



BASSETLAW

DISTRICT COUNCIL
NORTH NOTTINGHAMSHIRE

**COUNCIL TAX
RESOLUTION
AND
BUDGET BOOK
2013/14**

BUDGET BOOK 2013/14

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Head of Finance and Property

BASSETLAW DISTRICT COUNCIL

COUNCIL

4TH MARCH 2013

REPORT OF THE DIRECTOR OF RESOURCES

COUNCIL TAX RESOLUTION & BUDGET HEADLINES 2013/14

Cabinet Member: Finance & Property
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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 Under the Council's Constitution, the functions of calculating the Council Tax requirement and the District element of the Council Tax, and the function of setting the Council Tax are the responsibility of the Full Council. The function of preparing estimates and calculations for submission to Council is the responsibility of the Cabinet.
- 2.2 This report assists Members of the Council to consider the background to their budgetary and Council Tax decisions, and sets out the recommendations from Cabinet on the 14th February 2013.

3. Background and Discussion

INTRODUCTION

- 3.1 The Council Tax is a tax on property with a personal element in the form of a discount for dwellings with less than two relevant residents, plus discounts for residents receiving council tax benefit. All dwellings are listed in one of eight valuation Bands and the amount of Council Tax payable in respect of each dwelling (before discounts and other reductions) is in a set proportion between each Band.
- 3.2 The headline Council Tax is calculated for Band D, and the Tax in the remaining Bands are worked out as a proportion of this amount. The lowest Band (A) is two-thirds of Band D and the highest Band (H) is twice Band D and three times Band A. The proportions are therefore as follows:

Band A	6/9	Band E	11/9
Band B	7/9	Band F	13/9
Band C	8/9	Band G	15/9
Band D	9/9	Band H	18/9

THE COUNCIL'S LEGAL DUTIES

- 3.3 In coming to decisions in relation to the revenue budget and the Council Tax, the District Council – and Members – have various legal duties, namely:
- (a) The Council must act in accordance with its statutory duties and responsibilities;
 - (b) The Council must act reasonably;
 - (c) The Council must not act in breach of its fiduciary duty to its Ratepayers and Council Taxpayers.

Statutory Duty

- 3.4 As part of the Budget and the Council Tax setting process, the Council was previously required by the Local Government Finance Act 1992 to make various specific calculations and decisions. The Localism Act 2011 has made significant changes to the LGFA 1992, and now requires the billing authority (Bassetlaw District Council) to calculate a **Council Tax requirement** for the year, not its budget requirement as previously.
- 3.5 These calculations must be made **before 11th March** (i.e. midnight on 10th March), although they are not invalid merely because they are made on or after that date. However, until the calculations are made any attempt to set the Council Tax will be treated as null and void.
- 3.6 The District Council has a clear legal duty to set a Council Tax, and a resolution not to set a Council Tax would be unlawful, being in breach of Section 30 of the Local Government Finance Act 1992. Similarly, so would be a resolution to set a Council Tax that deliberately did not balance the various calculations.

ADEQUACY OF COUNCIL TAX REQUIREMENT AND FINANCIAL RESERVES

- 3.7 The Local Government Act 2003 requires the Chief Financial Officer to report to the authority on the robustness of the estimates made for the purposes of the calculation and the adequacy of the proposed financial reserves. This will include estimates and reserves used for the purpose of the Cabinet's recommendations to Council, and for the purpose of any amendments to those recommendations. The Council has a statutory duty to have regard to the Chief Financial Officer's report when making decisions about the Section 31 calculations. This is set out in the *Robustness of Estimates and Adequacy of Reserves 2013/14* report contained within this document.

SETTING THE COUNCIL TAX

- 3.8 The final stage of the Council Tax setting process is for the Council, as billing authority, to set the overall Council Tax for each Band. Whereas the billing authorities and major precepting authorities calculate their own budget requirements, basic amounts, and amounts of each Band, the setting of the Council Tax is solely the responsibility of the District Council as billing authority.

COUNCIL TAX FREEZE GRANT

- 3.9 A letter received from Claire Cooper, Department for Communities and Local Government dated 20th December 2012, set out the terms under which the scheme will operate. It states that *"An authority which freezes or reduces its basic amount of council tax in 2013/14 compared to 2012/13 will be eligible to receive a grant. The amount of the grant provided will be equivalent to 1% of the basic amount of council tax set for 2012/13 multiplied by the amount calculated as the authority's council tax*

base for 2013/14 but not taking into account reductions to be awarded under council tax reduction schemes". For Bassetlaw, the 2013/14 budget includes a Council Tax Freeze Grant equivalent to £55,600.

- 3.10 To be clear, for local authorities to receive this grant they must freeze or reduce their Band D Council Tax (net of any local precepts and levies) in 2013/14. The recommendation is to accept this grant, which effectively means that the taxpayers do not incur any actual increase.

COUNCIL TAX REFERENDUMS

- 3.11 Schedule 5 to the Localism Act 2011 introduced a new chapter into the Local Government Finance Act 1992 ("the Act"), making provision for council tax referendums to be held if an authority increases its council tax by an amount exceeding principles determined by the Secretary of State and agreed by the House of Commons. The Localism Act also abolished the capping regime in England.
- 3.12 The letter from Claire Cooper dated 20th December 2012 also set out a summary of the council tax referendum principles, and authorities' responsibilities in the event that they are required to arrange for a referendum to be held in 2013/14.
- 3.13 In short, it stated a council tax referendum will be required to be held if a local authority contemplates setting an increase in council tax which exceeds the council tax excessiveness principle relevant to the Council. For district councils, the authority will be required to seek the approval of their local electorate in a referendum if, when compared to 2012/13, the council sets a council tax increase that exceeds 2.0%.
- 3.14 Unfortunately, these situations are never clear, as there is the possibility that a referendum could be triggered by several changing factors. For Bassetlaw, this calculation excludes all local precepts, all payments to Internal Drainage Boards, and an assumption of the amount of council tax benefit support grant that would have been paid in 2012/13. This is then compared to the costs of the equivalent areas this year. If for example, the drainage board levy is *reduced* between years but the Council maintains the same council tax figure, then it is perceived that the Council has actually *increased* its element of the precept between years, and it is on this element that the calculation of excessiveness is made. Therefore, it is the payments to these organisations that will need to be monitored in future years to avoid any breach of the referendum limit, but this also needs to be considered against a backdrop of a changing tax base.
- 3.15 The budget for payments to the Internal Drainage Boards has increased from £435,900 in 2012/13 to £444,300 in 2013/14, and the taxbase has reduced between the two years, which is compensated for by the payment of the 90% council tax benefit scheme grant. Overall for Bassetlaw, the calculation effectively decreases the '*Relevant basic amount of council tax*' for Bassetlaw by -1.86% i.e. well below the current 2.0% referendum limit.

OTHER PRECEPTING BODIES

- 3.16 Since the meeting of the Cabinet on 14th February 2013 the precept levels of other precepting bodies have been received. These are detailed below:

Town and Parish Councils

The Town and Parish Council Precepts for 2013/14 are detailed in Appendix B and total £797,437. The increase in the average Band D Council Tax for Town and Parish Councils is 10.49% and results in an average Band D Council Tax figure of £25.39 for 2013/14.

Nottinghamshire County Council

Nottinghamshire County Council met on 28th February 2013 and set their precept at £37,477,247. This results in a Band D Council Tax of £1,193.18.

Nottinghamshire Police & Crime Commissioner

Nottinghamshire Police & Crime Commission met on 6th February 2013 and set their precept at £5,328,630. This results in a Band D Council Tax of £169.65.

Nottinghamshire Fire & Rescue Authority

Nottinghamshire Fire & Rescue Authority met on 22nd February 2013 and set their precept at £2,188,931. This results in a Band D Council Tax of £69.69.

4. Implications

a) For service users

The Council Tax Resolution effectively sets the revenue and capital budgets and the Council Tax level for 2013/14.

b) Strategic & Policy

As contained within this report and the individual budget reports.

c) Financial – Ref: 13/156

As contained within this report and the individual budget reports.

d) Legal - Ref: 57/03/13

As contained within this report and the individual budget reports.

e) Human Resources

As contained within this report and the individual budget reports.

f) Community Safety, Equalities, Environmental

As contained within this report and the individual budget reports.

g) This is a key decision. The individual numbers are contained within each of the budget reports.

5. Options, Risks and Reasons for Recommendations

- 5.1 This report is a statutory requirement. It is for Members to decide on the balance between council taxation and service levels.

6. **Recommendations**

- 6.1 That recommendations 3(a) to 3(m) of Appendix F which is a summary of the recommendations made in the suite of the 2013/14 budget reports be approved.
- 6.2 That the formal Council Tax Resolution set out at Appendix A be approved.
- 6.3 That if the formal Council Tax Resolution at Appendix A is approved, the total Band D Council Tax will be as follows:

	2012/13	2013/14	Increase
	£	£	%
Bassetlaw District Council	152.82	152.82	0%
Nottinghamshire County Council	1,193.18	1,193.18	0%
Nottinghamshire Police & Crime Commissioner	166.41	169.65	1.95%
Nottinghamshire Fire & Rescue Authority	69.69	69.69	0%
Sub-Total	1,582.10	1,585.34	0.20%
Town & Parish Council (average)	22.98	25.39	10.49%
Total	1,605.08	1,610.73	0.35%

APPENDIX A

The Council is recommended to resolve as follows:

1. It be noted that on 29th January 2013 the Council calculated the Council Tax Base 2013/14:
 - (a) For the whole Council area as 31,409.55 [Item T in the formula in Section 31B of the Local Government Finance Act 1992, as amended by The Localism Act 2011 (the "Act")]; and
 - (b) For dwellings in those parts of its area to which one or more special items relate as in the attached Appendix C.
2. Calculate that the Council Tax requirement for the Council's own purposes for 2013/14 (excluding Parish precepts and Special Expenses) is £4,800,000.
3. That the following amounts be calculated for the year 2013/14 in accordance with Sections 31 to 36 of the Act:
 - (a) £96,359,300 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(2) of the Act taking into account all precepts issued to it by Parish Councils and any additional special expenses.
 - (b) (£90,761,900) being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of the Act.
 - (c) £5,597,400 being the amount by which the aggregate at 3(a) above exceeds the aggregate at 3(b) above, calculated by the Council in accordance with Section 31A(4) of the Act as its Council Tax requirement for the year (Item R in the formula in Section 31B of the Act).
 - (d) £178.21 being the amount at 3(c) above (Item R), all divided by Item T (1(a) above), calculated by the Council, in accordance with Section 31B of the Act, as the basic amount of its Council Tax for the year (including Parish precepts and special expenses).
 - (e) £797,400 being the aggregate amount of all special items (Parish precepts and special expenses) referred to in Section 34(1) of the Act (as per the attached Appendix C).
 - (f) £152.82 being the amount at 3(d) above less the result given by dividing the amount at 3(e) above by Item T (1(a) above), calculated by the Council, in accordance with Section 34(2) of the Act, as the basic amount of its Council Tax for the year for dwellings in those parts of its area to which no Parish precept or special item relates.
4. To note that the County Council, the Police & Crime Commissioner and the Fire & Rescue Authority have issued precepts to the Council in accordance with Section 40 of the Local Government Finance Act 1992 for each category of dwellings in the Council's area as indicated in the table below.

5. That the Council, in accordance with Sections 30 and 36 of the Local Government Finance Act 1992, hereby sets the aggregate amounts shown in the tables below as the amounts of Council Tax for 2013/14 for each part of its area and for each of the categories of dwellings.

	Valuation Bands							
	A £	B £	C £	D £	E £	F £	G £	H £
Bassetlaw District Council	101.88	118.86	135.84	152.82	186.78	220.74	254.70	305.64
Nottinghamshire County Council	795.45	928.03	1060.60	1193.18	1458.33	1723.48	1988.63	2386.36
Nottinghamshire Police & Crime Commissioner	113.10	131.95	150.80	169.65	207.35	245.05	282.75	339.30
Nottinghamshire Fire & Rescue Authority	46.46	54.20	61.95	69.69	85.18	100.66	116.15	139.38
Aggregate of Council Tax Requirements	1056.89	1233.04	1409.19	1585.34	1937.64	2289.93	2642.23	3170.68

6. That the Council's basic amount of Council Tax for 2013/14 is not excessive in accordance with the principles approved under Section 52ZB of the Local Government Finance Act 1992.
7. The Council hereby authorises the Section 151 Officer to administer the provisions of the Local Government Finance Acts 1988 and 1992 with regard to the demand, collection and recovery of Council Tax and Non-Domestic Rates and the operation of the Collection Fund.
8. (a) The Council hereby specifies that the Business Rates shall be collected in accordance with respective statutory monthly instalment schemes laid down in Regulations in a 10 month period from April to January within the year April to March.
- (b) The Council hereby specifies that the Council Tax shall be collected in accordance with respective statutory monthly instalment schemes laid down in Regulations within a 10 month period from April to January, or a 12 month period April to March, except where agreements are made with the taxpayer to pay in weekly instalments.
- (c) Payments will fall due on the first day of each month except where specific arrangements for Direct Debit apply for Council Tax and Business Rates.

BASSETLAW DISTRICT COUNCIL TAXBASE & LOCAL PRECEPTS 2013/14

Parish/Town Council	2012/13			2013/14			Council Tax Increase
	Taxbase	Precept	Council Tax Band D	Taxbase	Precept	Council Tax Band D	
	£	£	£	£	£	£	
Askham	83.13	0	0.00	79.69	0	0.00	0.00%
Babworth	226.33	4,035	17.83	211.24	4,026	19.06	6.90%
Bamby Moor	108.74	3,262	30.00	106.40	2,503	23.52	-21.60%
Beckingham-cum-Saundby	492.59	18,950	38.47	462.57	17,405	37.63	-2.18%
Blyth	489.42	25,500	52.10	463.90	25,745	55.50	6.53%
Bole	52.30	0	0.00	49.42	0	0.00	0.00%
Bothamsall	90.67	1,000	11.03	90.42	1,000	11.06	0.27%
Carburton	28.34	0	0.00	23.72	0	0.00	0.00%
Carlton in Lindrick	1,851.77	105,977	57.23	1,532.79	88,722	57.88	1.14%
Clarborough & Welham	410.07	18,000	43.89	373.85	15,000	40.12	-8.59%
Clayworth	143.91	4,581	31.83	138.21	5,543	40.11	26.01%
Cumber and Hardwick	31.91	0	0.00	31.57	0	0.00	0.00%
Cuckney	87.37	6,368	72.89	74.51	6,374	85.55	17.37%
Dunham on Trent with Ragnall, Fledborough and Darlton	239.79	8,980	37.45	205.41	7,738	37.67	0.59%
East Drayton	110.24	2,421	21.96	106.60	3,055	28.66	30.51%
East Markham	470.94	16,068	34.12	453.87	16,972	37.39	9.58%
East Retford Charter Trustees	7,171.11	10,249	1.43	6,137.31	8,771	1.43	0.00%
Elkesley	260.34	12,362	47.48	214.32	12,362	57.68	21.48%
Everton	355.29	10,450	29.41	338.58	11,500	33.97	15.50%
Gamston with West Drayton & Eaton	244.77	6,360	25.98	239.02	6,210	25.98	0.00%
Gringley-on-the Hill	323.61	21,487	66.40	293.57	18,983	64.66	-2.62%
Harworth & Bircotes	2,183.29	199,000	91.15	1,730.04	199,000	115.03	26.20%
Haughton	20.29	0	0.00	20.29	0	0.00	0.00%
Hayton	156.96	7,007	44.64	146.36	6,588	45.01	0.83%
Headon-cum-Upton with Grove & Stokeham	152.97	3,662	23.94	145.79	3,490	23.94	0.00%
Hodsock	663.99	29,891	45.02	518.68	25,379	48.93	8.69%
Holbeck & Welbeck	107.96	2,993	27.72	101.54	3,043	29.97	8.12%
Laneham	128.38	4,997	38.92	130.40	5,009	38.41	-1.31%
Lound	200.25	3,934	19.65	187.88	3,882	20.66	5.14%
Markham Clinton	91.36	3,174	34.74	90.38	3,140	34.74	0.00%
Mattersey	266.84	4,013	15.04	233.23	4,582	19.65	30.65%
Misson	264.59	9,010	34.05	257.25	9,210	35.80	5.14%
Misterton	738.24	49,750	67.39	661.14	51,000	77.14	14.47%
Nether Langwith	156.81	7,078	45.14	130.90	6,136	46.88	3.85%
Normanton-on-Trent with Marnham	186.36	4,156	22.30	182.62	4,092	22.41	0.49%
North Leverton with Hablesthorpe	349.59	13,961	39.94	318.68	18,000	56.48	41.41%
North and South Wheatley	265.31	15,518	58.49	252.70	18,758	74.23	26.91%
Norton	57.72	1,100	19.06	50.09	960	19.17	0.58%
Rampton	281.39	6,448	22.91	260.46	5,967	22.91	0.00%
Ranskill	524.82	16,700	31.82	484.41	16,700	34.47	8.33%
Rhodesia	253.93	6,043	23.80	195.91	4,150	21.18	-11.01%
Scaftworth	21.37	0	0.00	18.19	0	0.00	0.00%
Scrooby	137.96	3,835	27.80	128.10	3,850	30.05	8.09%
Shireoaks	472.82	10,803	22.85	440.29	11,076	25.16	10.11%
South Leverton	205.11	7,175	34.98	187.63	6,754	36.00	2.92%
Sturton-le-Steeple	192.32	11,895	61.85	181.04	11,895	65.70	6.22%
Styrrup with Oldcotes	253.56	11,000	43.38	226.99	12,632	55.65	28.28%
Sutton	261.96	11,210	42.79	247.41	10,587	42.79	0.00%
Tonworth	96.78	4,226	43.67	78.61	3,433	43.67	0.00%
Treswell-with-Cottam	127.71	2,367	18.53	115.83	2,146	18.53	0.00%
Tuxford	850.62	84,631	99.49	728.36	72,481	99.51	0.02%
Walkeringham	373.49	16,922	45.31	331.55	14,634	44.14	-2.58%
Wallingwells	13.79	0	0.00	12.07	0	0.00	0.00%
West Burton	6.50	0	0.00	6.61	0	0.00	0.00%
West Stockwith	117.18	5,858	49.99	103.14	4,278	41.48	-17.02%
Wiseton	41.47	215	5.18	39.72	400	10.07	94.40%
Workop Charter Trustees	12,930.90	2,586	0.20	10,838.29	2,276	0.21	5.00%
Total:	36,427.23	837,208	22.98	31,409.55	797,437	25.39	10.49%

LOCAL PRECEPTS 2013/14

	A	B	C	D	E	F	G	H
	£	£	£	£	£	£	£	£
Bassetlaw District Council	101.88	118.86	135.84	152.82	186.78	220.74	254.70	305.64
Nottinghamshire County Council	795.45	928.03	1060.60	1193.18	1458.33	1723.48	1988.63	2386.36
Nottinghamshire Police & Crime Commissioner	113.10	131.95	150.80	169.65	207.35	245.05	282.75	339.30
Nottinghamshire Fire & Rescue Authority	46.46	54.20	61.95	69.69	85.18	100.66	116.15	139.38
TOTAL:	1056.89	1233.04	1409.19	1585.34	1937.64	2289.93	2642.23	3170.68
Askham	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Babworth	12.71	14.82	16.94	19.06	23.30	27.53	31.77	38.12
Barnby Moor	15.68	18.29	20.91	23.52	28.75	33.97	39.20	47.04
Beckingham-cum-Saundby	25.09	29.27	33.45	37.63	45.99	54.35	62.72	75.26
Blyth	37.00	43.17	49.33	55.50	67.83	80.17	92.50	111.00
Bole	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Bothamsall	7.37	8.60	9.83	11.06	13.52	15.98	18.43	22.12
Carburton	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Carlton in Lindrick	38.59	45.02	51.45	57.88	70.74	83.60	96.47	115.76
Clarborough & Welham	26.75	31.20	35.66	40.12	49.04	57.95	66.87	80.24
Clayworth	26.74	31.20	35.65	40.11	49.02	57.94	66.85	80.22
Clumber and Hardwick	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Cuckney	57.03	66.54	76.04	85.55	104.56	123.57	142.58	171.10
Dunham on Trent with Ragnall, Fledborough and Darlton	25.11	29.30	33.48	37.67	46.04	54.41	62.78	75.34
East Drayton	19.11	22.29	25.48	28.66	35.03	41.40	47.77	57.32
East Markham	24.93	29.08	33.24	37.39	45.70	54.01	62.32	74.78
East Retford Charter Trustees	0.95	1.11	1.27	1.43	1.75	2.07	2.38	2.86
Elkesley	38.45	44.86	51.27	57.68	70.50	83.32	96.13	115.36
Everton	22.65	26.42	30.20	33.97	41.52	49.07	56.62	67.94
Gamston with West Drayton & Eaton	17.32	20.21	23.09	25.98	31.75	37.53	43.30	51.96
Gringley-on-the Hill	43.11	50.29	57.48	64.66	79.03	93.40	107.77	129.32
Harworth & Bircotes	76.69	89.47	102.25	115.03	140.59	166.15	191.72	230.06
Haughton	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Hayton	30.01	35.01	40.01	45.01	55.01	65.01	75.02	90.02
Headon-cum-Upton with Grove & Stokeham	15.96	18.62	21.28	23.94	29.26	34.58	39.90	47.88
Hodsock	32.62	38.06	43.49	48.93	59.80	70.68	81.55	97.86
Holbeck & Welbeck	19.98	23.31	26.64	29.97	36.63	43.29	49.95	59.94
Laneham	25.61	29.87	34.14	38.41	46.95	55.48	64.02	76.82
Lound	13.77	16.07	18.36	20.66	25.25	29.84	34.43	41.32
Markham Clinton	23.16	27.02	30.88	34.74	42.46	50.18	57.90	69.48
Mattersey	13.10	15.28	17.47	19.65	24.02	28.38	32.75	39.30
Misson	23.87	27.84	31.82	35.80	43.76	51.71	59.67	71.60
Misterton	51.43	60.00	68.57	77.14	94.28	111.42	128.57	154.28
Nether Langwith	31.25	36.46	41.67	46.88	57.30	67.72	78.13	93.76
Normanton-on-Trent with Marnham	14.94	17.43	19.92	22.41	27.39	32.37	37.35	44.82
North Leverton with Habbleshorpe	37.65	43.93	50.20	56.48	69.03	81.58	94.13	112.96
North and South Wheatley	49.49	57.73	65.98	74.23	90.73	107.22	123.72	148.46
Norton	12.78	14.91	17.04	19.17	23.43	27.69	31.95	38.34
Rampton	15.27	17.82	20.36	22.91	28.00	33.09	38.18	45.82
Ranskill	22.98	26.81	30.64	34.47	42.13	49.79	57.45	68.94
Rhodesia	14.12	16.47	18.83	21.18	25.89	30.59	35.30	42.36
Scaftworth	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Scrooby	20.03	23.37	26.71	30.05	36.73	43.41	50.08	60.10
Shireoaks	16.77	19.57	22.36	25.16	30.75	36.34	41.93	50.32
South Leverton	24.00	28.00	32.00	36.00	44.00	52.00	60.00	72.00
Sturton-le-Steeple	43.80	51.10	58.40	65.70	80.30	94.90	109.50	131.40
Styrrup with Oldcotes	37.10	43.28	49.47	55.65	68.02	80.38	92.75	111.30
Sutton	28.53	33.28	38.04	42.79	52.30	61.81	71.32	85.58
Torworth	29.11	33.97	38.82	43.67	53.37	63.08	72.78	87.34
Treswell-with-Cottam	12.35	14.41	16.47	18.53	22.65	26.77	30.88	37.06
Tuxford	66.34	77.40	88.45	99.51	121.62	143.74	165.85	199.02
Wakelingham	29.43	34.33	39.24	44.14	53.95	63.76	73.57	88.28
Wallingwells	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
West Burton	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
West Stockwith	27.65	32.26	36.87	41.48	50.70	59.92	69.13	82.96
Wiseton	6.71	7.83	8.95	10.07	12.31	14.55	16.78	20.14
Worksop Charter Trustees	0.14	0.16	0.19	0.21	0.26	0.30	0.35	0.42

BASSETLAW DISTRICT COUNCIL TAX INCLUDING LOCAL PRECEPTS 2013/14

Parish/Town	A	B	C	D	E	F	G	H
	£	£	£	£	£	£	£	£
Askham	101.88	118.86	135.84	152.82	186.78	220.74	254.70	305.64
Babworth	114.59	133.68	152.78	171.88	210.08	248.27	286.47	343.76
Barnby Moor	117.56	137.15	156.75	176.34	215.53	254.71	293.90	352.68
Beckingham-cum-Saundby	126.97	148.13	169.29	190.45	232.77	275.09	317.42	380.90
Blyth	138.88	162.03	185.17	208.32	254.61	300.91	347.20	416.64
Bole	101.88	118.86	135.84	152.82	186.78	220.74	254.70	305.64
Bothamsall	109.25	127.46	145.67	163.88	200.30	236.72	273.13	327.76
Carburton	101.88	118.86	135.84	152.82	186.78	220.74	254.70	305.64
Carlton in Lindrick	140.47	163.88	187.29	210.70	257.52	304.34	351.17	421.40
Clarborough & Welham	128.63	150.06	171.50	192.94	235.82	278.69	321.57	385.88
Clayworth	128.62	150.06	171.49	192.93	235.80	278.68	321.55	385.86
Clumber and Hardwick	101.88	118.86	135.84	152.82	186.78	220.74	254.70	305.64
Cuckney	158.91	185.40	211.88	238.37	291.34	344.31	397.28	476.74
Dunham on Trent with Ragnall, Fledborough and Darlton	126.99	148.16	169.32	190.49	232.82	275.15	317.48	380.98
East Drayton	120.99	141.15	161.32	181.48	221.81	262.14	302.47	362.96
East Markham	126.81	147.94	169.08	190.21	232.48	274.75	317.02	380.42
East Retford Charter Trustees	102.83	119.97	137.11	154.25	188.53	222.81	257.08	308.50
Elkesley	140.33	163.72	187.11	210.50	257.28	304.06	350.83	421.00
Everton	124.53	145.28	166.04	186.79	228.30	269.81	311.32	373.58
Gamston with West Drayton & Eaton	119.20	139.07	158.93	178.80	218.53	258.27	298.00	357.60
Gringley-on-the Hill	144.99	169.15	193.32	217.48	265.81	314.14	362.47	434.96
Harworth & Bircotes	178.57	208.33	238.09	267.85	327.37	386.89	446.42	535.70
Haughton	101.88	118.86	135.84	152.82	186.78	220.74	254.70	305.64
Hayton	131.89	153.87	175.85	197.83	241.79	285.75	329.72	395.66
Headon-cum-Upton with Grove & Stokeham	117.84	137.48	157.12	176.76	216.04	255.32	294.60	353.52
Hodsock	134.50	156.92	179.33	201.75	246.58	291.42	336.25	403.50
Holbeck & Welbeck	121.86	142.17	162.48	182.79	223.41	264.03	304.65	365.58
Laneham	127.49	148.73	169.98	191.23	233.73	276.22	318.72	382.46
Lound	115.65	134.93	154.20	173.48	212.03	250.58	289.13	346.96
Markham Clinton	125.04	145.88	166.72	187.56	229.24	270.92	312.60	375.12
Mattersey	114.98	134.14	153.31	172.47	210.80	249.12	287.45	344.94
Misson	125.75	146.70	167.66	188.62	230.54	272.45	314.37	377.24
Misterton	153.31	178.86	204.41	229.96	281.06	332.16	383.27	459.92
Nether Langwith	133.13	155.32	177.51	199.70	244.08	288.46	332.83	399.40
Normanton-on-Trent with Marnham	116.82	136.29	155.76	175.23	214.17	253.11	292.05	350.46
North Leverton with Habbleshorpe	139.53	162.79	186.04	209.30	255.81	302.32	348.83	418.60
North and South Wheatley	151.37	176.59	201.82	227.05	277.51	327.96	378.42	454.10
Norton	114.66	133.77	152.88	171.99	210.21	248.43	286.65	343.98
Rampton	117.15	136.68	156.20	175.73	214.78	253.83	292.88	351.46
Ranskill	124.86	145.67	166.48	187.29	228.91	270.53	312.15	374.58
Rhodesia	116.00	135.33	154.67	174.00	212.67	251.33	290.00	348.00
Scaftworth	101.88	118.86	135.84	152.82	186.78	220.74	254.70	305.64
Scrooby	121.91	142.23	162.55	182.87	223.51	264.15	304.78	365.74
Shireoaks	118.65	138.43	158.20	177.98	217.53	257.08	296.63	355.96
South Leverton	125.88	146.86	167.84	188.82	230.78	272.74	314.70	377.64
Sturton-le-Steeple	145.68	169.96	194.24	218.52	267.08	315.64	364.20	437.04
Styrrup with Oldcotes	138.98	162.14	185.31	208.47	254.80	301.12	347.45	416.94
Sutton	130.41	152.14	173.88	195.61	239.08	282.55	326.02	391.22
Torworth	130.99	152.83	174.66	196.49	240.15	283.82	327.48	392.98
Treswell-with-Cottam	114.23	133.27	152.31	171.35	209.43	247.51	285.58	342.70
Tuxford	168.22	196.26	224.29	252.33	308.40	364.48	420.55	504.66
Walkeringham	131.31	153.19	175.08	196.96	240.73	284.50	328.27	393.92
Wallingwells	101.88	118.86	135.84	152.82	186.78	220.74	254.70	305.64
West Burton	101.88	118.86	135.84	152.82	186.78	220.74	254.70	305.64
West Stockwith	129.53	151.12	172.71	194.30	237.48	280.66	323.83	388.60
Wiseton	108.59	126.69	144.79	162.89	199.09	235.29	271.48	325.78
Worksop Charter Trustees	102.02	119.02	136.03	153.03	187.04	221.04	255.05	306.06

**BASSETLAW DISTRICT COUNCIL TAX INCLUDING COUNTY COUNCIL, POLICE & CRIME
COMMISSIONER, FIRE & RESCUE AUTHORITY, DISTRICT COUNCIL AND LOCAL PRECEPTS
2013/14**

Parish/Town	A £	B £	C £	D £	E £	F £	G £	H £
Askham	1,056.89	1,233.04	1,409.19	1,585.34	1,937.64	2,289.93	2,642.23	3,170.68
Babworth	1,069.60	1,247.86	1,426.13	1,604.40	1,960.94	2,317.46	2,674.00	3,208.80
Barnby Moor	1,072.57	1,251.33	1,430.10	1,608.86	1,966.39	2,323.90	2,681.43	3,217.72
Beckingham-cum-Saundby	1,081.98	1,262.31	1,442.64	1,622.97	1,983.63	2,344.28	2,704.95	3,245.94
Blyth	1,093.89	1,276.21	1,458.52	1,640.84	2,005.47	2,370.10	2,734.73	3,281.68
Bole	1,056.89	1,233.04	1,409.19	1,585.34	1,937.64	2,289.93	2,642.23	3,170.68
Bothamsall	1,064.26	1,241.64	1,419.02	1,596.40	1,951.16	2,305.91	2,660.66	3,192.80
Carburton	1,056.89	1,233.04	1,409.19	1,585.34	1,937.64	2,289.93	2,642.23	3,170.68
Carlton in Lindrick	1,095.48	1,278.06	1,460.64	1,643.22	2,008.38	2,373.53	2,738.70	3,286.44
Clarborough & Welham	1,083.64	1,264.24	1,444.85	1,625.46	1,986.68	2,347.88	2,709.10	3,250.92
Clayworth	1,083.63	1,264.24	1,444.84	1,625.45	1,986.66	2,347.87	2,709.08	3,250.90
Clumber and Hardwick	1,056.89	1,233.04	1,409.19	1,585.34	1,937.64	2,289.93	2,642.23	3,170.68
Cuckney	1,113.92	1,299.58	1,485.23	1,670.89	2,042.20	2,413.50	2,784.81	3,341.78
Dunham on Trent with Ragnall, Fledborough and Darlton	1,082.00	1,262.34	1,442.67	1,623.01	1,983.68	2,344.34	2,705.01	3,246.02
East Drayton	1,076.00	1,255.33	1,434.67	1,614.00	1,972.67	2,331.33	2,690.00	3,228.00
East Markham	1,081.82	1,262.12	1,442.43	1,622.73	1,983.34	2,343.94	2,704.55	3,245.46
East Retford Charter Trustees	1,057.84	1,234.15	1,410.46	1,586.77	1,939.39	2,292.00	2,644.61	3,173.54
Elkesley	1,095.34	1,277.90	1,460.46	1,643.02	2,008.14	2,373.25	2,738.36	3,286.04
Everton	1,079.54	1,259.46	1,439.39	1,619.31	1,979.16	2,339.00	2,698.85	3,238.62
Gamston with West Drayton & Eaton	1,074.21	1,253.25	1,432.28	1,611.32	1,969.39	2,327.46	2,685.53	3,222.64
Gringley-on-the Hill	1,100.00	1,283.33	1,466.67	1,650.00	2,016.67	2,383.33	2,750.00	3,300.00
Harworth & Bircotes	1,133.58	1,322.51	1,511.44	1,700.37	2,078.23	2,456.08	2,833.95	3,400.74
Haughton	1,056.89	1,233.04	1,409.19	1,585.34	1,937.64	2,289.93	2,642.23	3,170.68
Hayton	1,086.90	1,268.05	1,449.20	1,630.35	1,992.65	2,354.94	2,717.25	3,260.70
Headon-cum-Upton with Grove & Stokeham	1,072.85	1,251.66	1,430.47	1,609.28	1,966.90	2,324.51	2,682.13	3,218.56
Hodsock	1,089.51	1,271.10	1,452.68	1,634.27	1,997.44	2,360.61	2,723.78	3,268.54
Holbeck & Welbeck	1,076.87	1,256.35	1,435.83	1,615.31	1,974.27	2,333.22	2,692.18	3,230.62
Laneham	1,082.50	1,262.91	1,443.33	1,623.75	1,984.59	2,345.41	2,706.25	3,247.50
Lound	1,070.66	1,249.11	1,427.55	1,606.00	1,962.89	2,319.77	2,676.66	3,212.00
Markham Clinton	1,080.05	1,260.06	1,440.07	1,620.08	1,980.10	2,340.11	2,700.13	3,240.16
Mattersey	1,069.99	1,248.32	1,426.66	1,604.99	1,961.66	2,318.31	2,674.98	3,209.98
Misson	1,080.76	1,260.88	1,441.01	1,621.14	1,981.40	2,341.64	2,701.90	3,242.28
Misterton	1,108.32	1,293.04	1,477.76	1,662.48	2,031.92	2,401.35	2,770.80	3,324.96
Nether Langwith	1,088.14	1,269.50	1,450.86	1,632.22	1,994.94	2,357.65	2,720.36	3,264.44
Normanton-on-Trent with Marnham	1,071.83	1,250.47	1,429.11	1,607.75	1,965.03	2,322.30	2,679.58	3,215.50
North Leverton with Habbleshorpe	1,094.54	1,276.97	1,459.39	1,641.82	2,006.67	2,371.51	2,736.36	3,283.64
North and South Wheatley	1,106.38	1,290.77	1,475.17	1,659.57	2,028.37	2,397.15	2,765.95	3,319.14
Norton	1,069.67	1,247.95	1,426.23	1,604.51	1,961.07	2,317.62	2,674.18	3,209.02
Rampton	1,072.16	1,250.86	1,429.55	1,608.25	1,965.64	2,323.02	2,680.41	3,216.50
Ranskill	1,079.87	1,259.85	1,439.83	1,619.81	1,979.77	2,339.72	2,699.68	3,239.62
Rhodesia	1,071.01	1,249.51	1,428.02	1,606.52	1,963.53	2,320.52	2,677.53	3,213.04
Scaftworth	1,056.89	1,233.04	1,409.19	1,585.34	1,937.64	2,289.93	2,642.23	3,170.68
Scrooby	1,076.92	1,256.41	1,435.90	1,615.39	1,974.37	2,333.34	2,692.31	3,230.78
Shireoaks	1,073.66	1,252.61	1,431.55	1,610.50	1,968.39	2,326.27	2,684.16	3,221.00
South Leverton	1,080.89	1,261.04	1,441.19	1,621.34	1,981.64	2,341.93	2,702.23	3,242.68
Sturton-le-Steeple	1,100.69	1,284.14	1,467.59	1,651.04	2,017.94	2,384.83	2,751.73	3,302.08
Styrrup with Oldcotes	1,093.99	1,276.32	1,458.66	1,640.99	2,005.66	2,370.31	2,734.98	3,281.98
Sutton	1,085.42	1,266.32	1,447.23	1,628.13	1,989.94	2,351.74	2,713.55	3,256.26
Torworth	1,086.00	1,267.01	1,448.01	1,629.01	1,991.01	2,353.01	2,715.01	3,258.02
Treswell-with-Cottam	1,069.24	1,247.45	1,425.66	1,603.87	1,960.29	2,316.70	2,673.11	3,207.74
Tuxford	1,123.23	1,310.44	1,497.64	1,684.85	2,059.26	2,433.67	2,808.08	3,369.70
Wakeringham	1,086.32	1,267.37	1,448.43	1,629.48	1,991.59	2,353.69	2,715.80	3,258.96
Wallingwells	1,056.89	1,233.04	1,409.19	1,585.34	1,937.64	2,289.93	2,642.23	3,170.68
West Burton	1,056.89	1,233.04	1,409.19	1,585.34	1,937.64	2,289.93	2,642.23	3,170.68
West Stockwith	1,084.54	1,265.30	1,446.06	1,626.82	1,988.34	2,349.85	2,711.36	3,253.64
Wiseton	1,063.60	1,240.87	1,418.14	1,595.41	1,949.95	2,304.48	2,659.01	3,190.82
Worksop Charter Trustees	1,057.03	1,233.20	1,409.38	1,585.55	1,937.90	2,290.23	2,642.58	3,171.10

BUDGET HEADLINES 2013/14

1. Purpose of the Report

- 1.1 This report brings together the various budget recommendations made by Cabinet on 14th February 2013 to assist the Council in determining its call upon the Collection Fund and hence the level of the Council Tax for 2013/14.

2. Background

General Fund Revenue Budget

- 2.1. The overall grant settlement saw an increase of £539,300 following additional grant being provided in respect of the localised council tax benefit scheme of £888,700 (including the parish council element). RSG amounts to £5,326,400 with the Retained Business Rates element being £3,544,500.
- 2.2. The General Fund net budget for 2013/14, as agreed by Cabinet (including adjusted final figures for parish grants and internal drainage board levies) is £15,959,900 after funding Provisions (£352,600), Parish Precepts (£797,400), and the use of balances (£0). This provides for a Council Tax increase of 0%.

Parishes

- 2.3. The Parish Precepts for 2013/14 total £797,400 (rounded to nearest £100), an average Band D increase of 10.49%.
- 2.4. The District Council has no special expenses. This is confirmed in the Council Tax Resolution.

General Fund Reserves and Balances

- 2.5. 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

- 2.6. The Council Tax base (Band D equivalent) has decreased due to the introduction of the local council tax benefit scheme from 36,427.23 to 31,409.55.

APPENDIX F

Bassetlaw District Council Tax For 2013/14

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

	£'000	Council Tax Band D Equiv. £
General Fund Total Expenditure	15,960	508.13
Transfer to Reserves	0	0
	<hr/> 15,960	<hr/> 508.13
LESS		
Parish Precepts	-797	-25.39
Revenue Support Grant	-5,326	-169.58
National Non-Domestic Rates distribution	-3,545	-112.85
Other Grants	-1,492	-47.49
To be met from Collection Fund	<hr/> 4,800	<hr/> 152.82
LESS reductions due to better than expected local tax collection	0	0
	<hr/> 4,800	<hr/> 152.82

Housing Revenue Account (reported to Council 29th January 2013)

- 2.8. The Housing Revenue Account estimates for 2013/14 include an average weekly rent increase of £1.76 per week on a 52-week collection basis as from 1st April 2013 in respect of all dwellings. This provides for an average rent increase of 2.54%. Within the HRA, the Council will hold £1.3m as a minimum working balance.

Capital Budget

- 2.9. The CIPFA Prudential Code governs the Authority's Capital Expenditure. This is limited to the amount the Council can afford after allowing for grants, the availability of capital receipts, revenue contributions and leasing.
- 2.10. The recommended Capital Budget for 2013/14 (including the previous year's approvals) totals £17,496,000 of which £10,684,000 is for Housing, and the remaining £6,812,000 is for the General Fund.

Total Council Tax for 2013/14

- 2.11. 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 & Crime Commissioner, Nottinghamshire Fire & Rescue Authority, Parish Councils, and Charter Trustees.

APPENDIX F

2.12. The position may be summarised as follows:

	Band D Council Tax £	Band D Percentage Increase %
Bassetlaw District Council	152.82	0
Nottinghamshire County Council	1,193.18	0%
Nottinghamshire Police & Crime Commissioner	169.65	1.95%
Nottinghamshire Fire & Rescue Authority	69.69	0%
Parish Councils and Charter Trustees	25.39	10.49%
TOTAL	1,610.73	0.35%

Precept Requirements for 2013/14

2.13 The position may be summarised as follows:

	Band D Council Tax £	Proportion Of Band D %
Bassetlaw District Council	4,800,007	9.49%
Nottinghamshire County Council	37,477,247	74.08%
Nottinghamshire Police & Crime Commissioner	5,328,630	10.53%
Nottinghamshire Fire & Rescue Authority	2,188,931	4.33%
Parish Councils and Charter Trustees	797,437	1.57%
TOTAL	50,592,252	100.00%

3. Recommendations from the General Fund budget reports presented to Cabinet on 14th February 2013

The Council is recommended to approve for 2013/14:

General Fund Budget 2013/14 to 2015/16

- a) The General Fund net budget of £15,162,500 (excluding parish precepts).
- b) A Council Tax Band D increase of 0% that retains the amount of £152.82 for Bassetlaw District Council.
- c) No use of reserves to fund the budget.
- d) The declaration of a nil surplus on the Collection Fund.

General Fund Capital Programme 2013/14 to 2017/18

- e) The Capital Programme for 2013/14 totalling £6,812,000.
- f) The indicative Capital Programme for 2014/15 to 2017/18 totalling £4,907,000.

Treasury Management Policy and Strategy 2013/14 to 2015/16

- g) The Treasury Management Strategy, incorporating the Borrowing Strategy and the Annual Investment Strategy.
- h) The Minimum Revenue Provision Statement.
- i) The Prudential Indicators and Limits.
- j) The Authorised Limit Prudential Indicator.

Capital Investment Strategy 2013/14 to 2017/18

- k) The approval of the Capital Investment Strategy.

Property Asset Management Plan 2013/14 to 2017/18

- l) The approval of the Property Asset Management Plan.

Robustness of Estimates and Adequacy of Reserves - 2013/14

- m) The Council notes the report.

BASSETLAW DISTRICT COUNCIL

CABINET

14th FEBRUARY 2013

REPORT OF INTERIM CHIEF EXECUTIVE & DIRECTOR OF RESOURCES

GENERAL FUND BUDGET 2013/14 TO 2015/16

Cabinet Member: Finance & Property

Contact: Neil Taylor

Ext: 3221

1. Public Interest Test

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

2. Purpose of the Report

- 2.1 To provide details for the General Fund Budget proposals for 2013/14, and make recommendations for the budget setting meeting at Full Council on the 4th March, 2013.

3. Background and Discussion

Introduction

- 3.1 The budget report is a key milestone in the development of the Council, and the services it provides for local people. This budget centres on five main factors:
- The savings made during the 2013/14 Budget Review process;
 - The consolidation of the further budget pressures that have been experienced since the start of the economic downturn in 2008;
 - Support for the Corporate Plan and Members' priorities;
 - The significant and ongoing withdrawal of Government funding, which will total a 33% reduction from 2010/11 to 2014/15;
 - Members aspirations for Council Tax.
- 3.2 This report sets out for Members all of the considerations that have had to be made to balance the budget for 2013/14, and allow Bassetlaw to freeze its level of council tax for a fourth successive year.
- 3.3 As Members know the continual reduction of Bassetlaw's income is putting sustained pressure on the organisation. The budget process was hampered by the lateness of the Finance Settlement information for 2013/14 and the vagueness of some of the detail for 2014/15. There is also some uncertainty about the impact of:

- the operational experience of the first year of the new National Non Domestic Rates system;
- the operational experience of the first year of the local council tax benefit scheme;
- the future funding arrangements of the local council tax benefit scheme, and whether or not they will be included in future mainstream Government Grant;
- uncertainty about future levels of Parish Council support for the local council tax benefit scheme; and
- future volatility in the New Homes Bonus, which is in effect taken away from the main Formula Grant and is subject to a separate and more volatile distribution mechanism. (The level of New Homes Bonus for 2013/14 was a significant factor in arriving at this evening's budget recommendations.)

Service Budget Reviews

- 3.4 Members will be aware that in preparation for previous year's budgets, the Council has undertaken a series of Star Chamber meetings with senior managers and portfolio holders. This approach has been very successful, and has realised substantial savings to balance annual budgets in the past.
- 3.5 However this process has now run its course, as it mainly realised savings in non-staffing budgets. For the 2013/14 budget, this approach evolved into a series of Service Budget Reviews undertaken during October/November 2012, and this focused more on potential changes to structures to maximise efficiencies, and which meet the future needs of the Council. Some of the potential staffing implications are outlined in the confidential section of this meeting's agenda, but the non-staffing savings arising from this exercise totalled £279,100.
- 3.6 Following the success of the Voluntary Early Retirement and Voluntary Redundancy exercise for 2012/13, the process was repeated again this year. This was reported to the October Cabinet, and resulted in two posts being removed from the staffing establishment and one Flexible Retirement with reduced hours, with ongoing annual savings of £50,900.
- 3.7 In addition, there are a number of vacant posts currently within the establishment that were identified as a result of the Service Budget Review process totalling £153,700 as follows:
- | | |
|---------------------------------|---------|
| • Finance & Property | 2.8 fte |
| • Community Prosperity | 1.0 fte |
| • Leisure | 1.0 fte |
| • Policy & Community Engagement | 0.7 fte |
| • Revenues & Customer Services | 1.1 fte |
- 3.8 In order to complete the budget process, the achievable non-staffing savings, the Voluntary Early Retirement/Voluntary Redundancy/Flexible Retirement/Flexible Working savings, and the deletion of the vacant posts have been removed from the base budget as follows:

	Achievable Non-Staffing	VR/VER/ FR/ FW	Vacant Posts	Total
	£	£	£	£
Finance & Property	41,300	9,200	74,700	125,200
Community Prosperity	85,300	1,900	17,000	104,200
Environment	2,500	0	0	2,500
Leisure	17,700	0	17,000	34,700
Housing	0	0	0	0
Corporate Management	67,000	0	0	67,000
Policy & Community Engagement	14,300	0	15,000	29,300
Revenues & Customer Services	5,000	39,800	30,000	74,800
Support Services	46,000	0	0	46,000
Total:	£279,100	£50,900	£153,700	£483,700

- 3.9 As can be seen from the table above, voluntary redundancies, early retirements and the deletion of 6.6 fte vacant posts have been implicit in balancing the 2013/14 budget. However, the requirement is to use 2013/14 budget as a base position to prepare for 2014/15, which is why the Organisational Review, approved as part of the Medium Financial Plan in January will be so important, together with other specific service reports as follows:

This 2013/14 and 2014/15 agenda:

- Car Parking
- Bassetlaw Museum
- Tourism
- Out of Hours Service
- Pest Control
- Revenues & Benefits

Further areas will consider:

- Environmental Health
- Economic Development
- Corporate Services

- 3.10 However, Members do not wish Bassetlaw's services to remain static and the overall budget package also includes a number of developmental items, plus a 1% provision for all staff pay for the first time since 2010/11. These include:

- £65,000 to support the additional costs of the Living Wage and pension auto enrolment initiatives;
- Local Authority Mortgage Scheme;
- Co-operative Council Network initiative;
- Support for Special Constables; and
- Prudential borrowing to enhance Bassetlaw's leisure offer at both Worksop and Retford

General Fund Revenue Reserves & Balances

- 3.11 The Local Government Finance Act 1992 requires authorities to consider 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). The Council is maintaining its minimum working balance of £1.0m in 2013/14. Members know how important this is as the District Auditor, now the KPMG external audit Engagement Lead, will comment on it as part of the official Financial Resilience test for Bassetlaw. The estimated position at the end of 2013/14 will be:

General Fund:	Estimated Position At 31st March 2014 £'000
Minimum Working Balance	1,000
General Reserve	56
Job Evaluation Reserve*	620
Developers' Contributions Unapplied	180
Total	£1,856
Treasury Management Impairment**	1,619

*Note: The Job Evaluation Reserve figure excludes any severance costs that may arise as part of the service modernisation agenda.

