** – This indicator identifies the revenue costs associated with *new schemes* introduced to the three year capital programme recommended in this budget report compared to the Council's existing approved commitments and current plans. The assumptions are based on the budget, but will invariably include some estimates, such as the level of Government support, which are not published over a three year period.

|                             | <b>Proposed<br/>Budget<br/>2008/09</b> | <b>Forward<br/>Projection<br/>2009/10</b> | <b>Forward<br/>Projection<br/>2010/11</b> | <b>Forward<br/>Projection<br/>2011/12</b> |
|-----------------------------|--|---|---|---|
| <b>Council Tax - Band D</b> | 1.37                                   | 1.71                                      | 3.70                                      | 0.28                                      |

- **Estimates of the incremental impact of capital investment decisions on Housing Rent levels** – Similar to the Council tax calculation this indicator identifies the trend in the cost of proposed changes in the housing capital programme recommended in this budget report compared to the Council's existing commitments and current plans, expressed as a discrete impact on weekly rent levels.

This indicator shows the revenue impact on any newly approved schemes, although any discrete impact will be constrained by rent controls

|                                   | <b>Proposed<br/>Budget<br/>2008/09<br/>£</b> | <b>Forward<br/>Projection<br/>2009/10<br/>£</b> | <b>Forward<br/>Projection<br/>2010/11<br/>£</b> | <b>Forward<br/>Projection<br/>2011/12<br/>£</b> |
|-----------------------------------|--|---|---|---|
| <b>Weekly Housing Rent levels</b> | 0  | 0   | 0   | 0   |

Note: Housing rents is nil as only supported borrowing is undertaken, for which the government reimburses the costs of servicing this debt through housing subsidy grant payments.

### **Treasury Management Strategy 2009/10 to 2013/14**

1. The treasury management service is an important part of the overall financial management of the Council's affairs. The prudential indicators in Appendix A consider the affordability and impact of capital expenditure decisions, and set out the Council's overall capital framework. The treasury service considers the effective funding of these decisions. Together they form part of the process which ensures the Council meets balanced budget requirement under the Local Government Finance Act 1992. There are specific treasury prudential indicators included in this strategy which require approval.
2. The Council's treasury activities are strictly regulated by statutory requirements and a professional code of practice (the CIPFA Code of Practice on Treasury Management). This Council adopted the Code of Practice on Treasury Management on 5<sup>th</sup> February 2002, and as a result adopted a Treasury Management Policy Statement. This adoption and revisions within this report meets the requirements of the first of the treasury prudential indicators.
3. The Treasury Management Policy (Clause 2) requires an annual strategy to be reported to Council outlining the expected treasury activity for the forthcoming 3 years. A key requirement of this report is to explain both the risks, and the management of the risks, associated with the treasury service. A further treasury report is produced after the year-end to report on actual activity for the year.
4. This strategy covers:
  - The Council's debt and investment projections;
  - The Council's estimates and limits on future debt levels;
  - The expected movement in interest rates;
  - The Council's borrowing and investment strategies;
  - Treasury performance indicators;
  - Specific limits on treasury activities;

### **Debt and Investment Projections 2009/10 to 2011/12**

5. The borrowing requirement comprises the expected movement in the CFR and any maturing debt which will need to be re-financed. The table below shows this effect on the treasury position over the next three years. The expected debt position at the end of each year represents the Operational Boundary prudential indicator. The table also highlights the expected change in investment balances.

|   | <b>2008/09<br/>Revised<br/>£'000</b> | <b>2009/10<br/>Estimated<br/>£'000</b> | <b>2010/11<br/>Estimated<br/>£'000</b> | <b>2011/12<br/>Estimated<br/>£'000</b> |
|---|--------------------------------------|--|--|--|
| <b>External Debt</b>  |                                      |  |  |  |
| Debt at 1 April   | 53,920                               | 55,312                                 | 67,194                                 | 89,136                                 |
| Expected change in debt   | 1,392                                | 11,882                                 | 21,942                                 | 10,442                                 |
| Debt at 31 March  | 55,312                               | 67,194                                 | 89,136                                 | 99,578                                 |
| <i>The debt estimated at 31 March represents the Council's Operational Boundary</i> |                                      |  |  |  |
| <b>Investments</b>  |                                      |  |  |  |
| Total Investments at 31 March   | 4,338                                | 2,285                                  | 1,000                                  | 1,178                                  |
| Investment increase/<br>decrease (-)  | -8,840                               | -2,053                                 | -1,285                                 | 178                                    |

Note: Current cashflow projections forecast that as @ 31.3.11 the Council will be in a temporary borrowing position.

6. The related impact of the above movements on the revenue budget are:

|                        | <b>2008/09<br/>Estimated<br/>Out-turn<br/>£'000</b> | <b>2009/10<br/>Estimated<br/>£'000</b> | <b>2010/11<br/>Estimated<br/>£'000</b> | <b>2011/12<br/>Estimated<br/>£'000</b> |
|------------------------|---|--|--|--|
| <b>Revenue Budgets</b> |   |  |  |  |
| Interest on Borrowing  | 2,526   | 2,803                                  | 2,992                                  | 3,580                                  |
| Related HRA Charge     | -1,537  | -2,070                                 | -2,383                                 | -3,152                                 |
| Net General Fund       | 989   | 733                                    | 609                                    | 428                                    |
| Borrowing Cost         |   |  |  |  |
| Investment income      | -880  | -100                                   | -100                                   | -100                                   |

The budgetary position on Treasury Management interest for the first nine months of the year is provided in the table above. In accordance with latest government guidance, the interest due from the Icelandic banks needs to be accounted for within this table. (Draft regulations have been issued by the CLG on this matter but have yet to be finalised). However, this is will then be transferred out again in a separate section of the accounts during the process of closing the 2008-09 accounts.

The table highlights the considerable fall in investment income resulting from the expected fall in investment money and the significant fall in interest rates.

### **Limits to Borrowing Activity**

7. Within the prudential indicators there are a number of key indicators to ensure the Council operates its activities within well defined limits
8. For the first of these the Council needs to ensure that its total borrowing net of any investments, does not, except in the short term, exceed the total of the CFR in the preceding year plus the estimates of any additional CFR for 2009/10 and the following two financial years. This allows some flexibility for limited early borrowing for future years.

|                 | 2008/09<br>Revised<br>£'000 | 2009/10<br>Estimated<br>£'000 | 2010/11<br>Estimated<br>£'000 | 2011/12<br>Estimated<br>£'000 |
|-----------------|-----------------------------|-------------------------------|-------------------------------|-------------------------------|
| Gross Borrowing | 55,312                      | 67,194                        | 89,136                        | 99,578                        |
| Investments     | -4,338                      | -2,285                        | -1,000                        | -1,178                        |
| Net Borrowing   | 50,974                      | 64,909                        | 88,136                        | 98,400                        |
| CFR             | 63,042                      | 74,341                        | 87,655                        | 98,986                        |

9. The Head of Finance and Property reports that the Council complied with this prudential indicator in the current year and does not envisage difficulties for the future. This view takes into account current commitments, existing plans, and the proposals in this budget report.

10. **The Authorised Limit for External Debt** – A further key prudential indicator represents a control on the overall level of borrowing. This represents a limit beyond which external debt is prohibited, and this limit needs to be set or revised by full Council. It reflects the level of external debt which, while not desired, could be afforded in the short term, but is not sustainable in the longer term. This is the statutory limit determined under section 3 (1) of the Local Government Act 2003. The Government retains an option to control either the total of all councils' plans, or those of a specific council, although no control has yet been exercised.

11. The Council is asked to approve the following Authorised Limit:

| Authorised limit            | 2008/09<br>Revised<br>£'m | 2009/10<br>Estimated<br>£'m | 2010/11<br>Estimated<br>£'m | 2011/12<br>Estimated<br>£'m |
|-----------------------------|---------------------------|-----------------------------|-----------------------------|-----------------------------|
| Borrowing                   | 93                        | 104                         | 113                         | 113                         |
| Other long term liabilities | 0                         | 0                           | 0                           | 0                           |
| Total                       | 93                        | 104                         | 113                         | 113                         |

## Expected Movement in Interest Rates

### Medium-Term Rate Estimates (averages)

| Annual<br>Average % | Base<br>Rate<br>% | Money Rates<br>% |        | PWL B Rates* |         |         |
|---------------------|-------------------|------------------|--------|--------------|---------|---------|
|                     |                   | 3 month          | 1 year | 5 year       | 20 year | 50 year |
| 2008/09             | 3.9               | 5.0              | 5.3    | 4.2          | 4.8     | 4.5     |
| 2009/10             | 1.0               | 1.6              | 1.8    | 2.4          | 3.9     | 3.8     |
| 2010/11             | 1.7               | 2.1              | 2.8    | 3.2          | 4.1     | 4.0     |
| 2011/12             | 2.4               | 2.8              | 3.6    | 4.0          | 4.3     | 4.1     |

\* Borrowing Rates

12. The UK economy has entered a profound recession, worsened by a dangerous combination of negative growth and dislocation in the domestic and world financial markets. The situation in the economy is considered critical by the policy setters who are concerned that the testing financial environment, the sharp decline in house prices and persistently tight credit conditions could trigger a collapse in consumer confidence. At best this could deliver a short, sharp downturn, at worst a prolonged Japanese-style recession.