**Note: This relates to the Icelandic Banks investments and cannot be used for general purposes until the final dividends have been paid – possibly not until 2018.

- 3.12 Members may recall that the Council was successful in its application to receive a capitalisation directive to meet the statutory redundancy and pension strain costs for those staff leaving the Council during 2011/12. As there have been no similar capitalisation arrangements made by the DCLG for 2012/13, the Council must not only meet the costs of staff leaving under the Voluntary Redundancy and Voluntary Early Retirement arrangements this year, but also meet the costs of downsizing in the next financial year. All of these costs will have to be met from the Job Evaluation Reserve in the first instance.

Formula Grant Settlement 2013/14

- 3.13 Formula Grant from Central Government has now reduced to 54% of Bassetlaw's net budget for 2013/14. In 2010/11 this stood at 66%. The following table illustrates the changes the Council has had to deal with:

	2010/11 £'000	2011/12 £'000	2012/13 £'000	2013/14 Final £'000	2014/15 Provisional £'000
Revenue Support Grant	1,434	2,189	20*	4,438**	4,070
NNDR	9,877	7,081	8,173	3,545***	3,393***
Total	£11,311	£9,270	£8,193	£7,983	£7,463

Financial Reduction	n/a	-£2,041	-£1,077	-£210	-£520
Percentage Reduction	n/a	-18%	-12%	-3%	-7%

*Note: the 2012/13 settlement for RSG was actually £0.158m, but £0.138m of this relates to the Council Tax Freeze Grant for 2010/11 that has now been amalgamated into the latest RSG formula.

**Note: to aid comparison the 2013/14 RSG figure is net of the £0.888m council tax benefit support grant.

***Note: the 2013/14 and 2014/15 figures represent the amount the Council is allowed to keep under the retained business rates scheme. This is no longer a central government grant and is based on expected collection of business rates in year.

- 3.14 In addition councils are now subject to more transitory funding and Bassetlaw has also received the following, which do not form part of its core Formula Grant. Members will be aware that each year's New Homes Bonus will only be in place for six years before dropping out, in addition to any Formula Grant reductions:

	£000
New Homes Bonus 2011/12	286
New Homes Bonus 2012/13	261
New Homes Bonus 2013/14	344
Council Tax Freeze Grant 2013/14	56
TOTAL	£947

- 3.15 These incentive based grants are equivalent to nearly 12% of Bassetlaw's overall Formula Grant for 2013/14. The Council Tax Freeze Grant for 2011/12 has been incorporated into the main Formula Grant figure, and the Council Tax Freeze Grant for 2012/13 was a one-off which has now dropped out.

Inflation And Other Budget Provisions

- 3.16 The Budget contains £90,000 for staff inflationary pay increases. The Chancellor announced the parameters for public sector pay restraint in the Autumn Statement in October 2011 and these have not been changed. As the level of staff turnover has reduced the vacancy factor built into the budgets has now been eradicated.
- 3.17 In addition all RPI based contracts have been uplifted by 5% to reflect the level of inflation. There is also a Corporate Contingency of £150,000 and a provision for uncollectable debts of £80,000, both of which will be needed for the reasons outlined in para 3.3. All these provisions should ensure budget managers' are adequately equipped to deliver the levels of services Members have approved following their Budget Review meetings. There has however, been no increase allowed for inflation on supplies and services - in effect this means an inbuilt efficiency on these budgets.

Council Tax

- 3.18 Bassetlaw has not increased its level of council tax for the fourth year running, since 2010/11. For 2013/14 the Council will be taking the Department for Communities & Local Government's Council Tax Freeze grant, which is only equivalent to a 1% council tax increase, and this will be withdrawn in 2015/16.

- 3.19 Since 2009/10 the level of RPI has increased by 16.4% (CPI by 13.2%) and Bassetlaw has dealt with all these inflationary pressures through reductions in expenditure and not increased its local level of tax. This equates to £0.9m per annum in income that has been foregone by the Council to assist residents' domestic budgets and the local economy.
- 3.20 The Medium Term Financial Plan report submitted to the January Cabinet meeting outlined the long term impact of this council tax policy on Bassetlaw. The Government's Local Government Finance Settlement also provided information about the level set by the Secretary of State for Communities & Local Government for excessive council tax increases, which is capped at 2.0%, but this is not applicable to this Council for the 2013/14 budget.
- 3.21 The report to Council on 29th January, 2013 proposed a council tax base for collection purposes of 31,409.55 Band D properties for 2013/14, which reflects the decreases in the tax base as enforced by the Local Council Tax Benefit reduction scheme.
- 3.22 The average band D council tax for 2013/14 for Bassetlaw District Council services is £152.82 or £2.94 per week. In preparation for the 2013/14 budget, two options have been considered:
- a 0% increase which would mean the council tax remains at £152.82; and
 - a 1.99% increase (the maximum before an excessive capping referendum would be triggered) which would mean a new council tax of £155.86. This represents an annual increase of £3.04, and a 6p per weekly increase (this may change as the Government are still consulting on the grounds that council tax increases may have to be calculated on the budget excluding drainage board levies).
- 3.23 As each 1% council tax increase generates an additional £48,000 of revenue for the Council, the maximum that could be levied before a local referendum is £95,500 and this is very small compared to the gross budget for the General Fund which is in excess of £69m.
- 3.24 The majority of properties (approximately 40%) in the council's area are in Band A with a 2013/14 council tax of £101.88. A maximum increase of 1.99% for 2012/13 would mean a new council tax of £103.91. This would represent an annual increase of £2.03, and a weekly increase of 4p.
- 3.25 Parish, Police, Fire and County precepts are still to be set by the precepting authorities and will be included in the Council Tax Resolution in the 4th March 2013 report.
- 3.26 Bassetlaw has a statutory duty to consult the business community as part of its budget preparations and will be holding a public meeting to fulfil this requirement on the 26th February 2013.

Collection Fund Surplus

- 3.27 The Council is statutorily obliged on 15th 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.

- 3.28 Collections to 31st March 2012 were in line with the budgeted rate and resulted in a surplus of £0.528m carried forward. A surplus of £0.400m was declared on 15th January 2012 in respect of 2012/13 and this balance has been retained in year. No surplus has been declared for 2013/14; instead the estimated balance has been used to increase the council tax bad debt provision. For similar reasons, the council taxbase report to Council recommended that the estimated collection rate remains at 98.5%. The Collection Fund estimates are provided at Appendix 3.

4. Implications

- a) For service users.

The savings outlined in the Service Budget Report will enable Members to keep to their objective of maintaining the 2013/14 council tax at the same level as 2009/10, 2010/11, 2011/12 and 2012/13.

- b) Strategic & Policy.

The HRA budget, the HRA capital programme, the General Fund capital programme and this revenue budget all contribute to the action plan that is the Corporate Plan.

- c) Financial - Ref: 13/909

All of the financial implications are contained within the body of this report. If there are any further changes they will be itemised in the Budget Setting Report to full Council on the 4th March 2013.

- d) Legal – Ref: 34/02/13

The Local Government Act 1988 provides the legislative framework which requires the council to set a balanced budget. These responsibilities are placed in the Section 151 Officer as outlined in the *Robustness of Estimates and Adequacy of Reserves* report elsewhere on this agenda.

- e) Human Resources.

The outcomes of the Voluntary Redundancy and Voluntary Early Retirement programme have been reported to Cabinet, and another update will be considered in April 2013. All the savings have been dealt with in the budget proposals, and there are a number of service specific reports which will also start to shape future savings.

- f) Community Safety, Equalities, Environmental.

The Equality Impact Assessment has been updated for the 2013/14 budget, and there are no adverse impacts.

- g) This is Key Decision. Number 336.

5. Options, Risks and Reasons for Recommendations

- 5.1 The Council is required to set a balanced budget, but may otherwise vary its spending and taxation proposals below the excessive capping trigger. For the

2013/14 revenue budget, the following decisions are available to Members:

- i) Change the level of service spending or income projections;
- ii) Revise the level of any reserves to support the revenue Budget;
- iii) Change the planned level of increase in Council Tax for 2013/14, but any increase above 0% will mean the forfeit of the Council Tax Freeze Grant.
- iv) Revise the General Fund Capital Programme and its associated funding strategy.

6. Conclusions

- 6.1 The 2013/14 budget process has been problematic this year as it was very unclear what budget gap the Council would have to meet until very late on.
- 6.2 In addition the separate balancing of the Local Council Tax Benefit scheme has been an additional task which Members and officers have had to grapple with. This does not add to the financial stability of the Council as any growth in the cost of benefits (either through volume or cost increases) will now be required to be met locally.
- 6.3 The Voluntary Redundancy/Early Retirement initiative has enabled the Council to make further savings, but these will be increasingly limited as the organisation contracts and continues to do so. The Council now employs 23% less staff than it did in 2005, and this excludes the changes of services with the A1 Housing ALMO and the Barnsley Premier Leisure contract.
- 6.4 The budget has been constructed using the Government's Council Tax Freeze Grant of £55,600 (based on the taxbase excluding council tax benefit) which is equivalent to a 1% council tax increase. This will drop out in 2015/16 and create an in-built pressure for that financial year. As Bassetlaw's reserves and balances remain low in comparison to gross expenditure, the Council will need to reassess its financial position in July 2013 after the 2012/13 out-turn is declared. Members have already started to plan for their approach to 2014/15, with the Organisational Review and the service specific reviews set out in para 3.9.
- 6.5 Whilst the Council has covered all its foreseeable commitments for 2013/14, the budget is made up of hundreds of different elements, and from that point of view is the best plan that can be constructed for events that will conclude in 14 months' time. Thanks need to be recorded to all the budget holders who rigorously assessed their operations in the Budget Review process this year. It is a positive sign that managers can be objective about their services and meet the corporate challenges that they are set.

7. Recommendations

Cabinet is recommended to agree the following recommendations to full Council on 4th March 2013:

- 7.1 That Cabinet considers the budget for 2013/14 and future years, together with the associated comments from Audit & Risk Committee on 12th February 2013, and to recommend their approval.

- 7.2 That Cabinet recommends a council tax increase of 0% for 2013/14 to keep it at the same level as 2009/10.
- 7.3 That Cabinet notes the declaration of a nil surplus on the Collection Fund for 2013/14 as summarised in para 3.27 and detailed in Appendix 3 of this report.
- 7.4 That Cabinet delegates authority to the Cabinet Member for Finance & Property for addressing any issues arising from the Business Ratepayers meeting in February 2013.
- 7.5 That Cabinet delegates authority to the Director of Resources to deal with amendments to the budget for any changes to Drainage Board and Parish Town Council precepts, (these will not affect the level of Bassetlaw's council tax.)

Background Papers

Location

Budget Savings 2013/14
 Previous Years' Budget Reports
 Medium Term Financial Plan 2013/14 – 2015/16
 & Value For Money Strategy
 Local Government Finance Settlement Data

Director of Resources

COUNCIL BUDGET 2013/14 AND FUTURE YEARS

Approved Budget 2012/13		Budget 2013/14	Budget 2014/15	Budget 2015/16
£		£	£	£
SERVICE BUDGETS				
1,056,500	Community Prosperity Economic Regeneration	1,153,400	1,012,700	986,500
1,365,700	Community Prosperity Planning & Building Control	1,443,400	1,176,800	1,196,000
718,100	Corporate Management	785,100	788,500	714,900
199,700	Chief Executive Department	224,700	184,800	185,400
5,227,400	Environment	4,126,800	4,381,200	4,276,100
811,000	Finance & Property	791,800	714,100	715,100
1,437,700	Housing	1,278,900	1,046,600	634,700
1,641,500	Leisure	2,981,900	2,897,800	2,873,600
1,275,700	Policy & Community Engagement	1,160,600	1,255,600	1,254,300
879,200	Revenues & Customer Services	867,900	997,000	939,600
162,700	Support Services	143,700	146,000	147,000
14,775,200	Total Net Cost of Services	14,958,200	14,601,100	13,923,200
OTHER BUDGETS				
(3,097,900)	Asset Rents	(3,367,500)	(2,818,500)	(2,205,900)
300,000	Capital Grants	426,000	0	0
150,000	Provisions - Corporate Contingency	150,000	150,000	150,000
80,000	Provisions - Bad Debts	80,000	80,000	80,000
70,000	Provisions - Pay Award	0	0	0
0	Provisions Payroll Issues	65,000	65,000	65,000
0	Provisions - Utilities	57,600	30,000	30,000
0	Community Rights Grants	16,400	16,400	0
2,078,400	Net interest and borrowing costs	2,138,000	1,839,800	1,836,000
540,300	Concurrent functions & drainage board levies	638,800	518,500	518,300
837,200	Parish Precepts	797,400	797,400	797,400
958,000	Total Other Budgets	1,001,700	678,600	1,270,800
0	Savings Target	0	(920,200)	(1,071,600)
125,000	Transfer to/(from) Earmarked Reserves	0	0	0
15,858,200	Total Council Net Budget	15,959,900	14,359,500	14,122,400
FUNDED BY:				
(158,400)	Revenue Support Grant	(5,326,400)	(4,069,800)	(3,819,800)
(8,173,200)	Business Rates	(3,544,500)	(3,393,400)	(3,314,300)
(139,200)	Council Tax Freeze Grant	(55,600)	(55,600)	0
(92,500)	Local Services Support Grant	0	0	0
(547,100)	New Homes Bonus Grant	(890,900)	(1,140,900)	(1,390,900)
0	New Homes Bonus Adjustment Grant	(30,000)	0	0
0	Council Tax Reduction Grant	(72,700)	(86,000)	0
0	Community Rights Grants	(16,400)	(16,400)	0
(300,000)	Capital Grants Received	(426,000)	0	0
(43,800)	Collection Fund Deficit/(Surplus)	0	0	0
(5,566,800)	Council Tax - BDC	(4,800,000)	(4,800,000)	(4,800,000)
(837,200)	Council Tax - Parishes	(797,400)	(797,400)	(797,400)
(15,858,200)	Total Funding	(15,959,900)	(14,359,500)	(14,122,400)

36,427.23	Tax Base (Band D Properties)	31,409.55	31,409.55	31,409.55
152.82	Band D Council Tax	152.82	152.82	152.82

General Fund Balances:				
Balance @ 1 April	1,056,000	1,056,000	1,056,000	
Movement in year	0	0	0	
Balance @ 31 March	1,056,000	1,056,000	1,056,000	

GENERAL FUND

SUMMARY

BUDGET 2012/13 £	GROUP	BUDGET 2013/14 £	FORECAST	
			2014/15 £	2015/16 £
	<u>EXPENDITURE</u>			
11,780,600	Employees	11,727,100	11,892,400	11,879,700
2,093,900	Premises	3,011,500	3,103,300	3,099,600
1,459,600	Transport	1,404,700	1,429,600	1,451,700
5,326,600	Supplies and Services	5,579,500	4,768,800	4,173,800
3,320,000	Third Party Payments	3,432,100	3,359,700	3,381,500
39,499,800	Transfer Payments	30,495,800	30,491,800	30,494,000
8,425,900	Internal Services Recharged	8,493,200	8,516,800	8,496,700
3,803,100	Depreciation	3,686,800	3,371,300	3,202,000
1,251,800	Capital Financing Costs	1,468,100	1,110,000	1,037,800
76,961,300	TOTAL EXPENDITURE	69,298,800	68,043,700	67,216,800
	<u>INCOME</u>			
(14,443,000)	Internal Services Recharges	(14,243,500)	(13,804,500)	(13,111,500)
(40,616,100)	Grants	(33,098,500)	(32,917,200)	(32,825,400)
(6,043,300)	Customer & Client Receipts	(5,996,700)	(6,042,100)	(6,085,700)
(700)	Interest	(200)	(200)	(200)
0	Revenue Appropriations	0	(920,200)	(1,071,600)
(61,103,100)	TOTAL INCOME	(53,338,900)	(53,684,200)	(53,094,400)
15,858,200	NET BUDGET	15,959,900	14,359,500	14,122,400

DIRECTORATE OF COMMUNITY SERVICES
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COMMUNITY PROSPERITY - ECONOMIC REGENERATION

BUDGET 2012/13	Division	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
			£	£
112,600	Town Centre Management	40,300	40,700	40,800
211,900	Markets & Fairs	156,200	150,800	148,500
(332,800)	Parking Services	(300,800)	(307,800)	(308,500)
73,500	Christmas Lighting	40,000	40,000	40,000
176,300	Museums & Galleries	174,500	176,700	177,100
264,000	Economic Development	590,600	455,600	436,000
174,700	Community Development	0	0	0
213,100	CCTV Schemes	238,400	240,500	236,300
0	Economic Regenerations SMS	0	0	0
95,000	Shop Mobility	84,000	84,500	84,600
68,200	Tourism	130,200	131,700	131,700
1,056,500	TOTAL EXPENDITURE	1,153,400	1,012,700	986,500

DIRECTORATE OF COMMUNITY SERVICES

COMMUNITY PROSPERITY - ECONOMIC REGENERATION

BUDGET 2012/13	GROUP	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
	EXPENDITURE			
777,000	Employees	768,200	737,200	737,500
482,400	Premises	455,700	456,800	457,900
25,200	Transport	33,700	33,900	34,000
266,800	Supplies and Services	399,100	283,800	284,200
409,500	Third Party Payments	394,800	394,800	374,800
0	Transfer Payments	0	0	0
545,300	Internal Services Recharged	308,200	311,800	308,800
305,300	Depreciation	305,500	290,800	285,700
5,200	Capital Financing Costs	3,700	3,700	3,700
2,816,700	TOTAL EXPENDITURE	2,668,900	2,512,800	2,486,600
	INCOME			
(238,700)	Internal Services Recharges	0	0	0
(50,400)	Grants	(38,900)	0	0
(1,471,100)	Customer & Client Receipts	(1,476,600)	(1,500,100)	(1,500,100)
(1,760,200)	TOTAL INCOME	(1,515,500)	(1,500,100)	(1,500,100)
1,056,500	NET BUDGET	1,153,400	1,012,700	986,500

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.

BUDGET 2012/13	UNIT COSTS	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
25.19	Expenditure per Resident	23.64	22.26	22.02
(15.74)	Income per Resident	(13.42)	(13.29)	(13.29)

DIRECTORATE OF COMMUNITY SERVICES
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TOWN CENTRE MANAGEMENT

BUDGET 2012/13	GROUP	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
			£	£
	<u>EXPENDITURE</u>			
76,600	Employees	39,600	40,000	40,100
0	Premises	0	0	0
0	Transport	0	0	0
21,400	Supplies and Services	3,700	3,700	3,700
0	Third Party Payments	0	0	0
0	Transfer Payments	0	0	0
17,600	Internal Services Recharged	0	0	0
0	Depreciation	0	0	0
0	Capital Financing Costs	0	0	0
115,600	TOTAL EXPENDITURE	43,300	43,700	43,800
	<u>INCOME</u>			
0	Internal Services Recharges	0	0	0
0	Grants	0	0	0
(3,000)	Customer & Client Receipts	(3,000)	(3,000)	(3,000)
(3,000)	TOTAL INCOME	(3,000)	(3,000)	(3,000)
112,600	NET BUDGET	40,300	40,700	40,800

Responsible Budget Holder: Richard Blagg

BRIEF DESCRIPTION OF SERVICE

<p>To co-ordinate town centre activities, events, markets, parking issues to stimulate town centres vitality. The Tourism cost centre has been transferred to the Tourism service in 2013/14</p>
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BUDGET 2012/13	UNIT COSTS	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
			£	£
1.03	Expenditure per Resident	0.38	0.39	0.39
(0.03)	Income per Resident	(0.03)	(0.03)	(0.03)

DIRECTORATE OF COMMUNITY SERVICES
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MARKETS & FAIRS

BUDGET 2012/13	GROUP	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
			£	£
	<u>EXPENDITURE</u>			
263,100	Employees	260,200	262,900	263,000
138,200	Premises	91,300	91,400	91,400
13,000	Transport	19,000	19,200	19,300
16,700	Supplies and Services	21,100	21,200	21,300
19,500	Third Party Payments	26,800	26,800	26,800
0	Transfer Payments	0	0	0
63,500	Internal Services Recharged	44,300	45,100	43,100
92,300	Depreciation	88,700	79,400	78,800
1,800	Capital Financing Costs	1,000	1,000	1,000
608,100	TOTAL EXPENDITURE	552,400	547,000	544,700
	<u>INCOME</u>			
0	Internal Services Recharges	0	0	0
0	Grants	0	0	0
(396,200)	Customer & Client Receipts	(396,200)	(396,200)	(396,200)
(396,200)	TOTAL INCOME	(396,200)	(396,200)	(396,200)
211,900	NET BUDGET	156,200	150,800	148,500

Responsible Budget Holder: Richard Blagg

BRIEF DESCRIPTION OF SERVICE

<p>The organisation, management and promotion of weekly provisions and Antiques and Collectors markets. The organisation and management of fairs and circuses.</p>
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BUDGET 2012/13	UNIT COSTS	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
			£	£
5.44	Expenditure per Resident	4.89	4.84	4.82
(3.54)	Income per Resident	(3.51)	(3.51)	(3.51)

DIRECTORATE OF COMMUNITY SERVICES
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PARKING SERVICES

BUDGET 2012/13	GROUP	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
	<u>EXPENDITURE</u>			
27,600	Employees	28,100	28,300	28,300
184,600	Premises	203,100	203,100	203,200
1,000	Transport	1,000	1,000	1,000
20,100	Supplies and Services	23,800	23,900	24,100
225,500	Third Party Payments	200,500	200,500	200,500
0	Transfer Payments	0	0	0
74,600	Internal Services Recharged	100,900	101,000	100,000
25,300	Depreciation	33,400	26,000	26,000
700	Capital Financing Costs	600	600	600
559,400	TOTAL EXPENDITURE	591,400	584,400	583,700
	<u>INCOME</u>			
0	Internal Services Recharges	0	0	0
0	Grants	0	0	0
(892,200)	Customer & Client Receipts	(892,200)	(892,200)	(892,200)
(892,200)	TOTAL INCOME	(892,200)	(892,200)	(892,200)
(332,800)	NET BUDGET	(300,800)	(307,800)	(308,500)

Responsible Budget Holder: Richard Blagg

BRIEF DESCRIPTION OF SERVICE

To provide management and maintenance of public on and off-street parking and Council owned Pay and Display Car Parks.
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BUDGET 2012/13	UNIT COSTS	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
5.00	Expenditure per Resident	5.24	5.18	5.17
(7.98)	Income per Resident	(7.90)	(7.90)	(7.90)

DIRECTORATE OF COMMUNITY SERVICES
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CHRISTMAS LIGHTING

BUDGET 2012/13	GROUP	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
	<u>EXPENDITURE</u>			
0	Employees	0	0	0
0	Premises	100	100	100
0	Transport	0	0	0
25,600	Supplies and Services	17,600	17,600	17,600
34,300	Third Party Payments	22,300	22,300	22,300
0	Transfer Payments	0	0	0
13,600	Internal Services Recharged	0	0	0
0	Depreciation	0	0	0
0	Capital Financing Costs	0	0	0
73,500	TOTAL EXPENDITURE	40,000	40,000	40,000
	<u>INCOME</u>			
0	Internal Services Recharges	0	0	0
0	Grants	0	0	0
0	Customer & Client Receipts	0	0	0
0	TOTAL INCOME	0	0	0
73,500	NET BUDGET	40,000	40,000	40,000

Responsible Budget Holder: Richard Blagg

BRIEF DESCRIPTION OF SERVICE

To provide funding for Christmas Lighting and associated event/ceremony.
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BUDGET 2012/13	UNIT COSTS	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
0.66	Expenditure per Resident	0.35	0.35	0.35
0.00	Income per Resident	0.00	0.00	0.00

DIRECTORATE OF COMMUNITY SERVICES
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MUSEUMS & GALLERIES

BUDGET 2012/13	GROUP	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
	EXPENDITURE			
83,300	Employees	83,700	84,700	84,700
55,100	Premises	55,100	55,300	55,600
1,100	Transport	1,100	1,100	1,100
17,000	Supplies and Services	16,500	16,600	16,700
0	Third Party Payments	0	0	0
0	Transfer Payments	0	0	0
24,800	Internal Services Recharged	22,400	22,700	22,700
3,200	Depreciation	3,900	4,500	4,500
100	Capital Financing Costs	100	100	100
184,600	TOTAL EXPENDITURE	182,800	185,000	185,400
	INCOME			
0	Internal Services Recharges	0	0	0
0	Grants	0	0	0
(8,300)	Customer & Client Receipts	(8,300)	(8,300)	(8,300)
(8,300)	TOTAL INCOME	(8,300)	(8,300)	(8,300)
176,300	NET BUDGET	174,500	176,700	177,100

Responsible Budget Holder: S. Glasswell
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BRIEF DESCRIPTION OF SERVICE

<p>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.</p>
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BUDGET 2012/13	UNIT COSTS	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
1.65	Expenditure per Resident	1.62	1.64	1.64
(0.07)	Income per Resident	(0.07)	(0.07)	(0.07)

DIRECTORATE OF COMMUNITY SERVICES
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ECONOMIC DEVELOPMENT

BUDGET 2012/13	GROUP	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
			£	£
	<u>EXPENDITURE</u>			
113,300	Employees	224,000	187,200	187,200
87,500	Premises	81,000	81,500	81,900
300	Transport	3,600	3,600	3,600
73,700	Supplies and Services	241,700	126,100	126,100
10,300	Third Party Payments	36,400	36,400	16,400
0	Transfer Payments	0	0	0
127,400	Internal Services Recharged	97,600	99,100	99,100
58,000	Depreciation	106,500	106,500	106,500
0	Capital Financing Costs	1,100	1,100	1,100
470,500	TOTAL EXPENDITURE	791,900	641,500	621,900
	<u>INCOME</u>			
0	Internal Services Recharges	0	0	0
(50,400)	Grants	(38,900)	0	0
(156,100)	Customer & Client Receipts	(162,400)	(185,900)	(185,900)
(206,500)	TOTAL INCOME	(201,300)	(185,900)	(185,900)
264,000	NET BUDGET	590,600	455,600	436,000

Responsible Budget Holder: Robert Wilkinson
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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. To provide targeted financial support for regeneration initiative in the areas of particular disadvantage. The unit provides business support. The services Community Development and Economic Regeneration SMS has been merged with this service for 2013/14.

BUDGET 2012/13	UNIT COSTS	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
			£	£
4.21	Expenditure per Resident	7.01	5.68	5.51
(1.85)	Income per Resident	(1.78)	(1.65)	(1.65)

DIRECTORATE OF COMMUNITY SERVICES

COMMUNITY DEVELOPMENT

BUDGET 2012/13	GROUP	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
	<u>EXPENDITURE</u>			
0	Employees	0	0	0
0	Premises	0	0	0
0	Transport	0	0	0
23,100	Supplies and Services	0	0	0
9,100	Third Party Payments	0	0	0
0	Transfer Payments	0	0	0
82,100	Internal Services Recharged	0	0	0
59,100	Depreciation	0	0	0
1,300	Capital Financing Costs	0	0	0
174,700	TOTAL EXPENDITURE	0	0	0
	<u>INCOME</u>			
0	Internal Services Recharges	0	0	0
0	Grants	0	0	0
0	Customer & Client Receipts	0	0	0
0	TOTAL INCOME	0	0	0
174,700	NET BUDGET	0	0	0

Responsible Budget Holder: Robert Wilkinson

BRIEF DESCRIPTION OF SERVICE

This services has been merged with Economic Development for 2013/14.

BUDGET 2012/13	UNIT COSTS	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
1.56	Expenditure per Resident	0.00	0.00	0.00
0.00	Income per Resident	0.00	0.00	0.00

DIRECTORATE OF COMMUNITY SERVICES
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CCTV SCHEMES

BUDGET 2012/13	GROUP	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
	<u>EXPENDITURE</u>			
0	Employees	0	0	0
5,000	Premises	14,500	14,800	15,100
0	Transport	0	0	0
26,200	Supplies and Services	26,300	26,300	26,300
108,800	Third Party Payments	108,800	108,800	108,800
0	Transfer Payments	0	0	0
8,800	Internal Services Recharged	18,800	19,200	19,200
63,100	Depreciation	69,100	70,500	66,000
1,200	Capital Financing Costs	900	900	900
213,100	TOTAL EXPENDITURE	238,400	240,500	236,300
	<u>INCOME</u>			
0	Internal Services Recharges	0	0	0
0	Grants	0	0	0
0	Customer & Client Receipts	0	0	0
0	TOTAL INCOME	0	0	0
213,100	NET BUDGET	238,400	240,500	236,300

Responsible Budget Holder: David Armiger

BRIEF DESCRIPTION OF SERVICE

Enhancing the safety and the confidence of the local community.

BUDGET 2012/13	UNIT COSTS	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
1.91	Expenditure per Resident	2.11	2.13	2.09
0.00	Income per Resident	0.00	0.00	0.00

DIRECTORATE OF COMMUNITY SERVICES
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ECONOMIC REGENERATION SMS

BUDGET 2012/13	GROUP	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
	<u>EXPENDITURE</u>			
119,500	Employees	0	0	0
0	Premises	0	0	0
3,200	Transport	0	0	0
16,200	Supplies and Services	0	0	0
2,000	Third Party Payments	0	0	0
0	Transfer Payments	0	0	0
97,800	Internal Services Recharged	0	0	0
0	Depreciation	0	0	0
0	Capital Financing Costs	0	0	0
238,700	TOTAL EXPENDITURE	0	0	0
	<u>INCOME</u>			
(238,700)	Internal Services Recharges	0	0	0
0	Grants	0	0	0
0	Customer & Client Receipts	0	0	0
(238,700)	TOTAL INCOME	0	0	0
0	NET BUDGET	0	0	0

Responsible Budget Holder: Robert Wilkinson
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BRIEF DESCRIPTION OF SERVICE

This service has been merged with Economic Development for 2013/14.

BUDGET 2012/13	UNIT COSTS	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
2.14	Expenditure per Resident	0.00	0.00	0.00
(2.14)	Income per Resident	0.00	0.00	0.00

DIRECTORATE OF COMMUNITY SERVICES
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SHOP MOBILITY

BUDGET 2012/13	GROUP	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
			£	£
	<u>EXPENDITURE</u>			
50,400	Employees	45,900	46,300	46,400
6,200	Premises	6,100	6,100	6,100
6,500	Transport	6,500	6,500	6,500
17,400	Supplies and Services	17,500	17,500	17,500
0	Third Party Payments	0	0	0
0	Transfer Payments	0	0	0
11,300	Internal Services Recharged	5,300	5,400	5,400
3,500	Depreciation	3,100	3,100	3,100
100	Capital Financing Costs	0	0	0
95,400	TOTAL EXPENDITURE	84,400	84,900	85,000
	<u>INCOME</u>			
0	Internal Services Recharges	0	0	0
0	Grants	0	0	0
(400)	Customer & Client Receipts	(400)	(400)	(400)
(400)	TOTAL INCOME	(400)	(400)	(400)
95,000	NET BUDGET	84,000	84,500	84,600

Responsible Budget Holder: Richard Blagg

BRIEF DESCRIPTION OF SERVICE

<p>To provide a Shopmobility Service in Worksop and Retford to enable people with disabilities to use the facilities of the town centre's by means of motorised scooters.</p>

BUDGET 2012/13	UNIT COSTS	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
			£	£
0.85	Expenditure per Resident	0.75	0.75	0.75
(0.00)	Income per Resident	(0.00)	(0.00)	(0.00)

DIRECTORATE OF RESOURCES

TOURISM

BUDGET 2012/13	DIVISION	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
			£	£
	<u>EXPENDITURE</u>			
43,200	Employees	86,700	87,800	87,800
5,800	Premises	4,500	4,500	4,500
100	Transport	2,500	2,500	2,500
9,400	Supplies and Services	30,900	30,900	30,900
0	Third Party Payments	0	0	0
0	Transfer Payments	0	0	0
23,800	Internal Services Recharged	18,900	19,300	19,300
800	Depreciation	800	800	800
0	Capital Financing Costs	0	0	0
83,100	TOTAL EXPENDITURE	144,300	145,800	145,800
	<u>INCOME</u>			
0	Internal Services Recharges	0	0	0
0	Grants	0	0	0
(14,900)	Customer & Client Receipts	(14,100)	(14,100)	(14,100)
(14,900)	TOTAL INCOME	(14,100)	(14,100)	(14,100)
68,200	NET BUDGET	130,200	131,700	131,700

Responsible Budget Holder: S WITHINGTON
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BRIEF DESCRIPTION OF SERVICE

<p>To promote and provide information about Bassetlaw and other destinations of interest throughout Bassetlaw and the United Kingdom. To aid specified organisations and events. The Tourism cost centre has been transferred to this service for 2013/14.</p>
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BUDGET 2012/13	UNIT COSTS	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
			£	£
0.74	Expenditure per Resident	1.28	1.29	1.29
(0.13)	Income per Resident	(0.12)	(0.12)	(0.12)

DIRECTORATE OF COMMUNITY SERVICES
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COMMUNITY PROSPERITY - PLANNING & BUILDING CONTROL

BUDGET 2012/13 £	Division	BUDGET 2013/14 £	FORECAST	
			2014/15 £	2015/16 £
544,200	Planning Policy & Conservation	644,600	421,600	450,500
408,400	Planning	386,900	340,100	332,400
0	Planning - Service Management & Support	0	0	0
0	Head of Community Prosperity	0	0	0
11,700	Environmental Projects	3,500	3,500	3,500
401,400	Building Control Dangerous Structures	408,400	411,600	409,600
1,365,700	TOTAL EXPENDITURE	1,443,400	1,176,800	1,196,000

DIRECTORATE OF COMMUNITY SERVICES
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COMMUNITY PROSPERITY - PLANNING & BUILDING CONTROL

BUDGET 2012/13	GROUP	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
			£	£
	<u>EXPENDITURE</u>			
1,346,700	Employees	1,325,000	1,327,700	1,329,700
1,400	Premises	2,100	2,100	2,100
71,700	Transport	67,700	67,700	67,700
220,400	Supplies and Services	196,300	85,600	85,600
79,800	Third Party Payments	170,800	65,800	95,800
0	Transfer Payments	0	0	0
1,000,000	Internal Services Recharged	982,100	982,300	976,300
69,600	Depreciation	62,900	10,100	3,300
900	Capital Financing Costs	400	400	400
2,790,500	TOTAL EXPENDITURE	2,807,300	2,541,700	2,560,900
	<u>INCOME</u>			
(576,600)	Internal Services Recharges	(515,300)	(516,300)	(516,300)
(65,000)	Grants	(39,700)	(39,700)	(39,700)
(783,200)	Customer & Client Receipts	(808,900)	(808,900)	(808,900)
0	Interest	0	0	0
(1,424,800)	TOTAL INCOME	(1,363,900)	(1,364,900)	(1,364,900)
1,365,700	NET BUDGET	1,443,400	1,176,800	1,196,000

<u>Head of Service:</u>	David Armiger
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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.

BUDGET 2012/13	UNIT COSTS	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
			£	£
25.00	Expenditure per Resident	24.87	22.51	22.68
(12.77)	Income per Resident	(12.08)	(12.09)	(12.09)

DIRECTORATE OF COMMUNITY SERVICES
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PLANNING POLICY AND CONSERVATION

BUDGET 2012/13	GROUP	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
	<u>EXPENDITURE</u>			
306,000	Employees	323,400	313,800	313,800
0	Premises	0	0	0
10,800	Transport	6,800	6,800	6,800
145,800	Supplies and Services	120,400	9,900	9,900
55,000	Third Party Payments	148,000	43,000	73,000
0	Transfer Payments	0	0	0
91,400	Internal Services Recharged	77,900	80,000	78,900
0	Depreciation	0	0	0
200	Capital Financing Costs	100	100	100
609,200	TOTAL EXPENDITURE	676,600	453,600	482,500
	<u>INCOME</u>			
0	Internal Services Recharges		0	0
(65,000)	Grants		0	0
0	Customer & Client Receipts	(32,000)	(32,000)	(32,000)
	Interest		0	0
(65,000)	TOTAL INCOME	(32,000)	(32,000)	(32,000)
544,200	NET BUDGET	644,600	421,600	450,500

Responsible Budget Holder: Richard Schofield
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BRIEF DESCRIPTION OF SERVICE

Local Development Framework; Planning Policy, Heritage and Trees. All aspects of Local Development Framework; collection and collation of planning data; co-ordination and liaison on major development issues, highways, public transport and other physical environment issues; and preparation of reports and advice on other town planning matters. To gain approval, print and publish the Local Development Framework, and to implement the necessary procedures. Management of Heritage service including: provision of expert advice on heritage applications; management of grant schemes and historic environment regeneration schemes; production of Conservation Area Appraisals and professional Guidance. Management of tree service, including provision of expert advice on tree applications and surveying & creation of Tree Preservation Orders.

BUDGET 2012/13	UNIT COSTS	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
5.46	Expenditure per Resident	5.99	4.02	4.27
(0.58)	Income per Resident	(0.28)	(0.28)	(0.28)

DIRECTORATE OF COMMUNITY SERVICES

PLANNING

BUDGET 2012/13	GROUP	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
	<u>EXPENDITURE</u>			
364,100	Employees	377,700	382,600	383,700
0	Premises	0	0	0
20,800	Transport	20,800	20,800	20,800
22,800	Supplies and Services	22,500	22,500	22,500
0	Third Party Payments	0	0	0
0	Transfer Payments	0	0	0
406,200	Internal Services Recharged	390,000	387,200	385,200
54,300	Depreciation	55,700	6,800	0
0	Capital Financing Costs	0	0	0
868,200	TOTAL EXPENDITURE	866,700	819,900	812,200
	<u>INCOME</u>			
0	Internal Services Recharges	0	0	0
0	Grants	0	0	0
(459,800)	Customer & Client Receipts	(479,800)	(479,800)	(479,800)
0	Interest	0	0	0
(459,800)	TOTAL INCOME	(479,800)	(479,800)	(479,800)
408,400	NET BUDGET	386,900	340,100	332,400

Responsible Budget Holder: Richard Schofield

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.

BUDGET 2012/13	UNIT COSTS	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
7.78	Expenditure per Resident	7.68	7.26	7.19
(4.12)	Income per Resident	(4.25)	(4.25)	(4.25)

DIRECTORATE OF COMMUNITY SERVICES
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PLANNING - SERVICE MANAGEMENT & SUPPORT
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BUDGET 2012/13	GROUP	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
			£	£
	<u>EXPENDITURE</u>			
271,400	Employees	252,800	256,600	257,500
900	Premises	900	900	900
7,200	Transport	7,200	7,200	7,200
33,200	Supplies and Services	32,800	32,800	32,800
8,400	Third Party Payments	8,400	8,400	8,400
0	Transfer Payments	0	0	0
121,700	Internal Services Recharged	123,800	123,900	123,000
3,900	Depreciation	3,900	0	0
400	Capital Financing Costs	100	100	100
447,100	TOTAL EXPENDITURE	429,900	429,900	429,900
	<u>INCOME</u>			
(408,600)	Internal Services Recharges	(391,400)	(391,400)	(391,400)
0	Grants	0	0	0
(38,500)	Customer & Client Receipts	(38,500)	(38,500)	(38,500)
0	Interest	0	0	0
(447,100)	TOTAL INCOME	(429,900)	(429,900)	(429,900)
0	NET BUDGET	0	0	0

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.

BUDGET 2012/13	UNIT COSTS	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
			£	£
4.01	Expenditure per Resident	3.81	3.81	3.81
(4.01)	Income per Resident	(3.81)	(3.81)	(3.81)

DIRECTORATE OF COMMUNITY SERVICES
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HEAD OF COMMUNITY PROSPERITY

BUDGET 2012/13	GROUP	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
	EXPENDITURE			
82,500	Employees	83,200	84,000	84,000
0	Premises	0	0	0
1,600	Transport	1,600	1,600	1,600
200	Supplies and Services	300	300	300
0	Third Party Payments	0	0	0
0	Transfer Payments	0	0	0
74,400	Internal Services Recharged	72,000	72,200	72,200
0	Depreciation	0	0	0
(100)	Capital Financing Costs	0	0	0
158,600	TOTAL EXPENDITURE	157,100	158,100	158,100
	INCOME			
(158,600)	Internal Services Recharges	(117,400)	(118,400)	(118,400)
0	Grants	(39,700)	(39,700)	(39,700)
0	Customer & Client Receipts	0	0	0
0	Interest	0	0	0
(158,600)	TOTAL INCOME	(157,100)	(158,100)	(158,100)
0	NET BUDGET	0	0	0

Responsible Budget Holder: David Armingier

BRIEF DESCRIPTION OF SERVICE

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

BUDGET 2012/13	UNIT COSTS	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
1.42	Expenditure per Resident	1.39	1.40	1.40
(1.42)	Income per Resident	(1.39)	(1.40)	(1.40)

DIRECTORATE OF COMMUNITY SERVICES

ENVIRONMENTAL PROJECTS

BUDGET 2012/13	GROUP	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
	EXPENDITURE			
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
11,400	Depreciation	3,300	3,300	3,300
300	Capital Financing Costs	200	200	200
11,700	TOTAL EXPENDITURE	3,500	3,500	3,500
	INCOME			
0	Internal Services Recharges	0	0	0
0	Grants	0	0	0
0	Customer & Client Receipts	0	0	0
0	Interest	0	0	0
0	TOTAL INCOME	0	0	0
11,700	NET BUDGET	3,500	3,500	3,500

Responsible Budget Holder: Richard Schofield

BRIEF DESCRIPTION OF SERVICE

Capital financing expenses relating to previous works.

BUDGET 2012/13	UNIT COSTS	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
0.10	Expenditure per Resident	0.03	0.03	0.03
0.00	Income per Resident	0.00	0.00	0.00

DIRECTORATE OF COMMUNITY SERVICES
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BUILDING CONTROL / DANGEROUS STRUCTURES
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BUDGET 2012/13	GROUP	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
			£	£
	<u>EXPENDITURE</u>			
322,700	Employees	287,900	290,700	290,700
500	Premises	1,200	1,200	1,200
31,300	Transport	31,300	31,300	31,300
18,400	Supplies and Services	20,300	20,100	20,100
16,400	Third Party Payments	14,400	14,400	14,400
0	Transfer Payments	0	0	0
306,300	Internal Services Recharged	318,400	319,000	317,000
0	Depreciation	0	0	0
100	Capital Financing Costs	0	0	0
695,700	TOTAL EXPENDITURE	673,500	676,700	674,700
	<u>INCOME</u>			
(9,400)	Internal Services Recharges	(6,500)	(6,500)	(6,500)
0	Grants	0	0	0
(284,900)	Customer & Client Receipts	(258,600)	(258,600)	(258,600)
0	Interest	0	0	0
(294,300)	TOTAL INCOME	(265,100)	(265,100)	(265,100)
401,400	NET BUDGET	408,400	411,600	409,600

Responsible Budget Holder: Bob Whatley / Angela Edwards
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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.

BUDGET 2012/13	UNIT COSTS	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
			£	£
6.23	Expenditure per Resident	5.97	5.99	5.98
(2.64)	Income per Resident	(2.35)	(2.35)	(2.35)

CHIEF EXECUTIVE DEPARTMENT

CORPORATE MANAGEMENT

BUDGET 2012/13	DIVISION	BUDGET 2013/14	FORECAST	
			2014/15	2015/16
£		£	£	£
517,600	Corporate Finance	629,200	630,900	557,300
200,500	Strategic Advice	155,900	157,600	157,600
718,100	Total	785,100	788,500	714,900

CHIEF EXECUTIVE DEPARTMENT

CORPORATE MANAGEMENT

BUDGET 2012/13	GROUP	BUDGET 2013/14	FORECAST	
£		£	2014/15 £	2015/16 £
	<u>EXPENDITURE</u>			
273,000	Employees	266,000	266,000	266,000
0	Premises	0	0	0
0	Transport	0	0	0
177,600	Supplies and Services	228,100	223,100	149,500
700	Third Party Payments	700	700	700
0	Transfer Payments	0	0	0
656,300	Internal Services Recharged	686,000	694,600	694,600
11,100	Depreciation	6,300	6,300	6,300
5,600	Capital Financing Costs	4,200	4,000	4,000
1,124,300	TOTAL EXPENDITURE	1,191,300	1,194,700	1,121,100
	<u>INCOME</u>			
(406,200)	Internal Services Recharges	0	0	0
0	Grants/Contributions	(406,200)	(406,200)	(406,200)
0	Customer & Client Receipts	0	0	0
(406,200)	TOTAL INCOME	(406,200)	(406,200)	(406,200)
718,100	NET BUDGET	785,100	788,500	714,900

Responsible Budget Holder: Neil Taylor

BRIEF DESCRIPTION OF SERVICE

Corporate Finance costs including External Audit Fees and Corporate Bank Charges. To manage the payments of approved grants. To provide the support required to facilitate the whole Council management and the ability to monitor and progress outcomes.

BUDGET 2012/13	UNIT COSTS	BUDGET 2013/14	FORECAST	
£		£	2014/15 £	2015/16 £
10.06	Expenditure per Resident	10.55	10.58	9.93
(3.63)	Income per Resident	(3.60)	(3.60)	(3.60)

CHIEF EXECUTIVE DEPARTMENT

CORPORATE FINANCE

BUDGET 2012/13	GROUP	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
			£	£
	EXPENDITURE			
264,000	Employees	257,000	257,000	257,000
0	Premises	0	0	0
0	Transport	0	0	0
167,000	Supplies and Services	202,200	202,200	128,600
700	Third Party Payments	700	700	700
0	Transfer Payments	0	0	0
131,500	Internal Services Recharged	219,800	221,500	221,500
11,100	Depreciation	6,300	6,300	6,300
300	Capital Financing Costs	200	200	200
574,600	TOTAL EXPENDITURE	686,200	687,900	614,300
	INCOME			
(57,000)	Internal Services Recharges	0	0	0
0	Grants/Contributions	(57,000)	(57,000)	(57,000)
0	Customer & Client Receipts	0	0	0
(57,000)	TOTAL INCOME	(57,000)	(57,000)	(57,000)
517,600	NET BUDGET	629,200	630,900	557,300

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.

BUDGET 2012/13	UNIT COSTS	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
			£	£
5.14	Expenditure per Resident	6.08	6.09	5.44
(0.51)	Income per Resident	(0.50)	(0.50)	(0.50)

CHIEF EXECUTIVE DEPARTMENT

STRATEGIC ADVICE

BUDGET 2012/13	GROUP	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
	EXPENDITURE			
9,000	Employees	9,000	9,000	9,000
0	Premises	0	0	0
0	Transport	0	0	0
10,600	Supplies and Services	25,900	20,900	20,900
0	Third Party Payments	0	0	0
0	Transfer Payments	0	0	0
524,800	Internal Services Recharged	466,200	473,100	473,100
0	Depreciation	0	0	0
5,300	Capital Financing Costs	4,000	3,800	3,800
549,700	TOTAL EXPENDITURE	505,100	506,800	506,800
	INCOME			
(349,200)	Internal Services Recharges	0	0	0
0	Grants/Contributions	(349,200)	(349,200)	(349,200)
0	Customer & Client Receipts	0	0	0
(349,200)	TOTAL INCOME	(349,200)	(349,200)	(349,200)
200,500	NET BUDGET	155,900	157,600	157,600

Responsible Budget Holder: Mike Hill

BRIEF DESCRIPTION OF SERVICE

To provide the support required to facilitate the whole Council management and the ability to monitor and progress outcomes.

BUDGET 2012/13	UNIT COSTS	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
4.92	Expenditure per Resident	4.47	4.49	4.49
(3.12)	Income per Resident	(3.09)	(3.09)	(3.09)

CHIEF EXECUTIVE DEPARTMENT

CHIEF EXECUTIVE DEPARTMENT

BUDGET 2012/13	DIVISION	BUDGET 2013/14	FORECAST	
			2014/15	2015/16
£		£	£	£
0	Management Team	0	0	0
0	Human Resources	0	0	0
0	Unions	0	0	0
0	Corporate Training	0	0	0
199,700	Grants	224,700	184,800	185,400
199,700	Total	224,700	184,800	185,400

CHIEF EXECUTIVE DEPARTMENT

CHIEF EXECUTIVE DEPARTMENT

BUDGET 2012/13	GROUP	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
			£	£
	<u>EXPENDITURE</u>			
891,500	Employees	892,000	899,700	900,300
0	Premises	0	0	0
10,700	Transport	10,500	10,500	10,500
227,100	Supplies and Services	247,600	207,600	207,600
29,000	Third Party Payments	29,000	29,000	29,000
0	Transfer Payments	0	0	0
194,300	Internal Services Recharged	214,900	216,600	216,600
0	Depreciation	0	0	0
0	Capital Financing Costs	100	100	100
1,352,600	TOTAL EXPENDITURE	1,394,100	1,363,500	1,364,100
	<u>INCOME</u>			
(1,074,900)	Internal Services Recharges	(1,066,400)	(1,095,700)	(1,095,700)
(78,000)	Grants/Contributions	(103,000)	(83,000)	(83,000)
0	Customer & Client Receipts	0	0	0
(1,152,900)	TOTAL INCOME	(1,169,400)	(1,178,700)	(1,178,700)
199,700	NET BUDGET	224,700	184,800	185,400

Responsible Budget Holder: Neil Taylor

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. To provide effective leadership and management of the Human Resource Service.

BUDGET 2012/13	UNIT COSTS	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
			£	£
12.10	Expenditure per Resident	12.35	12.08	12.08
(10.31)	Income per Resident	(10.36)	(10.44)	(10.44)

CHIEF EXECUTIVE DEPARTMENT

MANAGEMENT TEAM

BUDGET 2012/13	GROUP	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
			£	£
	<u>EXPENDITURE</u>			
516,000	Employees	513,500	518,300	518,600
0	Premises	0	0	0
4,000	Transport	4,000	4,000	4,000
7,700	Supplies and Services	8,200	8,200	8,200
0	Third Party Payments	0	0	0
0	Transfer Payments	0	0	0
101,900	Internal Services Recharged	7,300	7,300	7,000
0	Depreciation	0	0	0
400	Capital Financing Costs	0	0	0
630,000	TOTAL EXPENDITURE	533,000	537,800	537,800
	<u>INCOME</u>			
(575,500)	Internal Services Recharges	(478,500)	(483,300)	(483,300)
(54,500)	Grants/Contributions	(54,500)	(54,500)	(54,500)
0	Customer & Client Receipts	0	0	0
(630,000)	TOTAL INCOME	(533,000)	(537,800)	(537,800)
0	NET BUDGET	0	0	0

Responsible Budget Holder: Neil Taylor

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.

BUDGET 2012/13	UNIT COSTS	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
			£	£
5.64	Expenditure per Resident	4.72	4.76	4.76
(5.64)	Income per Resident	(4.72)	(4.76)	(4.76)

CHIEF EXECUTIVE DEPARTMENT

HUMAN RESOURCES

BUDGET 2012/13	GROUP	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
	EXPENDITURE			
292,600	Employees	295,600	298,500	298,800
0	Premises	0	0	0
6,700	Transport	6,500	6,500	6,500
20,800	Supplies and Services	17,000	17,000	17,000
29,000	Third Party Payments	29,000	29,000	29,000
0	Transfer Payments	0	0	0
78,000	Internal Services Recharged	195,100	196,500	196,200
0	Depreciation	0	0	0
(300)	Capital Financing Costs	100	100	100
426,800	TOTAL EXPENDITURE	543,300	547,600	547,600
	INCOME			
(404,300)	Internal Services Recharges	(495,800)	(520,100)	(520,100)
(22,500)	Grants/Contributions	(47,500)	(27,500)	(27,500)
0	Customer & Client Receipts	0	0	0
(426,800)	TOTAL INCOME	(543,300)	(547,600)	(547,600)
0	NET BUDGET	0	0	0

Responsible Budget Holder: Len Hull

BRIEF DESCRIPTION OF SERVICE

To provide a framework of excellence in people management that supports the developing agenda of the Council and create a culture and environment where people can use their talents in the best way possible. This incorporates human resource management, organisational development and learning and development.

BUDGET 2012/13	UNIT COSTS	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
3.82	Expenditure per Resident	4.81	4.85	4.85
(3.82)	Income per Resident	(4.81)	(4.85)	(4.85)

CHIEF EXECUTIVE DEPARTMENT

UNIONS

BUDGET 2012/13	GROUP	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
	EXPENDITURE			
16,800	Employees	16,800	16,800	16,800
0	Premises	0	0	0
0	Transport	0	0	0
900	Supplies and Services	900	900	900
0	Third Party Payments	0	0	0
0	Transfer Payments	0	0	0
6,900	Internal Services Recharged	4,400	4,500	4,500
	Depreciation	0	0	0
0	Capital Financing Costs	0	0	0
24,600	TOTAL EXPENDITURE	22,100	22,200	22,200
	INCOME			
(24,400)	Internal Services Recharges	(21,900)	(22,000)	(22,000)
(200)	Grants/Contributions	(200)	(200)	(200)
0	Customer & Client Receipts	0	0	0
(24,600)	TOTAL INCOME	(22,100)	(22,200)	(22,200)
0	NET BUDGET	0	0	0

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.

BUDGET 2012/13	UNIT COSTS	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
0.22	Expenditure per Resident	0.20	0.20	0.20
(0.22)	Income per Resident	(0.20)	(0.20)	(0.20)

CHIEF EXECUTIVE DEPARTMENT

CORPORATE TRAINING

BUDGET 2012/13	GROUP	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
			£	£
	EXPENDITURE			
66,100	Employees	66,100	66,100	66,100
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
5,500	Internal Services Recharged	4,900	5,000	5,000
0	Depreciation	0	0	0
(100)	Capital Financing Costs	0	0	0
71,500	TOTAL EXPENDITURE	71,000	71,100	71,100
	INCOME			
(70,700)	Internal Services Recharges	(70,200)	(70,300)	(70,300)
(800)	Grants/Contributions	(800)	(800)	(800)
0	Customer & Client Receipts	0	0	0
(71,500)	TOTAL INCOME	(71,000)	(71,100)	(71,100)
0	NET BUDGET	0	0	0

Responsible Budget Holder: Len Hull

BRIEF DESCRIPTION OF SERVICE

To provide learning and development opportunities across the Council to ensure that employees have the right skills and expertise to deliver the Council's strategic aims and objectives and deliver excellence in service provision.

BUDGET 2012/13	UNIT COSTS	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
			£	£
0.64	Expenditure per Resident	0.63	0.63	0.63
(0.64)	Income per Resident	(0.63)	(0.63)	(0.63)

CORPORATE MANAGEMENT

MAJOR GRANTS

BUDGET 2012/13	GROUP	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
	EXPENDITURE			
0	Employees	0	0	0
0	Premises	0	0	0
0	Transport	0	0	0
197,700	Supplies and Services	221,500	181,500	181,500
0	Third Party Payments	0	0	0
0	Transfer Payments	0	0	0
2,000	Internal Services Recharged	3,200	3,300	3,900
0	Depreciation	0	0	0
0	Capital Financing Costs	0	0	0
199,700	TOTAL EXPENDITURE	224,700	184,800	185,400
	INCOME			
0	Internal Services Recharges	0	0	0
0	Grants/Contributions	0	0	0
0	Customer & Client Receipts	0	0	0
0	TOTAL INCOME	0	0	0
199,700	NET BUDGET	224,700	184,800	185,400

Responsible Budget Holder: Mike Hill

BRIEF DESCRIPTION OF SERVICE

Manages the payments of approved grants.

BUDGET 2012/13	UNIT COSTS	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
1.69	Expenditure per Resident	1.99	1.64	1.64
0.00	Income per Resident	0.00	0.00	0.00

DIRECTORATE OF COMMUNITY SERVICES

ENVIRONMENT

BUDGET 2012/13	Division	BUDGET 2013/14	FORECAST	
£		£	2014/15 £	2015/16 £
440,200	Environmental Health	441,800	456,500	457,600
593,700	Environment Public Health	623,500	628,600	628,100
143,200	Waste Disposal	134,500	118,300	77,900
761,600	Community Parks & Open Spaces	0	0	0
39,200	Cemeteries	87,600	94,900	86,500
797,200	Street Cleansing	719,700	791,100	755,500
1,446,000	Waste Collection	1,644,500	1,819,100	1,799,500
53,300	Emergency Planning	63,900	63,000	62,000
0	Transport	0	0	0
0	Environment Services Unit	0	0	0
183,800	Environment Policy & Development	240,200	236,600	235,700
590,200	Grounds Maintenance Trading A/C	0	0	0
0	Health & Safety	0	0	0
0	NCC Disposal Charges	100	100	100
179,000	Public Conveniences	171,000	173,000	173,200
5,227,400	TOTAL EXPENDITURE	4,126,800	4,381,200	4,276,100

DIRECTORATE OF COMMUNITY SERVICES

ENVIRONMENT

BUDGET 2012/13	GROUP	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
			£	£
	EXPENDITURE			
3,402,000	Employees	3,427,100	3,476,100	3,479,600
615,300	Premises	530,400	612,900	604,700
1,181,600	Transport	1,125,400	1,149,800	1,173,600
385,800	Supplies and Services	393,600	394,000	394,300
243,300	Third Party Payments	274,000	274,000	274,000
0	Transfer Payments			
1,147,200	Internal Services Recharged	1,256,300	1,247,700	1,243,700
937,100	Depreciation	587,600	812,500	701,500
22,400	Capital Finance Costs	7,000	6,900	6,900
7,934,700	TOTAL EXPENDITURE	7,601,400	7,973,900	7,878,300
	INCOME			
(1,244,800)	Internal Services Recharges	(2,128,100)	(2,220,600)	(2,180,200)
(112,900)	Grants	(72,900)	(72,900)	(72,900)
(1,349,400)	Customer & Client Receipts	(1,273,400)	(1,299,000)	(1,348,900)
(200)	Interest	(200)	(200)	(200)
(2,707,300)	TOTAL INCOME	(3,474,600)	(3,592,700)	(3,602,200)
5,227,400	NET BUDGET	4,126,800	4,381,200	4,276,100

Head of Service M Ladyman

BRIEF DESCRIPTION OF SERVICE

The management and provision of services such as abandoned vehicles, animal welfare, biodiversity and nature conservation, cemeteries, emergency planning, energy, flooding and drought, fly tipping, food production, parks and open spaces, pests and nuisance, pollution, street care and cleaning, waste recycling and the provision of advice and support on all aspects of matters affecting the environment of the District.

BUDGET 2012/13	GROUP	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
			£	£
71.04	Expenditure per Resident	67.45	70.75	69.91
(24.24)	Income per Resident	(30.83)	(31.88)	(31.96)

DIRECTORATE OF COMMUNITY SERVICES

ENVIRONMENTAL HEALTH

BUDGET 2012/13	GROUP	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
	EXPENDITURE			
322,300	Employees	330,700	335,400	336,500
0	Premises	0	0	0
15,800	Transport	15,800	15,800	15,800
11,100	Supplies and Services	11,000	11,000	11,000
8,500	Third Party Payments	8,500	8,500	8,500
0	Transfer Payments	0	0	0
110,500	Internal Services Recharged	104,800	106,800	106,800
0	Depreciation	0	0	0
100	Capital Finance Costs	100	100	100
468,300	TOTAL EXPENDITURE	470,900	477,600	478,700
	INCOME			
0	Internal Services Recharges	0	0	0
0	Grants	0	0	0
(28,100)	Customer & Client Receipts	(29,100)	(21,100)	(21,100)
0	Interest	0	0	0
(28,100)	TOTAL INCOME	(29,100)	(21,100)	(21,100)
440,200	NET BUDGET	441,800	456,500	457,600

Responsible Budget Holder: E Prime

BRIEF DESCRIPTION OF SERVICE

The management and provision of services such as Water Sampling, Air Pollution, Contaminated Land, Food, Regulation Enforcement, Health & Safety General.

BUDGET 2012/13	UNIT COSTS	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
4.19	Expenditure per Resident	4.22	4.28	4.29
(0.25)	Income per Resident	(0.26)	(0.19)	(0.19)

DIRECTORATE OF COMMUNITY SERVICES

ENVIRONMENT PUBLIC HEALTH

BUDGET 2012/13	GROUP	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
	EXPENDITURE			
365,500	Employees	380,400	386,200	388,200
0	Premises	1,400	1,400	1,400
31,200	Transport	31,400	31,500	29,000
25,800	Supplies and Services	25,600	25,600	25,600
47,900	Third Party Payments	58,900	58,900	58,900
0	Transfer Payments	0	0	0
133,500	Internal Services Recharged	141,700	141,300	141,300
7,800	Depreciation	4,600	4,200	4,200
200	Capital Finance Costs	200	200	200
611,900	TOTAL EXPENDITURE	644,200	649,300	648,800
	INCOME			
0	Internal Services Recharges	0	0	0
0	Grants	0	0	0
(18,200)	Customer & Client Receipts	(20,700)	(20,700)	(20,700)
0	Interest	0	0	0
(18,200)	TOTAL INCOME	(20,700)	(20,700)	(20,700)
593,700	NET BUDGET	623,500	628,600	628,100

Responsible Budget Holder: J Proudman

BRIEF DESCRIPTION OF SERVICE

The management and provision of services such as Rodent & Pest Control, Dog Warden & Animal Welfare, Noise Control, Public Health Standards, Neighbourhood, Environmental Works.

BUDGET 2012/13	UNIT COSTS	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
5.47	Expenditure per Resident	5.71	5.75	5.75
(0.16)	Income per Resident	(0.18)	(0.18)	(0.18)

DIRECTORATE OF COMMUNITY SERVICES

WASTE DISPOSAL

BUDGET 2012/13	GROUP	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
	EXPENDITURE			
0	Employees	0	0	0
52,100	Premises	26,400	26,600	26,600
3,600	Transport	4,800	5,600	4,100
12,200	Supplies and Services	12,200	12,200	12,200
11,100	Third Party Payments	10,900	10,900	10,900
0	Transfer Payments	0	0	0
18,000	Internal Services Recharged	22,900	25,400	24,400
128,400	Depreciation	104,000	84,400	46,500
1,800	Capital Finance Costs	1,300	1,200	1,200
227,200	TOTAL EXPENDITURE	182,500	166,300	125,900
	INCOME			
0	Internal Services Recharges	0	0	0
(84,000)	Grants	(48,000)	(48,000)	(48,000)
0	Customer & Client Receipts	0	0	0
0	Interest	0	0	0
(84,000)	TOTAL INCOME	(48,000)	(48,000)	(48,000)
143,200	NET BUDGET	134,500	118,300	77,900

Responsible Budget Holder: T Andrew/ J Walker

BRIEF DESCRIPTION OF SERVICE

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

BUDGET 2012/13	UNIT COSTS	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
2.03	Expenditure per Resident	1.62	1.47	1.12
(0.75)	Income per Resident	(0.43)	(0.43)	(0.43)

DIRECTORATE OF COMMUNITY SERVICES
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COMMUNITY PARKS AND OPEN SPACES
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BUDGET 2012/13	GROUP	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
	<u>EXPENDITURE</u>	0	0	0
74,000	Employees	0	0	0
173,800	Premises	0	0	0
8,600	Transport	0	0	0
58,600	Supplies and Services	0	0	0
800	Third Party Payments	0	0	0
0	Transfer Payments	0	0	0
94,400	Internal Services Recharged	0	0	0
388,100	Depreciation	0	0	0
6,300	Capital Finance Costs	0	0	0
804,600	TOTAL EXPENDITURE	0	0	0
	<u>INCOME</u>	0	0	0
0	Internal Services Recharges	0	0	0
(1,500)	Grants	0	0	0
(41,500)	Customer & Client Receipts	0	0	0
	Interest	0	0	0
(43,000)	TOTAL INCOME	0	0	0
761,600	NET BUDGET	0	0	0

Responsible Budget Holder: K Somers/ J Foster
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BRIEF DESCRIPTION OF SERVICE

Responsible for the development of all the Councils' parks and open spaces, which includes cemeteries, closed church yards, allotments, Kilton Forest Golf Course, housing estates, industrial estates, town centre parks in Retford and Worksop, Langold Country Park, sports pitches, bowling greens and play areas owned by the Council.

Parks & Open Spaces has moved to committee 103 Leisure and therefore there are no budget entries in 2013/14, 2014/15, 2015/16 on this committee.

BUDGET 2012/13	UNIT COSTS			
£		£	£	£
7.20	Expenditure per Resident	0.00	0.00	0.00
(0.38)	Income per Resident	0.00	0.00	0.00

DIRECTORATE OF COMMUNITY SERVICES

CEMETERIES

BUDGET 2012/13	GROUP	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
	EXPENDITURE			
25,000	Employees	23,100	24,100	24,100
154,000	Premises	203,300	209,000	200,600
1,600	Transport	1,600	1,600	1,600
11,500	Supplies and Services	17,000	17,000	17,000
0	Third Party Payments	0	0	0
0	Transfer Payments	0	0	0
38,100	Internal Services Recharged	30,500	31,100	31,100
33,800	Depreciation	27,000	27,000	27,000
600	Capital Finance Costs	500	500	500
264,600	TOTAL EXPENDITURE	303,000	310,300	301,900
	INCOME			
0	Internal Services Recharges	0	0	0
0	Grants	0	0	0
(225,200)	Customer & Client Receipts	(215,200)	(215,200)	(215,200)
(200)	Interest	(200)	(200)	(200)
(225,400)	TOTAL INCOME	(215,400)	(215,400)	(215,400)
39,200	NET BUDGET	87,600	94,900	86,500

Responsible Budget Holder: A Smith

BRIEF DESCRIPTION OF SERVICE

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

BUDGET 2012/13	UNIT COSTS	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
2.37	Expenditure per Resident	2.68	2.75	2.67
(2.02)	Income per Resident	(1.91)	(1.91)	(1.91)

DIRECTORATE OF COMMUNITY SERVICES
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STREET CLEANSING

BUDGET 2012/13	GROUP	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
	EXPENDITURE			
490,500	Employees	496,500	501,300	501,300
58,200	Premises	80,000	156,000	156,000
159,000	Transport	161,000	161,500	162,000
52,300	Supplies and Services	47,400	47,400	47,400
18,500	Third Party Payments	24,000	24,000	24,000
0	Transfer Payments	0	0	0
114,500	Internal Services Recharged	149,000	149,000	148,100
111,300	Depreciation	120,000	186,700	151,500
2,300	Capital Finance Costs	700	700	700
1,006,600	TOTAL EXPENDITURE	1,078,600	1,226,600	1,191,000
	INCOME			
(207,700)	Internal Services Recharges	(357,200)	(433,800)	(433,800)
0	Grants	0	0	0
(1,700)	Customer & Client Receipts	(1,700)	(1,700)	(1,700)
0	Interest	0	0	0
(209,400)	TOTAL INCOME	(358,900)	(435,500)	(435,500)
797,200	NET BUDGET	719,700	791,100	755,500

Responsible Budget Holder: T Andrew
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BRIEF DESCRIPTION OF SERVICE

To maintain cleanliness in accordance with the Environmental Protection Act 1988
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BUDGET 2012/13	UNIT COSTS	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
9.00	Expenditure per Resident	9.55	10.86	10.55
(1.87)	Income per Resident	(3.18)	(3.86)	(3.86)

DIRECTORATE OF COMMUNITY SERVICES

WASTE COLLECTION

BUDGET 2012/13	GROUP	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
	EXPENDITURE			
959,500	Employees	991,300	1,009,100	1,009,300
1,700	Premises	1,400	1,400	1,400
370,500	Transport	374,200	375,400	371,900
88,800	Supplies and Services	149,300	149,300	149,300
100	Third Party Payments	100	100	100
0	Transfer Payments	0	0	0
252,800	Internal Services Recharged	340,700	334,600	334,600
113,600	Depreciation	208,200	367,100	350,900
3,900	Capital Finance Costs	1,300	1,300	1,300
1,790,900	TOTAL EXPENDITURE	2,066,500	2,238,300	2,218,800
	INCOME			
(141,600)	Internal Services Recharges	(206,800)	(203,800)	(203,600)
(5,900)	Grants	(400)	(400)	(400)
(197,400)	Customer & Client Receipts	(214,800)	(215,000)	(215,300)
0	Interest	0	0	0
(344,900)	TOTAL INCOME	(422,000)	(419,200)	(419,300)
1,446,000	NET BUDGET	1,644,500	1,819,100	1,799,500

Responsible Budget Holder: T Andrew

BRIEF DESCRIPTION OF SERVICE

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

BUDGET 2012/13	UNIT COSTS	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
16.02	Expenditure per Resident	18.30	19.83	19.65
(3.08)	Income per Resident	(3.74)	(3.71)	(3.71)

DIRECTORATE OF COMMUNITY SERVICES
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EMERGENCY PLANNING

BUDGET 2012/13	GROUP	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
	EXPENDITURE			
29,500	Employees	32,500	32,900	32,900
0	Premises	0	0	0
0	Transport	0	0	0
2,900	Supplies and Services	3,200	3,400	3,600
12,100	Third Party Payments	12,100	12,100	12,100
0	Transfer Payments	0	0	0
8,800	Internal Services Recharged	19,100	17,600	16,400
0	Depreciation	0	0	0
0	Capital Finance Costs	0	0	0
53,300	TOTAL EXPENDITURE	66,900	66,000	65,000
	INCOME			
0	Internal Services Recharges	0	0	0
0	Grants	(3,000)	(3,000)	(3,000)
0	Customer & Client Receipts	0	0	0
0	Interest	0	0	0
0	TOTAL INCOME	(3,000)	(3,000)	(3,000)
53,300	NET BUDGET	63,900	63,000	62,000

Responsible Budget Holder: J 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.

BUDGET 2012/13	UNIT COSTS	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
0.48	Expenditure per Resident	0.59	0.58	0.58
0.00	Income per Resident	(0.03)	(0.03)	(0.03)

DIRECTORATE OF COMMUNITY SERVICES

TRANSPORT

BUDGET 2012/13	GROUP	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
	EXPENDITURE			
235,900	Employees	247,800	251,300	251,400
0	Premises	1,100	1,200	1,200
395,000	Transport	322,300	343,400	373,400
31,200	Supplies and Services	46,200	46,300	46,300
0	Third Party Payments	0	0	0
0	Transfer Payments	0	0	0
74,300	Internal Services Recharged	107,100	107,200	107,200
6,200	Depreciation	4,600	4,600	4,600
3,700	Capital Finance Costs	1,400	1,400	1,400
746,300	TOTAL EXPENDITURE	730,500	755,400	785,500
	INCOME			
(330,600)	Internal Services Recharges	(386,300)	(385,200)	(373,300)
0	Grants	0	0	0
(415,700)	Customer & Client Receipts	(344,200)	(370,200)	(412,200)
0	Interest	0	0	0
(746,300)	TOTAL INCOME	(730,500)	(755,400)	(785,500)
0	NET BUDGET	0	0	0

Responsible Budget Holder: P Jones

BRIEF DESCRIPTION OF SERVICE

To undertake the management, servicing, MOT's and repairs of the Council's vehicle fleet.

BUDGET 2012/13	UNIT COSTS	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
6.68	Expenditure per Resident	6.47	6.69	6.96
(6.68)	Income per Resident	(6.47)	(6.69)	(6.96)

DIRECTORATE OF COMMUNITY SERVICES

ENVIRONMENTAL SERVICES UNIT

BUDGET 2012/13	GROUP	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
	EXPENDITURE			
76,500	Employees	79,600	82,000	82,000
400	Premises	400	400	400
2,900	Transport	0	0	0
7,700	Supplies and Services	6,700	6,800	6,900
0	Third Party Payments	0	0	0
0	Transfer Payments	0	0	0
177,900	Internal Services Recharged	148,700	148,800	148,800
0	Depreciation	0	0	0
(200)	Capital Finance Costs	0	0	0
265,200	TOTAL EXPENDITURE	235,400	238,000	238,100
	INCOME			
(264,000)	Internal Services Recharges	(234,700)	(237,300)	(237,400)
(700)	Grants	(700)	(700)	(700)
(500)	Customer & Client Receipts	0	0	0
0	Interest	0	0	0
(265,200)	TOTAL INCOME	(235,400)	(238,000)	(238,100)
0	NET BUDGET	0	0	0

Responsible Budget Holder: P Jones

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 & Open Spaces.

BUDGET 2012/13	UNIT COSTS	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
2.37	Expenditure per Resident	2.09	2.11	2.11
(2.37)	Income per Resident	(2.09)	(2.11)	(2.11)

DIRECTORATE OF COMMUNITY SERVICES

ENVIRONMENTAL POLICY AND DEVELOPMENT

BUDGET 2012/13	GROUP	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
	EXPENDITURE			
51,800	Employees	52,800	53,300	53,300
110,300	Premises	150,500	150,700	150,700
2,600	Transport	2,600	2,600	2,600
1,500	Supplies and Services	1,500	1,500	1,500
0	Third Party Payments	0	0	0
0	Transfer Payments	0	0	0
15,600	Internal Services Recharged	32,800	28,500	27,600
2,000	Depreciation	0	0	0
0	Capital Finance Costs	0	0	0
183,800	TOTAL EXPENDITURE	240,200	236,600	235,700
	INCOME			
0	Internal Services Recharges	0	0	0
0	Grants	0	0	0
0	Customer & Client Receipts	0	0	0
0	Interest	0	0	0
0	TOTAL INCOME	0	0	0
183,800	NET BUDGET	240,200	236,600	235,700

Responsible Budget Holder: J Walker

BRIEF DESCRIPTION OF SERVICE

The development of Environmental Management in the Authority.

BUDGET 2012/13	UNIT COSTS	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
1.64	Expenditure per Resident	2.13	2.10	2.09
0.00	Income per Resident	0.00	0.00	0.00

DIRECTORATE OF COMMUNITY SERVICES

GROUNDS MAINTENANCE TRADING ACCOUNT

BUDGET 2012/13	GROUP	BUDGET 2013/14	FORECAST	
£		£	2014/15 £	2015/16 £
	EXPENDITURE			
644,200	Employees	663,000	669,800	669,900
14,700	Premises	14,700	14,700	14,700
186,200	Transport	207,100	207,800	208,600
67,300	Supplies and Services	58,600	58,600	58,600
0	Third Party Payments	0	0	0
0	Transfer Payments	0	0	0
82,900	Internal Services Recharged	123,400	123,500	123,500
117,500	Depreciation	105,800	125,100	103,400
3,100	Capital Finance Costs	1,100	1,100	1,100
1,115,900	TOTAL EXPENDITURE	1,173,700	1,200,600	1,179,800
	INCOME			
(238,700)	Internal Services Recharges	(875,300)	(894,800)	(866,400)
0	Grants	0	0	0
(287,000)	Customer & Client Receipts	(298,400)	(305,800)	(313,400)
0	Interest	0	0	0
(525,700)	TOTAL INCOME	(1,173,700)	(1,200,600)	(1,179,800)
590,200	NET BUDGET	0	0	0

Responsible Budget Holder: K Somers

BRIEF DESCRIPTION OF SERVICE

Responsible for the grounds maintenance of all the Councils' parks and open spaces, which includes cemeteries, closed church yards, allotments, Kilton Forest Golf Course, housing estates, industrial estates, town centre parks in Retford and Worksop, Langold Country Park, sports pitches, bowling greens and play areas owned by the Council.

BUDGET 2012/13	UNIT COSTS	BUDGET 2013/14	FORECAST	
£		£	2014/15 £	2015/16 £
9.98	Expenditure per Resident	10.40	10.63	10.45
(4.70)	Income per Resident	(10.40)	(10.63)	(10.45)

DIRECTORATE OF COMMUNITY SERVICES
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HEALTH & SAFETY

BUDGET 2012/13	GROUP	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
			£	£
	EXPENDITURE			
49,900	Employees	50,300	50,800	50,800
0	Premises	0	0	0
4,600	Transport	4,600	4,600	4,600
7,500	Supplies and Services	7,500	7,500	7,500
10,200	Third Party Payments	10,200	10,200	10,200
0	Transfer Payments	0	0	0
10,800	Internal Services Recharged	16,000	13,400	13,400
0	Depreciation	0	0	0
0	Capital Finance Costs	0	0	0
83,000	TOTAL EXPENDITURE	88,600	86,500	86,500
	INCOME			
(62,200)	Internal Services Recharges	(67,800)	(65,700)	(65,700)
(20,800)	Grants	(20,800)	(20,800)	(20,800)
0	Customer & Client Receipts	0	0	0
0	Interest	0	0	0
(83,000)	TOTAL INCOME	(88,600)	(86,500)	(86,500)
0	NET BUDGET	0	0	0

Responsible Budget Holder: J Moran

BRIEF DESCRIPTION OF SERVICE

To provide a comprehensive Health & Safety service across the Council. To develop and maintain the Council's Safety Policy.

BUDGET 2012/13	UNIT COSTS	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
			£	£
0.74	Expenditure per Resident	0.78	0.77	0.77
(0.74)	Income per Resident	(0.78)	(0.77)	(0.77)

DIRECTORATE OF COMMUNITY SERVICES

NCC DISPOSAL CHARGES

BUDGET 2012/13	GROUP	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
	EXPENDITURE			
0	Employees	0	0	0
0	Premises	0	0	0
0	Transport	0	0	0
0	Supplies and Services	0	0	0
134,100	Third Party Payments	149,300	149,300	149,300
0	Transfer Payments	0	0	0
0	Internal Services Recharged	100	100	100
0	Depreciation	0	0	0
0	Capital Finance Costs	0	0	0
134,100	TOTAL EXPENDITURE	149,400	149,400	149,400
	INCOME			
0	Internal Services Recharges	0	0	0
0	Grants	0	0	0
(134,100)	Customer & Client Receipts	(149,300)	(149,300)	(149,300)
0	Interest	0	0	0
(134,100)	TOTAL INCOME	(149,300)	(149,300)	(149,300)
0	NET BUDGET	100	100	100

Responsible Budget Holder: T Andrew

BRIEF DESCRIPTION OF SERVICE

Management of the NCC Disposal Charges.

BUDGET 2012/13	UNIT COSTS	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
1.20	Expenditure per Resident	1.32	1.32	1.32
(1.19)	Income per Resident	(1.32)	(1.32)	(1.32)

DIRECTORATE OF COMMUNITY SERVICES
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PUBLIC CONVENIENCES

BUDGET 2012/13	GROUP	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
	EXPENDITURE			
77,400	Employees	79,100	79,900	79,900
50,100	Premises	51,200	51,500	51,700
0	Transport	0	0	0
7,400	Supplies and Services	7,400	7,400	7,400
0	Third Party Payments	0	0	0
0	Transfer Payments	0	0	0
15,100	Internal Services Recharged	19,500	20,400	20,400
28,400	Depreciation	13,400	13,400	13,400
600	Capital Finance Costs	400	400	400
179,000	TOTAL EXPENDITURE	171,000	173,000	173,200
	INCOME			
0	Internal Services Recharges	0	0	0
0	Grants	0	0	0
0	Customer & Client Receipts	0	0	0
0	Interest	0	0	0
0	TOTAL INCOME	0	0	0
179,000	NET BUDGET	171,000	173,000	173,200

Responsible Budget Holder: T Andrew
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BRIEF DESCRIPTION OF SERVICE

To provide adequate and clean public conveniences.
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BUDGET 2012/13	UNIT COSTS	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
1.60	Expenditure per Resident	1.51	1.53	1.53
0.00	Income per Resident	0.00	0.00	0.00

DIRECTORATE OF RESOURCES

FINANCE & PROPERTY

BUDGET 2012/13 £	DIVISION	BUDGET 2013/14 £	FORECAST	
			2014/15 £	2015/16 £
0	Head of Finance & Property	0	0	0
0	Management Accounts	0	0	0
1,000	Corporate Accounts	1,300	1,500	1,500
0	Internal Audit	0	0	0
256,000	Estates	163,400	184,700	189,100
579,700	Engineers & Building Maintenance	658,100	558,800	555,400
(25,700)	Facilities	0	0	0
0	Town Halls	(31,000)	(30,900)	(30,900)
0	Procurement	0	0	0
811,000	TOTAL EXPENDITURE	791,800	714,100	715,100

DIRECTORATE OF RESOURCES

FINANCE & PROPERTY

BUDGET 2012/13	GROUP	BUDGET 2013/14	FORECAST	
£		£	2014/15 £	2015/16 £
	<u>EXPENDITURE</u>			
1,196,800	Employees	1,152,300	1,166,600	1,167,400
861,900	Premises	785,100	789,800	794,800
29,600	Transport	34,000	34,100	34,300
257,900	Supplies and Services	397,500	297,100	297,400
548,600	Third Party Payments	530,600	539,200	551,000
0	Transfer Payments	0	0	0
1,397,300	Internal Services Recharged	1,062,200	1,068,700	1,070,100
428,300	Depreciation	397,400	406,700	401,400
(2,500)	Capital Financing Costs	4,800	4,700	4,700
4,717,900	TOTAL EXPENDITURE	4,363,900	4,306,900	4,321,100
	<u>INCOME</u>			
(2,708,000)	Internal Services Recharges	(2,385,600)	(2,398,800)	(2,406,300)
(500,500)	Grants	(476,500)	(484,000)	(489,700)
(698,400)	Customer & Client Receipts	(710,000)	(710,000)	(710,000)
0	Interest	0	0	0
(3,906,900)	TOTAL INCOME	(3,572,100)	(3,592,800)	(3,606,000)
811,000	NET BUDGET	791,800	714,100	715,100

Head of Service:	Mike Hill
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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 & 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 and drainage reservoirs. Building Maintenance service provides strategic property asset management.

BUDGET 2012/13	UNIT COSTS	BUDGET 2013/14	FORECAST	
£		£	2014/15 £	2015/16 £
42.20	Expenditure per Resident	38.65	38.15	38.27
(34.95)	Income per Resident	(31.64)	(31.82)	(31.94)

DIRECTORATE OF RESOURCES

HEAD OF FINANCE & PROPERTY

BUDGET 2012/13	GROUP	BUDGET 2013/14	FORECAST	
£		£	2014/15 £	2015/16 £
	EXPENDITURE			
88,600	Employees	89,300	90,300	90,300
0	Premises	0	0	0
1,800	Transport	1,800	1,800	1,800
11,600	Supplies and Services	11,800	11,800	11,800
0	Third Party Payments	0	0	0
0	Transfer Payments	0	0	0
103,900	Internal Services Recharged	93,000	93,900	93,900
0	Depreciation	0	0	0
(100)	Capital Financing Costs	0	0	0
205,800	TOTAL EXPENDITURE	195,900	197,800	197,800
	INCOME			
(205,800)	Internal Services Recharges	(181,500)	(183,400)	(183,400)
0	Grants	(14,400)	(14,400)	(14,400)
0	Customer & Client Receipts	0	0	0
0	Interest			
(205,800)	TOTAL INCOME	(195,900)	(197,800)	(197,800)
0	NET BUDGET	0	0	0

Responsible Budget Holder: Mike Hill

BRIEF DESCRIPTION OF SERVICE

To provide overall control and management of the Finance & Property 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. Overall Management of assets, including valuations, repairs and maintenance.

BUDGET 2012/13	UNIT COSTS	BUDGET 2013/14	FORECAST	
£		£	2014/15 £	2015/16 £
1.84	Expenditure per Resident	1.74	1.75	1.75
(1.84)	Income per Resident	(1.74)	(1.75)	(1.75)

DIRECTORATE OF RESOURCES

MANAGEMENT ACCOUNTS

BUDGET 2012/13	GROUP	BUDGET 2013/14	FORECAST	
£		£	2014/15 £	2015/16 £
	EXPENDITURE			
209,700	Employees	213,500	216,800	216,900
0	Premises	0	0	0
600	Transport	600	600	600
56,500	Supplies and Services	8,700	8,700	8,700
0	Third Party Payments	0	0	0
0	Transfer Payments	0	0	0
96,800	Internal Services Recharged	67,800	68,800	68,700
0	Depreciation	0	0	0
(300)	Capital Financing Costs	100	100	100
363,300	TOTAL EXPENDITURE	290,700	295,000	295,000
	INCOME			
(306,700)	Internal Services Recharges	(234,100)	(238,400)	(238,400)
(56,600)	Grants	(56,600)	(56,600)	(56,600)
0	Customer & Client Receipts	0	0	0
0	Interest			
(363,300)	TOTAL INCOME	(290,700)	(295,000)	(295,000)
0	NET BUDGET	0	0	0

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 grant claims administration.

BUDGET 2012/13	UNIT COSTS	BUDGET 2013/14	FORECAST	
£		£	2014/15 £	2015/16 £
3.25	Expenditure per Resident	2.57	2.61	2.61
(3.25)	Income per Resident	(2.57)	(2.61)	(2.61)

DIRECTORATE OF RESOURCES

CORPORATE ACCOUNTS

BUDGET 2012/13	GROUP	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
	EXPENDITURE			
247,300	Employees	235,300	237,900	237,900
0	Premises	0	0	0
1,300	Transport	1,300	1,300	1,300
129,400	Supplies and Services	62,800	62,800	62,800
397,400	Third Party Payments	391,400	400,000	411,800
0	Transfer Payments	0	0	0
363,800	Internal Services Recharged	266,700	268,700	268,700
0	Depreciation	0	0	0
800	Capital Financing Costs	100	100	100
1,140,000	TOTAL EXPENDITURE	957,600	970,800	982,600
	INCOME			
(735,400)	Internal Services Recharges	(579,300)	(584,800)	(590,900)
(368,000)	Grants	(341,400)	(348,900)	(354,600)
(35,600)	Customer & Client Receipts	(35,600)	(35,600)	(35,600)
0	Interest	0	0	0
(1,139,000)	TOTAL INCOME	(956,300)	(969,300)	(981,100)
1,000	NET BUDGET	1,300	1,500	1,500

Responsible Budget Holder:

Nick Wilson

BRIEF DESCRIPTION OF SERVICE

To maintain, control and supervise the Payroll, Creditors, Insurance, and Banking Services. To co-ordinate the the production of the annual Statement of Accounts. Responsibility for Capital Accounting, Asset Register and Treasury Management

BUDGET 2012/13	UNIT COSTS	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
10.20	Expenditure per Resident	8.48	8.60	8.70
(10.19)	Income per Resident	(8.47)	(8.59)	(8.69)

DIRECTORATE OF RESOURCES

INTERNAL AUDIT

BUDGET 2012/13	GROUP	BUDGET 2013/14	FORECAST	
£		£	2014/15 £	2015/16 £
	<u>EXPENDITURE</u>			
14,900	Employees	14,700	14,800	14,800
0	Premises	0	0	0
0	Transport	0	0	0
700	Supplies and Services	700	700	700
95,000	Third Party Payments	91,100	91,100	91,100
0	Transfer Payments	0	0	0
29,000	Internal Services Recharged	27,000	27,300	27,300
0	Depreciation	0	0	0
(100)	Capital Financing Costs	0	0	0
139,500	TOTAL EXPENDITURE	133,500	133,900	133,900
	<u>INCOME</u>			
(139,500)	Internal Services Recharges	(133,500)	(133,900)	(133,900)
0	Grants	0	0	0
0	Customer & Client Receipts	0	0	0
0	Interest	0	0	0
(139,500)	TOTAL INCOME	(133,500)	(133,900)	(133,900)
0	NET BUDGET	0	0	0

Responsible Budget Holder: **Mike Hill**

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.

BUDGET 2012/13	UNIT COSTS	BUDGET 2013/14	FORECAST	
£		£	2014/15 £	2015/16 £
1.25	Expenditure per Resident	1.18	1.19	1.19
(1.25)	Income per Resident	(1.18)	(1.19)	(1.19)

DIRECTORATE OF RESOURCES

ESTATES

BUDGET 2012/13	GROUP	BUDGET 2013/14	FORECAST	
£		£	2014/15 £	2015/16 £
	EXPENDITURE			
178,300	Employees	182,100	185,000	186,200
146,800	Premises	119,300	120,300	121,100
4,700	Transport	4,700	4,700	4,700
12,800	Supplies and Services	15,700	15,900	16,100
13,900	Third Party Payments	13,900	13,900	13,900
0	Transfer Payments	0	0	0
427,100	Internal Services Recharged	367,100	365,200	364,000
117,800	Depreciation	103,600	128,200	133,600
2,100	Capital Financing Costs	2,200	2,100	2,100
903,500	TOTAL EXPENDITURE	808,600	835,300	841,700
	INCOME			
(317,200)	Internal Services Recharges	(313,600)	(319,000)	(321,000)
(8,200)	Grants	(11,000)	(11,000)	(11,000)
(322,100)	Customer & Client Receipts	(320,600)	(320,600)	(320,600)
0	Interest	0	0	0
(647,500)	TOTAL INCOME	(645,200)	(650,600)	(652,600)
256,000	NET BUDGET	163,400	184,700	189,100

Responsible Budget Holder:

Rachel Baker

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).

BUDGET 2012/13	UNIT COSTS	BUDGET 2013/14	FORECAST	
£		£	2014/15 £	2015/16 £
8.08	Expenditure per Resident	7.16	7.40	7.46
(5.79)	Income per Resident	(5.71)	(5.76)	(5.78)

DIRECTORATE OF RESOURCES

ENGINEERS & BUILDING MAINTENANCE

BUDGET 2012/13	GROUP	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
			£	£
	EXPENDITURE			
372,500	Employees	330,700	334,700	334,800
712,800	Premises	663,500	667,200	671,400
14,700	Transport	18,700	18,800	19,000
82,500	Supplies and Services	278,600	178,000	178,100
42,300	Third Party Payments	34,200	34,200	34,200
0	Transfer Payments	0	0	0
325,200	Internal Services Recharged	231,000	235,300	238,000
308,500	Depreciation	291,800	278,500	267,800
(4,900)	Capital Financing Costs	2,400	2,400	2,400
1,853,600	TOTAL EXPENDITURE	1,850,900	1,749,100	1,745,700
	INCOME			
(923,100)	Internal Services Recharges	(838,800)	(836,300)	(836,300)
(63,000)	Grants	(53,100)	(53,100)	(53,100)
(287,800)	Customer & Client Receipts	(300,900)	(300,900)	(300,900)
0	Interest	0	0	0
(1,273,900)	TOTAL INCOME	(1,192,800)	(1,190,300)	(1,190,300)
579,700	NET BUDGET	658,100	558,800	555,400

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 demands. 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 accommodation and working conditions for staff and keep operational costs as economical as possible.

BUDGET 2012/13	UNIT COSTS	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
			£	£
16.58	Expenditure per Resident	16.39	15.49	15.46
(11.39)	Income per Resident	(10.57)	(10.54)	(10.54)

DIRECTORATE OF RESOURCES

FACILITIES

BUDGET 2012/13	GROUP	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
	EXPENDITURE			
20,200	Employees	21,100	21,300	21,300
2,300	Premises	0	0	0
4,900	Transport	5,300	5,300	5,300
14,000	Supplies and Services	200	200	200
0	Third Party Payments	0	0	0
0	Transfer Payments	0	0	0
13,000	Internal Services Recharged	3,100	3,100	3,100
2,000	Depreciation	2,000	0	0
0	Capital Financing Costs	0	0	0
56,400	TOTAL EXPENDITURE	31,700	29,900	29,900
	INCOME			
(24,500)	Internal Services Recharges	(29,800)	(28,000)	(28,000)
(4,700)	Grants	0	0	0
(52,900)	Customer & Client Receipts	(1,900)	(1,900)	(1,900)
0	Interest	0	0	0
(82,100)	TOTAL INCOME	(31,700)	(29,900)	(29,900)
(25,700)	NET BUDGET	0	0	0

Responsible Budget Holder: **John Unstead**

BRIEF DESCRIPTION OF SERVICE

Facilities Management incorporates building maintenance & statutory compliance Caretakers Service, PAT Testing, Courier Services & the cash collection from the Council Car Parks. The day to day Facilities Management service ensures that the Councils operational office's and civic buildings are available for use by Members, Council Staff and the General Public.

BUDGET 2012/13	UNIT COSTS	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
0.50	Expenditure per Resident	0.28	0.26	0.26
(0.73)	Income per Resident	(0.28)	(0.26)	(0.26)

DIRECTORATE OF RESOURCES

TOWN HALLS

BUDGET 2012/13	GROUP	BUDGET 2013/14	FORECAST	
			2014/15	2015/16
£		£	£	£
	EXPENDITURE			
0	Employees	0	0	0
0	Premises	2,300	2,300	2,300
0	Transport	0	0	0
0	Supplies and Services	13,800	13,800	13,800
0	Third Party Payments	0	0	0
0	Transfer Payments	0	0	0
0	Internal Services Recharged	3,900	4,000	4,000
0	Depreciation	0	0	0
0	Capital Financing Costs	0	0	0
0	TOTAL EXPENDITURE	20,000	20,100	20,100
	INCOME			
0	Internal Services Recharges	0	0	0
0	Grants	0	0	0
0	Customer & Client Receipts	(51,000)	(51,000)	(51,000)
0	Interest	0	0	0
0	TOTAL INCOME	(51,000)	(51,000)	(51,000)
0	NET BUDGET	(31,000)	(30,900)	(30,900)

Responsible Budget Holder:

John Unstead

BRIEF DESCRIPTION OF SERVICE

The commercial undertaking of both Town Halls, to the general public.

BUDGET 2012/13	UNIT COSTS	BUDGET 2013/14	FORECAST	
			2014/15	2015/16
£		£	£	£
0.00	Expenditure per Resident	0.18	0.18	0.18
0.00	Income per Resident	(0.45)	(0.45)	(0.45)

DIRECTORATE OF RESOURCES

PROCUREMENT

BUDGET 2012/13	GROUP	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
	EXPENDITURE			
65,300	Employees	65,600	65,800	65,200
0	Premises	0	0	0
1,600	Transport	1,600	1,600	1,600
(49,600)	Supplies and Services	5,200	5,200	5,200
0	Third Party Payments	0	0	0
0	Transfer Payments	0	0	0
38,500	Internal Services Recharged	2,600	2,400	2,400
0	Depreciation	0	0	0
0	Capital Financing Costs	0	0	0
55,800	TOTAL EXPENDITURE	75,000	75,000	74,400
	INCOME			
(55,800)	Internal Services Recharges	(75,000)	(75,000)	(74,400)
0	Grants	0	0	0
0	Customer & Client Receipts	0	0	0
0	Interest	0	0	0
(55,800)	TOTAL INCOME	(75,000)	(75,000)	(74,400)
0	NET BUDGET	0	0	0

Responsible Budget Holder:

Sandy Williams

BRIEF DESCRIPTION OF SERVICE

Providing Procurement support and guidance to all Services and ensure compliance with the EU Legislation in providing contracts and tenders to reduce costs within the Council for best value and efficiencies.