13. The sharp downturn in world commodity, food and oil prices, the lack of domestic wage pressures and weak retail demand promises a very steep decline in inflation in the year ahead. In the recent pre-Budget Report, the Treasury suggested RPI inflation could fall to minus 2.25% by September 2009. Inflation considerations will not be a constraint upon Bank of England policy action. Indeed, the threat of deflation strengthens the case for more aggressive policy ease.
14. The Government's November pre-Budget Report did feature some fiscal relaxation but it also highlighted the very poor health of public sector finances. The size of the package is considered insufficient to kick-start the economy. The onus for economic stimulation will fall upon monetary policy and the Bank of England.
15. The Bank will continue to ease policy and the need to drive commercial interest rates, currently underpinned by the illiquidity of the money market, to much lower levels suggests the approach will be more aggressive than might otherwise have been the case. A Bank Rate below 1% now seems a distinct possibility and short-term LIBOR rates of below 2% may result. Only when the markets return to some semblance of normality will official rates be edged higher.
16. Long-term interest rates will be the victim of conflicting forces. The threat of deep global recession should drive bond yields to yet lower levels and this will be a favourable influence upon the sterling bond markets. But the prospect of exceptionally heavy gilt-edged issuance in the next three years (totalling in excess of £100bn per annum), as the Government seeks to finance its enormous deficit, could severely limit the downside potential for yields.

#### **Borrowing Strategy 2009/10 to 2013/14**

17. The uncertainty over future interest rates increases the risks associated with treasury activity. As a result the Council will take a cautious approach to its treasury strategy.
18. Long-term fixed interest rates are at risk of being higher over the medium term. The Head of Finance and Property, under delegated powers, will take the most appropriate form of borrowing depending on the prevailing interest rates at the time, taking into account the risks shown in the forecast above. It is likely that shorter term fixed rates may provide better opportunities. This may include borrowing in advance of future years requirements.
19. With the likelihood of a steepening of the yield curve, debt restructuring is the likely focus on switching from longer term fixed rates to cheaper shorter term debt, although the Head of Finance and Property and treasury consultants will monitor prevailing rates for any opportunities during the year.
20. The option of postponing borrowing and running down investment balances will also be considered. This would reduce counterparty risk and hedge against the expected fall in investment returns.

#### **Investment Counterparty and Liquidity Framework**

21. The primary principle governing the Council's investment criteria is the security of its investments, although the yield or return on the investment is also a key consideration. After this main principle the Council will ensure:
  - It maintains a policy covering both the categories of investment types it will invest in, criteria for choosing investment counterparties with

adequate security, and monitoring their security. This is set out in the Specified and Non-Specified investment sections below.

- It has sufficient liquidity in its investments. For this purpose it will set out procedures for determining the maximum periods for which funds may prudently be committed. These procedures also apply to the Council's prudential indicators covering the maximum principal sums invested.

22. The Head of Finance and Property will maintain a counterparty list in compliance with the following criteria and will revise the criteria and submit them to Council for approval as necessary. This criteria is separate to that which chooses Specified and Non-Specified investments as it selects which counterparties the Council will choose rather than defining what its investments are. The rating criteria use the **lowest common denominator** method of selecting counterparties and applying limits. This means that the application of the Council's minimum criteria will apply to the lowest available rating for any institution. For instance if an institution is rated by two agencies, one meets the Council's criteria, the other does not, the institution will fall outside the lending criteria and will not be used.

- **Banks** – the Council will use banks which have at least the following Fitch, Moody's and Standard and Poors ratings (where rated):

- **Short Term** – F1+
- **Long Term** – A+
- **Individual / Financial Strength** – C (Fitch / Moody's only)
- **Support** – 2 (Fitch only) British institutions  
1 Foreign countries

– In addition, the Council will use banks whose ratings fall below the criteria specified above if all of the following conditions are met (a) wholesale deposits in the bank are covered by a government guarantee; (b) the government providing the guarantee is rated "AAA" by all three major rating agencies (Fitch, Moody's and Standard & Poors); and (c) the Council's investments with the bank are limited to amounts and maturities within the terms of the stipulated guarantee.