BUDGET 2012/13	UNIT COSTS	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
0.50	Expenditure per Resident	0.66	0.66	0.66
(0.50)	Income per Resident	(0.66)	(0.66)	(0.66)

DIRECTORATE OF COMMUNITY SERVICES
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HOUSING

BUDGET 2012/13 £	Division	BUDGET 2013/14 £	FORECAST	
			2014/15 £	2015/16 £
58,700	Housing Strategy	60,300	60,300	60,300
915,300	Private Sector Housing Renewal	886,600	650,200	238,000
252,100	Homelessness	267,900	272,000	272,300
49,600	Homelessness Grant	46,700	46700	46700
145,100	Contribution to HRA Shared Items	0	0	0
0	Housing Management & Support	0	0	0
16,900	Private Sector PAS	17,400	17,400	17,400
1,437,700	TOTAL EXPENDITURE	1,278,900	1,046,600	634,700

DIRECTORATE OF COMMUNITY SERVICES
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HOUSING

BUDGET 2012/13	GROUP	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
			£	£
	EXPENDITURE			
317,000	Employees	320,300	324,400	325,200
	Premises	0	0	0
13,100	Transport	13,100	13,100	13,100
1,464,200	Supplies and Services	1,408,000	1,158,000	720,000
17,100	Third Party Payments	17,900	17,900	17,900
(800)	Transfer Payments	0	0	0
241,000	Internal Services Recharged	251,200	253,700	253,200
3,100	Depreciation	0	0	0
4,400	Capital Finance Costs	2,800	2,700	2,700
2,059,100	TOTAL EXPENDITURE	2,013,300	1,769,800	1,332,100
	INCOME			
(111,800)	Internal Services Recharges	(114,900)	(115,800)	(115,300)
(379,500)	Grants	(490,900)	(478,800)	(453,500)
(130,100)	Customer & Client Receipts	(128,600)	(128,600)	(128,600)
(621,400)	TOTAL INCOME	(734,400)	(723,200)	(697,400)
1,437,700	NET BUDGET	1,278,900	1,046,600	634,700

Head of Service	M Ladyman
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BRIEF DESCRIPTION OF SERVICE

The management and provision of services such as area housing strategy, housing grants, housing needs, homelessness, Preventative Adaptation Scheme, strategic housing market assessment, and support on all aspects of matters affecting the housing of the District.

BUDGET 2012/13	GROUP	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
			£	£
18.42	Expenditure per Resident	17.83	15.68	11.80
(5.56)	Income per Resident	(6.50)	(6.41)	(6.18)

DIRECTORATE OF COMMUNITY SERVICES
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HOUSING STRATEGY

BUDGET 2012/13	GROUP	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
	<u>EXPENDITURE</u>			
0	Employees	0	0	0
0	Premises	0	0	0
0	Transport	0	0	0
1,000	Supplies and Services	1,000	1,000	1,000
0	Third Party Payments	0	0	0
(800)	Transfer Payments	0	0	0
58,500	Internal Services Recharged	60,100	60,100	60,100
0	Depreciation	0	0	0
0	Capital Finance Costs	0	0	0
58,700	TOTAL EXPENDITURE	61,100	61,100	61,100
	<u>INCOME</u>			
0	Internal Services Recharges	0	0	0
0	Grants	(800)	(800)	(800)
0	Customer & Client Receipts	0	0	0
0	TOTAL INCOME	(800)	(800)	(800)
58,700	NET BUDGET	60,300	60,300	60,300

Responsible Budget Holder: C Frost

BRIEF DESCRIPTION OF SERVICE

Costs relating to the Housing Investment Programme bid
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BUDGET 2012/13	UNIT COSTS	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
0.53	Expenditure per Resident	0.54	0.54	0.54
0.00	Income per Resident	(0.01)	(0.01)	(0.01)

DIRECTORATE OF COMMUNITY SERVICES
--

PRIVATE SECTOR HOUSING RENEWAL

BUDGET 2012/13	GROUP	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
			£	£
	<u>EXPENDITURE</u>			
103,700	Employees	106,600	107,700	107,700
0	Premises	0	0	0
8,000	Transport	8,000	8,000	8,000
1,204,200	Supplies and Services	1,281,500	1,031,500	593,500
0	Third Party Payments	0	0	0
0	Transfer Payments	0	0	0
63,600	Internal Services Recharged	66,100	66,600	66,600
0	Depreciation	0	0	0
3,000	Capital Finance Costs	2,200	2,100	2,100
1,382,500	TOTAL EXPENDITURE	1,464,400	1,215,900	777,900
	<u>INCOME</u>			
0	Internal Services Recharges	0	0	0
(345,000)	Grants	(455,600)	(443,500)	(417,700)
(122,200)	Customer & Client Receipts	(122,200)	(122,200)	(122,200)
(467,200)	TOTAL INCOME	(577,800)	(565,700)	(539,900)
915,300	NET BUDGET	886,600	650,200	238,000

Responsible Budget Holder: C Frost

BRIEF DESCRIPTION OF SERVICE

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

BUDGET 2012/13	UNIT COSTS	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
			£	£
12.37	Expenditure per Resident	12.97	10.77	6.89
(4.18)	Income per Resident	(5.12)	(5.01)	(4.78)

DIRECTORATE OF COMMUNITY SERVICES

HOMELESSNESS

BUDGET 2012/13	GROUP	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
	EXPENDITURE			
145,600	Employees	144,900	147,100	147,900
0	Premises	0	0	0
3,300	Transport	3,300	3,300	3,300
43,700	Supplies and Services	57,700	57,700	57,700
1,500	Third Party Payments	0	0	0
0	Transfer Payments	0	0	0
65,900	Internal Services Recharged	68,200	70,100	69,600
0	Depreciation	0	0	0
0	Capital Finance Costs	200	200	200
260,000	TOTAL EXPENDITURE	274,300	278,400	278,700
	INCOME			
0	Internal Services Recharges	0	0	0
0	Grants	0	0	0
(7,900)	Customer & Client Receipts	(6,400)	(6,400)	(6,400)
(7,900)	TOTAL INCOME	(6,400)	(6,400)	(6,400)
252,100	NET BUDGET	267,900	272,000	272,300

Responsible Budget Holder: C Frost / T Walstow

BRIEF DESCRIPTION OF SERVICE

To provide temporary accommodation for the homeless

BUDGET 2012/13	UNIT COSTS	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
2.31	Expenditure per Resident	2.45	2.49	2.49
(0.07)	Income per Resident	(0.06)	(0.06)	(0.06)

DIRECTORATE OF COMMUNITY SERVICES
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HOMELESSNESS GRANT

BUDGET 2012/13	GROUP	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
			£	£
	<u>EXPENDITURE</u>			
0	Employees	0	0	0
0	Premises	0	0	0
0	Transport	0	0	0
46,500	Supplies and Services	46,500	46,500	46,500
0	Third Party Payments	0	0	0
0	Transfer Payments	0	0	0
0	Internal Services Recharged	0	0	0
3,100	Depreciation	0	0	0
0	Capital Finance Costs	200	200	200
49,600	TOTAL EXPENDITURE	46,700	46,700	46,700
	<u>INCOME</u>			
0	Internal Services Recharges	0	0	0
0	Grants	0	0	0
0	Customer & Client Receipts	0	0	0
0	TOTAL INCOME	0	0	0
49,600	NET BUDGET	46,700	46,700	46,700

Responsible Budget Holder: C Frost

BRIEF DESCRIPTION OF SERVICE

To provide temporary accomodation for the homeless
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BUDGET 2012/13	UNIT COSTS	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
			£	£
0.44	Expenditure per Resident	0.41	0.41	0.41
0.00	Income per Resident	0.00	0.00	0.00

DIRECTORATE OF COMMUNITY SERVICES
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CONTRIBUTION TO HRA SHARED ITEMS

BUDGET 2012/13	GROUP	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
	<u>EXPENDITURE</u>			
0	Employees	0	0	0
0	Premises	0	0	0
0	Transport	0	0	0
145,100	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	Depreciation	0	0	0
0	Capital Finance Costs	0	0	0
145,100	TOTAL EXPENDITURE	0	0	0
	<u>INCOME</u>			
0	Internal Services Recharges	0	0	0
0	Grants	0	0	0
0	Customer & Client Receipts	0	0	0
0	TOTAL INCOME	0	0	0
145,100	NET BUDGET	0	0	0

Responsible Budget Holder: J Foulger

BRIEF DESCRIPTION OF SERVICE

<p>General Fund contribution to the Housing Revenue Account in relation to shared amenities. This budget is no longer required, as costs have been factored into the A1 Housing Management Fee.</p>

BUDGET 2012/13	UNIT COSTS	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
1.30	Expenditure per Resident	0.00	0.00	0.00
0.00	Income per Resident	0.00	0.00	0.00

DIRECTORATE OF COMMUNITY SERVICES
--

HOUSING MANAGEMENT AND SUPPORT

BUDGET 2012/13	GROUP	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
			£	£
	<u>EXPENDITURE</u>			
67,700	Employees	68,800	69,600	69,600
0	Premises	0	0	0
1,800	Transport	1,800	1,800	1,800
6,200	Supplies and Services	3,800	3,800	3,800
(300)	Third Party Payments	2,000	2,000	2,000
0	Transfer Payments	0	0	0
53,000	Internal Services Recharged	56,300	56,400	56,400
0	Depreciation	0	0	0
1,400	Capital Finance Costs	200	200	200
129,800		132,900	133,800	133,800
	<u>INCOME</u>			
(111,800)	Internal Services Recharges	(114,900)	(115,800)	(115,300)
(18,000)	Grants	(18,000)	(18,000)	(18,500)
0	Customer & Client Receipts	0	0	0
(129,800)	TOTAL INCOME	(132,900)	(133,800)	(133,800)
0	NET BUDGET	0	0	0

Responsible Budget Holder: C Frost

BRIEF DESCRIPTION OF SERVICE

Strategic management of housing services.

BUDGET 2012/13	UNIT COSTS	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
			£	£
1.16	Expenditure per Resident	1.18	1.19	1.19
(1.16)	Income per Resident	(1.18)	(1.19)	(1.19)

DIRECTORATE OF COMMUNITY SERVICES
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PRIVATE SECTOR PREVENTATIVE ADAPTATIONS SERVICE
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BUDGET 2012/13	GROUP	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
	EXPENDITURE			
0	Employees	0	0	0
0	Premises	0	0	0
0	Transport	0	0	0
17,500	Supplies and Services	17,500	17,500	17,500
15,900	Third Party Payments	15,900	15,900	15,900
0	Transfer Payments	0	0	0
0	Internal Services Recharged	500	500	500
0	Depreciation	0	0	0
0	Capital Finance Costs	0	0	0
33,400		33,900	33,900	33,900
	INCOME			
0	Internal Services Recharges	0	0	0
(16,500)	Grants	(16,500)	(16,500)	(16,500)
0	Customer & Client Receipts	0	0	0
(16,500)	TOTAL INCOME	(16,500)	(16,500)	(16,500)
16,900	NET BUDGET	17,400	17,400	17,400

Responsible Budget Holder: W Pigott
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BRIEF DESCRIPTION OF SERVICE

HPAS (Handy Persons and Preventative Adaptations service) provides quick access to minor adaptations (e.g. grab rails) and small handy person-type works to promote independence and prevent accidents in the home for people aged 60+ and disabled people.

BUDGET 2012/13	UNIT COSTS	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
0.30	Expenditure per Resident	0.30	0.30	0.30
(0.15)	Income per Resident	(0.15)	(0.15)	(0.15)

DIRECTORATE OF COMMUNITY SERVICES
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LEISURE

BUDGET 2012/13 £	Division	BUDGET 2013/14 £	FORECAST	
			2014/15 £	2015/16 £
1,157,100	Leisure -Service Management & Support	1,219,300	1,244,600	1,285,200
41,700	North Notts Community Leisure Ltd - Monitoring	4,200	4,200	4,200
68,600	Arts Development & Culture	61,700	62,100	62,100
266,200	Sports & Physical Activity Development	343,200	252,900	253,200
107,900	Community Parks & Open Spaces	1,353,500	1,334,000	1,268,900
1,641,500	TOTAL EXPENDITURE	2,981,900	2,897,800	2,873,600

DIRECTORATE OF COMMUNITY SERVICES
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LEISURE

BUDGET 2012/13	GROUP	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
			£	£
	<u>EXPENDITURE</u>			
329,100	Employees	395,500	402,100	375,600
116,000	Premises	1,166,600	1,193,500	1,191,700
26,700	Transport	36,100	36,200	34,200
123,000	Supplies and Services	232,300	133,500	130,400
829,900	Third Party Payments	881,400	902,400	925,400
0	Transfer Payments	0	0	0
180,300	Internal Services Recharged	278,600	280,700	278,700
247,100	Depreciation	556,200	516,600	472,600
6,200	Capital Financing Costs	9,700	9,300	9,300
1,858,300	TOTAL EXPENDITURE	3,556,400	3,474,300	3,417,900
	<u>INCOME</u>			
(85,100)	Internal Services Recharges	(83,400)	(83,400)	(83,400)
(131,300)	Grants/Contributions	(449,200)	(449,200)	(417,000)
(400)	Customer & Client Receipts	(41,900)	(43,900)	(43,900)
(216,800)	TOTAL INCOME	(574,500)	(576,500)	(544,300)
1,641,500	NET BUDGET	2,981,900	2,897,800	2,873,600

Head of Service:	Peter Clark
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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.

BUDGET 2012/13	UNIT COSTS	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
			£	£
16.62	Expenditure per Resident	31.50	30.77	30.27
(1.94)	Income per Resident	(5.09)	(5.11)	(4.82)

DIRECTORATE OF COMMUNITY SERVICES
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LEISURE SERVICE MANAGEMENT & SUPPORT

BUDGET 2012/13	GROUP	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
	<u>EXPENDITURE</u>			
48,200	Employees	49,300	49,800	49,800
114,500	Premises	511,400	523,500	541,100
2,600	Transport	2,600	2,600	2,600
10,400	Supplies and Services	10,200	10,200	10,200
796,900	Third Party Payments	853,400	874,400	897,400
0	Transfer Payments	0	0	0
67,000	Internal Services Recharged	55,400	54,900	54,900
247,100	Depreciation	182,400	174,800	174,800
6,100	Capital Financing Costs	5,000	4,800	4,800
1,292,800	TOTAL EXPENDITURE	1,669,700	1,695,000	1,735,600
	<u>INCOME</u>			
(85,100)	Internal Services Recharges	(83,400)	(83,400)	(83,400)
(50,600)	Grants/Contributions	(367,000)	(367,000)	(367,000)
0	Customer & Client Receipts	0	0	0
(135,700)	TOTAL INCOME	(450,400)	(450,400)	(450,400)
1,157,100	NET BUDGET	1,219,300	1,244,600	1,285,200

Responsible Budget Holder: Peter Clark

BRIEF DESCRIPTION OF SERVICE

<p>The management, administration and development of Leisure Centres, Kilton Forest Golf Course Sports Development. The management of parks open spaces, play development and Community Park Rangers.</p>

BUDGET 2012/13	UNIT COSTS	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
11.56	Expenditure per Resident	14.79	15.01	15.37
(1.21)	Income per Resident	(3.99)	(3.99)	(3.99)

DIRECTORATE OF COMMUNITY SERVICES
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NORTH NOTTS COMMUNITY LEISURE LTD - MONITORING

BUDGET 2012/13	GROUP	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
	<u>EXPENDITURE</u>			
0	Employees	0	0	0
0	Premises	0	0	0
0	Transport	0	0	0
40,000	Supplies and Services	0	0	0
0	Third Party Payments	0	0	0
0	Transfer Payments	0	0	0
1,700	Internal Services Recharged	4,200	4,200	4,200
0	Depreciation	0	0	0
0	Capital Financing Costs	0	0	0
41,700	TOTAL EXPENDITURE	4,200	4,200	4,200
	<u>INCOME</u>			
0	Internal Services Recharges	0	0	0
0	Grants/Contributions	0	0	0
0	Customer & Client Receipts	0	0	0
0	TOTAL INCOME	0	0	0
41,700	NET BUDGET	4,200	4,200	4,200

Responsible Budget Holder: Peter Clark

BRIEF DESCRIPTION OF SERVICE

To provide grant aid to support operations of North Notts Community Leisure Limited. To ensure that health and well-being benefits of the North Notts Arena are maintained and developed for the local community. The grant to North Notts Community Leisure Limited has been moved to major grants within the Chief Executive Committee for 2013/14.

BUDGET 2012/13	UNIT COSTS	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
0.37	Expenditure per Resident	0.04	0.04	0.04
0.00	Income per Resident	0.00	0.00	0.00

DIRECTORATE OF COMMUNITY SERVICES
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ARTS DEVELOPMENT & CULTURE

BUDGET 2012/13	GROUP	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
	<u>EXPENDITURE</u>			
29,300	Employees	29,400	29,700	29,700
0	Premises	0	0	0
0	Transport	0	0	0
9,300	Supplies and Services	9,300	9,300	9,300
16,900	Third Party Payments	11,100	11,100	11,100
0	Transfer Payments	0	0	0
13,100	Internal Services Recharged	11,900	12,000	12,000
0	Depreciation	0	0	0
0	Capital Financing Costs	0	0	0
68,600	TOTAL EXPENDITURE	61,700	62,100	62,100
	<u>INCOME</u>			
0	Internal Services Recharges	0	0	0
0	Grants/Contributions	0	0	0
0	Customer & Client Receipts	0	0	0
0	TOTAL INCOME	0	0	0
68,600	NET BUDGET	61,700	62,100	62,100

Responsible Budget Holder: Peter Clark

BRIEF DESCRIPTION OF SERVICE

Consists of Art Policy Development which is responsible for the co-ordination and development of Rural Arts Touring.
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BUDGET 2012/13	UNIT COSTS	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
0.61	Expenditure per Resident	0.55	0.55	0.55
0.00	Income per Resident	0.00	0.00	0.00

DIRECTORATE OF COMMUNITY SERVICES
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SPORTS & PHYSICAL ACTIVITY DEVELOPMENT

BUDGET 2012/13	GROUP	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
	<u>EXPENDITURE</u>			
191,600	Employees	199,000	201,500	174,100
1,500	Premises	1,500	1,500	1,500
18,600	Transport	18,400	18,500	18,500
45,100	Supplies and Services	130,700	30,700	27,200
16,100	Third Party Payments	16,100	16,100	16,100
0	Transfer Payments	0	0	0
74,300	Internal Services Recharged	58,600	60,000	59,000
0	Depreciation	0	5,700	5,700
100	Capital Financing Costs	0	0	0
347,300	TOTAL EXPENDITURE	424,300	334,000	302,100
	<u>INCOME</u>			
0	Internal Services Recharges	0	0	0
(80,700)	Grants/Contributions	(80,700)	(80,700)	(48,500)
(400)	Customer & Client Receipts	(400)	(400)	(400)
(81,100)	TOTAL INCOME	(81,100)	(81,100)	(48,900)
266,200	NET BUDGET	343,200	252,900	253,200

Responsible Budget Holder: T. Wright

BRIEF DESCRIPTION OF SERVICE

Developing a sporting infrastructure across the district by working in partnership with a range of different organisations, including sports clubs and coaches. To deliver specific programmes, including exercise on referral, people with a disability and young people at risk of social exclusion.

BUDGET 2012/13	UNIT COSTS	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
3.11	Expenditure per Resident	3.76	2.96	2.68
(0.73)	Income per Resident	(0.72)	(0.72)	(0.43)

DIRECTORATE OF COMMUNITY SERVICES
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COMMUNITY PARKS & OPEN SPACES
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BUDGET 2012/13	GROUP	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
	<u>EXPENDITURE</u>			
60,000	Employees	117,800	121,100	122,000
0	Premises	653,700	668,500	649,100
5,500	Transport	15,100	15,100	13,100
18,200	Supplies and Services	82,100	83,300	83,700
0	Third Party Payments	800	800	800
0	Transfer Payments	0	0	0
24,200	Internal Services Recharged	148,500	149,600	148,600
0	Depreciation	373,800	336,100	292,100
0	Capital Financing Costs	4,700	4,500	4,500
107,900	TOTAL EXPENDITURE	1,396,500	1,379,000	1,313,900
	<u>INCOME</u>			
0	Internal Services Recharges	0	0	0
0	Grants/Contributions	(1,500)	(1,500)	(1,500)
0	Customer & Client Receipts	(41,500)	(43,500)	(43,500)
0	TOTAL INCOME	(43,000)	(45,000)	(45,000)
107,900	NET BUDGET	1,353,500	1,334,000	1,268,900

Responsible Budget Holder: P.Clark

BRIEF DESCRIPTION OF SERVICE

To provide the strategic management function for the parks and open spaces unit. To develop play facilities in Bassetlaw. To develop and provide learning and activity programmes through the Community Park Ranger Service. The Parks and Open Spaces has been transferred to this service in 2013/14.

BUDGET 2012/13	UNIT COSTS	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
0.97	Expenditure per Resident	12.37	12.21	11.64
0.00	Income per Resident	(0.38)	(0.40)	(0.40)

DIRECTORATE OF CORPORATE SERVICES
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POLICY & COMMUNITY ENGAGEMENT
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BUDGET 2012/13	DIVISION	BUDGET 2013/14	FORECAST	
		2014/15	2015/16	
£		£	£	£
217,000	Community Safety	204,600	201,300	200,300
698,700	Democratic Representation & Support	702,200	705,600	705,300
306,900	Elections	219,100	314,000	314,000
15,200	Community Strategy & Engagement	13,000	13,000	13,000
31,600	Public Relations	17,300	17,300	17,300
6,300	Service & Corporate Management	4,400	4,400	4,400
1,275,700	Total	1,160,600	1,255,600	1,254,300

DIRECTORATE OF CORPORATE SERVICES
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COMMUNITY ENGAGEMENT AND PERFORMANCE

BUDGET 2012/13	GROUP	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
			£	£
	EXPENDITURE			
652,700	Employees	611,900	691,500	692,200
8,800	Premises	5,700	9,700	9,700
50,900	Transport	44,200	44,300	44,300
550,000	Supplies and Services	512,600	527,600	527,600
17,000	Third Party Payments	15,000	15,000	15,000
0	Transfer Payments	0	0	0
636,100	Internal Services Recharged	481,800	485,400	483,400
0	Depreciation	0	0	0
(500)	Capital Financing Costs	100	100	100
1,915,000	TOTAL EXPENDITURE	1,671,300	1,773,600	1,772,300
	INCOME			
(630,600)	Internal Services Recharges	(468,000)	(475,300)	(475,300)
(5,400)	Grants	(2,900)	(2,900)	(2,900)
(3,300)	Customer & Client Receipts	(39,800)	(39,800)	(39,800)
(639,300)	TOTAL INCOME	(510,700)	(518,000)	(518,000)
1,275,700	NET BUDGET	1,160,600	1,255,600	1,254,300

Director of Corporate Services: Ros Theakstone

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, European and PCC 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.

BUDGET 2012/13	UNIT COSTS	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
			£	£
17.13	Expenditure per Resident	14.80	15.71	15.70
(5.72)	Income per Resident	(4.52)	(4.59)	(4.59)

DIRECTORATE OF CORPORATE SERVICES
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COMMUNITY SAFETY

BUDGET 2012/13	GROUP	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
	<u>EXPENDITURE</u>			
122,800	Employees	112,000	113,100	113,100
0	Premises	0	0	0
10,500	Transport	10,500	10,600	10,600
21,700	Supplies and Services	26,700	21,700	21,700
7,200	Third Party Payments	7,200	7,200	7,200
0	Transfer Payments	0	0	0
54,700	Internal Services Recharged	48,200	48,700	47,700
0	Depreciation	0	0	0
100	Capital Financing Costs	0	0	0
217,000	TOTAL EXPENDITURE	204,600	201,300	200,300
	<u>INCOME</u>			
0	Internal Services Recharges	0	0	0
0	Grants	0	0	0
0	Customer & Client Receipts	0	0	0
0	TOTAL INCOME	0	0	0
217,000	NET BUDGET	204,600	201,300	200,300

Responsible Budget Holder: Gill Blenkinsop

BRIEF DESCRIPTION OF SERVICE

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

BUDGET 2012/13	UNIT COSTS	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
1.94	Expenditure per Resident	1.81	1.78	1.77
0.00	Income per Resident	0.00	0.00	0.00

DIRECTORATE OF CORPORATE SERVICES
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DEMOCRATIC REPRESENTATION & SUPPORT
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BUDGET 2012/13	GROUP	BUDGET 2012/13	FORECAST	
£		£	2013/14 £	2014/15 £
	<u>EXPENDITURE</u>			
111,700	Employees	134,000	136,800	137,500
400	Premises	500	500	500
33,800	Transport	29,500	29,500	29,500
400,500	Supplies and Services	384,200	384,200	384,200
0	Third Party Payments	1,000	1,000	1,000
0	Transfer Payments	0	0	0
311,600	Internal Services Recharged	285,400	289,100	288,100
0	Depreciation	0	0	0
0	Capital Financing Costs	100	100	100
858,000	TOTAL EXPENDITURE	834,700	841,200	840,900
	<u>INCOME</u>			
(157,000)	Internal Services Recharges	(129,700)	(132,800)	(132,800)
(700)	Grants	(1,200)	(1,200)	(1,200)
(1,600)	Customer & Client Receipts	(1,600)	(1,600)	(1,600)
(159,300)	TOTAL INCOME	(132,500)	(135,600)	(135,600)
698,700	NET BUDGET	702,200	705,600	705,300

Responsible Budget Holder: Gill Blenkinsop

BRIEF DESCRIPTION OF SERVICE

Services council, cabinet and other statutory and non statutory meetings. Also, includes the costs of Members' allowances and expenses.

BUDGET 2012/13	UNIT COSTS	BUDGET 2013/14	FORECAST	
£		£	2014/15 £	2015/16 £
7.67	Expenditure per Resident	7.39	7.45	7.45
(1.42)	Income per Resident	(1.17)	(1.20)	(1.20)

DIRECTORATE OF CORPORATE SERVICES
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ELECTIONS

BUDGET 2012/13	GROUP	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
			£	£
	<u>EXPENDITURE</u>			
119,200	Employees	56,700	128,100	128,100
8,400	Premises	4,900	8,900	8,900
1,000	Transport	1,000	1,000	1,000
79,800	Supplies and Services	57,200	77,200	77,200
0	Third Party Payments	0	0	0
0	Transfer Payments	0	0	0
100,200	Internal Services Recharged	101,000	100,500	100,500
0	Depreciation	0	0	0
0	Capital Financing Costs	0	0	0
308,600	TOTAL EXPENDITURE	220,800	315,700	315,700
	<u>INCOME</u>			
0	Internal Services Recharges	0	0	0
0	Grants	0	0	0
(1,700)	Customer & Client Receipts	(1,700)	(1,700)	(1,700)
(1,700)	TOTAL INCOME	(1,700)	(1,700)	(1,700)
306,900	NET BUDGET	219,100	314,000	314,000

Responsible Budget Holder: Steve Brown

BRIEF DESCRIPTION OF SERVICE

Promotes electoral awareness both in terms of electoral registration and democratic participation in elections.

BUDGET 2012/13	UNIT COSTS	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
			£	£
2.76	Expenditure per Resident	1.96	2.80	2.80
(0.02)	Income per Resident	(0.02)	(0.02)	(0.02)

DIRECTORATE OF CORPORATE SERVICES

COMMUNITY STRATEGY & ENGAGEMENT

BUDGET 2012/13	GROUP	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
	EXPENDITURE			
0	Employees	0	0	0
0	Premises	300	300	300
0	Transport	0	0	0
6,500	Supplies and Services	5,800	5,800	5,800
7,800	Third Party Payments	6,800	6,800	6,800
0	Transfer Payments	0	0	0
900	Internal Services Recharged	100	100	100
0	Depreciation	0	0	0
0	Capital Financing Costs	0	0	0
15,200	TOTAL EXPENDITURE	13,000	13,000	13,000
	INCOME			
0	Internal Services Recharges	0	0	0
0	Grants	0	0	0
0	Customer & Client Receipts	0	0	0
0	TOTAL INCOME	0	0	0
15,200	NET BUDGET	13,000	13,000	13,000

Responsible Budget Holder: Gill Blenkinsop

BRIEF DESCRIPTION OF SERVICE

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.

BUDGET 2012/13	UNIT COSTS	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
0.14	Expenditure per Resident	0.12	0.12	0.12
0.00	Income per Resident	0.00	0.00	0.00

DIRECTORATE OF CORPORATE SERVICES
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PUBLIC RELATIONS

BUDGET 2012/13	GROUP	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
			£	£
	<u>EXPENDITURE</u>			
80,700	Employees	125,900	128,300	128,300
0	Premises	0	0	0
700	Transport	700	700	700
21,300	Supplies and Services	19,100	19,100	19,100
0	Third Party Payments	0	0	0
0	Transfer Payments	0	0	0
40,100	Internal Services Recharged	2,900	2,900	2,900
0	Depreciation	0	0	0
(100)	Capital Financing Costs	0	0	0
142,700	TOTAL EXPENDITURE	148,600	151,000	151,000
	<u>INCOME</u>			
(111,100)	Internal Services Recharges	(94,800)	(97,200)	(97,200)
0	Grants	0	0	0
0	Customer & Client Receipts	(36,500)	(36,500)	(36,500)
(111,100)	TOTAL INCOME	(131,300)	(133,700)	(133,700)
31,600	NET BUDGET	17,300	17,300	17,300

Responsible Budget Holder: Jonathon Brassington

BRIEF DESCRIPTION OF SERVICE

Informs the people of Bassetlaw about the council, the services we provide and how to contact us.

BUDGET 2012/13	UNIT COSTS	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
			£	£
1.28	Expenditure per Resident	1.32	1.34	1.34
(0.99)	Income per Resident	(1.16)	(1.18)	(1.18)

DIRECTORATE OF CORPORATE SERVICES
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SERVICE & CORPORATE MANAGEMENT

BUDGET 2012/13	GROUP	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
			£	£
	EXPENDITURE			
218,300	Employees	183,300	185,200	185,200
0	Premises	0	0	0
4,900	Transport	2,500	2,500	2,500
20,200	Supplies and Services	19,600	19,600	19,600
2,000	Third Party Payments	0	0	0
0	Transfer Payments	0	0	0
128,600	Internal Services Recharged	44,200	44,100	44,100
0	Depreciation	0	0	0
(500)	Capital Financing Costs	0	0	0
373,500	TOTAL EXPENDITURE	249,600	251,400	251,400
	INCOME			
(362,500)	Internal Services Recharges	(243,500)	(245,300)	(245,300)
(4,700)	Grants	(1,700)	(1,700)	(1,700)
0	Customer & Client Receipts	0	0	0
(367,200)	TOTAL INCOME	(245,200)	(247,000)	(247,000)
6,300	NET BUDGET	4,400	4,400	4,400

Responsible Budget Holder: Gill Blenkinsop

BRIEF DESCRIPTION OF SERVICE

Risk Management

Ensuring the Council's approach to risk management is robust

Performance

Drives continuous improvement of our services

Complaints

Proactively manages all complaints on behalf of the Council

BUDGET 2012/13	UNIT COSTS	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
			£	£
3.34	Expenditure per Resident	2.21	2.23	2.23
(3.28)	Income per Resident	(2.17)	(2.19)	(2.19)

DIRECTORATE OF RESOURCES

REVENUES AND CUSTOMER SERVICES

BUDGET 2012/13	DIVISION	BUDGET 2013/14	FORECAST	
£		£	2014/15 £	2015/16 £
228,500	Housing Benefits	226,500	313,400	337,700
0	Revenues & Customer SMS	72,700	86,000	0
650,700	Local Tax Collection	568,700	597,600	601,900
879,200	Total	867,900	997,000	939,600

DIRECTORATE OF RESOURCES

REVENUES AND CUSTOMER SERVICES

BUDGET 2012/13	DIVISION	BUDGET 2013/14	FORECAST	
£		£	2014/15 £	2015/16 £
	EXPENDITURE			
1,605,900	Employees	1,563,400	1,583,800	1,588,000
0	Premises	0	0	0
28,800	Transport	27,200	27,200	27,200
454,500	Supplies and Services	343,000	353,300	290,300
54,800	Third Party Payments	89,400	92,400	69,400
38,939,700	Transfer Payments	30,051,500	30,051,500	30,051,500
1,673,300	Internal Services Recharged	2,410,600	2,415,300	2,406,400
3,600	Depreciation	1,800	1,800	1,800
28,500	Capital Financing Costs	20,100	19,200	19,200
42,789,100	TOTAL EXPENDITURE	34,507,000	34,544,500	34,453,800
	INCOME			
(1,347,700)	Internal Services Recharges	(2,111,700)	(2,131,200)	(2,131,200)
(39,929,300)	Grants	(30,904,500)	(30,793,400)	(30,760,100)
(632,900)	Customer & Client Receipts	(622,900)	(622,900)	(622,900)
(41,909,900)	TOTAL INCOME	(33,639,100)	(33,547,500)	(33,514,200)
879,200	NET BUDGET	867,900	997,000	939,600

Head of Service: 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 Housing Benefits payments and now also administers the Council Tax Benefits replacement called Council Tax Support, 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.

BUDGET 2012/13	UNIT COSTS	BUDGET 2013/14	FORECAST	
£		£	2014/15 £	2015/16 £
382.73	Expenditure per Resident	305.64	305.97	305.17
(374.86)	Income per Resident	(297.95)	(297.14)	(296.85)

DIRECTORATE OF RESOURCES

HOUSING BENEFITS

BUDGET 2012/13	DIVISION	BUDGET 2013/14	FORECAST	
£		£	2014/15 £	2015/16 £
	<u>EXPENDITURE</u>			
136,900	Employees	100,100	101,400	101,500
0	Premises	0	0	0
4,400	Transport	3,000	3,000	3,000
12,400	Supplies and Services	8,100	8,100	8,100
6,500	Third Party Payments	6,500	6,500	6,500
30,051,500	Transfer Payments	30,051,500	30,051,500	30,051,500
303,800	Internal Services Recharged	877,800	883,400	883,300
0	Depreciation	0	0	0
0	Capital Financing Costs			
30,515,500	TOTAL EXPENDITURE	31,047,000	31,053,900	31,053,900
	<u>INCOME</u>			
(96,300)	Internal Services Recharges	(131,500)	(132,800)	(132,800)
(29,986,200)	Grants	(30,484,500)	(30,403,200)	(30,378,900)
(204,500)	Customer & Client Receipts	(204,500)	(204,500)	(204,500)
(30,287,000)	TOTAL INCOME	(30,820,500)	(30,740,500)	(30,716,200)
228,500	NET BUDGET	226,500	313,400	337,700

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.

BUDGET 2012/13	UNIT COSTS	BUDGET 2013/14	FORECAST	
£		£	2014/15 £	2015/16 £
272.95	Expenditure per Resident	275.00	275.06	275.06
(270.90)	Income per Resident	(272.99)	(272.28)	(272.07)

DIRECTORATE OF RESOURCES

REVENUES & CUSTOMER SMS

BUDGET 2012/13	DIVISION	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
	EXPENDITURE			
1,160,400	Employees	1,159,700	1,174,900	1,178,300
0	Premises	0	0	0
14,700	Transport	14,500	14,500	14,500
186,200	Supplies and Services	209,900	220,200	157,200
9,400	Third Party Payments	40,000	43,000	20,000
0	Transfer Payments	0	0	0
758,400	Internal Services Recharged	754,500	757,400	754,000
3,600	Depreciation	1,800	1,800	1,800
1,500	Capital Financing Costs	1,000	1,100	1,100
2,134,200	TOTAL EXPENDITURE	2,181,400	2,212,900	2,126,900
	INCOME			
(1,251,400)	Internal Services Recharges	(1,980,200)	(1,998,400)	(1,998,400)
(783,400)	Grants	(39,100)	(39,100)	(39,100)
(99,400)	Customer & Client Receipts	(89,400)	(89,400)	(89,400)
(2,134,200)	TOTAL INCOME	(2,108,700)	(2,126,900)	(2,126,900)
0	NET BUDGET	72,700	86,000	0

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 Customer Services function dealing with all incoming telephone calls and personal visits to the Council, providing information and directing enquiries to the appropriate department.

BUDGET 2012/13	UNIT COSTS	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
19.09	Expenditure per Resident	19.32	19.60	18.84
(19.09)	Income per Resident	(18.68)	(18.84)	(18.84)

DIRECTORATE OF RESOURCES

LOCAL TAX COLLECTION

BUDGET 2012/13	DIVISION	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
			£	£
	EXPENDITURE			
308,600	Employees	303,600	307,500	308,200
0	Premises	0	0	0
9,700	Transport	9,700	9,700	9,700
255,900	Supplies and Services	125,000	125,000	125,000
38,900	Third Party Payments	42,900	42,900	42,900
8,888,200	Transfer Payments	0	0	0
611,100	Internal Services Recharged	778,300	774,500	769,100
0	Depreciation	0	0	0
27,000	Capital Financing Costs	19,100	18,100	18,100
10,139,400	TOTAL EXPENDITURE	1,278,600	1,277,700	1,273,000
	INCOME			
0	Internal Services Recharges	0	0	0
(9,159,700)	Grants	(380,900)	(351,100)	(342,100)
(329,000)	Customer & Client Receipts	(329,000)	(329,000)	(329,000)
(9,488,700)	TOTAL INCOME	(709,900)	(680,100)	(671,100)
650,700	NET BUDGET	568,700	597,600	601,900

Responsible Budget Holder: Elaine Simmonds

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.

BUDGET 2012/13	UNIT COSTS	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
			£	£
90.69	Expenditure per Resident	11.33	11.32	11.28
(84.87)	Income per Resident	(6.29)	(6.02)	(5.94)

DIRECTORATE OF CORPORATE SERVICES
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SUPPORT SERVICES

BUDGET 2012/13	DIVISION	BUDGET 2013/14	FORECAST	
£		£	2014/15 £	2015/16 £
0	Land Charges	0	0	0
13,500	T-Government	10,500	10,500	10,500
11,000	Licensing	(1,900)	(300)	600
0	Head of Support Services	0	0	0
100,000	Legal Services	100,000	100,000	100,000
0	Information Technology & Communications	0	0	0
0	General Administration & Support	0	0	0
38,200	GIS	35,100	35,800	35,900
162,700	TOTAL	143,700	146,000	147,000

DIRECTORATE OF CORPORATE SERVICES
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SUPPORT SERVICES

BUDGET 2012/13	GROUP	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
			£	£
	EXPENDITURE			
988,900	Employees	1,005,400	1,017,300	1,018,200
8,100	Premises	8,300	8,500	8,700
21,300	Transport	12,800	12,800	12,800
815,600	Supplies and Services	712,500	712,600	712,700
40,100	Third Party Payments	40,100	40,100	40,100
0	Transfer Payments	0	0	0
754,800	Internal Services Recharged	561,300	560,000	564,900
180,800	Depreciation	125,900	71,800	41,400
(10,900)	Capital Financing Costs	1,200	1,300	1,300
2,798,700	TOTAL EXPENDITURE	2,467,500	2,424,400	2,400,100
	INCOME			
(1,615,200)	Internal Services Recharges	(1,374,600)	(1,334,900)	(1,315,900)
(46,300)	Grants	(54,600)	(54,600)	(54,600)
(974,500)	Customer & Client Receipts	(894,600)	(888,900)	(882,600)
0	Interest	0	0	0
(2,636,000)	TOTAL INCOME	(2,323,800)	(2,278,400)	(2,253,100)
162,700	NET BUDGET	143,700	146,000	147,000

Head of Service:	Steve Brown
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BRIEF DESCRIPTION OF SERVICE

The service area of Support Services contributed 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.

BUDGET 2011/12	UNIT COSTS	BUDGET 2012/13	FORECAST	
£		£	2013/14	2014/15
			£	£
25.03	Expenditure per Resident	21.86	21.47	21.26
(23.58)	Income per Resident	(20.58)	(20.18)	(19.96)

DIRECTORATE OF CORPORATE SERVICES
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LAND CHARGES

BUDGET 2012/13	GROUP	BUDGET 2013/14	FORECAST	
£		£	2014/15 £	2015/16 £
	<u>EXPENDITURE</u>			
48,900	Employees	50,000	50,500	50,500
0	Premises	0	0	0
100	Transport	100	100	100
19,100	Supplies and Services	19,300	19,400	19,500
0	Third Party Payments	0	0	0
0	Transfer Payments	0	0	0
34,600	Internal Services Recharged	33,300	32,700	32,600
0	Depreciation	0	0	0
0	Capital Financing Costs	0	0	0
102,700	TOTAL EXPENDITURE	102,700	102,700	102,700
	<u>INCOME</u>			
0	Internal Services Recharges	0	0	0
0	Grants	0	0	0
(102,700)	Customer & Client Receipts	(102,700)	(102,700)	(102,700)
0	Interest	0	0	0
(102,700)	TOTAL INCOME	(102,700)	(102,700)	(102,700)
0	NET BUDGET	0	0	0

Responsible Budget Holder:	Lesley Bianco
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BRIEF DESCRIPTION OF SERVICE

To provide operational and administrative systems for the Council including provision of the Council's Mailroom and Printing Design Unit.

BUDGET 2012/13	UNIT COSTS	BUDGET 2013/14	FORECAST	
£		£	2014/15 £	2015/16 £
0.92	Expenditure per Resident	0.91	0.91	0.91
(0.92)	Income per Resident	(0.91)	(0.91)	(0.91)

DIRECTORATE OF CORPORATE SERVICES

T-GOVERNMENT

BUDGET 2012/13	GROUP	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
	EXPENDITURE			
0	Employees	0	0	0
0	Premises	0	0	0
0	Transport	0	0	0
12,900	Supplies and Services	9,800	9,800	9,800
0	Third Party Payments	0	0	0
0	Transfer Payments	0	0	0
600	Internal Services Recharged	700	700	700
0	Depreciation	0	0	0
0	Capital Financing Costs	0	0	0
13,500	TOTAL EXPENDITURE	10,500	10,500	10,500
	INCOME			
0	Internal Services Recharges	0	0	0
0	Grants	0	0	0
0	Customer & Client Receipts	0	0	0
0	Interest	0	0	0
0	TOTAL INCOME	0	0	0
13,500	NET BUDGET	10,500	10,500	10,500

Responsible Budget Holder: **Steve Brown**

BRIEF DESCRIPTION OF SERVICE

To provide operational and administrative systems for the Council including provision of the Council's Mailroom and Printing Design Unit.

BUDGET 2012/13	UNIT COSTS	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
0.12	Expenditure per Resident	0.09	0.09	0.09
0.00	Income per Resident	0.00	0.00	0.00

DIRECTORATE OF CORPORATE SERVICES
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LICENSING

BUDGET 2012/13	GROUP	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
			£	£
	EXPENDITURE			
73,300	Employees	74,000	76,000	76,900
0	Premises	0	0	0
2,900	Transport	2,900	2,900	2,900
18,300	Supplies and Services	18,800	18,800	18,800
5,800	Third Party Payments	5,800	5,800	5,800
0	Transfer Payments	0	0	0
96,600	Internal Services Recharged	83,000	82,600	82,600
0	Depreciation	0	0	0
(100)	Capital Financing Costs	0	0	0
196,800	TOTAL EXPENDITURE	184,500	186,100	187,000
	INCOME			
0	Internal Services Recharges	0	0	0
0	Grants	0	0	0
(185,800)	Customer & Client Receipts	(186,400)	(186,400)	(186,400)
0	Interest	0	0	0
(185,800)	TOTAL INCOME	(186,400)	(186,400)	(186,400)
11,000	NET BUDGET	(1,900)	(300)	600

Responsible Budget Holder:	Stephen Wormald
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BRIEF DESCRIPTION OF SERVICE

To provide operational and administrative systems for the Council including provision of the Council's Mailroom and Printing Design Unit.

BUDGET 2012/13	UNIT COSTS	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
			£	£
1.76	Expenditure per Resident	1.63	1.65	1.66
(1.66)	Income per Resident	(1.65)	(1.65)	(1.65)

DIRECTORATE OF CORPORATE SERVICES
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HEAD OF SUPPORT SERVICES

BUDGET 2012/13	GROUP	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
			£	£
	<u>EXPENDITURE</u>			
82,900	Employees	83,700	84,500	84,500
0	Premises	0	0	0
2,400	Transport	2,400	2,400	2,400
5,800	Supplies and Services	6,200	6,200	6,200
200	Third Party Payments	200	200	200
0	Transfer Payments	0	0	0
52,700	Internal Services Recharged	28,100	27,600	27,600
0	Depreciation	0	0	0
0	Capital Financing Costs	0	0	0
144,000	TOTAL EXPENDITURE	120,600	120,900	120,900
	<u>INCOME</u>			
(144,000)	Internal Services Recharges	(111,700)	(112,000)	(112,000)
0	Grants	(2,100)	(2,100)	(2,100)
0	Customer & Client Receipts	(6,800)	(6,800)	(6,800)
0	Interest	0	0	0
(144,000)	TOTAL INCOME	(120,600)	(120,900)	(120,900)
0	NET BUDGET	0	0	0

Responsible Budget Holder:	Steve Brown
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BRIEF DESCRIPTION OF SERVICE

To provide operational and administrative systems for the Council including provision of the Council's Mailroom and Printing Design Unit.

BUDGET 2012/13	UNIT COSTS	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
			£	£
1.29	Expenditure per Resident	1.07	1.07	1.07
(1.29)	Income per Resident	(1.07)	(1.07)	(1.07)

DIRECTORATE OF CORPORATE SERVICES
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LEGAL SERVICES

BUDGET 2012/13	GROUP	BUDGET 2013/14	FORECAST	
£		£	2014/15 £	2015/16 £
	<u>EXPENDITURE</u>			
209,700	Employees	214,400	216,600	216,600
0	Premises	0	0	0
2,800	Transport	2,800	2,800	2,800
169,100	Supplies and Services	168,800	168,800	168,800
0	Third Party Payments	0	0	0
0	Transfer Payments	0	0	0
185,400	Internal Services Recharged	151,600	148,700	148,700
0	Depreciation	0	0	0
(200)	Capital Financing Costs	100	200	200
566,800	TOTAL EXPENDITURE	537,700	537,100	537,100
	<u>INCOME</u>			
(380,400)	Internal Services Recharges	(356,500)	(355,900)	(355,900)
0	Grants	0	0	0
(86,400)	Customer & Client Receipts	(81,200)	(81,200)	(81,200)
0	Interest	0	0	0
(466,800)	TOTAL INCOME	(437,700)	(437,100)	(437,100)
100,000	NET BUDGET	100,000	100,000	100,000

Responsible Budget Holder:	Steve Brown
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BRIEF DESCRIPTION OF SERVICE

To provide operational and administrative systems for the Council including provision of the Council's Mailroom and Printing Design Unit.