- **Building Societies** – the Council will use all Societies which meet the ratings for banks outlined above.
- **Money Market Funds** – AAA
- **UK Government** (including gilts and the Debt Management Deposit Account Facility (DMADF – a Government body which accepts local authority deposits)
- **Local Authorities**
- The Council's own banker, if this falls below the above criteria.
  - The Council is currently in a contract with the Co-operative Bank for its banking facilities.

23. Due to the uncertainty in the financial markets it is recommended that the Investment Strategy is approved to provide officers with the flexibility to deal with any unexpected occurrences. Officers will restrict the pool of available counterparties from this criteria to safer instruments and institutions whose ratings are above the minimum criteria outlined above. Currently this involves the use of the DMADF, AAA rated Money Market Funds and institutions with

higher credit ratings than those outlined in the investment strategy or which are provided support from the Government. Investments are being maintained short term to also improve the security of investments

24. The time limits for investments with institutions on the Council's Counterparty List are as follows (these will cover both Specified and Non-Specified Investments):

|                              | <b>Fitch</b> | <b>Moody's</b> | <b>Standard &amp; Poors</b> | <b>Money Limit</b> | <b>Time Limit</b> |
|------------------------------|--------------|----------------|-----------------------------|--------------------|-------------------|
| Banks and Building Societies | F1+/A+       | P-1/Aa3        | A-1/A+                      | £1m                | 6 mths            |
| Money Market Funds           |              | AAA            |                             | £3m                | Reinvested daily  |
| Government Bodies            | AAA          | -              | -                           | £3m                | 6 mths            |
| Local Authorities            | -            | -              | -                           | £1m                | 6 mths            |

25. The proposed criteria for Specified and Non-Specified investments are shown in Appendix B1 for approval.
26. In the normal course of the council's cash flow operations it is expected that both Specified and Non-specified investments will be utilised for the control of liquidity as both categories allow for short term investments.
27. The use of longer term instruments (greater than one year from inception to repayment) will fall in the Non-specified investment category. These instruments will only be used where the Council's liquidity requirements are safeguarded. This will also be limited by the investment prudential indicator below.

#### **Investment Strategy 2009/10 – 2013/14**

28. Expectations on shorter-term interest rates, on which investment decisions are based, show a likelihood of the current 1.5% Bank Rate reducing throughout 2009 and into 2010. The Council's investment decisions are based on comparisons between the rises priced into market rates against the Council's and advisers own forecasts.
29. There is a clear operational difficulty arising from the current banking crisis. Ideally investments would be invested longer to secure better returns, however uncertainty over counterparty creditworthiness suggests shorter dated investments would provide better security.
30. Alternatives to investing in banks and building societies are to use Money Market Funds or the Debt Management Deposit Account Facility.

#### **Sensitivity to Interest Rate Movements**

31. Future Council accounts will be required to disclose the impact of risks on the Council's treasury management activity. Whilst most of the risks facing the treasury management service are addressed elsewhere in this report (credit risk, liquidity risk, market risk, maturity profile risk), the impact of interest rate risk is discussed but not quantified. The table below highlights the estimated impact of a 1% increase/decrease in all interest rates to treasury management costs/income for next year. That element of the debt and

investment portfolios which are of a longer term, fixed interest rate nature will not be affected by interest rate changes.

|                                 | <b>2009/10<br/>Estimated<br/>£'000<br/>+ 1%</b> | <b>2009/10<br/>Estimated<br/>£'000<br/>- 1%</b> |
|---------------------------------|---|---|
| <b>Revenue Budgets</b>          |   |   |
| Interest on Borrowing           | 28  | -36   |
| Related HRA Charge              | -21   | 32  |
| Net General Fund Borrowing Cost | 7   | -4  |
| Investment income               | -1  | 1   |

### **Treasury Management Prudential Indicators and Limits on Activity**

32. There are four further treasury prudential indicators. The purpose of these prudential indicators is to contain the activity of the treasury function within certain limits, thereby managing risk and reducing the impact of an adverse movement in interest rates. However if these are set to be too restrictive they will impair the opportunities to reduce costs. The indicators are:

- Upper limits on variable interest rate exposure – This indicator identifies a maximum limit for variable interest rates based upon the debt position net of investments.
- Upper limits on fixed interest rate exposure – Similar to the previous indicator this covers a maximum limit on fixed interest rates.
- Maturity structures of borrowing – These gross limits are set to reduce the Council's exposure to large fixed rate sums falling due for refinancing, and are required for upper and lower limits
- Total principal funds invested for greater than 364 days – These limits are set to reduce the need for early sale of an investment, and are based on the availability of funds after each year-end.