BUDGET 2012/13	UNIT COSTS	BUDGET 2013/14	FORECAST	
£		£	2014/15 £	2015/16 £
5.07	Expenditure per Resident	4.76	4.76	4.76
(4.18)	Income per Resident	(3.88)	(3.87)	(3.87)

DIRECTORATE OF CORPORATE SERVICES
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INFORMATION TECHNOLOGY & COMMUNICATIONS
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BUDGET 2012/13	GROUP	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
			£	£
	<u>EXPENDITURE</u>			
292,300	Employees	307,500	311,000	311,000
7,300	Premises	7,300	7,500	7,700
11,200	Transport	2,700	2,700	2,700
502,900	Supplies and Services	410,100	410,100	410,100
0	Third Party Payments	0	0	0
0	Transfer Payments	0	0	0
145,400	Internal Services Recharged	66,300	67,300	67,300
144,900	Depreciation	95,300	64,800	39,300
(7,000)	Capital Financing Costs	0	0	0
1,097,000	TOTAL EXPENDITURE	889,200	863,400	838,100
	<u>INCOME</u>			
(647,500)	Internal Services Recharges	(494,200)	(474,100)	(455,100)
(42,300)	Grants	(48,500)	(48,500)	(48,500)
(407,200)	Customer & Client Receipts	(346,500)	(340,800)	(334,500)
0	Interest	0	0	0
(1,097,000)	TOTAL INCOME	(889,200)	(863,400)	(838,100)
0	NET BUDGET	0	0	0

Responsible Budget Holder:	Andrew Brammall
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BRIEF DESCRIPTION OF SERVICE

To provide operational and administrative systems for the Council including provision of the Council's Mailroom and Printing Design Unit.

BUDGET 2012/13	UNIT COSTS	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
			£	£
9.81	Expenditure per Resident	7.88	7.65	7.42
(9.81)	Income per Resident	(7.88)	(7.65)	(7.42)

DIRECTORATE OF CORPORATE SERVICES
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GENERAL ADMINISTRATION AND SUPPORT

BUDGET 2012/13	GROUP	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
	EXPENDITURE			
186,700	Employees	189,800	191,800	191,800
0	Premises	0	0	0
300	Transport	300	300	300
55,800	Supplies and Services	47,500	47,500	47,500
0	Third Party Payments	0	0	0
0	Transfer Payments	0	0	0
170,400	Internal Services Recharged	118,100	119,100	119,100
3,500	Depreciation	2,100	2,100	2,100
(200)	Capital Financing Costs	200	200	200
416,500	TOTAL EXPENDITURE	358,000	361,000	361,000
	INCOME			
(233,100)	Internal Services Recharges	(195,500)	(198,500)	(198,500)
0	Grants	0	0	0
(183,400)	Customer & Client Receipts	(162,500)	(162,500)	(162,500)
0	Interest	0	0	0
(416,500)	TOTAL INCOME	(358,000)	(361,000)	(361,000)
0	NET BUDGET	0	0	0

Responsible Budget Holder:	Steve Brown
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BRIEF DESCRIPTION OF SERVICE

To provide operational and administrative systems for the Council including provision of the Council's Mailroom and Printing Design Unit.

BUDGET 2012/13	UNIT COSTS	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
3.73	Expenditure per Resident	3.17	3.20	3.20
(3.73)	Income per Resident	(3.17)	(3.20)	(3.20)

DIRECTORATE OF CORPORATE SERVICES
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GIS

BUDGET 2012/13	GROUP	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
			£	£
	<u>EXPENDITURE</u>			
95,100	Employees	86,000	86,900	86,900
800	Premises	1,000	1,000	1,000
1,600	Transport	1,600	1,600	1,600
31,700	Supplies and Services	32,000	32,000	32,000
34,100	Third Party Payments	34,100	34,100	34,100
0	Transfer Payments	0	0	0
69,100	Internal Services Recharged	80,200	81,300	86,300
32,400	Depreciation	28,500	4,900	0
(3,400)	Capital Financing Costs	900	900	900
261,400	TOTAL EXPENDITURE	264,300	242,700	242,800
	<u>INCOME</u>			
(210,200)	Internal Services Recharges	(216,700)	(194,400)	(194,400)
(4,000)	Grants	(4,000)	(4,000)	(4,000)
(9,000)	Customer & Client Receipts	(8,500)	(8,500)	(8,500)
0	Interest	0	0	0
(223,200)	TOTAL INCOME	(229,200)	(206,900)	(206,900)
38,200	NET BUDGET	35,100	35,800	35,900

Responsible Budget Holder:	Lesley Bianco
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BRIEF DESCRIPTION OF SERVICE

To provide operational and administrative systems for the Council including provision of the Council's Mailroom and Printing Design Unit.

BUDGET 2012/13	UNIT COSTS	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
			£	£
2.34	Expenditure per Resident	2.34	2.15	2.15
(2.00)	Income per Resident	(2.03)	(1.83)	(1.83)

CHIEF EXECUTIVE

OTHER BUDGETS

BUDGET 2012/13	DIVISION	BUDGET 2013/14	FORECAST	
£		£	2014/15 £	2015/16 £
(3,097,900)	Asset Rents	(3,367,500)	(2,818,500)	(2,205,900)
300,000	Capital Grants	426,000	0	0
0	Contribution to Pooling	0	0	0
150,000	Provision - Corporate Contingency	150,000	150,000	150,000
80,000	Provision - Bad debts	80,000	80,000	80,000
70,000	Provision - Pay Award	0	0	0
0	Provision - Payroll Issues	65,000	65,000	65,000
0	Provision - Utilities	57,600	30,000	30,000
0	Localism Act Grants	16,400	16,400	0
2,078,400	Net Interest & borrowing costs	2,138,000	1,839,800	1,836,000
540,300	Concurrent functions & drainage board levies	638,800	518,500	518,300
837,200	Parishes Precepts	797,400	797,400	797,400
958,000	TOTAL	1,001,700	678,600	1,270,800

CHIEF EXECUTIVE

OTHER BUDGETS

BUDGET 2012/13	GROUP	BUDGET 2013/14	FORECAST	
£		£	2014/15 £	2015/16 £
	EXPENDITURE			
0	Employees	0	0	0
0	Premises	57,600	30,000	30,000
0	Transport	0	0	0
383,700	Supplies and Services	508,900	392,600	374,200
1,050,200	Third Party Payments	988,400	988,400	988,400
435,900	Transfer Payments	444,300	440,300	442,500
0	Internal Services Recharged	0	0	0
1,617,100	Depreciation	1,643,200	1,254,700	1,288,000
1,192,500	Capital Financing Costs	1,414,000	1,057,600	985,400
4,679,400	TOTAL EXPENDITURE	5,056,400	4,163,600	4,108,500
	INCOME			
(3,720,900)	Internal Services Recharges	(3,995,500)	(3,432,500)	(2,791,900)
0	Grants	(59,200)	(52,500)	(45,800)
0	Customer & Client Receipts	0	0	0
(500)	Interest	0	0	0
(3,721,400)	TOTAL INCOME	(4,054,700)	(3,485,000)	(2,837,700)
958,000	NET BUDGET	1,001,700	678,600	1,270,800

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 2012/13	UNIT COSTS	BUDGET 2013/14	FORECAST	
£		£	2014/15 £	2015/16 £
41.86	Expenditure per Resident	44.79	36.88	36.39
(33.29)	Income per Resident	(35.91)	(30.87)	(25.13)

CHIEF EXECUTIVE

ASSET RENTS

BUDGET 2012/13	GROUP	BUDGET 2013/14	FORECAST	
£		£	2014/15 £	2015/16 £
	EXPENDITURE			
0	Employees	0	0	0
0	Premises	0	0	0
0	Contribution to pooling	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
410,000	Depreciation	437,000	423,000	395,000
0	Capital Financing Costs	0	0	0
410,000	TOTAL EXPENDITURE	437,000	423,000	395,000
	INCOME			
(3,507,900)	Internal Services Recharges	(3,804,500)	(3,241,500)	(2,600,900)
0	Grants	0	0	0
0	Customer & Client Receipts	0	0	0
(3,507,900)	TOTAL INCOME	(3,804,500)	(3,241,500)	(2,600,900)
(3,097,900)	NET BUDGET	(3,367,500)	(2,818,500)	(2,205,900)

Responsible Budget Holder: Nick Wilson

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 there is no 'real' impact on the council taxpayer.

BUDGET 2012/13	UNIT COSTS	BUDGET 2013/14	FORECAST	
£		£	2014/15 £	2015/16 £
3.67	Expenditure per Resident	3.87	3.75	3.50
(31.38)	Income per Resident	(33.70)	(28.71)	(23.04)

CHIEF EXECUTIVE

CAPITAL GRANTS

BUDGET 2012/13	GROUP	BUDGET 2013/14	FORECAST	
£		£	2014/15 £	2015/16 £
	<u>EXPENDITURE</u>			
0	Employees	0	0	0
0	Premises	0	0	0
0	Contribution to pooling	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
300,000	Depreciation	426,000	0	0
0	Capital Financing Costs	0	0	0
300,000	TOTAL EXPENDITURE	426,000	0	0
	<u>INCOME</u>			
0	Internal Services Recharges	0	0	0
0	Grants	0	0	0
0	Customer & Client Receipts	0	0	0
0	TOTAL INCOME	0	0	0
300,000	NET BUDGET	426,000	0	0

Responsible Budget Holder: Nick Wilson

BRIEF DESCRIPTION OF SERVICE

To account for the reversal of any Capital grants received

BUDGET 2012/13	UNIT COSTS	BUDGET 2013/14	FORECAST	
£		£	2014/15 £	2015/16 £
2.68	Expenditure per Resident	3.77	0.00	0.00
0.00	Income per Resident	0.00	0.00	0.00

CHIEF EXECUTIVE

CONTRIBUTION TO POOLING

BUDGET 2012/13	GROUP	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
	EXPENDITURE			
0	Employees	0	0	0
0	Premises	0	0	0
0	Transport	0	0	0
0	Supplies and Services	0	0	0
213,000	Third Party Payments	191,000	191,000	191,000
0	Transfer Payments	0	0	0
0	Internal Services Recharged	0	0	0
0	Depreciation	0	0	0
0	Capital Financing Costs	0	0	0
213,000	TOTAL EXPENDITURE	191,000	191,000	191,000
	INCOME			
(213,000)	Internal Services Recharges	(191,000)	(191,000)	(191,000)
0	Grants	0	0	0
0	Customer & Client Receipts	0	0	0
(213,000)	TOTAL INCOME	(191,000)	(191,000)	(191,000)
0	NET BUDGET	0	0	0

Responsible Budget Holder: Nick Wilson

BRIEF DESCRIPTION OF SERVICE

To account for the pooling of Right to Buy Sales and subsequent reversal

BUDGET 2012/13	UNIT COSTS	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
1.91	Expenditure per Resident	1.69	1.69	1.69
(1.91)	Income per Resident	(1.69)	(1.69)	(1.69)

CHIEF EXECUTIVE

PROVISION - CORPORATE CONTINGENCY

BUDGET 2012/13	GROUP	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
	EXPENDITURE			
0	Employees	0	0	0
0	Premises	0	0	0
0	Contribution to pooling	0	0	0
0	Transport	0	0	0
150,000	Supplies and Services	150,000	150,000	150,000
0	Third Party Payments	0	0	0
0	Transfer Payments	0	0	0
0	Internal Services Recharged	0	0	0
0	Depreciation	0	0	0
0	Capital Financing Costs	0	0	0
150,000	TOTAL EXPENDITURE	150,000	150,000	150,000
	INCOME			
0	Internal Services Recharges	0	0	0
0	Grants	0	0	0
0	Customer & Client Receipts	0	0	0
0	TOTAL INCOME	0	0	0
150,000	NET BUDGET	150,000	150,000	150,000

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.

BUDGET 2012/13	UNIT COSTS	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
1.34	Expenditure per Resident	1.33	1.33	1.33
0.00	Income per Resident	0.00	0.00	0.00

CHIEF EXECUTIVE

PROVISION - BAD DEBT

BUDGET 2012/13	GROUP	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
	EXPENDITURE			
0	Employees	0	0	0
0	Premises	0	0	0
0	Contribution to pooling	0	0	0
0	Transport	0	0	0
80,000	Supplies and Services	80,000	80,000	80,000
0	Third Party Payments	0	0	0
0	Transfer Payments	0	0	0
0	Internal Services Recharged	0	0	0
0	Depreciation	0	0	0
0	Capital Financing Costs	0	0	0
80,000	TOTAL EXPENDITURE	80,000	80,000	80,000
	INCOME			
0	Internal Services Recharges	0	0	0
0	Grants	0	0	0
0	Customer & Client Receipts	0	0	0
0	TOTAL INCOME	0	0	0
80,000	NET BUDGET	80,000	80,000	80,000

Responsible Budget Holder: Mike Hill

BRIEF DESCRIPTION OF SERVICE

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

BUDGET 2012/13	UNIT COSTS	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
0.72	Expenditure per Resident	0.71	0.71	0.71
0.00	Income per Resident	0.00	0.00	0.00

CHIEF EXECUTIVE

PROVISION - PAY AWARD

BUDGET 2012/13	GROUP	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
	EXPENDITURE			
0	Employees	0	0	0
0	Premises	0	0	0
0	Contribution to pooling	0	0	0
0	Transport	0	0	0
70,000	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	Depreciation	0	0	0
0	Capital Financing Costs	0	0	0
70,000	TOTAL EXPENDITURE	0	0	0
	INCOME			
0	Internal Services Recharges	0	0	0
0	Grants	0	0	0
0	Customer & Client Receipts	0	0	0
0	TOTAL INCOME	0	0	0
70,000	NET BUDGET	0	0	0

Responsible Budget Holder: Mike Hill

BRIEF DESCRIPTION OF SERVICE

A provision to meet the expected costs of future pay awards. For 2013/14 & 2014/15 employee costs include an assumed 1% pay award, therefore provision budget is no longer required.

BUDGET 2012/13	UNIT COSTS	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
0.63	Expenditure per Resident	0.00	0.00	0.00
0.00	Income per Resident	0.00	0.00	0.00

CHIEF EXECUTIVE

PROVISION - PAYROLL ISSUES

BUDGET 2012/13	GROUP	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
	EXPENDITURE			
0	Employees	0	0	0
0	Premises	0	0	0
0	Contribution to pooling	0	0	0
0	Transport	0	0	0
0	Supplies and Services	65,000	65,000	65,000
0	Third Party Payments	0	0	0
0	Transfer Payments	0	0	0
0	Internal Services Recharged	0	0	0
0	Depreciation	0	0	0
0	Capital Financing Costs	0	0	0
0	TOTAL EXPENDITURE	65,000	65,000	65,000
	INCOME			
0	Internal Services Recharges	0	0	0
0	Grants	0	0	0
0	Customer & Client Receipts	0	0	0
0	TOTAL INCOME	0	0	0
0	NET BUDGET	65,000	65,000	65,000

Responsible Budget Holder: Mike Hill

BRIEF DESCRIPTION OF SERVICE

A provision to meet the expected costs of the living wage and pension scheme auto-enrolment.

BUDGET 2012/13	UNIT COSTS	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
0.00	Expenditure per Resident	0.58	0.58	0.58
0.00	Income per Resident	0.00	0.00	0.00

CHIEF EXECUTIVE

PROVISION - UTILITIES

BUDGET 2012/13	GROUP	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
			£	£
	<u>EXPENDITURE</u>			
0	Employees	0	0	0
0	Premises	57,600	30,000	30,000
0	Contribution to pooling	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	Depreciation	0	0	0
0	Capital Financing Costs	0	0	0
0	TOTAL EXPENDITURE	57,600	30,000	30,000
	<u>INCOME</u>			
0	Internal Services Recharges	0	0	0
0	Grants	0	0	0
0	Customer & Client Receipts	0	0	0
0	TOTAL INCOME	0	0	0
0	NET BUDGET	57,600	30,000	30,000

Responsible Budget Holder: Mike Hill

BRIEF DESCRIPTION OF SERVICE

A provision to meet the expected increased costs of utilities.

BUDGET 2012/13	UNIT COSTS	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
			£	£
0.00	Expenditure per Resident	0.51	0.27	0.27
0.00	Income per Resident	0.00	0.00	0.00

CHIEF EXECUTIVE

LOCALISM ACT GRANTS

BUDGET 2012/13	GROUP	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
	EXPENDITURE			
0	Employees	0	0	0
0	Premises	0	0	0
0	Contribution to pooling	0	0	0
0	Transport	0	0	0
0	Supplies and Services	16,400	16,400	0
0	Third Party Payments	0	0	0
0	Transfer Payments	0	0	0
0	Internal Services Recharged	0	0	0
0	Depreciation	0	0	0
0	Capital Financing Costs	0	0	0
0	TOTAL EXPENDITURE	16,400	16,400	0
	INCOME			
0	Internal Services Recharges	0	0	0
0	Grants	0	0	0
0	Customer & Client Receipts	0	0	0
0	TOTAL INCOME	0	0	0
0	NET BUDGET	16,400	16,400	0

Responsible Budget Holder: Mike Hill

BRIEF DESCRIPTION OF SERVICE

This budget relates to the expected costs associated with the Localism Act.

BUDGET 2012/13	UNIT COSTS	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
0.00	Expenditure per Resident	0.15	0.15	0.00
0.00	Income per Resident	0.00	0.00	0.00

CHIEF EXECUTIVE

NET INTEREST AND BORROWING COSTS

BUDGET 2012/13	GROUP	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
			£	£
	EXPENDITURE			
0	Employees	0	0	0
0	Premises	0	0	0
0	Contribution to pooling	0	0	0
0	Transport	0	0	0
300	Supplies and Services	3,000	3,000	3,400
0	Third Party Payments	0	0	0
0	Transfer Payments	0	0	0
0	Internal Services Recharged	0	0	0
907,100	Depreciation	780,200	831,700	893,000
1,171,500	Capital financing costs	1,414,000	1,057,600	985,400
2,078,900	TOTAL EXPENDITURE	2,197,200	1,892,300	1,881,800
	INCOME			
0	Internal Services Recharges	0	0	0
0	Grants	(59,200)	(52,500)	(45,800)
0	Customer & Client Receipts	0	0	0
(500)	Interest			
(500)	TOTAL INCOME	(59,200)	(52,500)	(45,800)
2,078,400	NET BUDGET	2,138,000	1,839,800	1,836,000

Responsible Budget Holder: Nick Wilson

BRIEF DESCRIPTION OF SERVICE

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

BUDGET 2012/13	UNIT COSTS	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
			£	£
18.59	Expenditure per Resident	19.46	16.76	16.67
(0.00)	Income per Resident	(0.52)	(0.47)	(0.41)

CHIEF EXECUTIVE

CONCURRENT FUNCTIONS AND DRAINAGE BOARD LEVIES

BUDGET 2012/13	GROUP	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
	<u>EXPENDITURE</u>			
0	Employees	0	0	0
0	Premises	0	0	0
0	Contribution to pooling	0	0	0
0	Transport	0	0	0
83,400	Supplies and Services	194,500	78,200	75,800
0	Third Party Payments	0	0	0
456,900	Transfer Payments	444,300	440,300	442,500
0	Internal Services Recharged	0	0	0
0	Depreciation	0	0	0
0	Capital Financing Costs	0	0	0
540,300	TOTAL EXPENDITURE	638,800	518,500	518,300
	<u>INCOME</u>			
0	Internal Services Recharges	0	0	0
0	Grants	0	0	0
0	Customer & Client Receipts	0	0	0
0	TOTAL INCOME	0	0	0
540,300	NET BUDGET	638,800	518,500	518,300

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

BUDGET 2012/13	UNIT COSTS	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
4.83	Expenditure per Resident	5.66	4.59	4.59
0.00	Income per Resident	0.00	0.00	0.00

CHIEF EXECUTIVE

PARISH PRECEPTS

BUDGET 2012/13	GROUP	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
	EXPENDITURE			
0	Employees	0	0	0
0	Premises	0	0	0
0	Contribution to pooling	0	0	0
0	Transport	0	0	0
0	Supplies and Services	0	0	0
837,200	Third Party Payments	797,400	797,400	797,400
0	Transfer Payments	0	0	0
0	Internal Services Recharged	0	0	0
0	Depreciation	0	0	0
0	Capital Financing Costs	0	0	0
837,200	TOTAL EXPENDITURE	797,400	797,400	797,400
	INCOME			
0	Internal Services Recharges	0	0	0
0	Grants	0	0	0
0	Customer & Client Receipts	0	0	0
0	TOTAL INCOME	0	0	0
837,200	NET BUDGET	797,400	797,400	797,400

Responsible Budget Holder: Mike Hill

BRIEF DESCRIPTION OF SERVICE

Precepts payable to parishes.

BUDGET 2012/13	UNIT COSTS	BUDGET 2013/14	FORECAST	
£		£	2014/15	2015/16
7.49	Expenditure per Resident	7.06	7.06	7.06
0.00	Income per Resident	0.00	0.00	0.00

RESERVES

RESERVES

BUDGET 2012/13	Division	BUDGET 2013/14	FORECAST	
			2013/14	2015/16
£		£	£	£
0	Savings Target	0	(920,200)	(1,071,600)
125,000	Transfer to/(from) Earmarked Reserves	0	0	0
125,000	TOTAL EXPENDITURE	0	(920,200)	(1,071,600)

RESERVES

TRANSFERS

BUDGET 2012/13	GROUP	BUDGET 2013/14	FORECAST	
£		£	2014/15 £	2015/16 £
	EXPENDITURE			
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
125,000	Transfer Payments	0	0	0
0	Internal Services Recharged	0	0	0
0	Depreciation	0	0	0
0	Capital Financing Costs	0	0	0
125,000	TOTAL EXPENDITURE	0	0	0
	INCOME			
0	Internal Services Recharges	0	0	0
0	Grants	0	0	0
0	Customer & Client Receipts	0	0	0
0	Revenue Appropriations	0	(920,200)	(1,071,600)
0	TOTAL INCOME	0	(920,200)	(1,071,600)
125,000	NET BUDGET	0	(920,200)	(1,071,600)

Responsible Budget Holder: Mike Hill

BRIEF DESCRIPTION OF SERVICE

This budget represents the savings target for 2014/15 and 2015/16.

BUDGET 2012/13	UNIT COSTS	BUDGET 2013/14	FORECAST	
£		£	2014/15 £	2015/16 £
1.12	Expenditure per Resident	0.00	0.00	0.00
0.00	Income per Resident	0.00	(8.15)	(9.49)

COLLECTION FUND ESTIMATES 2013/14

COUNCIL TAX	£'000	£'000	£'000
Surplus for 2011/12			
Actual surplus as at 31.03.12		528	
Less surplus declared 15th January 2012		<u>(400)</u>	
Estimate overstated			128
Transactions in 2012/13			
Taxpayers' accounts due (excluding benefits)		66,042	
Less:			
Exemptions, discounts and disabled relief	(6,993)		
Precepts	(58,469)		
Anticipated write offs	(121)		
Increase in bad debt provision	<u>(587)</u>		
		<u>(66,170)</u>	
			(128)
Surplus declared 15th January 2013			<u><u>0</u></u>

Allocation of Council Tax surplus		£
Bassetlaw District Council	10.95%	0
Nottinghamshire County Council	74.34%	0
Nottinghamshire Police Authority	10.37%	0
Combined Fire Authority	4.34%	0
		<u>0</u>

MOVEMENT ON BALANCES:

REVENUE BALANCE	Balance 01/04/12 £'000
Working Balance General Reserve	(1,000) (7)
SUB-TOTAL	(1,007)

Carry Forwards June 2012 £'000	Manton Report October 2012 £'000	Budget Monitoring February 2013 £'000	Spend in Year £'000	Year-End Adjustments £'000	Balance 31/03/13 £'000
-	-	-	-	-	(1,000)
-	-	(49)	-	-	(56)
-	-	(49)	-	-	(1,056)

Movements in Year £'000	Balance 31/03/14 £'000
-	(1,000)
-	(56)
-	(1,056)

MOVEMENT ON EARMARKED RESERVES:

REVENUE RESERVE	Balance 01/04/12 £000
Developers Revenue Contributions Unapplied	(180)
Job Evaluation	(620)
Manton Community	(98)
Donations - Bassettlaw Games	(34)
Donations - Museum	(5)
Donations - Shopmobility	(15)
Revenue Grants Unapplied (cashflow)	(137)
Treasury Management Impairment	(1,805)
SUB-TOTAL	(2,894)

Carry Forwards June 2012 £'000	Manton Report October 2012 £'000	Budget Monitoring February 2013 £'000	Spend in Year £'000	Year-End Adjustments £'000	Balance 31/03/13 £'000
-	-	-	-	-	(180)
-	-	-	-	-	(620)
-	98	-	-	-	-
-	-	-	34	-	-
-	-	-	5	-	-
-	-	-	15	-	-
-	-	-	137	-	-
-	-	-	133	(80)	(1,752)
-	-	-	-	(80)	(2,552)

Movements in Year £'000	Balance 31/03/14 £'000
-	(180)
-	(620)
-	-
-	-
-	-
-	-
133	(1,619)
133	(2,419)

TOTAL RESERVES	(3,901)
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(3,608)

(3,475)

BASSETLAW DISTRICT COUNCIL

CABINET

14th FEBRUARY 2013

REPORT OF THE

INTERIM CHIEF EXECUTIVE & DIRECTOR OF RESOURCES

GENERAL FUND CAPITAL PROGRAMME 2013/14 TO 2017/18

Cabinet Member: Finance & Property
Contact: Neil Taylor
Ext: 3221

1. Public Interest Test

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

2. Purpose of the Report

- 2.1 To approve the General Fund Capital Programme for 2013/14 to 2017/18.

(There was a previous report on the HRA Housing Capital Programme to the January Cabinet meeting.)

3. Background and Discussion

- 3.1 As part of the overall strategy for capital the Council restricts the funding of capital schemes via revenue, and minimises borrowing as the revenue implications add to the revenue pressures on the General Fund, and this is the most financially acute area of the Council's operations.

Schemes Approved From 2012/13

- 3.2 There are a number of schemes already approved for 2013/14 and some that are carried forward from 2012/13 into 2013/14 – 2017/18 as reported in the quarterly Budget Monitoring Reports to Cabinet. They are:

	Total Cost 2013/14 £'000	Total Cost 2013/14 to 2017/18 £'000
Disabled Facilities Grant	1,200	2,790
Replacement Vehicles & Plant	1,139	1,139
Refurbishing Existing Play Areas	75	75
BDC Buildings - Planned Improvements	75	75
Worksop Creative Village Phase II	502	502
Buildings At Risk	56	56
IT Computer Replacement Fund	50	50
Car Parking Machine improvements/replacement	224	224
Rewiring of Amcott House and Emergency Lighting	34	34
Re-Roofing Leverton Industrial Estate	0	170
Flood Mitigation Schemes	100	300
Energy Conservation - SMART metering	20	40
Strategic Intervention Fund	159	159
Langold Country Park - Water Splash Pool	275	275
Langold Country Park - Play Equipment	100	100
Kings Park Bandstand	21	21
Memorial Library	235	235
Bridge Street Public Realm	104	104
Empty Homes Grant	78	106
Canch Redevelopment	30	30
Rewiring of Ex NCC Wing	50	50
Tuxford Conservation Area	50	50
Retford Market Square	20	20
TOTAL	£4,597	£6,605

- 3.3 All the projects which are committed but not spent are highlighted in bold, Members therefore have the opportunity to review any uncommitted projects if they wish to do so in light of the new priorities that have emerged in this report.

Resources

- 3.4 In keeping to the Council's Capital Investment Strategy, unsupported borrowing is minimised to prevent any destabilisation of the General Fund from the interest and capital charges that result from borrowing. Leasing is also tightly controlled within the revenue budgets for the same reason. This report excludes any future capital receipts which have not been built into the parameters of this report. The largest example of this is any future money from the sale of Ordsall, as 50% will go to the HRA and 50% will be used to fund future years' Disabled Facilities Grants commitments which are currently running at between c£0.7m and £0.8m per year.
- 3.5 Another key factor is the commitment to improvements to Bridge Street in Worksop. Nottinghamshire County Council have allocated a £0.15m contribution. In addition, the developers of the Kilton Road supermarket were required to make a commitment to a Section 106 of £0.3m when the development commences, plus a further £0.3m six months after that. Bassetlaw therefore has to implement a scheme for the delivery of works to enhance the vitality and viability of Worksop Town Centre including, but not limited to, public realm works; the purchase and/or improvement of buildings

(including through a dedicated grant scheme); signage market improvements; and enhanced visitor and travel facilities.

- 3.6 Taking all the above into account, if Members retain their original commitment to an overall £1.1m investment plan to the Town Centre, the total that must be now invested is £1.4m: £0.8m has already been committed, including the Nottinghamshire County Council's contribution, plus the £0.6m from the Kilton Road project.
- 3.7 The maximum amount of capital resources that can be allocated now is £1.324m, being £1.015m of unallocated capital receipts, plus £0.309m uncommitted funds from the Bridge Street project as adjusted in the table at para 3.2. As part of the ongoing approach to prudent asset management c25% of this total will be allocated to infrastructure repairs and maintenance and ongoing ICT replacement and renewal commitments.

Prudential Borrowing / 100% Externally Funded Schemes

- 3.8 As part of Members' more entrepreneurial approach to the revenue budget for 2013/14 consideration was given to developing the income potential of the Council's operations. During the Budget Review process it was agreed to fund the following extensions to Bassetlaw's leisure offer by developing two mezzanine floor projects and respond to the demand for additional fitness facilities. The following will therefore be funded under the Council's Prudential Borrowing powers, with the financing costs being met from reductions in the annual management fee payable to BPL.
- 3.9 The Council has also received notification of additional grants from Section 106 monies and ERDF grant applications, and these will be built into the capital programme as detailed in the table below.

	Total Cost 2013/14 £'000	Total Cost 2013/14 to 2017/18 £'000
Prudential Borrowing		
Mezzanine Floor Extension – Retford	185	185
New gym equipment purchase – Retford	115	115
Mezzanine Floor Extension – Worksop	185	185
New gym equipment purchase – Worksop	115	115
100% Externally Funded		
Public Realm works - Scrooby Road	147	147
Bridge Street/Victoria Square	300	600
Replacement Vehicles & Plant	0	2,449
Total	£1,047	£3,796

New Schemes 2013/14 - 2017/18

- 3.10 The full set of bids have been assessed and scored using the adopted methodology, and from this overall list some political priority for 2013/14 has been indicated for:

	Total Cost 2013/14 £'000	Total Cost 2013/14 to 2017/18 £'000
Flood Alleviation Works	100	100
Corporate Interactional Website Development	132	132
Rural CCTV	50	50
Play Area Projects	150	150
Refurbishing existing play schemes	75	75
Kings Park, Retford - improvement programme	100	100
Retford - Prince's Trust Initiative	40	40
Local sports groups – match funding strategy	100	100
Matched funding Local Improvement schemes: with Nottinghamshire County Council & parishes	80	80
Sandhill Lake	20	20
Infrastructure repairs and maintenance	221	221
ICT updates and development	100	250
TOTAL	£1,168	£1,318

- 3.11 This leaves an unallocated balance of £0.006m to consider other schemes as they emerge during the coming financial year.
- 3.12 Members have carefully balanced their competing priorities in their approach to this investment plan and have sought to take a different approach than previous years. The investment on the interactional website will allow the Council to invest for the future and improve the efficiency of the Council's services in the modern age. It will point to some future savings, and allow the Council to kick on to the next stage of its customer services delivery.
- 3.13 Similarly, the following schemes:
- Retford - Prince's Trust Initiative;
 - Local sports groups – match funding strategy;
 - Local Improvement schemes, (with Nottinghamshire County Council and Parish Councils).
- 3.14 These three schemes all attempt to move forward from a 100% Bassetlaw provided service concept to a partnership arrangement, whereby the Council takes the initiative and sets aside sums for match funding and works with other councils or voluntary bodies to maximise local benefits, or to support their schemes so that the community receive a far wider benefit. It needs to be understood that if prospective partners are unwilling or unable to respond to this concept then the Council may need to resort to a more traditional approach, or that there may be some underspends that may accrue at the year end.
- 3.15 The Prince's Trust scheme seeks to obtain some independent advice and objective perspective to assess Retford's potential following the improvements to the Market Square, Town Hall investment and the local High Street Innovation Fund initiatives. If

revenue rather than capital is required for the exercise, then the £40,000 earmarked budget can be used to pump prime any subsequent projects.

- 3.16 The match-funding programme for local sports groups, seeks to build on the success of the Bassetlaw Games, so that local groups get an opportunity to develop their own facilities and maximise the opportunities from their funding streams that would not otherwise be accessible to the community.
- 3.17 The concept of the Local Improvement Schemes is similarly to be able to work with other councils, such as the Parishes, so that any projects they wish to support can be match funded and supported.

Capital Prioritisation Process

- 3.18 All of the projects in the attached Capital Programme have been reviewed by the Property & Regeneration 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). Each scheme has been assessed according to the scoring matrix and its contribution to Council priorities. This is provided at Appendix A with further details at Appendix B.
- 3.19 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.

4. Implications

- a) For Service Users.

Bassetlaw's capital investment in the district is an important factor for residents, but potential schemes and projects outweigh the resources available to the Council. Decisions on what schemes to fund are therefore important.

- b) Strategic & Policy

The Capital Programme has been developed with regard to the Community Strategy and Corporate Plan. In particular, it supports the delivery of the Council's priorities through the Medium Term Financial Plan.

- c) Financial - Ref: 13/155

These are included within the main body of the report. Additionally, the revenue consequences of all schemes have been assessed and included within the General Fund revenue base budget.

- d) Legal – Ref: 24/02/13

None arising directly from this report, although this will assist in meeting the Council's corporate objectives.

e) Human Resources

None arising directly from this report.

f) Community Safety, Equalities, Environmental

Some of the capital schemes have positive implications on community safety, equalities and environmental issues, and these have been considered at the project appraisal stage, prior to any recommendations on the capital programme.

g) This is Key Decision number 337.

5. Options, Risks and Reasons for Recommendations

- 5.1 Members can decide what schemes to include or exclude. Any schemes which include external finance will have implications for those organisations.

6. Conclusions

- 6.1 Members have sought to re-orientate the capital programme this year and concentrate on a narrower set of more in depth priorities. The concept of not committing all the Council's resources to 100% Bassetlaw funded projects is also an innovative one, but that is dependent on other councils and local groups being able to meet the supportive challenge the Council is making to them.
- 6.2 The commitment to further Town Centre improvements to Worksop is ongoing, and the Section 106 that has been negotiated will assist in continuing this progress. The Prince's Trust concept of seeking a review of Retford's potential development, together with earmarked resources for King's Park ensures that key local assets will be maximised and local people will be able to have a say in the further enhancement of the main centres of population in the district.

7. Recommendations

- 7.1 That Cabinet approves the Capital Programme for 2013/14 for £6.737m as shown at Appendix A, and recommends these to full Council on 4th March 2013.
- 7.2 That Cabinet approves the indicative Capital Programme for 2013/14 to 2017/18 of £11.719m also set out in Appendix A, subject to the delivery of the necessary capital receipts and recommends these to full Council on 4th March 2013.
- 7.3 That regular updates are provided to Cabinet throughout 2013/14 as and when specific capital receipts are made, so that the Council does not overextend its commitments.

Background Papers

Location

Capital Bids & Resourcing Statements

Director of Resources

GENERAL FUND CAPITAL PROGRAMME 2013-2018

	2013/14		2014/15		2015/16		2016/17		2017/18		Total		
	BDC £'000	Ext £'000	BDC £'000	Ext £'000	BDC £'000	Ext £'000	BDC £'000	Ext £'000	BDC £'000	Ext £'000	BDC £'000	Ext £'000	Total £'000
Disabled Facilities Grant	442	758	655	345	245	345					1,342	1,448	2,790
Replacement Vehicles & Plant	0	1,139		540		561					0	3,588	3,588
Refurbishing Existing Play Areas	150										150	0	150
BDC Buildings - Planned Improvements	75										75	0	75
Workshop Creative Village Phase II	76	426									76	426	502
Buildings At Risk	56										56	0	56
IT Computer Replacement Fund	50										50	0	50
Car Parking Machines improvements/replacement	224										224	0	224
Rewiring of Amcott House and Emergency Lighting	34										34	0	34
Re-Roofing Leventon Industrial Estate			170								170	0	170
Flood Mitigation Schemes (a £0.15m grant will offset this)	50	50	50	50	50	50					150	150	300
Energy Conservation - SMART metering	20		20								40	0	40
Strategic Intervention Fund	159										159	0	159
Langold Country Park - Water Splash Pool	275										275	0	275
Langold Country Park - Play Equipment	100										100	0	100
Kings Park Bandstand	20	1									20	1	21
Memorial Library	147	88									147	88	235
Bridge Street Public Realm/Victoria Square	104	300		300							104	600	704
Empty Homes Grant	36	42		28							36	70	106
Canch Redevelopment	30										30	0	30
Rewiring of Ex NCC Wing at Queen's Buildings	50										50	0	50
Tuxford Conservation Area	50										50	0	50
Retford Market Square		20									0	20	20
Flood Alleviation Works	100										100	0	100
Corporate Interactional Website Development	132										132	0	132
Rural CCTV	50										50	0	50
Play Area Projects	150										150	0	150
Kings Park, Retford - improvement programme	100										100	0	100
Retford - Prince's Trust Initiative	40										40	0	40
Local sports groups – match funding strategy	100										100	0	100
Local Improvement Scheme, with NCC and parishes	80										80	0	80
Sandhill Lake	20										20	0	20
Infrastructure repairs and maintenance	221										221	0	221
ICT updates and development	100	147	150								250	0	250
Public Realm works - Scrooby Road		370									0	147	147
Mezzanine Floor Extension Leisure Centres		230									0	370	370
New gym equipment purchase Leisure Centres											0	230	230
	3,241	3,571	1,045	1,263	295	956	0	248	0	1,100	4,581	7,138	11,719

FUNDED FROM:

FUNDED FROM:													
	2013/14		2014/15		2015/16		2016/17		2017/18		Total		
	BDC £'000	Ext £'000	BDC £'000	Ext £'000	BDC £'000	Ext £'000	BDC £'000	Ext £'000	BDC £'000	Ext £'000	BDC £'000	Ext £'000	Total £'000
Capital Receipts	3,241		1,045		295		0		0		4,581	0	4,581
Disabled Facilities Grant		345		345		345						1,035	1,035
Borrowing (Vehicles)		1,139		540		561		248		1,100		3,588	3,588
Borrowing (Others)		1,101										1,101	1,101
Grant yet to be submitted (Creative Village Phase 2)		426										426	426
Contribution to be approved (Flood Mitigation)		50		50		50						150	150
Empty Homes Grant HCA		42		28								70	70
Environment Agency												0	0
Kings Park Trust Fund		1										1	1
Reford Market Square S106		20										20	20
Harworth s106		47										47	47
S106 Kilton		300		300								600	600
ERDF Grant (Scrooby Road)		100										100	100
	3,241	3,571	1,045	1,263	295	956	0	248	0	1,100	4,581	7,138	11,719

CAPITAL RECEIPTS

Brought Forward 1st April	4,587	1,346	301	6	6
Expected Receipts					
Received Receipts	-3,241	-1,045	-295	0	0
Used for Funding	1,346	301	6	6	6
Carried Forward 31st March					

GENERAL FUND CAPITAL BIDS

Disabled Facilities Grant

To facilitate the payment of mandatory Disabled Facilities Grants to private sector properties. This budget reflects the growing needs from an ageing population.

Replacement Vehicles & Plant

The replacement of vehicles and plant currently on operating/finance leases or owned outright by the Council. The usual lease period or working life is 5 to 7 years, but this can and often is extended where suitability and serviceability allows, depending on vehicle condition.

Refurbishing Existing Play Areas

To support and fund improvements/refurbishment on existing play sites, to comply with relevant NPFA standards in accordance with BDC's Play Strategy 'Somewhere Safe for the Kids to Play!'

BDC Buildings - Planned Improvements

To undertake planned maintenance on Council properties to sustain the existing condition or make improvements in standards.

Workshop Creative Village Phase II

Expansion of the Phase 1 project now completed, with the addition of display space and cafeteria to act as an additional visitor attraction.

Buildings At Risk

There are 19 Conservation Areas and over 1,000 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 Buildings at Risk Fund enables 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).

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.

Car Parking Machines improvements/replacement

To change the parking metering to pay on exit machines, and to generally improve the car park. This would allow longer stays in strategic places, and be a fairer way of applying charges. The scheme will also have a planned maintenance regime for surfaces, lining etc.

Rewiring of Amcott House and Emergency Lighting

Phased works to improve electrical safety by replacing switchgear, distribution boards and adding additional protection by RCD devices followed by a rewire and make good and install emergency lighting to BS5266.

Re-Roofing Leverton Industrial Estate

The replacement of the roof to the older section of the estate. If the roof is not repaired its condition may render the units uninhabitable and the tenants may have to vacate, reducing the income from the estate.

Flood Mitigation Schemes (a £0.15m grant will offset this)

Watercourse and culvert improvements at Clarborough, Walkeringham and North Leverton with contribution and match-funding for the capital schemes promoted through partnership working with Nottinghamshire County, A1 Housing and Environment Agency/DEFRA.

Energy Conservation - SMART metering

To update the current SMART metering system. This will include zoning of heating and lighting and the addition of water monitoring. To continue with the lighting improvement scheme throughout the Council's operational properties, including motion sensors and timers, over a period of three years which will cover payback time.

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.

Langold Country Park - Water Splash Pool

To build a new Water Splash Play Park at Langold Country Park at the site of the old derelict lido. The installation will include fountain features and wetpour rubber surfacing and all necessary plant and filtration equipment.

Langold Country Park - Play Equipment

The proposed project would see the installation of stimulating and challenging play equipment with safety surfacing, for children with varying ability between the ages of 3 and 16.

Kings Park Bandstand

To design, purchase and install a bespoke bandstand structure for use at entertainment events. The structure includes a portable canopy with fixed rails which would be secured to an existing concrete base. The base would be renovated as part of the project.

Memorial Library

To bring the Worksop Library up to acceptable standards and prevent any further decline in the building.

Bridge Street Public Realm/Victoria Square

A project to undertake smaller scale public realm improvements such as street scene, street furniture, lighting, surfacing etc., to improve the sense of place and image for residents in, and visitors to, Bassetlaw.

Empty Homes Grant

A project to tackle long-standing empty homes and bring them back into use.

Canth Redevelopment

On-going flood mitigation works.

Rewiring of Ex-NCC Wing at Queen's Buildings

The replacement of unsatisfactory certified defective distribution and electrical wiring systems for power and lighting final circuits in phases across the 3 floors as identified. To enable the safe re-occupation of the ex-NCC wing in Queen's Buildings.

Tuxford Conservation Area

English Heritage has classed Tuxford as a conservation area 'at risk' in their national 'Heritage at Risk Register'. In real terms, the village centre is in a parlous state. This is a partnership grant scheme between English Heritage, Bassetlaw District Council and, potentially, Nottinghamshire County Council for the preservation and enhancement of Tuxford Conservation Area. The scheme makes grants available to the owners of individual properties to carry out repairs and other appropriate work, including improvements to the public realm to enhance the area.

Retford Market Square

Additional paving to be completed at Town Hall Yard, Retford.

Flood Alleviation Works

Investigate, survey and map watercourses in areas of high flood risk utilising APPS and I-Pad linked to GIS. Information and findings used to promote funding bids through Environment Agency & DEFRA and various sources wherever possible. Minor schemes to resolve identified localised flooding problems where there is no clearly defined responsibility. Multi-agency approach working with local residents and Parish Councils.

Corporate Interactional Website Development

To move Council services to be delivered as "Digital by Default" as per Central Government Transformation Agenda, and to deliver the ability to operate enhanced services with a reduced staffing structure.

Rural CCTV

Provision of Public Space CCTV within Tuxford and Harworth.

Play Area Projects

The proposed project would see the installation of stimulating and challenging play equipment with safety surfacing, for children with varying ability between the ages of 3 and 16.

Kings Park, Retford - improvement programme

A programme of works to be developed by King's Park Members Group.

Retford - Prince's Trust Initiative

The Prince's Trust scheme seeks to obtain some independent advice and objective perspective to assess Retford's potential following the improvements to the Market Square, Town Hall investment and the local High Street Innovation Fund initiatives.

Local Sports Groups – Match Funding Strategy

The match-funding programme for local sports groups, seeks to build on the success of the Bassetlaw Games, so that local groups get an opportunity to develop their own facilities and maximise the opportunities from their funding streams that would not otherwise be accessible to the community.

Local Improvement Scheme, with NCC and Parishes

The concept of the Local Improvement Schemes is similarly to be able to work with other councils, such as the Parishes, so that any projects they wish to support can be match funded and supported.

Sandhill Lake

To carry out structural improvements to the pedestrian access route along the sites northern boundary. The proposed works would provide a safer, more accessible route through the site, improving the link between Sandy Lane and the Chesterfield Canal.

Infrastructure repairs and maintenance/ICT updates and development

As part of the ongoing approach to prudent asset management, 25% of the total resources available has been allocated to infrastructure repairs and maintenance and ongoing ICT replacement and renewal commitments.

Public Realm works - Scrooby Road

The District Council is working alongside the County Council and the Town Council to deliver improvements with the public realm and the pedestrian crossings along Scrooby Road in Harworth.

Mezzanine Floor Extension Leisure Centres

Creating extra gym capacity at the leisure centres by building and equipping a mezzanine floor.

New gym equipment purchase Leisure Centres

The current lease on the gym equipment at the leisure centres is due to expire in March 2013 and new equipment needs to be purchased as a replacement.

BASSETLAW DISTRICT COUNCIL

CABINET

14TH FEBRUARY 2013

REPORT OF THE DIRECTOR OF RESOURCES

TREASURY MANAGEMENT POLICY AND STRATEGY 2013/14 TO 2015/16

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 This report seeks approval for the Treasury Management Strategy, Borrowing Strategy, Investment Strategy, Minimum Revenue Provision Policy, and Prudential Indicators, updated in accordance with latest guidance.

3. Background and Discussion

- 3.1 Treasury Management is defined as "The management of the local authority's investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks."

- 3.2 The Treasury Management Policy was approved by Council on 3rd March 2009 and became effective on 1st April 2009.

3.3 Statutory Requirements:

- 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:
 - Increases in interest payments caused by increased borrowing to finance additional capital expenditure; and
 - Any increases in running costs from new capital projects.

- The Local Government Act 2003 (the Act) and supporting regulations requires the Council to 'have regard to' the *CIPFA Prudential Code* and the *CIPFA Treasury Management Code of Practice* (original version) to set Prudential and Treasury Indicators for the next three years to ensure that the Council's capital investment plans are affordable, prudent and sustainable.
- The Act therefore requires the Council to set out its Treasury Strategy for Borrowing and to prepare an Annual Investment Strategy (as required by Investment Guidance subsequent to the Act). This sets out the Council's policies for managing its investments and for giving priority to the security and liquidity of those investments.

3.4 CIPFA Requirements:

The primary requirements of the Code are as follows:

- The creation and maintenance of a Treasury Management Policy Statement which sets out the policies and objectives of the Council's treasury management activities – as approved by full Council on 3rd March 2009;
- The creation and maintenance of Treasury Management Practices which set out the manner in which the Council will seek to achieve those policies and objectives – as approved by full Council on 3rd March 2009;
- Receipt by the full Council of an annual Treasury Management Strategy Statement - including the Annual Investment Strategy and Minimum Revenue Provision Policy - for the year ahead, a Mid-year Review Report and an Annual Report (stewardship report) covering activities during the previous year;
- Delegation by the Council of responsibilities for implementing and monitoring Treasury Management Policies and Practices and for the execution and administration of treasury management decisions;
- Delegation by the Council of the role of scrutiny of Treasury Management Strategy and Policies to a specific named body. For this Council the delegated body is the Audit and Risk Scrutiny Committee.

3.5 This report seeks approval for the updated **Treasury Management Strategy, Borrowing Strategy and Investment Strategy** (Appendix 1) in accordance with latest guidance as follows:

- The Treasury Management Strategy determines the manner in which the Council's treasury function is managed;
- The Borrowing Strategy sets out how the Council's treasury service will support the capital decisions taken; the day to day treasury management activity; and the limitations on activity through treasury prudential indicators;
- The Investment Strategy 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 DCLG Investment Guidance.

- 3.6 It also seeks approval for the Council's **Minimum Revenue Provision (MRP) Policy** (Appendix 2), 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).
- 3.7 Finally, it seeks approval for the reporting of the **Prudential Indicators**, which sets out the expected capital activities during the financial year (as required by the *CIPFA Prudential Code for Capital Finance in Local Authorities* (as contained within Appendix 1). The treasury management prudential indicators are now included as treasury indicators in the *CIPFA Treasury Management in Public Services Code of Practice*. The key indicator is the **Authorised Limit**, i.e. 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 required by section 3 of the *Local Government Act 2003*, and is calculated in accordance with the *CIPFA Treasury Management in Public Services Code of Practice* and the *CIPFA Prudential Code*.
- 3.8 Further information is appended as follows:
- Appendix 3. Interest rate forecasts.
 - Appendix 4. Economic background.
 - Appendix 5. Specified and non-specified investments.
 - Appendix 6 Credit & Counterparty Risk (TMP1).
 - Appendix 7. Treasury management scheme of delegation.
 - Appendix 8. The treasury management role of the Section 151 Officer.

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 Strategy, MRP Policy Statement 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: 13/145

These are contained within the body of the report and the associated appendices.

- d) Legal Ref: 20/02/13

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 key decision number 338.

5. Options, Risks and Reasons for Recommendations

- 5.1 The only option is to accept the recommendations and adopt the Treasury Management Strategy, Borrowing Strategy, Annual Investment Strategy and MRP Statement and to approve the Prudential Indicators. To not approve these policies would contravene the requirements of both legislation and good practice. In addition the KPMG External Auditors may pass comment in their *Annual Governance Report*.

6. Recommendations

That Cabinet approves each of the following key elements and recommends these to Full Council on 4th March 2013:

- 6.1 The Treasury Management Strategy 2013/14 to 2015/16, incorporating the Borrowing Strategy and the Annual Investment Strategy (Appendix 1).
- 6.2 The Minimum Revenue Provision (MRP) Statement contained within Appendix 2, which sets out the Council's policy on MRP.
- 6.3 The Prudential Indicators and Limits for 2013/14 to 2015/16 contained within Appendix 3.
- 6.4 The Authorised Limit Prudential Indicator contained within 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

Accountancy Offices

APPENDIX 1

1 TREASURY MANAGEMENT STRATEGY

1.1 Treasury Management Strategy for 2013/14

The Strategy for 2013/14 covers two main areas:

Capital issues

- the capital plans and the prudential indicators;
- the Minimum Revenue Provision (MRP) strategy.

Treasury management issues

- the current treasury position;
- treasury indicators which limit the treasury risk and activities of the Council;
- prospects for interest rates;
- the borrowing strategy;
- policy on borrowing in advance of need;
- debt rescheduling;
- the investment strategy;
- creditworthiness policy; and
- policy on use of external service providers.

These elements cover the requirements of the Local Government Act 2003, the CIPFA Prudential Code, CLG MRP Guidance, the CIPFA Treasury Management Code and CLG Investment Guidance.

1.2 Training

The CIPFA Code requires the responsible officer to ensure that members with responsibility for treasury management receive adequate training in treasury management. This especially applies to Members responsible for scrutiny. The following training has been undertaken by Members:

Richard Dunlop from Sector, who are the Councils Treasury advisers, attended the Audit and Risk Scrutiny Committee in December 2012, and further training will be arranged as required.

The training needs of Treasury Management officers are periodically reviewed.

1.3 Treasury management consultants

The Council uses Sector as its external Treasury Management advisors.

The Council recognises that responsibility for treasury management decisions remains with the organisation at all times and will ensure that undue reliance is not placed upon our external service providers.

It also recognises that there is value in employing external providers of Treasury Management services in order to acquire access to specialist skills and resources. The Council will ensure that the terms of their appointment and the methods by which their

value will be assessed are properly agreed and documented, and subjected to regular review.

2 THE CAPITAL PRUDENTIAL INDICATORS 2013/14 – 2015/16

The Council's capital expenditure plans are the key driver of treasury management activity. The output of the capital expenditure plans are reflected in prudential indicators, which are designed to assist Members overview and confirm capital expenditure plans.

2.1 Capital expenditure

This prudential indicator is a summary of the Council's capital expenditure plans, both those agreed previously, and those forming part of this budget cycle. Members are asked to approve the capital expenditure forecasts:

Capital expenditure £m	2011/12 Actual	2012/13 Estimate	2013/14 Estimate	2014/15 Estimate	2015/16 Estimate
General Fund (GF)	6,564	6,180	6,812	2,308	1,251
HRA	10,560	11,567	10,684	7,009	6,769
HRA settlement	26,863	0	0	0	0
HRA Total	37,423	11,567	10,684	7,009	6,769
Total	43,987	17,747	17,496	9,317	8,020

Other long term liabilities.

The above financing need excludes other long term liabilities, ie leasing arrangements of the Councils current vehicle fleet, which already include borrowing instruments.

The table below summarises the above capital expenditure plans and how these plans are being financed by capital or revenue resources. Any shortfall of resources results in a funding borrowing need.

Capital expenditure £m	2011/12 Actual	2012/13 Estimate	2013/14 Estimate	2014/15 Estimate	2015/16 Estimate
General Fund Expenditure	6,564	6,180	6,812	2,308	1,251
Financed by:					
Capital receipts	3,303	3,404	3,241	1,045	295
Capital grants	2,027	1,668	1,331	723	395
Revenue	4	4	0	0	0
General Fund Net Financing need for the year	1,230	1,104	2,240	540	561
HRA Expenditure	37,423	11,567	10,684	7,009	6,769
Financed by:					
Capital receipts	1,342	216	73	75	153
Capital grants	229	3,619	3,500	0	0
Major Repairs Reserve	4,194	5,000	6,111	6,934	6,616
Revenue	0	1,243	0	0	0
HRA Net financing need for the year	31,658	1,489	1,000	0	0
Total Net financing need for the year	32,888	2,593	3,240	540	561

2.2 The Council's borrowing need (the Capital Financing Requirement)

The second prudential indicator is the Council's Capital Financing Requirement (CFR). The CFR is simply the total historic 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. Any capital expenditure above, which has not immediately been paid for, will increase the CFR.

The CFR does not increase indefinitely, as the minimum revenue provision (MRP) is a statutory annual revenue charge which broadly reduces the borrowing need in line with each assets life.

The CFR includes any other long term liabilities (e.g. PFI schemes, finance leases). Whilst these increase the CFR, and therefore the Council's borrowing requirement, these types of scheme include a borrowing facility and so the Council is not required to separately borrow for these schemes. The Council currently has £0m of such schemes within the CFR.

The Council is asked to approve the CFR projections below:

£m	2011/12 Actual	2012/13 Estimate	2013/14 Estimate	2014/15 Estimate	2015/16 Estimate
Capital Financing Requirement					
CFR – non housing	28,587	28,828	30,287	29,896	29,429
CFR – housing	69,655	71,094	71,885	71,666	68,225
HRA Settlement	26,863	26,863	26,863	26,863	26,863
Total CFR	125,105	126,785	129,036	128,425	124,516
Movement in CFR	31,878	1,690	2,251	-611	-3,909

Movement in CFR represented by					
Net financing need for the year (above)	32,888	2,593	3,240	540	561
HRA Settlement	26,863	0	0	0	0
Less MRP/VRP and other financing movements	1,010	913	999	1,151	-4,470
Movement in CFR	31,878	1,680	2,241	-611	-3,909

2.3 Core funds and expected investment balances

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 £m	2011/12 Actual	2012/13 Estimate	2013/14 Estimate	2014/15 Estimate	2015/16 Estimate
Reserves - GF	1,007	1,056	1,056	1,056	1,056
Reserves - HRA	1,392	1,582	1,439	1,458	2,197
Capital receipts - GF	6,284	4,587	1,346	301	6
Capital receipts - HRA	218	580	507	432	279
Provisions	552	726	726	726	726
Other	2,565	2,387	3,640	1,733	3,546
Total core funds	12,018	10,918	8,714	5,706	7,810
Working capital	6,857	2,300	2,300	2,300	2,300
Under/over borrowing	3,481	9,859	13,173	11,562	7,653
Expected investments	2,785	2,487	427	306	3,314
Temporary Borrowing	-1,105	-3,728	-7,186	-8,462	-5,457

2.4 Affordability prudential indicators

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:

2.5 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.

%	2011/12 Actual	2012/13 Estimate	2013/14 Estimate	2014/15 Estimate	2015/16 Estimate
Non-HRA	9.96	11.42	13.69	13.07	13.21
HRA	48.03	34.55	31.53	27.98	30.61

The estimates of financing costs include current commitments and the proposals in the suite of budget reports.

2.6 Incremental impact of capital investment decisions on council tax.

This indicator identifies the revenue costs associated with proposed changes to the five 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.

Incremental impact of capital investment decisions on the band D council tax

£	2011/12 Actual	2012/13 Estimate	2013/14 Estimate	2014/15 Estimate	2015/16 Estimate
Council tax - band D	0.85	3.10	6.12	1.58	1.44

2.7 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 the January Cabinet report compared to the Council's existing commitments and current plans, expressed as a discrete impact on weekly rent levels.

2.8 Incremental impact of capital investment decisions on housing rent levels

£	2011/12 Actual	2012/13 Estimate	2013/14 Estimate	2014/15 Estimate	2015/16 Estimate
Weekly housing rent levels	0.00	8.72	5.85	0.10	0.20

This indicator shows the revenue impact on any newly proposed changes, although any discrete impact will be constrained by rent controls.

3 BORROWING

The capital expenditure plans set out in Section 2 provide details of the service activity of the Council. The treasury management function ensures that the Council's cash is organised in accordance with the the relevant professional codes, so that sufficient cash is available to meet this service activity. This will involve both the organisation of the cash flow and, where capital plans require, the organisation of appropriate borrowing facilities. The strategy covers the relevant treasury / prudential indicators, the current and projected debt positions and the annual investment strategy.

3.1 Current portfolio position

The Council's treasury portfolio position at 31 March 2012, with forward projections are summarised below. The table shows the actual external debt (the treasury management operations), against the underlying capital borrowing need (the Capital Financing Requirement - CFR), highlighting any over or under borrowing.

£m	2011/12 Actual	2012/13 Estimate	2013/14 Estimate	2014/15 Estimate	2015/16 Estimate
External Debt					
Debt at 1 April	81,188	119,988	116,926	115,863	116,863
Expected change in Debt	11,937	-3,063	-1,063	1,000	0
HRA Settlement	26,863	0	0	0	0
Other long-term liabilities (OLTL)	81	0	0	0	0
Expected change in OLTL	-294	-81	0	0	0
Actual gross debt at 31 March	119,988	116,926	115,863	116,863	116,863
The Capital Financing Requirement	125,105	126,785	129,036	128,425	124,516
Under / (over) borrowing	5,036	9,859	13,173	11,562	7,653

Within the prudential indicators there are a number of key indicators to ensure that the Council operates its activities within well defined limits. One of these is that the Council needs to ensure that its gross debt, 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 2013/14 and the following two financial years. This allows some flexibility for limited early borrowing for future years, but ensures that borrowing is not undertaken for revenue purposes.

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 suite of budget reports.

3.2 Treasury Indicators: limits to borrowing activity

The operational boundary. This is the limit beyond which external debt is not normally expected to exceed. In most cases, this would be a similar figure to the CFR, but may be lower or higher depending on the levels of actual debt.

Operational boundary £m	2012/13 Estimate	2013/14 Estimate	2014/15 Estimate	2015/16 Estimate
Debt	90,063	89,000	90,000	90,000
Add HRA Settlement	26,863	26,863	26,863	26,863
Other long term liabilities	0	0	0	0
Total	127,000	129,000	128,000	124,000

The authorised limit for external debt. A further key prudential indicator represents a control on the maximum level of borrowing. This represents a limit beyond which external debt is prohibited, and this limit needs to be set or revised by the 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.

1. 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 this power has not yet been exercised.
2. The Council is asked to approve the following authorised limit:

Authorised limit £m	2012/13 Estimate	2013/14 Estimate	2014/15 Estimate	2015/16 Estimate
Total	132,000	134,000	134,000	129,000

Separately, the Council is also limited to a maximum HRA CFR through the HRA self-financing regime. This limit is currently:

HRA Debt Limit £m	2012/13 Estimate	2013/14 Estimate	2014/15 Estimate	2015/16 Estimate
Total	106,500	106,500	106,500	106,500

3.3 Prospects for interest rates

The Council has appointed Sector as its treasury advisor and part of their service is to assist the Council to formulate a view on interest rates. The following table gives the Sector central view.

Annual Average %	Bank Rate	PWLB Borrowing Rates (including certainty rate adjustment)		
		5 year	25 year	50 year
Dec 2012	0.50	1.50	3.70	3.90
March 2013	0.50	1.50	3.70	3.90
June 2013	0.50	1.50	3.70	3.90
Sept 2013	0.50	1.60	3.80	4.00
Dec 2013	0.50	1.70	3.80	4.00
March 2014	0.50	1.80	3.90	4.10
June 2014	0.50	1.90	4.00	4.20
Sept 2014	0.50	2.00	4.10	4.30
Dec 2014	0.75	2.10	4.20	4.40
March 2015	1.00	2.30	4.30	4.50

The UK continues its worst and slowest recovery from recession in recent history. Growth prospects are weak, although the economy did come out of recession in the third quarter of 2012. Consumer spending, the driving force of recovery, is likely to remain under pressure due to the repayment of personal debt, general malaise about the economy and employment fears.

The primary drivers of the UK economy are likely to remain external. 40% of UK exports go to the Eurozone so the difficulties in this area are likely to continue to hinder UK growth. The US, the main world economy, faces similar debt problems to the UK, but is unlikely to address these before the outcome of the Presidential elections in November 2012. The resulting US fiscal tightening and continuing Eurozone problems will depress UK growth from the original expectations and is likely to see the UK deficit reduction plans slip.

This challenging and uncertain economic outlook has several key treasury management implications:

- The Eurozone sovereign debt difficulties provide a clear indication of high counterparty risk. This continues to suggest the use of higher quality counterparties for shorter time periods;
- Investment returns are likely to remain relatively low during 2013/14 and beyond;
- Borrowing interest rates continue to be attractive and may remain relatively low for some time. The timing of any borrowing will need to be monitored carefully;
- There will remain a cost of carry – any borrowing undertaken that results in an increase in investments will incur a revenue loss between borrowing costs and investment returns.

3.4 Borrowing strategy

The Council is currently maintaining an under-borrowed position. This means that the capital borrowing need (the Capital Financing Requirement), has not been fully funded with loan debt as cash supporting the Council's reserves, balances and cash flow has been used as a temporary measure. This strategy is prudent as investment returns are low and counterparty risk is relatively high.

Against this background and the risks within the economic forecast, caution will be adopted with the 2013/14 treasury operations. The Head of Finance and Property will monitor interest rates in financial markets and adopt a pragmatic approach to changing circumstances:

- if it was felt that there was a significant risk of a sharp FALL in long and short term rates (e.g. due to a marked increase of risks around relapse into recession or of

risks of deflation), then long term borrowings will be postponed, and potential rescheduling from fixed rate funding into short term borrowing will be considered.

- if it was felt that there was a significant risk of a much sharper RISE in long and short term rates than that currently forecast, perhaps arising from a greater than expected increase in world economic activity or a sudden increase in inflation risks, then the portfolio position will be re-appraised with the likely action that fixed rate funding will be drawn whilst interest rates were still relatively cheap.

Any decisions will be reported to the appropriate decision making body at the next available opportunity.

Treasury management limits on activity

There are three debt related treasury activity limits. The purpose of these are to restrain the activity of the treasury function within certain limits, thereby managing risk and reducing the impact of any adverse movement in interest rates. However, if these are set to be too restrictive they will impair the opportunities to reduce costs / improve performance. The indicators are:

- Upper limits on variable interest rate exposure. This identifies a maximum limit for variable interest rates based upon the debt position net of investments
- Upper limits on fixed interest rate exposure. This is similar to the previous indicator and covers a maximum limit on fixed interest rates;
- Maturity structure 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.

The Council is asked to approve the following treasury indicators and limits:

£m	2013/14	2014/15	2015/16
Interest rate exposures			
	Upper	Upper	Upper
Limits on fixed interest rates based on net debt	100%	100%	100%
Limits on variable interest rates based on net debt	20%	20%	20%
Limits on fixed interest rates:			
• <i>Debt only</i>	100%	100%	100%
• <i>Investments only</i>	50%	50%	50%
Limits on variable interest rates			
• <i>Debt only</i>	20%	20%	20%
• <i>Investments only</i>	100%	100%	100%
Maturity structure of fixed interest rate borrowing 2013/14			
	Lower	Upper	
Under 12 months	0%	25%	
12 months to 2 years	0%	50%	
2 years to 5 years	0%	50%	
5 years to 10 years	0%	50%	
10 years and above	0%	100%	

Maturity structure of variable interest rate borrowing 2013/14		
	<i>Lower</i>	<i>Upper</i>
<i>Under 12 months</i>	<i>0%</i>	<i>20%</i>
<i>12 months to 2 years</i>	<i>0%</i>	<i>20%</i>
<i>2 years to 5 years</i>	<i>0%</i>	<i>20%</i>
<i>5 years to 10 years</i>	<i>0%</i>	<i>20%</i>
<i>10 years and above</i>	<i>0%</i>	<i>20%</i>

3.5 Policy on borrowing in advance of need

The Council will not borrow more than or in advance of its needs purely in order to profit from the investment of the extra sums borrowed. Any decision to borrow in advance will be within forward approved Capital Financing Requirement estimates, and will be considered carefully to ensure that value for money can be demonstrated and that the Council can ensure the security of such funds.

Borrowing in advance will be made within the constraints that:

- It will be limited to no more than 50% of the expected increase in borrowing need (CFR) over the three year planning period; and
- Would not look to borrow more than 1 year in advance of need.

Risks associated with any borrowing in advance activity will be subject to prior appraisal and subsequent reporting through the mid-year or annual reporting mechanism.

3.6 Debt rescheduling

As short term borrowing rates will be considerably cheaper than longer term fixed interest rates, there may be potential opportunities to generate savings by switching from long term debt to short term debt. However, these savings will need to be considered in the light of the current treasury position and the size of the cost of debt repayment (premiums incurred).

The reasons for any rescheduling to take place will include:

- the generation of cash savings and / or discounted cash flow savings;
- helping to fulfil the treasury strategy;
- enhance the balance of the portfolio (amend the maturity profile and/or the balance of volatility).

Consideration will also be given to identify if there is any residual potential for making savings by running down investment balances to repay debt prematurely as short term rates on investments are likely to be lower than rates paid on current debt.

All rescheduling will be reported to the Cabinet, at the earliest meeting following its action.

4 ANNUAL INVESTMENT STRATEGY

4.1 Investment policy

The Council's Investment Policy has regard to the CLG's Guidance on Local Government Investments ("the Guidance") and the revised CIPFA Treasury Management in Public Services Code of Practice and Cross Sectoral Guidance Notes ("the CIPFA TM Code"). The Council's investment priorities will be security first, liquidity second, then return.

In accordance with the above guidance from the CLG and CIPFA, and in order to minimise the risk to investments, the Council has below clearly stipulated the minimum acceptable credit quality of counterparties for inclusion on the lending list. The creditworthiness methodology used to create the counterparty list fully accounts for the ratings, watches and outlooks published by all three ratings agencies with a full understanding of these reflect in the eyes of each agency. Using the Sector ratings service potential counterparty ratings are monitored on a real time basis with knowledge of any changes notified electronically as the agencies notify modifications.

Further, the Council's officers recognise that ratings should not be the sole determinant of the quality of an institution and that it is important to continually assess and monitor the financial sector on both a micro and macro basis and in relation to the economic and political environments in which institutions operate. The assessment will also take account of information that reflects the opinion of the markets. To this end the Council will engage with its advisors to maintain a monitor on market pricing such as "credit default swaps" and overlay that information on top of the credit ratings.

Other information sources used will include the financial press, share price and other such information pertaining to the banking sector in order to establish the most robust scrutiny process on the suitability of potential investment counterparties.

The aim of the strategy is to generate a list of highly creditworthy counterparties which will also enable diversification and thus avoidance of concentration risk.

The intention of the strategy is to provide security of investment and minimisation of risk.

Investment instruments identified for use in the financial year are listed in appendix 5 under the 'specified' and 'non-specified' investments categories. Counterparty limits will be as set through the Council's treasury management practices – schedules.

4.2 Creditworthiness policy

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 that:

- 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; and
- 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.

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. These criteria are separate to that which determines which types of investment instrument are either specified or non-specified as it provides an overall pool of counterparties considered high quality which the Council may use, rather than defining what types of investment instruments are to be used.

The minimum rating criteria uses 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. Credit rating information is supplied by Sector, our treasury consultants, on all active counterparties that comply with the criteria below. Any counterparty failing to meet the criteria would be omitted from the counterparty (dealing) list. Any rating changes, rating watches (notification of a likely change), rating outlooks (notification of a possible longer term change) are provided to officers almost immediately after they occur and this information is considered before dealing. For instance, a negative rating watch applying to a counterparty at the minimum Council criteria will be suspended from use, with all others being reviewed in light of market conditions.

The criteria for providing a pool of high quality investment counterparties (both specified and non-specified investments) is:

- Banks 1 - good credit quality – the Council will only use banks which:
 - i. are UK banks; and/or
 - ii. are non-UK and domiciled in a country which has a minimum sovereign long term rating of AAA and have, as a minimum, the following Fitch, Moody's and Standard and Poors credit ratings (where rated):
 - i. Short term – F1+
 - ii. Long term – A+
 - iii. Viability / financial strength – AAA (Fitch / Moody's only)
 - iv. Support – C (Fitch only)
- Banks 2 – Part nationalised UK banks – Lloyds Banking Group and Royal Bank of Scotland. These banks can be included if they continue to be part nationalised or they meet the ratings in Banks 1 above.
- Banks 3 – The Council's own banker for transactional purposes if the bank falls below the above criteria, although in this case balances will be minimised in both monetary size and time.
- Bank subsidiary and treasury operation -. The Council will use these where the parent bank has provided an appropriate guarantee or has the necessary ratings outlined above.
- Money market funds – AAA (*Moody's*)
- UK Government (including gilts and the DMADF)
- Local authorities, parish councils etc
- Local Authority Mortgage Scheme. Under this scheme the Council is required to place funds of £1m, with Lloyds for a period of 5 years. This is classified as being a service investment, rather than a treasury management investment, and is therefore outside of the specified / non specified categories.

A limit of £1m will be applied to the use of non-specified investments.

Country and sector considerations - Due care will be taken to consider the country, group and sector exposure of the Council's investments. In part, the country selection will be chosen by the credit rating of the sovereign state in Banks 1 above. In addition:

- no more than £3m will be placed with any non-UK country at any time;
- limits in place above will apply to a group of companies;
- sector limits will be monitored regularly for appropriateness.

Use of additional information other than credit ratings. Additional requirements under the Code require the Council to supplement credit rating information. Whilst the above criteria relies primarily on the application of credit ratings to provide a pool of appropriate counterparties for officers to use, additional operational market information will be applied before making any specific investment decision from the agreed pool of counterparties. This additional market information (for example Credit Default Swaps, negative rating watches/outlooks) will be applied to compare the relative security of differing investment counterparties.

Time and monetary limits applying to investments. The time and monetary limits for institutions on the Council's counterparty list are as follows (these will cover both specified and non-specified investments):

	Fitch Long term Rating (or equivalent)	Money Limit	Time Limit
Banks 1 higher quality	F1+/A+	£1m	6 months
Banks 2 – part nationalised	N/A	£1m	6 months
Limit 3 category – Council's banker (not meeting Banks 1)	-	£1m	1 day
DMADF	AAA	unlimited	6 months
Local authorities	N/A	£3m	6 months
Money market Funds	AAA	£3m	liquid

The proposed criteria for specified and non-specified investments are shown in Appendix 5 for approval.

4.3 Country limits

The Council has determined that it will only use approved counterparties from countries with a minimum sovereign credit rating of AAA (*excluding UK*) from Fitch (or equivalent). This list will be added to, or deducted from, by officers should ratings change in accordance with this policy.

4.4 Investment strategy

In-house funds. Investments will be made with reference to the core balance and cash flow requirements and the outlook for short-term interest rates (i.e. rates for investments up to 12 months).

Investment returns expectations. Bank Rate is forecast to remain unchanged at 0.5% before starting to rise from quarter 4 of 2014. Bank Rate forecasts for financial year ends (March) are:

- 2012/13 0.50%
- 2013/14 0.50%
- 2014/15 1.00%
- 2015/16 1.50%

There are downside risks to these forecasts (i.e. start of increases in Bank Rate is delayed even further) if economic growth remains weaker for longer than expected. However, should the pace of growth pick up more sharply than expected there could be upside risk, particularly if Bank of England inflation forecasts for two years ahead exceed the Bank of England's 2% target rate.

The suggested budgeted investment earnings rates for returns on investments placed for periods up to three months during each financial year for the next five years are as follows:

2012/13	0.50%
2013/14	0.50%
2014/15	0.70%
2015/16	1.50%

Investment treasury indicator and limit - total principal funds invested for greater than 364 days. These limits are set with regard to the Council's liquidity requirements and to reduce the need for early sale of an investment, and are based on the availability of funds after each year-end.

The Council is asked to approve the treasury indicator and limit: -

Maximum principal sums invested > 364 days			
£m	2013/14	2014/15	2015/16
Principal sums invested > 364 days	0	0	0

For its cash flow generated balances, the Council will seek to utilise its money market funds and short-dated deposits (overnight to three months) order to benefit from the compounding of interest.

4.5 Icelandic bank investments

The Icelandic courts have supported the view that the Council will be treated as a preferred creditor, thereby seeing a high proportion of the investment being returned.

4.6 Investment risk benchmarking

These benchmarks are simple guides to maximum risk, so they may be breached from time to time, depending on movements in interest rates and counterparty criteria. The purpose of the benchmark is that officers will monitor the current and trend position and amend the operational strategy to manage risk as conditions change. Any breach of the benchmarks will be reported, with supporting reasons in the mid-year or Annual Report. Security - The Council's maximum security risk benchmark for the current portfolio, when compared to these historic default tables, is:

- **0.06% historic risk of default when compared to the whole portfolio.**

Liquidity – in respect of this area the Council seeks to maintain:

- Bank overdraft - £0.250m
- Liquid short term deposits of at least £1m available with a week's notice.
- Weighted average life benchmark is expected to be 1 years, with a maximum of 1 years.

Yield - local measures of yield benchmarks are:

- Investments – internal returns above the 7 day LIBID rate

And in addition that the security benchmark for each individual year is:

	1 year	2 years	3 years	4 years	5 years
Maximum	0.10%	0.10%	0.10%	0.10%	0.10%

Note: This benchmark is an average risk of default measure, and would not constitute an expectation of loss against a particular investment.

4.7 End of year investment report

At the end of the financial year, the Council will report on its investment activity as part of its Annual Treasury Report.

APPENDIX 2

MINIMUM REVENUE PROVISION POLICY STATEMENT 2013/14

The Council is required to pay off an element of the accumulated General Fund capital spend each year (the CFR) through a revenue charge (the minimum revenue provision - MRP), although it is also allowed to undertake additional voluntary payments if required (voluntary revenue provision - VRP).

CLG regulations have been issued which require the full Council to approve **an MRP Statement** in advance of each year. A variety of options are provided to councils, 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 (option 1);

These options provide for an approximate 4% reduction in the borrowing need (CFR) each year.

From 1 April 2008 for all unsupported borrowing (including PFI and finance leases) 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.

These options provide for a reduction in the borrowing need over approximately the asset's life.

There is no requirement on the HRA to make a Minimum Revenue Provision but there is a requirement for a charge for depreciation to be made (although there are transitional arrangements in place).

If the Council decides to participate in a Local Authority Mortgage Scheme (LAMS) using the cash backed option, the mortgage lenders require a five year deposit from the Council to match the five year life of the indemnity. The deposit placed with the mortgage lender provides an integral part of the mortgage lending, and is treated as capital expenditure and a loan to a third party. The Capital Financing Requirement (CFR) will increase by the amount of the total indemnity. The deposit is due to be returned in full at maturity, with interest paid either annually or on maturity. Once the deposit matures and funds are returned to the local authority, the returned funds are classed as a capital receipt, and the CFR will reduce accordingly. As this is a temporary (five years) arrangement and the funds will be returned in full, there is no need to set aside prudent provision to repay the debt liability in the interim period, so there is no MRP application.

Repayments included in annual PFI or finance leases are applied as MRP.

APPENDIX 3 - Interest Rate Forecasts 2013 - 2015

Sector's Interest Rate View												
	Nov	Dec-12	Mar-13	Jun-13	Sep-13	Dec-13	Mar-14	Jun-14	Sep-14	Dec-14	Mar-15	
Sector's Bank Rate View	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.75%	1.00%	
3 Month LIBID	0.40%	0.60%	0.60%	0.60%	0.60%	0.60%	0.60%	0.70%	0.90%	1.10%	1.40%	
6 Month LIBID	0.58%	0.85%	0.85%	0.85%	0.85%	0.85%	1.00%	1.10%	1.30%	1.50%	1.80%	
12 Month LIBID	0.97%	1.30%	1.30%	1.30%	1.40%	1.50%	1.70%	1.90%	2.10%	2.30%	2.60%	
Syr PWLB Rate	1.66%	1.50%	1.50%	1.50%	1.60%	1.70%	1.80%	1.90%	2.00%	2.10%	2.30%	
10yr PWLB Rate	2.67%	2.50%	2.50%	2.50%	2.60%	2.70%	2.80%	2.90%	3.00%	3.20%	3.30%	
25yr PWLB Rate	3.88%	3.70%	3.70%	3.70%	3.80%	3.80%	3.90%	4.00%	4.10%	4.20%	4.30%	
50yr PWLB Rate	4.03%	3.90%	3.90%	3.90%	4.00%	4.00%	4.10%	4.20%	4.30%	4.40%	4.50%	
Bank Rate												
Sector's View	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.75%	1.00%	
UBS	0.50%	0.25%	0.25%	0.25%	0.25%	0.25%	-	-	-	-	-	
Capital Economics	0.50%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	-	
Syr PWLB Rate												
Sector's View	1.66%	1.50%	1.50%	1.50%	1.60%	1.70%	1.80%	1.90%	2.00%	2.10%	2.30%	
UBS	1.66%	-	-	-	-	-	-	-	-	-	-	
Capital Economics	1.66%	1.20%	1.20%	1.20%	1.20%	1.20%	1.20%	1.30%	1.40%	1.50%	-	
10yr PWLB Rate												
Sector's View	2.67%	2.50%	2.50%	2.50%	2.60%	2.70%	2.80%	2.90%	3.00%	3.20%	3.30%	
UBS	2.67%	2.80%	3.00%	3.10%	3.20%	3.40%	-	-	-	-	-	
Capital Economics	2.67%	2.30%	2.30%	2.30%	2.30%	2.30%	2.30%	2.30%	2.30%	2.30%	-	
25yr PWLB Rate												
Sector's View	3.88%	3.70%	3.70%	3.70%	3.80%	3.80%	3.90%	4.00%	4.10%	4.20%	4.30%	
UBS	3.88%	4.00%	4.20%	4.30%	4.40%	4.50%	-	-	-	-	-	
Capital Economics	3.88%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	-	
50yr PWLB Rate												
Sector's View	4.03%	3.90%	3.90%	3.90%	4.00%	4.00%	4.10%	4.20%	4.30%	4.40%	4.50%	
UBS	4.03%	4.00%	4.20%	4.30%	4.40%	4.50%	-	-	-	-	-	
Capital Economics	4.03%	3.80%	3.80%	3.80%	3.80%	3.80%	3.80%	3.80%	3.80%	3.80%	-	

Economic Background

Global economy

The Eurozone debt crisis has continued to cast a pall over the world economy and has depressed growth in most countries. This has impacted the UK economy which is unlikely to grow significantly in 2012 and is creating a major headwind for recovery in 2013. Quarter 2 of 2012 was the third quarter of contraction in the economy; this recession is now the worst and slowest recovery of any of the five recessions since 1930. The **Eurozone sovereign debt crisis** has abated somewhat following the ECB's pledge to buy unlimited amounts of bonds of countries which ask for a bailout. The immediate target for this statement is Spain which continues to prevaricate on making such a request and so surrendering its national sovereignty to IMF supervision. However, the situation in Greece is heading towards a crunch point as it fails yet again to live up to its commitments to reduce its annual government deficits in line with the agreement under the second bailout. This is jeopardising the next tranche of bailout monies, without which, Greece will run out of cash before the end of 2012. Many commentators view a Greek exit from the Euro as inevitable and question whether the current coalition government would disintegrate if even more severe austerity measures were to be attempted. The question is more in terms of how much damage would a Greek exit do and whether contagion would spread to cause Portugal and Ireland to also leave the Euro.

Sentiment in financial markets has improved considerably following this ECB action, the German courts agreeing that the bailout mechanisms are legal, and the Dutch general election voting for pro Eurozone policies. However, the foundations to this "solution" to the Eurozone debt crisis are flimsy and events could easily conspire to put this into reverse.

The US economy has only been able to manage disappointingly weak growth in 2012 despite huge efforts by the Federal Reserve to stimulate the economy by liberal amounts of quantitative easing (QE) combined with a commitment to a continuation of ultra low interest rates into 2015. Unemployment levels have been slowly reducing but against a background of a fall in the numbers of those available for work. The fiscal cliff facing the new President at the start of 2013 has been a major dampener discouraging business from spending on investment and increasing employment more significantly in case there is a sharp contraction in the economy in the pipeline. However, the housing market does look as if it has, at long last, reached the bottom and house prices are now on the up.

Hopes for a broad based recovery have, therefore, focused on the **emerging markets**. However, there are increasing concerns over flashing warning signs in various parts of the Chinese economy that indicate it may be heading for a hard landing rather than a gradual slow down.

UK economy

The Government's austerity measures, aimed at getting the public sector deficit into order over the next four years, now look as if they will fail to achieve their objectives in the original planned timeframe. Achieving this target is dependent on the UK economy growing at a reasonable pace but recession in the Eurozone, our biggest trading partner, has depressed growth whilst tax receipts have not kept pace with

additional welfare benefit payments. It will be important for the Government to retain investor confidence in UK gilts so there is little room for it to change course other than to move back the timeframe.

Currently, the UK is enjoying a major financial benefit from some of the lowest sovereign borrowing costs in the world as the UK is seen as a safe haven from Eurozone debt. There is, though, little evidence that consumer confidence levels are recovering nor that the manufacturing sector is picking up. On the positive side, growth in the services sector has rebounded in Q3 and banks have made huge progress since 2008 in shrinking their balance sheets to more manageable levels and also in reducing their dependency on wholesale funding. However, availability of credit remains tight in the economy and the Funding for Lending scheme, which started in August 2012, has not yet had the time to make a significant impact. Finally, the housing market remains tepid and the outlook is for house prices to be little changed for a prolonged period.

Economic Growth. With the exception of recently released Q3 data, economic growth has, basically, flat lined since the election of 2010 and, worryingly, the economic forecasts for 2012 and beyond were revised substantially lower in the Bank of England Inflation quarterly report for August 2012. Quantitative Easing (QE) was increased again by £50bn in July 2012 to a total of £375bn. Many forecasters are expecting a further round of QE to stimulate economic activity regardless of any near-term optimism.

Unemployment. The Government's austerity strategy has resulted in a substantial reduction in employment in the public sector. Despite this, total employment has increased to the highest level for four years by August 2012 and the numbers of unemployment benefit claimants have also been falling slightly.

Inflation and Bank Rate. Inflation has fallen sharply during 2012 from a peak of 5.2% in September 2011 to 2.2% in September 2012. Inflation is expected to fall further to the 2% target level within the two year horizon.

AAA rating. The UK continues to enjoy an AAA sovereign rating. However, the credit rating agencies will be carefully monitoring the rate of growth in the economy as a disappointing performance in that area could lead to a major derailment of the plans to contain the growth in the total amount of Government debt over the next few years.

Sector's forward view

Economic forecasting remains difficult with so many external influences weighing on the UK. There does, however, appear to be consensus among analysts that the economy remains relatively fragile and whilst there is still a broad range of views as to potential performance, expectations have all been downgraded during 2012. Key areas of uncertainty include:

- the potential for the unravelling of the second Greek bailout package causing a worsening of the Eurozone debt crisis and heightened risk of the breakdown of the bloc or even of the currency itself;
- inter government agreement on how to deal with the Eurozone debt crisis could fragment; the impact of the Eurozone crisis on financial markets and the banking sector;

- the impact of the Government's austerity plan on confidence and growth and the need to rebalance the economy from services to exporting manufactured goods;
- the under-performance of the UK economy which could undermine the Government's policies that have been based upon levels of growth that are unlikely to be achieved;
- the economic performance of the UK's trading partners, in particular the EU and US, with some analysts suggesting that recession could return to both;
- stimulus packages failing to stimulate growth;
- elections due in the US and Germany in 2012 and 2013 respectively;
- potential for protectionism i.e. an escalation of the currency war / trade dispute between the US and China.
- the potential for action to curtail the Iranian nuclear programme
- the situation in Syria deteriorating and impacting other countries in the Middle East

The overall balance of risks remains weighted to the downside. Many consumers, corporates and banks are still focused on reducing their borrowings rather than spending so this will continue to act as a major headwind to a return to robust growth.

Sector believes that the longer run trend is for gilt yields and PWLB rates to rise due to the high volume of gilt issuance in the UK, and the high volume of debt issuance in other major western countries.

Given the weak outlook for economic growth, Sector sees the prospects for any interest rate changes before the end of 2014 as very limited. There is potential for the start of Bank Rate increases to be even further delayed if growth disappoints.

APPENDIX 5

SPECIFIED AND NON SPECIFIED INVESTMENTS

Treasury Management Practice (TMP1) – Credit and Counterparty Risk Management Specified and Non-Specified Investments and Limits

SPECIFIED INVESTMENTS: All such investments will be sterling denominated, with maturities up to maximum of 6 months, meeting the minimum 'high' quality criteria where applicable.

NON-SPECIFIED INVESTMENTS: These are any investments which do not meet the Specified Investment criteria. A minimum of £1m will be held in a non-specified investment.

A variety of investment instruments will be used, subject to the credit quality of the institution, and depending on the type of investment made it will fall into one of the above categories.

The criteria, time limits and monetary limits applying to institutions or investment vehicles are:

SPECIFIED INVESTMENTS:

	Minimum credit criteria	Max % of total investment s/ £ limit per institution	Maximum maturity period
Term deposits with banks and building societies	F1+/A+	£1m	6 months
UK Government Bodies	AAA	£3m	6 months
DMADF – UK Government	AAA	unlimited	6 months
Local Authorities	N/A	£3m	6 months
Money Market Funds	AAA	£3m	Liquid

NON-SPECIFIED INVESTMENTS:

A minimum of £1m be held in aggregate in non-specified investment.

1. Maturities of ANY period:

	Use	Money Limit	Max. maturity period
Council own banker if it fails to meet the basic credit criteria. In this instance balances will be minimised as far as possible	In-house	£1m	1 day

APPENDIX 6

Treasury Management Practice (TMP1) – Credit and Counterparty Risk Management

The CLG issued Investment Guidance in 2010, and this forms the structure of the Council's policy below. These guidelines do not apply to either trust funds or pension funds which operate 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 5th February 2002 and will apply its principles to all investment activity. In accordance with the Code, the Director of Finance has produced its treasury management practices (TMPs). 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 choosing and placing investments, particularly non-specified investments.
- The principles to be used to determine the maximum periods for which funds can be committed.
- Specified investments that 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.

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 one-year maturity, or those which could be for a longer period but where the Council has the right to be repaid within 12 months if it wishes. These are considered low risk assets where the possibility of loss of principal or investment income is small. These would include sterling investments which would not be defined as capital expenditure 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. Supranational bonds of less than one year's duration.
3. A local authority, parish council or community council.
4. Pooled investment vehicles (such as money market funds) that have been awarded a high credit rating by a credit rating agency. For category 4 this covers pooled

investment vehicles, such as money market funds, rated AAA by Standard and Poor's, Moody's or Fitch rating agencies.

5. A body that is considered of a high credit quality (such as a bank or building society). For category 5 this covers bodies with a minimum short term rating of F1+/A+ (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 a maximum of £3m for 6 months.

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.	The Council's own banker if it fails to meet the basic credit criteria. In this instance balances will be minimised as far as is possible.	£1m

The monitoring of investment counterparties - The credit rating of counterparties will be monitored regularly. The Council receives credit rating information (changes, rating watches and rating outlooks) from Sector 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 Director of Finance, and if required new counterparties which meet the criteria will be added to the list.

APPENDIX 7

Treasury management scheme of delegation

(i) Full Council

- receiving and reviewing reports on treasury management policies, practices and activities;
- approval of annual strategy.

(ii) Cabinet

- approval of/amendments to the organisation's adopted clauses, treasury management policy statement and treasury management practices;
- budget consideration and approval;
- approval of the division of responsibilities;
- receiving and reviewing regular monitoring reports and acting on recommendations;
- approving the selection of external service providers and agreeing terms of appointment.

(iii) Audit and Risk Scrutiny Committee

- reviewing the treasury management policy and procedures and making recommendations to the responsible body.

APPENDIX 8

The Treasury Management Role of the Section 151 Officer

The S151 (responsible) Officer

- recommending clauses, treasury management policy/practices for approval, reviewing the same regularly, and monitoring compliance;
- submitting regular treasury management policy reports;
- submitting budgets and budget variations;
- receiving and reviewing management information reports;
- reviewing the performance of the treasury management function;
- ensuring the adequacy of treasury management resources and skills, and the effective division of responsibilities within the treasury management function;
- ensuring the adequacy of internal audit, and liaising with external audit;
- recommending the appointment of external service providers.

BASSETLAW DISTRICT COUNCIL

CABINET

14th FEBRUARY 2013

REPORT OF DIRECTOR OF RESOURCES

CAPITAL INVESTMENT STRATEGY 2013/14 TO 2017/18

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 Cabinet approval to the Capital Investment Strategy 2013/14 to 2017/18.

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 within the strategy, in particular the Property Asset Management Plan and Treasury Management Policy and Strategy.

- c) Financial - Ref: 13/682

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

- d) Legal – Ref: 18/02/13

The legal implications are as contained within the 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 key decision number 339.

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 2013/14 to 2017/18 to full Council on 4th March 2013.

Background Papers

Capital programme working papers

Location

Accountancy office

CAPITAL INVESTMENT STRATEGY

BASSETLAW DISTRICT COUNCIL

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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 taxpayers – 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 2013/14 of £10.7m, which supports the maintenance of the council's circa 6,900 council houses;
- The General Fund Capital Programme with a proposed budget for 2013/14 of £6.8m. Of this amount, expenditure on the Council's non-housing assets totals £5.6m, and £1.2m will provide Disabled Facilities Grants to a number of private dwellings during the year.

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 and community 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 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, in line with the Localism Act 2011;
- Management of assets to take full account of the Council's wider priorities including its environmental priorities;
- The continuation of financial support to schemes that involve site assembly through the Strategic Intervention Fund, which will potentially generate significant capital receipts in the medium term;
- The provision of financial support to the Empty Homes Initiative, which is intended to bring empty homes back into use to increase the supply of affordable housing in the district;
- 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 2012-2015 sets out the vision for Bassetlaw. This is:

"A dynamic district where people live, work and prosper and the Council works in partnership with others to develop a quality of life for all."

This Vision is intended to be external facing and clearly indicates the Council's ambition for the district and the people within.

Underpinning the Council's contribution to the Corporate Plan vision are four new Ambitions. These are:

- *Economic Regeneration of our District;*
- *Quality Housing and the Local Environment;*
- *Involved Communities and Locality Working; and*
- *A Well Run Council.*

Supporting these four Ambitions and 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.

CAPITAL INVESTMENT STRATEGY

4. CAPITAL INVESTMENT – AMBITION, OPPORTUNITY AND NEED

The capital programme for 2013-18 has been formulated to observe the principles contained in this document. The five-year Capital Programme was agreed at last year's Cabinet, however, further recommendations are being/have already been made to Cabinet to allocate funding for major projects. These new capital projects meet the following strategic themes as follows:

Economic Regeneration of our District

- Worksoop Canalside Creative Village Phase 2
- Car Park Improvements
- Bridge Street/Victoria Square, Worksoop Public Realm
- Scrooby Road Public Realm Works

Quality Housing and the Local Environment

- Disabled Facilities Grants
- Decent Homes/Disability Works to Council Dwellings
- Empty Homes Grants
- Rural CCTV Scheme
- Flood Alleviation Works
- Langold Country Park Improvements

Involved Communities and Locality Working

- Play Area Development and Refurbishments
- Prince's Trust Initiative
- Support for Local Sports Groups

A Well Run Council

- Replacement Vehicles and Plant
- Planned Maintenance of Council-Owned Buildings
- IT Computer Replacement Fund
- Leisure Centre Gym Equipment and Works

5. FINANCIAL CONTEXT

Comprehensive Spending Review

The third and fourth years of the Comprehensive Spending Review were announced in December 2012, with further cuts in central government funding being applied to all local authorities, including Bassetlaw.

What this means in practice is that local authorities will find it much harder to fund capital expenditure, resulting from less government funding, more expensive borrowing, and reduced capital receipts in the current economic climate.

In response to these significant pressures, local authorities must now explore alternative sources of funding capital expenditure. These various options can be summarised as follows:

- External partners – Traditionally Section 106 monies have been levied on private contractors where funds have been required to deliver (amongst other things) capital projects necessary to make a planning application acceptable e.g. to upgrade highways infrastructure, within the district. These opportunities are now extended to include the Community Infrastructure Levy (CIL), which allows local authorities in England and Wales to raise funds from developers undertaking new building projects in their area. The money can be used to fund a wide range

CAPITAL INVESTMENT STRATEGY

of infrastructure that is needed to deliver new development. The infrastructure to be funded by CIL must be clearly set out and can include transport schemes, flood defences, schools, hospitals, other health and social care facilities, parks, green spaces and leisure centres;

- Grants – It is hoped that a number of capital grants may be made available by the central government that could be used to fund capital expenditure. For example, the New Homes Bonus is now an established grant, which is directly linked to the number of empty homes that are brought back into use within the district, coupled with the build of any new affordable housing units. Similarly, the Decent Homes work was previously funded by Supported Borrowing (a permission to borrow where the government reimbursed the Council for the annual revenue cost it incurred in interest payments), and this was converted into a real cash-backed grant for 2012/13 and 2013/14;
- Business Improvement Districts (BIDs) – A partnership between a local authority and local businesses to develop projects and services that benefit the local trading environment;
- Local Asset Backed Vehicles (LABVs) – This is a form of public and private sector partnership that allows public sector bodies to use their assets (usually land and buildings) to attract long term investment from the private sector in order to deliver socio-economic development and regeneration. They are designed to encourage parties to pool resources, such as finance, planning powers, land and expertise, in order to deliver regeneration with an acceptable balance of risk and return for all those involved. They are increasingly being looked at as a potential model to help local authorities meet their regeneration aspirations;
- Tax Increment Financing (TIF) – This is a new initiative that allows a local authority to borrow money against the predicted future growth in local business rates income;
- Social Impact Bonds (SIBs) – A contract between a public body and a private investor, where the investor funds are used to pay for interventions to improve the social outcome, and the public body pays the investor based on that improved social outcome. Examples include prisons based on reduced re-offending, and CCTV based on reduced anti-social behaviour and crime levels;
- Community Involvement – The Localism Act 2011 introduced the concept of “community asset transfer”, “community right to challenge” and “community right to bid” for services. These changes in legislation now open up the whole spectrum of opportunities of private sector investment in community-led capital projects, where deemed appropriate;
- Collaborative Working – a move away from the traditional development agreement structure and towards a more collaborative approach, either to enhance marketing prospects for a site or to enhance its redevelopment value by addressing planning issues. This type of approach encourages interest from expert developers to promote a site or work together on the planning and infrastructure process, to enhance the attractiveness of the site to end users.