33. The Council is asked to approve the following prudential indicators:

| <b>Interest rate Exposures</b>                             | <b>2009/10<br/>Upper<br/>%</b> | <b>2010/11<br/>Upper<br/>%</b> | <b>2011/12<br/>Upper<br/>%</b> |
|--|--------------------------------|--------------------------------|--------------------------------|
| <b>Limits on fixed interest rates based on net debt</b>    | 100                            | 100                            | 100                            |
| <b>Limits on variable interest rates based on net debt</b> | 20                             | 20                             | 20                             |
| <b>Limits on fixed interest rates:</b>                     |                                |                                |                                |
| • Debt only  | 100                            | 100                            | 100                            |
| • Investments only   | 50                             | 50                             | 50                             |
| <b>Limits on variable interest rates</b>                   |                                |                                |                                |
| • Debt only  | 50                             | 50                             | 50                             |
| • Investments only   | 100                            | 100                            | 100                            |

| <b>Maturity Structure of fixed interest rate borrowing 2009/10</b> |    |              |              |
|--|----|--------------|--------------|
|  |    | <b>Lower</b> | <b>Upper</b> |
| Under 12 months  |    | 0%           | 25%          |
| 12 months to 2 years   |    | 0%           | 25%          |
| 2 years to 5 years   |    | 0%           | 25%          |
| 5 years to 10 years  |    | 0%           | 40%          |
| 10 years and above   |    | 0%           | 85%          |
| <b>Maximum principal sums invested &gt; 364 days</b>               |    |              |              |
| Principal sums invested > 364 days                                 | £0 | £0           | £0           |

### **Performance Indicators**

34. The Code of Practice on Treasury Management requires the Council to set performance indicators to assess the adequacy of the treasury function over the year. These are distinct historic indicators, as opposed to the prudential indicators, which are predominantly forward looking. Examples of performance indicators often used for the treasury function are:

- Debt – Borrowing - Average rate of borrowing for the year compared to average available
- Debt – Average rate movement year on year
- Investments – Internal returns above the 7 day LIBID rate

The results of these indicators will be reported in the Treasury Annual Report each year.

### **Local Issues**

35. The review of indicators in relation to Treasury Management Activity has been undertaken and new local indicators for fixed and variable rate borrowings and investments, have been set to allow more flexibility to invest in money market funds, where the risk relating to the capital investment is minimised. This is in accordance with the principles contained within the Treasury Management report presented to Cabinet in November 2008.

**Treasury Management Practice (TMP) 1 (5) – Credit and Counterparty Risk Management**

The Office of the Deputy Prime Minister (now CLG) issued Investment Guidance on 12<sup>th</sup> March 2004, and this forms the structure of the Council's policy below. These guidelines do not apply to either trust funds or pension funds which are under a different regulatory regime.

The key intention of the Guidance is to maintain the current requirement for Councils to invest prudently, and that priority is given to security and liquidity before yield. In order to facilitate this objective the guidance requires this Council to have regard to the CIPFA publication Treasury Management in the Public Services: Code of Practice and Cross-Sectoral Guidance Notes. This Council adopted the Code on 5<sup>th</sup> February 2002 and will apply its principles to all investment activity. In accordance with the Code, the Head of Finance and Property has produced its treasury management practices. This part, TMP 1(5), covering investment counterparty policy requires approval each year.

**Annual Investment Strategy** - The key requirements of both the Code and the investment guidance are to set an annual investment strategy, as part of its annual treasury strategy for the following year, covering the identification and approval of following:

- The strategy guidelines for decision making on investments, particularly non-specified investments.
- The principles to be used to determine the maximum periods for which funds can be committed.
- Specified investments the Council will use. These are high security (i.e. high credit rating, although this is defined by the Council, and no guidelines are given), and high liquidity investments in sterling and with a maturity of no more than a year.
- Non-specified investments, clarifying the greater risk implications, identifying the general types of investment that may be used and a limit to the overall amount of various categories that can be held at any time.

This strategy is to be approved by full Council.

The investment policy proposed for the Council is:

**Strategy Guidelines** – The main strategy guidelines are contained in the body of the treasury strategy statement.

**Specified Investments** – These investments are sterling investments of not more than 6 months. These are low risk assets where the possibility of loss of principal or investment income is small. These would include investments with:

1. The UK Government (such as the Debt Management Account deposit facility, UK Treasury Bills or a Gilt with less than one year to maturity).
2. A local authority.
3. Pooled investment vehicles (such as money market funds) that have been awarded a high credit rating by a credit rating agency.
4. A body that has been awarded a high credit rating by a credit rating agency (such as a bank or building society)

For category 3 this covers pooled investment vehicles, such as money market funds, rated AAA by Standard and Poor's, Moody's or Fitch rating agencies.

For category 4 this covers bodies with a minimum rating of F1+ (or the equivalent) as rated by Standard and Poor's, Moody's or Fitch rating agencies. Within these bodies, and in accordance with the Code, the Council has set additional criteria to set the time and amount of monies which will be invested in these bodies. This criteria is:

|                              | Fitch  | Moody's | Standard & Poors | Money Limit | Time Limit       |
|------------------------------|--------|---------|------------------|-------------|------------------|
| Government Bodies            | AAA    | -       | -                | £3m         | 6 mths           |
| Local Authorities            | -      | -       | -                | £1m         | 6 mths           |
| Money Market Funds           |        | AAA     |                  | £3m         | Reinvested daily |
| Banks and Building Societies | F1+/A+ | P-1/Aa3 | A-1/A+           | £1m         | 6 mths           |

**Non-Specified Investments** – Non-specified investments are any other type of investment (i.e. not defined as Specified above). The identification and rationale supporting the selection of these other investments and the maximum limits to be applied are set out below. Non specified investments would include any sterling investments with:

|    | Non Specified Investment Category  | Limit (£ or %) |
|----|--|----------------|
| a. | <b>Supranational Bonds greater than 1 year to maturity</b>   |                |
|    | <b>(a) Multilateral development bank bonds</b> - These are bonds defined as an international financial institution having as one of its objects economic development, either generally or in any region of the world (e.g. European Investment Bank etc.).   | 0              |
|    | <b>(b) A financial institution that is guaranteed by the United Kingdom Government</b> (e.g. The Guaranteed Export Finance Company {GEFCO})  | 0              |
|    | The security of interest and principal on maturity is on a par with the Government and so very secure, and these bonds usually provide returns above equivalent gilt edged securities. However the value of the bond may rise or fall before maturity and losses may accrue if the bond is sold before maturity.                               |                |
| b. | <b>Gilt edged securities</b> with a maturity of greater than one year. These are Government bonds and so provide the highest security of interest and the repayment of principal on maturity. Similar to category (a) above, the value of the bond may rise or fall before maturity and losses may accrue if the bond is sold before maturity. | 0              |
| c. | <b>Building societies not meeting the basic security requirements under the specified investments.</b> The operation of some building societies does not require a credit rating, although in every other respect the security of the society  | 0              |

|    |   |   |
|----|---|---|
|    | would match similarly sized societies with ratings. The council may use such building societies which have a minimum asset size of £1bn, but will restrict these type of investments to £1m   |   |
| d. | Any <b>bank or building society</b> that has a minimum long term credit rating of AA-, for deposits with a maturity of greater than one year (including forward deals in excess of one year from inception to repayment).   | 0 |
| e. | Any <b>non rated subsidiary</b> of a credit rated institution included in the specified investment category.  | 0 |
| f. | <b>Share capital or loan capital</b> in a body corporate – The use of these instruments will be deemed to be capital expenditure, and as such will be an application (spending) of capital resources. Revenue resources will not be invested in corporate bodies. | 0 |

Within categories c, d and e, and in accordance with the Code, the Council has developed additional criteria to set the overall amount of monies which will be invested in these bodies. This criteria is...

Maximum investment in Group - £3m (excluding Money Market Funds)

Maximum investment in individual Country (excluding UK) - £3m

**The Monitoring of Investment Counterparties** - The credit rating of counterparties will be monitored regularly. The Council receives credit rating information from Butlers on a daily basis, as and when ratings change, and counterparties are checked promptly. On occasion ratings may be downgraded when an investment has already been made. The criteria used are such that a minor downgrading should not affect the full receipt of the principal and interest. Any counterparty failing to meet the criteria will be removed from the list immediately by the Head of Finance and Property, and if required new counterparties which meet the criteria will be added to the list.

**BASSETLAW DISTRICT COUNCIL**

**CABINET**

**12 FEBRUARY 2009**

**REPORT OF HEAD OF FINANCE & PROPERTY**

**ROBUSTNESS OF ESTIMATES AND ADEQUACY OF RESERVES**

Cabinet Member: Finance & Property  
Contact: Mike Hill  
Ext: 3174

**1. Public Interest Test**

The author of the report, Mike Hill, has determined that the report is not confidential.

**2. Purpose of the Report**

- 2.1 Sections 25 and 26 of the Local Government Act 2003 require a report from the Chief Finance Officer to be submitted to Members at the time the budget for the coming year is being set.
- 2.2 The purpose of the report is firstly, to advise Members about the robustness of the estimates being considered; and secondly, to comment on the adequacy of the Council's reserves.