Housing Right-to Buy Scheme

As part of the Chancellor's Autumn Statement made on the 29th November 2011, the Government announced proposals to increase the discounts to council house owners in a drive to foster more sales and further promote home ownership. The final scheme was approved by Parliament on 2nd April 2012.

The key changes to the scheme were:

CAPITAL INVESTMENT STRATEGY

- *Increasing the discount cap to £75,000, thereby ending regional caps previously in place;*
- *Discount rates remained unchanged, and tenants still need to have been a public sector tenant for five years;*
- *Every additional home sold as a result of the changes to the scheme, will be replaced by using recycled receipts towards the cost of replacement new homes for 'affordable rent' i.e. at a rent of up to 80% of market rents;*
- *Local authorities will be able to retain the additional receipts generated for replacement housing, provided that they limit the use of the net Right to Buy receipts (after certain local costs) to 30% of the cost of the replacement homes;*
- *Local authorities will be able to deduct from the Right to Buy receipts the necessary amount to cover the debt associated with the homes sold, but will not be required to use this part of the receipt to repay loans;*
- *The introduction of flat rate allowance of £1,300 administration costs as opposed to deducting the actual transactional costs under the existing arrangements;*
- *Local authorities will for the first time be able to deduct a certain amount from Right to Buy receipts for the cost of withdrawn applications (£1,300 for Bassetlaw);*
- *Local authorities' ability to re-purchase former local authority homes will be restricted to an overall maximum of 6.5% of additional net Right to Buy receipts in addition to the existing 50% limit on individual purchases;*
- *The 'cost floor' which ensures that properties are not sold at less than they cost to build or improve within a given time period is retained and extended from 10 years to 15 years bringing the rules into line with Housing Associations;*
- *Removing the ability of local authorities to claim any costs incurred in improving a property in the last three years from Right to Buy receipts. This reflects the Government's view that the cost of improvement will, in most cases, be reflected in the market value and (at a discounted rate) in the Right to Buy receipt.*

Financial Process

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.

External Grants and Contributions - Some capital projects are financed wholly or partly through external grants and contributions that 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 grant that the Council now receives is the Decent Homes funding for the period 2012-2014, which is being used to complete the Decent Homes programme for council

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dwellings. The Council may also generate sizeable Section 106 monies and Community Infrastructure levies from development sites that are acquired for housing and other 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 Council's revenue resources). The principle of affordability is therefore a key consideration.

With the introduction in April 2012 of the new Housing Self-Financing regime, significant levels of additional borrowing to fund the overall capital programme 2013/14 to 2017/18 will no longer apply. Instead, borrowing for housing purposes will be restricted to the 'gap' between the current Capital Financing Requirement and the government imposed borrowing ceiling. The size of this housing 'gap' is circa £7m in 2013/14 and will only be used to fund invest to save schemes such as energy efficiency projects, or new build in the longer term.

For the General Fund, unsupported prudential borrowing will be tightly controlled due to the financial impact it will have on an a revenue budget that already operates to very tight margins. The planning assumption for the five-year programme is that the Council may use borrowing for 'long life' assets, or as a replacement for leasing, or for an invest to save scheme. This must, however, be proven to be affordable within the revenue budget.

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 £301,000 in 2011/12 (estimated at £1,562,000 in 2012/13), and Housing capital receipts of £43,000 in 2011/12 (estimated at £557,000 in 2012/13).

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, due to the sums involved with regard to Disabled Facilities Grants (DFG's), these have been funded from General Fund capital receipts in recent years. This practice dates back to the time when council housing was not selling, and the General Fund had a large capital receipt from the sale of the Turner Road site.

The situation has now changed due to the following:

- The introduction of HRA self-financing which will provide opportunities for significant sums of capital investment into housing over the next few years;
- General Fund, on the other hand, has relatively few resources available;
- The Asset Management Plan identifies a number of potential land and property sites for disposal, including garage sites, but these are primarily owned by the HRA.

It is therefore necessary to revert back to the original policy for 2013/14 onwards, which is to fund private sector Disabled Facilities Grants from available HRA receipts. It is also important to clarify the categories of capital receipts as follows:

- General Fund – 100% receipts from sales of land and property that are owned by the General Fund;
- HRA receipts to be used to fund DFGs – Regulations dictate that 50% of housing capital receipts (excluding council house sales) are available for general use, and the other 50% is

CAPITAL INVESTMENT STRATEGY

specifically for housing debt repayment or investment in council housing itself. This category is the former, and represents 50% of sales of housing land and property (e.g. garage sites but excluding council house sales) that will be used to fund Disabled Facilities Grants;

- HRA to be used to fund Housing – This is the other 50% that must be spent on housing capital expenditure or debt repayment. It also includes the 25% of capital receipts from council housing sales (the other 75% is paid over to the government);
- Retained Right to Buys – This originated from the introduction of the housing self-financing regulations, and the government has estimated that Bassetlaw will sell 13 Right to Buy properties each year from 2012/13 onwards. For any sales in excess of the 13 properties, the Council is allowed to keep 100% but only if it invests in new housing within a three year period at a match funding rate of 30%.

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.

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.

	2013/14 £'000	2014/15 £'000	2015/16 £'000	2016/17 £'000	2017/18 £'000
GENERAL FUND					
Grants & Contributions	1,331	723	395	0	0
Capital Receipts	3,241	1,045	295	0	0
Leasing/Unsupported Borrowing	2,240	540	561	248	1,100
	6,812	2,308	1,251	248	1,100
HOUSING					
Major Repairs Allowance	6,111	6,934	6,616	6,543	9,282
Decent Homes Funding	3,500	0	0	0	0
Unsupported Borrowing	1,000	0	0	0	0
Capital Receipts	73	75	153	236	322
	10,684	7,009	6,769	6,779	9,604
TOTAL:	17,496	9,317	8,020	7,027	10,704

CAPITAL INVESTMENT STRATEGY

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, seeks to obviate potentially abortive costs.

From this refined review the process is based on the completion of a Capital Service Bid for each project to be considered for inclusion in the Capital Programme. Each Capital Service Bid is then scored against the established methodology. The Property & Regeneration 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);
- 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 the 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 – the specific relationships 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 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 Property & Regeneration Group, which meets on a monthly basis. This Group is attended by all responsible officers and is chaired by the Director of Resources. It is a supportive environment in which

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problem 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 the Management Team, Audit & Risk Scrutiny Committee, and Cabinet;
- The Property & Regeneration Group considers a monthly monitoring statement at each meeting, where project officers report on performance outputs on each of the major capital projects in progress. 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.
- Standing items on the Property & Regeneration Group agenda are an update on the progress with any key regeneration sites (including those where the Council does not have any financial input), and the progress made with the disposal of surplus land and buildings.

8. PROCUREMENT

The Council has adopted a Corporate Procurement Policy and 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 following principles form the basis of all procurement activity in order to achieve value for money in capital projects:

- *Strategic procurement will support improved service delivery through the freeing up of resources and improving the quality of goods, services and works;*
- *Strategic procurement will ensure that the Council obtains value for money in the acquisition and management of its resources, balancing both quality and cost;*
- *The Council will undertake all procurement activity within a corporate framework to enable all officers to obtain goods, services and works to the required quality in the most efficient manner;*
- *All procurement activity will be sustainable, supporting and promoting Council policies and priorities, including equal rights, sustainability, social cohesion and economic regeneration;*
- *The Council will ensure that procurement activity is undertaken in the most effective and appropriate manner.*

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- *All procurement activity will be assessed on a whole-life costing and benefits basis with due regard to risk.*
- *Procurement activity will be transparent (and fully compliant with the Freedom of Information Act), fair and consistent, and be undertaken to the highest standards of probity and accountability. Procurement decisions must be evidence based.*

Delivery of the Capital Programme is a key element of the Council's Corporate Procurement Policy and Strategy by ensuring adequate project management and support are in place at all stages prior to contract award and including the subsequent management of contracts.

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 i.e. whether it arises 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.

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 adoption of 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

Good practice dictates that the framework for allocating capital resources to capital projects is clear and understandable to all. It is therefore imperative that the Capital Investment 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 could be top-sliced prior to allocating the 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 Property & Regeneration 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 fully 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 any S106 agreements, but carries a lower value because the Council has the option of not undertaking the project, with the only retribution being the return of the original sum 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 agreed by Members to be put forward as a bid.	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	Council Priorities		
AMBITION	Additional points for projects adding value to the Council's Priorities, (add 1 point for each)		
Economic Regeneration of our District	1.1	Create an environment which attracts new businesses and supports business growth	
	1.2	Ensure Bassetlaw secures a high quality retail and leisure offer	
	1.3	Work with partners to develop skills and promote employment prospects	
Quality Housing and the Local Environment	2.1	Create pride in our neighbourhoods which are clean, safe and accessible	
	2.2	Ensure the right quality and mix of housing is available to meet demand	
	2.3	Promote energy efficiency and tackle fuel poverty	
Involved Communities and Locality Working	3.1	Tackle inequality	
	3.2	Increase participation in sports and leisure	
	3.3	Engage with people who live and work in the District	
	3.4	Work in partnership in support of local services	
A Well Run Council	4.1	Provide opportunities for participation in decision making	
	4.2	Review the Council's landholdings to determine a disposal process and reinvestment plan	
	4.3	Deliver well run customer focussed services and facilities	

CAPITAL INVESTMENT STRATEGY

J	Improvement/Betterment		
	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	Health & Safety (Non-Statutory)		
	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	Revenue Implications		
	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	Partnership		
	Projects that enhance the relationship with the Council's partners and in doing so achieve the Council's Priorities. (Add 2 points).		

BASSETLAW DISTRICT COUNCIL

CABINET

14th FEBRUARY 2013

REPORT OF THE DIRECTOR OF RESOURCES

PROPERTY ASSET MANAGEMENT PLAN 2013/14 TO 2017/18

Cabinet Member: Finance and 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 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 is reviewed annually.

- c) Financial – Ref: 13/544

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 may be acquired and disposed of, whereby further reports will be brought to Cabinet for approval with the full financial implications outlined.

- d) Legal – Ref: 17/02/13

The legal implications are as contained within the report.

- 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 key decision number 340.

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 2013/14 to 2017/18 to full Council on 4th March 2013.

Background Papers
Asset Management Plan

Location
Estates Unit

BASSETLAW DISTRICT COUNCIL

ASSET MANAGEMENT PLAN 2013/14 – 2017/18



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“Bassetlaw District Council’s Asset Management Plan will translate into actions the commitments made in the Council’s Corporate Plan 2012 - 2015.


The purpose of the plan is to ensure that the Council’s property holdings are aligned to meet strategic priorities and service needs to ensure that the right property is available in the right place, and at the right time.

Our goal is to get the most from our assets as they support the provision of Council services and the delivery of our priorities. The Council will be judged on the quality of the services it delivers not the quality of its buildings, but those land and property assets do support the on-going provision of the services we provide to our community.

Property is the second highest cost incurred by most public authorities after expenditure on staff, and its effective and efficient management is key to being able to deliver value for money and quality services.

The Council aspires to use its property assets innovatively, simply because to a greater or lesser extent the land and building’s portfolio has a role in almost all of the Council’s activity throughout the district.”

The plan will be reviewed on a regular basis and amended as necessary to reflect changes in strategic needs and priorities.



The Asset Management Plan for 2013 - 2018, details an effective strategy and robust operational plan for the management of Bassetlaw District Council's significant land and building assets for the next 5 years.

The Plan is based on the guidelines issued by the Royal Institution of Chartered Surveyors (RICS) within "The RICS Public Sector Asset Management Guidelines" which set out the agenda for dealing with property assets; and the Communities and Local Government document "Building on Strong Foundations – A Framework for Local Authority Asset Management Communities & Local Government (2008).

To a greater or lesser extent, the Council's land and buildings portfolio has a role in almost all of its activity, in terms of investment, as accommodation for its services, staff and residents, as well as providing a source of income used to support service provision. The Plan seeks to provide the basis towards ensuring that the property assets owned by the Council are both fit for purpose and provide value for money in order to support the delivery of services to the District.

Enhanced asset management has the power to make an extremely wide positive impact. The Asset Management Plan captures the current position of a continually developing asset management plan consisting of practical actions, aligned with corporate objectives and properly supported by a fully resourced management and delivery team.

There is a need to improve this further, so as to meet new and ambitious goals for the future. Ultimately by recognising the centrality of asset management to the achievement of Council's corporate priorities as identified in the Corporate Plan 2012-2015. Bassetlaw's Asset Management Plan demonstrates a critically important aspect of the Council's commitment to quality services for the people of the district.

With the present economic downturn and the Comprehensive Spending Review has put future public spending under increased pressure. It has never been more important to ensure that the Council is making the most of its land and building assets; and this is a key element in continuing to be able to improve the overall quality of the Council's services despite these conditions and to improve the overall condition of the property holdings.

Bassetlaw District Council operates a substantial property portfolio comprising of 1,092 Operational Properties and 51 leased assets with a total combined asset value of just over £52.5 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 key objectives for the Council's property portfolio are:

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.

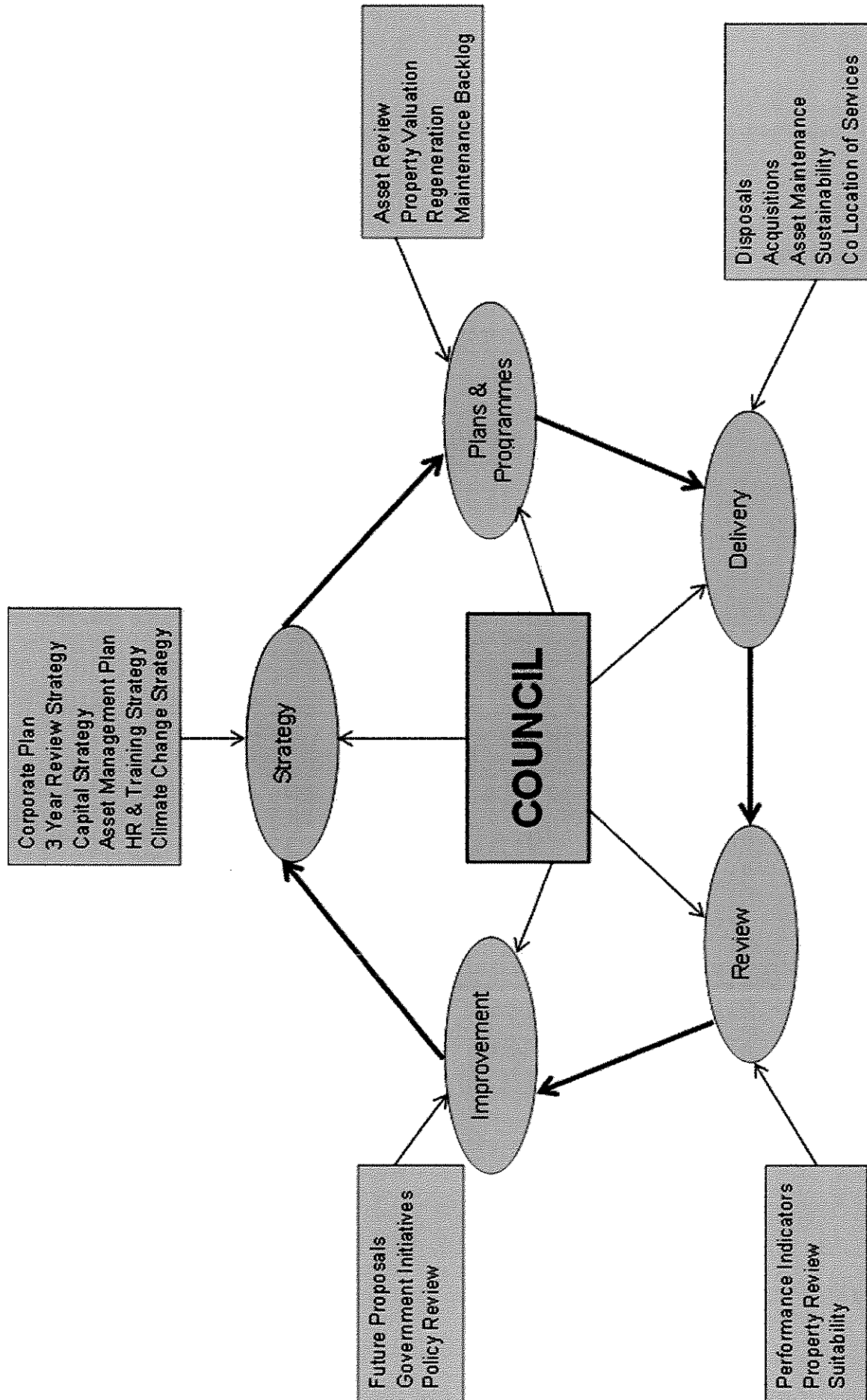
2. Operational Property – Ensuring that there are sufficient operational properties that are fit for purpose and in the right location to serve the people of Bassetlaw. This year will see the introduction of a new five year planned maintenance programme alongside projects to provide improved accommodation 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 it will seek where possible to increase year on year. It is essential to preserve and maximise this income stream by proactive property management to minimise letting voids within the estate and re-let vacant property on the most advantageous terms to the Council.
4. Capital Receipts – Implementation of an improved surplus property disposals strategy in order to provide funds for capital projects, capital receipts from property sales are essential.
5. Support the sustainability agenda.
6. Establish a one Council approach in relation to property and facilities management.
7. Reduce backlog maintenance.
8. The on-going introduction of the Concerto asset management system to provide the Council with a full asset data record management system that contains accurate property records.

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

This Asset Management Plan identifies property management systems that 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 Asset Management as part of an ongoing process of regular review and the drivers that shape the development of the overall strategy.



1.1 Why Asset Management matters to Bassetlaw

Our property portfolio contributes to the nature of district's built environment and rural landscape in a major way. It is therefore essential that there are effective and efficient management processes in place to deal with property assets as they impact on the quality of life of residents and visitors experience in the district. From our parks, and leisure centres to the Town Hall's. Council owned property impacts on the lives of people in the community and therefore ensuring that the most is made of the property assets the Council has, together with limited resources, is the fundamental reason for this Plan.

All types of property are by nature inflexible assets. These assets take time and considerable expense to develop, to operate and ultimately to decommission and dispose of. The Council's disposal process can take time. In a similar way a comprehensive redevelopment scheme can take decades from the initial vision to delivery.

Consider how long it takes to buy and sell a house, then relate this to other types of property, it is not surprising that non-residential property disposal takes time, especially within a political and democratic context and with the need to satisfy the Council's legal obligations when doing so. Effective asset planning is essential to bring flexibility to management of the Council's property portfolio.

The Audit Commission estimates that the average local authority expends eight percent of its annual revenue budget to running and maintaining property estates. This makes property Bassetlaw's second most costly resource after staff. Effective management is therefore a crucial corporate activity if the Council is to achieve its corporate objectives.

Council services have not traditionally been exposed to the total cost of holding and operating property, so these costs are not always as fully understood as they should be. Clearly, there is a need to consider, identify and calculate appropriate property performance indicators that draw on the experience of other organisations, which will then enable officers to regularly review the performance of buildings and then act accordingly.

2.1 Where Property Asset Management relates to Bassetlaw District Council

Asset and property management has a number of definitions. This Plan focuses on the following definition as set out in Royal Institution of Chartered Surveyors (RICS 2008) Public Sector Asset Management Guidelines:

“Strategic asset management is the holistic management of property assets as a key corporate resource, requiring the integration and optimisation of capital and revenue expenditure for the benefit of local communities. To enable public sector decision makers to make the right choices for investing in property, bearing in mind the need to review, challenge and prioritise the allocation of resources to achieve value for money and enable policy delivery.”

2.2 Scope of the Plan

Bassetlaw's Asset Management Plan sets out a comprehensive strategy that applies to all of our property assets (land and buildings) with the exception of the management and operational arrangements for housing, parks and transport infrastructure. In addition, Service Asset Management Plans will have to be developed that provide specific information, the following subject areas that are not covered in detail in this plan:

- i) An overview of the Council's corporate priorities.
- ii) Particulars of the extent and nature of the current property portfolio and volume of the current maintenance backlog.
- iii) Consideration of current and future issues that must be addressed if key corporate objectives are to be achieved and our maintenance backlog reduced.

The Asset Management Plan identifies the underlying issues and identifies ways in which the estate will be managed to enhance its value. In this respect priorities are:

- Maximising capital value, taking into account local priorities.
- Maximising income from our commercial estate.
- Releasing latent value in surplus property for reinvestment.
- Rationalising assets that have been identified as a liability or are otherwise performing poorly. Whether through having a significant maintenance backlog or high running costs and where the property is not adding value to the organisation.
- Centralisation of all property related budgets to enable corporate prioritisation of property expenditure.
- Ensuring that all possible cross-cutting opportunities are realised both within the Council and with other public bodies (Total Place).

- Ensuring that property is in a condition appropriate to use and need, safe and compliant with legislation and suitable and sufficient for the services delivered.
- Gathering, maintaining and updating key property information.
- Underpinning the importance of facilities management as integral to good estate management.

2.3 Bassetlaw District Council's Strategic Plan

The Council's Corporate Plan covers the period 2012 to 2015. This Plan is reviewed annually and outlines the Council's direction for future years. The Council's mission statement is for *"a dynamic district where people live, work and prosper and the Council works in partnership with others to develop a quality of life for all"*

The Council is committed to ensuring it clearly identifies those priorities that will be of greatest benefit to the people of Bassetlaw and concentrates effort on delivering those within the identified timeframe of 2012-2015 through its Corporate Plan.

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

Document	Purpose
3 Year Revenue Strategy	How we will make crucial financial savings and carefully spend the money that is available to us over the next 3 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 5 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
Climate Change Strategy	How the Council will reduce carbon emissions and promote sustainability in the district.

2.4 The Council's Revised Strategic Themes 2012 - 2015

The Council has identified the following ambitions and priorities in the Corporate Plan 2012 - 2015:

Ambition 1 - Economic Regeneration of our District

Priorities

- Create an environment which attracts new businesses and supports business growth
- Maximise the quality of our Town Centres
- Work with partners to develop skills and promote employment prospects
- Ensure Bassetlaw secures a high quality retail and leisure offer

Ambition 2 - Quality Housing and the Local Environment

Priorities

- Create pride in our neighbourhoods which are clean safe and accessible
- Ensure the right quality and mix of housing is available to meet demand
- Promote energy efficiency and tackle fuel poverty

Ambition 3 – Involved Communities and Locality Working

Priorities

- Tackle inequality
- Increase participation in sports and leisure
- Engage with people who live and work in the District
- Work in partnership in support of local services

Ambition 4 - A Well Run Council

Priorities

- Deliver well run customer focussed services and facilities
- Provide opportunities for participation in decision making
- Review the Council's landholdings to determine a disposal process and reinvestment plan

3.0 LINK BETWEEN THE STRATEGIC PLAN AND ASSET MANAGEMENT PLAN

3.1 Property Objectives

Property objectives have been identified as those that deal with current property issues and that fully support the Corporate Plan. The Asset Management Plan adopts a corporate asset management policy, which identifies priority actions, and which links directly to the main aims and priorities in the Strategic Plan. The Asset Management Plan is also prepared alongside the Capital Investment Strategy in order to ensure that our plans are financially sustainable.

The focus of the strategy is towards optimising the use of the Council's land and buildings in terms of service benefit, affordability and best value for money.

The intention is to create an improved and well planned property portfolio, that is fit for purpose and able to meet changing requirements whilst at the same time is also one that costs less to run, and able to release funds to invest in improved delivery of front line services for the benefit of the community.

Specifically the objectives are:

- To have sufficient, fit for purpose, well maintained and managed property in the right locations to meet the need of services, including community facilities in district and local centres
- To identify opportunities for "Total Place Initiatives" in order to reduce the number of administrative office buildings in outlying district and to identify co-location opportunities to share with public sector partners where this benefits the parties in supporting improved service delivery or efficiency
- To make investment in property that is prioritised corporately according to strategic need and to enhance the Council's commitment to the environment
- To continue to support and promote regeneration and economic development and employment opportunities within the district
- To support transformation of service delivery and community infrastructure using strategic property solutions
- To have an estate that is fit for purpose for the delivery of all Council Services
- To only retain investment property that generates strong income streams to help fund asset maintenance and support service delivery
- To identify development opportunities that will encourage business into the district and with this create employment opportunities.
- To use Council land holdings to support affordable housing.

3.2 Required Outcomes

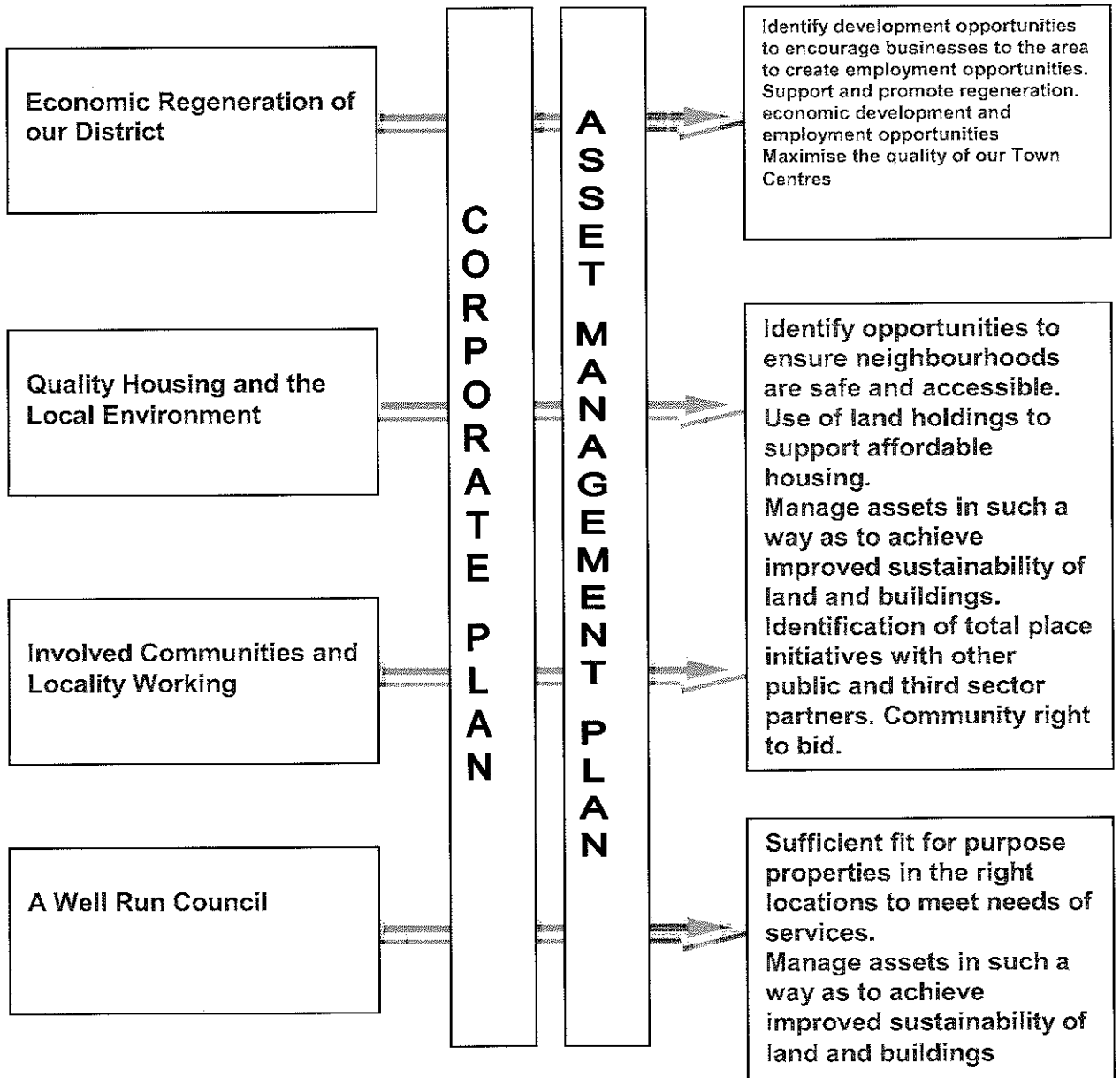
The Asset Management Plan is based on the key outcomes identified below:

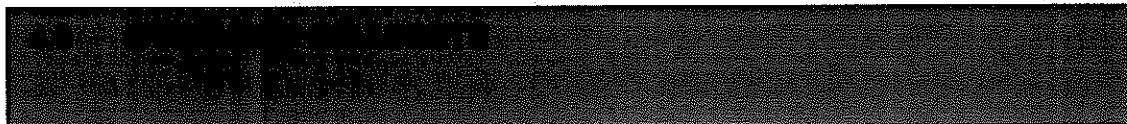
- To deliver schemes which are identified as priorities in the Council's Corporate Plan and Economic Development Unit's Service Delivery Plan. Schemes should be brought forward as part of the Local Development Framework (LDF) and accord with the latest strategic studies for example, retail capacity studies, employment and land availability studies
- The establishment of a unified approach to property and facilities management that includes the centralisation of management of all Property and Facilities Management services
- Ensure that development schemes take into account whole life costing and link in with the Council's Climate Change Strategy objectives
- Centralisation of all related budgets
- Ongoing work towards the implementation of an effective Asset Data Records Management via the Council's new asset data records management system (Concerto)
- Office accommodation transformation
- Development of an improved surplus property disposals strategy
- To identify opportunity purchases available that would assist the Council in meeting its strategic objectives and to bring forward schemes that deliver new assets into the Council's property portfolio
- The identification of co-location of Council services together with opportunities to share accommodation with other public services
- The improved use of existing resources and to minimise risk through use of sensitivity analysis in project appraisal
- Addressing historic backlog maintenance
- Improving the performance of land and buildings held for investment purposes through targeted investment and improvement
- To be fully aware of market changes and influences so as to be able to maximise the effectiveness of the Council's property review process
- Supporting the sustainability agenda
- To be able to manage schemes to a predicted timescale and cost in accordance with a formal project management approach
- Ensuring that the portfolio is sustainable and flexible enough to meet the needs of services
- Buildings are located in the optimal position to meet the needs of customers, the service and staff.

Corporate Priorities

Plans

Asset Management Plan Objectives





4.1 Property Portfolio

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

The breakdown of property categories is as shown below:-

Category	Number	Asset Value (31/3/12) £'000
Other Land and Buildings	945	£36,820
Community Assets	53	£281
Assets under construction	2	£530
Surplus Assets Not Held for Sale)	186	£10,422
Investment Properties	0	£0
Assets Held for Sale		£1,494
Heritage	12	£314

4.2 Leased Assets

The Leased Assets portfolio has a total asset value of £3,704,145.50 and generates an annual revenue stream of £339,887.10 per year.

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

Investment Type	Number of Properties
Miscellaneous Properties	11
Shops	30
Industrial Estates	8

4.3 Other Land and Buildings and Surplus Assets (excluding leased assets)

The Council's operational estate is held for service delivery purposes. These properties have an asset value of £33,115,869.19 and this is broken down into the property types as shown below:-

Property Type	No of Properties
Admin & Operational Buildings	3
Civic Buildings	2
Museum	1
Car Parks	18
Toilets	5
Community Centres and Sheltered Housing schemes	20
Cemetery Buildings	3
TIC	1
Leisure Centres	2
Other Arts and Leisure facilities	2
Garages and garage sites	878
Golf Course	1
Other Buildings	15
Land holdings	26
Markets	2
Leasehold Flats	152

4.4 Community Assets Breakdown

The community assets held to provide services to benefit the community are detailed below. These properties have an asset value of £281,358 and their type is broken down in the schedule below.

Property Type	No of Properties
Parks and Open Spaces	48
Allotment Sites	14
Cemeteries (land only)	3

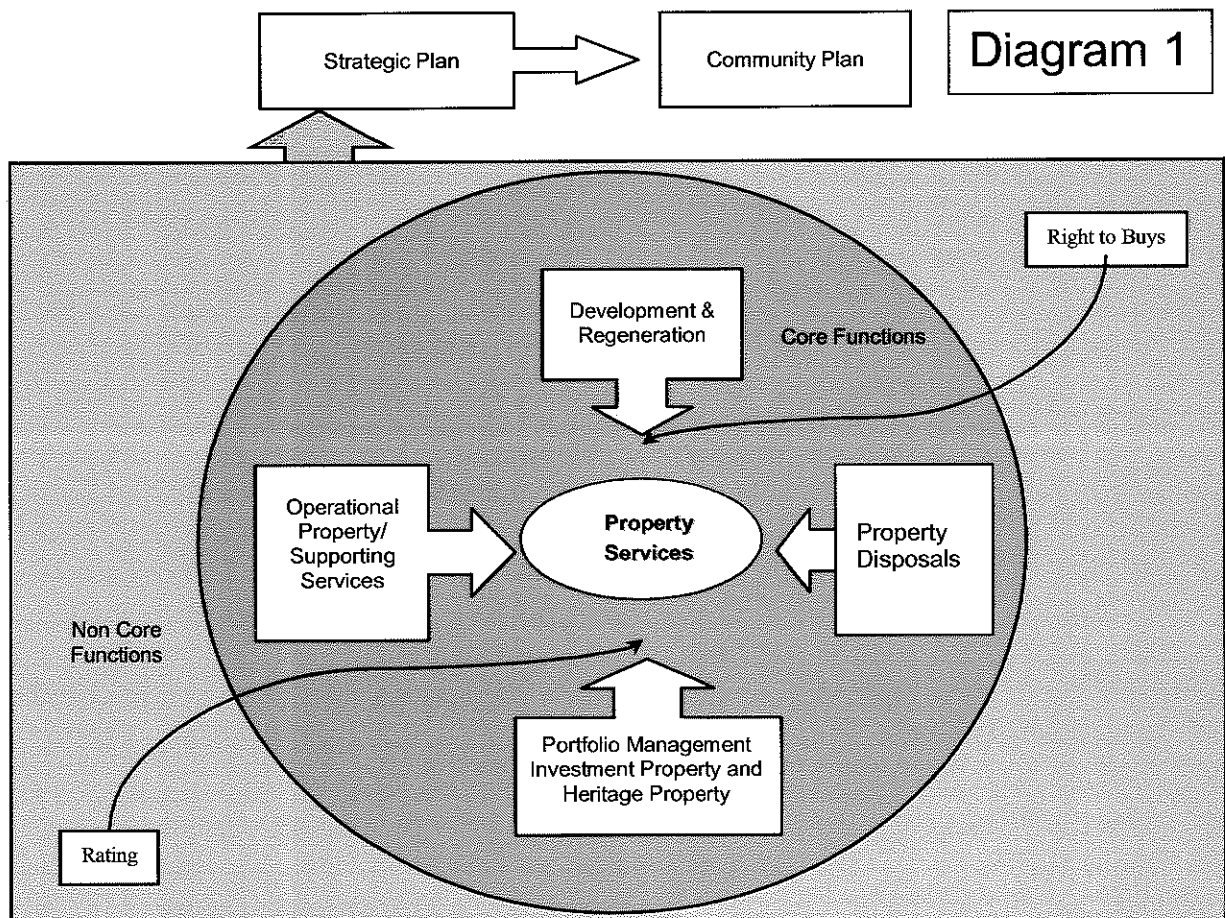
5.1 Introduction

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:-

- Development and Regeneration
- Property Disposals
- Portfolio Management – Investment Property
- 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% - 2.5% dependent on the level of work required to bring sales forward; such fees are charged separately from the disposal price.



Mission Statement

To pursue regeneration and development projects which will 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.

5.2 Development and Regeneration

We are committed to making Bassetlaw a district that people want to live in; a district they can be proud of; a district that is clean, green, safe and healthy. Over the next three years we will work with our partners to regenerate the area and improve the environment people live in. We want to make Bassetlaw a district where people feel safe and are safe. We have already made steps towards improving our principle Town Centres, with investments at Retford Market square, the Development of a Civic square and street market for Worksop. We are committed to a further programme of improvements to both towns, and will actively seek external funding, use our own assets and work with partners to further invest and develop our commercial infrastructure.

The Council is actively engaged with the business community in Retford and Worksop. Support and promotion of the town centres include setting up of food demonstrations, using ingredients from local stores and stalls to promote 'buy local' schemes. We are also supporting town centre businesses with a planned series of seminars and workshops which include window dressing, customer service, and use of promotions.

We also have controlled free parking initiatives which gives shoppers an extra hour free parking on a 'buy two, get one free basis'.

The capital programme includes the provision of work space for business and job creation at the Canal road site (Worksop Creative Village), and we are investing in improving the condition and operations of our car parks.

In terms of business support, following the demise of the direct business Link service, we have established an Enterprise Club, where a peer group of 28 local businesses offer support, advice, guidance and encouragement to new start businesses, and in partnership with the Federation of Small businesses and two local networking groups, we have establish Bassetlaw Business Focus, which offers similar peer group support for all manner of existing businesses.

We understand the responsibility we have in protecting Bassetlaw's fabulous natural landscape and open spaces. We are determined to meet our residents' expectations of cleaner streets and cleaner towns. We will improve our award winning parks and deliver more play areas.

We will take action on derelict buildings and empty homes, bringing them back into use. We will improve the gateways to our towns and villages so that people can be proud to be entering Bassetlaw.

5.3 Development and Regeneration Workplan

- *'What needs to done'*

By undertaking an annual review and updates of this plan it will be possible to incorporate and report on details of progress on current and proposed asset development programmes and measuring success in delivery.

5.4 Actions

The asset management regime is a cohesive set of actions that provides a balance between corporate control and operational priority. To bring about long-term change, a long-term perspective is required. By taking this view, medium and long-term issues affecting service delivery will be addressed. These include how services are planned and business transformation takes place within value for money initiatives, sustainability agenda, and affordability.

While the long term view enables the ability to plan beyond the constraints of the present economic recession. Regardless of this, short-term realities will be addressed in addition to the long-term vision.

The Local Development Framework (LDF) is the “portfolio of different planning documents that the council will prepare as a replacement to the Bassetlaw local Plan. This core strategy is the key LDF document and provides the overarching spatial development framework for the District. It sets out a vision for change in Bassetlaw to 2026, along with place-specific policy approaches to be taken in order to deliver this vision.

The Asset Management Plan will be a key delivery vehicle for the Core Strategy, setting out how the Council will use its assets to contribute to the achievement of the overall vision for change.

The Council is now progressing the development of a Community Infrastructure Levy (CIL). The CIL is a charge that local Council's can make on all new development in their area, in order that the necessary infrastructure needed to support that development (e.g. transport upgrades, school places, village halls, play areas, etc.) can be provided. The Council will adopt its CIL Charging Schedule in early 2013.

5.5 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 demand.

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 the key development projects
- Phasing strategy required in order to maximise opportunities
- Lack of quality business start-up space
- Weak inward investment offer
- Market Volatility
- Significant areas of land already owned by developers

5.6 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 (LDF) and accord to the 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 that will 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.

5.7 Development and Regeneration Workplan

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

Mission Statement

To meet the capital receipts targets set out in the five year Capital 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.

The disposal of land and buildings for commercial purposes will in the short to medium term be difficult. In the market place generally, with the exception of food retailing, the demand for commercial land regardless of its prime position is limited. This mainly due to the economic recession, and tied into this the limited supply of commercial funding opportunities. This, taken with the costs associated with the liability to pay rates on empty properties has impacted on commercial development.

In relation to residential building land, despite having a significant land bank it is clear that land values for residential development land have been severely impacted. Residential developers who have existing "land banks" have seen the value of their assets effectively halve in value since September 2007.

Research from property agents shows the emergence of stockpiles of over valued land sitting on house builder's balance sheets that cannot be turned into valuable assets until the housing market recovers. The impact is that the market values of redevelopment sites have been adversely affected and will remain so until residential developers start to bringing sites forward for development and require land to maintain their land banks. It is clear that difficult to develop sites will not be seen as of interest to residential developers until their own land banks have been substantially reduced. However, this is not to say that the Council should not market smaller sites that will still be of interest to building companies looking to smaller scale developments.

Vacant land and buildings do have an inherent financial implication. For example in terms of ongoing maintenance, security, insurance, empty rates payments, all of which may influence the decision making process to the point where instead of holding an asset until such time as the market improves, it is more viable to seek early disposal to avoid any continuing outgoings and other vacant property management liabilities.

6.1 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.

6.2 Key Objectives

- To achieve a Capital Receipts Target (General Fund and Housing) / Allowable income loss as summarised below:-

	2013/14 £	2014/15 £	2015/16 £	2016/17 £	2017/18 £
Capital Receipts Target	1,734,000	1,800,000	2,500,000	1,600,000	250,000
Loss of Rental Revenue Stream	9,600	0	0	0	0

- To generate Council House Right to Buy capital receipts as outlined below:-

	2013/14 £	2014/15 £	2015/16 £	2016/17 £	2017/18 £
Property Disposals - RTB	73,000	75,000	153,000	236,000	322,000

- 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
- Strategic Service Priorities
- Regeneration
- Identification of joint service delivery and partnership working

- Co-location
- Property rationalisation
- Community transfer of assets
- Sustainability.

The Council's capital receipts 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.

6.3 Disposal Workplan

A workplan has been developed which details priority actions under this strategy. The disposal of surplus property assets provides funding that will help deliver priorities. Increasingly the identification, marketing and subsequent disposal of surplus, under-utilised or under performing property has become a priority for the Council. However the timing of these disposals must have regard to the prevailing market conditions in order to ensure that the maximum benefit to the Council is achieved.

The disposals workplan outlines the processes to be followed in terms of initial consultations to confirm that surplus premises are not required elsewhere within the authority, through to marketing and final disposal of the property interest.

The impact of the current economic climate and the remaining significant uncertainty regarding the timescale for economic recovery renders the development of a disposals workplan for a 5 year period that can be relied upon as somewhat problematic. It is not possible to predict when the market will recover, or what values will be achieved post recovery. Nevertheless, opportunities to dispose of surplus assets should still be pursued, in particular where these represent an ongoing liability to the Council regardless of the current market conditions.

7.0 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 Councils estimated outturn income from Leased Assets 2012/13 is:

Industrial Estates	£186,798
Miscellaneous Properties	£57,354
Shops	£95,735
Total Revenue Stream	£339,887

7.1 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 lease and tenancy agreements that have been adopted 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.
- Ongoing Programmed Property Maintenance (PPM) is required in order to ensure that investment assets are fit for purpose.
- The new Property Management software needs to be fully populated with data.
- More effective management of tenant rent arrears through early contact and use of bailiff action where necessary.

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/demand for properties held in portfolio

- Property condition
- Tenant default (failure to pay rent and comply with repair covenants)
- Property voids

7.2 Key Objectives

- Property management to maximise investment return in line with market conditions.
- Debt management through liaison with tenants and if necessary, bailiff action to recover arrears.
- 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 in order to enhance the income streams outlined above.
- The disposal of under performing assets in order to reduce the Council's costs in terms of management and day to day maintenance and to provide a source of income to reinvest in replacement income producing assets

7.3 Portfolio Management and Investment Property Workplan

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

Mission Statement

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

8.1 Current Position

Key Strengths

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

Areas for Improvement

- A number of properties are maintained by Council services outside of Estates and these will benefit from centralised management in the future.
- New management software is now in place for estates and existing records are being transferred.
- 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

- Maintenance budget must be adequate to meet five year programme.

8.2 Key Objectives

- To understand the needs/requirements of Services to ensure that the property they occupy 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 (Total Place initiatives).
- Acquire new Properties where a service need has been identified and as a solution to resolve issues identified in first round suitability surveys.

8.3 Operational Property/Supporting Services Workplan

A workplan has been developed which details priority actions under this Strategy. In effect there has to be a change in culture; Council's land and property is a corporate resource and when services operate out of these from these resources they are the temporary custodians of those public assets rather than owner occupiers however they still have the responsibility for maintaining their value.

Opportunities to adopt more agile ways of working through "Workstyle" opportunities, which include "Hot Desking and Touchdown facilities" together with remote based working. These cultural changes will need to be developed to ensure that the existing accommodation used for office based work is used efficiently and under ideal circumstances this will reduce the overall office space the Council requires. Through "Workstyle" efficiencies and the increased use of IT and smart working including home based work or working from remote locations this will be possible. The reduction in office space requirements will result in an overall reduction in running costs of the Council's administrative buildings. However, this will come with their own costs since these benefits will need to be properly resourced through investment by the Council in better systems, IT and accommodation.

10. PROPERTY ASSET PRIORITIES

Property asset management affects a wide range of Council services and portfolios.

9.1 Property Rationalisation

- The ongoing improvement work to Queens Buildings as a solution for the provision of quality office accommodation that improves the customer experience and delivers substantial savings through the release of, decommissioning, and subsequent disposal of existing offices
- The identification of co-location with partner organisations
- The appraisal of opportunities to identify potentially significant cost savings through a reduction in space requirements. This could well be achieved through the concept of “Workstyle”, a flexible working solution. In developing this strategy, there will be a requirement to investigate the better utilisation of Council meeting and training rooms, together with storage of archive data. Research will be required however if this is oversupplied in terms of space this is a potential area where savings may be achieved. Additionally, opportunities with other public organisations to share centrally a flexible archive should be considered.

9.2 Regeneration

Regeneration is critical to the delivery of Council objectives. We have a strong ambition to regenerate redundant sites, which can be developed to provide an improved environment, better quality of housing, open space and business opportunities.

We have clear ambitions to improve the vitality of the town centres of Worksop and Retford and will seek to secure a step change in employment and housing growth around Harworth and Bircotes.

By the prudent use of our own assets we will seek to change the quality and provision of employment space, as well as delivering high quality, energy efficient affordable housing units while preserving and protecting both the built and natural environment.

We will seek to dispose of low quality, poor yield commercial premises and reinvest into more modern, higher quality premises which will not only give us a better return, but help shift the economy onto a higher value plane.

Objectives:

- Productive and competitive business (a competitive economy).
- Economic inclusion and increasing participation (raising aspirations, encouraging enterprise, increasing employability and learning and enhancing neighbourhood cohesion).

9.3 Identification of Joint Service Delivery & Partnership Working

The Government has identified partnership working as a key means through which much of its policy programme is to be delivered at a local level. The success of this is dependent upon strong leadership, innovation and the spirit of partnership using expert understanding of the needs of residents, customers and citizens.

Initially a number of pilot areas were identified but without doubt in the current economic climate the opportunity for public sector organisations to work together and share resources will bring about 3 main benefits:

- Transforming services that will improve the experience of local residents and deliver better value
- Deliver efficiencies to validate the work
- Accumulate baseline knowledge about how effective cross agency working delivers the above.

9.4 Housing

A1 Housing (Bassetlaw) Ltd, is the Council's Arm's Length Management organisation (ALMO) which is committed to bringing up to the decent standard all of the Council's 7,000 dwelling houses by the end of the life of the Corporate Plan. The Housing Investment Programme business plan completed by A1 Housing indicated that there was in excess of £41.5m that needed to be spent to bring council owned dwellings to a decent standard by 2013.