**3. Background and Discussion**

**Robustness of Estimates**

- 3.1 Under Section 25 of the Local Government Act 2003 the Section 151 Officer is required to provide a commentary assessing the robustness of the estimates when Cabinet and Council are considering the budget proposals. The key strategic risks in considering the 2009/10 revenue budget proposals and capital programme in the context of the Medium Term Financial Plan are:
- The credit crisis has added uncertainty about the current economic environment, and this has exacerbated the future effects on the Council in terms of debt collection rates, housing benefits, and the public's capacity to spend on various Council services. The income estimates have therefore been reduced to counteract the implication of lower consumer disposable income.

- The near collapse of the international financial markets has presented a challenging time for the Council, with investments in Icelandic banks yet to be determined for future returns and timescales. The government's recent announcement on impairments on the principal amounts being deferred until 2010/11 has assisted local authorities in setting the 2009/10 budgets. The downturn in investment interest in the revenue account has been dealt with in its entirety in the 2009/10 budgets.
- Pay negotiations have still not been concluded for 2008/09, and this may yet present pressures on the budget, notwithstanding the firm line being taken by the government and the lower interest rates. The current provision for pay in 2008/09 is 2.6% (currently offered 2.45%), and for 2009/10 and future years 2.5%.
- Final budgets and spending in relation to the transfer of leisure services, and market testing of other council services are not yet finalised, and remain at current levels.
- Funding for capital schemes, particularly in later years, remains subject to generating capital receipts and being successful in bidding for grants. In the absence of that funding some schemes will likely not be affordable.
- The impacts of the new International Financial Reporting Standards are undetermined nationally at this stage, but may have an impact in later years, for example how the Council accounts for leases.
- Investment income interest rate assumptions have been set at 2%, which is believed to be prudent given market forecasts.
- Cabinet has already approved the Fees and Charges in December. They have been set in accordance with the Corporate Charging Policy, and realistic estimates have been included within the budget based on estimated usage of each service.
- The Council's level of employer superannuation contributions from 1 April 2009 for the General Fund are based on figures provided by the Pensions Authority and are determined until 2012/13.
- A1 Housing continues to review its Service Level Agreements with the Council. No changes are expected during 2009/10.
- The proposals for the Council Tax increase contained in the report have had regard to the Secretary of State's announcement of his expectations with regards to capping. It is not believed that an increase of 2.5% would be subject to capping although any decision to cap would be made on an individual authority basis and not through crude universal capping.
- The Council has sound Financial Management arrangements in place as evidenced by the Use of Resources Assessment, where once again the Council has been assessed as being at Level 3 for 2008.

- The Capital Programme is set out in a separate report. In summary, the borrowing used to fund the Capital Programme is accounted for in the 2009/10 revenue budget.
- Concessionary Travel is administered by Nottinghamshire County Council on behalf of all the Districts in the County. Grant increases have been fixed at 2.4% and 2.8% respectively over Nottinghamshire for the next two financial years, whilst cost pressures are growing within the economy that will undoubtedly affect transport operators through, for example, pay awards and fuel price increases. This pressure is likely to translate into fare increases, which are a central part of the reimbursement calculation. Given that transport costs and hence reimbursement rates are likely to exceed the increase in the government's allowance, this will in turn add to the cost pressures on local authorities. Estimates of usage are provided by the County Council and have been built into the budgets. These should be adequate to cover all known cost pressures.
- Job evaluation is ongoing within the Council, and payscales have yet to be applied to the scoring system. The Cabinet has already approved the ring-fencing of the LABGI monies to mitigate the costs for any level of backdating and support.
- The effects of major flooding within the district became a reality in 2007 and may happen again. During 2007/08 the Council was able to withstand the arising costs of the floods without a serious impact on balances. Since that time measures have been instigated in response to the Pitt Review that should reduce the risk. These schemes are ongoing, and further resources are being committed as part of the Capital Programme for 2009/10 and future years.

### **Adequacy of Reserves**

- 3.2 The Local Government Finance Act 2003 also requires authorities to have regard to the level of reserves when calculating their budget requirements. Professional guidance is set out to assist in this deliberation (guidance note on Local Authority Reserves and Balances – LAAP Bulletin 77 – November 2008). In consideration of this guidance, the Council is maintaining its minimum working balance of £1.0m for the General Fund, and £0.75m for the Housing Revenue Account.
- 3.3 The resulting levels of general reserves and balances from the proposed 2009/10 budget (i.e. at 31<sup>st</sup> March 2010) are summarised below. Further details are available in the budget report elsewhere on this agenda.

|                             | £'000       |
|-----------------------------|-------------|
| <b>General Fund Revenue</b> |             |
| Minimum Working Balance     | 1,000       |
| General Reserve             | 1,072       |
| Other Revenue Reserves      | 52          |
|                             | <hr/> 2,124 |

|                         | £'000     |
|-------------------------|-----------|
| <b>Housing Revenue</b>  |           |
| Minimum Working Balance | 750       |
| General Reserve         | 230       |
|                         | <hr/> 980 |
| <br><b>Capital</b>      |           |
| Capital Reserves        | <hr/> 0   |

#### 4. **Implications**

- (a) For service users

None arising directly from this report

- (b) Strategic & Policy

The Revenue Budget process supports the Medium Term Financial Plan in delivering the Council's objectives of being efficient and effective.

- (c) Financial - Ref: 9/56

The Head of Finance & Property, as designated the Council's Section 151 Officer, has outlined his opinion on the robustness of the estimates and adequacy of reserves.

In summary, the Head of Finance & Property is satisfied that the advice given to Members satisfies his statutory fiduciary duty as required under Section 25 of the Local Government Act 2003.

- (d) Legal – Ref: 736/02/09

The Local Government Act 2003 places duties on Local Authorities with regard to financial management. When an Authority is deciding on its annual budget and Council Tax level it will have to take into account a report from its Chief Finance Officer on the robustness of the budget and the adequacy of the Authority's reserves.

Members should be aware that also under the Local Government Act 2003, the Authority is under a duty to monitor its budgets during the year and consider what action to take if deterioration is identified.

- (e) Human Resources

None arising directly from this report.

- (f) Community Safety, Equalities, Environmental

None arising directly from this report.

(g) This is not a key decision.

## **5. Options, Risks and Reasons for Recommendations**

5.1 The LAAP bulletin 77 states that:

*“Account should be taken of the key financial assumptions underpinning the budget and financial strategy alongside a consideration of the authority’s financial management arrangements.”*

5.2 The following table therefore represents the Head of Finance & Property’s judgement of the residual risks of there being variances (over or underspending) from the budget, after taking account of the measures discussed in paragraph 3.1 above:

| <b>AREA OF RISK</b>                             | <b>RISK FACTOR</b> | <b>ACTIONS TAKEN</b>   |
|---|--------------------|--|
| Volatility of grant income                      | Low                | This is the second year of the three year settlement as reflected within the MTFP.   |
| Income achievement                              | Medium             | Rigorous budget monitoring throughout the year. Budget accountability clearly identified. Corporate Charging policy introduced for fees and charges. |
| Achieving Star Chamber savings                  | Low                | Already removed from the base budget. Rigorous budget monitoring throughout the year. Accountability clearly identified.                             |
| Achieving vacancy rate                          | Medium             | Currently performing at forecasted levels. Budget accountability clearly identified. Managed via budget monitoring process.                          |
| Interest Rate changes                           | Medium             | Cash balances for investment assessed prudently, plus impact of using investments as an avoidance of borrowing.                                      |
| Achieving target spending for capital programme | Medium             | Regeneration & Property Working Group monitors and co-ordinates capital programme. Accountability clearly identified.                                |

|                                     |      |   |
|-------------------------------------|------|---|
| Revenue spending above/below budget | High | Rigorous budget monitoring throughout the year should ensure that variances in budgets are identified early during the year and actions put in place to address the problems. Budget holder financial training planned for March 2009. Accountability clearly identified. |
| Change in priorities                | Low  | Corporate Plan reviewed and endorsed. Medium term view taken.   |
| Complying with grant requirements   | Low  | Very few grants in operation. No adverse audit commentary received.   |

- 5.3 The one area above where risk is judged to be high reflects an assessment of the Council's record of underspending on its revenue budget in previous years. The Star Chamber process has hopefully addressed the majority of this 'excess', and therefore the occurrence of significant under/overspending must have been reduced.

## **6. Conclusions**

- 6.1 Having considered the above risks, the Section 151 Officer regards the levels of reserves and balances forecasted to be held at 31<sup>st</sup> March 2010 as adequate. The Section 151 Officer is able to state that in his opinion the estimates are sufficiently robust to allow the Council to set the budget, capital programme and council tax for 2009/10 and provide indicative figures for 2010/11 and 2011/12.

## **7. Recommendations**

- 7.1 That the Cabinet notes this report.

**Background Papers**  
Budget working papers

**Location**  
Accountancy office