The 6 key areas of work to be progressed being:

- Decent Homes Scheme to be completed
- Standards improved in the private rented sector
- Fuel poverty in the district reduced
- Greater choice of quality housing in the district
- The reduction of vacant homes across the district
- Increasing the number of affordable homes in the district.

9.5 Co-location of Services

To provide a more customer focused and efficient organisation, the merits of multi-purpose, co-located service delivery buildings in strategic locations throughout the district needs to be examined. This opportunity would seek to improve customer relationships, providing access to services, information and support, in good accommodation at one convenient location. It also reduces costs through the economies of single site provision and, wherever possible, through flexible design to allow for ease of adaptation in the future.

9.6 Community Transfer of Assets

The transfer of assets to, and active management of community facilities by the communities themselves, is one way of achieving more responsive services that meet local needs and priorities. The Quirk Review of Community Management and Ownership of Public Assets concluded that community ownership and management of public assets can bring, in some instances, substantial social and community benefits.

This may in turn create more confident and empowered communities and this is an approach that should be recognised and supported. Since this may also mean that the Council can divest itself of certain properties, it no longer has any direct use for, and so as a consequence potentially making savings.

The announcement of central government's proposed "Decentralisation and Localisation Bill" and its potential effect on how this proposed legislation will affect how Bassetlaw manages its services and assets has yet to be seen. However, this will give further empowerment to local communities seeking to take over the operation of Council owned property assets to provide services as a local level.

The Community Right to Buy is an intrinsic part of the Localism Bill (Part 4, Chapter 4), currently at Committee Stage in the House of Commons. While the Bill sets out certain principles around the Right to Buy – "a guiding framework".

The government has decided not to draw up a long list of buildings and land that fall within this definition. This would be far too prescriptive, it feels. Instead, it is proposing to draw up a list of buildings and land that are definitely not of community value and will then allow local authorities to use their discretion to determine what is of community value. So it can expect to see different interpretations up and down the country. In deciding whether a nominated asset should be listed, the local authority will need to exercise its general duty to take all relevant matters to be consideration when making its decision.

It is intended that land and building of community value would be considered if:-

- its actual current use furthers the social wellbeing and interests of the local community, or a use in the recent past that has done so
- that the use is not an ancillary one
- for land in current community use it is realistic to think that there will continue to be a use which furthers social wellbeing and interests, or for land in community use in the recent past it is realistic to think that there will be a community use within the next 5 years
- it does not fall within one of the exemptions which are currently being collated; such as residential premises that have additional land.

Despite the above, Asset transfer may not always be the best way forward and in shaping any decision, consideration has to be given with regard to both the risks involved and the benefits to be gained from such arrangements. By reference to similar projects undertaken elsewhere in the country, experience and knowledge can be introduced into that decision making process.

9.7 Sustainability

'Meeting the needs of the present without compromising the needs of future generations.' Sustainability is about use of resources, the impact on the environment and on the economy.

Sustainability and climate change is firmly embedded within the Council's strategies, policies and programmes. For example: The Corporate Strategy, Climate Change Strategy, Local Climate Impacts Profile and the Carbon Management Plan.

To successfully achieve sustainability and reach carbon reduction targets, the integration of sustainability into asset management is a commitment that should be made. Whether taking into account a properties lifespan, regeneration or use, key themes (outlined below) of sustainability should be considered.

- **Energy Efficiency:** A building will always have energy costs and emissions. By reducing the energy use you make savings and reduce emissions. It is highly unlikely that energy prices will decrease in the near future and very likely that a building will at some point become part of the Governments Carbon Reduction Scheme, whereby an organisation pays a fee for every ton of Co2 it produces.

Monitoring the energy used therefore becomes an essential part of property management as well as a future legislative requirement. From monitoring, targets and actions can be put in place to decrease the organisations impact on the environment and make it more economically viable.

- **Carbon Reduction:** Low carbon technologies are part of the modern world and should be automatically considered in new build or regeneration. Generating green and clean power using renewable technologies is a key consideration in asset planning and projects, whether this is solar, hydro or ground source. The opportunities presented by these technologies reduce the organisations impact on resources and cash flow. Long term investment is often needed but the payback is made worthwhile through tariff schemes such as the Feed in Tariff and Renewable Heat Initiative.
- **Water Consumption:** Water is often the forgotten resource when considering efficiency and emissions. Because of the processes it goes through the emissions per ton are higher than that of fuel. Water is not the infinite resource we think it is.

Monitoring water should run alongside the energy consumption and adhere to targets and benefit from engineering and behavioural solutions.

In terms of new build, sustainable urban drainage should be considered wherever possible. Inside the building water saving taps, dual flush cisterns and flow restrictors can notably reduce water waste.

- **Use of Sustainable materials:** when selecting materials for use of construction or refurbishment consideration of both the environmental impact of their production as well as options for re-use or recycling in the future.

When considering the life cycle impact of decisions is not something that can be ignored. Work with supply chain will integrate this thinking into the decision-making processes. It is expected that for major projects sustainability assessments of materials needs to be evaluated for construction works, and specific targets for use of recycled materials is achieved.

A key part of whole life assessment must be to address the sustainability aspects of the facilities. In some areas there are clear links between whole life costs and sustainability, such as the direct costs of energy usage.

- **Waste minimisation and recycling:** reducing waste and identifying uses for waste that cannot be avoided should be part of day-to-day business across the operational estate. Appropriate facilities are available for the segregation and

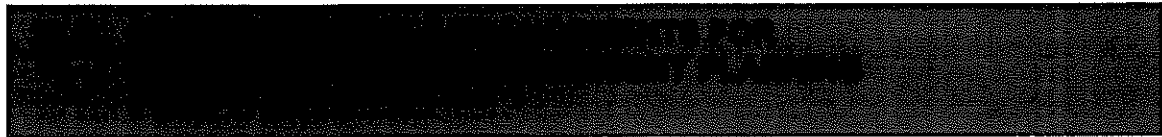
storage of wastes where this is required to enable sustainable waste practices. However waste management plans also need to be part of all of projects relating to all BDC assets. The principles of the site waste management plan regulations will be applied to all of any new projects undertaken by the Council, whether or not they meet the thresholds included in the legislation.

- **Sustainable Design:** The ethos of sustainable design is to make it multifunctional, flexible and capable of different uses throughout its lifespan. A well designed building can withstand the test of time and adapt to different uses. Even our oldest buildings can be flexible and redundant buildings should be considered as a valuable resource and reused if possible.

The Council should be committed to using and applying principles of sustainable design and the will to achieving BREEAM excellent ratings in all applicable projects.

- **Preparing For Climate Change:** The Council currently has an LClip (Local Climate Impacts profile) on the local weather events that have affected this area in particular. Once again flooding has proven to be the adverse weather event that impacts most in Bassetlaw and the work already done in regard to flood mitigation have proved successful. These works continue and adaptation and mitigation to the impact of climate change and associated extreme weather events should be part of all asset management. Adaptation and mitigation seeks to ensure that the asset remains fit for purpose throughout its operational life.
- **Social and user environment:** the asset can have a considerable influence on the quality of service provided to the public. Sometimes user satisfaction may be as important as other issues such as financial and environmental aspects. By clear specifications and expectations regarding building use and how appropriate the Council's assets are for their intended use, their accessibility, together with user and staff perceptions of safety.

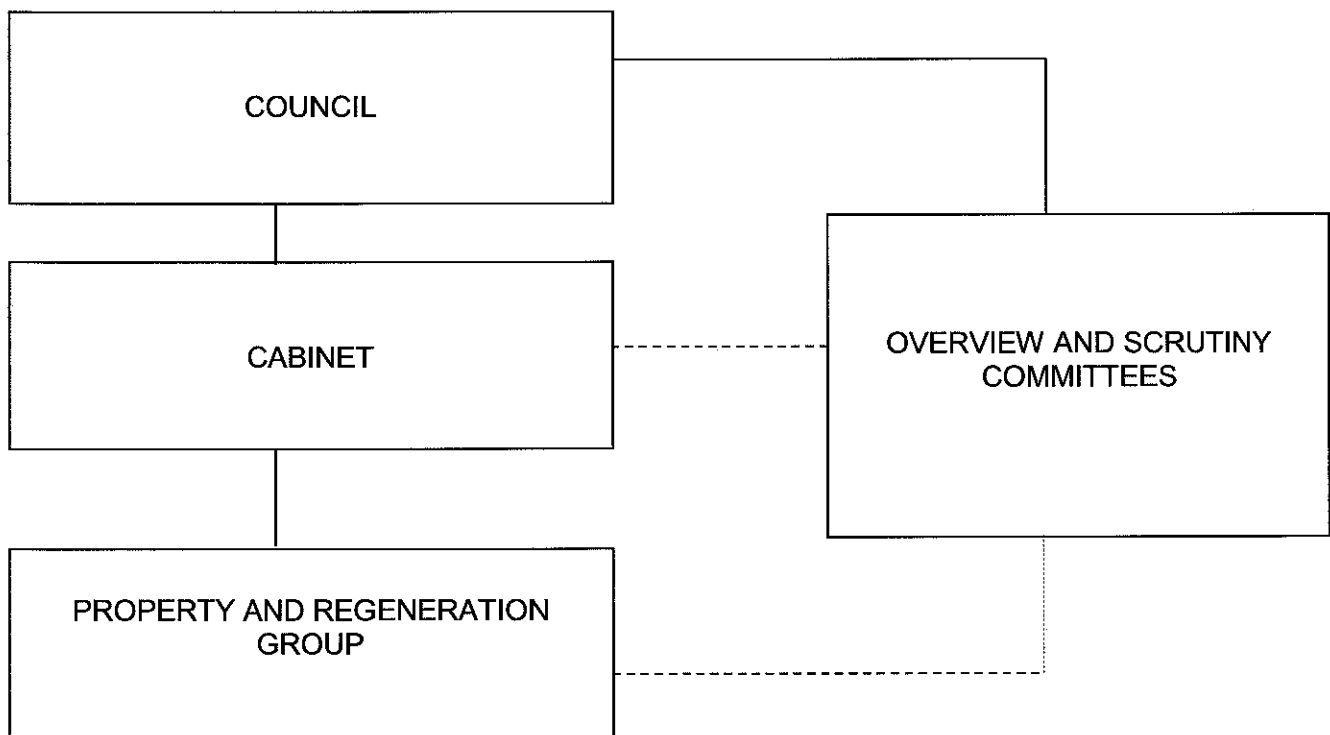
Sustainable options often impact heavily on the initial outlay of a new build or regeneration of an old one. However if used correctly the buildings lifespan is longer and the payback in savings will often far out way the initial investment and within ten years. An organisation needs to look to the future when considering its assets.



10.1 Introduction

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

10.2 Political Corporate Asset Management Structure



10.3 The Council

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

10.4 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.

10.5 Property and Regeneration Group

The Property and Regeneration Group has the following Terms of Reference:

1. To plan, recommend and monitor the Authority's Capital Programme to ensure the best coordination of resources and delivery of agreed budgets

within timescales. This will include the compilation of the recommended projects, their resourcing and monitoring throughout the relevant financial year.

2. To review the Council's land and property holdings with emphasis on their use and relevance to the needs of the Council.
3. To review the Council's land and property requirements and ensure that land and property matters are dealt with efficiently and corporately.
4. To make recommendations for further investment in and safeguarding of the Council's land and property holdings.
5. To contribute towards the selection of potentially saleable land and property.
6. To consider matters relating to strategic sites within Bassetlaw to maximise town centre regeneration and external funding opportunities related to land and property considerations.
7. To promote value for money in all capital projects and the whole-life implications of new and existing assets.
8. To consider the land and property aspects of all projects being prepared in accordance with the Council's approved budget and be aware of wider considerations such as:-
 - The availability of sites and premises within the District irrespective of ownership
 - The demand for sites and premises
 - the availability of external resources to bring forward new sites and premises
 - The development of regeneration programmes within the District.
 - The approval of the Asset Management Plan
 - Using its own land and property resources to encourage new business and employment opportunities to the district
 - Using its land holdings to support affordable housing in conjunction with external funding.
9. Intervention in the market place with the Council undertaking development that private developers might not undertake and the increasing role of the Local Authority both as a facilitator and enabler.

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

Director of Resources (Chairman)
Head of Finance and Property
Head of Community Prosperity
Property Manager
Senior Housing Manager
Environment Services Manager
Economic Development Manager

Planning Policy and Conservation Manager
Principal Building Control Surveyor
Senior Accountant
Sustainability Officer
Facilities Manager

10.6 Scrutiny Committees

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

10.7 Corporate Property Officer (CPO)

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;
- To collate and disseminate information in relation to land, buildings, and other property related assets.

The Corporate Property Officer or his nominated representative attend all working groups and regularly advises Members at the Property & Regeneration Group. The CPO's staff provide professional, technical, and administrative support to the above processes.

11.1 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.

Physical condition surveys have been undertaken on 66 properties and sites. The survey then divides the building or site up into a number of elements which is then allocated a condition category from A to D. Each element also has a repair budget allocated to it as well as an identified life expectancy until that element requires repair or replacement.

Where only a repair is identified for an element the budgeted sum reflects an upgrade to condition B. There may be circumstances where a different standard is appropriate for example a short life building used for a temporary purpose. In all cases however the asset must comply with statutory requirements such as health and safety, disabled access, food hygiene.

11.2 Condition Grades

A = Good.- Performing as intended and operating efficiently.

B = Satisfactory.- Performing as intended but exhibiting minor deterioration.

B(C) = Items currently condition B but will fall to condition C within 5 year period.

C = Poor.- Exhibiting major defects and/or not operating as intended.

D = Bad.- Life expired and/or serious risk of imminent failure.

In addition, a repair cost has been entered against each repair to bring the component up to a sound/operationally safe condition. An estimate of time remaining until the repair is implemented has also been allocated. The time allocation covers a five year projection. The extent of items has been measured and a descriptive note recording location within premises so that items can be located. A note describing the fault and corrective work has been provided together with its location by floor and room number in the main condition report document for the physical condition surveys.

11.3 Maintenance Backlog

A further round survey of all properties excluding housing assets managed by A1 Housing is proposed to be undertaken. A five-year planned maintenance programme will be developed further 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 the 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.

11.4 Scope of Work

- Disability Discrimination Act (DDA) - ongoing program of access audits and reports which are now stored electronically. .
- Control of Asbestos at Work Regulations – maintaining and updating the asbestos register.
- Control of Legionella HSE approved code of practice – risk assessments and ongoing responsibility for water monitoring regimes.
- Regulatory Reform (Fire Safety) Order 2005 - risk assessments review to ensure compliance with the order.
- Energy Performance of Buildings Regulations – annual update of Display Energy Certificates and advisory report.
- Carbon Reduction Commitment (CRC) – mandatory emission trading scheme to deliver reduction in greenhouse gases.
- Electrical Testing – to ensure compliance with the Electricity at Work Act 1989.
- Portable Appliance Testing (PAT) – testing of electrical equipment on an annual basis now undertaken by the Council's Facilities Officer

11.5 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) The approved revenue repairs and maintenance budget for 2012/13 was £280,700.
- 2) 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. It should be noted that whilst a property is vacant pending disposal it will continue to be a draw on the Council's budget in terms of vacant property management costs.
- 3) 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. Together with the proposal to lease the former Central Library at Central Avenue, Worksop to the Aurora Well Being charity
- 4) 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.

- 5) Applications for external funding to match fund capital monies provided by the Council. Significant potential exists to lever match funding for the Council's heritage properties.
- 6) Invest to save bids will be submitted to carry out energy efficiency improvements to Council property.
- 7) The use of SCAPE to facilitate repairs and maintenance to properties identified in the backlog maintenance schedule with the associated opportunities that will become available to achieve better value for the Council, in terms of the Council's money being spent locally and staff time being directed to work projects rather than the normal tender and procurement process that can become a potentially protracted process.
- 8) The disposal of surplus or 'non-fit-for-purpose' property that is in poor condition, large backlog maintenance cost, or in poor legislative compliance
- 9) Effective management of investment estate through enforcement of tenant obligations under leases and tenancy agreements.
- 10) Properly planned and reactive maintenance prioritisation to comply with the maintenance.
- 11) The effective targeting of maintenance by reference to condition survey reports.
- 12) Limiting maintenance spends of non-strategic buildings to Health & Safety and legislative compliance reasons only.
- 13) Centralised maintenance budgets will be strictly controlled to ensure expenditure is only on maintenance related repairs.

11.6 Main Issues

Backlog Maintenance Works

Total remedial work required for the BUILDING and M&E Elements:

(Note that this is based on an estimated Gross Internal Floor Area of 62,050m²)

11.7 Budget for Future Maintenance Works

Total remedial work likely to be required within a five year period for the BUILDING and M&E Elements:

Building Survey	£ 1,595,889.00
M&E Survey	£ 312,696.00
<u>TOTAL COST</u>	<u>£ 1,908,585.00</u>

Cost per m² (average) £ 30.75/m²

(Note that this is based on an estimated Gross Internal Floor Area of 62,050m²)

These figures are exclusive of Prelims, Profit, Contingency, Fees, Expenses and VAT and are for backlog works only; they exclude costs relating to any proposed service or facilities developments. They are based on bringing all areas up to a sound and operational (not new) condition.

Through the proposed framework agreement with Scape it is envisaged that there is a potential to make savings in relation to the costs identified in the above program of works.

11.8 Breakdown of Condition Bands

The buildings surveyed fall into the following Condition Bands:

Band 1 (£0 - £25/m²) 32%

Band 2 (£26 - £75/m²) 26%

Band 3 (£76 - £100/m²) 06%

Band 4 (>£100/m²) 36%

The percentages above are based on the number of properties that fall into each band.

Breakdown of Priority Grading

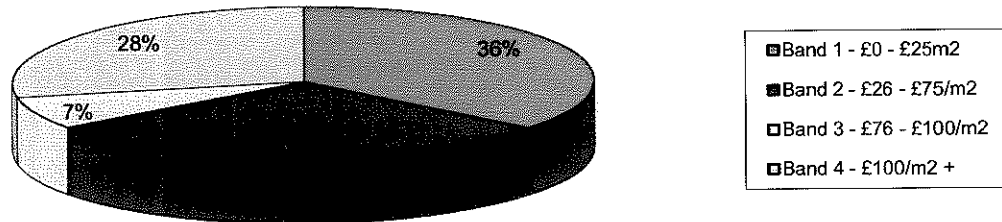
The buildings surveyed fall into the following Priority Gradings:

- Priority 1 - 1% £ 54,700
- Priority 2 - 42% £ 2,176,668
- Priority 3 - 57% £ 2,955,526
- Priority 4 - 00% £ 0

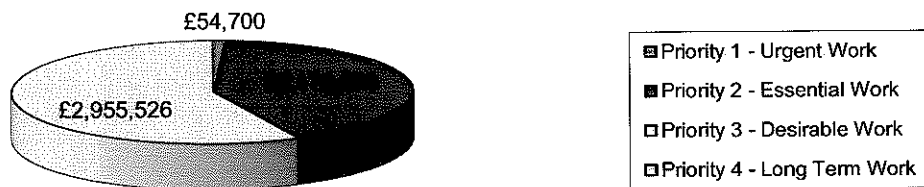
Bands applied:

- Priority 1 - Urgent Work,
- Priority 2 - Essential Work,
- Priority 3 - Desirable Work
- Priority 4 - Long Term Work.

**Breakdown of Condition Bands
for Bassetlaw District Council**



**Breakdown of Priority Grading Cost
for Bassetlaw District Council**



11.9 Summary

Contractors acting on behalf of the Council a physical condition survey of selected properties.

The surveys undertaken within the study relate to conditions prevailing on site in June 2009. See property schedule in Appendix 2.

12.1 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.

12.2 Co-ordination of Asset Management Information and its Integration with Relevant Financial Organisational 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 Valuation Standards 6th edition (red book) requirements. From 1st April 2010 local authorities have been obliged to introduce IFRS

Accounting. IFRS places greater emphasis on Componentisation i.e. the requirement to depreciate separately those parts of an asset which have “a cost that is significant in relation to the total cost of the asset”.

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.

12.3 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 realistic and 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 the property services staff who 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. On each site there should be a building log book containing all necessary information in relation to statutory and legislative requirements including legionella, and asbestos records. In addition there should be an individual appointed as the Responsible Person and Building Occupier's Representative.

A review of controls will be carried out this year alongside the ongoing implementation of the new property management system.

13.1 Overview

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

13.2 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:-

Ref	Indicator	Definition	Corporate Link
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

13.3 Property Review/Suitability

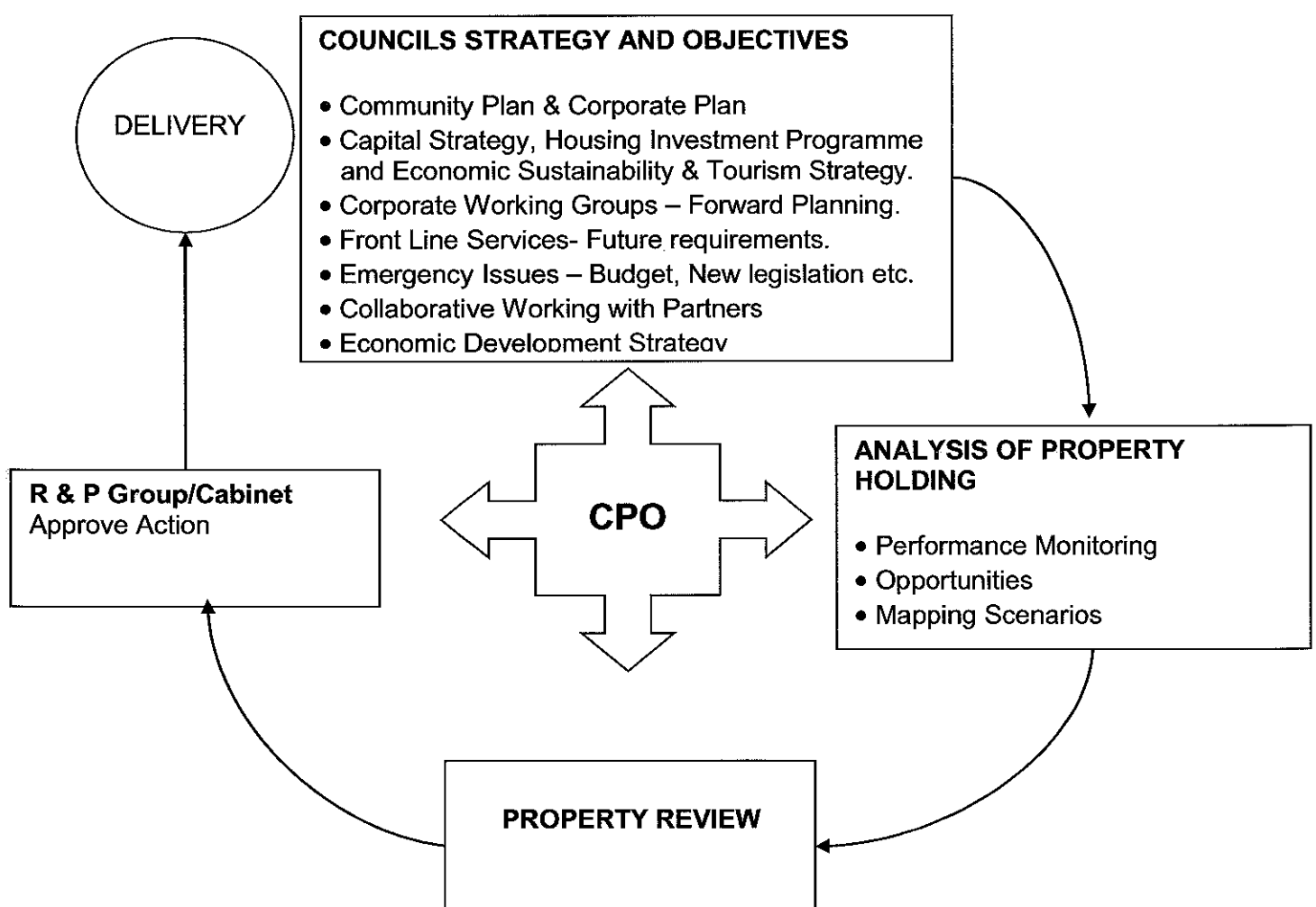
A robust property review exercise is fundamental in developing an effective management strategy.

Property review is undertaken on an ongoing basis. By setting, monitoring and reporting against performance targets, in conjunction a more formal review process. Assets are considered against whether or not they are being employed in delivering the identified requirements of the services.

14.1 Property Review/Suitability

A robust property review exercise is fundamental in developing an effective asset management strategy. The Council's 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 8, 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 Corporate Property Officer (CPO) interacts regularly with front line services and has a full understanding of their requirements. The standard suitability survey is also attached in Appendix 1. 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.

There will be increased emphasis on public sector organisations to seek out opportunities to jointly work together by sharing premises and strategic locations in the district. The identification of co-location opportunities with other public sector organisations will seek to maintain customer focused services whilst aiming to reduce costs through economies of scale. This process may well also free up existing premises that fall surplus to an organisations requirements that then can be considered for potential disposal.

These locations may be satellite managed workspace, but the intention would be to have quality accommodation in one location that provides public access to services and maintains and improves relationships with customers.

14.2 Future Proposals

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 for example:-

- Land at Sandhill Lake; joint working with Notts County Council, Real Education and the PCT to provide services to local disaffected young people in a supported environment

14.3 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 Corporate Property Officer 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.

The Association of Chief Estates Officers (ACES) hold regular meetings for its members and discuss a wide range of property relates issues as well as issuing guidance to members. There has been increasing attention paid to Asset Management Plans and with the impact of the CSR this information is likely to be of increased benefit to its members.

APPENDIX 1

Summary of Key Objectives

Key Objectives	Anticipated Delivery Date
<ul style="list-style-type: none"> Implement property disposal strategy 	Ongoing since September 2011
<ul style="list-style-type: none"> 5 year PPM schedule that identified statutory and non statutory work 	Ongoing work
<ul style="list-style-type: none"> 5 year program to ensure front line properties are fit for purpose 	Ongoing work from April 2011
<ul style="list-style-type: none"> Bassetlaw District Council "in house" targets 	Within Central government timetable 2020
<ul style="list-style-type: none"> Report to Cabinet approved Centralisation of Property & FM services Operational property fit for purpose in line with condition surveys 	<p>Recommendations implemented</p> <p>Completed</p> <p>Ongoing</p>
<ul style="list-style-type: none"> IT system purchased Property records updated 	<p>In place</p> <p>Ongoing work</p>
<ul style="list-style-type: none"> Develop employment opportunities in Worksop and Harworth Improve the quality of our Town Centres 	<p>Demand studies ongoing</p> <p>Work to Bridge St. Market and Retford Market Square – completed</p> <p>Worksop Market Place – completed</p> <p>Public Realm Works – completed</p> <p>Initial sites identified</p>
<ul style="list-style-type: none"> Target with partners vacant garage sites especially rural ones for affordable housing Maintain the provision of quality employment sites 	Ongoing

APPENDIX 2

Property Review / Suitability

PROPERTY HOLDINGS REVIEW - ASSESSMENT SHEET

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

INSERT PHOTO

5. CONTRIBUTION TO COUNCIL'S MAIN AIMS/OBJECTIVES

	Low	Medium	High
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	£
Total	£

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	B	A
		C
Poor		
	High Investment	Low Investment

- 11.7 Suitability Matrix (Operational Properties Only)

High suitability	B	A
		C
Low		
	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.

An Action Plan would be identified in Property Review process.

APPENDIX 3

Backlog Maintenance

The schedule is based on physical condition surveys completed October 2009. These costs exclude any costs in relation to service or facilities development. They are based on bringing the premises up to a sound and operational (not new) condition.

Property Types and Addresses

Site	Address	Block	Total Cost
001	Queen's Building	01 - Main Building	£600,000* (see note 1)
002	Worksop Town Hall	01 - Main Building	£180,000
003	Worksop Town Hall	Link 01 - Main Building	£62,275
004	Retford Town Hall 01	Main Building	£232,100
005	17b The Square	01 - Main Building	£100,000
007	Retford TIC	01 - Main Building	£17,350
008	Worksop TIC	01 - Main Building	£99,520
009	Harworth Housing Office	01 - Main Building	Now sold
010	Kilton Forest Golf Course	00 - Main Building	£15,000
010a	Kilton Forest Golf Course	01 - Main Building	£85,800
011	Memorial Avenue Depot	01 - Main Building	£72,570
012	Carlton Forest Depot	00 – Site	£14,000
012a	Carlton Forest Depot	01 - West House	£34,950
012b	Carlton Forest Depot	02 - Training & Development Centre	£2,200
012c	Carlton Forest Depot	03 - Environmental Services	£36,990
012d	Carlton Forest Depot	04 - The Bungalow	£26,930
012e	Carlton Forest Depot	05 - Carlton Forest House	£72,440
012f	Carlton Forest Depot	06 - East House	£49,490
013	88 Albert Road	01 - Main Building	£28,500
014	Bircotes Leisure Centre	01 - Main Building	£327,653
015	The Pavilion, Kings Park	01 - Main Building	£14,764
016	Goosemoor Lane, Changing Rooms	01 - Main Building	£15,950
017	Retford Nurseries	01- Offices	£180,000

017a	Retford Nurseries	02 - Racket Court	£44,550
017b	Retford Nurseries	03 - Potting Sheds	£66,000
018	Sandhill Lake	Toilets 01 - Main Building	£23,500
019	Costhorpe Sports Ground	01 - Main Building	£8,860
019a	Costhorpe Sports Ground	02 - Changing Rooms	£41,790
020	Langold Country Park	01 - Cafe	£12,500
020a	Langold Country Park	02 - WC	£5,724
020b	Langold Country Park	03 - Kiosk	£1,900
022	Amcott House Museum	01 - Main Building	£100,000
022a	Amcott House Museum	03 - Store	£87,030
023	Chancery Lane	01 - Main Building	£4,860
024	Chapelgate	01 - Main Building	£7,660
025	Park Street	01 - Main Building	£22,340
026	Gateford	Road 01 - Main Building	£8,970
027	Main Street	01 - Main Building	£5,250
028	Worksop Cemetery	01 - Chapel	£41,500
028a	Worksop Cemetery	02 - Office & WC	£11,328
028b	Worksop Cemetery	03 - Sheds	£400
029	Retford Cemetery	01 - Main Building	£12,930
030	Carlton Phoenix	00 - Site	£2,000
030a	Carlton Phoenix	01 - Main Building	£255,000
030b	Carlton Phoenix	02 - Block 02	£178,000
031	Old Brewery Yard	01 - Main Building	£360,000
032	Canal Terrace	01 - Main Building	£50,000
033	Leverton Road	01 - Block 01	£140,000
034	Leverton	Road 03 - Block 03	£6,000
035	Goodwin Hall	01 - Main Building	£10,000
036	Former Baths, Albert Road	01 - Main Building	£109,900* (see note 2)
037	Northumberland Avenue Community	C 01 - Main Building	£23,650
038	CAB Central Avenue	01 - Main Building	£8,750
039	Chapelgate, Retford	01 - Car Park	£39,000
040	West Street, Retford	01 - Car Park	£27,500
041	Chancery Lane (North), Retford	01 - Car Park	£5,000
042	Chancery Lane (South), Retford	01 - Car Park	£1,000
043	Carolgate/Wharf Road	01 - Car Park	£15,250

044	Churchgate, Retford	01 - Car Park	£80,250
045	New Street, Retford	01 - Car Park	£64,750* (see note 3)
046	Adj 77 John Street, Worksop	01 - Car Park	£250
047	Adj 99 John Street, Worksop	01 - Car Park	£750
048	Lead Hill, Worksop	01 - Car Park	£19,200
049	1 to 11 Gateford Road Worksop	01 - Car Park	£25,770
050	Priorswell Road, Worksop	01 - Car Park	£51,700
051	Castle Hill, Worksop	01 - Car Park	£12,250
052	Adj 10 Newgate Street, Worksop	01 - Car Park	£44,500
053	Adj 28 Newgate Street, Worksop	01 - Car Park	£45,000
054	Adj 49 Newgate Street, Worksop	01 - Car Park	£54,250
055	Adj 65 Potter Street, Worksop	01 - Car Park	£18,000
056	16 Queen Street, Worksop	01 - Car Park	Site identified for new bus station
057	Farr Park, Worksop	01 - Car Park	£1,000
058	Carr Road, Retford	01 - Car Park	£9,360
059	Adj Old Brewery Canal Terrace	01 - Car Park	£18,500
060	Little Theatre Retford	01 - Car Park	£250
		Total	£4,452,404

Notes:

The backlog maintenance figure previously stood at £5,148,894 as at April 2011. The reduction has been achieved through a mixture of completed improvement schemes and property disposals, a reduction of around 14%

Note 1 - Adjusted figure following refurbishment works were completed within 2011/12 financial year for the following items:

- i) Window frame replacement - £220,000
- ii) Replacement kitchens - £60,000
- iii) Refurbished male and female wc's - £100,000

Note 2 - Subsequently leased on full repairing and insuring terms

Note 3 - Car park in the ownership of Notts. County Council and managed by Bassetlaw DC.

Additions to Operational Estate:-

73 Bridge Street, Worksop - This property has been added to the operational estate as a result of the requirement to relocate the existing public toilets and markets office and store to a more appropriate location closer to the relocated open markets that previously operated on the site of the new Savoy Cinema. The first floor of new premises will also provide a file storage solution and enable files to be moved from Old Brewery Yard, so freeing up space that can be relet.

BASSETLAW DISTRICT COUNCIL

Agenda Item No.

9

CABINET

14TH FEBRUARY 2013

REPORT OF HEAD OF FINANCE & PROPERTY

ROBUSTNESS OF ESTIMATES AND ADEQUACY OF RESERVES – 2013/14

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 place a personal duty on the Chief Finance Officer to make a report to Council when considering its budget and Council Tax. The report must deal with the robustness of the estimates and the adequacy of reserves.
- 2.2 The Act requires Members to "have due regard to the report in making their decisions". Where this advice is not accepted, it should be formally recorded within the minutes of the Council Meeting.

3. Background and Discussion

Financial Controls

- 3.1 There are safeguards to ensure that local authorities do not over-commit themselves financially. These include:
- (a) The Chief Finance Officer's powers under section 114 of the Local Government Act 1988, which require a report to Council if there is, or likely to be, unlawful expenditure or an un-balanced budget;
 - (b) The Local Government Finance Act 1992 (amended by the Localism Act 2011), which requires the Council to calculate its council tax requirement for each financial year, including the revenue costs which flow from capital financing decisions. The Act also requires the Council to budget to meet its expenditure after taking into account other sources of income. This is known as the 'balanced budget requirement';

- (c) The Prudential Code, introduced under the Local Government Act 2003, which applies to capital financing and treasury management decisions.

3.2 There are also a number of Policies and Control Procedures that the Council operates to ensure good financial probity:

- The Council operates a comprehensive and effective range of financial management policies. These are contained within the Financial Procedure Rules, which are part of the Council's Constitution.
- The Council conducts an annual review of the effectiveness of the system of internal control and reports on this in the Annual Governance Statement.
- The Council has implemented effective risk management policies, identifying corporate, operational and budget risks and mitigating strategies. Capital projects are subject to a comprehensive scoring and prioritisation process, and monitored on a monthly basis by the Property & Regeneration Group.
- The internal and external audit functions play a key role in ensuring that the Council's financial controls and governance arrangements are operating satisfactorily.
- The review processes of Cabinet, Overview & Scrutiny, and the Audit & Risk Scrutiny Committees support this role.

Robustness of Estimates

3.3 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 2013/14 revenue budget proposals and Capital Programme in the context of the Medium Term Financial Plan are:

General Fund Revenue Expenditure

- The Chancellor announced in his Autumn Statement in November 2012 that *"the current two-year pay freeze for public sector workers is due to come to an end for most from 2013"* but he said Britain *"cannot afford the 2% rise assumed by some government departments"*. Instead, he said, *"public sector pay awards would be set at an average of 1% for the two years after the pay freeze ends"*. This does present a level of certainty for the budgets, and a 1% increase has been built in for 2013/14 and 2014/15.
- The vacancy factor has been removed from the budgets from 2013/14, to reflect the position that the majority of posts, when vacant, will be removed from the establishment.
- Nottinghamshire County Council increased the Council's employer superannuation contributions by 1% from 1st April 2011. The rate of 22.1% has been applied to the employee budgets, and this will remain in place until the next triennial review at the end of 2013/14.

- Job evaluation discussions are still subject to agreement with the trade unions, for which a dedicated Job Evaluation Reserve exists to meet residual costs.
- No inflationary increases have been applied to general budgets, however any contracts that are linked to CPI or RPI have received an inflationary increase of 2.8%.
- BPL continues to provide a well-respected leisure service, and the most recent financial information suggests that the Leisure Trust continues to be financially viable, with no increased threat of default on the contract and subsequent management fee.
- Once again the Council has been proactive in anticipating budget reductions and putting measures in place to meet the established savings target. In preparation for 2013/14, the annual Star Chamber process evolved into a more strategic service budget review which has enabled £0.433m of achievable savings being built into the base budget, from a mixture of vacant posts and non-staffing savings. Further service reviews will be ongoing throughout the early part of the financial year which should release further ongoing savings.
- This year has also seen the Council giving officers a further opportunity to apply for Voluntary Redundancy/Voluntary Early Retirement/Flexible Working/Flexible Retirement. A total of three applications have been approved and this has achieved another £0.051m of savings that have been built into the 2013/14 base budget.

General Fund Revenue Income

- There is now a greater certainty on the Icelandic Bank investments made in 2008. For the two UK registered banks, Heritable bank and Kaupthing Singer & Friedlander bank have now made payments to the Council of £1.569m (77.3%) and £0.792m (76%) respectively, (including a share of interest), against the initial £3.0m investment. For the two Icelandic bank investments, Glitner bank and Landsbanki bank have now made payments to the Council of £1.668m (80%) and £1.495m (47.2%) respectively, (including a share of interest), against the initial £5.0m investment.
- Investment income interest rate assumptions have been set at 0.5%, which is prudent given current market forecasts.
- Cabinet has already approved the Fees and Charges in December 2012, and this followed a detailed examination of existing and new potential charges by a Member/officer working group during October 2012. 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. It should be noted that some of the income estimates have been further reduced this year to counteract the implication of lower consumer disposable income.
- A1 Housing continues to review its Service Level Agreements with the Council. A number of minor amendments have been made within the budget and no further changes are expected during 2013/14.

- The Council Tax is proposed to remain at 2009/10 levels, thereby taking advantage of the 1.0% Council Tax Freeze Grant payable to individual local authorities by the Department of Communities and Local Government for 2013/14 and 2014/15.

General Fund Provisions and Reserves

- As part of the 2011/12 closedown process, the Council holds an Insurance provision against general fund losses of £85,000. This figure is based upon 100% of the cumulative cost of the loss adjusters estimated value of each individual claim. This provision is re-assessed each year during the closure of accounts process.
- As a further measure against financial risk, the Council operates a strategic Corporate Contingency Fund in which £0.15m is allocated for the 2012/13 budgets. This is deemed to be sufficient to cover exceptional budget variances or emergencies that might occur in the year.
- A provision of £0.03m has been made to compensate against any fluctuations in utility costs.
- The continuing 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 and increased housing benefit levels. In the interests of prudence, the Council has increased its bad debt provision by a further £80,000 within the budget.
- In January 2010 the Council received a Capitalisation approval from the Secretary of State for £2.66m in respect of the 'perceived' loss from the £8m Icelandic bank investments. As the anticipated dividend returns have increased, the amount required to be set aside has reduced, resulting in a Treasury Management Impairment Reserve of £1.81m being held in the Council's balance sheet at 31st March 2012. For prudence this Reserve will remain in the balance sheet until such time as the final settlements have been recovered and received, or the position becomes clearer as dividends are repaid to the Council. However, £133,000 is released back to revenue each year to reflect the Minimum Revenue Provision that the council must pay on £2.66m over a 20 year period.
- The budget also contains provisions for the 'living wage' (£45k) and the introduction of auto-enrolment of pensions (£20k). The living wage is an hourly rate set independently each year. It is based upon the concept that people should earn an amount of money that enables them to live with dignity, and to provide a decent standard of living for their families. Within the Council, approximately 5% of employees would qualify, and provision has been made for this cost. Changes in legislation have meant that all employers have to automatically enrol their employees into a pension scheme, and it is then up to the employee to opt out if required. A provision has been built into the budget to represent the cost of some employees who are not currently in the scheme but may choose to stay in the pension scheme once enrolled.
- The Risk Management Group has identified "*a significant one-off challenge to a decision or new compensation trend emerges*" as a corporate risk, and in

response a budget has been allocated for £0.1m in the 2012/13 budgets. All claims with a financial value that is above officers' delegated powers will be reported to Cabinet as they emerge in year, if any should arise.

Housing Revenue

- 2013/14 will be the second year of HRA Self-financing following all of the changes (including a transfer of an additional £26.9m of long term debt) that were implemented in April 2012. The comprehensive business plan was updated towards the end of 2012, and this has proved that the HRA and its associated capital programme are both viable and affordable over the 30 year term. A critical assumption within the business plan is that the Council follows the government's prescribed rent setting policy, and this was agreed by Cabinet on 8th January 2013.
- Under self-financing, all of the treasury management decisions are now made specifically for Housing as the loans pool is split into two i.e. one for General Fund and one for the Housing Revenue Account. The Treasury costs are one of the largest budgets within the Housing Revenue Account, and as a result of the changes, these are relatively fixed giving added stability to the decision-making process.

Capital Programme and Funding

- Funding for General Fund 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. However, some amounts of Prudential Borrowing will be used for 'long life' assets as a substitute for capital receipts. This additional pressure on the Minimum Revenue Provision (MRP) has been built into the revenue budgets.
- The effects of major flooding within the district became a reality in 2007 and may happen again. Since that time measures have been instigated in response to the Pitt Review, and a number of key projects have been completed with regard to flood alleviation schemes. The Council takes a proactive approach to flood mitigation, and further resources are being committed as part of the Capital Programme for 2013/14 and future years.
- The Asset Management Plan and General Fund Capital Programme budget reports provide an indication of the levels of capital receipts anticipated during the five-year period. These sums provide the upper limit of the capital programme, and further schemes are not approved until any future capital receipts have been received and banked. This approach is seen as best practice and has been applied in Bassetlaw for many years.
- The Capital Programme is set out in a separate report. In summary, the costs of borrowing used to fund the Capital Programme is accounted for in the 2013/14 revenue budget.

Statement of Accounts

- The Council adopted the International Financial Reporting Standards (IFRS) within the 2010/11 and 2011/12 accounts, and no further changes to accounting for assets have been announced for the 2012/13 closure process.
- The Council has sound Financial Management arrangements in place as evidenced by the positive *Annual Governance Report 2011/12* received from the Audit Commission.

Adequacy of Reserves

- 3.4 The Local Government Finance Act 2003 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*).
- 3.5 Earmarked Reserves are intended to be used for specific purposes over a period of time of more than a single financial year. These earmarked reserves either protect the Council against specific financial risks, or they are used as a means of funding specific revenue projects. The main reserves held by the Council are the Job Evaluation Reserve, the Treasury Management Impairment Reserve, and the Developers Revenue Contributions Unapplied Reserve.
- 3.6 The General Reserve is a corporate contingency to be deployed by either Cabinet or Council for any purpose within the legal powers of the Council. Examples of the purposes for which it might be used include: dealing with unforeseen in-year budget pressures, financing once-only items of expenditure, or creating a strategic earmarked reserve.
- 3.7 In consideration of this guidance, the Council is maintaining its Minimum Working Balance of £1.0m for the General Fund, and increasing it from £1.0m to £1.3m for the Housing Revenue Account, this is in response to the changes arising out of the new HRA self-financing system and the welfare reform agenda. In the event of these Minimum Working Balances being compromised, Cabinet and Council, as advised by the Chief Finance Officer, must agree a plan to restore the balance in the following financial year.
- 3.8 The resulting levels of General Reserves and Balances from the proposed 2013/14 budget (i.e. at 31st March 2014) are summarised below. Further details are available in the budget report elsewhere on this agenda.

	31st March 2014 £'000
General Fund Revenue	
Minimum Working Balance	1,000
General Reserve (incl. Manton)	56
Treasury Management Impairment Reserve	1,619
Job Evaluation Reserve	620
Developers revenue Contributions Unapplied	180
	<u>3,475</u>

Housing Revenue	
Minimum Working Balance	1,300
General Reserve	75
	1,375
Capital	
Capital Receipts	1,346
Capital Reserves	0
	1,346

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: 13/383

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: 14/02/13

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 3.3 above:

AREA OF RISK	RISK FACTOR	ACTIONS TAKEN
Revenue spending above 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 wherever possible. Managers, Directors and Portfolio holders all receive monthly budget monitoring information. Budget holder refresher training to be undertaken during the year. Accountability clearly identified and spending officers are well aware of their financial responsibilities, but as budgets get smaller then the pressure and risk of overspending increases.
Achieving the savings target in future years	High	Service budget reviews have identified a number of potential areas for restructure and efficiency savings, and these will be progressed by Directors and Heads of Service during the early part of the financial year in consultation with staff and Unions. The Council has yet to face the full implementation of welfare reforms, and any government changes to local authority financing post 2014/15. The Council has a good track record in responding to financial challenges, and this will require the same co-ordinated and objective approach to be taken by Members and Officers together over the coming months to identify the savings and ensure that the Minimum Working Balances are maintained.
Income achievement	Medium	Some income budgets have been further reduced to relatively low levels. Rigorous budget monitoring throughout the year. Budget accountability clearly identified. Corporate Charging Policy in place for fees and charges.

Achieving Service Budget Review savings	Medium	Already removed from the base budget. Rigorous budget monitoring throughout the year. Accountability clearly identified.
Achieving target spending for capital programme	Medium	Property & Regeneration Working Group monitors and co-ordinates capital programme. Accountability clearly identified.
Exposure to Borrowing interest rate changes	Low	The greater proportion of long-term borrowing is in respect of Housing and this was delivered in March 2012 in preparation for the new self-financing regime. It is unlikely that substantial levels of borrowing will ensue in the coming years.
Investment interest rate changes	Low	Interest rate forecasts from Treasury advisors have been used in the calculation. Cash balances for investment have been assessed prudently, taking into account the strategy of using investments as an avoidance of borrowing. Consequently the budget is set at low levels of return.
Volatility of grant income	Low	As per above, 2013/14 and 2014/15 are now known, but the longer term position is unclear.
Achieving vacancy rate	Low	Vacancy targets have been removed from the budget so any vacancies that arise will be treated as a windfall. Budget accountability clearly identified. Managed via budget monitoring process.
Complying with grant requirements	Low	Very few grants in operation. No adverse audit commentary received.

6. **Conclusions**

6.1 Having considered the above risks, the conclusion of the Section 151 Officer is that the Council be advised that overall:

- The estimates are sufficiently robust, and,
- The levels of reserves and balances forecasted to be held at 31st March 2014 are adequate,

to allow the Council to set the Revenue Budget, Capital Programme and Council Tax for 2013/14.

6.2 The reductions in local government finance have been announced for 2013/14 and 2014/15, but this will not be the end of it, with annual reductions expected until the government's self-imposed target of 2019/20. With this in mind, both Members and officers must deliver a programme of change and modernisation in preparedness of

any detrimental impact these changes may impose upon Bassetlaw District Council in future years.

7. Recommendations

- 7.1 That Cabinet considers this report in conjunction with the suite of other budget reports also reported on this agenda and recommends it to full Council on 4th March 2013.

Background Papers
Budget working papers

Location
Accountancy office